



New York City
Fire Department Pension Fund, Subchapter Two
Performance Overview as of March 31, 2012

Total Fund Overview

New York City

Fire Department Pension Fund, Subchapter Two

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Equity Markets

During the first quarter equity markets posted positive results as “risk” assets continued to be in favor with both institutional and retail investors. The quarter started out with a strong January-February rally, as investors shook off concerns about the European debt crisis and continued turmoil in the middle-east. However, the non-US equity and bond markets began pulling back in March as mixed economic data from China and rising interest rates started to negatively impact asset prices.

In the early part of the quarter investors continued to responded favorably to improving economic data. As indicators increasingly pointed towards improvements in the unemployment picture, further recovery of the US housing market and moderate US GDP growth, the primary beneficiaries were those market segments deemed as riskier and investors pulled away from the safe haven of US Treasuries. Emerging markets out-paced developed markets. The more cyclically sensitive sectors (energy, industrials, materials) outperformed their defensive counterparts (utilities, telecommunications, consumer staples). Across the board, growth outperformed value.

Fixed Income Markets

Fixed Income markets delivered mixed results, as higher-risk segments of the market out-performed the more interest-rate sensitive segments during the quarter. US Treasury rates spiked at the end of March and into April, driving negative results for most bond categories in the last month of the quarter. For the full quarter, US high yield and local currency emerging markets debt were among the best performing sectors. US high grade credit led investment grade sectors, with the financial sector driving returns. Riskier segments of bond markets seemed to shrug off persistent concerns over the still unsettled problems brewing in the Eurozone, providing fuel for the rally.

During the quarter, the BC Aggregate Index returned 0.3%, reflecting negative performance in governments and agency securities. Long-term US Treasuries and TIPS continue to be the best performing fixed income segments for the year, with both returning well over 20%. Overall, the profile of the Treasury yield curve ended the quarter much flatter vs. one-year ago, particularly on the longer end, as yields declined over most of 2011.

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Through March 31, 2012

Despite posting a negative return in March, the JP Morgan GBI-EM Global Diversified Index (unhedged), which tracks the performance of local currency emerging sovereign debt, was up 8.3% in the first quarter. The underlying bond markets in emerging countries performed well across most regions; however, emerging currencies were weak against a stronger dollar through most of the quarter.

Commodity Markets

Despite a negative return in March, the Dow Jones UBS Commodity Index (DJ-UBS) posted a positive first quarter return of 0.9%. During the first quarter the divergence of returns between the Goldman Sachs Commodity Index (GSCI) and the DJ-UBS continued, with the returning 5.9% for the quarter to outperform the DJ-UBS by 5%. The GSCI has continued to benefit from its higher weight to energy, as that part of the commodities market experienced gains.

Private Markets

US private equity markets continued to perform well into the first quarter. As previously reported, the broad private equity markets saw \$123 billion of new commitments during 2011. This amount is nearly 22% higher than in 2010, with the increase predominantly coming from new buyout funds being seeded, positioning long-term private capital for eventual economic recovery. However, the 2011 US private equity commitments were still no more than one-third of the amount of annual capital that was committed to new funds during the peak years of 2006–2008. Despite the ongoing dislocation in the European Union, European private equity markets saw an even larger increase in the amounts committed to new funds in 2011 at \$53 billion, with a blend of buyout and distressed funds being raised to take advantage of the dislocation and potential asset sales in the banking sector.

Core real estate continued its strong performance run, with the NCREIF Property Index posting a +2.6 return and the ODCE Index returning +2.8%. While non-core distressed properties continued to deliver mixed results, property fundamentals in the US continued to improve moderately, with occupancies and new rental rates generally stable-to-increasing relative to 2011, but new development remaining challenged. In the core market, capitalization rates and property values have been approaching peak values, and average income yields remain attractive relative to high grade fixed income markets. Spreads between core real

Consultant's Commentary

Through March 31, 2012

estate income yields and the five-year US Treasury (currently close to 500 bps) are still near all-time highs. Moderate capital flows, both equity and debt, continue into the core market. Open-end core real estate funds still have multiple-quarter entrance queues.

Non-core real estate valuations continue to lag. In this segment properties remain priced 25%–40% below peak values as many owners struggle to recapitalize. Fundraising remains difficult, with volumes still well below peak levels, and limited debt capital available from traditional sources to help restructure over-levered balance sheets. We believe that the distress in the non-core market will continue through the remainder of 2012, presenting an opportunity for investors who are able to take on illiquidity. We view two broad strategies to be attractive: recapitalization (loan-to-loan) and control (loan-to-own). The recapitalization strategy provides gap financing to restructure properties, with generally a value add type risk/return profile. The control strategy represents an opportunistic risk/return profile that requires expertise in foreclosure, bankruptcy, restructuring, and repositioning.

Asset Allocation: As of March 31, 2012 the Fund's commitment to equity (including domestic, international, emerging, and opportunistic) was 58.8%, which was ahead of the Fund's long-term policy target of 48.5% and ahead of the equity allocation of the median Public Fund in the ICC Universe (53.7%). In fixed income, the Fund's 29.6% allocation was behind the new long-term target of 35.5% (core bonds, high yield, convertibles, global fixed income, TIPS and Opportunistic Fixed). The Fund's equity commitment was ahead of the median Public Fund in the ICC universe (53.7%).

Performance: For the quarter, the Fund returned +8.1% and ranked in the 1st quartile of the BNY Mellon Public Master Trust universe and 2nd quartile of the ICC's Public Funds universe. Active managers detracted 0.4% of return from aggregate performance during the quarter, and allocation decisions added 0.5% to Total Fund return. For the year, the Fund returned +4.0%, ranking close to median in the BNY Mellon Public Master Trust universe and in the 3rd quartile of the ICC Public Funds universe. Active managers detracted 134 basis points over the trailing year, and deviations from policy detracted 48 basis points to overall returns.

Consultant's Commentary

Through March 31, 2012

Domestic Equity Composite

The Fund had 37.2% invested in domestic equity at the end of the first quarter. Within domestic equity, the Fund was underweight the Russell 3000 Index by 1.0%, overweight the Russell 1000 Active index by 1.3%, overweight by 1.1% for the Russell 2000 Index, underweight Small Cap Active by approximately 1.5%, overweight Mid Cap Active by 1.1% and underweight S&P 400 Index by 1.5%.

For the quarter, the Total Domestic Equity Portfolio returned +13.4%, outperforming the Russell 3000 Index (+12.9%) by 55 bps. Active management in the large-, mid- and small-cap categories outperformed their respective benchmarks during the quarter.

International Equity Composite

At the end of the first quarter, the Fund had an allocation to international equity of 17.0%. Of this total, 39.5% was allocated to emerging markets equity and 60.5% was allocated to developed international markets. The Fund also allocates across style in the developed international space, with 13.2% of the allocation invested in active value mandates, 24.1% in core mandates, 10.9% in growth mandates, and the residual invested in Non-US Activist mandates. A total of 23.6% of the total international allocation was invested passively, including 12.6% invested in Emerging Markets Passive investments and 11.0% invested in Passive developed investments.

The International Developed Markets Equity Composite (excludes the activist/environmental managers) returned +11.2% in the first quarter, outperforming the MSCI EAFE Index (+10.9%). Active managers outperformed passive managers within the Fund by 31 bps during the quarter. Amongst active managers, Pyramis (+12.7%) and Thornburg (+11.8%) posted the strongest returns relative to the MSCI EAFE Index.

The Emerging Markets Composite returned +15.2% in the first quarter, outperforming the MSCI EM Index by 102 basis points.

Consultant's Commentary

Through March 31, 2012

Fixed Income Composite

At the end of the first quarter, the Fund had an allocation to fixed income of 29.0%. Of the allocation to fixed income, 55.6% was invested in structured fixed income, 20.1% was allocated to high yield, 6.5% was invested in TIPS, 9.1% was allocated to cash & short term investments, 3.4% was in convertible bonds, 2.1% was allocated to targeted investments, 2.8% was allocated to opportunistic fixed income, and 0.4% was allocated to global bonds.

The Structured Fixed Income Composite returned +1.0% in the first quarter, outperforming the NYC Core plus 5 Index return of +0.4%. The Barclays Capital Aggregate Index returned +0.3% in the quarter. Investment grade corporate bonds out-performed the government sector during the quarter, driven by strong performance in the financial sector. Treasuries were down -1.3% in the first quarter.

The Enhanced Yield or high yield fixed income composite, posted a return of +4.3%, which underperformed the Citigroup BB & B Index return of 4.5%. Seix was the best performing high yield bond manager returning +4.8% in the first quarter.

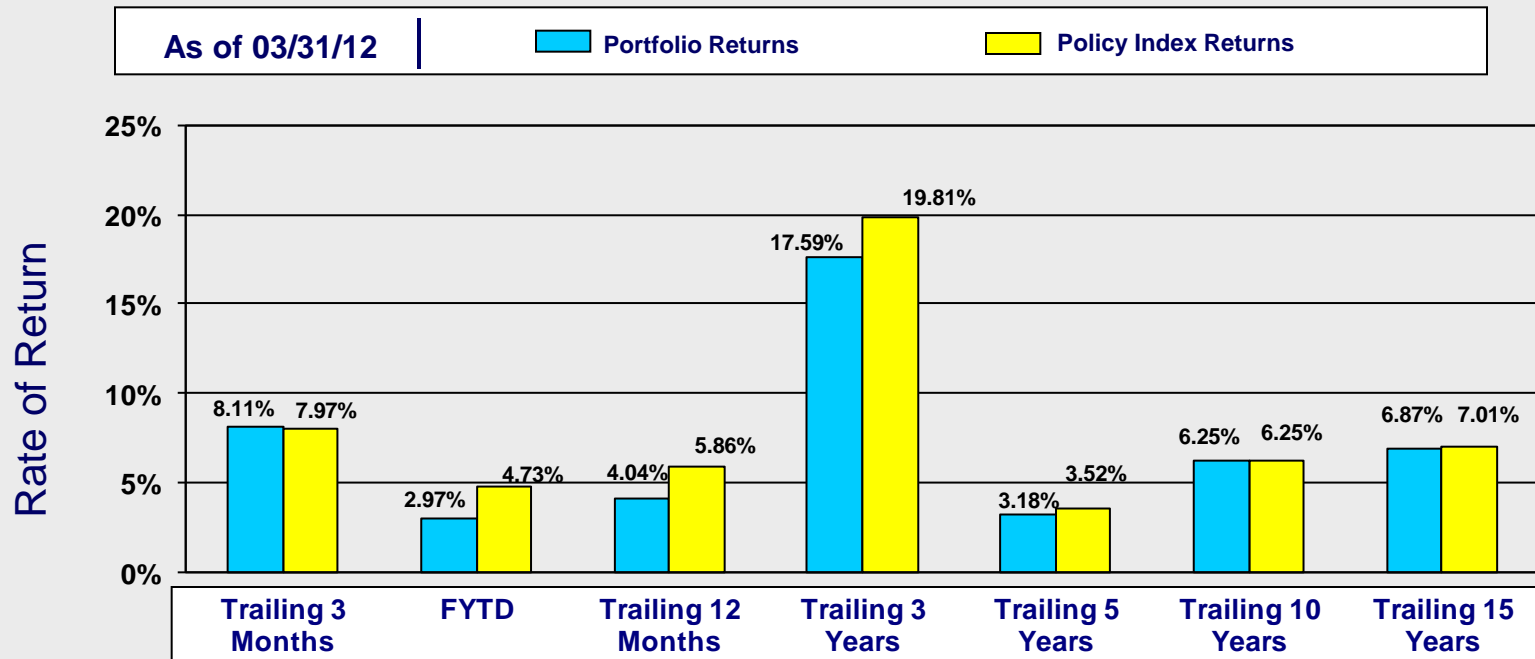
The TIPS Composite returned +0.8%, under-performing the Barclays Capital US TIPS Index (+0.9%) by 10 basis points.

Real Estate Equity Securities Composite & Private Equity

As of March 31, 2012, the Fund had \$405 million invested in REITs for a commitment of 4.9% of Total Fund assets. In the first quarter, the REIT portfolio returned +11.4%, outperforming the DJ US Select Real Estate Securities Index by 53 basis points. As of March 31st the Fund had an allocation to Private Real Estate of 2.8% and 6.6% allocated to Private Equity.

Total Portfolio Returns: March 31, 2012

\$8.3B Under Management



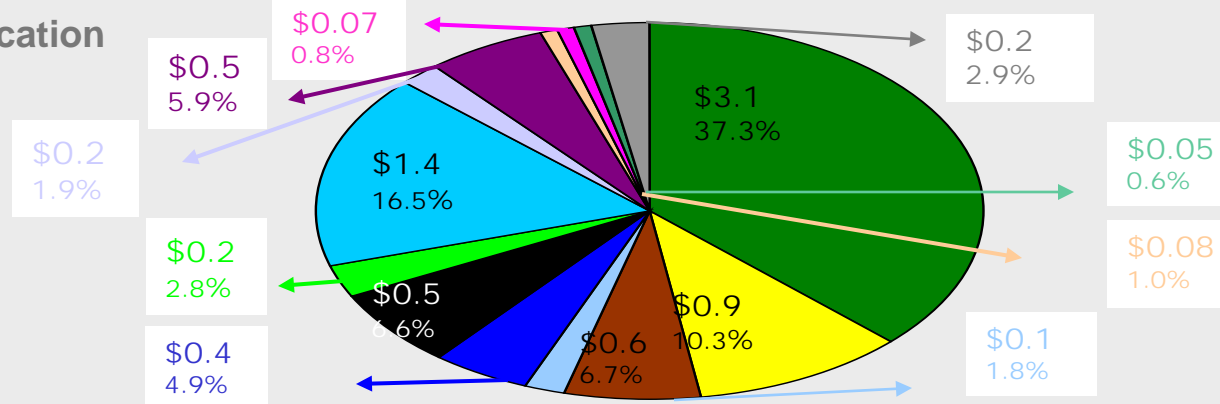
| | 3 Years | 5 Years | 10 Years | 15 Years |
|-------------------|---------|---------|----------|----------|
| Plan Std Dev | 10.8 | 13.2 | 11.1 | 11.4 |
| Benchmark Std Dev | 12.0 | 14.7 | 12.1 | 12.1 |

All returns are Gross. An estimate of fees for major investment programs is provided in the Appendix.

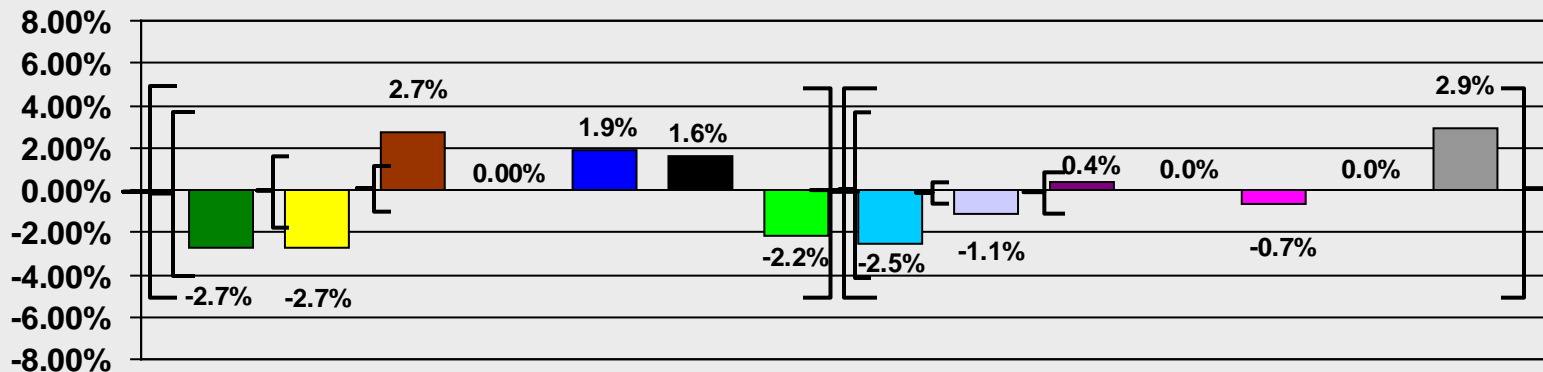
Portfolio Asset Allocation: March 31, 2012

\$8.3B Under Management

Asset Allocation



Relative Mix to Old Policy Weights

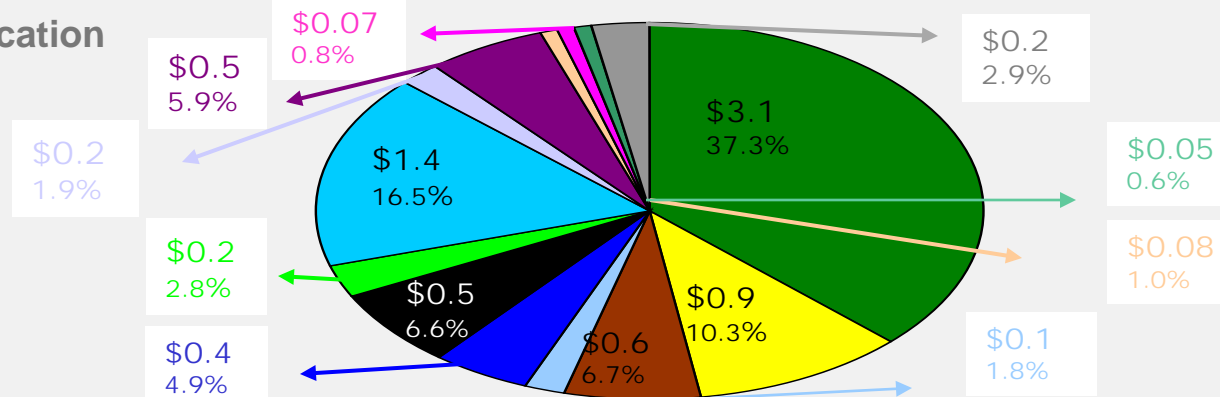


Note: Brackets represent rebalancing ranges versus Policy.

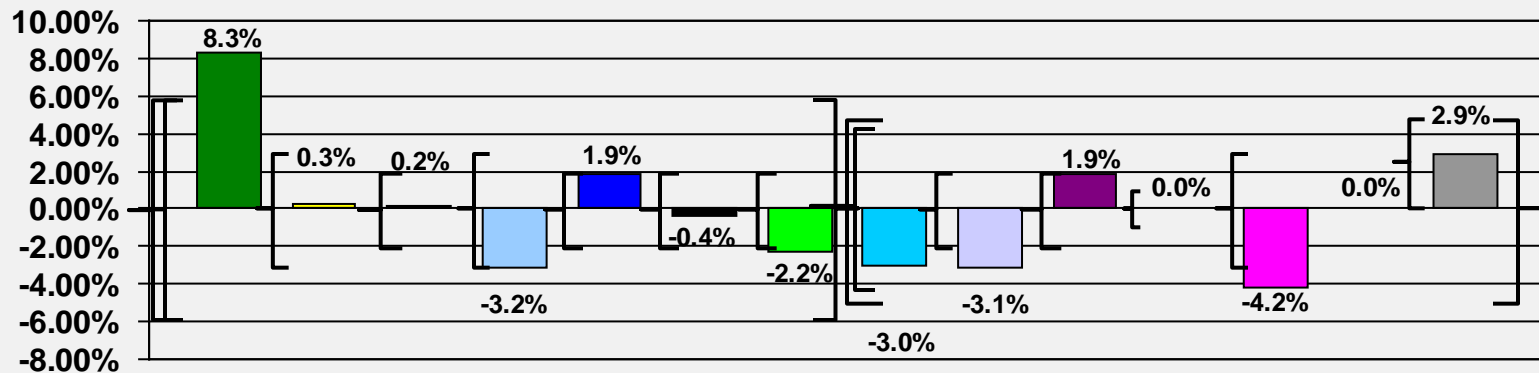
Portfolio Asset Allocation: March 31, 2012

\$8.3B Under Management

Asset Allocation



Relative Mix to New Policy Weights

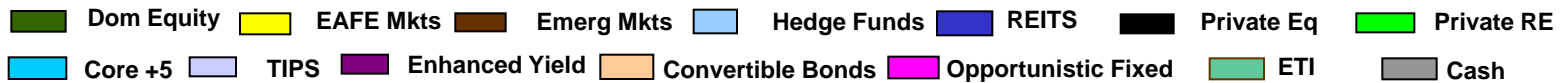
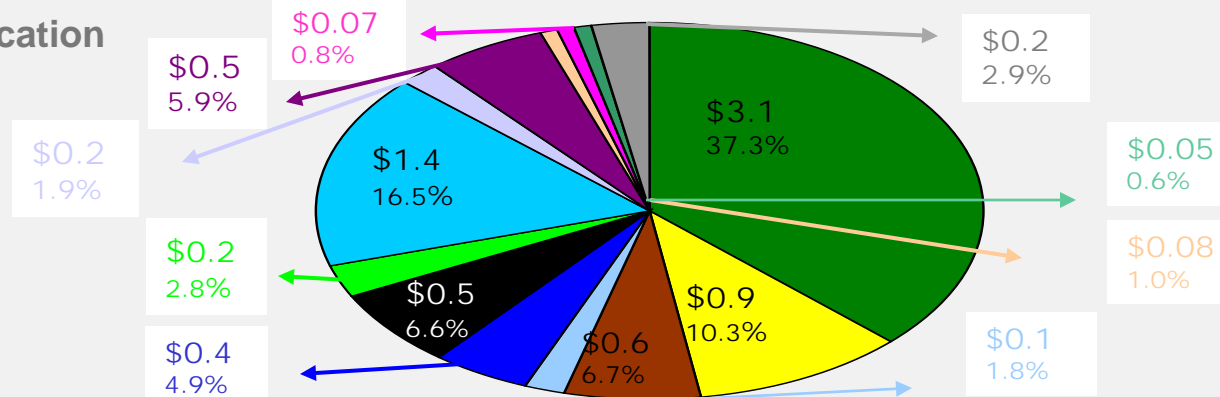


Note: Brackets represent rebalancing ranges versus Policy.

