

New York City

Police Pension Fund, Subchapter 2

Performance Overview as of March 31, 2012

Total Fund Overview

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Total Fund Performance

During the first quarter of 2012, The New York City Police Plan rose 7.8%, but trailed the return of the Plan's policy benchmark by 60 basis points. Over the longer term ten-year period, the Plan has lagged the policy index return by ten basis points, annually. Sector effects among the public markets were mostly flat with most major asset classes performing in line with their respective indices. The Plan, as a whole, trailed its policy index due to weak performance among private equity managers. Among public markets managers, very slight out-performance by the Plan's US equity managers was mitigated by an underweight to that asset class. Enhanced yield trailed its index, detracting from overall returns. Strong performance by the international developed and emerging markets managers added some slight positive relative return.

Asset Allocation

Relative to new asset allocation targets, domestic equity was overweight by 4.4%. Among the international managers, developed market equity was overweight by 2.1% and emerging market equity was underweight by 0.1%. On the fixed income side, the Plan's structured allocation was overweight by 0.5%, TIPS were underweight by 2.0% and enhanced yield was overweight by 1.9%.

US Equity

Equity style returns were uniformly positive during the first quarter of 2012. The broad market Russell 3000 continued its significant rebound with a return of 12.9%. The style indices fell within the range of 14.7% (Large Cap Growth) to 11.1% (Large Cap Value) with growth outperforming value at both ends of the market cap spectrum. Of the ten sectors that comprise the S&P 500 (12.6%), all but utilities posted a positive absolute return. Financials gained 22.3% with Information Technology following closely at 21.3%. For the second consecutive quarter Telecommunications (2.1%) and Utilities (-1.6%) posted the weakest returns.

The Plan's total domestic equity position returned 13.1%, edging out the Russell 3000 Index return by 20 basis points, matching the relative outperformance of the prior quarter. The Plan's combined large cap managers gained 13.5% and surpassed the Russell 1000 Large Cap Index (12.9%). Large cap growth performed strongly on a relative basis, advancing 16.7%. Zevenbergen drove the group's outperformance with a quarterly gain of 17.7%. Castleark and Profit Investment Management also surpassed the Russell Large Cap Growth Index (14.7%), returning 15.5% and 15.4%, respectively. A

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relative overweighting to Zevenbergen within the composite amplified positive alpha. Over the one year period, however, Zevenbergen's underperformance dragged down returns for the entire composite and it lagged the Russell 1000 Growth Index by 900 basis points. For the quarter, the Plan's large cap value managers also outperformed on a relative basis. The combined portfolio gained 12.5% while the Russell 1000 Value Index rose 11.1%. Aronson Johnson beat the benchmark with a return of 12.9% while Denali Advisors lagged, returning 10.5%. A significant overweighting to AJO mitigated the damage somewhat. The Plan's large cap core portfolio returned 13.3% and surpassed the Russell 1000 Index (12.9%). Only Piedmont (14.4%) outperformed as Seizert's 12.3% quarterly return lagged the index by 60 basis points. Combined, the fundamental index large cap managers returned 11.2% and trailed the return of the Russell 1000 Index. Research Affiliates (RAFI) rose only 10.7%, underperforming both the Russell 1000 (12.9%) and Russell 1000 Value (11.1%) indices. VTL, a revenue weighted index manager, gained 12.5%, trailing the S&P 500 Index by 10 basis points.

The mid cap growth portfolio gained 15.2% and exceeded the Russell MidCap Growth Index by 70 basis points. Both Frontier (15.3%) and TimesSquare (15.1%) outperformed. The Plan's mid cap value portfolio posted another solid quarter, surging 15.8% and surpassing the Russell Mid Cap Value Index (11.4%) by 440 basis points. Both Iridian (17.7%) and Systematic (13.7%) contributed to the success of the composite. Mid cap core manager Wellington rose 16.2% during the first quarter, surpassing the S&P 400 Mid Cap Index by 270 basis points. The Plan recently added State Street Global Advisors (SSgA) as a passive mid cap manager which actually underperformed the index, but by a single basis point.

The Plan's total SMID cap portfolio gained 13.2% and surpassed the Russell 2500 Index by 20 basis points. On the growth side, TimesSquare advanced 13.6%, but lagged the Russell 2500 Growth Index by 100 basis points. SMID Value manager Security Global Investors rose 12.7% and exceeded the Russell 2500 Value by 120 basis points.

During the first quarter, small cap stocks continued to perform well with the Russell 2000 Index returning 12.4%. The Plan's combined small cap managers generated moderate alpha with a combined gain of 12.8%. Core manager Daruma (12.8%) surpassed the Russell 2000 Index, and began to reverse the precipitous decline which took place over 2011. Over the one-year period, Daruma has shed 10.1%, lagging the Index by almost 1000 basis points. Small cap growth also outperformed modestly over the quarter, returning a combined 13.5%. Both Pier (13.9%) and Brown (13.6%) exceeded the Russell 2000

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Growth Index return of 13.3% while Perimeter lagged, gaining only 13.0%. Small Cap Value managers also outperformed thanks to strong performance by both Lord Abbett (12.2%) and Dalton Grenier (12.1%). Enhanced Index manager Research Affiliates (RAFI) returned 13.7%, surpassing both the Russell 2000 and Russell 2000 Value Indices. Over the first quarter, Russell 2000 Small Cap Index manager BlackRock matched the index, as expected.

The four fund-of-funds (emerging managers) underperformed over the first quarter. The combined emerging managers returned 12.4% and lagged the broad market Russell 3000 Index (12.9%). Weakness among several small cap managers detracted from overall performance. Small cap manager Progress (11.0%) and Attucks (11.9%) both trailed the Russell 2000 Index (12.4%). Among all-cap emerging managers, F.I.S. led the way with a return of 14.3% while Capital Prospects lagged, returning only 12.7%.

Non-US Environmental

The Environmental Portfolio (11.5%) trailed the MSCI World Index return of 11.7%. After the termination of KBC's Alternative Energy and Water portfolios, Generation remains as the sole Environmental manager in the New York Police Plan.

Non-US Activist

Governance for Owners, the Plan's lone activist equity manager returned 21.1% and surpassed the MSCI Europe SMID Cap index by 460 basis points.

International Equity

International developed markets regained some ground over the first quarter 2012, with the MSCI EAFE (net dividend) Index gaining 10.9%. After two consecutive positive quarters, the one year return is -5.8%. International developed returns were mitigated by a strengthening Euro. The ECB undertook a second round of Long Term Financing Operations in February, injecting liquidity into the European markets and strengthening the Euro as a result. Furthermore, authorities reached an agreement regarding the Greek bailout, decreasing pressure on the continental currency, with the Euro ending the quarter up 2.6%. However, the currency's yearly loss of 6.2% placed it at the bottom of all G10 currencies in terms of

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annual performance. The Pound Sterling also rallied over the quarter, appreciating 2.8% against the US Dollar. The Japanese Yen fell significantly over the quarter (-7.1%) due to increased interest in carry trade. Despite this quarterly decline, the Yen remained positive (0.4%) over the one-year period. As investor concerns abated, Europe ex-UK markets performed strongly, returning 12.6% within the EAFE index. Japanese markets (11.3%) and by extension, the Pacific Rim (11.3%) benefitted from asset purchases administered by the Japanese central bank. The United Kingdom's return of 7.6% lagged the overall return of the index.

The emerging markets also rebounded over the first quarter, gaining 14.1%, overall. Performance was negative (-8.5%) over the one-year period however. While every region within the index posted a positive return, Europe and the Middle East (EMEA) and Latin America contributed most significantly, returning 19.3% and 14.7%, respectively. Latin America continued to benefit from upbeat growth projections as well as moderating inflation forecasts. EM Asia rose 13.4% while South Africa gained 11.2% over the quarter.

The Plan's combined international developed market managers returned 10.8%, and lagged the MSCI EAFE (net dividend) return of 10.9%. This relative underperformance was due entirely to the 6.5% return of Mondrian, the Plan's lone remaining (following the termination of AllianceBernstein) EAFE Value manager. All other international developed managers beat the index. Pyramis and Baillie Gifford led the way, each returning 12.7%. Capital Guardian followed closely with a quarterly gain of 12.3%. Thornburg and Philadelphia Investment Advisors also surpassed the MSCI EAFE Index, returning 11.8% and 11.1% respectively. On the passive side, State Street Global Advisors (SSgA) matched the index, as expected.

The Plan's active Emerging Markets composite slightly outperformed the index overall, returning 14.3% combined amid significant manager turnover. Both Pictet and Marvin & Palmer were terminated over the quarter with Eaton Vance hired as a replacement. Of the remaining managers, Baillie Gifford led the way, returning 17.3%. Acadian 15.5% outperformed along with Dimensional Fund Advisors (DFA) with a quarterly gain of 15.1%. State Street (SSgA) failed to surpass the index, advancing only 12.9% over the quarter. BlackRock, the Plan's passive emerging markets manager actually lagged the index by nine basis points.

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Fixed Income

Optimism reigned throughout the first quarter of 2012 as an improving employment outlook and growth data reignited investors' appetite for risk. Consequently, the US Yield Curve steepened somewhat over the quarter. The 10 Year UST Yield rose from 1.89% to 1.92%. The Treasury Yield curve steepened modestly at the short end as well with 91 day T-bills yielding 0.07%. At the long end, the 30 year yield increased from 2.89% to 3.35%. As yields rose, the rally in the bond market sputtered somewhat although the BC Aggregate Index was able to eke out a 0.3% quarterly gain. Over the one-year period, the index appreciated by 7.7%. Municipals drove performance primarily, gaining 5.7%, bring their one-year return to 23.8%. CMBS and Corporate issues also outperformed, returning 3.3% and 2.1%, respectively. Long duration instruments fell out of favor and actually fell 2.1% over the quarter, bringing the one-year return down to 19.3%. As investor risk appetite surged over the quarter, so did demand for lower quality credits. BAA issues gained 2.4% while Treasuries, long considered the "safe-haven" amid investor uncertainty, fell 1.3% over the quarter. Over the one-year time period, however, the quality spectrum formed a "barbell" pattern with the lowest and highest quality issues outperforming. Treasuries and BAA issues returned 8.6% and 10.7%, respectively.

The Plan's total structured fixed income portfolio gained 1.01% and surpassed the Core Plus Fixed Index return by 63 basis points. The Plan's Corporate (Credit) portfolio rose 2.45% and surpassed the NYC Investment Grade Credit Index by 36 basis points. Individually, each constituent manager surpassed the index. Pyramis led the way with a first quarter return of 2.80%, followed closely by T. Rowe Price 2.78%. BlackRock gained 2.27% while Prudential returned 2.17% over the quarter. Taplin Candida reversed its trend of underperformance by logging a positive excess return relative to the benchmark. Combined, the Plan's mortgage managers returned 1.21% and beat the Citigroup Mortgage Index return of 0.61%. BlackRock's quarterly return of 1.94% drove the outperformance while PIMCO also performed well, returning 1.04% over the quarter. Goldman Sachs (0.73%) and Neuberger Berman (0.67%) also outperformed the index while Wellington lagged, gaining just 0.47% over the quarter. The Plan's Treasury/Agency portfolio turned negative over the quarter, losing 2.62% but exceeded the NYC Treasury/Agency plus Five Index by 12 basis points. On a relative basis, each manager beat the index.

In the first quarter of 2012, the plan's lone core fixed income manager, LM Capital returned 1.21%, solidly outperforming the Barclays Global Aggregate Index by 91 basis points.

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The Plan's combined high yield managers gained 4.63% during the first quarter, and edged out the Citigroup BB&B Index (4.54%). Of the three managers pegged to the Citigroup Index, only Seix (4.57%) outperformed. T. Rowe Price and Shenkman both lagged the index, returning 3.76% and 3.75%, respectively. Loomis Sayles (5.85%) outperformed its respective benchmark, the ML HY Master II Index (5.15%) while MacKay faltered, gaining only 4.31% over the first quarter of 2012.

The total TIPS portfolio returned 0.79%, trailing the return of the Barclays US TIPS Index by 7 basis points. BlackRock contributed chiefly to the underperformance of the composite with a return of 0.65%. PIMCO beat the index with a return of 0.85%. SSgA (0.81%), the passive TIPS manager actually underperformed the index by 5 basis points.

Relative to its overall index, the Plan's convertible managers composite underperformed significantly, returning 8.01% and trailing the Merrill Lynch All Convertibles Index (ex Mandatory) by 185 basis points. The composite also lagged the newly created custom convertible bond index by 59 basis points. Among individual managers, Lord Abbett (8.67%) led the way but trailed both the ML All Convert (ex Mandatory) and the ML All Convertibles Index (10.22%). Advent (7.48%) lagged the primary index, but solidly outperformed its individual index, the ML Convertibles Yield Index (6.73%). Victory gained 7.94%, underperforming the ML Investment Grade Convertible Bond Index return of 8.85%.

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Performance Highlights

First Quarter results were enhanced by the following factors:

1. The Large Cap Growth Composite advanced 16.7%, beating the Russell 1000 Growth Index by 200 basis points. Zevenbergen rebounded from a disastrous 2011 to return 17.7% for the quarter. Zevenbergen's one-year return remains negative however, at -2.8%. Zevenbergen's quarterly performance was helped by strong stock selection in the Health Care and Consumer Discretionary sectors. Medical device manufacturer MAKO Surgical surged 67.2% after reporting a 122% increase in revenue on blockbuster sales of its knee and hip replacement surgical robot. Shares of Dendreon (40.2%) jumped as the drug maker reported increased sales of its prostate cancer therapy, Provenge. Sports apparel company Lululemon Athletica rose 60% over the quarter with most of the gain coming in early January after it raised its fourth quarter 2011 earnings guidance. Castleark Management also performed well, returning 15.5% over the quarter thanks to strength among its Informational Technology and Financials holdings. Electronics giant Apple Inc. rose 48% over the quarter as sales of its iPhone and iPad products continue to astound investors and customers alike. The company also announced that it would return some of its cash hoard to investors in the form of share buybacks and dividends. Teradata (40.5%) rose after issuing FY 2012 guidance in line with analysts' expectations. Financials giant Citigroup (39.0%) soared over the quarter as investors bet that the banks' legal troubles, especially with regard to mortgage lending practices, have passed. Profit Investment Management also surpassed the index with a quarterly return of 15.4%. Although stock selection effects were positive over the quarter, Profit benefitted primarily from advantageous sector weightings. Specifically, an underweighting to Energy (which returned just 3.0% within the index) and an overweighting to Information Technology (23.8%) boosted returns. Among particular holdings, Profit found significant value in the Materials sector. Shares of Eastman Chemical Company (33.0%) rose as investors signaled their approval of the company's plan to purchase Solutia, a global leader in performance materials and specialty chemicals.
2. Relative to the Russell 1000 Value Index (11.1%), the Plan's combined large cap value managers (12.5%) outperformed by 140 basis points thanks to a strong quarterly return of 12.9% from Aronson Johnson (AJO). Positive effects were amplified by a large overweighting to the manager within the composite. AJO enjoyed widespread (if somewhat moderate) stock selection effects because of its holdings in the resurgent Financials sector.

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Retail finance behemoth Bank of America surged 72.3% as investors snapped up shares that had been battered over the prior year. Regions Financial (53.5%) also benefitted from the improving outlook for Financials stocks thanks to encouraging news both at home and abroad. In Europe, an agreement was reached between Greek political leaders on austerity measures which resulted a second European bailout of the country . In the US, federal regulators, 49 states' attorneys general, and the largest U.S. loan servicers, agreed on a broad mortgage foreclosure settlement, possible bringing the sector's legal woes to an end. Denali Advisors' return of 10.5% lagged the index by 60 basis points. The overall damage to the composite was mitigated by the relatively small allocation to the manager. Weakness among Consumer Staples holdings hampered returns. Tyson Foods (-7.0%) shed value over the quarter as the company struggled with increasing beef and pork prices. Diversified consumer products manufacturer Lancaster Colony slid 3.6% over the quarter as second quarter sales and earnings expectations failed to impress investors.

3. The Plan's Large Cap Core Combined Portfolio gained 13.3% and surpassed the Russell 1000 Index by 40 basis points. Piedmont was, in fact, the only constituent manager to outperform the index, returning 14.4%. Stock selection was particularly strong in Materials and Information Technology sectors. Fertilizer manufacturer CF Industries appreciated 26.3% over the quarter after credit rating agency Fitch upgraded the company to positive from stable. Fitch cited increasing global demand and falling prices for raw materials such as natural gas as reasons for the upgrade. Virtualization infrastructure provider VM Ware rose 35.1% after issuing Q1 and FY 2012 revenue guidance in line with analysts' expectations. Seizert Capital Partners actually underperformed the index over the quarter returning just 12.3%. Weakness among Health Care giants such as Eli Lilly and Bristol Myers Squibb hampered performance.
4. During the first quarter of 2012, the combined mid cap growth managers returned 15.2%, surpassing the Russell Mid Cap Growth Index by 70 basis points. Both constituent managers outperformed the index. Frontier Capital led the way with a gain of 15.3% thanks to very strong stock selection in the Information Technology sector. Business software provider Autodesk rose 39.5% over the quarter after issuing Q1 and FY 2013 guidance in line with analysts' expectations. The company also reported a 17% increase in fourth quarter revenue, further increasing the share price. Communications test and measurement solutions provider JDS Uniphase (38.8%)

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benefitted from the aggressive rollout of the new 4G LTE telecommunications standard. TimesSquare Capital also surpassed the index with a quarterly gain of 15.1%. Holdings in the Consumer Discretionary sector added significant value. Premium mattress and pillow manufacturer Tempur-Pedic advanced 60.7% over the quarter after announcing FY 2012 EPS guidance above analysts' expectations. Investors also cheered the company's announcement of a share repurchase program. Basic apparel manufacturer Hanesbrands (35.1%) rose steadily throughout the first quarter thanks to a 46% increase in fourth quarter profit despite a dip in revenue as retailers struggle to work through their existing inventory.

5. The Plan's combined mid cap value managers rose 15.8% over the quarter, trouncing the Russell Mid Cap Value Index by 440 basis points. Iridian logged another highly successful quarter with a return of 17.7%. Iridian benefitted primarily from a zero weighting to Utilities which was the worst performing sector within the index with a cumulative return of -1.0%. Stock selection in the Materials and Information Technology sectors also boosted returns. Specialty chemicals manufacturer Rockwood Holdings surged 32.5% over the quarter after announcing a major expansion to double its lithium production capacity. Hard disk drive manufacturer Seagate Technology jumped 65.9% over the quarter. Much of the gain came in early January after the company announced that it would increase its quarterly dividend by over 39% and begin a \$1 billion share repurchase program. Systematic's 13.7% quarterly return also surpassed the index. Systematic enjoyed widespread positive stock selection effects but holdings in the Consumer Staples and Financials sectors proved especially beneficial. Nutritional supplement manufacturer Herbalife (33.8%) rose after raising its FY 2012 EPS guidance. Investment manager Invesco (33.4%) gained in value after a 53.5% decline in second quarter profits actually beat out analysts' expectations.
6. Wellington Management, the Plan's lone mid cap core manager, gained 16.2% over the quarter and surpassed the S&P 400 MidCap Index by 270 basis points. Wellington's performance was enhanced by strong stock selection in the Energy and Health Care sectors. Shares of Cobalt International Energy (93.5%) rose after the company released a study showing that one of its wells off the coast of Africa might be far more productive than many analysts thought. Amylin Pharmaceuticals soared 119.0% after receiving long-awaited FDA approval for its diabetes drug, Bydureon. Regeneron Pharmaceuticals (110.4%) also more than doubled in value over the quarter after predicting robust sales for its eye drug, Eylea.

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7. Over the first quarter of 2012, SSgA matched the S&P 400 Mid Cap Index with a return of 13.5%.
8. During the first quarter of 2012, SMID Cap Value manager Security Global Investors (SGI) rose 12.7% and outperformed the Russell 2500 Value Index (11.5%). Strong stock selection in the Consumer Discretionary drove returns. Specialty retailer of outdoor sporting goods Cabela's Inc. (50.1%) advanced over the quarter amid top and bottom line growth during the fourth quarter of 2011. Apparel retailer Chico's Inc. (36.0%) reported a 21% increase on fourth quarter sales although profit margins continued to shrink. Much of this increase was due to growth in its direct-to-consumer internet and catalogue lines of business.
9. The Plan's combined small cap growth managers returned 13.5% and outperformed the Russell 2000 Growth Index return of 13.3%. Pier Capital led the way over the quarter with a return of 13.9%. Perimeter was the chief laggard, returning 13.0%. Pier Capital and Brown Asset Management outperformed by 60 basis points and 30 basis points respectively. Brown's 1st quarter performance was helped by the recovery of medical device manufacturer Kensey Nash which was their best performing security at 54.2%. Pier Capital saw extremely good performance for two holdings – Velti Ltd and Francescas Holdings Corp returning 99.3% and 82.7% respectively. Shares of Velti had been beat up pretty badly on Euro concerns and as those concerns didn't really translate into bad news for Velti, the stock rebounded nicely in the first quarter. Francescas share price reacted to positive earnings and attractive sales trends coupled with strong square footage growth opportunities.
10. The small cap value composite returned 12.1% and surpassed the Russell 2000 Value Index by 50 basis points. Both Dalton Greiner and Lord Abbett both outperformed the Russell 2000 Value Index with the majority of the contribution coming from Lord Abbett's holdings in Ascenta Retail Group and Littlefuse Inc. Ascenta returned 49.1% while Littlefuse returned 46.4% for the quarter. Ascenta Retail Group, Inc., an operator of specialty apparel stores, announced fiscal second quarter earnings that beat expectations. In addition, the company raised its full-year outlook. Littlefuse, Inc., a provider of circuit-protection devices, announced a better than expected fourth quarter and strength within its automotive division.

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11. Daruma, the Plan's lone Small Cap Core manager returned 12.8% and beat the Russell 2000 Index (12.4%) over the first quarter of 2012. Stock selection effects were actually negative throughout most sectors within the portfolio. This weakness, however, was offset by very strong stock selection in the Information Technology sector. Communications networking solutions provider Ciena Corp rose 33.8% over the quarter. Although shares ultimately ended higher, the stock see-sawed over the quarter amid a number of earnings misses as well as an legal investigation on behalf of aggrieved shareholders. Semiconductor manufacturer Integrated Device Technologies (31.0%) rose after issuing Q4 2012 guidance in-line with analysts' expectations.
12. Enhanced Small Cap Core manager Research Affiliates (RAFI) returned 13.7% over the quarter, surpassing both the Russell 2000 (12.4%) and Russell 2000 Value (11.6%) Indices. Selection effects were widespread and moderate although Information Technology and Materials holdings were particular beneficial. Furthermore, an overweighting to Consumer Discretionary stocks also boosted performance.
13. BlackRock Russell 2000 (passive) Index fund gained 12.4%, as did the Russell 2000 Index.
14. International developed passive equity manager State Street Global Advisors (SSgA) returned 10.9%, matching the return of the MSCI EAFE Index.
15. Emerging Markets stocks continued their rally over the quarter with the MSCI EM Index returning 14.1%. The Plan's active EM portfolio underwent significant turnover during the first quarter. Pictet and Marvin & Palmer were terminated with Eaton Vance hired as a replacement. The Plan's remaining active EM managers outperformed the index with a collective return of 14.3%. Baillie Gifford lead the pack for the second consecutive quarter, returning 17.3%. Baillie's Energy holdings added significant value. African oil companies such as African Petroleum Corp. and Tulow Oil surged over the quarter due to significant oil discoveries off the coast of Liberia and Sierra Leone. Strong stock selection within the Information Technology also contributed to Baillie's outperformance. Taiwanese electronics manufacturer Han Hai rose over the quarter amid record demand for Apple iPad and iPhone product for which Han Hai supplies much of the parts. Search engines Baidu (China) and

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NHN (South Korea) also appreciated significantly. Acadian followed with a return of 15.5% with the majority of active return coming from stock selection in the Utilities and Materials sectors. Shares of Sabesp gained value after Barclays Capital reiterated its "overweight" rating and boosted its price target for the Brazilian water utility. Polish copper producer KGHM Polska Miedz rallied in January after China, the world's biggest consumer of the metal, posted stronger than expected growth in Q4. An overweighting to Thai companies such as Advanced Info Service also impacted returns positively. Dimensional Fund Advisors (DFA) also surpassed the index with a quarterly gain of 15.1%. DFA's quarterly outperformance was due, primarily, to an overweighting to smaller cap stocks which surged over the quarter. On a sector basis, strong stock selection to Financials also boosted performance. China underperformed during the first quarter and therefore DFA's underweighting was of net benefit to the portfolio. Only State Street (SSgA) and its quarterly return of 12.9% failed to surpass the index. State Street suffered primarily from weak stock selection among its holdings in Chile, Korea and Brazil. Specifically in Korea, overweight positions in various financial and consumer names detracted from performance as these names fell during the quarter.

16. Governance for Owners, the Plan's lone Activist Equity manager, gained 21.1% and surpassed the MSCI Europe SMid Cap Index (16.5%) by 460 basis points.
17. The Treasury/Agency (Government) portfolio gained lost 2.62% over the first quarter, but exceeded the performance of the NYC Agency Plus Five Index (-2.74%). Although each constituent manager surpassed the index, the quarterly excess return was increased by a significant overweighting to PIMCO (-2.57%) which outperformed. Fischer Francis followed closely with a 2.64% quarterly loss. BlackRock and State Street also beat the index, returning -2.66% and -2.67%, respectively.
18. Combined, The Plan's mortgage managers returned 1.21% and surpassed the Citigroup Mortgage Index by 60 basis points. BlackRock led the way with a quarterly gain of 1.94%. PIMCO also performed well, rising 1.04% over the quarter. Goldman Sachs and Neuberger Berman both outperformed, returning 0.73% and 0.67%, respectively. Only Wellington (0.47%) lagged the index over the quarter.