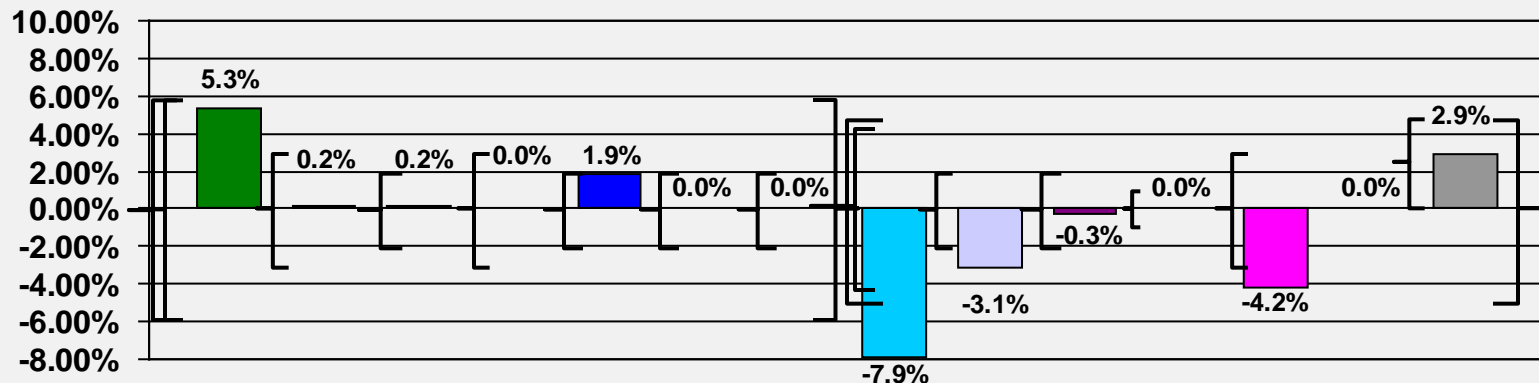
Portfolio Asset Allocation: March 31, 2012

\$8.3B Under Management

Asset Allocation

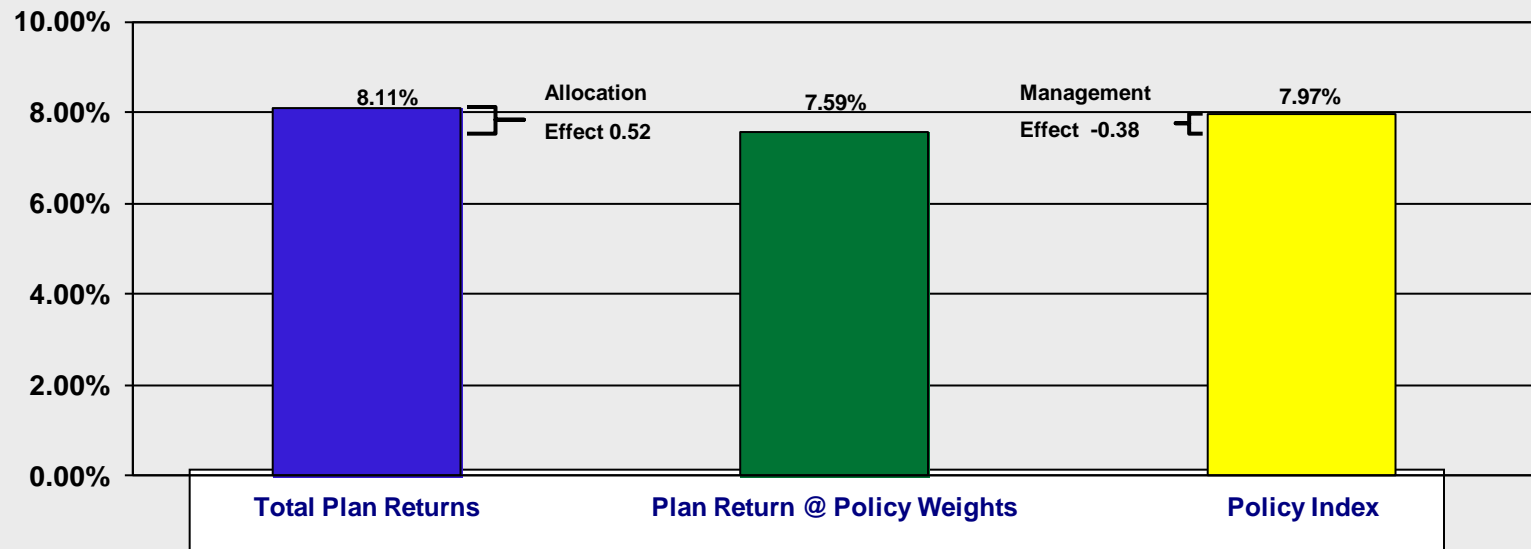


Relative Mix to Adjusted New Policy Weights

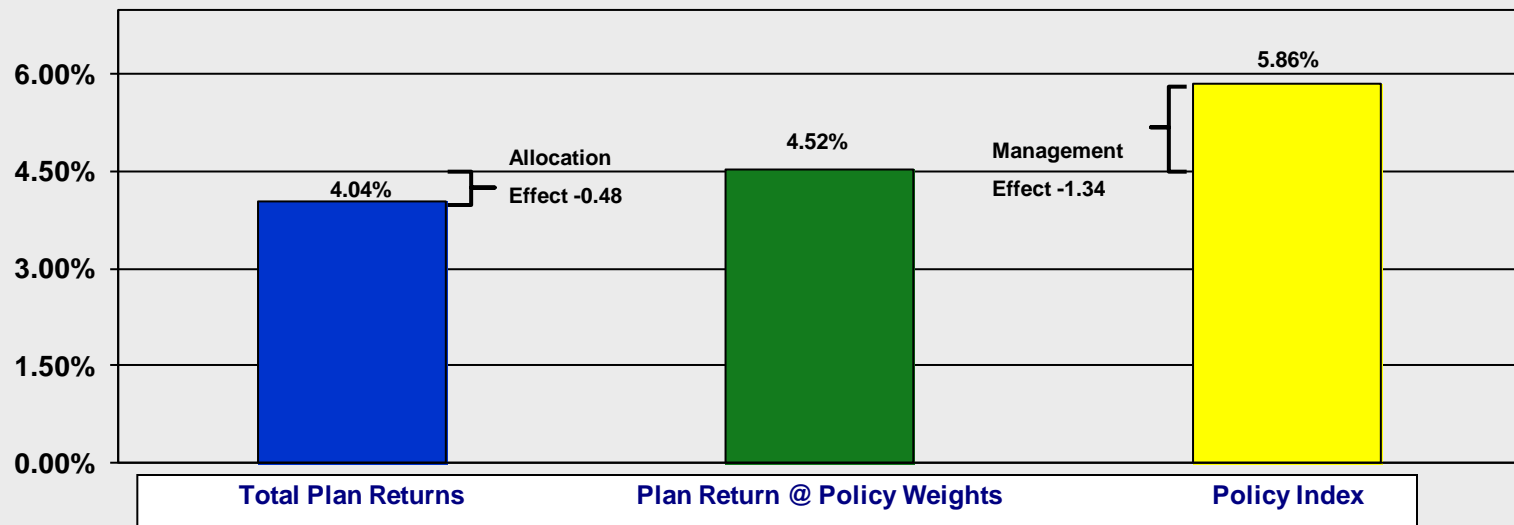


Note: Brackets represent rebalancing ranges versus Policy.

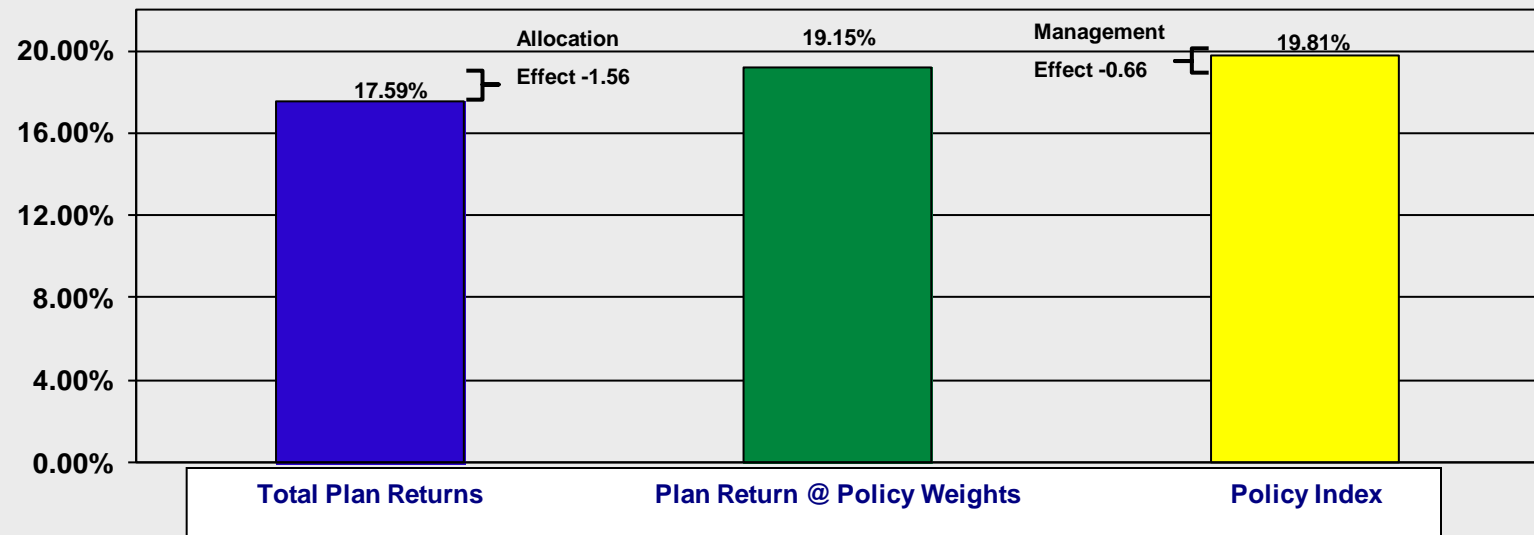
Performance Attribution: Total Plan – Quarter Ending March 31, 2012



Performance Attribution: Total Plan – 12 Month Ending March 31, 2012



Performance Attribution: Total Plan – 3 Years Ending March 31, 2012



Total Plan: March 31, 2012

Management Effect – Asset Class Breakdown

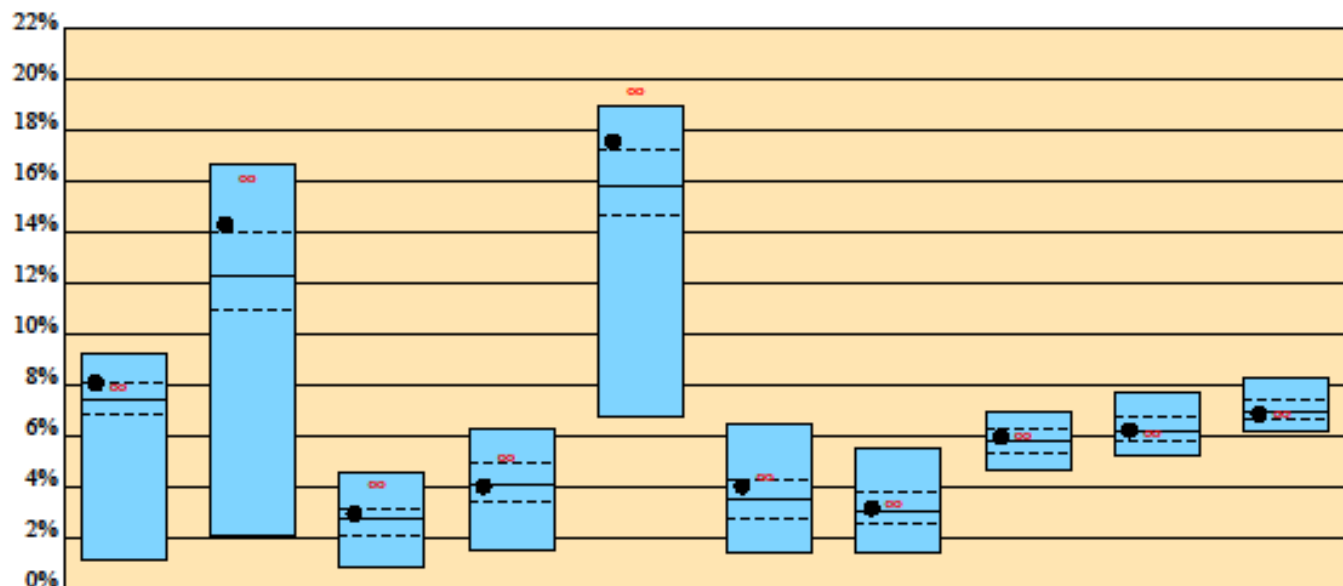
| <u>Plan</u> | <u>Quarter</u> | <u>12 Months</u> | <u>3 Years</u> | <u>Benchmark</u> |
|---------------------|----------------|------------------|----------------|--|
| Domestic Equity | 018 | -0.59 | -0.14 | Russell 3000 Index |
| EAFE Markets | 0.03 | 0.10 | 0.16 | MSCI EAFE Index |
| Emerging Markets | 0.06 | 0.09 | 0.06 | MSCI Emerging Markets Index |
| REITS | 0.02 | 0.00 | 0.00 | DJ US Select RE Securities Index |
| Private Equity | -0.80 | -0.63 | -0.96 | Russell 3000 Index + 500 b.p. |
| Private Real Estate | 0.02 | -0.08 | -0.15 | NCREIF ODCE net |
| Hedge Funds | -0.02 | N/A | N/A | HFRI Fund of Funds Composite Index + 1% |
| Domestic Fixed | 0.11 | -0.02 | 0.29 | NYC Core +5 Index |
| Enhanced Yield | -0.01 | -0.04 | 0.00 | Citigroup BB&B Index |
| TIPS | 0.00 | 0.00 | 0.00 | Barclays Capital US TIPS Index |
| Convertible Bonds | -0.02 | -0.02 | -0.04 | ML All US Convertibles ex Mandatory (V0A0) |
| Opportunistic Fixed | 0.00 | -0.10 | N/A | JPM Global High Yield +3% |

Note: Detailed effects may not add up to total due to reallocation and trading effects.

City Of New York - Fire

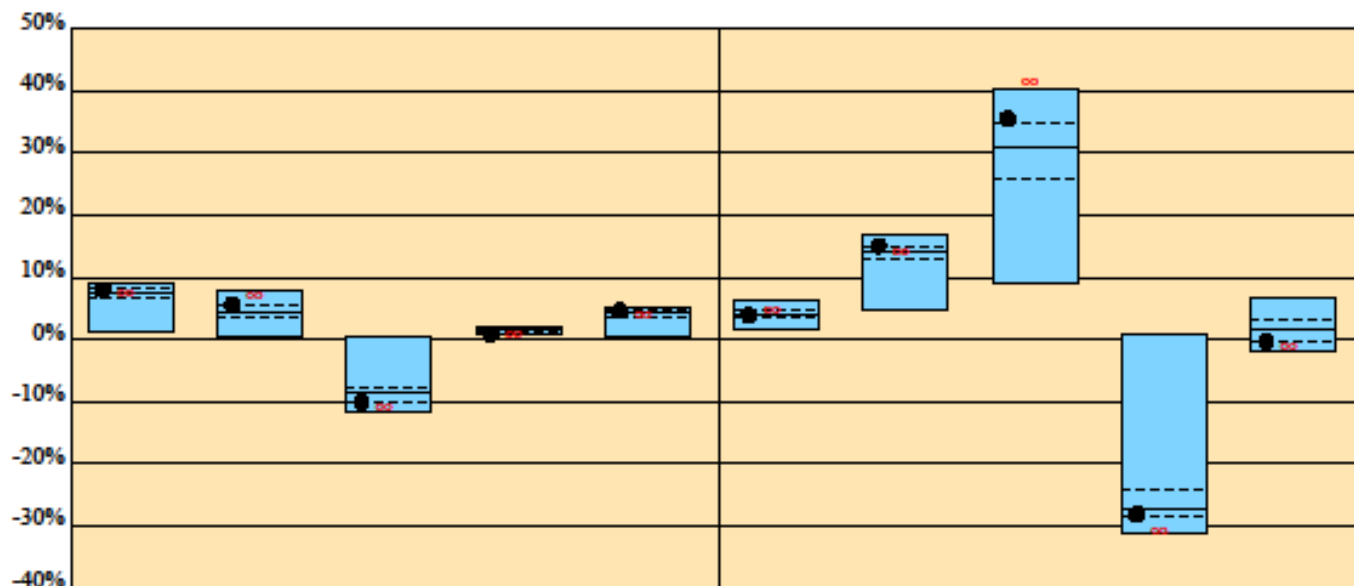
Total Returns of Public Master Trusts > \$1 Billion

Rates of Return for Periods Ending March 31, 2012



| | 1 Quarter | 2 Quarters | 3 Quarters | 1 Year | 3 Years | 4 Years | 5 Years | 7 Years | 10 Years | 15 Years |
|--------------------------|-----------|------------|------------|-----------|------------|-----------|-----------|-----------|-----------|-----------|
| 5th Percentile | 9.21 | 16.62 | 4.55 | 6.29 | 18.92 | 6.49 | 5.48 | 6.97 | 7.69 | 8.24 |
| 25th Percentile | 8.06 | 13.95 | 3.14 | 4.91 | 17.20 | 4.29 | 3.74 | 6.23 | 6.72 | 7.43 |
| Median | 7.43 | 12.25 | 2.72 | 4.04 | 15.81 | 3.52 | 3.05 | 5.79 | 6.18 | 6.97 |
| 75th Percentile | 6.80 | 10.93 | 2.03 | 3.41 | 14.62 | 2.73 | 2.51 | 5.30 | 5.82 | 6.67 |
| 95th Percentile | 1.08 | 2.06 | 0.77 | 1.45 | 6.76 | 1.34 | 1.40 | 4.64 | 5.22 | 6.18 |
| ● Total System | 8.11 (23) | 14.33 (19) | 2.97 (35) | 4.04 (51) | 17.60 (18) | 4.05 (30) | 3.19 (41) | 5.99 (40) | 6.25 (46) | 6.87 (62) |
| oo Fire Policy Benchmark | 7.97 (29) | 16.21 (7) | 4.12 (11) | 5.23 (14) | 19.59 (4) | 4.42 (20) | 3.40 (31) | 6.10 (33) | 6.19 (48) | 6.97 (50) |

City Of New York - Fire Total Returns of Public Master Trusts > \$1 Billion Recent Periods



Quarter Ending

Year Ending

| | Mar 12 | Dec 11 | Sep 11 | Jun 11 | Mar 11 | Mar 12 | Mar 11 | Mar 10 | Mar 09 | Mar 08 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|

5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile

| | | | | | | | | | | |
|-----------------|------|------|--------|------|------|------|-------|-------|--------|-------|
| 5th Percentile | 9.21 | 7.73 | 0.53 | 2.16 | 5.11 | 6.29 | 16.89 | 40.39 | 0.67 | 6.57 |
| 25th Percentile | 8.06 | 5.66 | -7.58 | 1.78 | 4.74 | 4.91 | 15.03 | 34.84 | -24.10 | 3.10 |
| Median | 7.43 | 4.48 | -8.58 | 1.48 | 4.23 | 4.04 | 14.02 | 30.99 | -27.14 | 1.46 |
| 75th Percentile | 6.80 | 3.72 | -9.94 | 1.10 | 3.63 | 3.41 | 12.85 | 25.88 | -28.43 | -0.20 |
| 95th Percentile | 1.08 | 0.60 | -11.76 | 0.67 | 0.52 | 1.45 | 4.65 | 9.17 | -31.26 | -1.80 |

● Total System

| | | | | | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|-------------|------------|
| | 8.11 (23) | 5.76 (20) | -9.94(75) | 1.04 (79) | 4.79 (19) | 4.04 (51) | 15.22 (17) | 35.70 (20) | -27.93 (62) | -0.20 (75) |
|--|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|-------------|------------|

∞ Fire Policy Benchmark

| | | | | | | | | | | |
|--|-----------|----------|-------------|-----------|-----------|-----------|------------|-----------|-------------|------------|
| | 7.97 (29) | 7.64 (5) | -10.41 (87) | 1.07 (78) | 4.41 (32) | 5.23 (14) | 14.58 (32) | 41.86 (4) | -30.50 (89) | -0.58 (83) |
|--|-----------|----------|-------------|-----------|-----------|-----------|------------|-----------|-------------|------------|

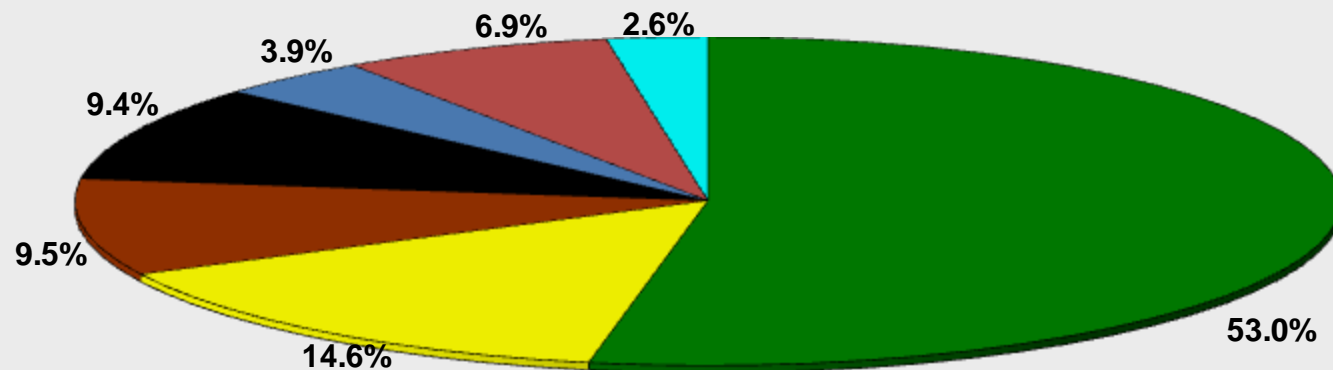
New York City
Fire Department Pension Fund, Subchapter Two

Equity Analysis

Total Equity Asset Allocation: March 31, 2012

\$5.8B Under Management, **70%** of Total Funds

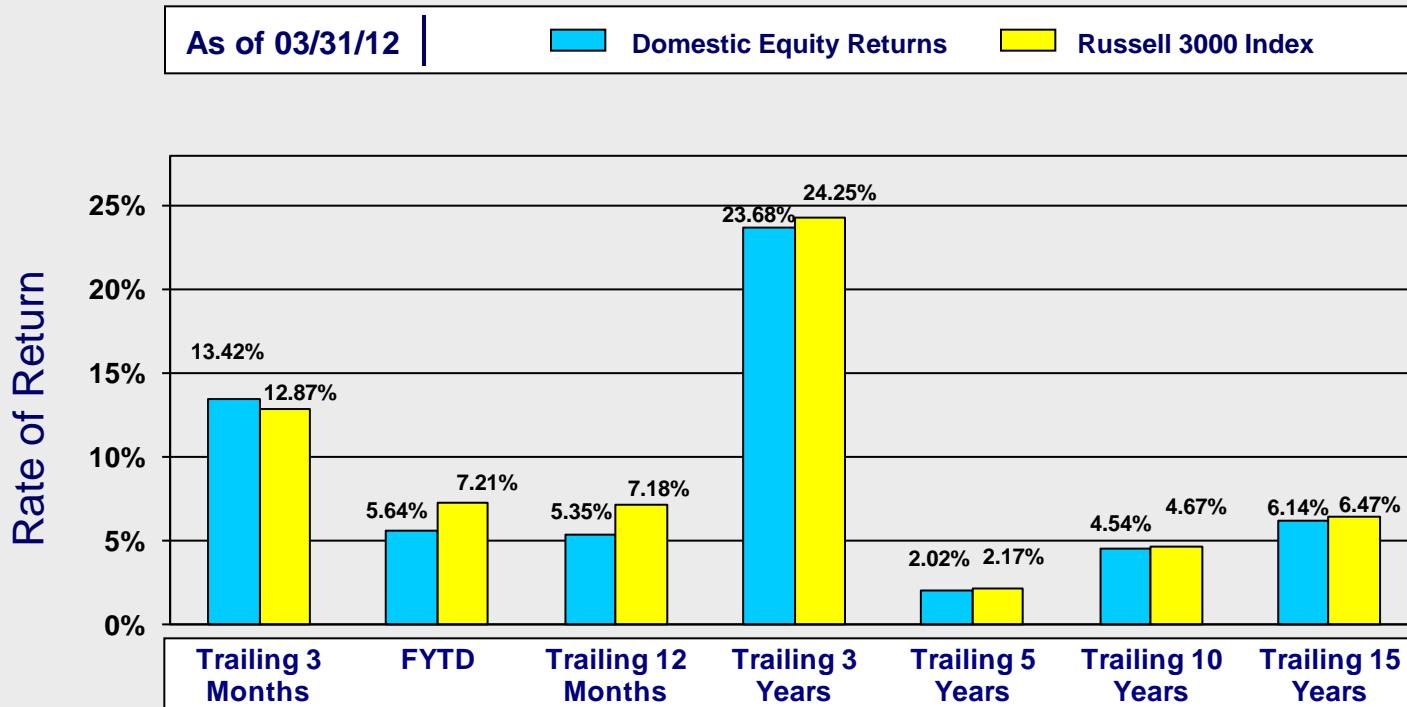
Asset Allocation by Groups



| | | | |
|-----------------------|-------------|-----------------|------------------|
| ■ Domestic Equity | ■ EAFE Mkts | ■ Emerging Mkts | ■ Private Equity |
| ■ Private Real Estate | ■ REITS | ■ Hedge Funds | |