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19. The Plan's combined Corporate (Credit) managers rose 2.45%, representing 36 basis points of outperformance relative to the NYC Investment Grade Credit Index (2.09%) Each manager was able to beat the index over the first quarter. Pyramis, the group's top performer rose 2.80% while T. Rowe Price followed closely at 2.78%. BlackRock advanced 2.27% with Prudential gaining 2.17%. Taplin Candida was able to eke out a win with a return of 2.12%.
20. During the first quarter of 2012, LM Capital, the plan's lone core fixed income manager, returned 1.21% and exceeded the Barclays Capital Aggregate Index by 91 basis points.
21. The Plan's combined high yield managers gained 4.63% during the first quarter, edging out the Citigroup BB&B Index by 9 basis points. Of the three managers pegged to the Citigroup Index, Seix led the way, returning 4.57%. T. Rowe Price and Shenkman both lagged the index, returning 3.76% and 3.75%, respectively. Loomis Sayles (5.85%) outperformed both the Citigroup Index and the ML HY Master II Index (5.15%). MacKay Shield lagged, returning only 4.31% over the quarter.

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First quarter results were hindered by the following factors:

1. Combined, the Plan's Fundamental Index Large Cap managers returned 11.2% over the quarter and lagged the Russell 1000 Large Cap Index by 170 basis points. Research Affiliates (RAFI), an enhanced index manager pegged to the Russell 1000 Index rose 10.7% with 220 basis points of relative underperformance. As expected for an (enhanced) index manager, selection effects were relatively minor, but weakness among Information Technology holdings impacted returns negatively. Venerable video game manufacturer Electronic Arts tumbled 20% over the quarter after issuing Q4 2012 guidance below analysts' expectations. EA also suffered from a number of high profile defections by members of its senior management team. VTL, a revenue weighted enhanced index manager benchmarked to the S&P 500 Index gained 12.5% over the quarter, trailing both the S&P 500 (12.6%) and the Russell 1000 Indices. Much of the relative under performance was due to a persistent underweighting in the Information Technology sector. Within the S&P 500 Index, IT was one of the weakest sectors, returning 17.3%, compared to the 12.6% return of the index as a whole. Weak stock selection within the sector amplified the negative sector selection effects. Consumer Staples holdings such as SuperValu also detracted from returns. The grocery giant tumbled 28.7% over the quarter after lowering its FY 2012 revenue guidance. In response, the company planned on cutting costs by eliminating 800 office jobs.
2. During the first quarter of 2012, the Plan's combined Emerging Managers (fund-of-funds) returned 12.4%, underperforming the broad market Russell 3000 Index (12.9%) by 50 basis points. The composite suffered primarily from weakness among its small and mid-cap managers, both of which underperformed. Progress Equity returned just 11.0%, lagging the Russell 2000 Index by 140 basis points. Attucks' return of 11.9% failed to surpass the Russell 2000 Index return of 12.4%. All cap manager Capital Prospects rose 12.7%, just trailing the Russell 3000. Only F.I.S.outperformed, advancing 14.3% during the first quarter.
3. TimesSquare, the Plan's lone SMID cap growth manager gained 13.6% but trailed the Russell 2500 Growth Index by 100 basis points. TimesSquare was harmed primarily by weak stock selection in the Health Care sector. Onyx Pharmaceuticals shed 14.3% on news that its kidney cancer drug Nexavar may be less effective than previously thought. Hospital and outpatient facility operator Vanguard Health Systems slid 3.5% as investors repudiated its

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its plan to issue \$350 million in new debt. Financials holdings such as Green Dot Corp (-15.1%) also detracted from relative performance. As a provider of pre-paid debit cards, shares of Green Dot suffered amid increased public scrutiny of the often excessive fees levied on users of these cards. A plan to buy Loopt, a developer of mobile marketing applications, failed to appease nervous investors.

4. Among the Plan's all-cap (Russell 3000 Index) passive equity managers, both BlackRock and newly hired State Street Global Advisors (12.8%) underperformed the return of the Russell 3000 Index (12.9%) over the quarter.
5. Combined, the Plan's international developed (active) managers returned 10.7% and lagged the MSCI EAFE (net) by 20 basis points. The underperformance of the composite was due entirely to the 6.5% quarterly return posted by Mondrian Investment Partners. In fact, every other constituent manager surpassed the MSCI EAFE Index over the quarter. Poor stock selection in France and the United Kingdom detracted from returns. Tesco, the UK supermarket retailer, fell 15.9% over the period after the company announced very weak trading results over Christmas/New Year period. Additionally they announced a downward revision of guidance for the coming year. France Telecom came under pressure over the quarter amid concerns regarding the sustainability of its dividend payments. Mondrian maintained an overall overweighting to Telecoms such as Spanish firm Telefonica which further hampered performance. Despite being a nominal value manager, Mondrian also suffered from an underweighting to Financials which rallied over the quarter. Among the remaining managers that surpassed the MSCI EAFE Index, Pyramis led the way with a quarterly return of 12.7%. Pyramis benefitted primarily from stock selection in the Energy, Telecommunications and Materials sectors. Swiss drilling firm Transocean rose over the quarter after announcing a positive Fleet Status Report. A zero weighting to the aforementioned Telecommunications firm Telefonica also boosted relative performance. Shares of Telefonica sagged amid investor concerns regarding its ability to repay over \$76 billion debt. German Materials firms Laxness and HeidelbergCement rose due to increasing demand in emerging markets such as Brazil and China. Pyramis did suffer somewhat from zero weightings in automakers Daimler and Toyota both of which surged over the quarter. Baillie Gifford also rose 12.7% on the quarter thanks, in part, to a resumed appetite for luxury spending, especially in the emerging markets. Baillie maintains within its portfolio a variety iconic brands such as PPR (Gucci and

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Through March 31, 2012

Bottega Veneta), Richemont (Cartier), Swatch (Omega and Breguet) and Porsche. Baillie continued this trend with the acquisition of Fiat which produces the Ferrari considered perhaps the pinnacle of automotive luxury. Capital Guardian advanced 12.3% on the quarter thanks to strong performance from its Financials holdings. European banks such as Barclay's and Commerzbank benefitted from an additional round of liquidity from the European Central Bank (ECB) while French Banks BNP Paribas and Société Générale advanced after writing down the value of their Greek bonds. Thornburg posted an 11.8% quarterly return, outperforming the index by 90 basis points. Thornburg's Japanese holdings added significant value. Japanese exporters Toyota and Komatsu benefited as production recovered from the turmoil caused by the natural disaster a year ago, and the yen weakened on the back of monetary easing in Japan. Strong stock selection in the Health Care sector with holdings such as Novo Nordisk offset general underperformance within the sector as investors rotated out of defensive names in search of greater risk. Lastly, Philadelphia Investment Advisors (PIA) rose 11.1%, surpassing the MSCI EAFE Index by 20 basis points. PIA benefitted primarily from its holdings in the Industrials and Technology sectors.

6. Over the first quarter of 2012, the Plan's passive EM manager BlackRock returned 14.1%, trailing the MSCI EM Index by 9 basis points.
7. The Plan's Non- US Environmental portfolio (11.5%) lagged the MSCI World Index by 20 basis points over the first quarter of 2012. Generation's Global Equity Strategy is currently the only Non-US Environmental Strategy remaining in the New York City Police Plan.
8. The Plan's combined TIPS managers gained 0.79% and trailed the Barclays US TIPS Index by 7 basis points. BlackRock was primarily responsible for the group's underperformance of the group with a returned of 0.65%. PIMCO beat the index, gaining 0.85%. State Street (0.81%), the Plan's passive TIPS manager actually underperformed the benchmark by 5 basis points.

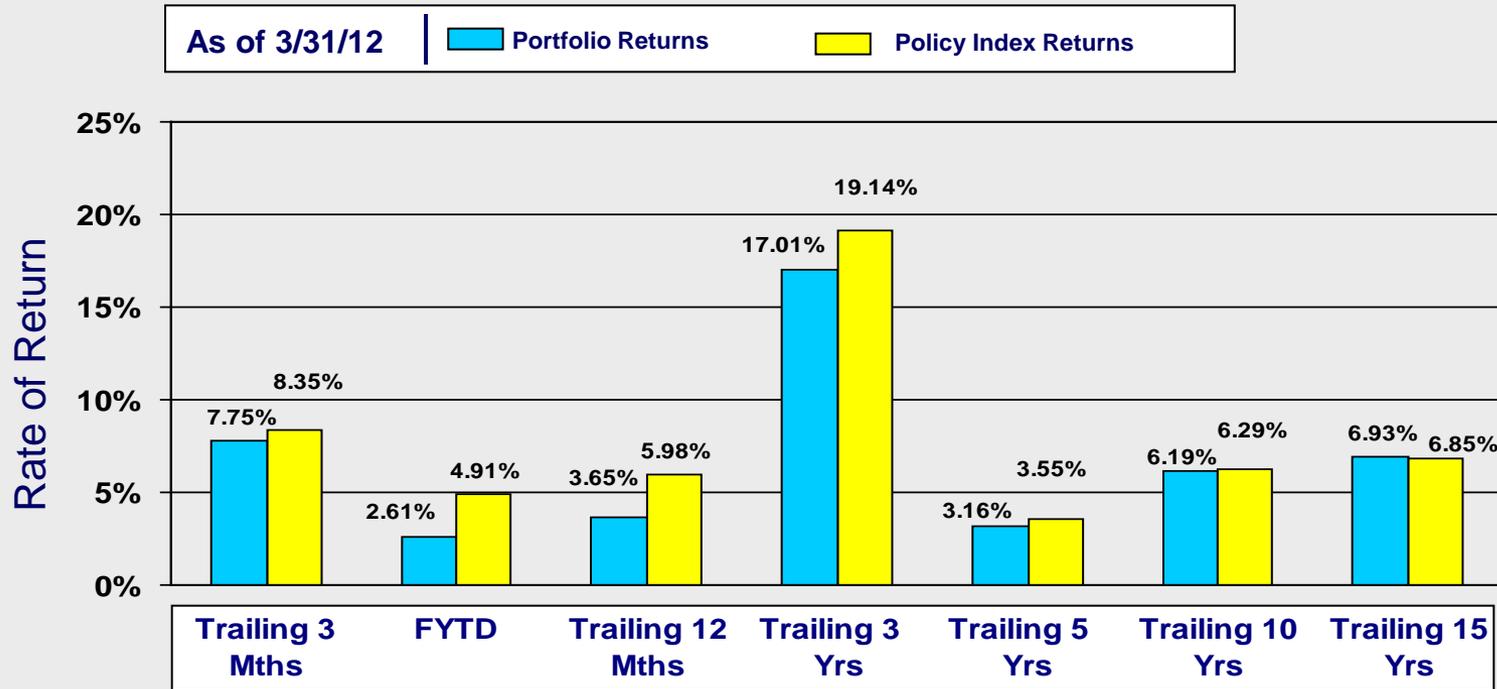
Consultant's Commentary

Through March 31, 2012

9. Relative to its overall index, the Plan's convertible managers composite returned 8.01% but trailed the Merrill Lynch All Convertibles Index (ex Mandatory) by 185 basis points. The composite also trailed the newly created custom convertible bond index by 59 basis points. Among individual managers, Lord Abbett (8.67%) led the way but trailed both the ML All Convert (ex Mandatory) and the ML All Convertibles Index (10.22%). Advent (7.48%) lagged the primary index, but solidly outperformed its individual index, the ML Convertibles Yield Index (6.73%). Victory gained 7.94%, but trailed the ML Investment Grade Convertible Bond Index return of 8.85%.

Total Portfolio Returns: March 31, 2012

\$25.6B Under Management

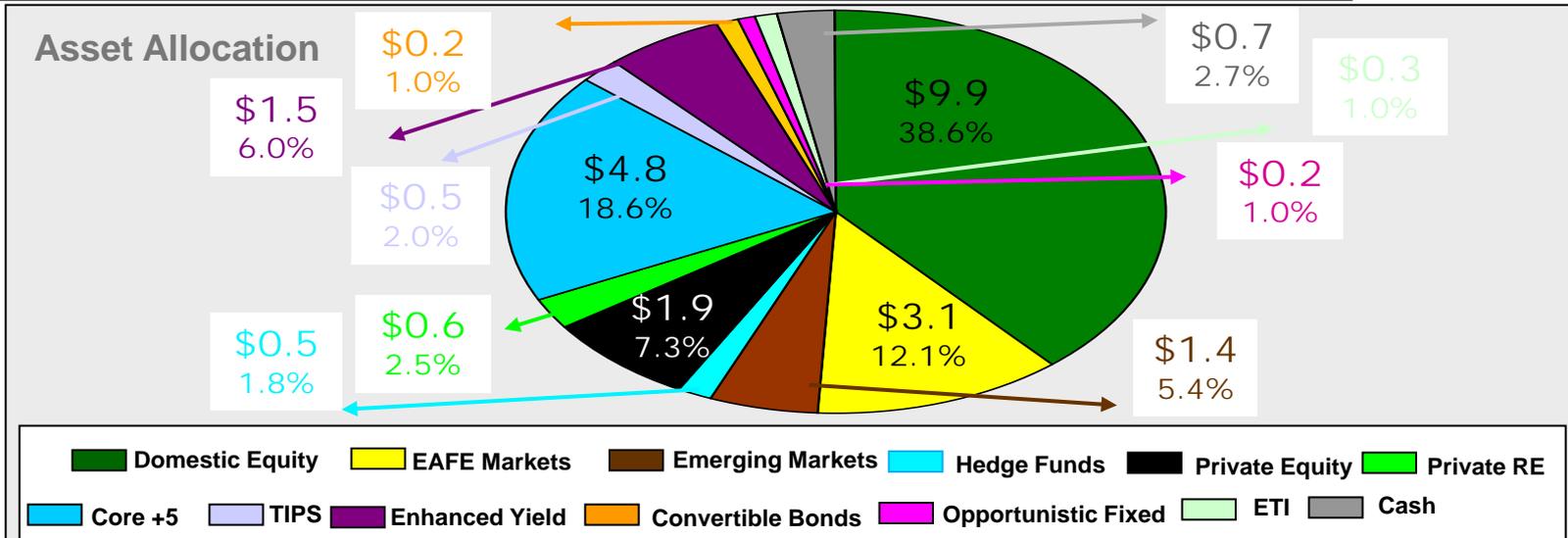


	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	10.5	12.9	10.9	11.3
Benchmark Std Dev	11.9	14.4	11.9	11.9

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

Portfolio Asset Allocation: March 31, 2012

\$25.6B Under Management



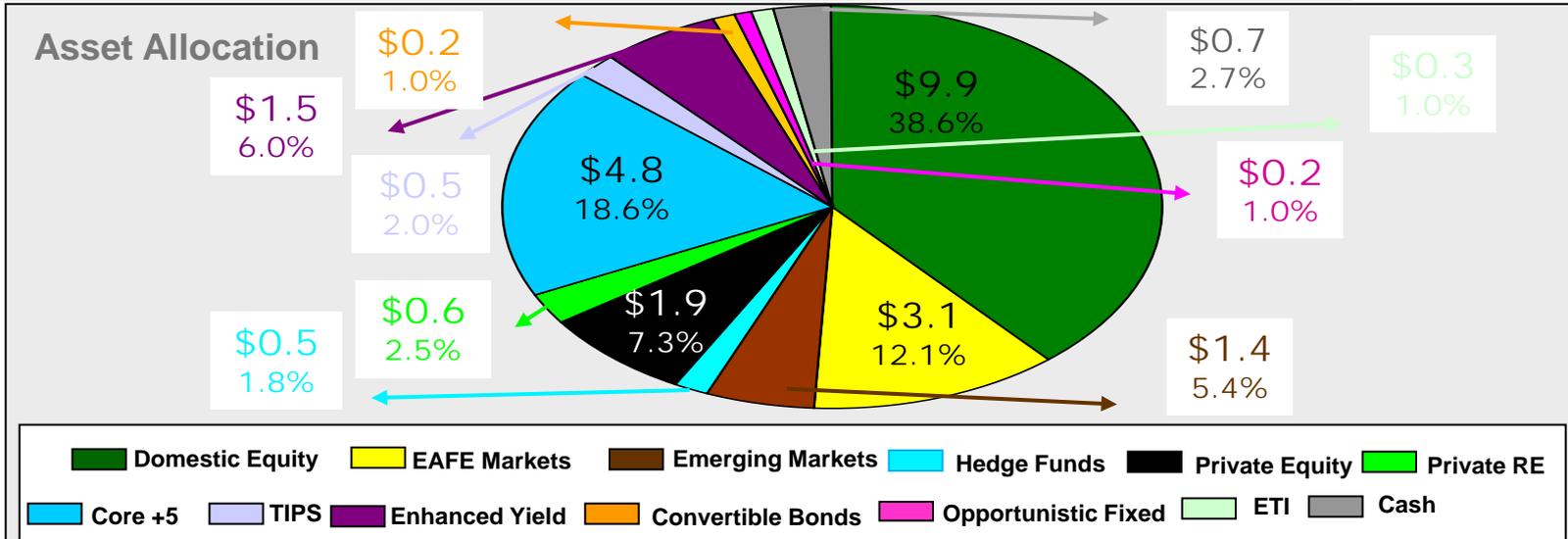
Relative Mix to Old Policy Weights



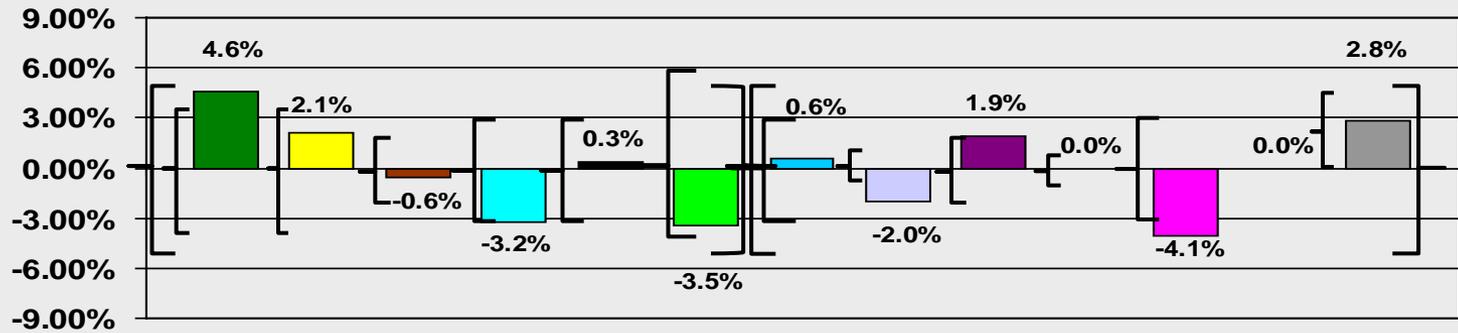
Note: Brackets represent rebalancing ranges versus Policy.

Portfolio Asset Allocation: March 31, 2012

\$25.6B Under Management



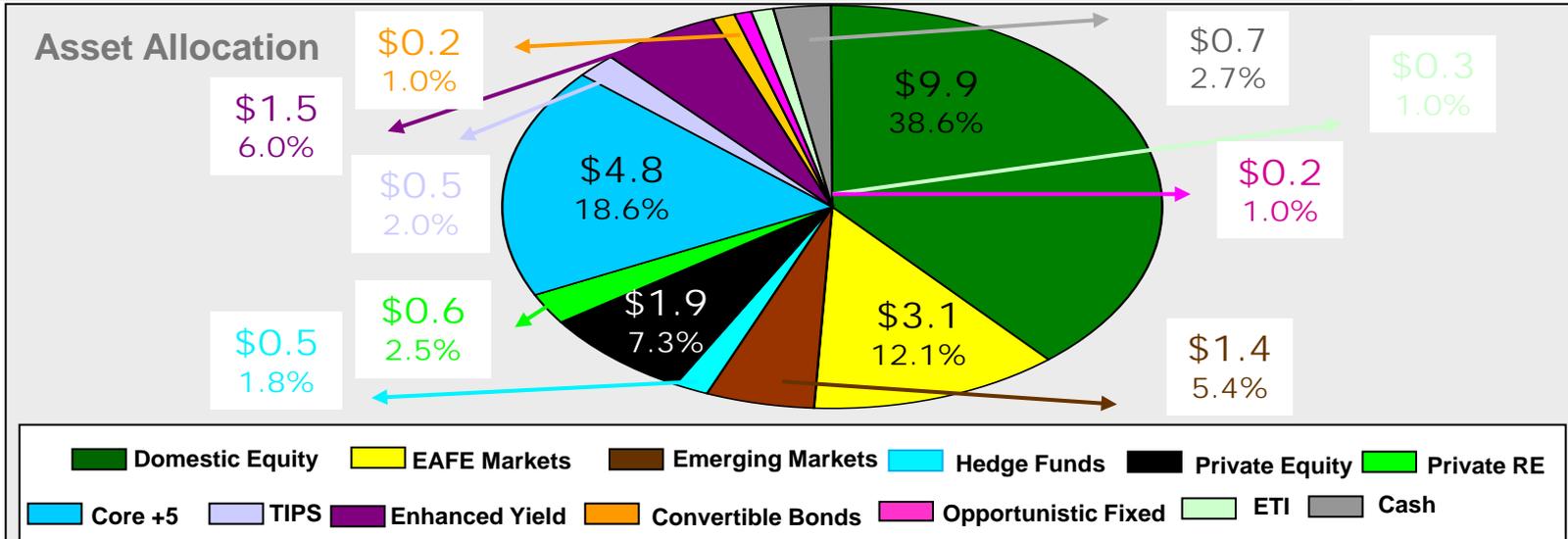
Relative Mix to New Policy Weights



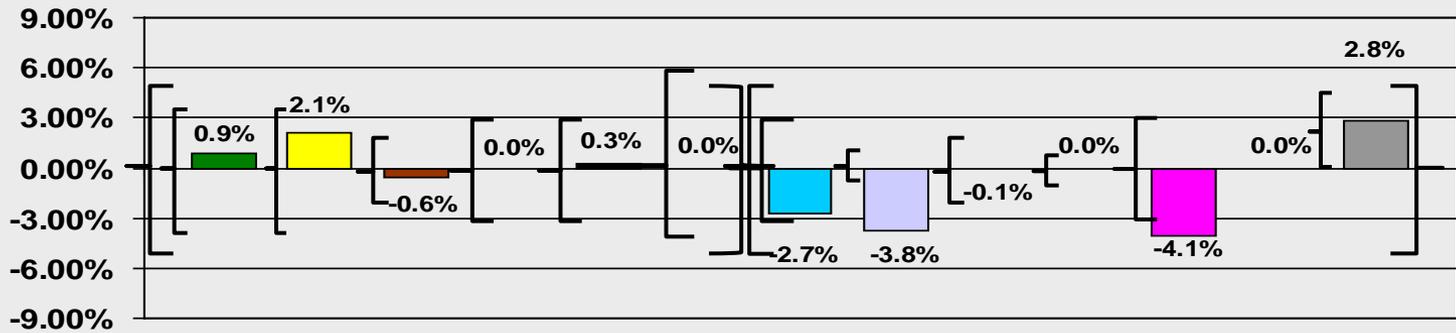
Note: Brackets represent rebalancing ranges versus Policy.

Portfolio Asset Allocation: March 31, 2012

\$25.6B Under Management

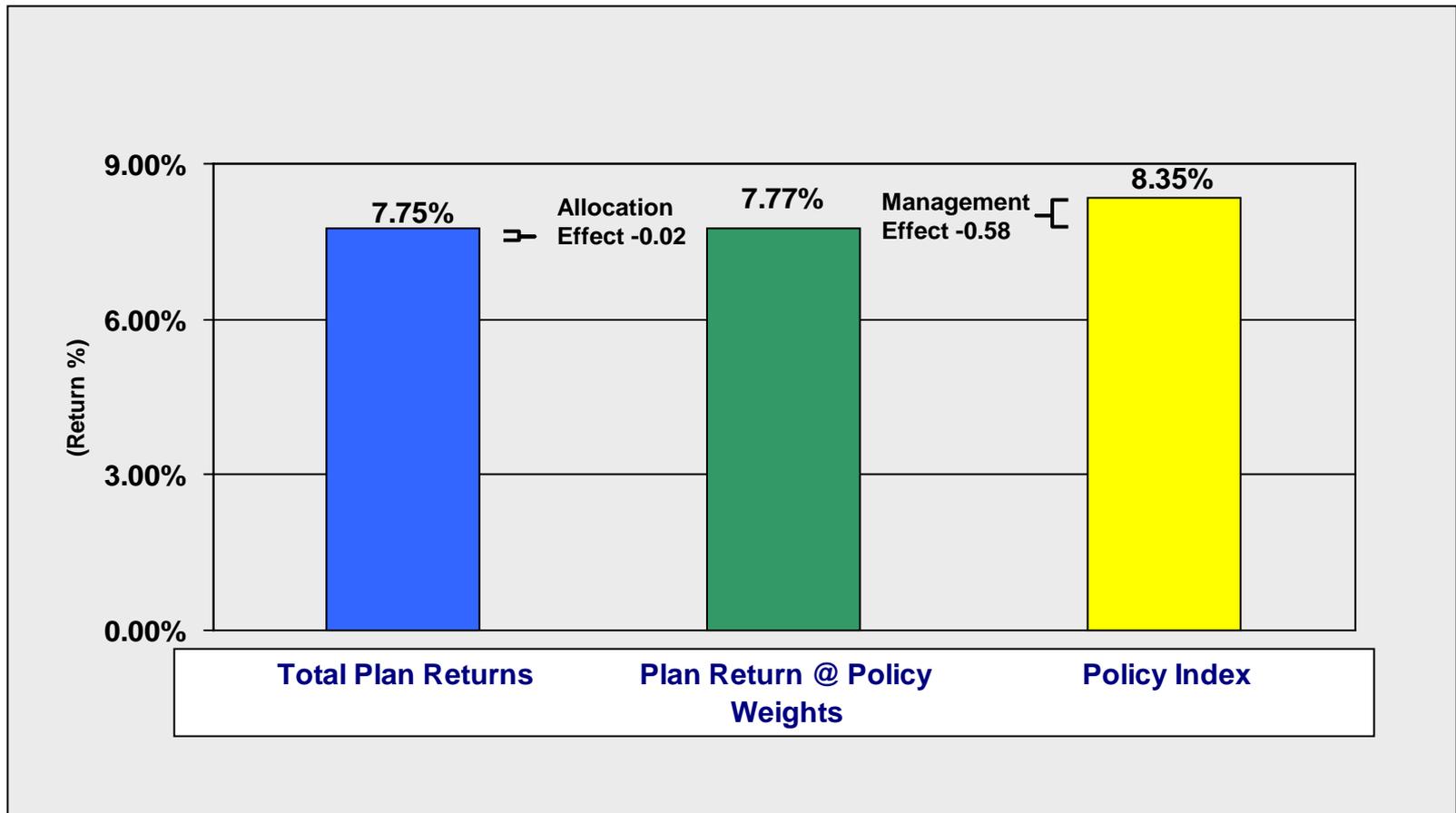


Relative Mix to Adjusted New Policy Weights

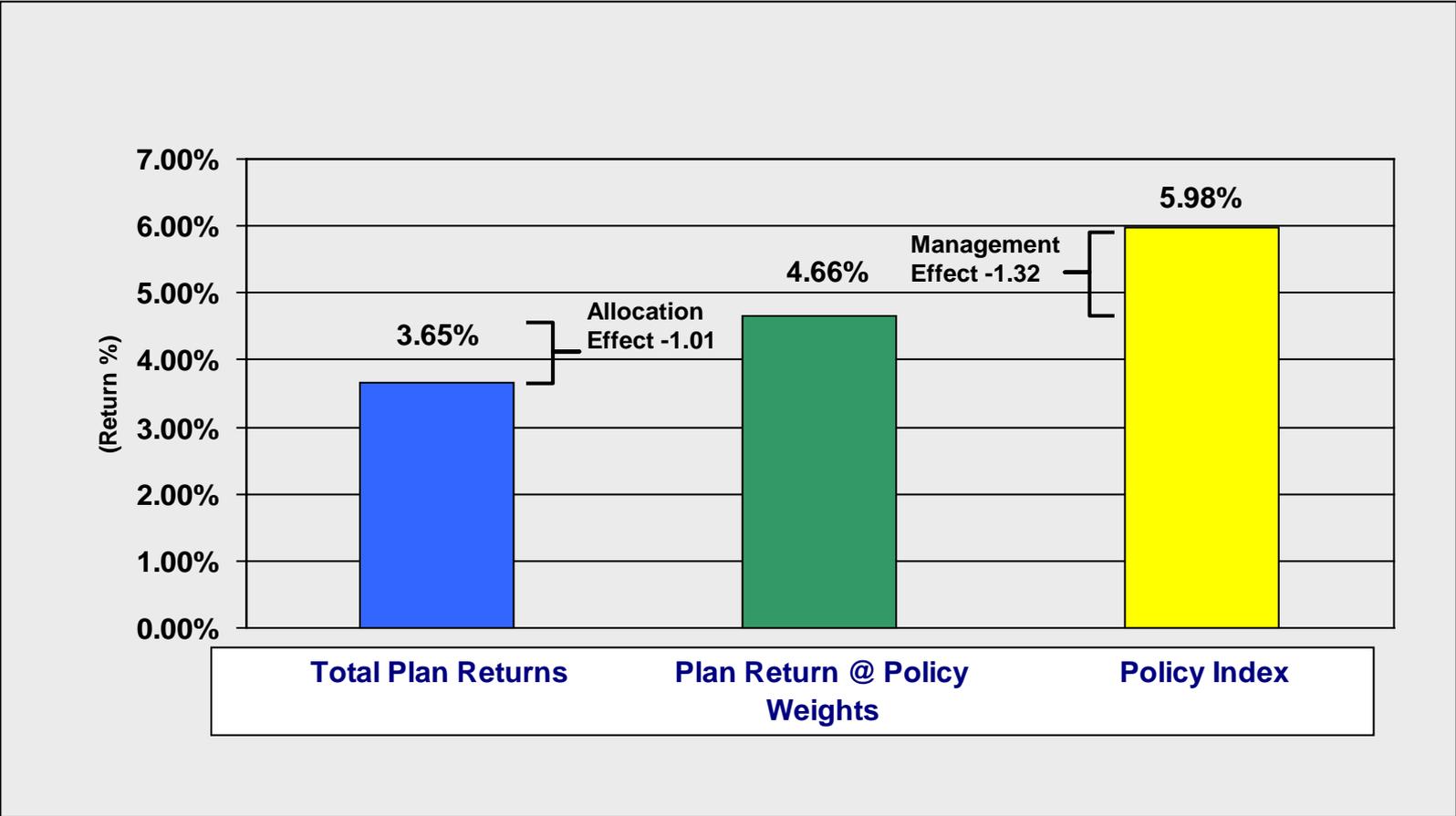


Note: Brackets represent rebalancing ranges versus Policy.

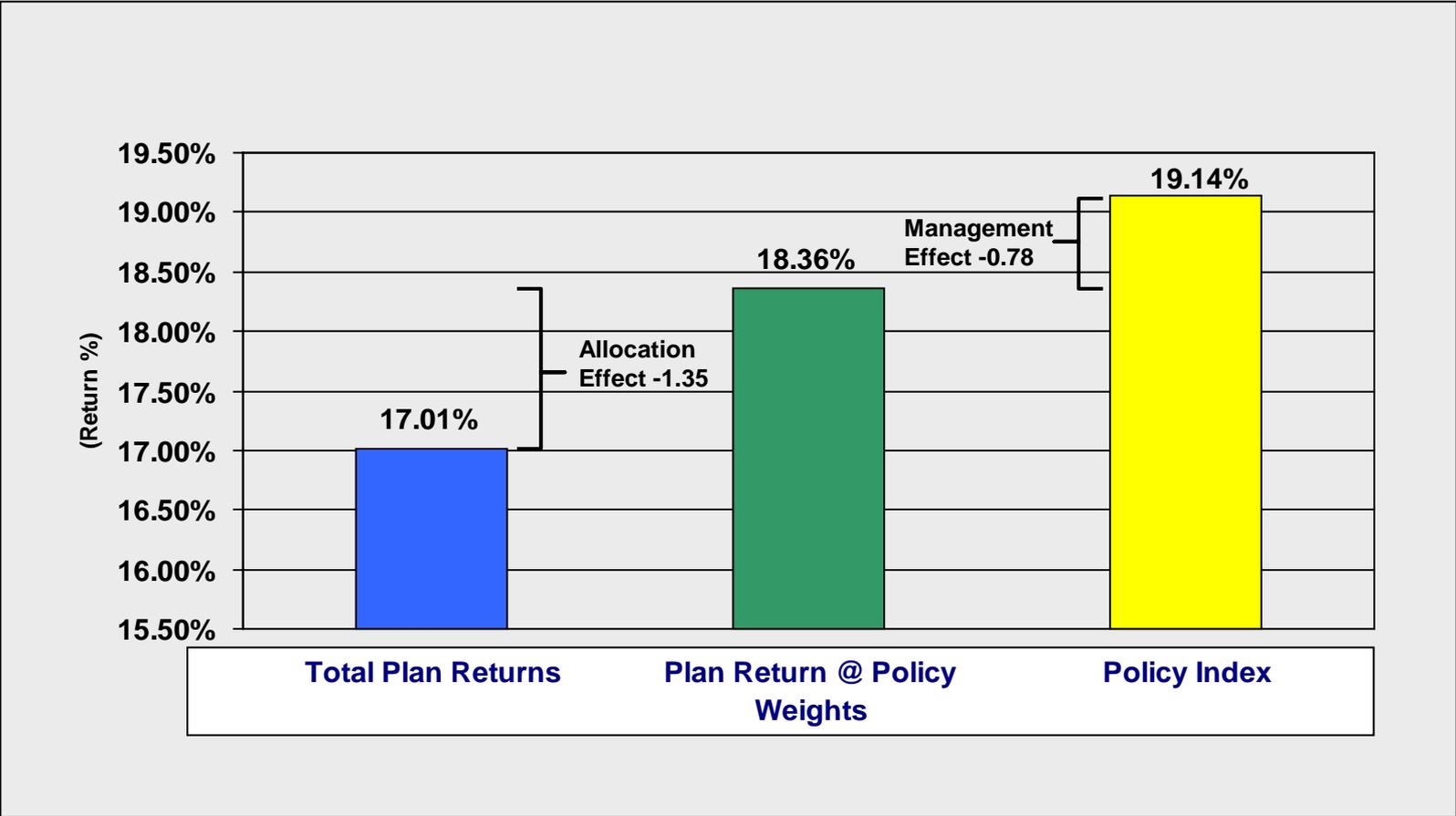
Performance Attribution: Total Plan – Quarter Ending March 31, 2012



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



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



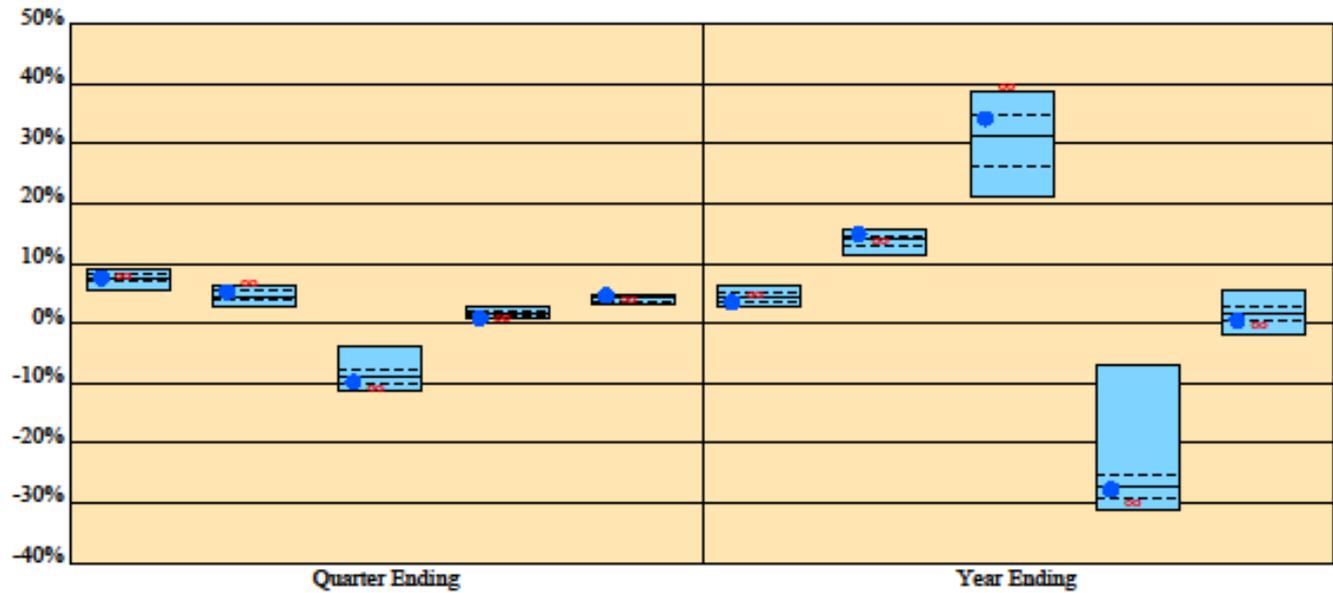
Total Plan: March 31, 2012

Management Effect – Asset Class Breakdown

<u>Plan</u>	<u>Quarter</u>	<u>12 Months</u>	<u>3 Years</u>	<u>Benchmark</u>
Domestic Equity	0.09	-0.61	-0.03	Russell 3000 Index
EAFE Markets	-0.01	0.01	0.04	MSCI EAFE Index
Emerging Markets	0.00	-0.07	0.03	MSCI Emerging Markets Index
Private Equity	-0.87	-0.52	-1.01	Russell 3000 Index + 500 b.p.
Private Real Estate	0.01	-0.04	-0.13	NCREIF ODCE net
Hedge Funds	-0.02	N/A	N/A	HFRI Fund of Funds Composite Index + 1%
Domestic Fixed	0.12	-0.01	0.28	NYC Core +5 Index
Enhanced Yield	0.00	-0.03	0.00	Citigroup BB&B Index
TIPS	0.00	0.00	0.00	Barclays Capital US TIPS
Convertible Bonds	-0.02	-0.01	-0.05	Merrill All Converts ex Mandatory (VOAO)
Opportunistic Fixed	0.02	-0.13	N/A	JPM Global High Yield + 3%

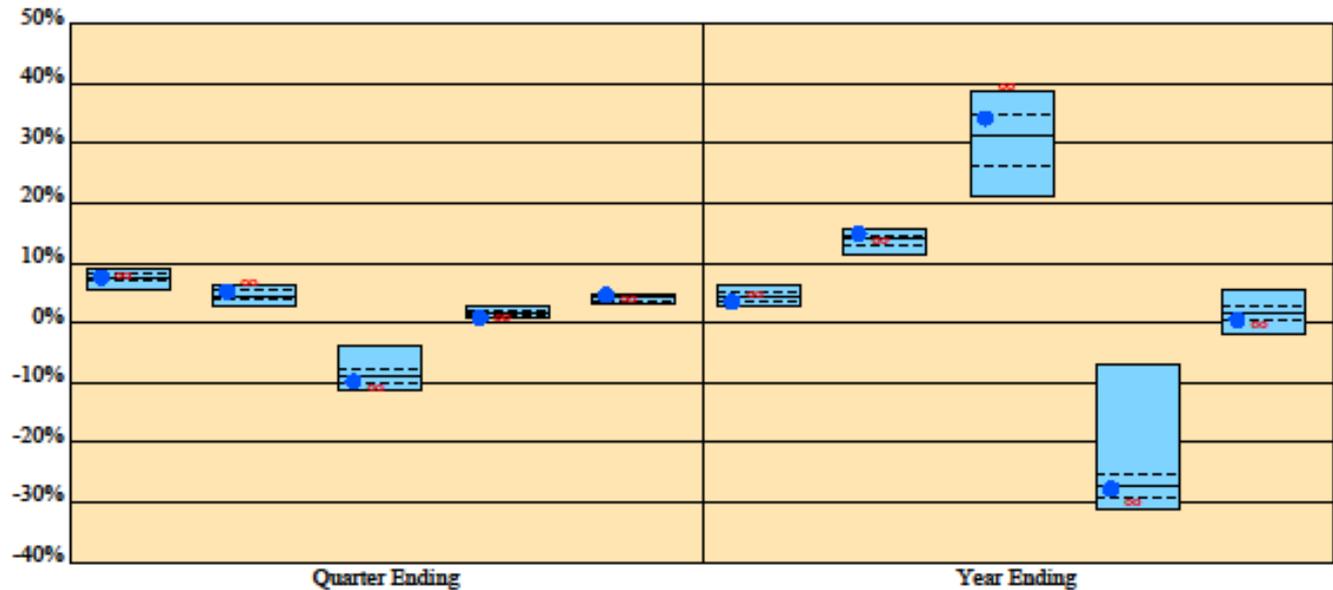
Note: Detailed effects may not add up to total due to reallocation and trading effects.

City of New York - Police Total Returns of Public Master Trusts > \$10 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	9.21	6.47	-4.03	2.67	4.91	6.29	15.54	38.61	-6.85	5.61
25th Percentile	8.18	5.41	-7.58	1.80	4.51	5.02	14.52	34.84	-25.35	2.62
Median	7.50	4.43	-8.90	1.62	4.15	4.23	13.93	31.20	-27.31	1.72
75th Percentile	6.90	3.93	-10.03	1.23	3.74	3.65	12.87	26.36	-29.10	0.58
95th Percentile	5.54	2.94	-11.22	0.80	3.27	2.88	11.30	21.22	-31.26	-1.80
● Total System	7.75 (46)	5.41 (25)	-9.66(65)	1.02 (90)	4.82 (14)	3.65 (75)	15.05 (11)	34.38 (28)	-27.57 (53)	0.68 (68)
∞ Police Policy Benchmark	8.31 (22)	7.16 (1)	-10.36 (85)	1.02 (90)	4.27 (34)	5.10 (14)	14.12 (37)	39.97 (1)	-29.55 (85)	-0.05 (81)

City of New York - Police Total Returns of Public Master Trusts > \$10 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	9.21	6.47	-4.03	2.67	4.91	6.29	15.54	38.61	-6.85	5.61
25th Percentile	8.18	5.41	-7.58	1.80	4.51	5.02	14.52	34.84	-25.35	2.62
Median	7.50	4.43	-8.90	1.62	4.15	4.23	13.93	31.20	-27.31	1.72
75th Percentile	6.90	3.93	-10.03	1.23	3.74	3.65	12.87	26.36	-29.10	0.58
95th Percentile	5.54	2.94	-11.22	0.80	3.27	2.88	11.30	21.22	-31.26	-1.80
● Total System	7.75 (46)	5.41 (25)	-9.66(65)	1.02 (90)	4.82 (14)	3.65 (75)	15.05 (11)	34.38 (28)	-27.57 (53)	0.68 (68)
∞ Police Policy Benchmark	8.31 (22)	7.16 (1)	-10.36 (85)	1.02 (90)	4.27 (34)	5.10 (14)	14.12 (37)	39.97 (1)	-29.55 (85)	-0.05 (81)

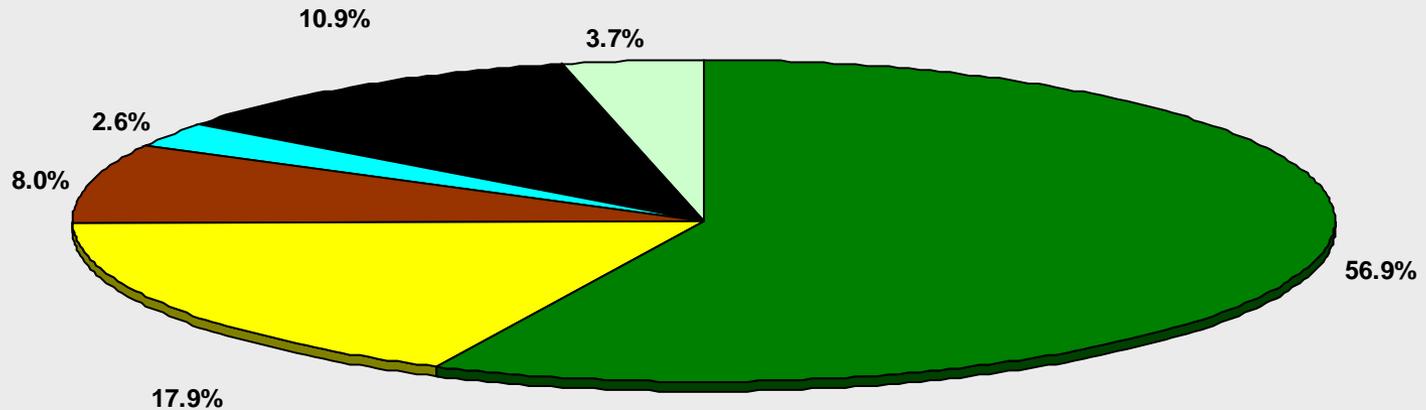
New York City
Police Pension Fund, Subchapter 2

Equity Analysis

Total Equity Asset Allocation: March 31, 2012

\$17.4B Under Management, **68%** of Total Funds

Asset Allocation by Groups



■ Domestic Equity

■ EAFE Mkts

■ Emerging Mkts

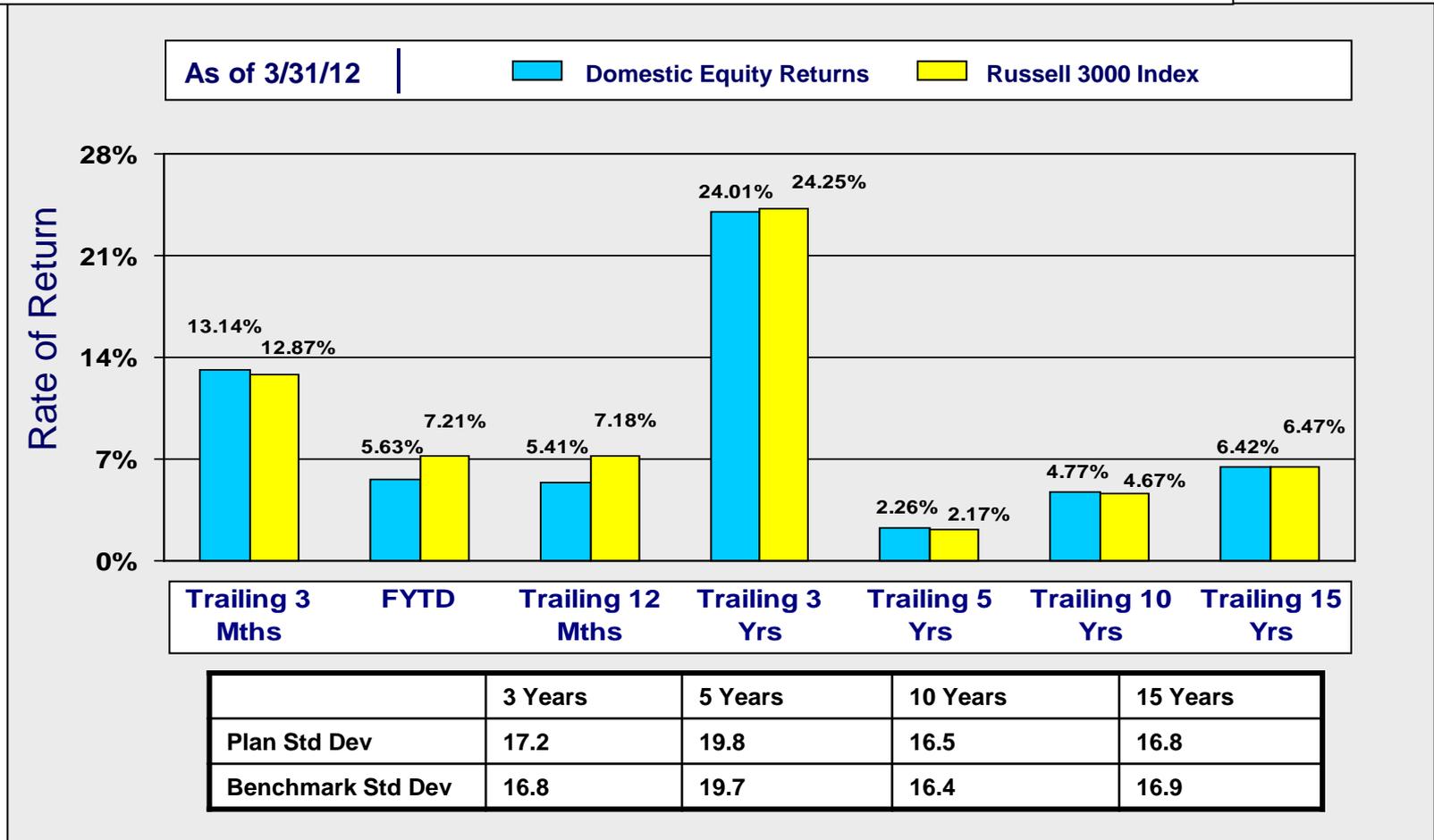
■ Hedge Funds

■ Private Equity

■ Private Real Estate

Total Domestic Equity Returns vs Russell 3000 Index

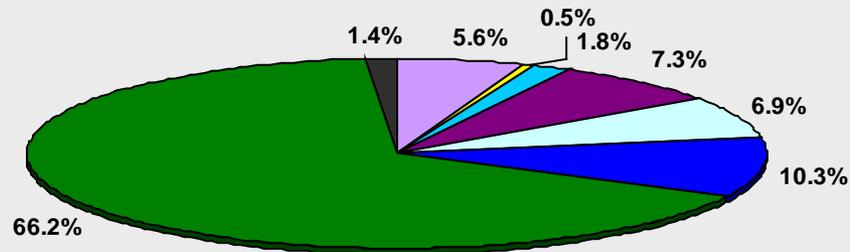
\$9.9B Under Management, **39%** of Total Funds