Total Domestic Equity Returns vs Russell 3000 Index

\$3.1B Under Management, **37%** of Total Funds

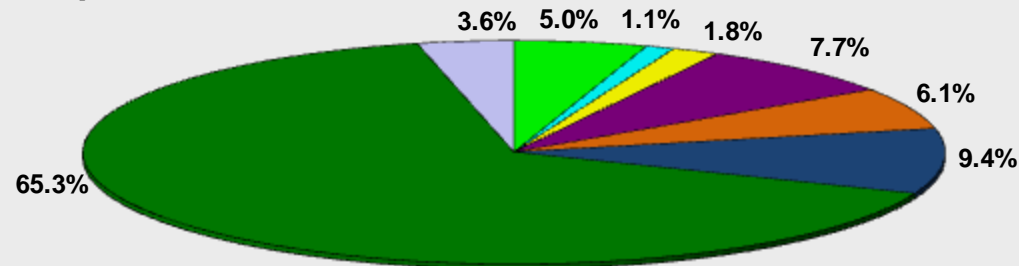


| | 3 Years | 5 Years | 10 Years | 15 Years |
|-------------------|---------|---------|----------|----------|
| Plan Std Dev | 17.2 | 19.9 | 16.5 | 16.8 |
| Benchmark Std Dev | 16.8 | 19.7 | 16.4 | 16.9 |

Total Domestic Equity Asset Allocation: Quarter Ending March 31, 2012

\$3.1B Under Management, **37%** of Total Funds

Asset Allocation by Groups



| | | | |
|-----------------------|--------------------------|-------------------------|-------------------|
| Small Cap Active | Small Russell 2000 Index | Small to Mid Cap Active | Mid Cap Active |
| Mid Cap S&P 400 Index | Russell 1000 Active | Russell 3000 Index Fund | Emerging Managers |

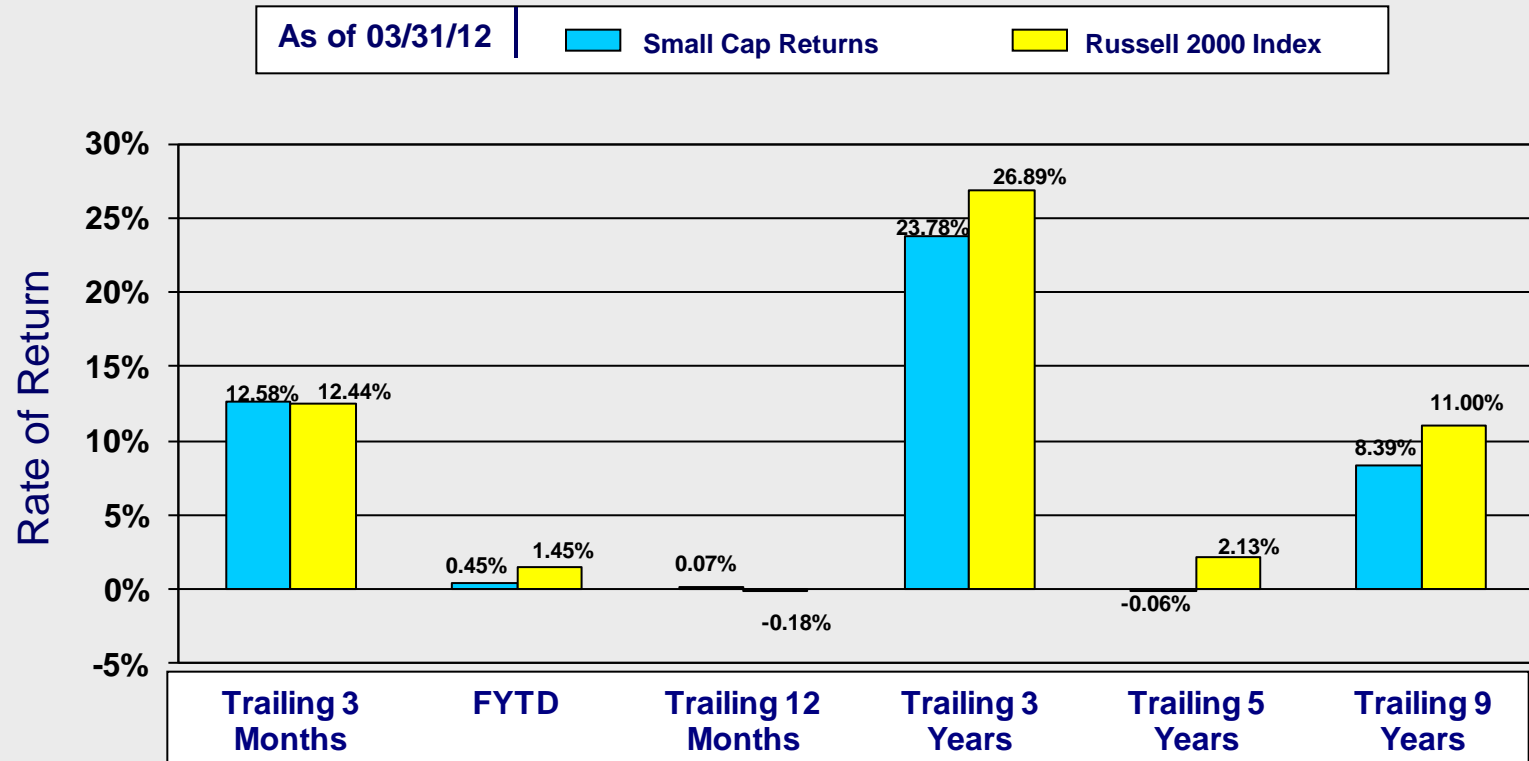
Value Added by Sectors

| Sub Sector | Policy Weight | Actual Weight | Under/Over Weight | Index Return | Actual Return | Difference | Contribution to Out/Under Performance | |
|----------------------------|---------------|---------------|-------------------|--------------|---------------|------------|---------------------------------------|------------|
| | | | | | | | Allocation | Management |
| Small Cap Active | 6.45 | 4.99 | -1.46 | 12.44 | 12.62 | 0.18 | 0.00 | 0.00 |
| Small Russell 2000 Index** | 0.00 | 1.08 | 1.08 | 12.44 | 12.44 | 0.00 | 0.00 | 0.00 |
| Small to Mid Cap Active | 1.60 | 1.77 | 0.17 | 11.52 | 12.77 | 1.25 | 0.00 | 0.02 |
| Mid Cap Active | 6.65 | 7.72 | 1.07 | 12.94 | 16.05 | 3.11 | 0.00 | 0.24 |
| Mid Cap S&P 400 Index** | 7.53 | 6.06 | -1.47 | 13.50 | 13.49 | 0.00 | -0.01 | 0.00 |
| Russell 1000 Active | 8.17 | 9.43 | 1.26 | 12.90 | 15.30 | 2.40 | 0.00 | 0.22 |
| Russell 3000 Index Fund** | 66.30 | 65.35 | -0.95 | 12.87 | 12.84 | -0.03 | 0.00 | -0.02 |
| Emerging Managers | 3.30 | 3.61 | 0.31 | 12.87 | 14.69 | 1.82 | 0.00 | 0.06 |

**Index Fund Managers also used to meet capitalization size policy not met through Active managers.

Small Cap Returns vs Russell 2000 Index

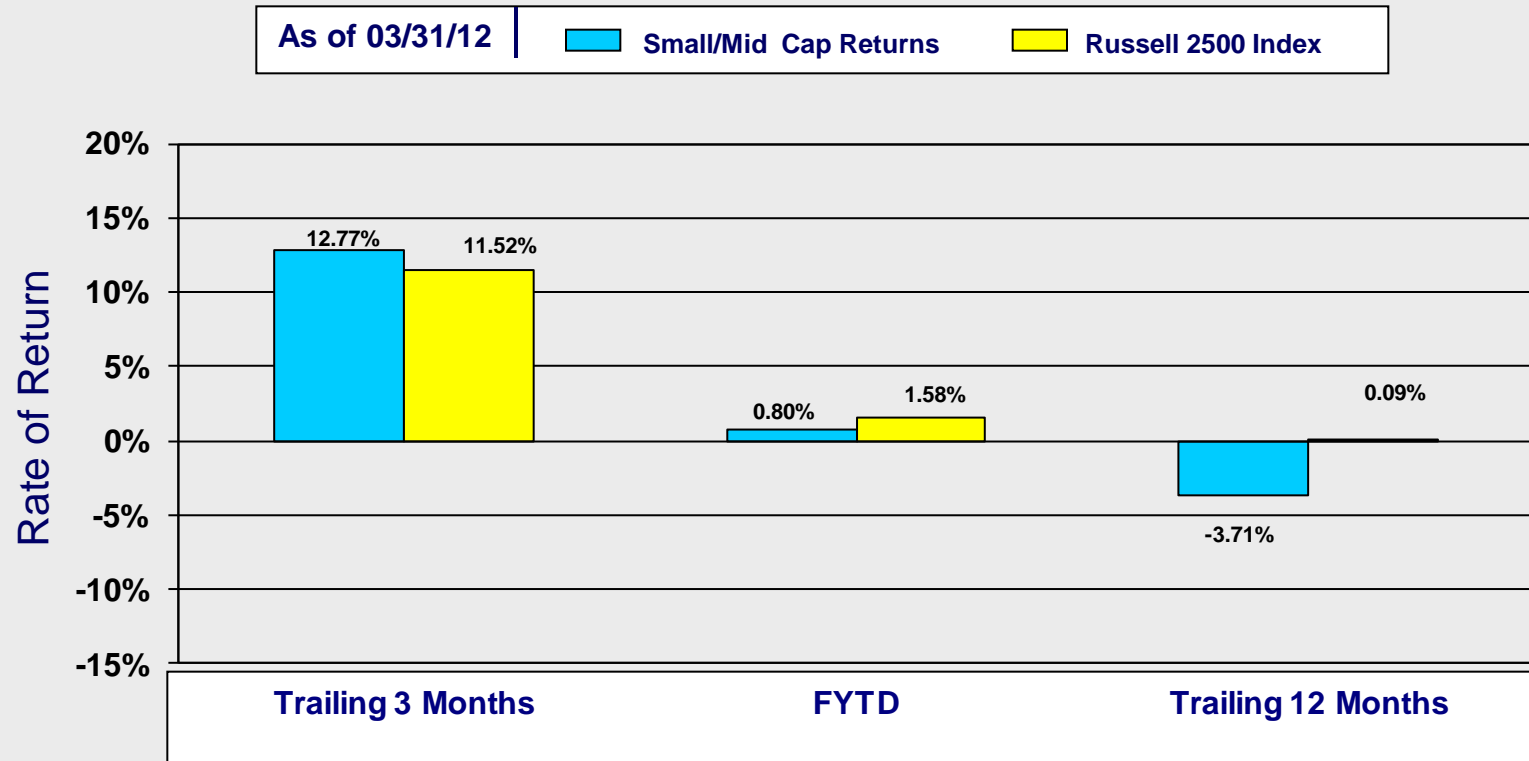
\$188M Under Management, **2%** of Total Funds



| | 3 Years | 5 Years | 9 Years |
|-------------------|---------|---------|---------|
| Plan Std Dev | 20.4 | 22.9 | 18.9 |
| Benchmark Std Dev | 22.3 | 24.5 | 20.7 |

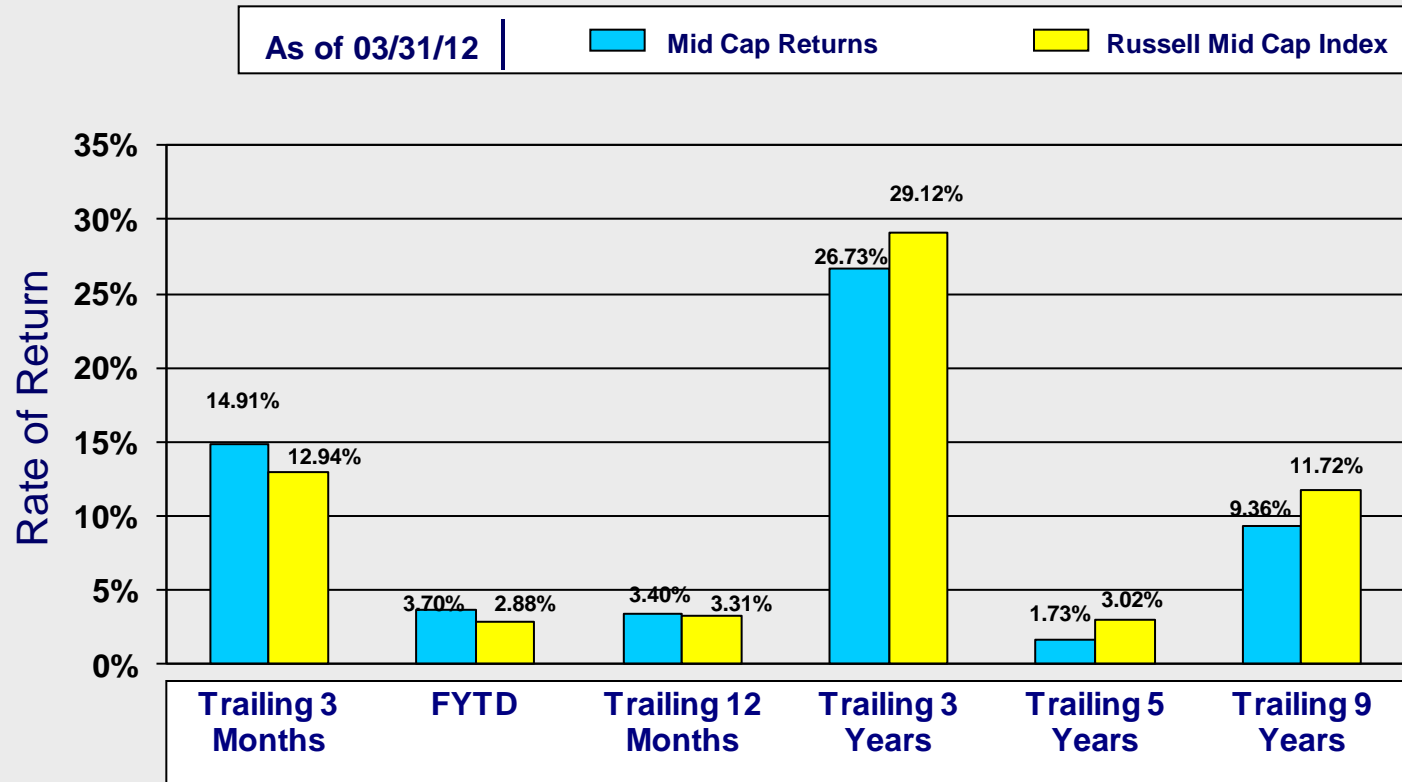
Small/Mid Cap Returns vs Russell 2500 Index

\$55M Under Management, **1%** of Total Funds



Mid Cap Returns vs Russell Mid Cap Index

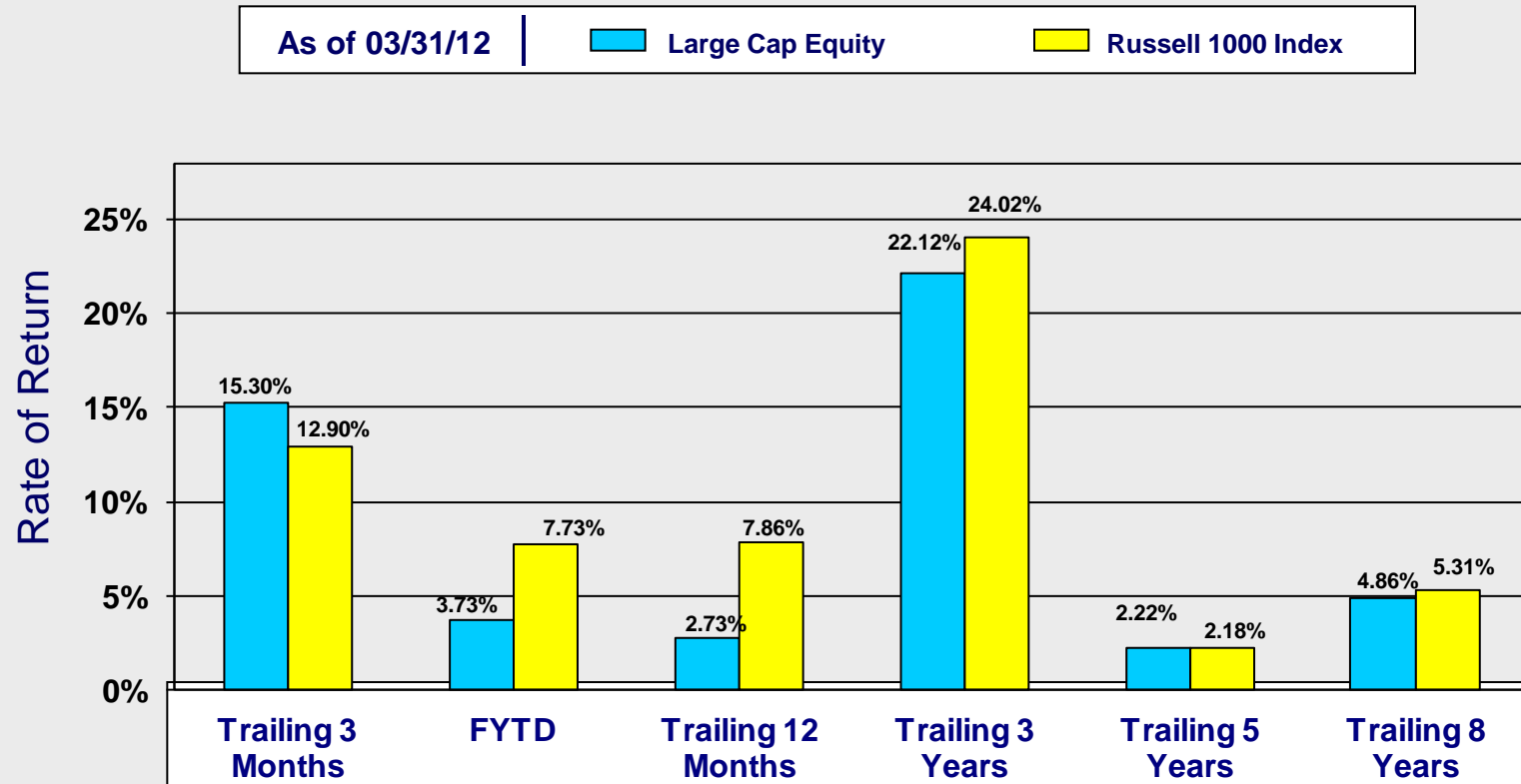
\$426M Under Management, **5%** of Total Funds



| | 3 Years | 5 Years | 9 Years |
|-------------------|---------|---------|---------|
| Plan Std Dev | 19.2 | 22.0 | 18.1 |
| Benchmark Std Dev | 19.4 | 22.8 | 18.5 |

Large Cap Returns vs Russell 1000 Index

\$292M Under Management, **4%** of Total Funds



| | 3 Years | 5 Years | 8 Years |
|-------------------|---------|---------|---------|
| Plan Std Dev | 17.5 | 19.8 | 16.5 |
| Benchmark Std Dev | 16.4 | 19.3 | 15.9 |

Emerging Managers Returns vs Russell 3000 Index

\$112M Under Management, **1%** of Total Funds

As of 03/31/12

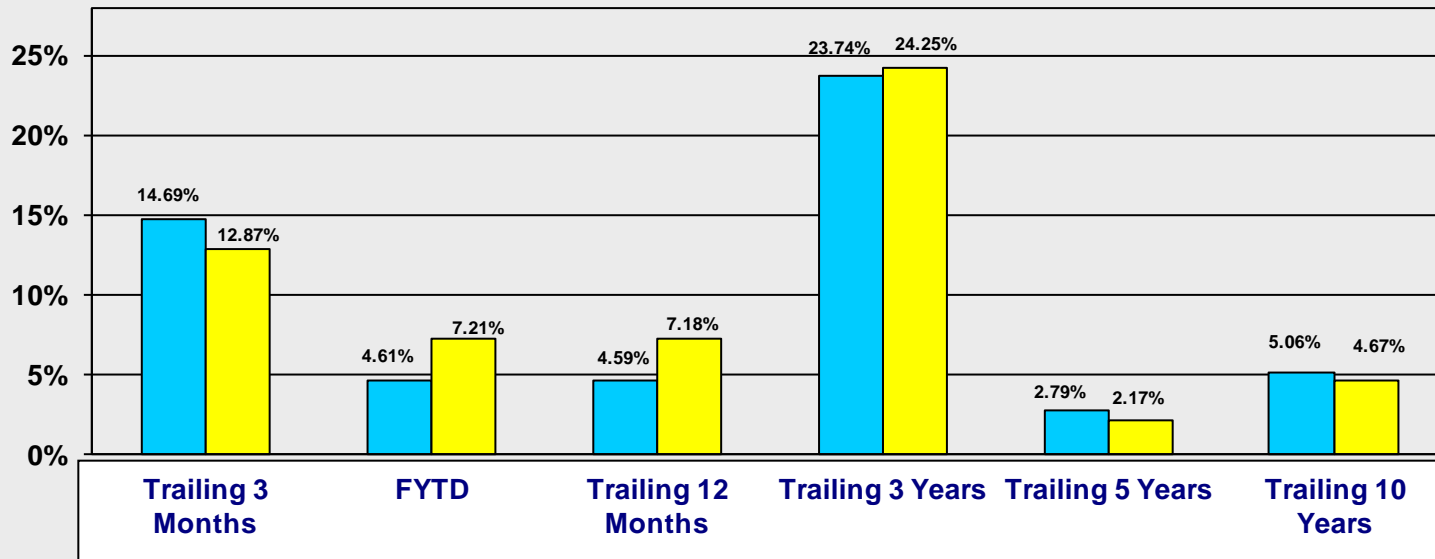


Emerging Managers Returns



Russell 3000 Index

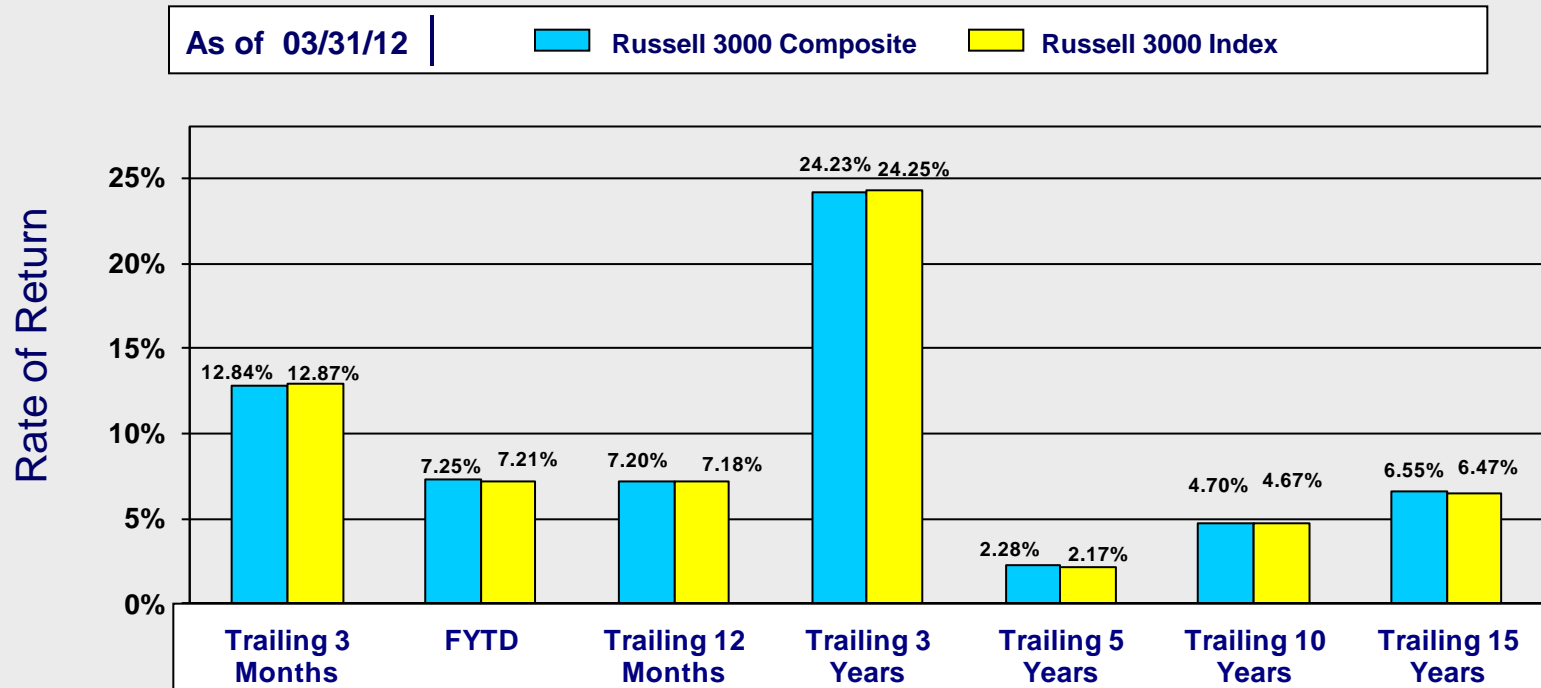
Rate of Return



| | 3 Years | 5 Years | 10 Years |
|-------------------|---------|---------|----------|
| Plan Std Dev | 17.7 | 20.1 | 16.3 |
| Benchmark Std Dev | 16.8 | 19.7 | 15.8 |

Russell 3000 Index Fund Returns vs Russell 3000 Index

\$2B Under Management, **24%** of Total Funds

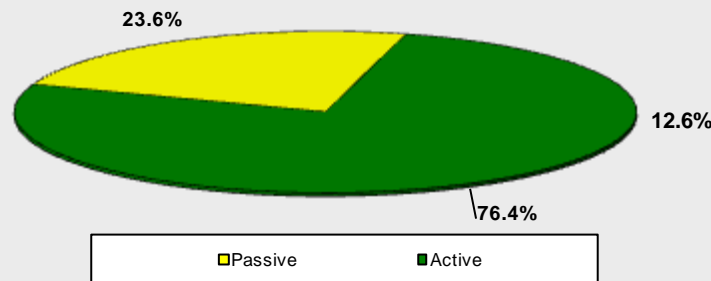


| | 3 Years | 5 Years | 10 Years | 15 Years |
|-------------------|---------|---------|----------|----------|
| Plan Std Dev | 16.7 | 19.6 | 16.3 | 16.8 |
| Benchmark Std Dev | 16.8 | 19.7 | 16.4 | 16.9 |

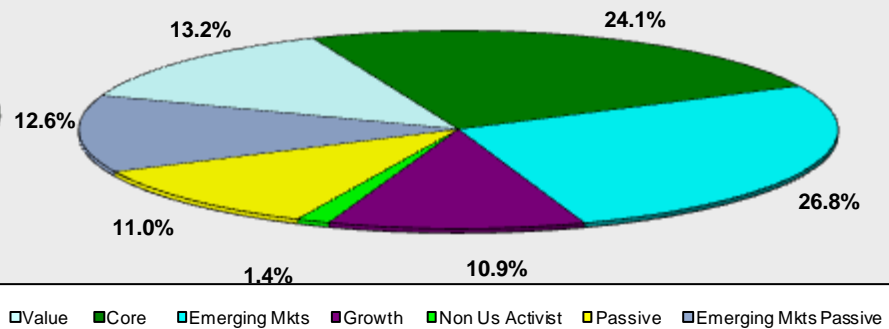
International Equity Asset Allocation: March 31, 2012

\$1.4B Under Management, **17%** of Total Funds

Asset Allocation by Groups



Asset Allocation by Style



| Sub Sector | Policy Weight | Actual Weight | Under/Over Weight | Index Return | Actual Return | Difference | Contribution to Out/Under Performance | |
|-----------------|---------------|---------------|-------------------|--------------|---------------|------------|---------------------------------------|------------|
| | | | | | | | Allocation | Management |
| EAFE Growth | | 10.89 | | 12.10 | 12.71 | 0.61 | | 0.07 |
| EAFE Value | | 13.17 | | 9.85 | 10.72 | 0.87 | | 0.09 |
| EAFE Core | | 24.07 | | 10.86 | 11.48 | 0.62 | | 0.15 |
| EAFE Passive | | 10.99 | | 10.86 | 10.92 | 0.06 | | 0.01 |
| Non-US Activist | | 1.46 | | 16.50 | 21.12 | 4.63 | | 0.06 |
| Active EM | | 26.83 | | 14.14 | 15.70 | 1.56 | | 0.39 |
| Passive EM | | 12.62 | | 14.14 | 14.05 | -0.08 | | -0.01 |

EAFE Markets Returns vs MSCI EAFE Index

\$833M Under Management, **10%** of Total Funds

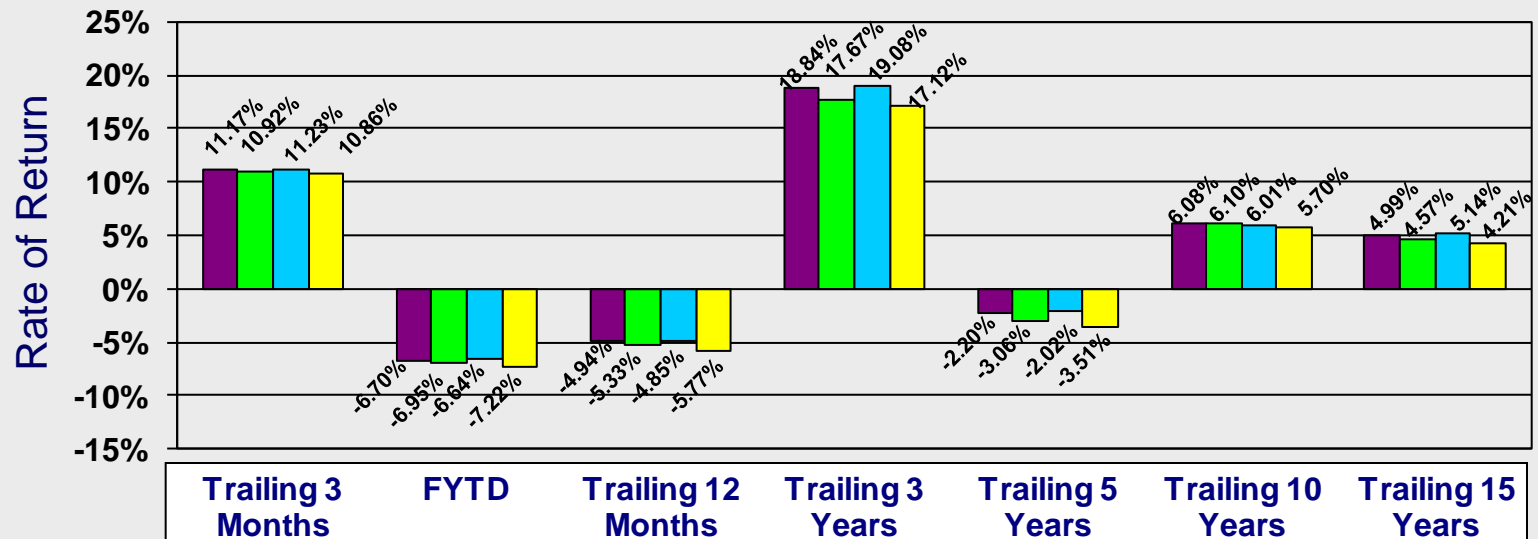
As of 03/31/12 |

EAFE Mkts

Passive Equity

Active Equity

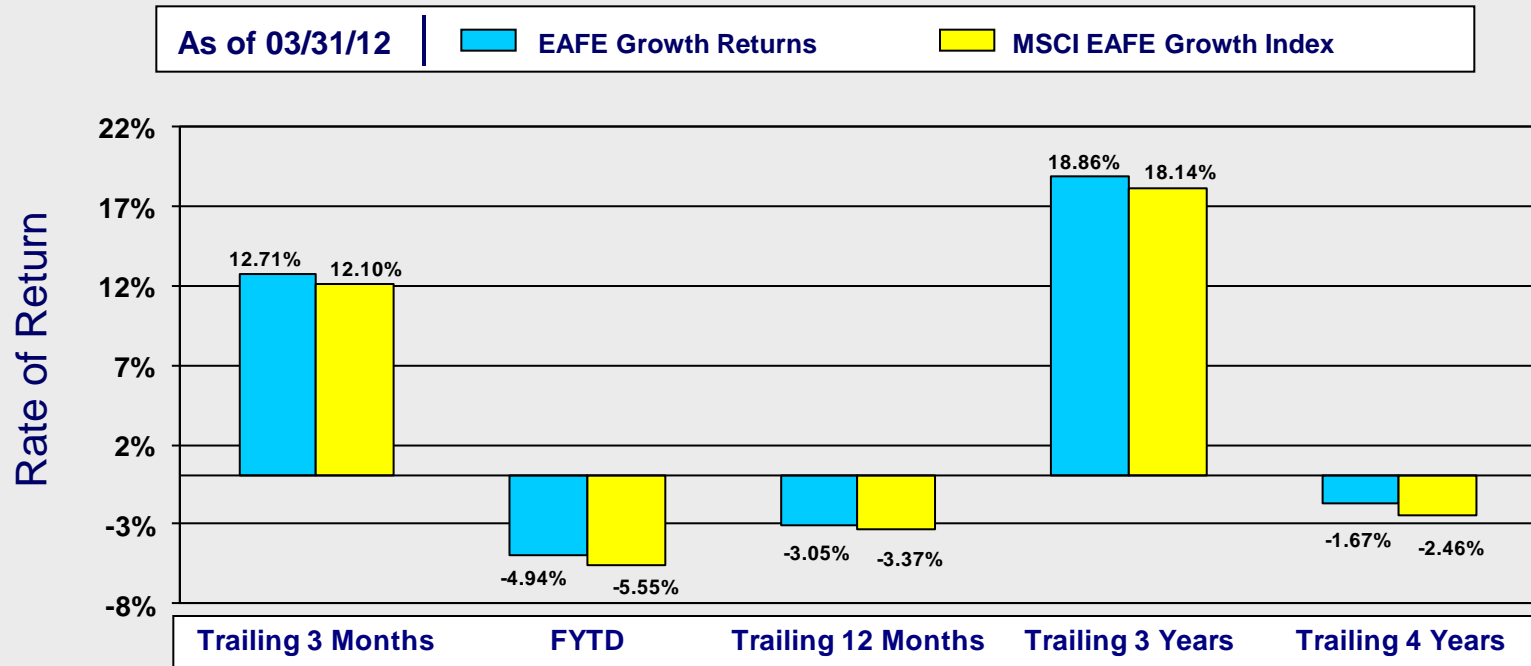
MSCI EAFE Index



| | 3 Years | 5 Years | 10 Years | 15 Years |
|----------------------|---------|---------|----------|----------|
| EAFE Plan Std Dev | 20.1 | 22.5 | 18.6 | 18.2 |
| Passive Plan Std Dev | 20.6 | 22.7 | 18.6 | 18.0 |
| Active Plan Std Dev | 20.1 | 22.4 | 18.7 | 18.4 |
| Benchmark Std Dev | 20.6 | 22.7 | 18.6 | 18.0 |

EAFE Growth Returns vs MSCI EAFE Growth Index

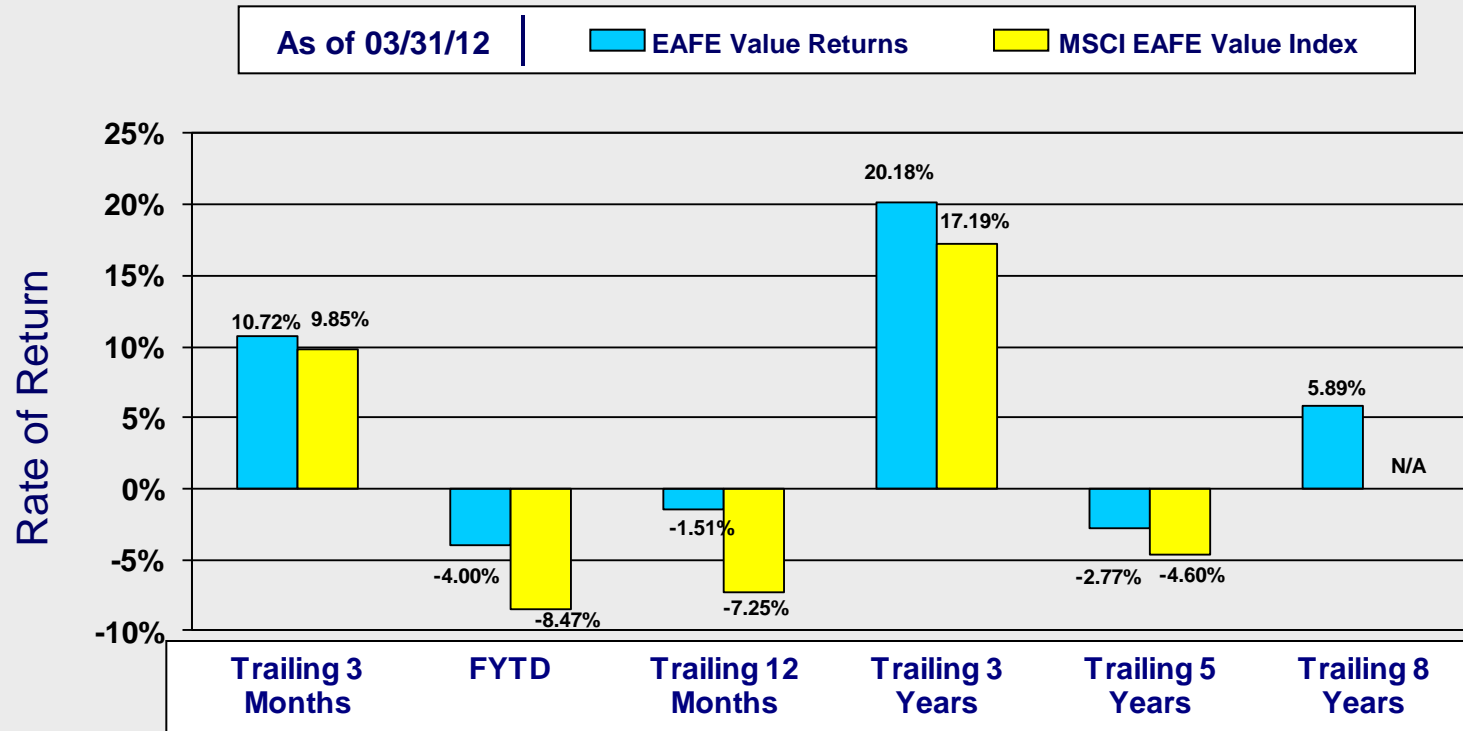
\$153M Under Management, **2%** of Total Funds



| | 3 Years | 4 Years |
|-------------------|---------|---------|
| Plan Std Dev | 20.1 | 24.0 |
| Benchmark Std Dev | 19.5 | 22.0 |

EAFE Value Returns vs MSCI EAFE Value Index

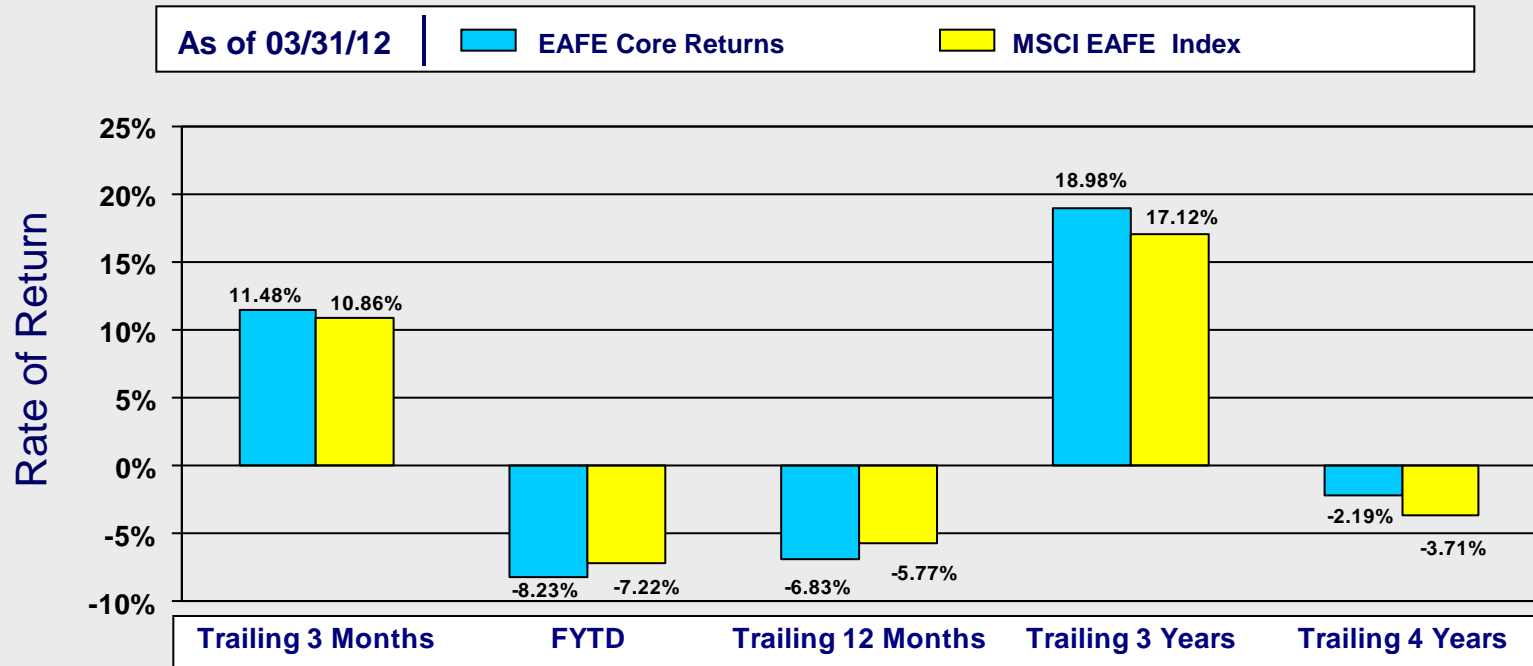
\$185M Under Management, **2%** of Total Funds



| | 3 Years | 5 Years | 8 Years |
|-------------------|---------|---------|---------|
| Plan Std Dev | 18.9 | 21.8 | 18.4 |
| Benchmark Std Dev | 22.4 | 24.0 | N/A |

EAFE Core Returns vs MSCI EAFE Index

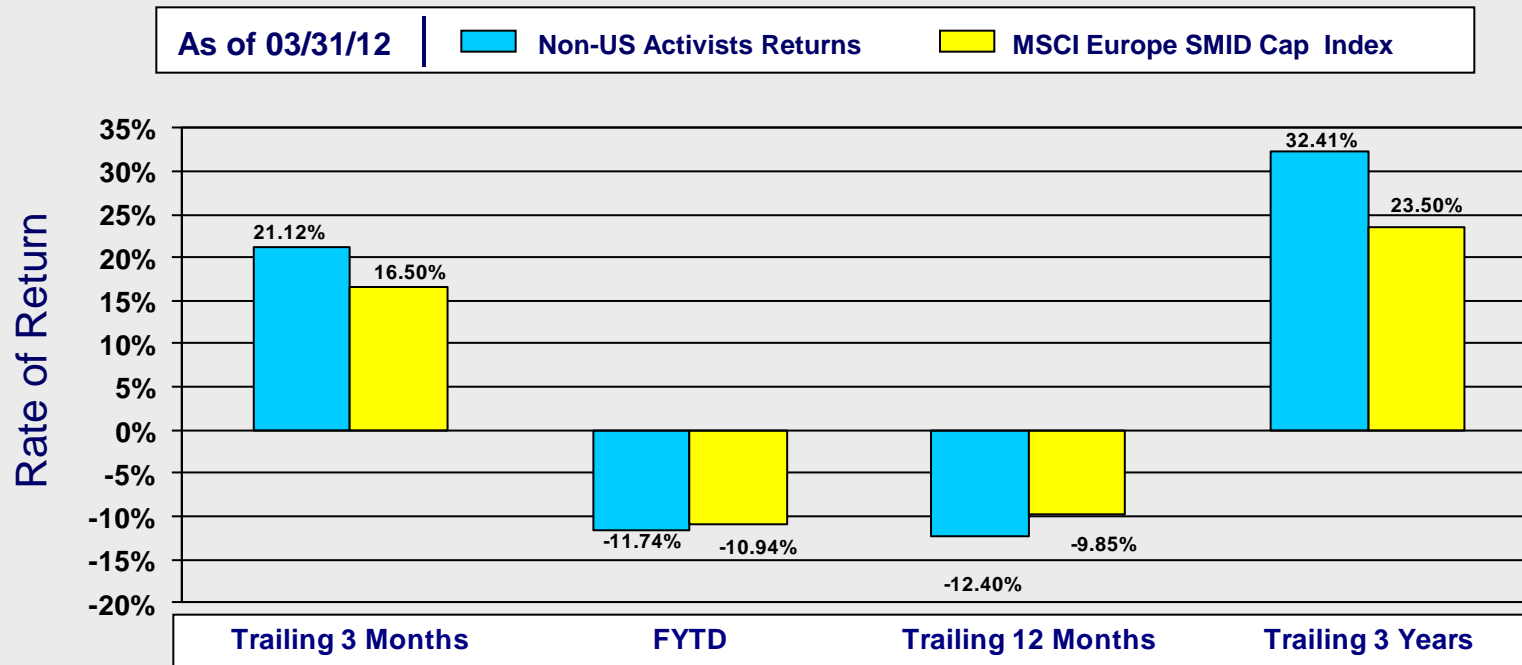
\$339M Under Management, **4%** of Total Funds



| | 3 Years | 4 Years |
|-------------------|---------|---------|
| Plan Std Dev | 21.0 | 24.7 |
| Benchmark Std Dev | 20.6 | 22.7 |

Non-US Activist Returns vs MSCI Europe SMID Cap Index

\$20M Under Management, **0%** of Total Funds



| | |
|-------------------|---------|
| | 3 Years |
| Plan Std Dev | 28.6 |
| Benchmark Std Dev | 26.1 |