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

\$9.9B Under Management, **39%** of Total Funds

Asset Allocation by Groups



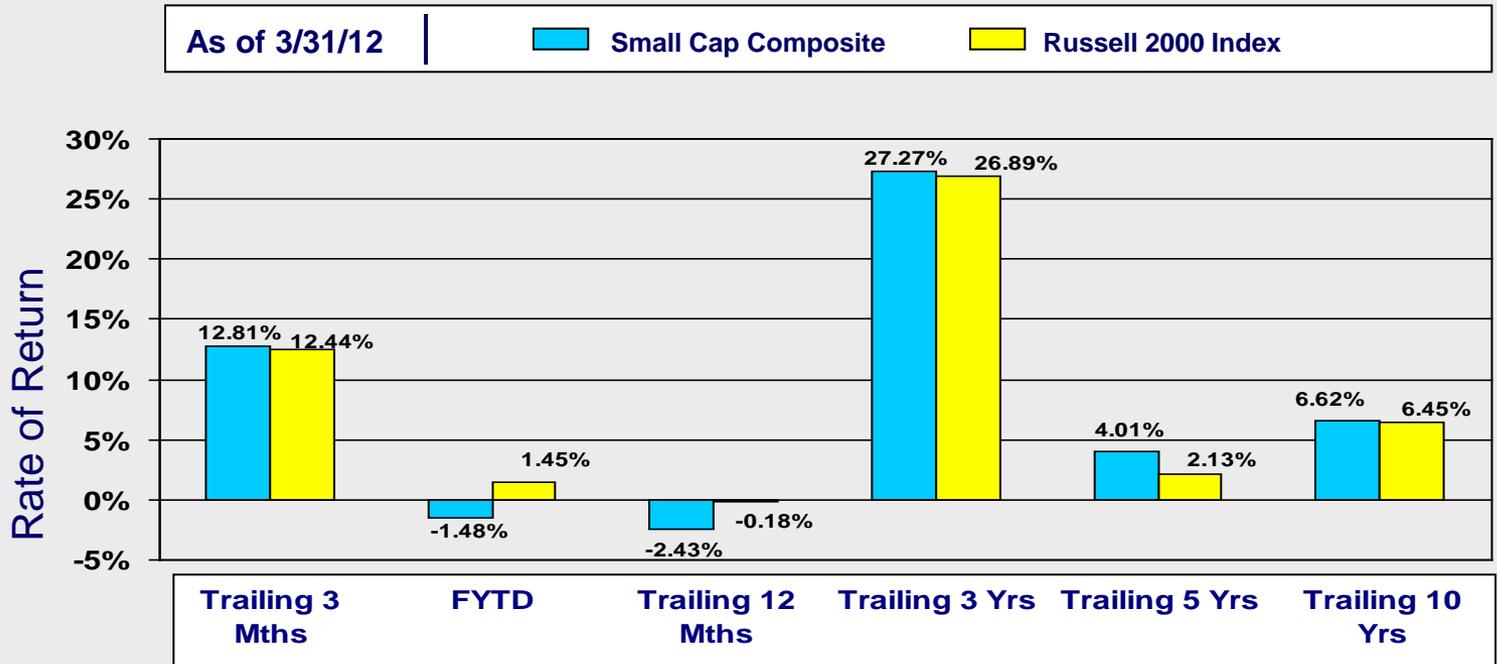
Small Cap Active	Small Russell 2000	Small to Mid Cap Active	Mid Cap Active
Mid Cap S&P400	Russell 1000 Active	Russell 3000 Index Fund	Emerging Managers

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	5.80	5.66	-0.14	12.44	12.84	0.40	0.00	0.02
Small Russell 2000 Index	0.40	0.52	0.12	12.44	12.44	0.00	0.00	0.00
Small to Mid Cap Active	1.56	1.75	0.19	12.99	13.18	0.19	0.00	0.00
Mid Cap Active	6.58	7.30	0.72	12.94	15.64	2.71	0.00	0.19
Mid Cap S&P400 Index	8.00	6.94	-1.06	13.50	13.49	-0.01	-0.01	0.00
Russell 1000 Active	9.96	10.29	0.33	12.90	13.46	0.56	0.00	0.05
Russell 3000 Index Fund	66.10	66.19	0.09	12.87	12.83	-0.03	0.00	-0.02
Emerging Managers	1.60	1.35	-0.25	12.87	12.41	-0.46	0.00	-0.01

Small Cap Returns vs Russell 2000 Index

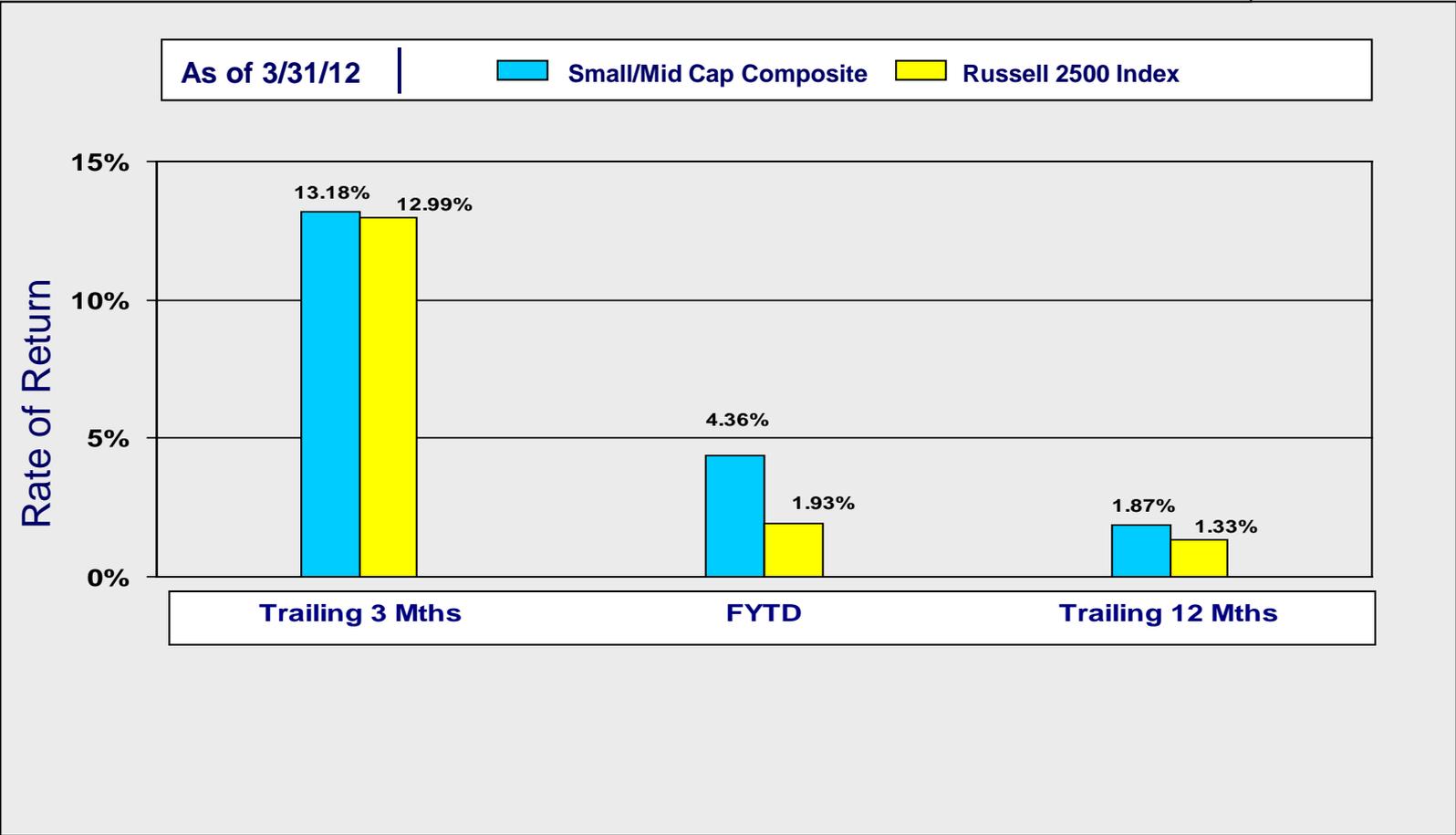
\$611.2M Under Management, **2%** of Total Funds



	3 Years	5 Years	9 Years
Plan Std Dev	21.1	22.9	19.7
Benchmark Std Dev	22.3	24.5	20.7

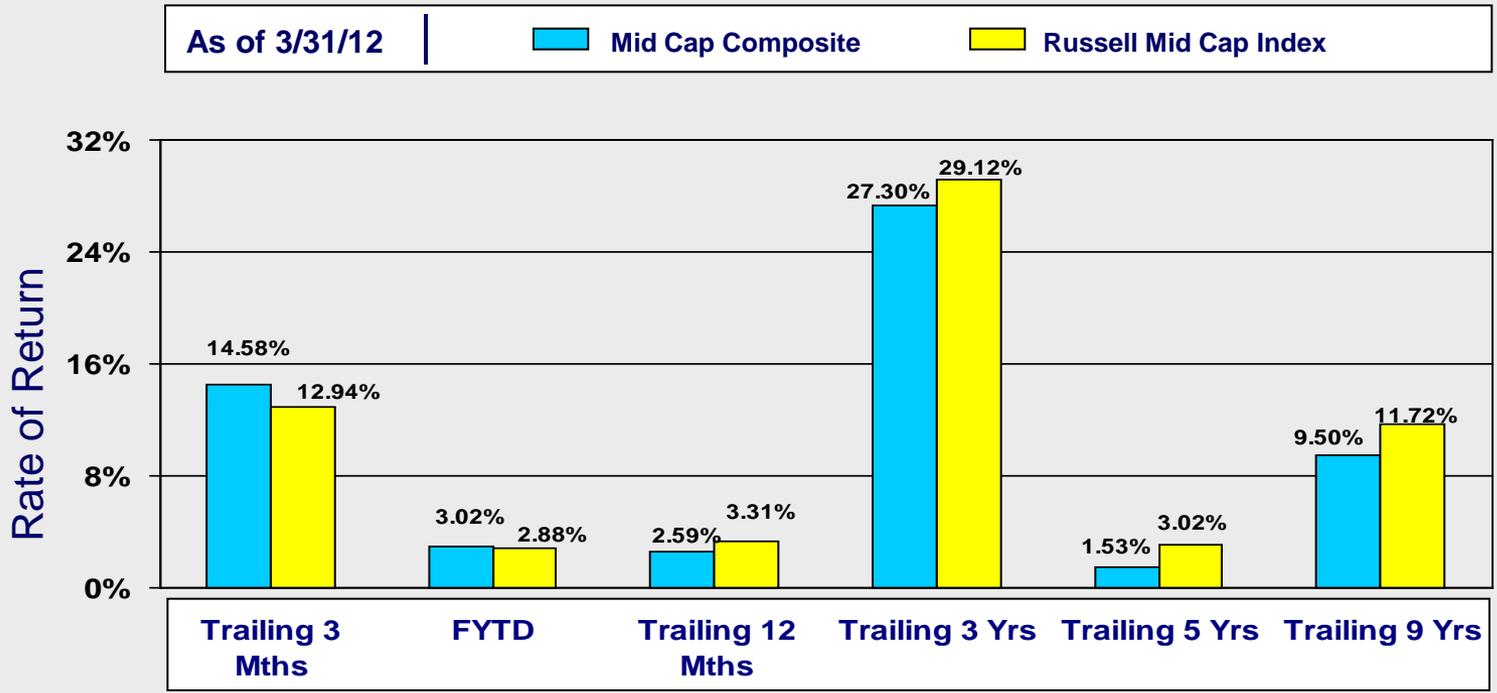
Small/Mid Cap Returns vs Russell 2500 Index

\$173.2M Under Management, **1%** of Total Funds



Mid Cap Returns vs Russell Mid Cap Index

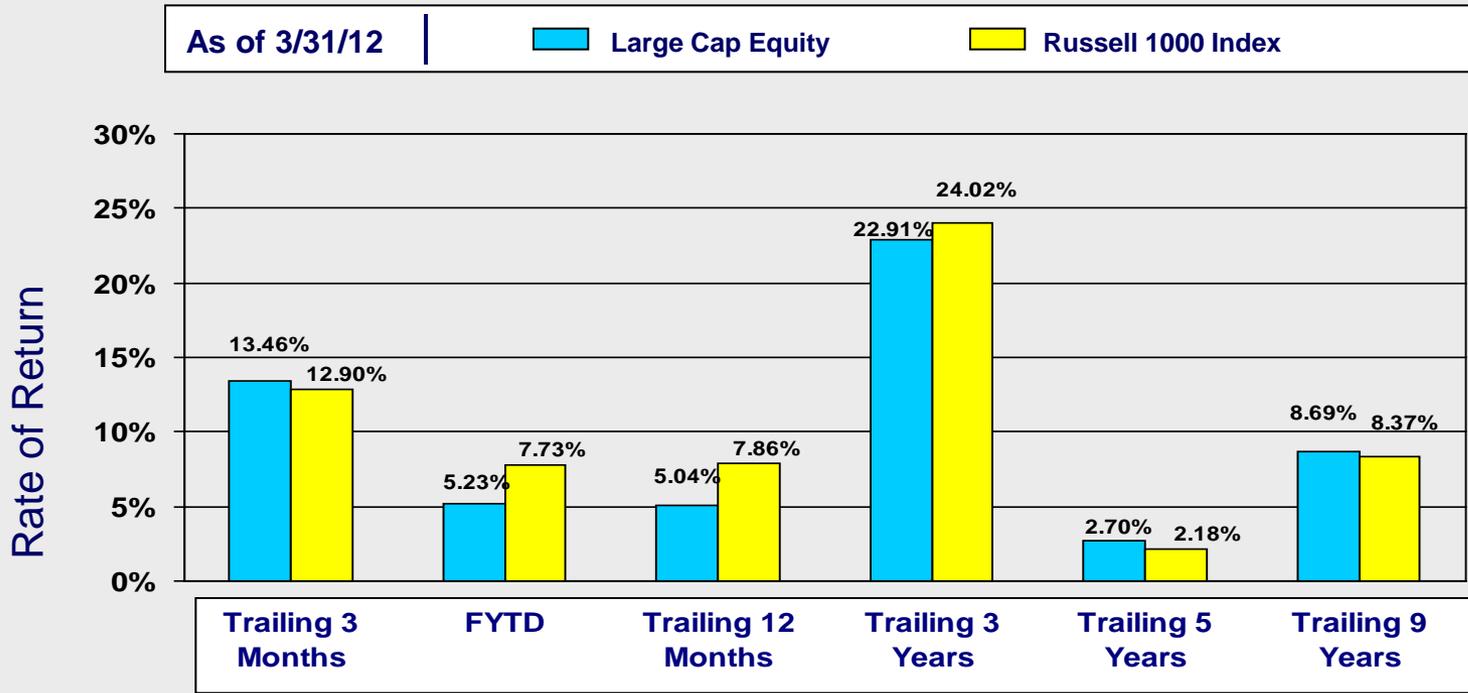
\$1.4B Under Management, **5%** of Total Funds



	3 Years	5 Years	9 Years
Plan Std Dev	19.1	21.8	17.7
Benchmark Std Dev	19.4	22.8	18.5

Large Cap Returns vs Russell 1000 Index

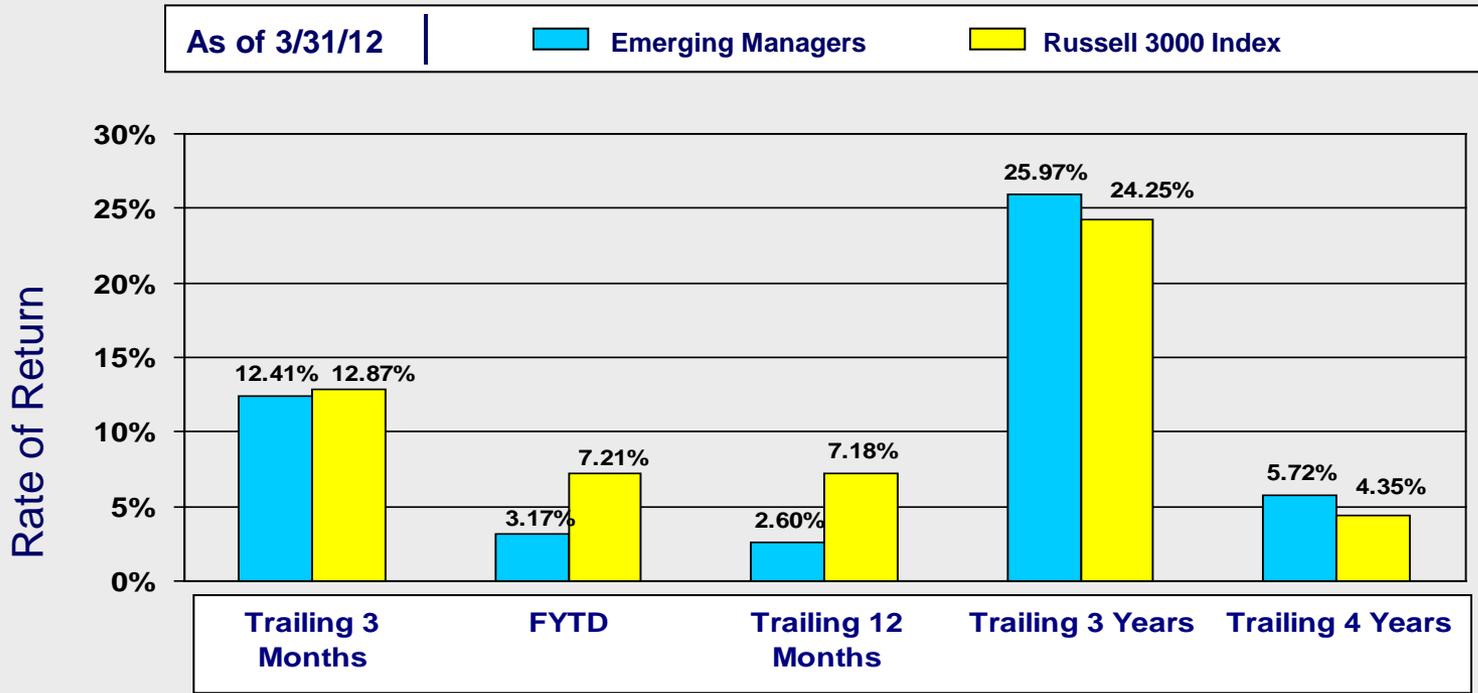
\$1B Under Management, **4%** of Total Funds



	3 Years	5 Years	9 Years
Plan Std Dev	17.0	19.6	15.9
Benchmark Std Dev	16.4	19.3	15.5

Emerging Managers Returns vs Russell 3000 Index

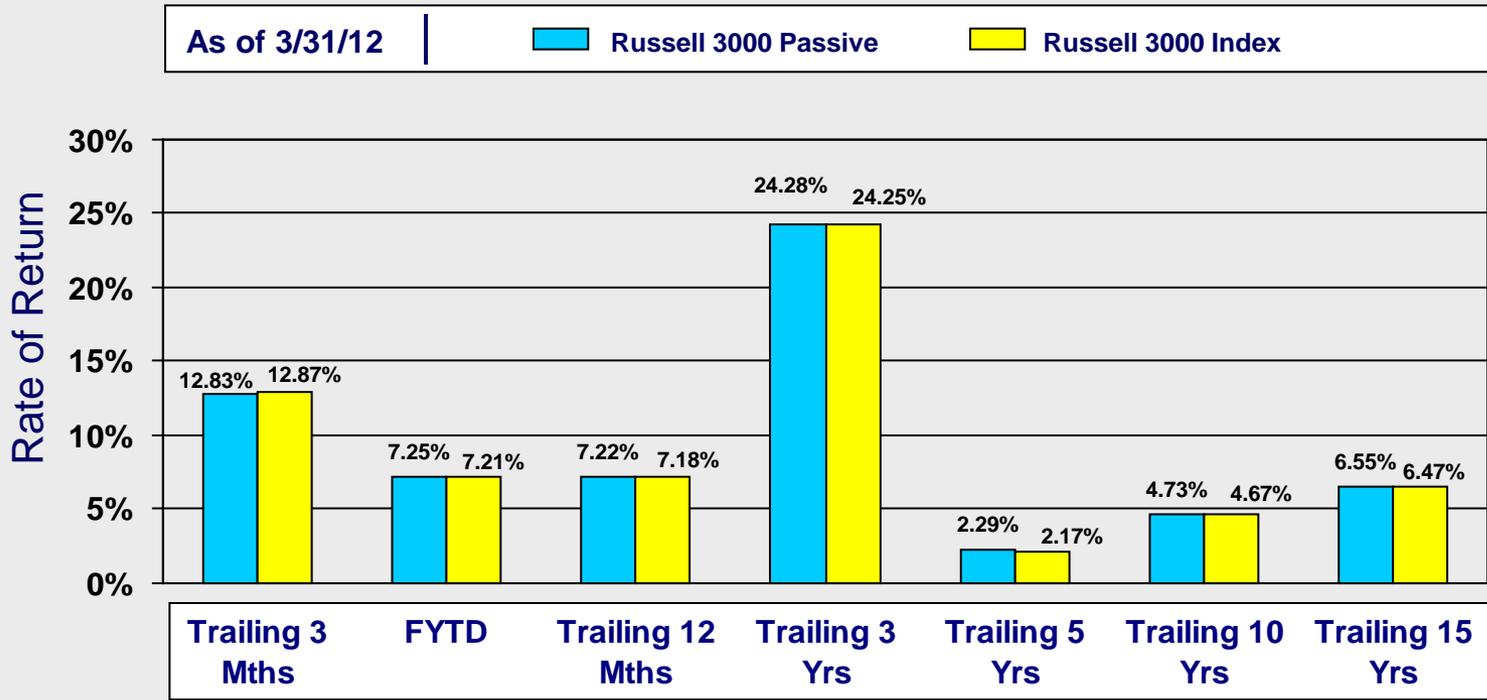
\$133.5M Under Management, **1%** of Total Funds



	3 Years	4 Years
Plan Std Dev	19.1	23.2
Benchmark Std Dev	16.8	21.2

Russell 3000 Composite Returns vs Russell 3000 Index

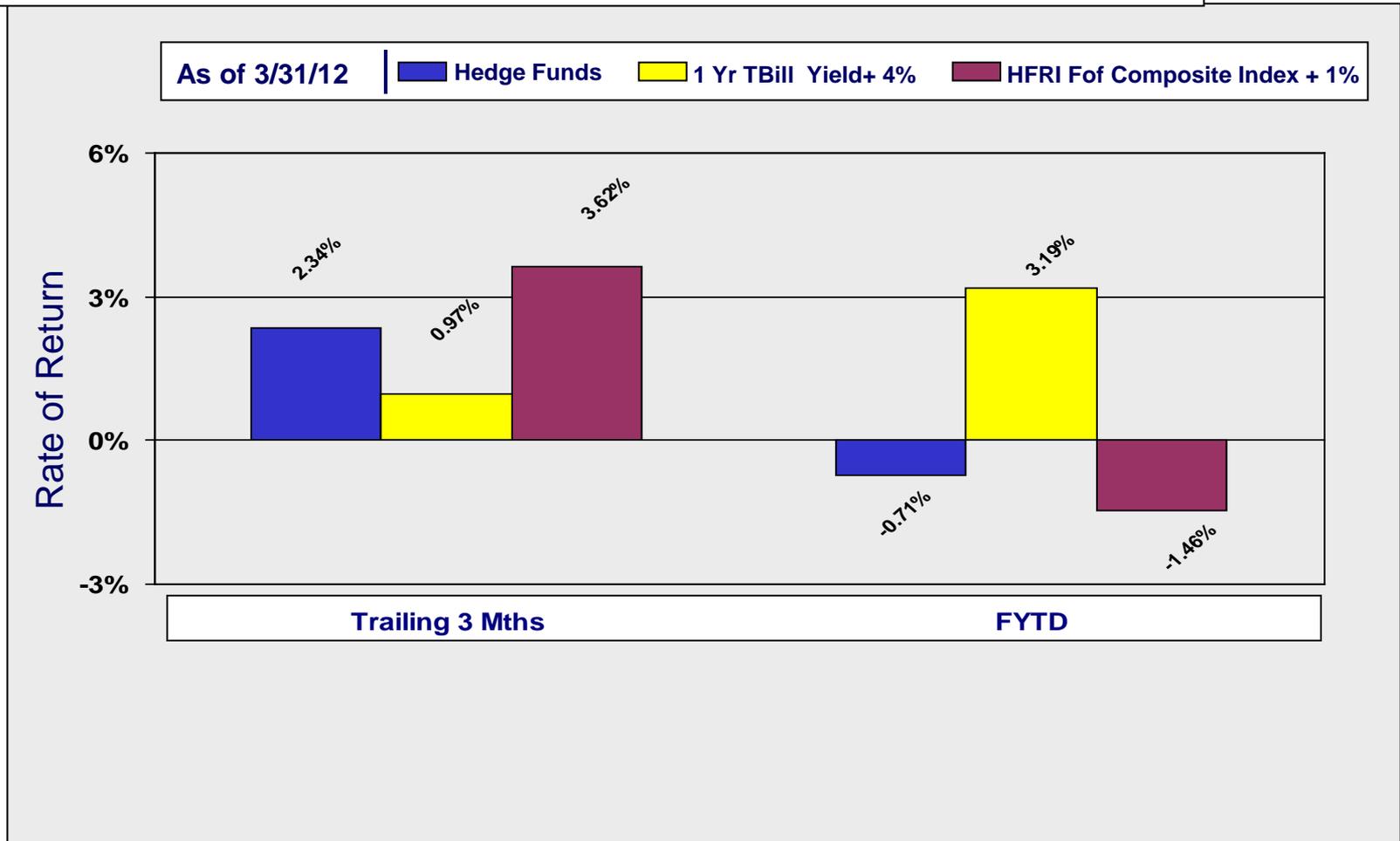
\$6.5B Under Management, **26%** of Total Funds



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

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

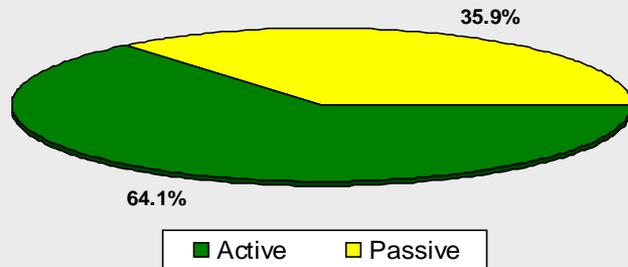
\$453.2M Under Management, **5%** of Total Funds



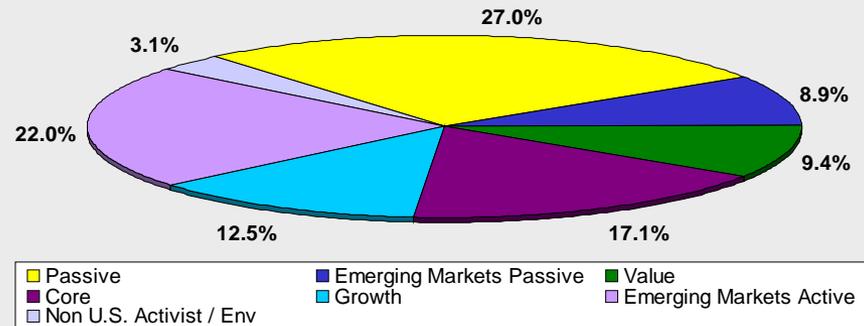
International Equity Asset Allocation: March 31, 2012

\$4.5B Under Management, **18%** of Total Funds

Asset Allocation by Groups



Asset Allocation by Style



Value Added by Sectors

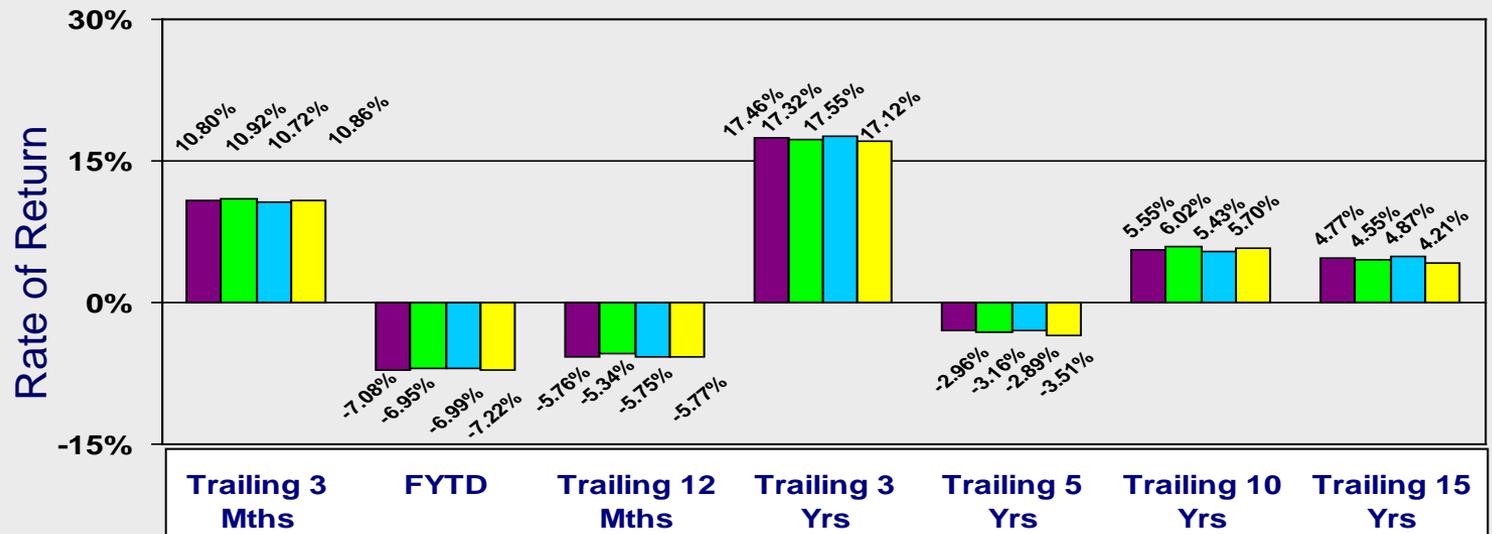
Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to Out/Under Performance	
							Allocation	Management
EAFE Growth		0.12		12.10	12.68	0.57		0.07
EAFE Value		0.09		9.85	6.52	-3.33		-0.36
EAFE Core		0.17		10.86	11.74	0.88		0.15
EAFE Passive		0.27		10.86	10.92	0.06		0.02
Non-US Activist		0.01		16.50	21.12	4.63		0.06
Non-US Environmental		0.02		11.72	11.54	-0.18		0.00
Active EM		0.22		14.14	14.26	0.12		0.02
Passive EM		0.09		14.14	14.05	-0.08		-0.01

EAFE Markets Returns vs MSCI EAFE Index

\$3B Under Management, **12%** of Total Funds

As of 3/31/12

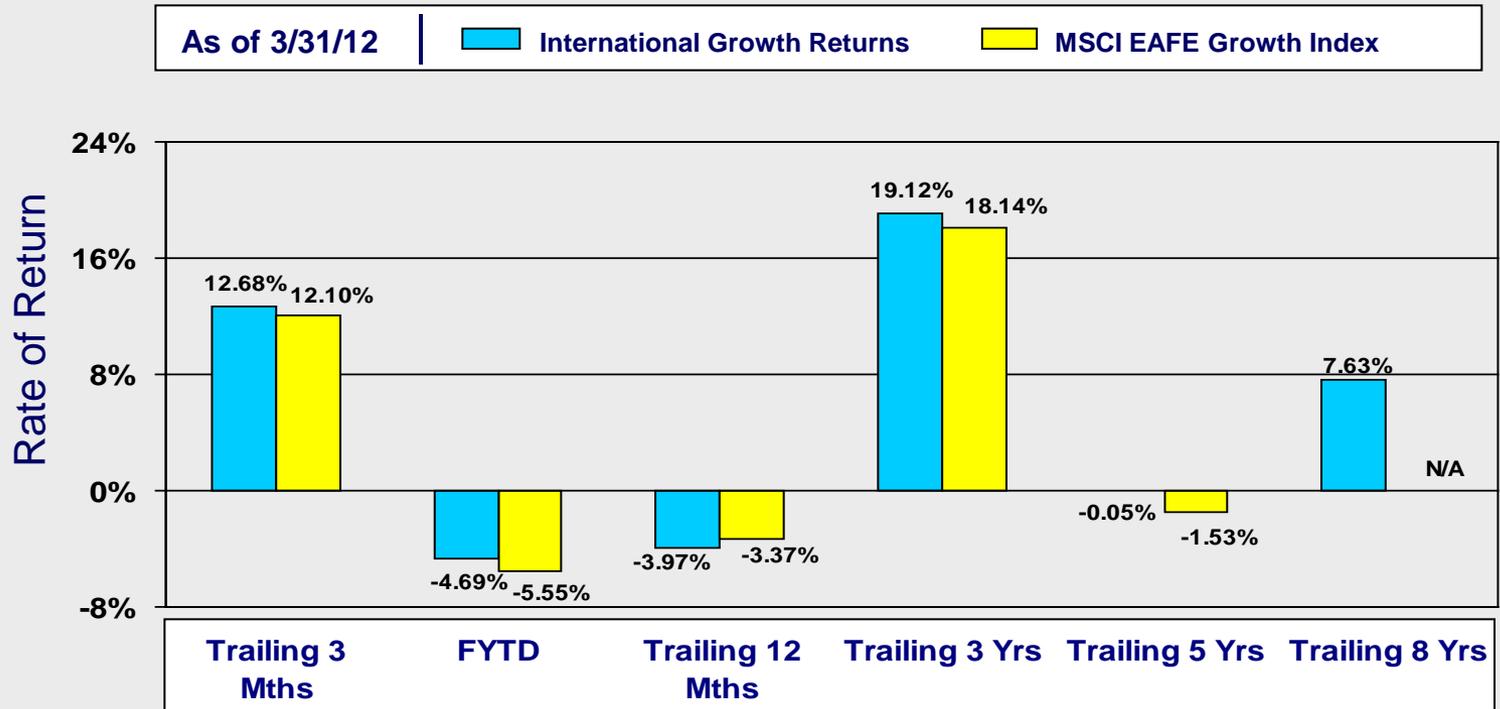
■ EAFE Mkts
 ■ Passive Equity
 ■ Active Equity
 ■ MSCI EAFE Index



	3 Years	5 Years	10 Years	15 Years
EAFE Plan Std Dev	20.4	22.7	18.7	18.2
Passive Plan Std Dev	20.5	22.6	18.5	17.9
Active Plan Std Dev	20.4	22.7	18.8	18.4
Benchmark Std Dev	20.6	22.7	18.6	18.0

International Growth Returns vs MSCI EAFE Growth Index

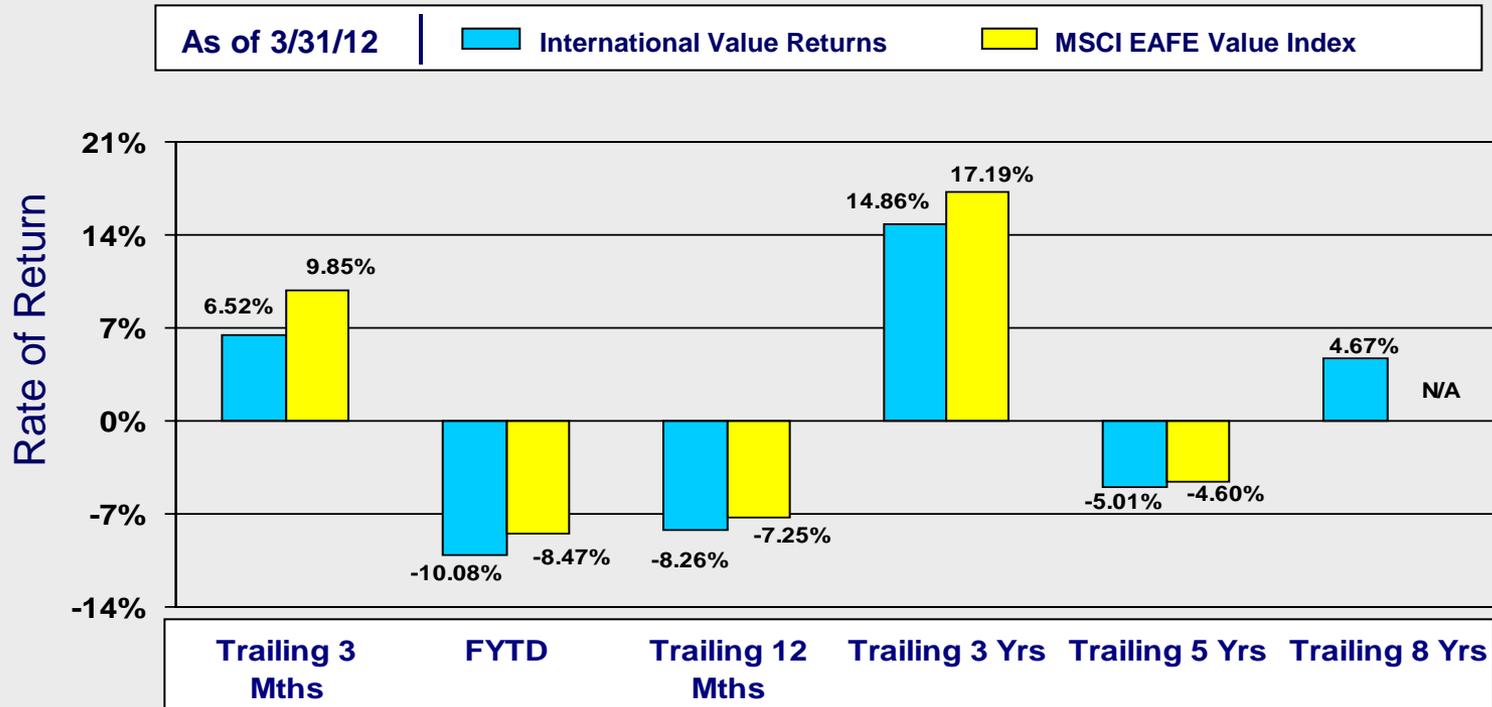
\$562.5M Under Management, **2%** of Total Funds



	3 Years	5 Years	8 Years
Plan Std Dev	21.1	23.7	19.9
Benchmark Std Dev	19.5	22.0	****

International Value Returns vs MSCI EAFE Value Index

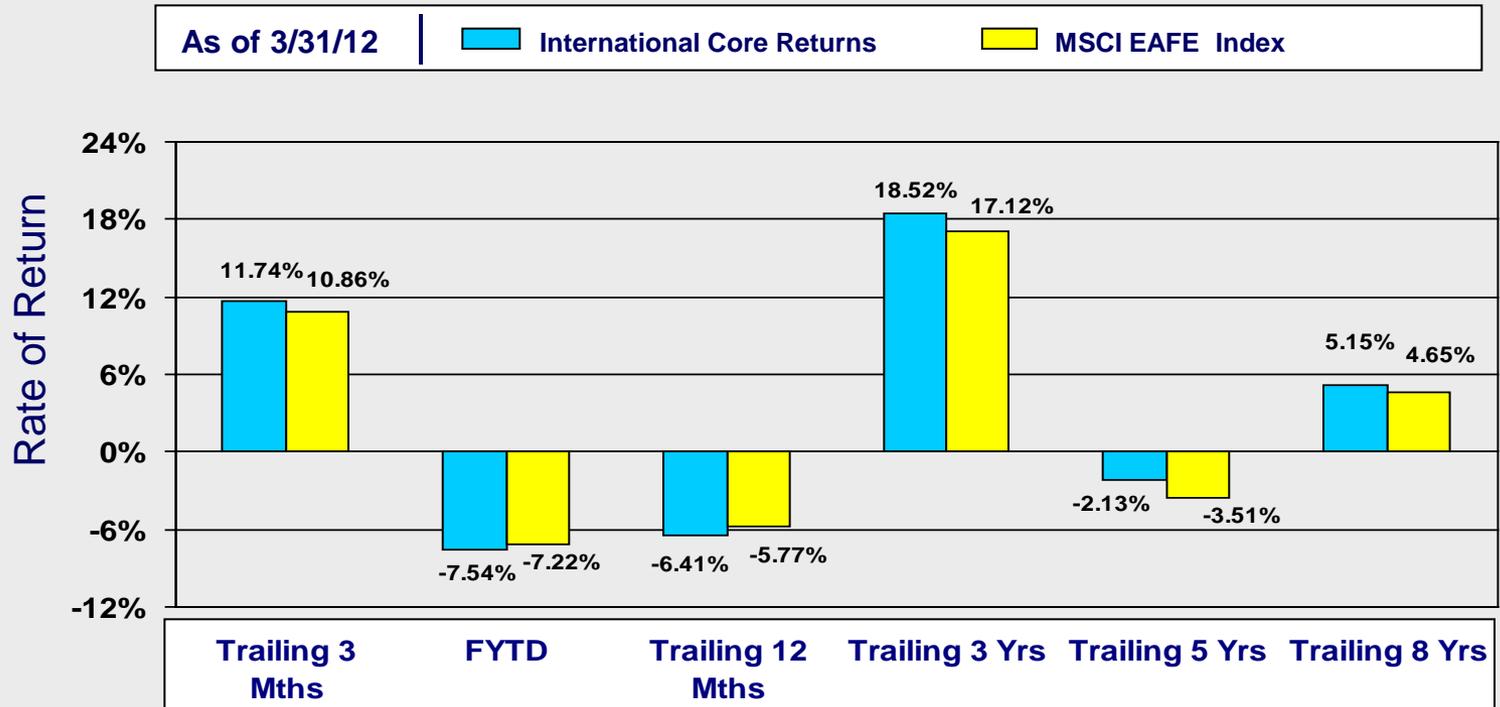
\$423.14 Under Management, **2%** of Total Funds



	3 Years	5 Years	8 Years
Plan Std Dev	19.6	22.2	18.6
Benchmark Std Dev	22.4	24.0	****

International Core Returns vs MSCI EAFE Index

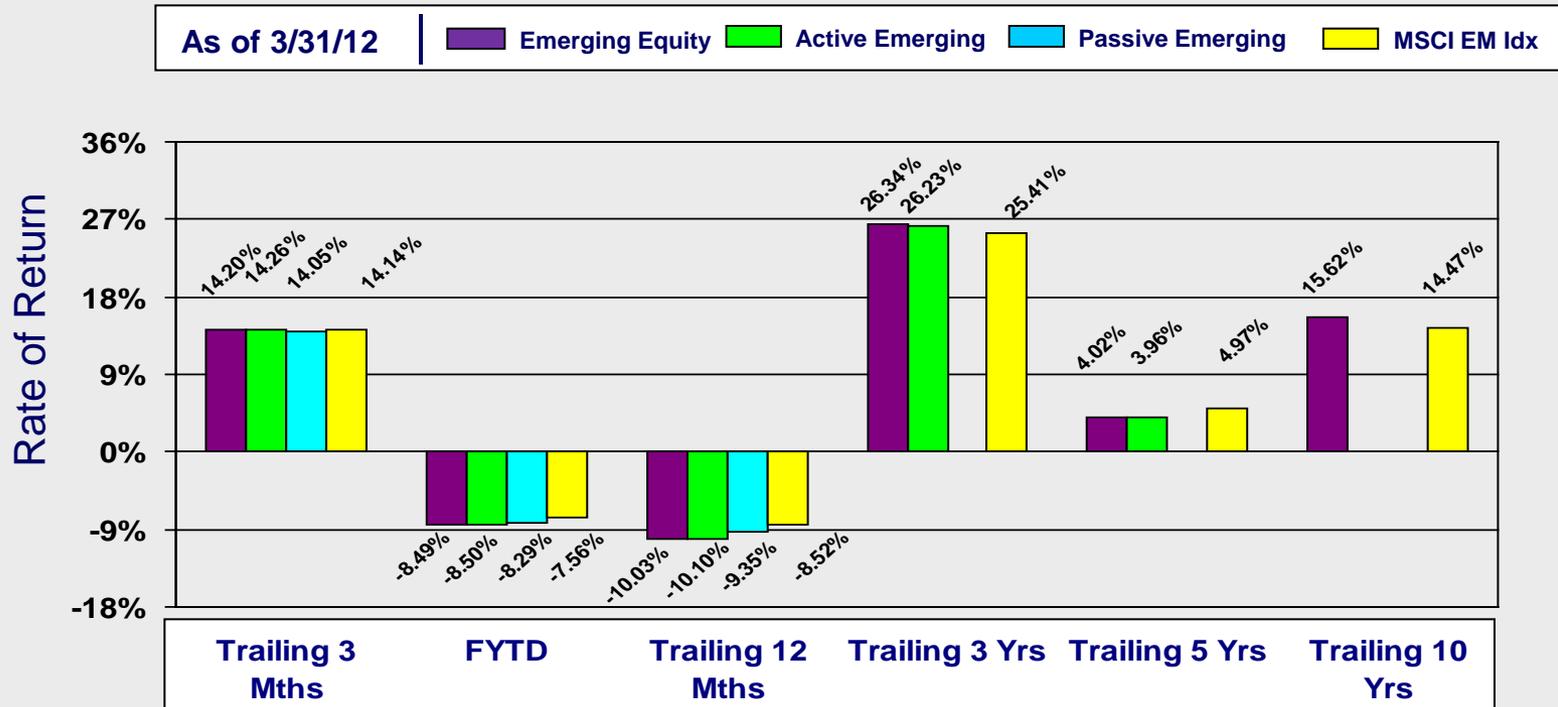
\$771.1M Under Management, **3%** of Total Funds



	3 Years	5 Years	8 Years
Plan Std Dev	20.7	23.0	19.3
Benchmark Std Dev	20.6	22.7	19.0

Emerging Equity Returns vs MSCI Emerging Markets Index

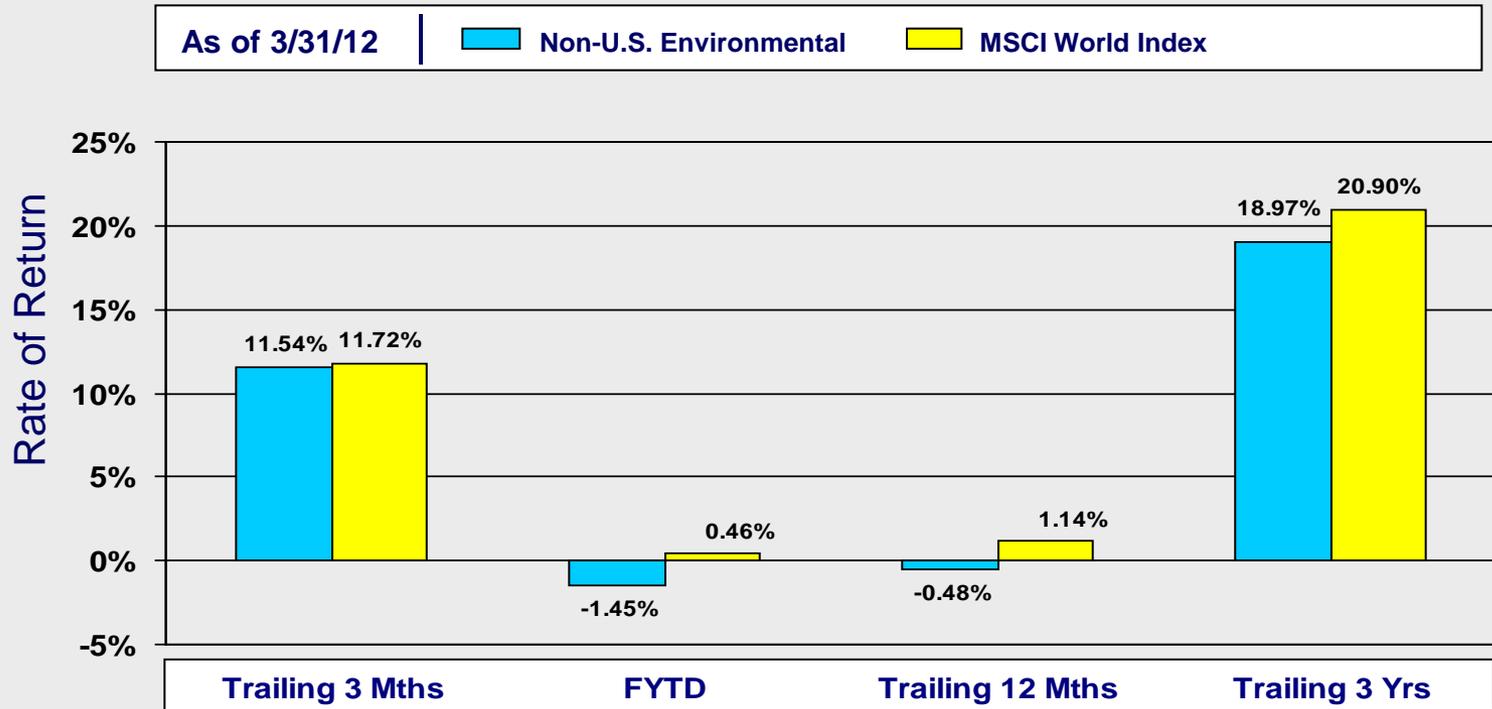
\$1.4B Under Management, **5%** of Total Funds



	3 Years	5 Years	10 Years
Emerging Plan Std Dev	26.0	30.4	25.0
Active Plan Std Dev	26.0	30.5	****
Passive Plan Std Dev	****	****	****
Benchmark Std Dev	24.8	29.3	24.4

Non-U.S. Environmental vs MSCI World Index

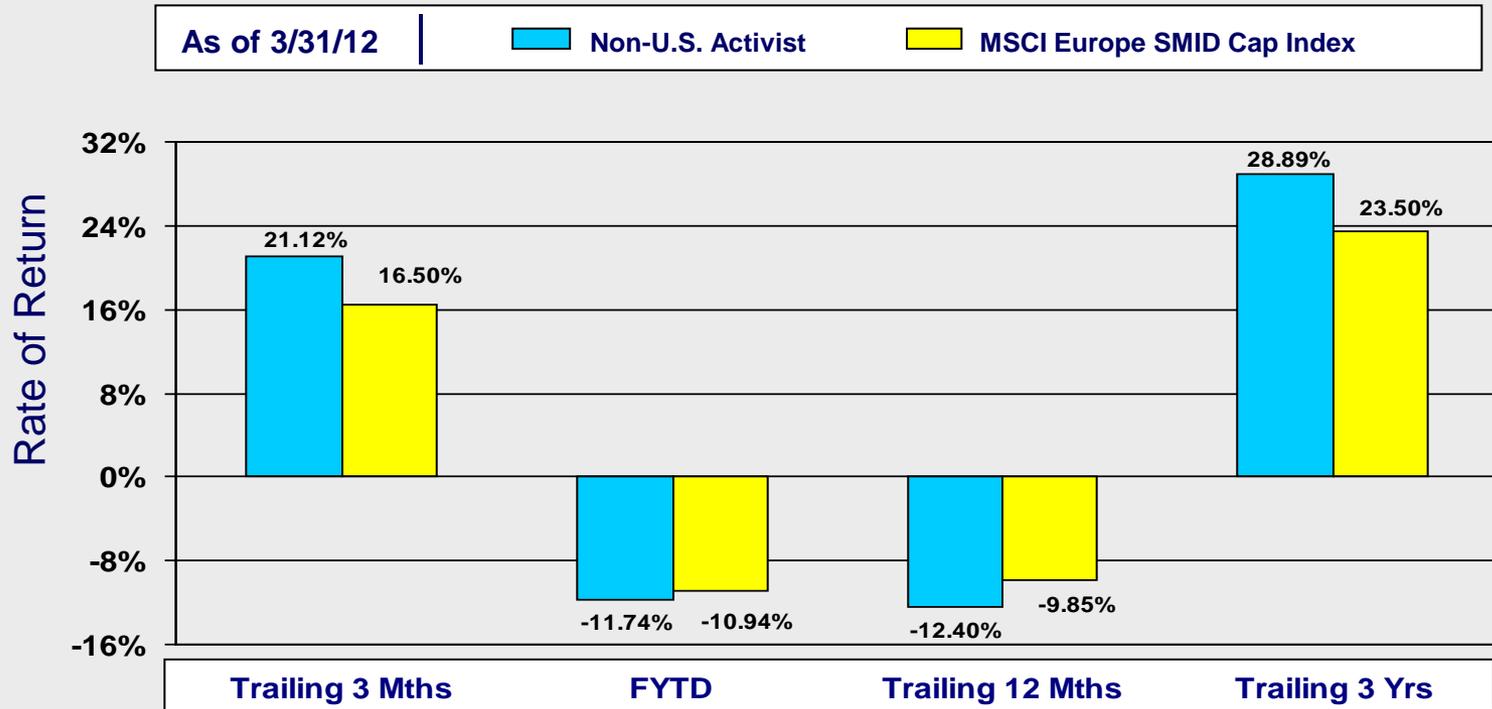
\$72M Under Management, **0%** of Total Funds