Emerging Markets Returns vs MSCI Emerging Markets Index

\$556M Under Management, **7%** of Total Funds

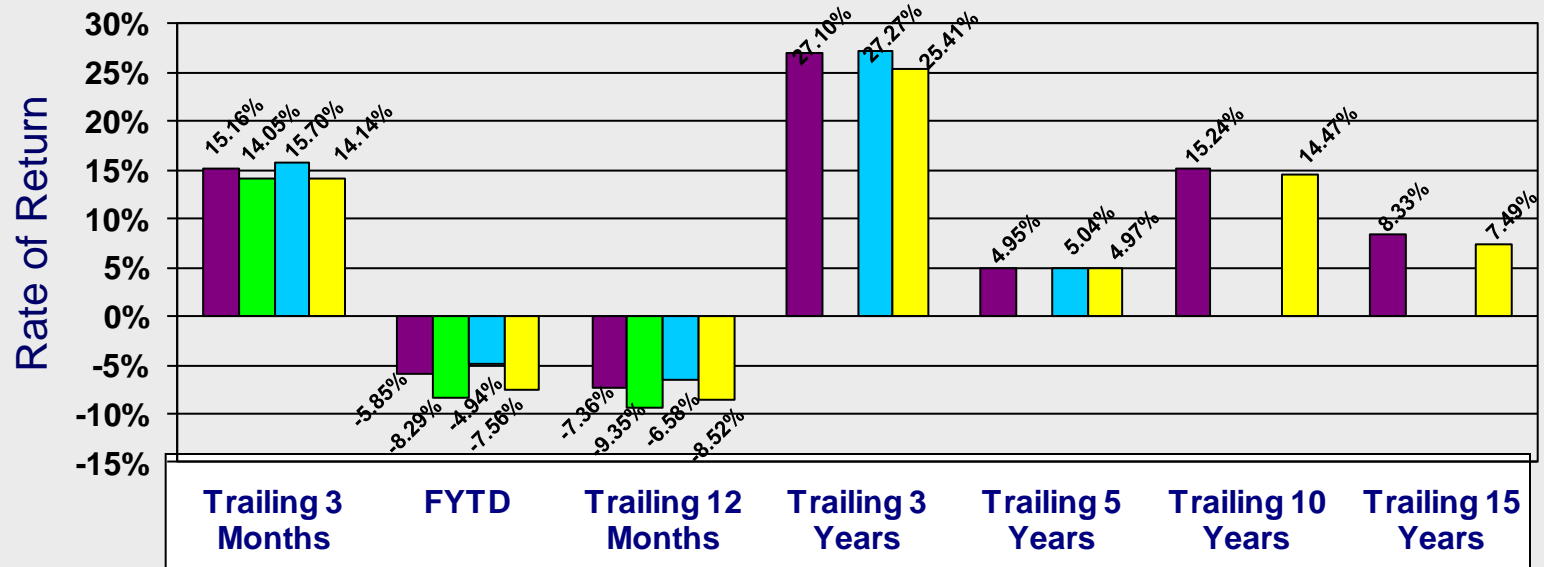
As of 03/31/12 |

Emerging Mkts

Passive Equity

Active Equity

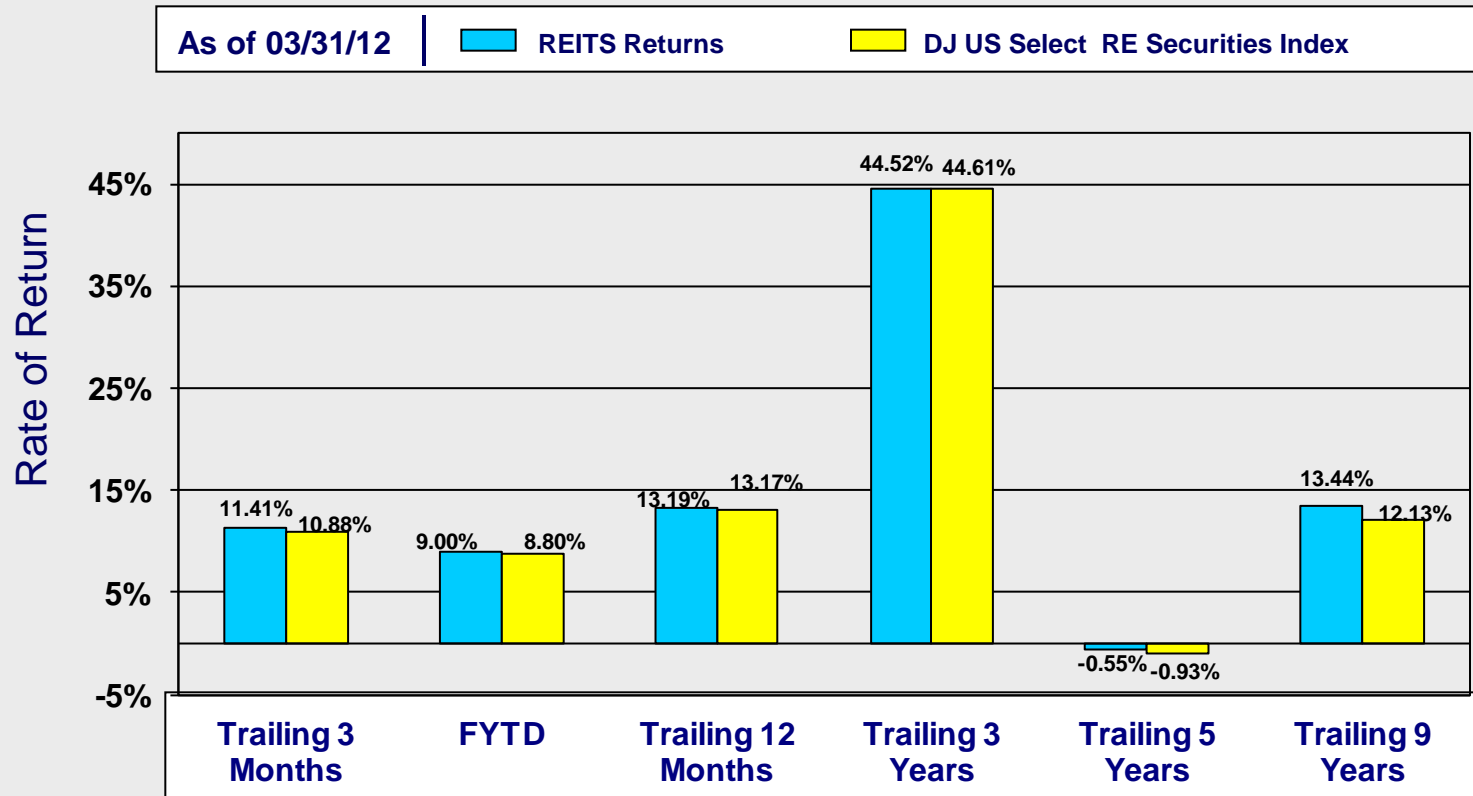
MSCI Emerging Mkts Index



| | 3 Years | 5 Years | 10 Years | 15 Years |
|-----------------------|---------|---------|----------|----------|
| Emerging Plan Std Dev | 25.3 | 29.9 | 24.6 | 25.6 |
| Passive Plan Std Dev | N/A | N/A | N/A | N/A |
| Active Plan Std Dev | 25.3 | 29.9 | N/A | N/A |
| Benchmark Std Dev | 24.8 | 29.3 | 24.4 | 26.0 |

REITS Returns vs DJ US Select Real Estate Securities Index

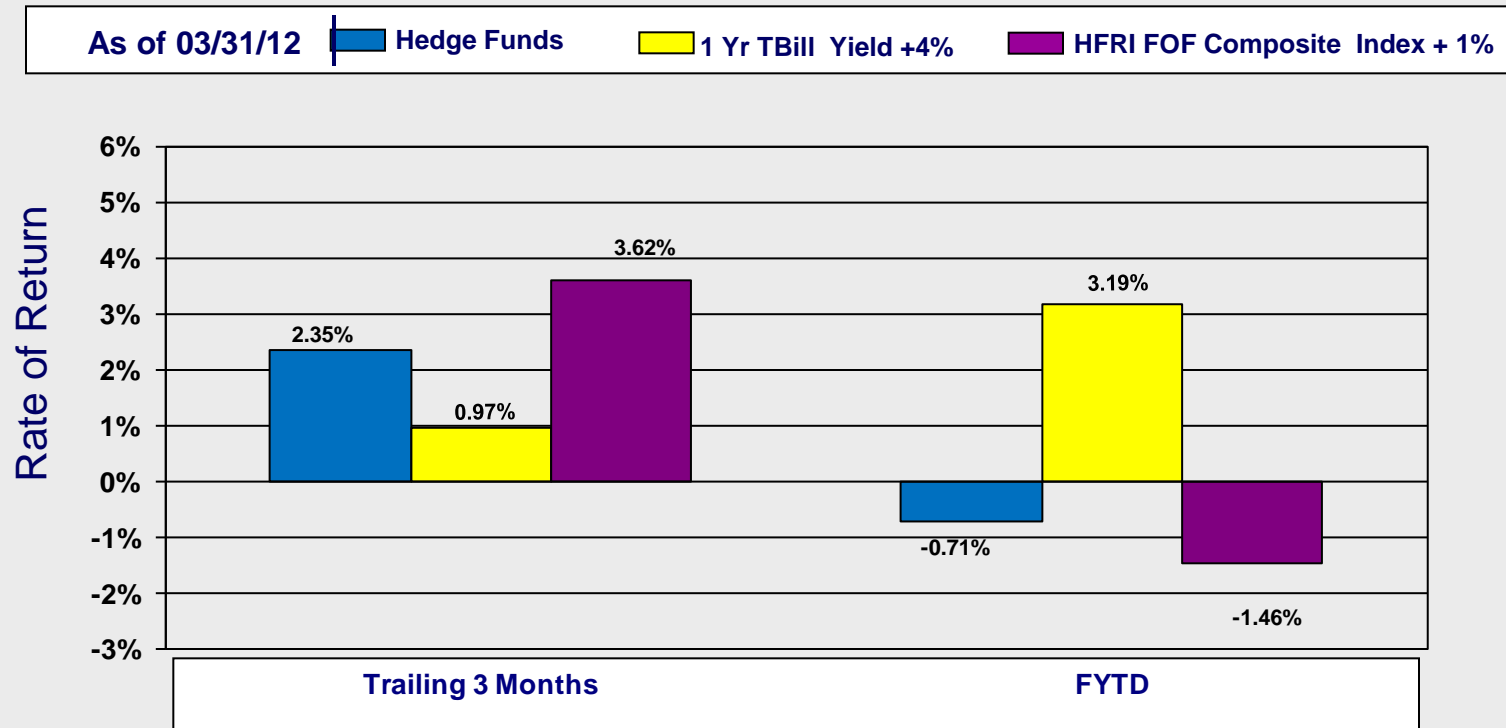
\$405M Under Management, **5%** of Total Funds



| | 3 Years | 5 Years | 9 Years |
|-------------------|---------|---------|---------|
| Plan Std Dev | 26.5 | 32.9 | 26.7 |
| Benchmark Std Dev | 27.2 | 34.6 | 27.8 |

Hedge Fund Returns vs 1 Yr TBill Yield + 4% & HFRI Fund of Funds Composite Index + 1%

\$151M Under Management, **2%** of Total Funds



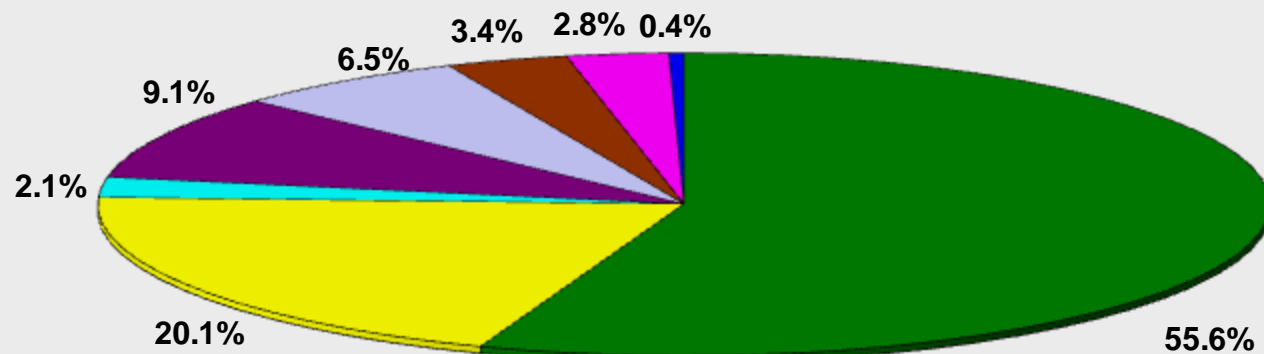
New York City
Fire Department Pension Fund, Subchapter Two

Fixed Income Analysis

Total Fixed Income Asset Allocation: March 31, 2012

\$2.4B Under Management, **29%** of Total Funds

Asset Allocation by Groups



Structured Fixed Income Asset Allocation: Quarter Ending March 31, 2012

\$1.4B Under Management, **16%** of Total Funds

Asset Allocation by Groups



■ Treas/Agency ■ Mortgage ■ Invest. Grade Credit

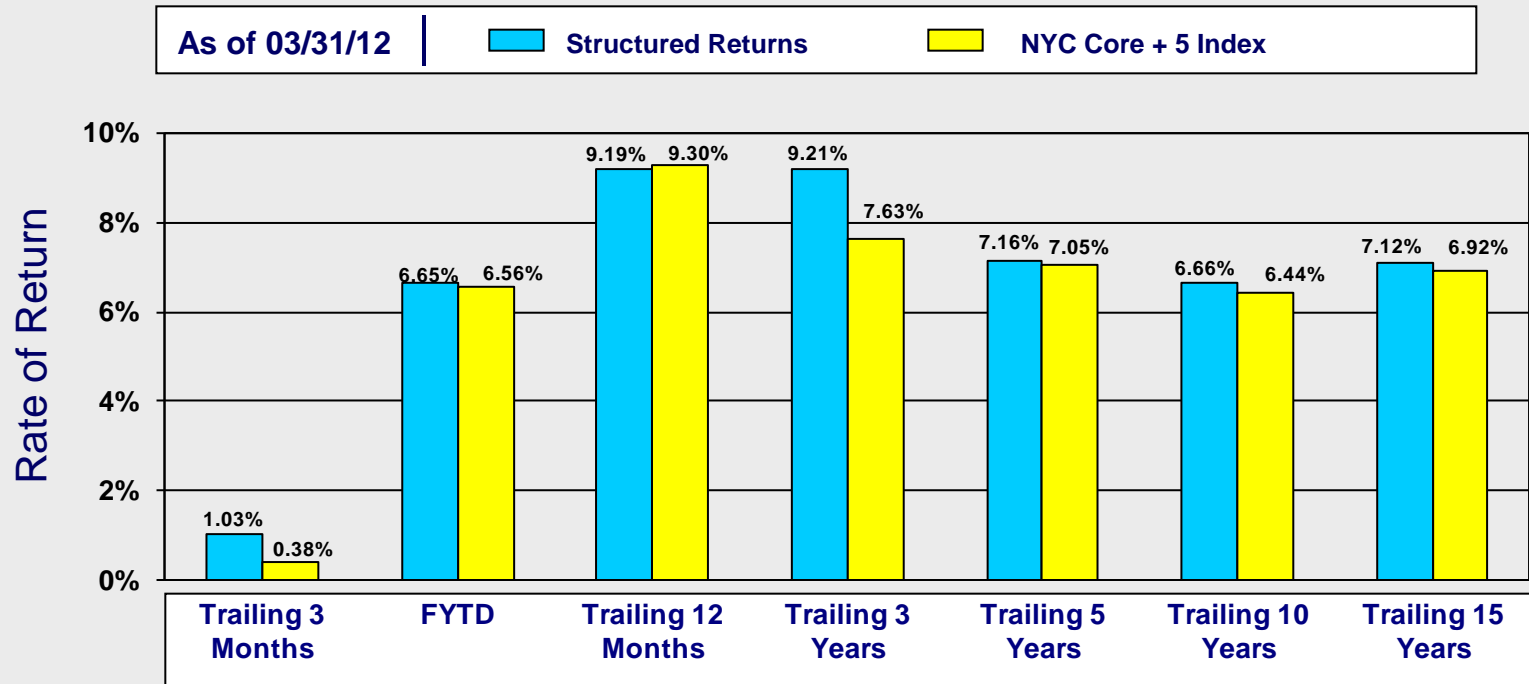
Value Added by Sectors

| Sub Sector | Policy Weight | Actual Weight | Under/Over Weight | Index Return | Actual Return | Difference | Contribution to Out/Under Performance | |
|----------------------|---------------|---------------|-------------------|--------------|---------------|------------|---------------------------------------|------------|
| | | | | | | | Allocation | Management |
| Treas/Agency | 21.25 | 15.32 | -5.93 | -2.74 | -2.66 | 0.08 | 0.22 | 0.01 |
| Mortgage | 42.15 | 48.57 | 6.42 | 0.61 | 1.29 | 0.68 | 0.02 | 0.36 |
| Invest. Grade Credit | 36.60 | 36.11 | -0.49 | 2.09 | 2.33 | 0.24 | 0.01 | 0.09 |

*NYC Core +5 Breakdown

Structured Returns vs NYC Core + 5 Index

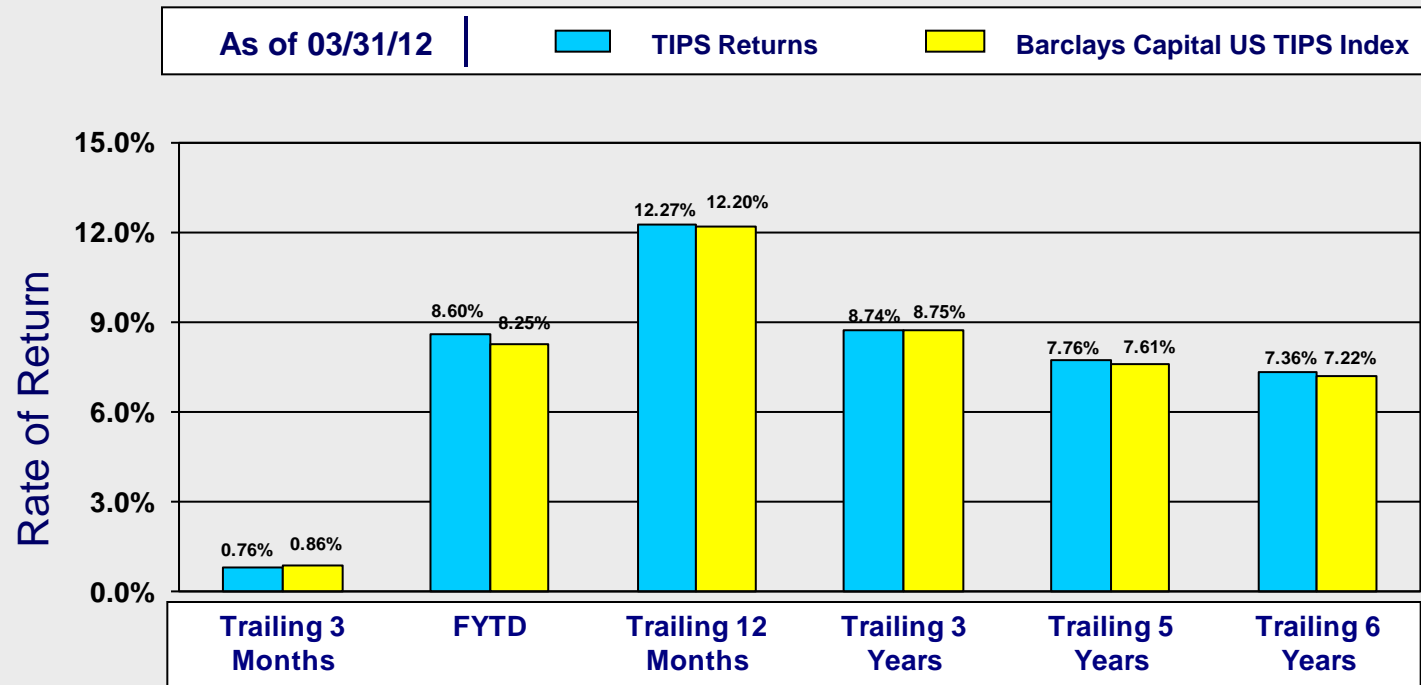
\$1.4B Under Management, **16%** of Total Funds



| | 3 Years | 5 Years | 10 Years | 15 Years |
|-------------------|---------|---------|----------|----------|
| Plan Std Dev | 3.1 | 4.2 | 4.1 | 4.0 |
| Benchmark Std Dev | 3.2 | 4.4 | 4.3 | 4.1 |

TIPS Returns vs Barclays Capital US TIPS Index

\$159M Under Management, **2%** of Total Funds



| | 3 Years | 5 Years | 6 Years |
|-------------------|---------|---------|---------|
| Plan Std Dev | 4.7 | 7.4 | 6.9 |
| Benchmark Std Dev | 4.9 | 7.4 | 7.0 |

Enhanced Yield Returns vs Citigroup BB&B Index & Citigroup BB&B Capped Index

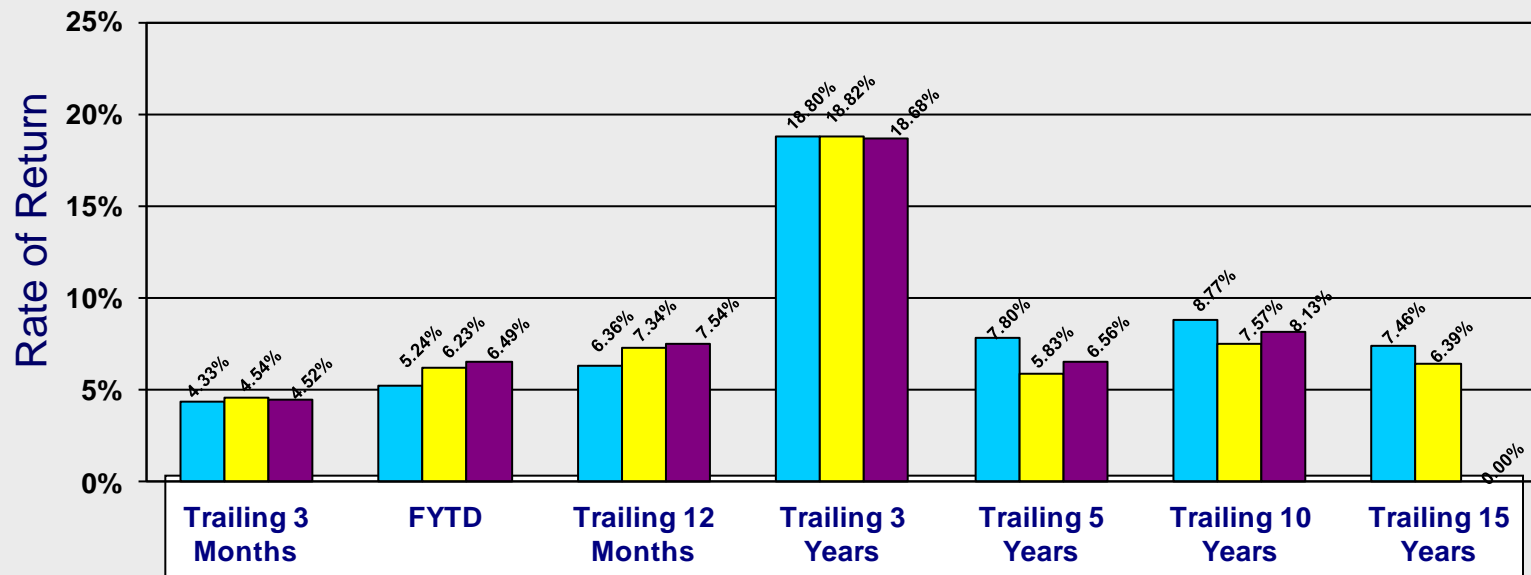
\$491M Under Management, **6%** of Total Funds

As of 03/31/12

Enhanced Yield

Citigroup BB&B Index

Citigroup BB&B Capped Index



| | 3 Years | 5 Years | 10 Years | 15 Years |
|-------------------------------|---------|---------|----------|----------|
| Plan Std Dev | 7.7 | 10.7 | 9.0 | 9.0 |
| Citigroup BB&B Std Dev | 8.1 | 11.9 | 9.9 | 9.2 |
| Citigroup BB&B Capped Std Dev | 7.9 | 11.6 | 9.3 | N/A |