	3 Years
Plan Std Dev	18.7
Benchmark Std Dev	18.0

Non-U.S. Activist vs MSCI Europe SMID Index

\$65.9M Under Management, **0%** of Total Funds



	3 Years
Plan Std Dev	26.9
Benchmark Std Dev	26.1

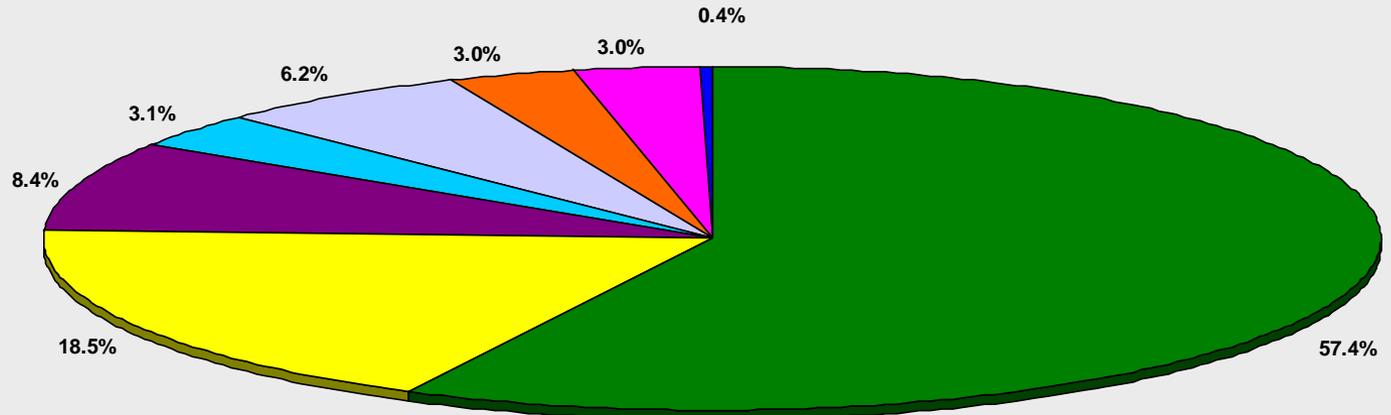
New York City
Police Pension Fund, Subchapter 2

Fixed Income Analysis

Total Fixed Income Asset Allocation: March 31, 2012

\$8.2B Under Management, **32%** of Total Funds

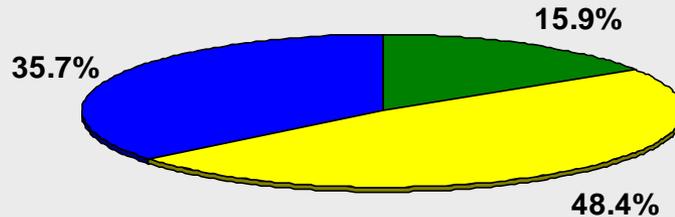
Asset Allocation by Groups



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

\$4.7B Under Management, **18%** of Total Funds

Asset Allocation by Groups



■ Treasury/Agency ■ Mortgage ■ Inv. Grade Credit

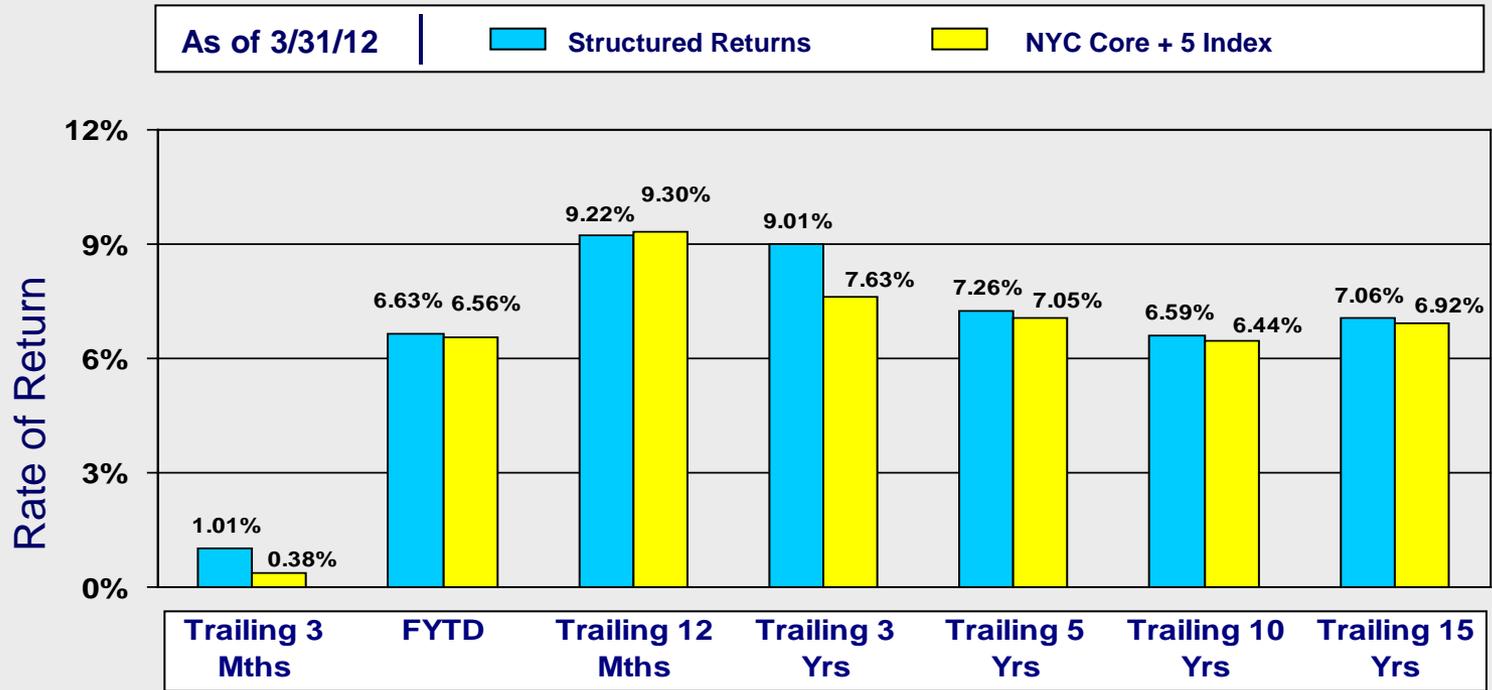
Value Added by Sectors

Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to Out/Under Performance	
							Allocation	Management
Treasury/Agency	21.25	15.89	-5.36	-2.74	-2.62	0.12	0.20	0.02
Mortgage	42.15	48.36	6.21	0.61	1.21	0.59	0.02	0.31
Inv. Grade Credit	36.60	35.75	-0.85	2.09	2.45	0.36	0.00	0.13

*NYC Core +5 Breakdown

Structured Returns vs NYC Core + 5 Index

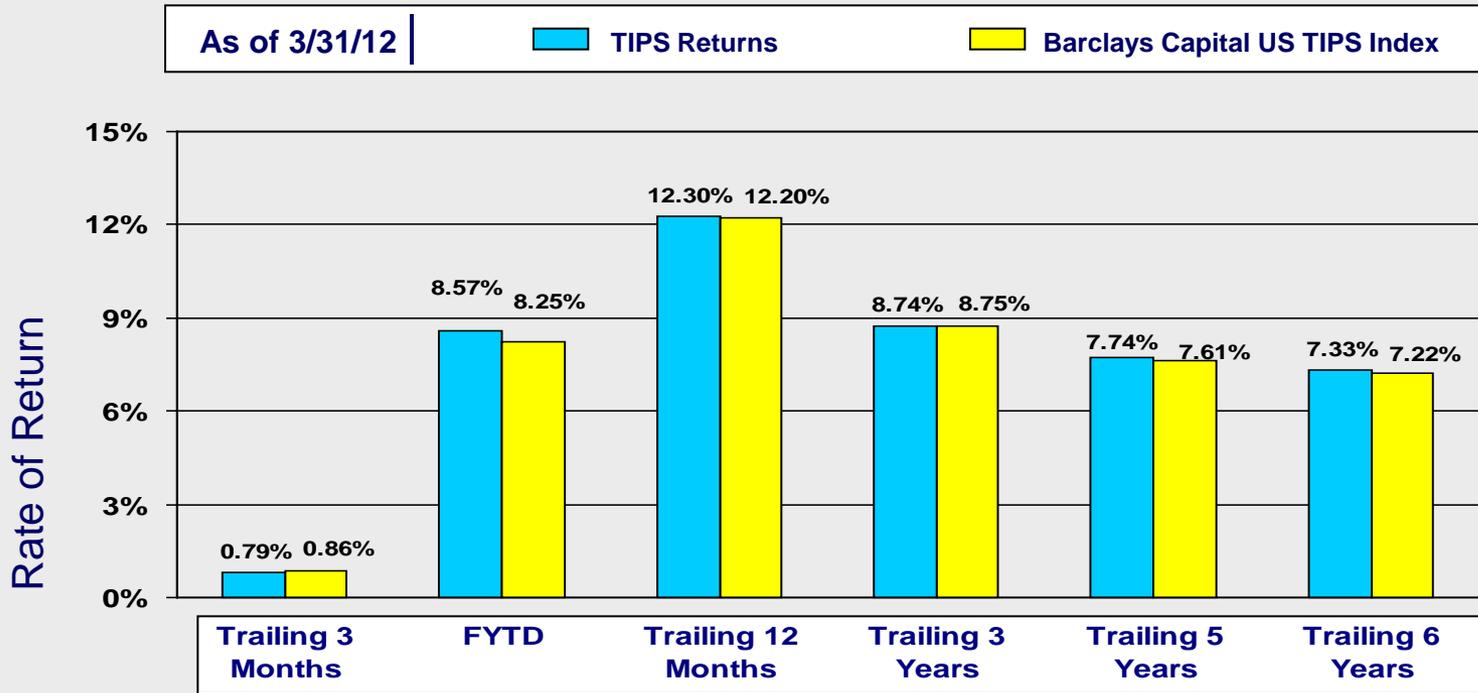
\$4.7B Under Management, **18%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	3.0	4.2	4.1	4.1
Benchmark Std Dev	3.2	4.4	4.3	4.1

TIPS Returns vs Barclays Capital US TIPS Index

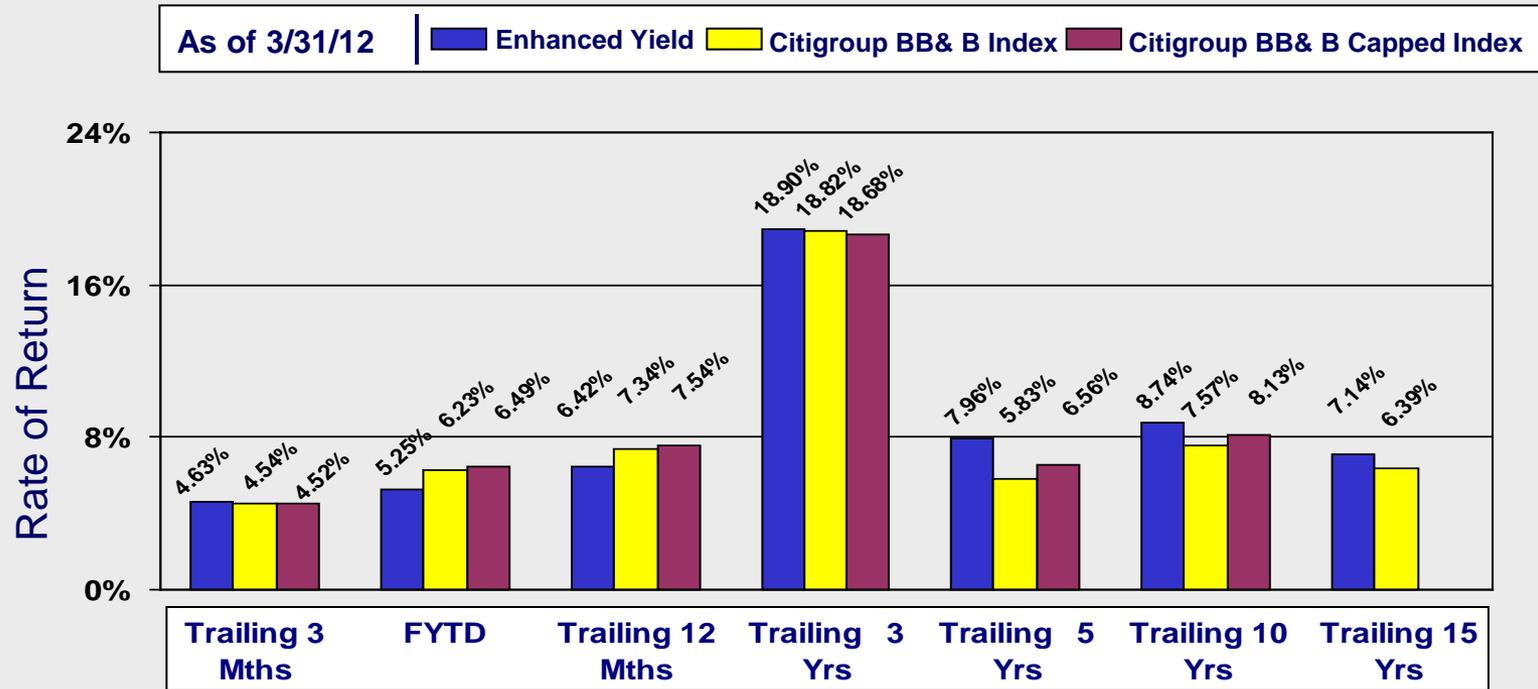
\$513.3M Under Management, **2%** of Total Funds



	3 Years	5 Years	6 Years
Plan Std Dev	4.7	7.5	7.0
Benchmark Std Dev	4.9	7.4	7.0

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

\$1.5B Under Management, **6%** of Total Funds

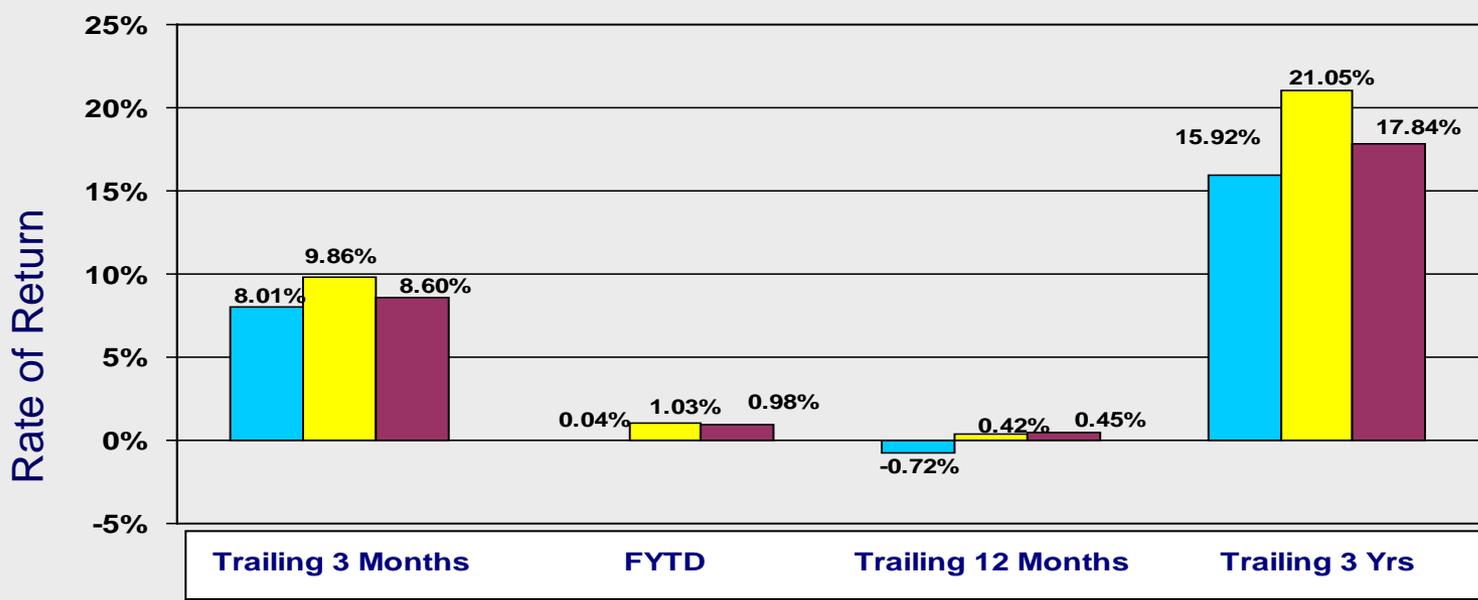


	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	7.6	10.7	8.7	8.5
Citigroup BB&B	8.1	11.9	9.9	9.2
Citigroup BB&B Capped	7.9	11.6	9.3	N/A

Convertible Bond Returns vs Benchmarks

\$246.7M Under Management, **1%** of Total Funds

As of 3/31/12 | ■ Convertible Bond Returns ■ ML All Convertibles ex Mandatory ■ Custom Idx

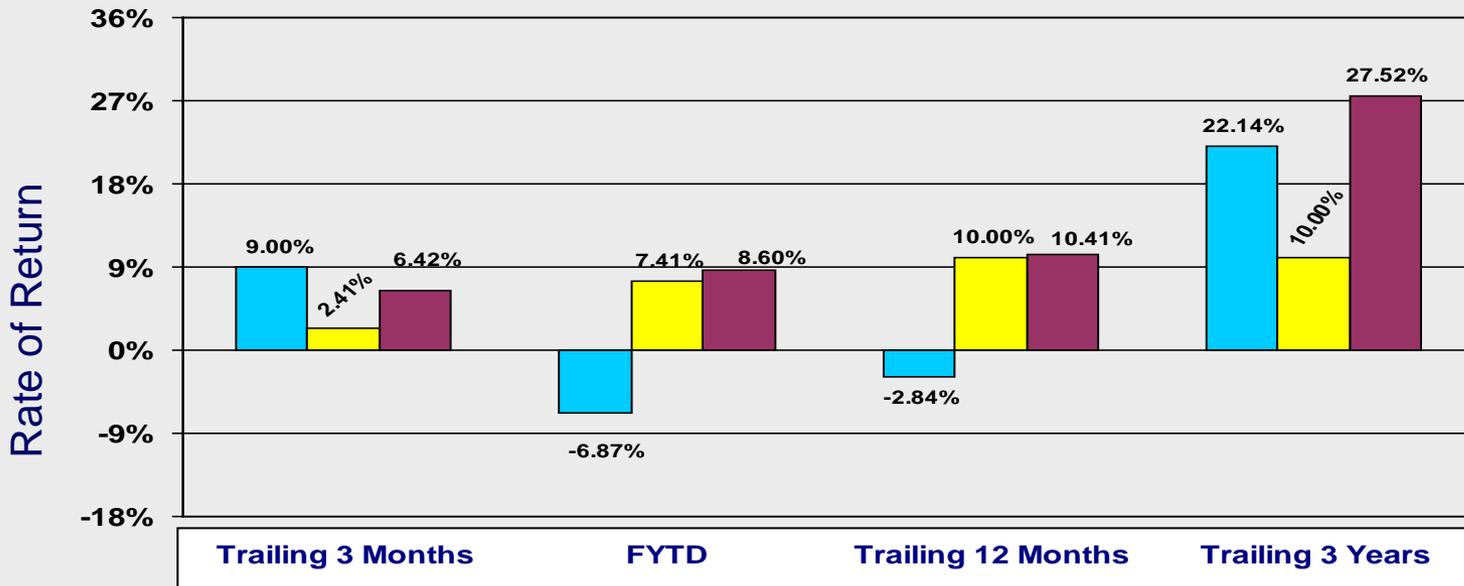


	3 Years
Plan Std Dev	9.6
BofA All Convertibles	11.9
Custom Index	9.9

Opportunistic Fixed Income Returns vs Benchmarks

\$251.4M Under Management, **1%** of Total Funds

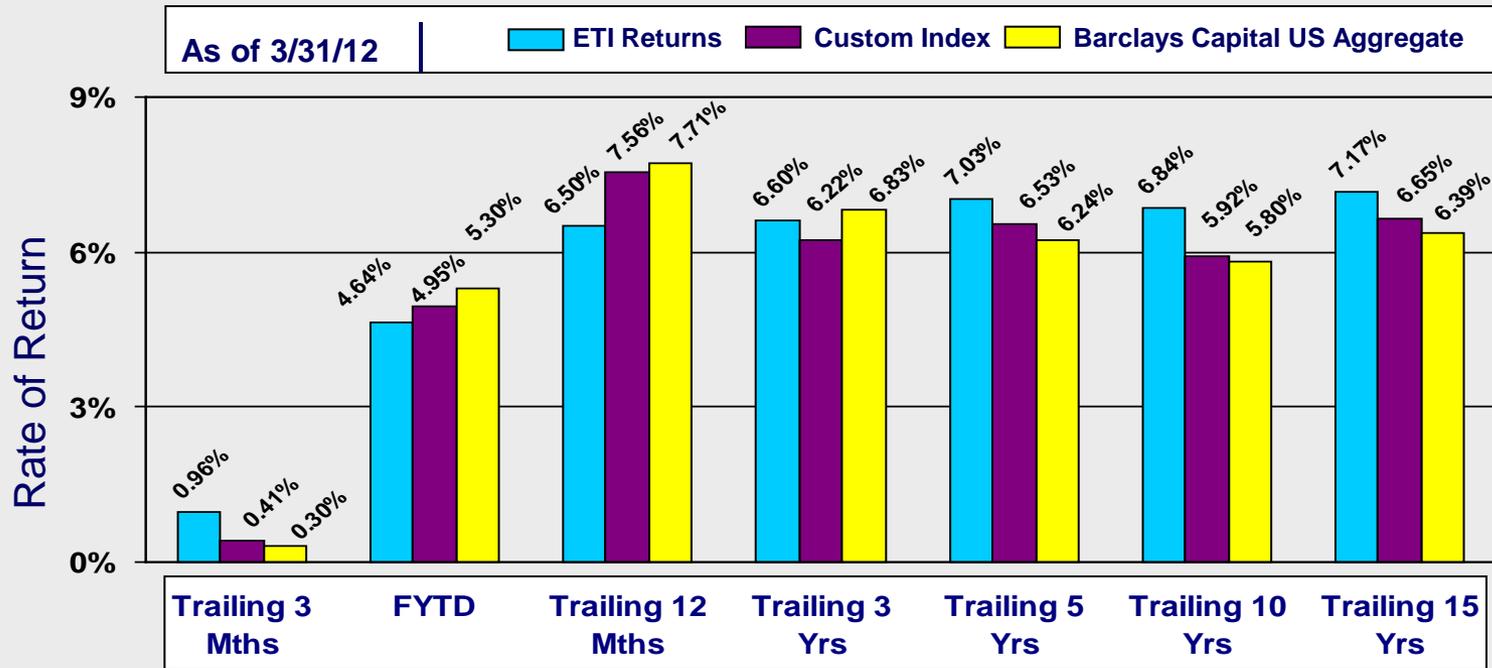
As of 3/31/12 | ■ Opportunistic Fixed ■ 10% Annual Return ■ JPM High Yield + 3%



	3 Years
Plan Std Dev	15.0
JPM High Yield + 3% Std Dev	9.7

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

\$255M Under Management, **1%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	1.4	2.1	3.1	3.0
Custom Index Std Dev	2.3	2.9	2.8	2.7
Barclays Capital US Agg. Std Dev	2.7	3.6	3.6	3.6

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

New York City
Police Pension Fund, Subchapter 2

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									
67.71	0.26	BROWN AM	13.55	13.55	3.92	****	****	****	****
62.72	0.24	PERIMETER	13.01	13.01	-0.50	****	****	****	****
63.65	0.25	PIER CAPITAL	13.86	13.86	-6.02	****	****	****	****
194.08	0.76	TOTAL SMALL CAP GROWTH	13.48	13.48	-0.93	****	****	****	****
		RUSSELL 2000 GROWTH	13.28	13.28	0.68	****	****	****	****
150.62	0.59	DALTON GREINER	12.05	12.05	0.46	25.49	6.23	8.38	****
52.98	0.21	LORD ABBETT	12.21	12.21	-0.85	****	****	****	****
203.60	0.79	TOTAL SMALL CAP VALUE	12.09	12.09	0.11	25.37	6.16	8.34	****
		RUSSELL 2000 VALUE	11.59	11.59	-1.07	25.35	0.01	6.59	****
		SMALL CAP VALUE MEDIAN							
124.03	0.48	DARUMA	12.83	12.83	-10.12	29.22	5.14	8.31	****
124.03	0.48	TOTAL SMALL CAP CORE	12.83	12.83	-10.12	29.22	5.14	7.56	****
		RUSSELL 2000	12.44	12.44	-0.18	26.89	2.13	6.45	****
		SMALL CAP CORE MEDIAN							
38.33	0.15	RAFI ENHANCED SMALL CO.	13.65	13.65	-0.01	30.42	****	****	****
		RUSSELL 2000	12.44	12.44	-0.18	26.89	****	****	****
		RUSSELL 2000 VALUE	11.59	11.59	-1.07	25.35	****	****	****
560.04	2.18	TOTAL SMALL CAP ACTIVE	12.84	12.84	-2.71	27.24	4.00	****	****
		RUSSELL 2000	12.44	12.44	-0.18	26.89	2.13	****	****
51.16	0.20	BLACKROCK R2000	12.44	12.44	-0.42	****	****	****	****
51.16	0.20	TOTAL SMALL CAP PASSIVE	12.44	12.44	-0.42	****	****	****	****
		RUSSELL 2000	12.44	12.44	-0.18	****	****	****	****

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
611.20	2.38	TOTAL SMALL CAP	12.81	12.81	-2.43	27.27	4.01	6.62	****
		RUSSELL 2000	12.44	12.44	-0.18	26.89	2.13	6.45	****
		SMALL/MID CAP							
91.82	0.36	TIMESQUARE CAPITAL SMDG	13.60	13.60	7.31	****	****	****	****
		RUSSELL 2500 GROWTH	14.60	14.60	2.70	****	****	****	****
81.34	0.32	SECURITY GLOBAL INV SMDV	12.72	12.72	-3.65	****	****	****	****
		RUSSELL 2500 VALUE	11.52	11.52	0.09	****	****	****	****
173.16	0.68	TOTAL SMALL/MID CAP	13.18	13.18	1.87	****	****	****	****
		RUSSELL 2500	12.99	12.99	1.33	****	****	****	****
		MID CAP							
185.36	0.72	FRONTIER CAPITAL MCG	15.26	15.26	2.40	****	****	****	****
105.57	0.41	TIMESQUARE CAPITAL	15.14	15.14	6.21	****	****	****	****
290.93	1.13	TOTAL MID CAP GROWTH	15.22	15.22	3.75	****	****	****	****
		RUSSELL MIDCAP GROWTH	14.52	14.52	4.43	****	****	****	****
		MID CAP GROWTH MEDIAN							
161.25	0.63	IRIDIAN ASSET MCV	17.68	17.68	5.64	****	****	****	****
138.18	0.54	SYSTEMATIC FINANCIAL MCV	13.72	13.72	1.27	****	****	****	****
299.43	1.17	TOTAL MID CAP VALUE	15.82	15.82	3.58	26.69	1.99	****	****
		RUSSELL MIDCAP VALUE	11.41	11.41	2.28	29.18	1.25	****	****
		MID CAP VALUE MEDIAN							

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
130.96	0.51	WELLINGTON MGMT	16.20	16.20	0.37	****	****	****	****
130.96	0.51	TOTAL MID CAP CORE	16.20	16.20	0.37	28.43	1.82	****	****
		S&P MIDCAP INDEX 400	13.50	13.50	1.98	28.54	4.78	****	****
		MID CAP CORE MEDIAN							
721.32	2.81	TOTAL MID CAP ACTIVE	15.64	15.64	3.05	25.66	1.49	****	****
		RUSSELL MIDCAP	12.94	12.94	3.31	29.12	3.02	****	****
685.67	2.67	STATE STREET GA S&P 400	13.49	13.49	2.02	****	****	****	****
685.67	2.67	TOTAL MID CAP PASSIVE	13.49	13.49	2.02	****	****	****	****
		S&P MIDCAP INDEX 400	13.50	13.50	1.98	****	****	****	****
1,406.98	5.49	TOTAL MID CAP	14.58	14.58	2.59	27.30	1.53	****	****
		RUSSELL MIDCAP	12.94	12.94	3.31	29.12	3.02	****	****
		LARGE CAP							
81.37	0.32	CASTLEARK MGMT	15.49	15.49	8.51	****	****	****	****
38.21	0.15	PROFIT INV MGMT	15.38	15.38	13.26	****	****	****	****
171.33	0.67	ZEVENBERGEN	17.65	17.65	-2.76	27.74	****	****	****
290.90	1.13	TOTAL LARGE CAP GROWTH	16.74	16.74	2.11	22.66	4.03	3.75	5.31
		RUSSELL 1000 GROWTH	14.69	14.69	11.02	25.27	5.10	4.29	5.38
		LARGE CAP GROWTH MEDIAN							
320.68	1.25	ARONSON JOHNSON	12.85	12.85	7.29	21.95	0.31	****	****
53.99	0.21	DENALI ADVISORS	10.53	10.53	2.18	****	****	****	****
374.66	1.46	TOTAL LARGE CAP VALUE	12.51	12.51	6.53	22.31	1.13	****	****
		RUSSELL 1000 VALUE	11.12	11.12	4.79	22.82	-0.81	****	****
		LARGE CAP VALUE MEDIAN							

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
52.28	0.20	PIEDMONT INV ADV	14.43	14.43	6.47	****	****	****	****
57.37	0.22	SEIZERT CAPITAL PTNRS	12.25	12.25	4.52	****	****	****	****
109.65	0.43	TOTAL LARGE CAP CORE RUSSELL 1000	13.28	13.28	5.44	24.91	****	****	****
			12.90	12.90	7.86	24.02	****	****	****
163.23	0.64	RAFI ENHANCED LARGE CO. RUSSELL 1000	10.66	10.66	6.15	25.81	****	****	****
		RUSSELL 1000 VALUE	12.90	12.90	7.86	24.02	****	****	****
			11.12	11.12	4.79	22.82	****	****	****
78.97	0.31	VTL S&P 500	12.46	12.46	6.45	25.52	****	****	****
		STANDARD & POORS 500	12.59	12.59	8.54	23.41	****	****	****
242.20	0.94	TOTAL FUNDAMENTAL INDEX LARGE CAP RUSSELL 1000	11.24	11.24	6.24	25.00	****	****	****
			12.90	12.90	7.86	24.02	****	****	****
1,017.42	3.97	TOTAL LARGE CAP RUSSELL 1000	13.46	13.46	5.04	22.91	2.70	****	****
			12.90	12.90	7.86	24.02	2.18	****	****
		ATTUCKS							
5.96	0.02	APEX CAPITAL - SCG	18.67	18.67	13.64	36.71	****	****	****
5.39	0.02	GW CAPITAL -SCC	8.05	8.05	-8.49	****	****	****	****
5.29	0.02	LOMBARDIA - SCV	8.78	8.78	1.91	29.99	****	****	****
6.12	0.02	PARADIGM - SCC	12.79	12.79	1.55	26.81	****	****	****
5.02	0.02	PHOCAS - SCV	10.64	10.64	-0.52	28.11	****	****	****
27.78	0.11	TOTAL ATTUCKS RUSSELL 2000	11.85	11.85	1.40	27.91	****	****	****
			12.44	12.44	-0.18	26.89	****	****	****
		CAPITAL PROSPECTS							
3.59	0.01	APEX CAPITAL - LCG	17.06	17.06	11.08	25.33	****	****	****
2.92	0.01	HIGH POINTE - SC	14.63	14.63	5.46	29.00	****	****	****

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
3.02	0.01	KEEL - MCV	8.35	8.35	-2.52	23.67	****	****	****
2.81	0.01	LOMBARDIA - SCV	8.79	8.79	1.93	30.32	****	****	****
1.68	0.01	MONTROSE - SCG	13.83	13.83	-9.10	26.04	****	****	****
2.13	0.01	PARADIGM - AC	13.32	13.32	6.20	24.38	****	****	****
2.80	0.01	REDWOOD - MCG	13.65	13.65	-2.46	25.81	****	****	****
3.18	0.01	RUNNYMEDE - LCG	13.23	13.23	2.65	16.89	****	****	****
3.33	0.01	SEIZERT - LCV	12.55	12.55	2.86	22.90	****	****	****
2.91	0.01	TEN - LCV	12.35	12.35	5.13	19.82	****	****	****
3.73	0.01	TWIN - TOP 50	12.68	12.68	11.90	20.24	****	****	****
32.10	0.13	TOTAL CAPITAL PROSPECTS	12.74	12.74	3.49	23.54	****	****	****
		RUSSELL 3000	12.87	12.87	7.18	24.25	****	****	****
		PROGRESS EQUITY							
8.12	0.03	CWC ADVISORS -SCG	10.75	10.75	****	****	****	****	****
8.59	0.03	GW CAPITAL - SMDV	9.58	9.58	2.35	32.16	****	****	****
8.49	0.03	IRONWOOD - SCC	12.88	12.88	-2.76	****	****	****	****
8.54	0.03	LOMBARDIA CAPITAL PTNR - SCV	8.79	8.79	1.93	30.32	****	****	****
6.54	0.03	NICHOLS ASSET MGMT -SCG	11.92	11.92	****	****	****	****	****
40.28	0.16	TOTAL PROGRESS EQUITY	11.04	11.04	-1.08	27.01	****	****	****
		RUSSELL 2000	12.44	12.44	-0.18	26.89	****	****	****
		F.I.S. FUND MGMT							
0.76	0.00	CREDO CAPITAL MGMT MCG	19.21	19.21	1.54	25.70	****	****	****
1.66	0.01	DSM CAPITAL MGMT LCG	18.53	18.53	13.04	22.92	****	****	****
5.43	0.02	HERNDON CAPITAL MGMT INV ADVISORS -LCV	17.04	17.04	9.94	29.11	****	****	****
3.80	0.01	HUBER CAP MGMT -LCV	11.52	11.52	****	****	****	****	****
1.99	0.01	MARTIN INV MGT -LCC	10.54	10.54	****	****	****	****	****
1.48	0.01	NICHOLAS INV PTNRS -SCG	17.64	17.64	****	****	****	****	****
2.96	0.01	OAKBROOK LCV	11.12	11.12	5.23	22.63	****	****	****

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
2.93	0.01	OAKBROOK LCG	15.68	15.68	11.22	26.23	****	****	****
2.08	0.01	OPUS CAPITAL MGMT SCV	9.66	9.66	0.44	27.33	****	****	****
5.82	0.02	STUX CAPITAL MGMT -LCC	14.23	14.23	****	****	****	****	****
4.46	0.02	VISION CAPITAL MGMT -LCG	15.15	15.15	****	****	****	****	****
33.36	0.13	TOTAL F.I.S FUND MGMT	14.26	14.26	7.64	24.09	****	****	****
		RUSSELL 3000	12.87	12.87	7.18	24.25	****	****	****
133.51	0.52	TOTAL EMERGING MGRS	12.41	12.41	2.60	25.97	****	****	****
		RUSSELL 3000	12.87	12.87	7.18	24.25	****	****	****
		RUSSELL 3000							
3,510.91	13.69	BLACKROCK R3000	12.83	12.83	7.15	24.18	2.22	4.69	****
3,032.14	11.83	STATE STREET R3000	12.83	12.83	7.31	****	****	****	****
6,543.05	25.52	TOTAL RUSSELL 3000	12.83	12.83	7.22	24.28	2.29	4.73	6.55
		RUSSELL 3000	12.87	12.87	7.18	24.25	2.17	4.67	6.47
2,605.44	10.16	TOTAL ACTIVE	13.85	13.85	2.40	23.89	2.47	4.67	4.50
7,279.87	28.39	TOTAL PASSIVE	12.89	12.89	6.45	24.03	2.17	4.69	6.84
9,885.31	38.55	TOTAL DOMESTIC EQUITY	13.14	13.14	5.41	24.01	2.26	4.77	6.42

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
		INTERNATIONAL EQUITY							
		DEVELOPED MARKETS							
		GROWTH							
300.38	1.17	BAILLIE	12.65	12.65	-2.24	23.64	****	****	****
261.98	1.02	PYRAMIS GLOBAL ADVISORS	12.71	12.71	-3.05	18.86	****	****	****
0.05	0.00	GE INVESTMENT	****	****	****	****	****	****	****
0.13	0.00	MARTIN CURRIE	****	****	****	****	****	****	****
562.55	2.19	TOTAL INTL GROWTH	12.68	12.68	-3.97	19.12	-0.05	****	****
		MSCI EAFE GROWTH	12.10	12.10	-3.37	18.14	-1.53	****	****
		VALUE							
0.64	0.00	ALLIANCE	****	****	****	****	****	****	****
422.76	1.65	MONDRIAN INVESTMENT PARTNERS LTD	6.53	6.53	-0.86	16.48	-1.57	8.29	****
423.42	1.65	TOTAL INTL VALUE	6.52	6.52	-8.26	14.86	-5.01	****	****
		MSCI EAFE VALUE	9.85	9.85	-7.25	17.19	-4.60	****	****
		CORE							
262.17	1.02	CAPITAL GUARDIAN MTA	12.30	12.30	-5.42	17.43	****	****	****
233.50	0.91	PHILADELPHIA	11.10	11.10	-7.95	19.10	****	****	****
275.38	1.07	THORNBURG	11.76	11.76	-6.01	19.01	****	****	****
771.06	3.01	TOTAL INTL CORE	11.74	11.74	-6.41	18.52	-2.13	****	****
		MSCI EAFE (NET DIVIDEND)	10.86	10.86	-5.77	17.12	-3.51	****	****
0.55	0.00	BANK OF IRELAND	****	****	****	****	****	****	****
0.02	0.00	OECHSLE	****	****	****	****	****	****	****
0.01	0.00	T.ROWE PRICE INTERNATIONAL	****	****	****	****	****	****	****
0.06	0.00	TRANSITION-EAFE REBALANCE	****	****	****	****	****	****	****
1,757.66	6.85	TOTAL ACTIVE DEVELOPED MKTS	10.72	10.72	-5.75	17.55	-2.89	5.43	4.87
0.04	0.00	BLACKROCK	****	****	****	****	****	****	****
1,218.09	4.75	SSGA	10.92	10.92	-5.34	****	****	****	****
1,218.13	4.75	TOTAL PASSIVE DEVELOPED MKT	10.92	10.92	-5.34	17.32	-3.16	6.02	4.55

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
2,975.79	11.61	TOTAL DEVELOPED MARKETS	10.80	10.80	-5.76	17.46	-2.96	5.55	4.77
		MSCI EAFE (NET DIVIDEND)	10.86	10.86	-5.77	17.12	-3.51	5.70	4.21
71.98	0.28	GENERATION GE	11.54	11.54	-0.48	22.22	****	****	****
71.98	0.28	TOTAL NON-US ENV/SUSTAINABLE	11.54	11.54	-0.48	18.97	****	****	****
		MSCI WORLD INDEX	11.72	11.72	1.14	20.90	****	****	****
65.87	0.26	GOVERNANCE FOR OWNERS	21.12	21.12	-12.40	32.34	****	****	****
		MSCI EUROPE SMID CAP	16.50	16.50	-9.85	23.50	****	****	****
65.87	0.26	TOTAL NON-US ACTIVIST	21.12	21.12	-12.40	28.89	****	****	****
3,113.64	12.14	TOTAL DEVELOPED - ENV & ACT EQ	11.02	11.02	-5.79	17.72	-2.90	****	****
		MSCI WORLD INDEX	11.72	11.72	1.14	20.90	-0.13	****	****
		EMERGING MARKETS							
195.05	0.76	ACADIAN	15.50	15.50	-5.95	29.36	5.60	****	****
194.66	0.76	BAILLIE GIFFORD	17.33	17.33	-5.54	30.51	7.14	****	****
188.19	0.73	DFA	15.09	15.09	-13.62	30.88	6.41	****	****
29.71	0.12	EATON VANCE	****	****	****	****	****	****	****
5.63	0.02	MARVIN & PALMER	****	****	****	****	****	****	****
0.86	0.00	PICTET INTL	****	****	****	****	****	****	****
163.71	0.64	STATE STREET	12.93	12.93	-9.25	24.41	3.18	****	****
216.79	0.85	EMERGING MARKETS TRANSITION	****	****	****	****	****	****	****
994.84	3.88	TOTAL ACTIVE EMERGING MARKETS	14.26	14.26	-10.10	26.23	3.96	****	****
		MSCI EMERGING MARKETS	14.14	14.14	-8.52	25.41	4.97	****	****

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
400.35	1.56	BLACKROCK	14.05	14.05	-9.35	****	****	****	****
400.35	1.56	TOTAL PASSIVE EMERGING MARKETS	14.05	14.05	-9.35	****	****	****	****
		MSCI EMERGING MARKETS	14.14	14.14	-8.52	****	****	****	****
1,395.19	5.44	TOTAL EMERGING MARKETS	14.20	14.20	-10.03	26.34	4.02	15.62	8.51
		EMERGING MARKET MEDIAN							
4,508.83	17.58	TOTAL INTERNATIONAL EQUITY	11.92	11.92	-6.94	19.25	-1.52	6.86	5.54
		HEDGE FUNDS							
147.57	0.58	TOTAL PERMAL HEDGE FUND OF FUNDS	1.90	1.90	****	****	****	****	****
		HFRI FUND OF FUNDS COMPOSITE IDX + 1%	3.62	3.62	****	****	****	****	****
		DIRECT HEDGE FUNDS							
117.83	0.46	BREVAN HOWARD	0.71	0.71	****	****	****	****	****
67.37	0.26	BRIGADE LEV CAP STR	****	****	****	****	****	****	****
120.40	0.47	D.E. SHAW	4.49	4.49	****	****	****	****	****
305.60	1.19	TOTAL DIRECT HEDGE FUNDS	2.50	2.50	****	****	****	****	****
		HFRI FUND OF FUNDS COMPOSITE IDX + 1%	3.62	3.62	-2.41	5.59	0.29	4.50	****
		MSCI AC WORLD INDEX STD NET	11.88	11.88	-0.73	20.74	-0.20	5.33	****
		BARCLAYS U.S. AGGREGATE BOND INDEX	0.30	0.30	7.71	6.83	6.24	5.80	****
453.16	1.77	TOTAL HEDGE FUNDS	2.34	2.34	****	****	****	****	****
		1 YEAR TREASURY BILL YIELD + 4%	0.97	0.97	****	****	****	****	****
		HFRI FUND OF FUNDS COMPOSITE IDX + 1%	3.62	3.62	****	****	****	****	****

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PRIVATE EQUITY INVESTMENTS									
12.64	0.05	AEA INVESTORS 2006 FD	****	****	****	****	****	****	****
1.52	0.01	AISLING CAPITAL II	****	****	****	****	****	****	****
2.06	0.01	AISLING CAPITAL III	****	****	****	****	****	****	****
8.12	0.03	AMERICAN SEC PTNRS VI	****	****	****	****	****	****	****
4.68	0.02	AMPERSAND 2008	****	****	****	****	****	****	****
12.34	0.05	APOLLO INVESTMENT FD V	****	****	****	****	****	****	****
42.29	0.16	APOLLO INVESTMENT FD VI	****	****	****	****	****	****	****
35.65	0.14	APOLLO INVESTMENT FD VII	****	****	****	****	****	****	****
14.69	0.06	ARES CORP OPP	****	****	****	****	****	****	****
14.67	0.06	ARES CORP OPP FD II	****	****	****	****	****	****	****
18.84	0.07	ARES CORP OPP FD III	****	****	****	****	****	****	****
17.21	0.07	ARLINGTON CAPITAL PRTNRS III	****	****	****	****	****	****	****
13.51	0.05	ARSENAL CAP PTNRS II	****	****	****	****	****	****	****
15.14	0.06	AURORA EQUITY CAPITAL PTNRS III	****	****	****	****	****	****	****
17.39	0.07	AVISTA CAPITAL PTNRS	****	****	****	****	****	****	****
29.78	0.12	AVISTA CAPITAL PTNRS II	****	****	****	****	****	****	****
12.39	0.05	AXA SECONDARY FD V	****	****	****	****	****	****	****
6.96	0.03	BC EUR CAP IX	****	****	****	****	****	****	****
5.49	0.02	BDCM OPPORTUNITY FD III	****	****	****	****	****	****	****
36.00	0.14	BLACKSTONE CAPITAL PTNRS IV	****	****	****	****	****	****	****
37.32	0.15	BLACKSTONE CAPITAL PTNRS V	****	****	****	****	****	****	****
3.94	0.02	BLACKSTONE CAPITAL PTNRS VI	****	****	****	****	****	****	****
7.60	0.03	BLACKSTONE MEZZ PTNRS II	****	****	****	****	****	****	****
9.47	0.04	BLUE WOLF CAPITAL FUND II	****	****	****	****	****	****	****
12.54	0.05	BRIDGEPOINT EUROPE III	****	****	****	****	****	****	****
8.77	0.03	BRIDGEPOINT EUROPE IV	****	****	****	****	****	****	****
13.00	0.05	CAPITAL PTNRS	****	****	****	****	****	****	****
2.65	0.01	CARLYLE PTNRS III	****	****	****	****	****	****	****
50.08	0.20	CARLYLE PTNRS IV	****	****	****	****	****	****	****

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32.96	0.13	CARLYLE PTNRS V	****	****	****	****	****	****	****
12.90	0.05	CARPENTER COMMUNITY BANCFUND	****	****	****	****	****	****	****
23.03	0.09	CATTERTON PTNRS VI	****	****	****	****	****	****	****
17.93	0.07	CCMP CAPITAL INVESTORS II	****	****	****	****	****	****	****
14.90	0.06	CLAYTON, DUBLIER AND RICE FUND VII	****	****	****	****	****	****	****
12.16	0.05	CLAYTON, DUBLIER AND RICE FUND VIII	****	****	****	****	****	****	****
18.57	0.07	CELTIC PHARM HLDGS, LP	****	****	****	****	****	****	****
10.66	0.04	COLLER INTERNATIONAL PTNRS IV	****	****	****	****	****	****	****
6.11	0.02	COLLER INTERNATIONAL PTNRS V	****	****	****	****	****	****	****
10.56	0.04	COMVEST INVST PTNRS III	****	****	****	****	****	****	****
11.72	0.05	COMVEST INVST PTNRS IV	****	****	****	****	****	****	****
12.22	0.05	CONSTELLATION VENTURES III	****	****	****	****	****	****	****
7.57	0.03	CORALS 2007 MOMENTUM FUND	****	****	****	****	****	****	****
5.24	0.02	CREDIT SUISSE CUST FD INV GR	****	****	****	****	****	****	****
18.71	0.07	CREDIT SUISSE EM DOM MGRS FD	****	****	****	****	****	****	****
15.44	0.06	CRESTVIEW PTNRS II	****	****	****	****	****	****	****
8.57	0.03	CVC EURO EQ PTNRS III	****	****	****	****	****	****	****
24.03	0.09	CVC EURO EQ PTNRS V	****	****	****	****	****	****	****
5.20	0.02	CYPRESS MERCH BK PTNRS II	****	****	****	****	****	****	****
0.01	0.00	DMR MORTGAGE OPP FD	****	****	****	****	****	****	****
3.96	0.02	ERASMUS NYC GROWTH FD A	****	****	****	****	****	****	****
3.31	0.01	EQT VI LP	****	****	****	****	****	****	****
19.06	0.07	FALCONHEAD CAPITAL PTNRS II	****	****	****	****	****	****	****
12.80	0.05	FDG CAPL PTNRS	****	****	****	****	****	****	****
18.52	0.07	FDG CAPL PTNRS II	****	****	****	****	****	****	****
10.82	0.04	FENWAY PTNRS CAPITAL III	****	****	****	****	****	****	****
12.06	0.05	FIRST MARK FUND IV	****	****	****	****	****	****	****
15.91	0.06	FIRST RESERVE FD XI	****	****	****	****	****	****	****