Convertible Bond Returns vs Benchmarks

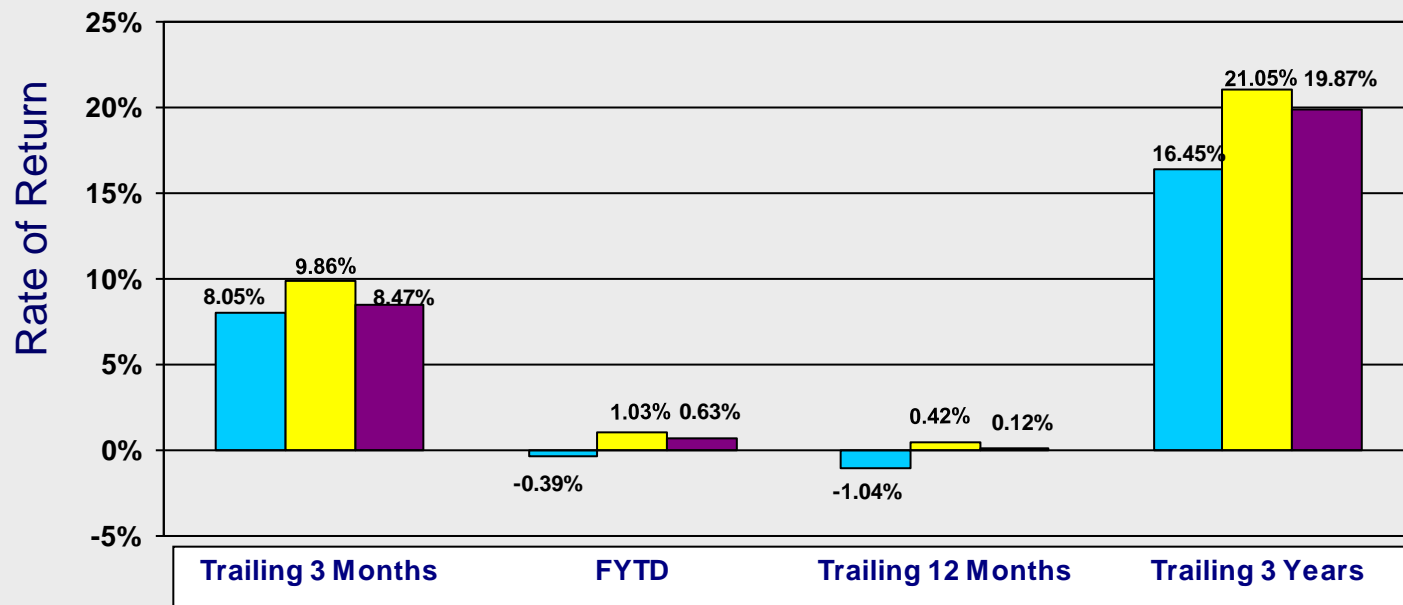
\$82M Under Management, **1%** of Total Funds

As of 03/31/12

Conv. Bond Returns

Bofa ML All Conv. Ex Mandatory Index

Custom Index



| | |
|--------------------------------------|---------|
| | 3 Years |
| Plan Std Dev | 9.9 |
| Bofa ML All Conv. Ex Mandatory Index | 11.9 |
| Custom Index | 10.4 |

Opportunistic Fixed Income Returns vs Benchmarks

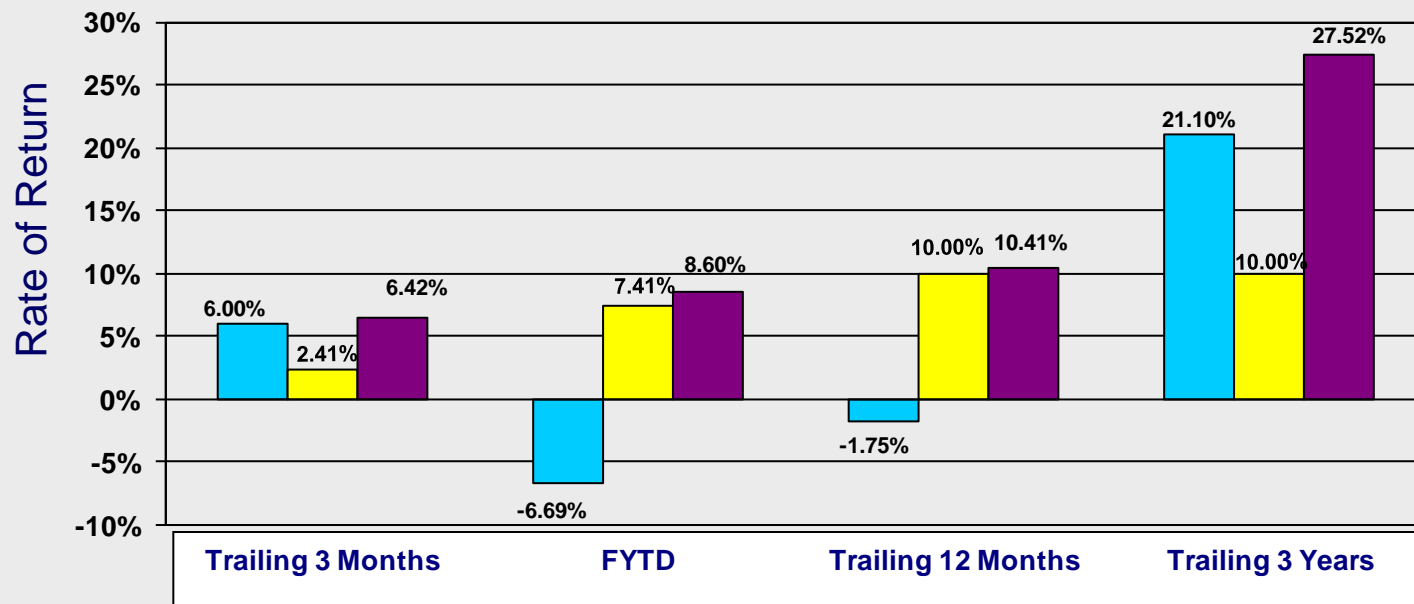
\$69M Under Management, **1%** of Total Funds

As of 03/31/12

Opportunistic Fixed

10% Annual Return

JPM Global HY +3%



| | |
|----------------------------|---------|
| | 3 Years |
| Plan Std Dev | 11.5 |
| Jpm High Yield +3% Std Dev | 9.7 |

ETI Returns vs Custom Index & Barclays Capital U.S. Aggregate

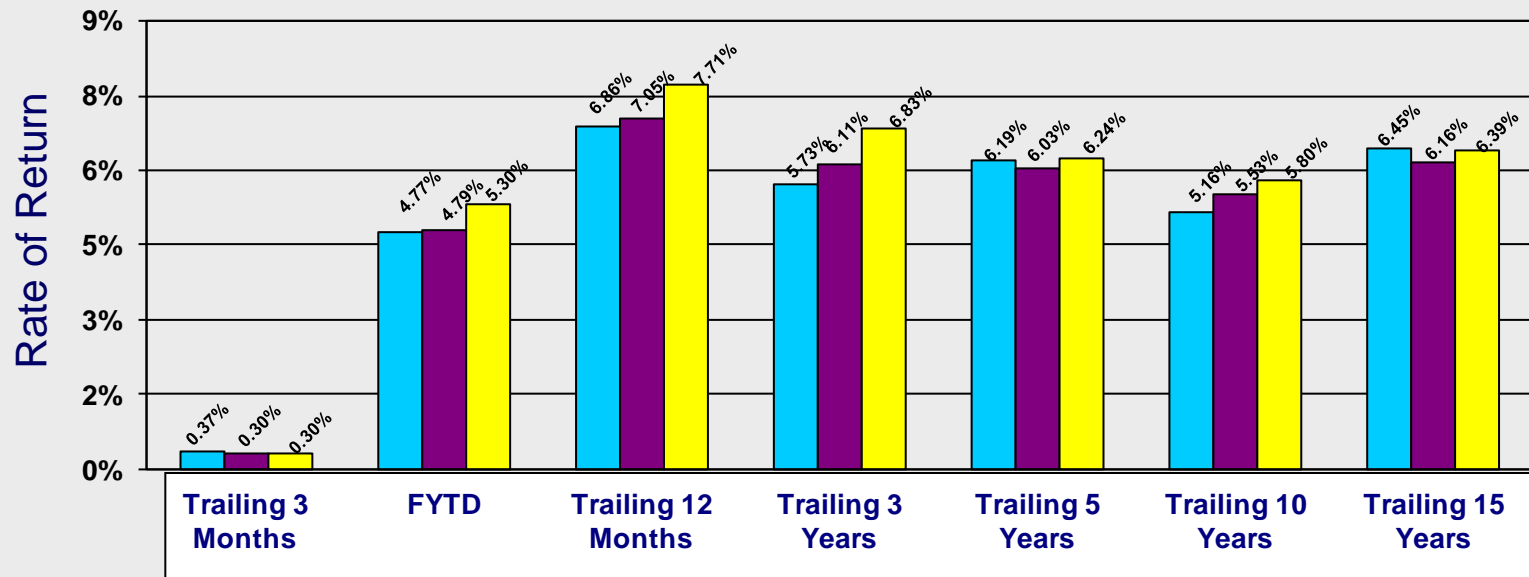
\$52M Under Management, **1%** of Total Funds

As of 03/31/12

ETI Returns

Custom Index

Barclays Capital U.S. Aggregate



| | 3 Years | 5 Years | 10 Years | 15 Years |
|----------------------|---------|---------|----------|----------|
| Plan Std Dev | 2.1 | 2.8 | 3.3 | 2.9 |
| Custom Index Std Dev | 2.4 | 3.1 | 3.3 | 3.1 |
| BC US Aggreg Std Dev | 2.7 | 3.6 | 3.6 | 3.5 |

Note: Returns (shown net of fees) and Market Value do not include cash

New York City
Fire Department Pension Fund, Subchapter Two

Appendix

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|--------------------------|------------|-------------------------|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| EQUITY MANAGEMENT | | | | | | | | | |
| SMALL CAP | | | | | | | | | |
| 22.28 | 0.27 | BROWN AM | 13.53 | 13.53 | 3.92 | **** | **** | **** | **** |
| 57.84 | 0.70 | PERIMETER | 13.01 | 13.01 | -0.49 | **** | **** | **** | **** |
| 80.12 | 0.97 | TOTAL SMALL CAP GROWTH | 13.16 | 13.16 | 0.70 | 25.24 | 2.90 | **** | **** |
| | | RUSSELL 2000 GROWTH | 13.28 | 13.28 | 0.68 | 28.36 | 4.15 | **** | **** |
| | | SMALL CAP GROWTH MEDIAN | 13.79 | 13.79 | 1.99 | 29.07 | 4.91 | **** | **** |
| 74.25 | 0.89 | DALTON GREINER | 12.04 | 12.04 | 0.32 | **** | **** | **** | **** |
| 74.25 | 0.89 | TOTAL SMALL CAP VALUE | 12.04 | 12.04 | 0.32 | **** | **** | **** | **** |
| | | RUSSELL 2000 VALUE | 11.59 | 11.59 | -1.07 | **** | **** | **** | **** |
| 154.37 | 1.86 | TOTAL SMALL CAP ACTIVE | 12.62 | 12.62 | 0.52 | 23.96 | 0.03 | **** | **** |
| | | RUSSELL 2000 | 12.44 | 12.44 | -0.18 | 26.89 | 2.13 | **** | **** |
| 33.29 | 0.40 | BLACKROCK R2000 | 12.44 | 12.44 | -0.42 | **** | **** | **** | **** |
| | | RUSSELL 2000 | 12.44 | 12.44 | -0.18 | **** | **** | **** | **** |
| 33.29 | 0.40 | TOTAL SMALL CAP PASSIVE | 12.44 | 12.44 | -0.42 | **** | **** | **** | **** |
| 187.66 | 2.26 | TOTAL SMALL CAP | 12.58 | 12.58 | 0.07 | 23.78 | -0.06 | **** | **** |
| | | RUSSELL 2000 | 12.44 | 12.44 | -0.18 | 26.89 | 2.13 | **** | **** |
| 54.84 | 0.66 | SECURITY GLOBAL INV | 12.77 | 12.77 | -3.71 | **** | **** | **** | **** |
| | | RUSSELL 2500 VALUE | 11.52 | 11.52 | 0.09 | **** | **** | **** | **** |
| 113.29 | 1.36 | TIMESQUARE CAPITAL | 15.12 | 15.12 | 6.21 | **** | **** | **** | **** |
| | | RUSSELL MIDCAP GROWTH | 14.52 | 14.52 | 4.43 | **** | **** | **** | **** |

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|------------------|------------|-------------------------|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| 59.51 | 0.72 | IRIDIAN ASSET | 17.68 | 17.68 | 5.60 | **** | **** | **** | **** |
| 59.51 | 0.72 | TOTAL MID CAP VALUE | 17.68 | 17.68 | 5.60 | 28.75 | 2.96 | **** | **** |
| | | RUSSELL MIDCAP VALUE | 11.41 | 11.41 | 2.28 | 29.18 | 1.25 | **** | **** |
| 65.95 | 0.79 | WELLINGTON MGMT | 16.20 | 16.20 | 0.30 | **** | **** | **** | **** |
| 65.95 | 0.79 | TOTAL MID CAP CORE | 16.20 | 16.20 | 0.30 | 26.54 | 1.50 | **** | **** |
| | | S&P MIDCAP INDEX 400 | 13.50 | 13.50 | 1.98 | 28.54 | 4.78 | **** | **** |
| 238.76 | 2.88 | TOTAL MID CAP ACTIVE | 16.05 | 16.05 | 4.36 | 27.62 | 2.15 | **** | **** |
| 187.49 | 2.26 | STATE STREET GA S&P 400 | 13.49 | 13.49 | 2.08 | **** | **** | **** | **** |
| 187.49 | 2.26 | TOTAL MID CAP PASSIVE | 13.49 | 13.49 | 2.08 | **** | **** | **** | **** |
| | | S&P MIDCAP INDEX 400 | 13.50 | 13.50 | 1.98 | **** | **** | **** | **** |
| 426.25 | 5.14 | TOTAL MID CAP | 14.91 | 14.91 | 3.40 | 26.73 | 1.73 | **** | **** |
| | | RUSSELL MIDCAP | 12.94 | 12.94 | 3.31 | 29.12 | 3.02 | **** | **** |
| | | LARGE CAP | | | | | | | |
| 37.17 | 0.45 | PROFIT INV MGMT | 15.38 | 15.38 | 13.26 | **** | **** | **** | **** |
| 135.69 | 1.63 | ZEVENBERGEN | 17.66 | 17.66 | -2.76 | 27.75 | **** | **** | **** |
| 172.87 | 2.08 | TOTAL LARGE CAP GROWTH | 17.16 | 17.16 | 0.29 | 22.90 | 3.51 | 3.40 | 6.07 |
| | | RUSSELL 1000 GROWTH | 14.69 | 14.69 | 11.02 | 25.27 | 5.10 | 4.29 | 5.38 |
| | | RUSSELL 3000 GROWTH | 14.58 | 14.58 | 10.14 | 25.50 | 5.01 | 4.41 | 5.36 |
| | | LARGE CAP GROWTH MEDIAN | 15.72 | 15.72 | 9.34 | 23.86 | 4.74 | 5.07 | 7.32 |

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|------------------|------------|---------------------------|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| 81.19 | 0.98 | ARONSON JOHNSON | 12.92 | 12.92 | 7.43 | 22.39 | 0.62 | **** | **** |
| 81.19 | 0.98 | TOTAL LARGE CAP VALUE | 12.92 | 12.92 | 7.43 | 21.38 | 0.99 | **** | **** |
| | | RUSSELL 1000 VALUE | 11.12 | 11.12 | 4.79 | 22.82 | -0.81 | **** | **** |
| | | LARGE CAP VALUE MEDIAN | 12.37 | 12.37 | 5.21 | 22.90 | 0.71 | **** | **** |
| 37.74 | 0.45 | SEIZERT CAPITAL PTNRS | 12.25 | 12.25 | 4.57 | **** | **** | **** | **** |
| 37.74 | 0.45 | TOTAL LARGE CAP CORE | 12.25 | 12.25 | 4.57 | **** | **** | **** | **** |
| | | RUSSELL 1000 | 12.90 | 12.90 | 7.86 | **** | **** | **** | **** |
| 291.80 | 3.52 | TOTAL LARGE CAP | 15.30 | 15.30 | 2.73 | 22.12 | 2.22 | **** | **** |
| | | RUSSELL 1000 | 12.90 | 12.90 | 7.86 | 24.02 | 2.18 | **** | **** |
| | | RUSSELL 3000 | | | | | | | |
| 1,066.24 | 12.85 | BLACKROCK R3000 | 12.84 | 12.84 | 7.12 | 24.15 | 2.22 | 4.73 | **** |
| 955.98 | 11.52 | STATE STREET R3000 | 12.85 | 12.85 | 7.28 | **** | **** | **** | **** |
| 2,022.22 | 24.36 | TOTAL RUSSELL 3000 | 12.84 | 12.84 | 7.20 | 24.23 | 2.28 | 4.70 | 6.55 |
| | | RUSSELL 3000 | 12.87 | 12.87 | 7.18 | 24.25 | 2.17 | 4.67 | 6.47 |
| | | ATTUCKS | | | | | | | |
| 2.27 | 0.03 | CREDO- MCG | 19.21 | 19.21 | 1.58 | 25.71 | **** | **** | **** |
| 6.01 | 0.07 | FORTALEZA ASSET MGMT | 16.57 | 16.57 | 8.96 | 23.86 | **** | **** | **** |
| 2.34 | 0.03 | LOMBARDIA CAPITAL | 11.18 | 11.18 | 1.71 | 23.65 | **** | **** | **** |
| 4.73 | 0.06 | PALISADES | 18.16 | 18.16 | -0.19 | 20.81 | **** | **** | **** |
| 2.31 | 0.03 | PARADIGM ASSET MGMT | 12.72 | 12.72 | 1.55 | 26.72 | **** | **** | **** |
| 17.66 | 0.21 | TOTAL ATTUCKS | 16.05 | 16.05 | 3.49 | 23.56 | **** | **** | **** |
| | | RUSSELL 3000 | 12.87 | 12.87 | 7.18 | 24.25 | **** | **** | **** |

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|--------------------------|------------|--------------------------------|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| CAPITAL PROSPECTS | | | | | | | | | |
| 2.92 | 0.04 | APEX CAPITAL | 17.06 | 17.06 | 11.07 | 25.33 | **** | **** | **** |
| 2.37 | 0.03 | HIGH POINTE | 14.67 | 14.67 | 5.51 | 29.07 | **** | **** | **** |
| 2.45 | 0.03 | KEEL | 8.36 | 8.36 | -2.57 | 23.62 | **** | **** | **** |
| 2.28 | 0.03 | LOMBARDIA | 8.79 | 8.79 | 1.93 | 30.32 | **** | **** | **** |
| 1.71 | 0.02 | PARADIGM | 13.09 | 13.09 | 6.13 | 24.34 | **** | **** | **** |
| 2.27 | 0.03 | REDWOOD | 13.65 | 13.65 | -2.46 | 25.81 | **** | **** | **** |
| 2.61 | 0.03 | RUNNYMEDE | 13.25 | 13.25 | 2.84 | 17.02 | **** | **** | **** |
| 1.38 | 0.02 | SEACREST | 13.79 | 13.79 | -8.91 | 25.99 | **** | **** | **** |
| 2.71 | 0.03 | SEIZERT | 12.55 | 12.55 | 2.87 | 22.92 | **** | **** | **** |
| 2.37 | 0.03 | TEN | 12.48 | 12.48 | 5.39 | 19.83 | **** | **** | **** |
| 3.03 | 0.04 | TWIN TOP 50 | 12.62 | 12.62 | 11.91 | 20.24 | **** | **** | **** |
| 26.11 | 0.31 | TOTAL CAPITAL PROSPECTS | 12.74 | 12.74 | 3.53 | 23.55 | **** | **** | **** |
| | | RUSSELL 3000 | 12.87 | 12.87 | 7.18 | 24.25 | **** | **** | **** |
| PROGRESS EQUITY | | | | | | | | | |
| 3.02 | 0.04 | FAN ASSET | 17.07 | 17.07 | 5.84 | 24.17 | 5.28 | 4.74 | **** |
| 11.07 | 0.13 | JOHN HSU | 13.54 | 13.54 | 1.42 | 25.09 | 5.25 | 7.49 | **** |
| 18.55 | 0.22 | HERNDON CAPITAL MGMT | 17.08 | 17.08 | 10.76 | 29.58 | 7.62 | **** | **** |
| 4.46 | 0.05 | HIGH POINTE LLC | 15.31 | 15.31 | 15.23 | **** | **** | **** | **** |
| 3.97 | 0.05 | LOMBARDIA CAPITAL | 8.79 | 8.79 | 1.86 | 30.29 | **** | **** | **** |
| 3.55 | 0.04 | NICHOLS ASSET MGMT | 11.92 | 11.92 | **** | **** | **** | **** | **** |
| 10.86 | 0.13 | REDWOOD INV -LCG | 19.01 | 19.01 | **** | **** | **** | **** | **** |
| 12.53 | 0.15 | SEIZERT CAPITAL PTNRS | 12.88 | 12.88 | **** | **** | **** | **** | **** |
| 68.01 | 0.82 | TOTAL PROGRESS | 15.10 | 15.10 | 5.30 | 23.85 | 3.02 | 5.18 | **** |
| | | RUSSELL 3000 | 12.87 | 12.87 | 7.18 | 24.25 | 2.17 | 4.67 | **** |
| 111.78 | 1.35 | TOTAL EMERGING MANAGERS | 14.69 | 14.69 | 4.59 | 23.74 | 2.79 | 5.06 | **** |
| | | RUSSELL 3000 | 12.87 | 12.87 | 7.18 | 24.25 | 2.17 | 4.67 | **** |

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|------------------|------------|---------------------------------------|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| 851.55 | 10.26 | TOTAL ACTIVE DOMESTIC EQUITY | 14.76 | 14.76 | 2.57 | 23.15 | 1.82 | 4.37 | 5.12 |
| 2,243.00 | 27.02 | TOTAL PASSIVE DOMESTIC EQUITY | 12.90 | 12.90 | 6.40 | 23.95 | 2.15 | 4.67 | 6.80 |
| 3,094.55 | 37.28 | TOTAL DOMESTIC EQUITY | 13.42 | 13.42 | 5.35 | 23.68 | 2.02 | 4.54 | 6.14 |
| | | INTERNATIONAL EQUITIES | | | | | | | |
| | | DEVELOPED MARKETS | | | | | | | |
| | | GROWTH | | | | | | | |
| 153.38 | 1.85 | PYRAMIS GLOBAL ADVISORS | 12.71 | 12.71 | -3.05 | 18.86 | **** | **** | **** |
| 153.38 | 1.85 | TOTAL INTL GROWTH | 12.71 | 12.71 | -3.05 | 18.86 | **** | **** | **** |
| | | MSCI EAFE GROWTH | 12.10 | 12.10 | -3.37 | 18.14 | **** | **** | **** |
| | | VALUE | | | | | | | |
| 0.01 | 0.00 | ACADIAN (terminated) | **** | **** | **** | **** | **** | **** | **** |
| 185.46 | 2.23 | SPRUCEGROVE | 10.73 | 10.73 | -1.51 | 20.78 | -0.95 | **** | **** |
| 185.47 | 2.23 | TOTAL INTL VALUE | 10.72 | 10.72 | -1.51 | 20.18 | -2.77 | **** | **** |
| | | MSCI EAFE VALUE | 9.85 | 9.85 | -7.25 | 17.19 | -4.60 | **** | **** |
| | | CORE | | | | | | | |
| 140.90 | 1.70 | PHILADELPHIA | 11.10 | 11.10 | -7.95 | 19.10 | **** | **** | **** |
| 198.03 | 2.39 | THORNBURG | 11.76 | 11.76 | -6.01 | 19.01 | **** | **** | **** |
| 338.93 | 4.08 | TOTAL INTL CORE | 11.48 | 11.48 | -6.83 | 18.98 | **** | **** | **** |
| | | MSCI EAFE (NET DIVIDEND) | 10.86 | 10.86 | -5.77 | 17.12 | **** | **** | **** |
| 0.04 | 0.00 | BANK OF IRELAND | | | | | | | |
| 0.02 | 0.00 | TRANSITION- EAFE REBALANCE | **** | **** | **** | **** | **** | **** | **** |
| 677.90 | 8.17 | TOTAL ACTIVE DEVELOPED MARKETS | 11.23 | 11.23 | -4.85 | 19.08 | -2.02 | 6.01 | 5.14 |

Market values for terminated non-U.S. accounts represent balances to be transferred out or resolved; some of these accounts may also have outstanding tax reclaims. Market values for non-U.S. transition accounts represent cash balances to be cleared out or other outstanding issues.

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|------------------|------------|---|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| 154.76 | 1.86 | SSGA | 10.92 | 10.92 | -5.33 | **** | **** | **** | **** |
| 154.76 | 1.86 | <i>TOTAL PASSIVE DEVELOPED MARKETS</i> | 10.92 | 10.92 | -5.33 | 17.67 | -3.06 | 6.10 | 4.57 |
| 832.66 | 10.03 | <i>TOTAL DEVELOPED MARKETS</i> | 11.17 | 11.17 | -4.94 | 18.84 | -2.20 | 6.08 | 4.99 |
| | | MSCI EAFE (NET DIVIDEND) | 10.86 | 10.86 | -5.77 | 17.12 | -3.51 | 5.70 | 4.21 |
| | | INTERNATIONAL EQUITY MEDIAN | 12.26 | 12.26 | -4.56 | 19.39 | -0.97 | 7.42 | 6.77 |
| 19.98 | 0.24 | GOVERNANCE FOR OWNERS | 21.12 | 21.12 | -12.40 | 32.41 | **** | **** | **** |
| | | MSCI EUROPE SMID CAP | 16.50 | 16.50 | -9.85 | 23.50 | **** | **** | **** |
| 19.98 | 0.24 | <i>TOTAL NON-U.S. ACTIVIST</i> | 21.12 | 21.12 | -12.40 | 32.41 | **** | **** | **** |
| 697.88 | 8.41 | TOTAL ACTIVE DEV-ENVIRON-ACTIVIST | 11.49 | 11.49 | -5.09 | 19.20 | -2.27 | **** | **** |
| 852.64 | 10.27 | <i>TOTAL DEVELOPED ENVIRON ACTIVIST</i> | 11.38 | 11.38 | -5.14 | 18.95 | -2.40 | **** | **** |
| | | <i>EMERGING MARKETS</i> | | | | | | | |
| 104.93 | 1.26 | ACADIAN | 15.50 | 15.50 | -5.95 | 29.36 | 5.60 | **** | **** |
| 160.97 | 1.94 | BAILLIE GIFFORD | 17.33 | 17.33 | -5.54 | 30.51 | 7.13 | **** | **** |
| 17.33 | 0.21 | EATON VANCE | **** | **** | **** | **** | **** | **** | **** |
| 94.66 | 1.14 | STATE STREET | 12.93 | 12.93 | -9.25 | 24.41 | 3.11 | **** | **** |
| 377.88 | 4.55 | <i>TOTAL ACTIVE EMERGING</i> | 15.70 | 15.70 | -6.58 | 27.27 | 5.04 | **** | **** |
| | | MSCI EMERGING MARKETS FREE | 14.14 | 14.14 | -8.52 | 25.41 | 4.97 | **** | **** |
| 177.70 | 2.14 | BLACKROCK | 14.05 | 14.05 | -9.35 | **** | **** | **** | **** |
| 177.70 | 2.14 | <i>TOTAL PASSIVE EMERGING</i> | 14.05 | 14.05 | -9.35 | **** | **** | **** | **** |
| | | MSCI EMERGING MARKETS FREE | 14.14 | 14.14 | -8.52 | **** | **** | **** | **** |

Market values for terminated non-U.S. accounts represent balances to be transferred out or resolved; some of these accounts may also have outstanding tax reclaims. Market values for non-U.S. transition accounts represent cash balances to be cleared out or other outstanding issues.

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|------------------|------------|--|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| 555.58 | 6.69 | TOTAL EMERGING EMERGING MARKETS MEDIAN | 15.16 13.55 | 15.16 13.55 | -7.36 -8.03 | 27.10 25.50 | 4.95 5.52 | 15.24 14.61 | 8.33 9.57 |
| 1,408.22 | 16.97 | TOTAL INTERNATIONAL EQUITY | 12.78 | 12.78 | -5.90 | 20.72 | -0.61 | 7.69 | 5.72 |
| | | HEDGE FUNDS | | | | | | | |
| 49.19 | 0.59 | TOTAL HEDGE FUNDS OF FUNDS | 1.92 | 1.92 | **** | **** | **** | **** | **** |
| | | HFRI FUND OF FUNDS COMP INDEX + 1% | 3.62 | 3.62 | **** | **** | **** | **** | **** |
| | | DIRECT HEDGE FUNDS | | | | | | | |
| 39.28 | 0.47 | BREXAN HOWARD | 0.71 | 0.71 | **** | **** | **** | **** | **** |
| 22.12 | 0.27 | BRIGADE LEV CAP STR | **** | **** | **** | **** | **** | **** | **** |
| 40.13 | 0.48 | D.E. SHAW | 4.49 | 4.49 | **** | **** | **** | **** | **** |
| 101.53 | 1.22 | TOTAL DIRECT HEDGE FUNDS | 2.50 | 2.50 | **** | **** | **** | **** | **** |
| | | HFRI FUND OF FUNDS COMP INDEX + 1% | 3.62 | 3.62 | **** | **** | **** | **** | **** |
| | | MSCI AC WORLD INDEX STD NET | 11.88 | 11.88 | **** | **** | **** | **** | **** |
| | | BARCLAYS CAPITAL AGGREGATE | 0.30 | 0.30 | **** | **** | **** | **** | **** |
| 150.72 | 1.82 | TOTAL HEDGE FUNDS | 2.35 | 2.35 | **** | **** | **** | **** | **** |
| | | 1 YEAR TREASURY BILL YIELD + 4% | 0.97 | 0.97 | **** | **** | **** | **** | **** |
| | | HFRI FUND OF FUNDS COMP INDEX + 1% | 3.62 | 3.62 | **** | **** | **** | **** | **** |
| | | REAL ESTATE EQUITY SECURITIES | | | | | | | |
| 83.39 | 1.00 | ADELANTE CAPITAL MANAGEMENT | 10.84 | 10.84 | 14.56 | 44.14 | -1.93 | **** | **** |
| 115.63 | 1.39 | EUROPEAN INVESTORS | **** | **** | **** | **** | **** | **** | **** |
| 205.89 | 2.48 | MORGAN STANLEY | 11.58 | 11.58 | 12.08 | 44.86 | 0.75 | **** | **** |
| 404.91 | 4.88 | TOTAL REAL ESTATE EQUITY SECURITIES | 11.41 | 11.41 | 13.19 | 44.52 | -0.55 | **** | **** |
| | | DJ US SELECT RE SECURITIES INDEX | 10.88 | 10.88 | 13.17 | 44.61 | -0.93 | **** | **** |

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|-----------------------------------|------------|---------------------------------|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| PRIVATE EQUITY INVESTMENTS | | | | | | | | | |
| 8.43 | 0.10 | AEA INVESTORS 2006 FD | **** | **** | **** | **** | **** | **** | **** |
| 0.61 | 0.01 | AISLING CAPITAL II | **** | **** | **** | **** | **** | **** | **** |
| 1.03 | 0.01 | AISLING CAPITAL III | **** | **** | **** | **** | **** | **** | **** |
| 32.07 | 0.39 | ALDUS NEW YORK FIRE FD | **** | **** | **** | **** | **** | **** | **** |
| 3.25 | 0.04 | AMERICAN SEC PTNRS VI | **** | **** | **** | **** | **** | **** | **** |
| 1.87 | 0.02 | AMPERSAND 2009 | **** | **** | **** | **** | **** | **** | **** |
| 5.29 | 0.06 | APOLLO INVESTMENT FD V | **** | **** | **** | **** | **** | **** | **** |
| 18.77 | 0.23 | APOLLO INVESTMENT FD VI | **** | **** | **** | **** | **** | **** | **** |
| 17.82 | 0.21 | APOLLO INVESTMENT FD VII | **** | **** | **** | **** | **** | **** | **** |
| 2.10 | 0.03 | ARES CORP OPP | **** | **** | **** | **** | **** | **** | **** |
| 4.89 | 0.06 | ARES CORP OPP FD II | **** | **** | **** | **** | **** | **** | **** |
| 7.67 | 0.09 | ARES CORP OPP FD III | **** | **** | **** | **** | **** | **** | **** |
| 5.05 | 0.06 | AURORA EQUITY CAPITAL PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 4.35 | 0.05 | AVISTA CAPITAL PTNRS | **** | **** | **** | **** | **** | **** | **** |
| 8.51 | 0.10 | AVISTA CAPITAL PTNRS II | **** | **** | **** | **** | **** | **** | **** |
| 6.20 | 0.07 | AXA SECONDARY FD V | **** | **** | **** | **** | **** | **** | **** |
| 2.32 | 0.03 | BC EUR CAP IX | **** | **** | **** | **** | **** | **** | **** |
| 2.74 | 0.03 | BDCM OPPORTUNITY FD III | **** | **** | **** | **** | **** | **** | **** |
| 10.80 | 0.13 | BLACKSTONE CAPITAL PTNRS IV | **** | **** | **** | **** | **** | **** | **** |
| 8.38 | 0.10 | BLACKSTONE CAPITAL PTNRS V | **** | **** | **** | **** | **** | **** | **** |
| 1.13 | 0.01 | BLACKSTONE CAPITAL PTNRS VI | **** | **** | **** | **** | **** | **** | **** |
| 1.63 | 0.02 | BLACKSTONE MEZZ PTNRS II | **** | **** | **** | **** | **** | **** | **** |
| 4.32 | 0.05 | BRIDGEPOINT EUROPE III | **** | **** | **** | **** | **** | **** | **** |
| 4.39 | 0.05 | BRIDGEPOINT EUROPE IV | **** | **** | **** | **** | **** | **** | **** |
| 1.59 | 0.02 | CARLYLE PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 5.01 | 0.06 | CARLYLE PTNRS IV | **** | **** | **** | **** | **** | **** | **** |

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|------------------|------------|--------------------------------------|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| 6.59 | 0.08 | CARLYLE PTNRS V | **** | **** | **** | **** | **** | **** | **** |
| 5.76 | 0.07 | CATTERTON PTNRS VI | **** | **** | **** | **** | **** | **** | **** |
| 4.48 | 0.05 | CCMP CAPITAL INVESTORS II | **** | **** | **** | **** | **** | **** | **** |
| 3.72 | 0.04 | CLAYTON, DUBILIER AND RICE FUND VII | **** | **** | **** | **** | **** | **** | **** |
| 4.05 | 0.05 | CLAYTON, DUBILIER AND RICE FUND VIII | **** | **** | **** | **** | **** | **** | **** |
| 4.64 | 0.06 | CELTIC PHARM HLDGS, LP | **** | **** | **** | **** | **** | **** | **** |
| 3.06 | 0.04 | COLLER INTERNATIONAL PTNRS V | **** | **** | **** | **** | **** | **** | **** |
| 5.21 | 0.06 | COMVEST INVEST PTNRS IV | **** | **** | **** | **** | **** | **** | **** |
| 4.07 | 0.05 | CONSTELLATION VENTURES III | **** | **** | **** | **** | **** | **** | **** |
| 1.16 | 0.01 | CREDIT SUISSE EM FD | **** | **** | **** | **** | **** | **** | **** |
| 2.60 | 0.03 | CREDIT SUISSE EM CO/INV FD | **** | **** | **** | **** | **** | **** | **** |
| 5.15 | 0.06 | CRESTVIEW PARTNERS II | **** | **** | **** | **** | **** | **** | **** |
| 3.43 | 0.04 | CVC EURO EQ PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 9.61 | 0.12 | CVC EURO EQ PTNRS V | **** | **** | **** | **** | **** | **** | **** |
| 2.60 | 0.03 | CYPRESS MERCH BK PTNRS II | **** | **** | **** | **** | **** | **** | **** |
| 1.21 | 0.01 | EQT VI LP | **** | **** | **** | **** | **** | **** | **** |
| 0.99 | 0.01 | ERASMUS NYC GROWTH FD A | **** | **** | **** | **** | **** | **** | **** |
| 3.13 | 0.04 | FAIRVIEW EMERGING MGRS FD | **** | **** | **** | **** | **** | **** | **** |
| 6.40 | 0.08 | FDG CAPL PTNRS | **** | **** | **** | **** | **** | **** | **** |
| 3.70 | 0.04 | FDG CAPL PTNRS II | **** | **** | **** | **** | **** | **** | **** |
| 3.61 | 0.04 | FENWAY PTNRS CAPITAL III | **** | **** | **** | **** | **** | **** | **** |
| 1.81 | 0.02 | FIRST MARK FUND IV | **** | **** | **** | **** | **** | **** | **** |
| 3.98 | 0.05 | FIRST RESERVE FD XI | **** | **** | **** | **** | **** | **** | **** |
| 3.44 | 0.04 | FIRST RESERVE FD XII | **** | **** | **** | **** | **** | **** | **** |
| 2.38 | 0.03 | FOURTH CINVEN FD | **** | **** | **** | **** | **** | **** | **** |
| 8.19 | 0.10 | FS EQUITY PTNRS V | **** | **** | **** | **** | **** | **** | **** |
| 6.44 | 0.08 | FS EQUITY PTNRS VI | **** | **** | **** | **** | **** | **** | **** |
| 2.88 | 0.03 | FT VENTURES FD III | **** | **** | **** | **** | **** | **** | **** |

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|------------------|------------|------------------------------|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| 2.36 | 0.03 | GI PTNRS FD II | **** | **** | **** | **** | **** | **** | **** |
| 6.36 | 0.08 | GI PTNRS FD III | **** | **** | **** | **** | **** | **** | **** |
| 6.91 | 0.08 | GSO CAPITAL OPPORTUNITES FD | **** | **** | **** | **** | **** | **** | **** |
| 1.12 | 0.01 | HIGHLAND CONSUMER FD I | **** | **** | **** | **** | **** | **** | **** |
| 3.40 | 0.04 | HM 2006 SECTOR PERFORM FD | **** | **** | **** | **** | **** | **** | **** |
| 3.07 | 0.04 | INTERMEDIA PARTNERS VII | **** | **** | **** | **** | **** | **** | **** |
| 2.08 | 0.03 | JP MORGAN INVST MGMT | **** | **** | **** | **** | **** | **** | **** |
| 1.25 | 0.02 | LANDMARK EQUITY PTNRS XI | **** | **** | **** | **** | **** | **** | **** |
| 6.44 | 0.08 | LANDMARK EQUITY PTNRS XIV | **** | **** | **** | **** | **** | **** | **** |
| 2.17 | 0.03 | LEE EQUITY PARTNERS | **** | **** | **** | **** | **** | **** | **** |
| 4.19 | 0.05 | LEVINE LEICHTMAN CAP PTNS IV | **** | **** | **** | **** | **** | **** | **** |
| 4.40 | 0.05 | LEXINGTON CAPITAL PTNRS VII | **** | **** | **** | **** | **** | **** | **** |
| 1.63 | 0.02 | LINCOLNSHIRE EQ FD II | **** | **** | **** | **** | **** | **** | **** |
| 2.76 | 0.03 | LINCOLNSHIRE EQ FD III | **** | **** | **** | **** | **** | **** | **** |
| 0.44 | 0.01 | LINCOLNSHIRE EQ FD IV | **** | **** | **** | **** | **** | **** | **** |
| 6.10 | 0.07 | LODH EURO CHOICE II | **** | **** | **** | **** | **** | **** | **** |
| 3.79 | 0.05 | LODH EURO CHOICE III | **** | **** | **** | **** | **** | **** | **** |
| 2.28 | 0.03 | LODH EURO CHOICE IV | **** | **** | **** | **** | **** | **** | **** |
| 2.82 | 0.03 | MARKSTONE CAPITAL PTNRS | **** | **** | **** | **** | **** | **** | **** |
| 6.30 | 0.08 | MIDOCEAN PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 4.31 | 0.05 | MONTREUX EQ PTNRS IV | **** | **** | **** | **** | **** | **** | **** |
| 2.42 | 0.03 | NEUBERGER BERMAN EMG MGR | **** | **** | **** | **** | **** | **** | **** |
| 1.14 | 0.01 | NEW MOUNTAIN PTNRS | **** | **** | **** | **** | **** | **** | **** |
| 1.73 | 0.02 | NEW MOUNTAIN PTNRS II | **** | **** | **** | **** | **** | **** | **** |
| 6.20 | 0.07 | NEW MOUNTAIN PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 4.86 | 0.06 | NEWSPRING VENTURE II | **** | **** | **** | **** | **** | **** | **** |
| 2.14 | 0.03 | NGN BIOMED OPPORTUNITY II | **** | **** | **** | **** | **** | **** | **** |

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|------------------|------------|------------------------------|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| 1.36 | 0.02 | OLYMPUS CAPITAL ASIA III | **** | **** | **** | **** | **** | **** | **** |
| 2.10 | 0.03 | ONEX PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 2.96 | 0.04 | PALADIN HOMELAND SECURITY FD | **** | **** | **** | **** | **** | **** | **** |
| 3.84 | 0.05 | PALADIN FUND III | **** | **** | **** | **** | **** | **** | **** |
| 9.42 | 0.11 | PALLADIUM EQ PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 6.72 | 0.08 | PCGAM CLEAN ENERGY & TECH FD | **** | **** | **** | **** | **** | **** | **** |
| 10.00 | 0.12 | PEGASUS PTNRS IV | **** | **** | **** | **** | **** | **** | **** |
| 0.79 | 0.01 | PEGASUS PTNRS V | **** | **** | **** | **** | **** | **** | **** |
| 4.58 | 0.06 | PERMIRA FUND IV | **** | **** | **** | **** | **** | **** | **** |
| 5.11 | 0.06 | PERSEUS PTNRS VII | **** | **** | **** | **** | **** | **** | **** |
| 4.45 | 0.05 | PINE BROOK CAPITAL PTNRS | **** | **** | **** | **** | **** | **** | **** |
| 2.88 | 0.03 | PRISM VENTURE PTNRS IV | **** | **** | **** | **** | **** | **** | **** |
| 3.58 | 0.04 | PRISM VENTURE PTNRS V-A | **** | **** | **** | **** | **** | **** | **** |
| 2.25 | 0.03 | PSILOS GROUP PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 6.95 | 0.08 | RIVERSTONE/CARLYLE GLB EP IV | **** | **** | **** | **** | **** | **** | **** |
| 3.06 | 0.04 | RRE VENTURES IV | **** | **** | **** | **** | **** | **** | **** |
| 4.64 | 0.06 | SCALE VENTURE PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 7.94 | 0.10 | SCP PRIV EQ PTNRS II | **** | **** | **** | **** | **** | **** | **** |
| 2.90 | 0.03 | SCP VITALIFE PTNRS II | **** | **** | **** | **** | **** | **** | **** |
| 1.62 | 0.02 | SILVER LAKE PTNRS II | **** | **** | **** | **** | **** | **** | **** |
| 2.53 | 0.03 | SILVER LAKE PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 4.74 | 0.06 | SNOW PHIPPS GROUP | **** | **** | **** | **** | **** | **** | **** |
| 2.46 | 0.03 | SNOW PHIPPS II | **** | **** | **** | **** | **** | **** | **** |
| 4.39 | 0.05 | TAILWIND CAPITAL PTNRS | **** | **** | **** | **** | **** | **** | **** |
| 1.88 | 0.02 | TERRA FIRMA CAP III | **** | **** | **** | **** | **** | **** | **** |
| 4.12 | 0.05 | TRIDENT V | **** | **** | **** | **** | **** | **** | **** |

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|------------------|------------|-------------------------------------|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| 1.63 | 0.02 | TRILANTIC CAPITAL PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 5.82 | 0.07 | TRILANTIC CAPITAL PTNRS IV | **** | **** | **** | **** | **** | **** | **** |
| 4.39 | 0.05 | US POWER FUND II | **** | **** | **** | **** | **** | **** | **** |
| 3.65 | 0.04 | US POWER FUND III | **** | **** | **** | **** | **** | **** | **** |
| 9.36 | 0.11 | VISTA EQUITY PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 4.63 | 0.06 | VISTA EQUITY PTNRS IV | **** | **** | **** | **** | **** | **** | **** |
| 4.74 | 0.06 | VITRUVIAN PTNRS | **** | **** | **** | **** | **** | **** | **** |
| 0.96 | 0.01 | VS&A COMM PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 1.90 | 0.02 | VSS COMM PTNRS IV | **** | **** | **** | **** | **** | **** | **** |
| 1.41 | 0.02 | WELLSPRING CAP PTNRS V | **** | **** | **** | **** | **** | **** | **** |
| 4.08 | 0.05 | WELSH CARSON ANDERSON & STOWE XI | **** | **** | **** | **** | **** | **** | **** |
| 3.41 | 0.04 | YUCAIPA AMERICAN ALLIANCE FD | **** | **** | **** | **** | **** | **** | **** |
| 19.07 | 0.23 | YUCAIPA AMERICAN ALLIANCE FD II | **** | **** | **** | **** | **** | **** | **** |
| 1.65 | 0.02 | YUCAIPA CORP INITIATIVE II | **** | **** | **** | **** | **** | **** | **** |
| 551.14 | 6.64 | TOTAL PRIVATE EQUITY | **** | **** | **** | **** | **** | **** | **** |
| | | PRIVATE REAL ESTATE | | | | | | | |
| 10.57 | 0.13 | AG REALTY FUND VIII | **** | **** | **** | **** | **** | **** | **** |
| 2.06 | 0.02 | AMER VALUE PTNRS I | **** | **** | **** | **** | **** | **** | **** |
| 11.36 | 0.14 | APOLLO EUROPE III | **** | **** | **** | **** | **** | **** | **** |
| 10.70 | 0.13 | ARA ASIA DRAGON FD | **** | **** | **** | **** | **** | **** | **** |
| 9.87 | 0.12 | BLACKROCK CARBON III | **** | **** | **** | **** | **** | **** | **** |
| 1.48 | 0.02 | BLACKSTONE REAL ESTATE PTNRS EU III | **** | **** | **** | **** | **** | **** | **** |
| 2.78 | 0.03 | BLACKSTONE REAL ESTATE PTNRS IV | **** | **** | **** | **** | **** | **** | **** |
| 11.42 | 0.14 | BLACKSTONE REAL ESTATE PTNRS VI | **** | **** | **** | **** | **** | **** | **** |
| 0.21 | 0.00 | CANYON-JOHNSON URBAN FD | **** | **** | **** | **** | **** | **** | **** |

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|------------------|------------|--|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| 5.31 | 0.06 | CANYON-JOHNSON URBAN FD II | **** | **** | **** | **** | **** | **** | **** |
| 2.46 | 0.03 | CANYON JOHNSON URBAN FD III | **** | **** | **** | **** | **** | **** | **** |
| 3.31 | 0.04 | CARLYLE R. P. FD V | **** | **** | **** | **** | **** | **** | **** |
| 2.60 | 0.03 | CARLYLE REALTY VI | **** | **** | **** | **** | **** | **** | **** |
| 5.30 | 0.06 | COLONY INVESTORS VIII | **** | **** | **** | **** | **** | **** | **** |
| 2.74 | 0.03 | COLONY REALTY PTNRS II | **** | **** | **** | **** | **** | **** | **** |
| 6.12 | 0.07 | DIVCO WEST FD III | **** | **** | **** | **** | **** | **** | **** |
| 2.05 | 0.02 | H/2 SP OPPORTUNITY FD II | **** | **** | **** | **** | **** | **** | **** |
| 9.73 | 0.12 | HEITMAN AMERICA | **** | **** | **** | **** | **** | **** | **** |
| 24.98 | 0.30 | JPM STRATEGIC PROF FD | **** | **** | **** | **** | **** | **** | **** |
| 3.79 | 0.05 | JPM SPECIAL SIT FD | **** | **** | **** | **** | **** | **** | **** |
| 14.51 | 0.17 | LASALLE US PROPERTY FD | **** | **** | **** | **** | **** | **** | **** |
| 2.26 | 0.03 | METRO WORKFORCE HOUSING FD | **** | **** | **** | **** | **** | **** | **** |
| 6.36 | 0.08 | PRISA | **** | **** | **** | **** | **** | **** | **** |
| 16.88 | 0.20 | PRISA II | **** | **** | **** | **** | **** | **** | **** |
| 3.41 | 0.04 | PROLOGIS TARGETED US LOGISTICS FD | **** | **** | **** | **** | **** | **** | **** |
| 6.55 | 0.08 | RREEF AMER. II | **** | **** | **** | **** | **** | **** | **** |
| 1.70 | 0.02 | RREEF AMER. III | **** | **** | **** | **** | **** | **** | **** |
| 1.01 | 0.01 | SILVERPEAK RE PTNRS III | **** | **** | **** | **** | **** | **** | **** |
| 6.32 | 0.08 | STOCKBRIDGE RE FD III | **** | **** | **** | **** | **** | **** | **** |
| 14.61 | 0.18 | THE CITY INVESTMENT FD | **** | **** | **** | **** | **** | **** | **** |
| 1.87 | 0.02 | THOR URBAN PRPTY FD II | **** | **** | **** | **** | **** | **** | **** |
| 18.35 | 0.22 | UBS TRUMBULL PROPERTY FD | **** | **** | **** | **** | **** | **** | **** |
| 3.90 | 0.05 | WALTON ST RE FD VI | **** | **** | **** | **** | **** | **** | **** |
| 2.03 | 0.02 | WESTBROOK RE FUND VIII | **** | **** | **** | **** | **** | **** | **** |
| 228.61 | 2.75 | TOTAL PRIVATE REAL ESTATE | **** | **** | **** | **** | **** | **** | **** |
| 5,838.15 | 70.34 | TOTAL EQUITY - PUBLIC & PRIVATE | 11.16 | 11.16 | 2.52 | 21.50 | 1.10 | **** | **** |

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| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|--------------------------------|------------|-------------------------------------|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| FIXED INCOME MANAGEMENT | | | | | | | | | |
| TREASURY / AGENCY | | | | | | | | | |
| 56.99 | 0.69 | FISCHER FRANCIS | -2.64 | -2.64 | 15.80 | 6.76 | 8.71 | 7.86 | 8.12 |
| 95.80 | 1.15 | PIMCO | -2.67 | -2.67 | 15.25 | 7.26 | 8.75 | 7.91 | **** |
| 55.55 | 0.67 | STATE STREET | -2.65 | -2.65 | 15.47 | **** | **** | **** | **** |
| 208.33 | 2.51 | ALL TREASURY / AGENCY | -2.66 | -2.66 | 15.46 | 6.81 | 8.60 | 7.72 | 7.94 |
| | | NYC - TREASURY AGENCY PLUS FIVE | -2.74 | -2.74 | 15.61 | 6.23 | 8.45 | 7.64 | 7.86 |
| MORTGAGE | | | | | | | | | |
| 231.66 | 2.79 | BLACKROCK | 1.93 | 1.93 | 7.25 | 8.01 | 6.92 | 6.07 | **** |
| 86.66 | 1.04 | GOLDMAN SACHS | 0.68 | 0.68 | 7.05 | **** | **** | **** | **** |
| 109.89 | 1.32 | NEUBERGER BERMAN | 0.60 | 0.60 | 6.02 | **** | **** | **** | **** |
| 232.27 | 2.80 | PIMCO | 1.23 | 1.23 | 6.55 | 7.64 | 6.86 | 6.23 | 6.92 |
| 660.48 | 7.96 | ALL MORTGAGE | 1.29 | 1.29 | 6.77 | 7.25 | 6.53 | 5.93 | 6.63 |
| | | CITIGROUP MORTGAGE INDEX | 0.61 | 0.61 | 6.38 | 5.30 | 6.41 | 5.71 | 6.36 |
| INVESTMENT GRADE CREDIT | | | | | | | | | |
| 90.21 | 1.09 | BLACKROCK | 2.25 | 2.25 | 9.17 | **** | **** | **** | **** |
| 88.98 | 1.07 | PRUDENTIAL | 2.11 | 2.11 | 9.67 | **** | **** | **** | **** |
| 162.97 | 1.96 | TAPLIN, CANIDA | 2.08 | 2.08 | 8.75 | 14.75 | 6.09 | 6.88 | **** |
| 148.84 | 1.79 | T. ROWE PRICE | 2.78 | 2.78 | 9.63 | 14.03 | 7.74 | 6.87 | 7.01 |
| 491.00 | 5.92 | ALL INVESTMENT GRADE CREDIT | 2.33 | 2.33 | 9.26 | 14.14 | 6.57 | 6.57 | 6.88 |
| | | NYC - INVESTMENT GRADE CREDIT | 2.09 | 2.09 | 9.16 | 11.99 | 6.57 | 6.42 | 6.75 |
| CORE PLUS FIXED INCOME | | | | | | | | | |
| 10.21 | 0.12 | LM CAPITAL | 1.21 | 1.21 | 8.32 | **** | **** | **** | **** |
| 10.21 | 0.12 | TOTAL CORE PLUS FIXED INCOME | 1.21 | 1.21 | 8.32 | **** | **** | **** | **** |
| | | BARCLAYS CAPITAL AGGREGATE | 0.30 | 0.30 | 7.71 | **** | **** | **** | **** |

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|------------------|------------|---|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| 1,359.81 | 16.38 | TOTAL STRUCTURED | 1.03 | 1.03 | 9.19 | 9.21 | 7.16 | 6.66 | 7.12 |
| | | NYC - CORE PLUS FIVE | 0.38 | 0.38 | 9.30 | 7.63 | 7.05 | 6.44 | 6.92 |
| 1,370.02 | 16.51 | TOTAL STRUCTURED PLUS LM CAPITAL | 1.04 | 1.04 | 9.18 | 9.20 | 7.16 | 6.65 | 7.11 |
| | | ACTIVE TIPS MANAGERS | | | | | | | |
| 60.50 | 0.73 | BLACKROCK | 0.65 | 0.65 | 12.21 | 8.76 | 7.87 | **** | **** |
| 58.10 | 0.70 | PIMCO | 0.85 | 0.85 | 12.37 | 8.74 | 7.75 | **** | **** |
| 118.60 | 1.43 | TOTAL ACTIVE TIPS MANAGERS | 0.74 | 0.74 | 12.29 | 8.75 | 7.81 | **** | **** |
| | | PASSIVE TIPS MANAGERS | | | | | | | |
| 40.14 | 0.48 | STATE STREET | 0.81 | 0.81 | 12.22 | 8.71 | 7.64 | **** | **** |
| 40.14 | 0.48 | TOTAL PASSIVE TIPS MANAGERS | 0.81 | 0.81 | 12.22 | 8.71 | 7.64 | **** | **** |
| 158.74 | 1.91 | TOTAL TIPS MANAGERS | 0.76 | 0.76 | 12.27 | 8.74 | 7.76 | **** | **** |
| | | BARCLAYS CAPITAL US TIPS INDEX | 0.86 | 0.86 | 12.20 | 8.75 | 7.61 | **** | **** |
| | | ENHANCED YIELD | | | | | | | |
| 127.16 | 1.53 | MACKAY SHIELDS | 4.42 | 4.42 | 8.39 | 20.06 | 8.43 | **** | **** |
| | | BofA MERRILL LYNCH HY MASTER II | 5.15 | 5.15 | 5.64 | 23.77 | 7.84 | **** | **** |
| 128.76 | 1.55 | SEIX | 4.78 | 4.78 | 5.58 | 17.14 | 7.19 | **** | **** |
| 234.86 | 2.83 | T. ROWE PRICE | 4.07 | 4.07 | 5.25 | 19.16 | 7.75 | **** | **** |
| 490.78 | 5.91 | ALL ENHANCED YIELD | 4.33 | 4.33 | 6.36 | 18.80 | 7.80 | 8.77 | 7.46 |
| | | CITIGROUP BB & B | 4.54 | 4.54 | 7.34 | 18.82 | 5.83 | 7.57 | 6.39 |
| | | CITIGROUP BB & B CAPPED | 4.52 | 4.52 | 7.54 | 18.68 | 6.56 | 8.13 | **** |
| | | ENHANCED YIELD MEDIAN | 4.52 | 4.52 | 6.63 | 19.37 | 7.75 | 10.34 | 8.40 |

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|------------------|------------|---------------------------------------|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| | | CONVERTIBLE BONDS | | | | | | | |
| 43.15 | 0.52 | ADVENT CONVERTIBLE BONDS | 7.49 | 7.49 | 0.86 | 15.66 | **** | **** | **** |
| | | BofA ML CONVERTIBLES YIELD ALT. INDEX | 6.73 | 6.73 | 0.68 | 18.71 | **** | **** | **** |
| 39.10 | 0.47 | LORD ABBETT CONVERTIBLE BONDS | 8.67 | 8.67 | -3.06 | 17.36 | **** | **** | **** |
| | | BofA ML ALL CONVERTIBLES INDEX | 10.22 | 10.22 | -0.54 | 20.97 | **** | **** | **** |
| 82.25 | 0.99 | TOTAL CONVERTIBLE BONDS | 8.05 | 8.05 | -1.04 | 16.45 | **** | **** | **** |
| | | BofA ML ALL CONVER EX MANDATORY | 9.86 | 9.86 | 0.42 | 21.05 | **** | **** | **** |
| | | FIRE CUSTOM CONVERTIBLE BOND INDEX | 8.47 | 8.47 | 0.12 | 19.87 | **** | **** | **** |
| | | OPPORTUNISTIC | | | | | | | |
| 2.48 | 0.03 | AVE EURO SPECIAL SITUATIONS FD | **** | **** | **** | **** | **** | **** | **** |
| 0.45 | 0.01 | AVE SPECIAL SITUATIONS FD V | **** | **** | **** | **** | **** | **** | **** |
| 12.34 | 0.15 | AVE SPECIAL SITUATIONS FD VI | **** | **** | **** | **** | **** | **** | **** |
| 0.03 | 0.00 | PIMCO-DISCO | **** | **** | **** | **** | **** | **** | **** |
| 15.18 | 0.18 | TORCHLIGHT INVESTORS | **** | **** | **** | **** | **** | **** | **** |
| | | 3 MONTH LIBOR PLUS 750BPS | **** | **** | **** | **** | **** | **** | **** |
| 5.33 | 0.06 | APOLLO | **** | **** | **** | **** | **** | **** | **** |
| 16.52 | 0.20 | GOLDENTREE | 5.41 | 5.41 | **** | **** | **** | **** | **** |
| 16.29 | 0.20 | MARATHON | 11.45 | 11.45 | **** | **** | **** | **** | **** |
| 38.15 | 0.46 | TOTAL STRATEGIC MANDATES | 9.27 | 9.27 | **** | **** | **** | **** | **** |
| | | JP MORGAN GLOBAL HY BOND INDEX | 5.87 | 5.87 | **** | **** | **** | **** | **** |
| | | JP MORGAN GLOBAL HY PLUS 3% | 6.42 | 6.42 | **** | **** | **** | **** | **** |
| 68.64 | 0.83 | TOTAL DISTRESSED FIXED | 6.00 | 6.00 | -1.75 | 21.10 | **** | **** | **** |
| 68.64 | 0.83 | TOTAL OPPORTUNISTIC FIXED | 6.00 | 6.00 | -1.75 | 21.10 | **** | **** | **** |
| | | JP MORGAN GLOBAL HIGH YIELD PLUS 3% | 6.42 | 6.42 | 10.41 | 27.52 | **** | **** | **** |

Consolidated Performance Report

Through March 31, 2012

| Assets (\$MM) | % Total | | 3 Mos Jan-12 Mar-12 | YTD Jan-12 Mar-12 | 1 Yr Apr-11 Mar-12 | 3 Yrs Apr-09 Mar-12 | 5 Yrs Apr-07 Mar-12 | 10 Yrs Apr-02 Mar-12 | 15 Yrs Apr-97 Mar-12 |
|------------------|------------|---|---------------------------|-------------------------|--------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| | | ETI | | | | | | | |
| 8.07 | 0.10 | ACCESS RBC | 0.74 | 0.74 | 7.33 | 5.87 | 6.94 | **** | **** |
| 39.25 | 0.47 | AFL - CIO HOUSING INV TRUST | 0.21 | 0.21 | 7.25 | 5.93 | 6.16 | **** | **** |
| 0.36 | 0.00 | CFSB-PPAR | 1.17 | 1.17 | 3.39 | 7.98 | 7.61 | **** | **** |
| 0.55 | 0.01 | CCD PPAR | 1.48 | 1.48 | 5.50 | 8.05 | 8.68 | **** | **** |
| 0.30 | 0.00 | LIIF-PPAR | 1.41 | 1.41 | 5.27 | **** | **** | **** | **** |
| 0.19 | 0.00 | NCBCI-PPAR | 1.52 | 1.52 | 7.77 | **** | **** | **** | **** |
| 3.46 | 0.04 | CPC REVOLVING | 0.63 | 0.63 | 2.20 | 2.14 | 3.45 | **** | **** |
| 0.06 | 0.00 | TARGETED INVESTMENT | 2.47 | 2.47 | -3.39 | 3.90 | 5.62 | 6.09 | 6.94 |
| 52.23 | 0.63 | TOTAL ETI (with cash) | 0.35 | 0.35 | 6.80 | 5.67 | 6.14 | 5.12 | 6.28 |
| | | FIRE CUSTOM ETI BENCHMARK (NO CASH) | 0.30 | 0.30 | 7.05 | 6.11 | 6.03 | 5.53 | 6.16 |
| | | BARCLAYS CAPITAL AGGREGATE | 0.30 | 0.30 | 7.71 | 6.83 | 6.24 | 5.80 | 6.39 |
| 2,444.62 | 29.45 | TOTAL FIXED INCOME | 1.75 | 1.75 | 6.93 | 10.32 | 6.87 | 6.74 | 6.97 |
| 17.08 | 0.21 | SECURITIES LENDING | **** | **** | **** | **** | **** | **** | **** |
| 221.96 | 2.67 | STATE STREET SHORT TERM | 0.09 | 0.09 | 0.40 | 0.62 | 2.03 | 2.43 | 3.56 |
| 0.24 | 0.00 | BNY-MELLON - CD | **** | **** | **** | **** | **** | **** | **** |
| 8,300.10 | 100.00 | TOTAL FIRE DEPARTMENT PENSION FUND | 8.11 | 8.11 | 4.04 | 17.59 | 3.18 | 6.25 | 6.87 |
| | | FIRE POLICY BENCHMARK | 7.97 | 7.97 | 5.86 | 19.81 | 3.52 | 6.25 | 7.01 |

Note: All ETI Returns are shown Net of Fees

Actual and Estimated Fees

| NEW YORK CITY FIRE RETIREMENT SYSTEM | | | |
|--|----------------|--|-------------------|
| ACTUAL FEES FOR FISCAL YEAR ENDING JUNE 30, 2011 AND ESTIMATED FEES FOR FY 2012 UPDATED THROUGH DECEMBER 2011 | | | |
| | Actual 2011 | | Estimated 2012 |
| INVESTMENT STYLE (EQUITIES) | BASIS POINTS | | BASIS POINTS |
| Small Cap | 43.15 | | 55.29 |
| Small Cap Growth | 66.18 | | 74.72 |
| Small Cap Value | 54.40 | | 59.08 |
| Small/Mid Cap | 42.18 | | 62.42 |
| Small/Mid Cap Value | 42.18 | | 62.42 |
| Mid Cap | 20.74 | | 35.76 |
| Mid Cap Growth | 45.64 | | 67.89 |
| Mid Cap Value | 53.12 | | 61.73 |
| Mid Cap Core | 30.51 | | 58.09 |
| Large Cap | 22.50 | | 28.30 |
| Large Cap Growth | 23.10 | | 27.85 |
| Large Cap Value | 19.22 | | 25.64 |
| Large Cap Core | 26.62 | | 35.97 |
| Emerging Managers (U.S. Equities) | 45.01 | | 63.88 |
| Passive U.S. Equities | 0.39 | | 0.57 |
| Int'l Active Equities (EAFE) | 28.66 | | 34.05 |
| Growth | 25.06 | | 27.68 |
| Value | 20.70 | | 31.36 |
| Core | 34.40 | | 38.40 |
| Int'l Passive Equities (EAFE) | 1.31 | | 1.52 |
| Emerging Markets | 35.03 | | 39.14 |
| Real Estate Equity Securities | 23.39 | | 32.68 |

Actual and Estimated Fees

| NEW YORK CITY FIRE RETIREMENT SYSTEM | | | |
|--|----------------|--|-------------------|
| ACTUAL FEES FOR FISCAL YEAR ENDING JUNE 30, 2011 AND ESTIMATED FEES FOR FY 2012 UPDATED THROUGH DECEMBER 2011 | | | |
| | Actual 2011 | | Estimated 2012 |
| INVESTMENT STYLE (FIXED) | BASIS POINTS | | BASIS POINTS |
| Structured Program | 8.14 | | 8.43 |
| Government Sector | 8.00 | | 8.75 |
| Mortgage Sector | 7.91 | | 7.25 |
| Investment Grade Credit Sector | 8.51 | | 9.88 |
| TIPS | 4.84 | | 6.42 |
| Active TIPS | 6.46 | | 8.43 |
| Passive TIPS | 0.12 | | 0.50 |
| Enhanced Yield | 35.85 | | 30.54 |
| Convertible Bonds | 35.88 | | 39.59 |
| Targeted - Access Voyageur | 26.29 | | 28.75 |
| Targeted - AFL-CIO | 43.17 | | 44.00 |
| In-House Short Term | 0.00 | | 0.00 |
| Total Overall* | 14.76 | | 17.92 |

*Only Public Markets fees are
calculated in the overall total

Securities Lending Income

Through March 31, 2012

| | U.S. <u>FIXED INCOME</u> | U.S INTERNATIONAL <u>EQUITY</u> | <u>EQUITY</u> |
|-----------------|-----------------------------|------------------------------------|--------------------|
| 1989* | \$109,000 | -- | -- |
| 1990 | 104,000 | -- | -- |
| 1991 | 157,000 | -- | -- |
| 1992 | 429,000 | \$47,000 | \$48,000 |
| 1993 | 762,000 | 146,000 | 102,000 |
| 1994 | 693,000 | 267,000 | 102,000 |
| 1995 | 495,000 | 306,000 | 96,000 |
| 1996 | 455,000 | 228,000 | 179,000 |
| 1997 | 473,000 | 512,000 | 257,000 |
| 1998 | 789,000 | 552,000 | 356,000 |
| 1999 | 716,000 | 690,000 | 408,000 |
| 2000 | 734,000 | 897,000 | 408,000 |
| 2001 | 1,176,000 | 1,286,000 | 561,000 |
| 2002 | 671,000 | 1,162,000 | 506,000 |
| 2003 | 349,000 | 644,000 | 452,000 |
| 2004 | 505,000 | 670,000 | 462,000 |
| 2005 | 740,000 | 1,070,000 | 574,000 |
| 2006 | 599,000 | 1,753,000 | 713,000 |
| 2007 | 1,437,000 | 3,180,000 | 786,000 |
| 2008 | 4,172,000 | 6,798,000 | 1,236,000 |
| 2009 | 1,606,000 | 3,588,000 | 817,000 |
| 2010 | 760,000 | 2,047,000 | 563,000 |
| 2011 | 977,000 | 2,674,000 | 927,000 |
| 2012 (3 Months) | 328,000 | 888,000 | 140,000 |
| Since Inception | <u>\$19,236,000</u> | <u>\$29,405,000</u> | <u>\$9,693,000</u> |
| *Inception 4/89 | | | |

Footnotes

Through March 31, 2012

- The Barclays Capital Aggregate (then known as the Lehman Brothers Aggregate) was used prior to 1/1/89. Effective 1/1/89, in the Government Sector, maturities of less than 5 years were dropped from the Salomon and Lehman indices. From that date until 7/1/99 the benchmark was the NYC Core + 5, from Lehman.
- Effective 7/1/94, the NYC Core + 5 Index includes BBB rated securities.
- Effective 7/1/99, the basis of the NYC Index was changed from Lehman Brothers to Salomon. Also effective 7/1/99, only Salomon indices have been used to compare all fixed income managers.
- Effective 4/1/03, the name of the benchmark provider was changed from Salomon to Citigroup.
- Effective 7/1/09, the Core+5 program was restructured.
 - The U.S. Gov't sector benchmark Index was changed from the Citigroup Core+5 Treasury/Gov't Sponsored Index to the Citigroup Core+5 Treasury/Agency Index.
 - The Corporate and Yankee sectors were combined to form the new Investment Grade Credit sector. The benchmark for the new combined sector is the customized Citigroup Credit Index. For historical performance purposes, the old Corporate sector Index is linked to the new Credit sector Index.
 - There were no changes to the Mortgage sector Index.
 - The total Core+5 results and benchmark returns combine the three sectors. Historical total Core+5 returns continue to include the old Corporate and Yankee sector returns.

Glossary of Terms

Through March 31, 2012

General Notes

- All Returns are Gross of investment advisory fees unless otherwise indicated.

Page Specific

Page 9 - Portfolio Asset Allocation

- Rebalancing Ranges: the minimum and maximum weights that actual Asset Allocation may reach before rebalancing between Asset Classes is necessary.

Page 12 - Performance Attribution: Total Plan

- Plan Return at Policy Weights: the return of the Total Plan assuming actual Asset Class results were maintained at target (Adjusted Policy) weights. *Figure = (Return of Asset Class 1 * Target Weight) plus (Return Of Asset Class 2 * Target Weight) plus (.....)*
- **Allocation Effect** = Total Plan Return minus Plan Return at Adjusted Policy Weights.
- **Management Effect** = Custom Benchmark (Adjusted Policy Index) Return minus Plan Return at Adjusted Policy Weights
This illustrates how the Managers have added or removed value based on their Security Selection decisions.
- **Policy Index = Custom Benchmark**
The "policy index" is a custom benchmark representing the weighted average return of the benchmark indexes for each major investment program. Weights may reflect an adjustment of actual policy for outstanding commitments for new or revised programs, such as for private market programs, which are invested gradually, or for any new or updated program requiring the completion of RFPs and contracts. The policy index/custom benchmark is calculated monthly based on adjusted policy weights at the beginning of each month. The indexes and most recent adjusted policy weights are as follows:
U.S. Equity: Russell 3000 * 32.01%
International Developed (EAFE) Markets: MSCI EAFE * 10.10%
International Emerging Markets: MSCI Emerging Markets * 6.50%
REITs: DJ US Select Real Estate Securities * 3.00%
Private Equity: Russell 3000 + 500 b.p. per annum * 6.60%
Private Real Estate: NCREIF NFI-ODCE Net * 2.74%
Hedge Funds: 1yr T- Bill yield + 4% * 1.85%
Domestic Fixed Income: NYC Core +5 * 24.38%
TIPS: Barclays Capital U.S. TIPS * 5.00%
Enhanced Yield: Citigroup BB&B * 6.18%
Convertible Bonds: Bofa ML All Convertibles ex Mandatory Index * 1.00%
Opportunistic Fixed: JPM Global High Yield +3% * .65%

Glossary of Terms

Through March 31, 2012

Page 15 - Management Effect - Asset Class Breakdown

- This chart aims to break down the Management Effect shown on the Performance Attribution pages. The aim of the Page is to show the asset classes where Managers are either out performing or under performing their benchmark and to show the basis point effect that this is having on Plan performance.

Page 21 - Domestic Equity Asset Allocation

- **Value Added By Sectors:** This disaggregates out-performance or under-performance by Asset Allocation and Management Effect.
- **Implied Policy** = Retirement's System Asset Allocation.
- **Implied Return** = Benchmark Return
- **Allocation** = the Contribution to Performance resulting from an overweight or underweight to an asset class. *E.g. an underweight to an Asset Class that under-performs rests in a positive Allocation Effect and vice versa.*
- **Management** = Contribution to Performance from security selection versus the Benchmark, e.g., *If the managers Actual Returns are higher than the Implied Return there will be a positive Management Effect.*

Page 39 – Structured Fixed Income Asset Allocation

- See Domestic Equity Asset Allocation for explanation

Page 45 – ETI Returns vs Custom Index and Barclays Capital U.S. Aggregate Bond Index

ETI has implemented a Custom Benchmark to better track the performance of the individual ETI programs relative to their respective benchmarks. The Custom Benchmark represents the weighted average return of the individual benchmark indexes for each program, updated monthly. The indexes are as follows:

AFL-CIO Housing Inv Trust: Barclays Capital U.S. Aggregate Bond Index

CPC Revolving: 30 Day Libor +180 bps per annum

GNMA: Citigroup 15 yr. GNMA

PPAR: Citigroup GNMA +65bp per annum

Access/RBC: 60% Bofa Merrill Lynch 30 yr Mortgage Index plus 40% Bofa Merrill Lynch US Treasury 1-10yr Index