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13.76	0.05	FIRST RESERVE FD XII	****	****	****	****	****	****	****
11.79	0.05	FOURTH CINVEN FD	****	****	****	****	****	****	****
12.29	0.05	FS EQUITY PTNRS V	****	****	****	****	****	****	****
10.31	0.04	FS EQUITY PTNRS VI	****	****	****	****	****	****	****
8.59	0.03	FST ATLANTIC EQUITY PTNRS IV	****	****	****	****	****	****	****
8.63	0.03	FT VENTURES FD III	****	****	****	****	****	****	****
11.80	0.05	GI PTNRS FD II	****	****	****	****	****	****	****
14.84	0.06	GI PTNRS FD III	****	****	****	****	****	****	****
10.39	0.04	GF CAPITAL	****	****	****	****	****	****	****
5.48	0.02	GLEACHER MEZZANINE FD II	****	****	****	****	****	****	****
1.97	0.01	GSC RECOVERY III	****	****	****	****	****	****	****
16.13	0.06	GSO CAPITAL OPP FD	****	****	****	****	****	****	****
5.58	0.02	HIGHLAND CONSUMER FD I	****	****	****	****	****	****	****
10.19	0.04	HM 2006 SECTOR PERFORM FD	****	****	****	****	****	****	****
15.34	0.06	INTERMEDIA PARTNERS VII	****	****	****	****	****	****	****
27.61	0.11	JP MORGAN INVST MGMT	****	****	****	****	****	****	****
7.47	0.03	LANDMARK EQUITY PTNRS XI	****	****	****	****	****	****	****
12.87	0.05	LANDMARK EQUITY PTNRS XIV	****	****	****	****	****	****	****
5.25	0.02	LANDMARK FD XIII	****	****	****	****	****	****	****
5.80	0.02	LEE EQUITY PARTNERS	****	****	****	****	****	****	****
14.47	0.06	LEVINE LEICHTMAN DEEP VALUE FUND	****	****	****	****	****	****	****
8.38	0.03	LEVINE LEICHTMAN DEEP VALUE FUND IV	****	****	****	****	****	****	****
8.80	0.03	LEXINGTON CAP PTNRS VII	****	****	****	****	****	****	****
2.61	0.01	LINCOLNSHIRE EQ FD II	****	****	****	****	****	****	****
8.28	0.03	LINCOLNSHIRE EQ FD III	****	****	****	****	****	****	****
1.32	0.01	LINCOLNSHIRE EQ FD IV	****	****	****	****	****	****	****
18.29	0.07	LODH EURO CHOICE II	****	****	****	****	****	****	****
6.83	0.03	LODH EURO IV	****	****	****	****	****	****	****

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20.50	0.08	LOMBARD ODIER DH III	****	****	****	****	****	****	****
5.64	0.02	MARKSTONE CAPITAL PTNRS	****	****	****	****	****	****	****
6.39	0.02	MEDICA MGMT III LP	****	****	****	****	****	****	****
25.18	0.10	MIDOCEAN PARTNERS III	****	****	****	****	****	****	****
14.36	0.06	MILESTONE PTNRS III	****	****	****	****	****	****	****
8.62	0.03	MONTREUX EQ PTNRS IV	****	****	****	****	****	****	****
40.28	0.16	NEUBERGER BERMAN CO-INV PART	****	****	****	****	****	****	****
9.66	0.04	NEUBERGER BERMAN EMG MGR	****	****	****	****	****	****	****
1.71	0.01	NEW MOUNTAIN PTNRS	****	****	****	****	****	****	****
5.19	0.02	NEW MOUNTAIN PTNRS II	****	****	****	****	****	****	****
21.71	0.08	NEW MOUNTAIN PTNRS III	****	****	****	****	****	****	****
14.58	0.06	NEWSRING VENTURE II	****	****	****	****	****	****	****
4.29	0.02	NGN BIOMED OPPORTUNITY II	****	****	****	****	****	****	****
5.44	0.02	OLYMPUS CAPITAL ASIA III	****	****	****	****	****	****	****
6.30	0.02	ONEX PTNRS III	****	****	****	****	****	****	****
11.84	0.05	PALADIN HOMELAND SECURITY	****	****	****	****	****	****	****
15.36	0.06	PALADIN HOMELAND SECURITY III	****	****	****	****	****	****	****
31.85	0.12	PALLADIUM EQ PTNRS III	****	****	****	****	****	****	****
26.88	0.10	PCGAM CLEAN ENERGY & TECH FD	****	****	****	****	****	****	****
20.01	0.08	PEGASUS PTNRS IV	****	****	****	****	****	****	****
1.84	0.01	PEGASUS PTNRS V	****	****	****	****	****	****	****
13.39	0.05	PERMIRA FUND IV	****	****	****	****	****	****	****
15.33	0.06	PERSEUS PTNRS VII	****	****	****	****	****	****	****
8.90	0.03	PINE BROOK CAPITAL PTNRS	****	****	****	****	****	****	****
4.81	0.02	PRISM VENTURE PTNRS IV	****	****	****	****	****	****	****
9.53	0.04	PRISM VENTURE PTNRS V	****	****	****	****	****	****	****
11.26	0.04	PSILOS GROUP PTNRS III	****	****	****	****	****	****	****
16.64	0.06	QUADRANGLE CAP PTNRS II	****	****	****	****	****	****	****
6.72	0.03	QUAKER BIOVENTURES II	****	****	****	****	****	****	****
3.69	0.01	RELATIVITY FD	****	****	****	****	****	****	****
13.89	0.05	RIVERSTONE/CARLYLLE GLOBAL EP IV	****	****	****	****	****	****	****
18.38	0.07	RRE VENTURES IV	****	****	****	****	****	****	****

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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
9.27	0.04	SCALE VENTURE PTNRS III	****	****	****	****	****	****	****
13.24	0.05	SCP PRIV EQ PTNRS II	****	****	****	****	****	****	****
8.71	0.03	SCP VITALIFE PTNRS II	****	****	****	****	****	****	****
6.58	0.03	SILVER LAKE PTNRS II	****	****	****	****	****	****	****
10.14	0.04	SILVER LAKE PTNRS III	****	****	****	****	****	****	****
9.48	0.04	SNOW PHIPPS GROUP	****	****	****	****	****	****	****
5.75	0.02	SNOW PHIPPS II	****	****	****	****	****	****	****
15.03	0.06	SOLERA PTNRS	****	****	****	****	****	****	****
13.17	0.05	TAILWIND CAPITAL PTNRS	****	****	****	****	****	****	****
5.59	0.02	TERRA FIRMA CAP III	****	****	****	****	****	****	****
6.42	0.03	THOMAS MCNERNEY PTNRS II	****	****	****	****	****	****	****
10.99	0.04	TRIDENT V	****	****	****	****	****	****	****
6.54	0.03	TRILANTIC CAPITAL PTNRS III	****	****	****	****	****	****	****
37.06	0.14	TRILANTIC CAPITAL PTNRS IV	****	****	****	****	****	****	****
17.57	0.07	US POWER FUND II	****	****	****	****	****	****	****
10.96	0.04	US POWER FUND III	****	****	****	****	****	****	****
24.96	0.10	VISTA EQUITY PTNRS III	****	****	****	****	****	****	****
9.26	0.04	VISTA EQUITY PTNRS IV	****	****	****	****	****	****	****
13.50	0.05	VITRUVIAN PTNRS	****	****	****	****	****	****	****
1.93	0.01	VS&A COMM PTNRS III	****	****	****	****	****	****	****
9.50	0.04	VSS COMM PTNRS IV	****	****	****	****	****	****	****
4.22	0.02	WELLSPRING CAP PTNRS V	****	****	****	****	****	****	****
12.24	0.05	WELSH CARSON ANDERSON & STOWE XI	****	****	****	****	****	****	****
13.64	0.05	YUCAIPA AMERICAN ALLIANCE FD	****	****	****	****	****	****	****
63.58	0.25	YUCAIPA AMERICAN ALLIANCE FD II	****	****	****	****	****	****	****
4.94	0.02	YUCAIPA CORP INITIATIVE II	****	****	****	****	****	****	****
1,881.16	7.34	TOTAL PRIVATE EQUITY	****	****	****	****	****	****	****

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PRIVATE REAL ESTATE									
17.62	0.07	AG REALTY FUND VII	****	****	****	****	****	****	****
6.19	0.02	AMER VALUE PTNRS	****	****	****	****	****	****	****
22.73	0.09	APOLLO EUROPE III	****	****	****	****	****	****	****
2.19	0.01	APOLLO REAL ESTATE FD V	****	****	****	****	****	****	****
10.70	0.04	ARA ASIA DRAGON FD	****	****	****	****	****	****	****
14.81	0.06	BLACKROCK CARBON III	****	****	****	****	****	****	****
10.38	0.04	BLACKSTONE REAL ESTATE PTNRS EU III	****	****	****	****	****	****	****
8.35	0.03	BLACKSTONE REAL ESTATE PTNRS IV	****	****	****	****	****	****	****
45.67	0.18	BLACKSTONE REAL ESTATE PTNRS VI	****	****	****	****	****	****	****
0.21	0.00	CANYON-JOHNSON URBAN FD	****	****	****	****	****	****	****
10.63	0.04	CANYON-JOHNSON URBAN FD II	****	****	****	****	****	****	****
7.38	0.03	CANYON-JOHNSON URBAN FD III	****	****	****	****	****	****	****
13.24	0.05	CARLYLE R.P. FD V	****	****	****	****	****	****	****
5.19	0.02	CARLYLE REALTY VI	****	****	****	****	****	****	****
5.30	0.02	COLONY INVESTORS VIII	****	****	****	****	****	****	****
10.97	0.04	COLONY REALTY PTNRS II	****	****	****	****	****	****	****
14.28	0.06	DIVCO WEST FD III	****	****	****	****	****	****	****
9.56	0.04	FIDELITY RE GTH FD III	****	****	****	****	****	****	****
30.28	0.12	HEITMAN AMERICA	****	****	****	****	****	****	****
5.12	0.02	H/2 SPEC OPPORTUNITY FD II	****	****	****	****	****	****	****
63.45	0.25	JPM STRATEGIC PROP FUND	****	****	****	****	****	****	****
11.38	0.04	JPM SPECIAL SIT FUND	****	****	****	****	****	****	****
24.19	0.09	LASALLE US PROPERTY FD	****	****	****	****	****	****	****
4.52	0.02	METRO WORKFORCE HOUSING FD	****	****	****	****	****	****	****
7.98	0.03	OCM REAL ESTATE OPPORTUNITIES FD III	****	****	****	****	****	****	****
6.83	0.03	PROLOGIS TARGETED US LOGISTICS FD	****	****	****	****	****	****	****
19.07	0.07	PRUDENTIAL PRISA	****	****	****	****	****	****	****

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50.31	0.20	PRUDENTIAL PRISA II	****	****	****	****	****	****	****
34.14	0.13	PRUDENTIAL PRISA III	****	****	****	****	****	****	****
19.65	0.08	RREEF AMER. II	****	****	****	****	****	****	****
5.09	0.02	RREEF AMER. III	****	****	****	****	****	****	****
6.08	0.02	SILVERPEAK RE PTNRS III	****	****	****	****	****	****	****
12.63	0.05	STOCKBRIDGE RE FD III	****	****	****	****	****	****	****
29.23	0.11	THE CITY INVESTMENT FD	****	****	****	****	****	****	****
7.48	0.03	THOR URBAN PROPERTY FD II	****	****	****	****	****	****	****
44.71	0.17	UBS TRUMBULL PROPERTY FD	****	****	****	****	****	****	****
23.39	0.09	WALTON ST RE FD VI	****	****	****	****	****	****	****
8.02	0.03	WESTBROOK RE FD VII	****	****	****	****	****	****	****
14.21	0.06	WESTBROOK RE FD VIII	****	****	****	****	****	****	****
643.13	2.51	TOTAL PRIVATE REAL ESTATE	****	****	****	****	****	****	****
17,371.60	67.75	TOTAL EQUITY - PUBLIC & PRIVATE	10.84	10.84	1.98	20.69	1.19	****	****
		FIXED INCOME MANAGEMENT							
		TREASURY/AGENCY							
148.89	0.58	BLACKROCK - GOVT	-2.66	-2.66	15.50	****	****	****	****
148.85	0.58	FISCHER FRANCIS - GOVT	-2.64	-2.64	15.66	6.66	8.72	7.86	8.12
303.21	1.18	PIMCO - GOVT	-2.57	-2.57	15.12	7.19	8.80	7.98	****
150.68	0.59	STATE STREET - GOVT	-2.67	-2.67	15.65	****	****	****	****
751.63	2.93	ALL TREASURY/AGENCY	-2.62	-2.62	15.41	6.80	8.69	7.83	8.05
		NYC - TREASURY AGENCY PLUS FIVE	-2.74	-2.74	15.61	6.23	8.45	7.64	7.86
		MORTGAGE							
772.07	3.01	BLACKROCK - MORT	1.94	1.94	7.24	7.92	6.84	6.03	****
168.98	0.66	GOLDMAN SACHS - MORT	0.73	0.73	7.00	****	****	****	****

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415.15	1.62	NEUBERGER BERMAN -MORT	0.67	0.67	6.03	****	****	****	****
761.90	2.97	PIMCO - MORT	1.04	1.04	6.51	7.43	6.83	6.23	6.94
169.63	0.66	WELLINGTON - MORT	0.47	0.47	6.89	****	****	****	****
2,287.73	8.92	ALL MORTGAGE	1.21	1.21	6.73	7.08	6.46	5.91	6.60
		CITIGROUP MORTGAGE INDEX	0.61	0.61	6.38	5.30	6.41	5.71	6.36
		INVESTMENT GRADE CREDIT							
449.51	1.75	BLACKROCK - CREDIT	2.27	2.27	9.37	12.61	6.84	6.78	****
418.40	1.63	PRUDENTIAL - CREDIT	2.17	2.17	9.57	****	****	****	****
122.59	0.48	PYRAMIS - CREDIT	2.80	2.80	9.38	****	****	****	****
123.29	0.48	TAPLIN,CANIDA - CREDIT	2.12	2.12	8.53	14.58	5.88	****	****
577.79	2.25	T. ROWE PRICE	2.78	2.78	9.60	13.89	7.76	6.87	7.04
1,691.58	6.60	ALL INVESTMENT GRADE CREDIT	2.45	2.45	9.44	13.44	7.20	6.50	6.78
		NYC - INVESTMENT GRADE CREDIT	2.09	2.09	9.16	11.99	6.57	6.42	6.75
		CORE PLUS FIXED INCOME							
30.63	0.12	LM CAPITAL-MTA	1.21	1.21	8.32	****	****	****	****
30.63	0.12	TOTAL CORE PLUS FIXED INCOME	1.21	1.21	8.32	****	****	****	****
		BARCLAYS CAPITAL AGGREGATE	0.30	0.30	7.71	****	****	****	****
4,730.94	18.45	TOTAL STRUCTURED	1.01	1.01	9.22	9.01	7.26	6.59	7.06
		NYC - CORE PLUS FIVE	0.38	0.38	9.30	7.63	7.05	6.44	6.92
4,761.56	18.57	TOTAL STRUCTURED PLUS LM CAPITAL	1.01	1.01	9.21	9.01	7.25	6.59	7.06

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
		TIPS MANAGERS							
		ACTIVE TIPS MANAGERS							
106.57	0.42	BLACKROCK-TIPS-MTA	0.65	0.65	12.21	8.76	7.87	****	****
256.18	1.00	PIMCO-TIPS-MTA	0.85	0.85	12.37	8.74	7.75	****	****
362.75	1.41	TOTAL ACTIVE TIPS MANAGERS	0.79	0.79	12.32	8.75	7.78	****	****
		PASSIVE TIPS MANAGERS							
150.60	0.59	STATE STREET-TIPS-MTA	0.81	0.81	12.22	8.71	7.64	****	****
150.60	0.59	TOTAL PASSIVE TIPS MANAGERS	0.81	0.81	12.22	8.71	7.64	****	****
513.35	2.00	TOTAL TIPS MANAGERS	0.79	0.79	12.30	8.74	7.74	****	****
		BARCLAYS US TIPS (INFLATION NOTES)	0.86	0.86	12.20	8.75	7.61	****	****
		ENHANCED YIELD							
512.70	2.00	LOOMIS SAYLES	5.85	5.85	7.11	24.16	9.35	10.84	8.01
		NYC-LOOMIS (BOFA-MST II 7-03/BB&B PRIOR)	5.15	5.15	5.64	23.77	7.83	8.87	7.25
218.32	0.85	MACKAY SHIELDS	4.31	4.31	8.21	20.04	8.32	****	****
		MERRILL LYNCH HY MASTER II	5.15	5.15	5.64	23.77	7.84	****	****
216.93	0.85	SEIX	4.57	4.57	5.12	16.97	7.15	****	****
101.07	0.39	SHENKMAN	3.75	3.75	5.63	13.67	6.94	****	****
476.33	1.86	T. ROWE PRICE	3.76	3.76	4.72	18.93	7.61	****	****
1,525.35	5.95	ALL ENHANCED YIELD	4.63	4.63	6.42	18.90	7.96	8.74	7.14
		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							

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							
88.84	0.35	ADVENT CONVERTIBLE BONDS	7.48	7.48	0.85	15.71	****	****	****
		BofA ML CONVERTIBLES YIELD ALT. INDEX	6.73	6.73	0.68	18.71	****	****	****
80.67	0.31	LORD ABBETT CONVERTIBLE BONDS	8.67	8.67	-3.02	17.38	****	****	****
		BofA ML ALL CONVERTIBLES INDEX	10.22	10.22	-0.54	20.97	****	****	****
77.20	0.30	VICTORY CONVERTIBLE BONDS	7.94	7.94	-0.03	14.70	****	****	****
		BofA ML CONVERTIBLE BONDS INVST GRADE	8.85	8.85	1.10	13.85	****	****	****
246.72	0.96	TOTAL CONVERTIBLE BONDS	8.01	8.01	-0.72	15.92	****	****	****
		ML ALL CONVERTIBLES EX MANDATORY	9.86	9.86	0.42	21.05	****	****	****
		POLICE CUSTOM CONVERTIBLE BOND IDX	8.60	8.60	0.45	17.84	****	****	****
		OPPORTUNISTIC FIXED							
7.40	0.03	AVE EURO SPECIAL SITUATIONS FD	****	****	****	****	****	****	****
1.80	0.01	AVE SPECIAL SITUATIONS FD V	****	****	****	****	****	****	****
37.03	0.14	AVE SPECIAL SITUATIONS FD VI	****	****	****	****	****	****	****
0.08	0.00	PIMCO-DISCO	****	****	****	****	****	****	****
35.43	0.14	TORCHLIGHT INVESTORS	****	****	****	****	****	****	****
		3 MONTH LIBOR PLUS 750BPS	****	****	****	****	****	****	****
17.33	0.07	APOLLO CENTRE ST PTNRSH LP	****	****	****	****	****	****	****
45.43	0.18	GOLDENTREE OD MTA	5.41	5.41	****	****	****	****	****
48.88	0.19	MARATHON OD MTA	11.45	11.45	****	****	****	****	****
111.64	0.44	TOTAL STRATEGIC MANDATES	9.37	9.37	****	****	****	****	****
		JP MORGAN GLOBAL HIGH YIELD BOND IDX	5.87	5.87	****	****	****	****	****
		JP MORGAN GLOBAL HIGH YIELD PLUS 3%	6.42	6.42	****	****	****	****	****
193.38	0.75	TOTAL DISTRESSED FIXED	****	****	****	****	****	****	****

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
27.78	0.11	AG GECC LP	****	****	****	****	****	****	****
30.28	0.12	ALLIANCE BERNSTEIN LEGACY SECS LP	****	****	****	****	****	****	****
58.06	0.23	TOTAL PPIP	****	****	****	****	****	****	****
251.44	0.98	TOTAL OPPORTUNISTIC FIXED	9.00	9.00	-2.84	22.14	****	****	****
		10% ANNUAL RETURN	2.41	2.41	10.00	10.00	****	****	****
		JP MORGAN HIGH YIELD PLUS 3%	6.42	6.42	10.41	27.52	****	****	****
		ETI							
25.55	0.10	ACCESS/RBC	0.74	0.74	7.33	5.87	6.94	****	****
111.74	0.44	AFL-CIO HOUSING INV TRUST	0.21	0.21	7.25	5.93	6.16	****	****
0.77	0.00	BOA-PPAR	0.92	0.92	6.08	****	****	****	****
1.13	0.00	CFSB-PPAR	1.17	1.17	3.39	7.98	7.61	****	****
1.75	0.01	CCD-PPAR	1.48	1.48	5.50	8.05	8.68	****	****
0.58	0.00	NHS-PPAR	1.50	1.50	3.69	9.02	****	****	****
0.94	0.00	LIIF-PPAR	1.41	1.41	5.27	****	****	****	****
0.61	0.00	NCBCI-PPAR	1.52	1.52	7.77	****	****	****	****
101.46	0.40	TARGETED INVESTMENT	1.81	1.81	5.88	7.80	8.17	7.64	7.64
10.75	0.04	ETI CPC REVOLVING	0.63	0.63	2.20	2.13	3.45	****	****
255.27	1.00	TOTAL ETI (WITH CASH)	0.94	0.94	6.44	6.54	6.97	6.66	6.99
		POLICE CUSTOM BENCHMARK (NO CASH)	0.41	0.41	7.56	6.22	6.53	5.92	6.65
		BARCLAYS U.S. AGGREGATE BOND INDEX	0.30	0.30	7.71	6.83	6.24	5.80	6.39

Note: All ETI Returns are shown Net of Fees

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
693.43	2.70	SHORT TERM INVESTMENTS	0.11	0.11	0.45	0.71	2.09	2.50	3.58
8,247.12	32.16	<i>TOTAL FIXED INCOME</i>	1.86	1.86	7.38	10.03	7.06	6.69	6.90
10.15	0.04	SECURITIES LENDING	****	****	****	****	****	****	****
12.34	0.05	BNY - CD	****	****	****	****	****	****	****
25,641.20	100.00	<i>TOTAL POLICE PENSION FUND</i>	7.75	7.75	3.65	17.01	3.16	6.19	6.93
		POLICE POLICY BENCHMARK	8.35	8.35	5.98	19.14	3.55	6.29	6.85

Actual and Estimated Fees

NEW YORK CITY POLICE 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	43.04			58.50
Small Cap Growth	47.98			82.14
Small Cap Value	65.75			56.72
Small Cap Core	49.91			59.93
Small Cap Fundamental Index	19.95			21.90
Small/Mid Cap	57.81			80.27
Small/ Mid Cap Growth	69.44			96.19
Small Mid Cap Value	45.54			62.42
Mid Cap	20.07			28.27
Mid Cap Growth	45.18			52.49
Mid Cap Value	43.04			55.35
Mid Cap Core	52.51			58.09
Large Cap	25.22			26.83
Large Cap Growth	28.75			30.36
Large Cap Value	26.79			28.13
Large Cap Core	30.43			38.69
Large Cap Fundamental	16.05			15.53
Emerging Managers (U.S. Equities)	57.96			84.24
Emerging Managers (Fixed)	-			-
Passive U.S. Equities	0.40			0.57
Int'l Active Equities (EAFE)	24.80			19.60
Growth	32.01			27.56
Value	34.32			38.47
Core	36.49			31.72
Int'l Passive Equities (EAFE)	2.00			1.52
Emerging Markets	31.30			43.00
Real Estate Equity Securities	-			-

Actual and Estimated Fees

NEW YORK CITY POLICE 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 Income)	BASIS POINTS		BASIS POINTS
Structured Program	8.35		8.66
Government Sector	7.05		8.45
Mortgage Sector	8.02		7.28
Investment Grade Credit Sector	9.44		10.64
TIPS	5.08		6.57
Active TIPS	7.21		9.09
Passive TIPS	0.12		0.50
Enhanced Yield	44.99		31.71
Convertible Bonds	35.43		37.22
Global Fixed Income	23.36		14.20
Targeted - Access Voyageur	26.29		28.75
Targeted - AFL-CIO	39.10		44.00
In-House Short Term			
Total Overall*	14.09		15.31
*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. <u>EQUITY</u>	INTERNATIONAL <u>EQUITY</u>
1989*	\$254,000	--	--
1990	288,000	--	--
1991	464,000	--	--
1992	996,000	\$138,000	\$126,000
1993	1,852,000	434,000	203,000
1994	1,846,000	815,000	317,000
1995	1,465,000	888,000	224,000
1996	1,465,000	1,051,000	379,000
1997	1,632,000	1,793,000	599,000
1998	2,770,000	2,517,000	1,006,000
1999	2,681,000	2,713,000	1,184,000
2000	2,697,000	2,899,000	1,520,000
2001	3,947,000	3,595,000	1,980,000
2002	2,646,000	3,401,000	1,725,000
2003	1,238,000	2,257,000	1,859,000
2004	1,515,000	2,306,000	2,097,000
2005	2,333,000	3,172,000	2,503,000
2006	2,104,000	5,043,000	2,243,000
2007	4,582,000	8,425,000	2,727,000
2008	13,856,000	16,383,000	3,872,000
2009	5,163,000	9,110,000	2,695,000
2010	2,405,000	5,813,000	1,979,000
2011	3,060,000	8,287,000	3,253,000
2012 (3 Months)	1,124,000	2,509,000	459,000
Since Inception (4/89)	<u>\$62,383,000</u>	<u>\$83,549,000</u>	<u>\$32,950,000</u>

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 7/1/03, the “NYC-Loomis” benchmark index for the Loomis Sayles Enhanced Yield portfolio reflects a change from the Citigroup BB&B Index to the more appropriate Merrill Lynch High Yield Master II Index.
- 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 21, 22 & 23 - Portfolio Asset Allocation

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

Glossary of Terms

Through March 31, 2012

Page 24 - 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** = Equal to the 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 weighted 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, of 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 policy weights are as follows:

*U.S. Equity: Russell 3000 * 37.69%*

*International Developed (EAFE) Markets: MSCI EAFE * 10.00%*

*International Emerging Markets: MSCI Emerging Markets * 6%*

*Private Equity: Russell 3000 + 500 b.p. per annum * 7%*

*Private Real Estate: NCREIF Property Index +100 b.p. per annum *2.48%*

*Hedge Funds: 1yr T- Bill yield + 4% * 1.79%*

*Domestic Fixed Income: NYC Core +5 * 21.28%*

*TIPS: Lehman U.S. TIPS * 5.76%*

*Enhanced Yield: Citigroup BB&B * 6.01%*

*Convertible Bonds: Merrill All US Converts * 1%*

*Opportunistic Fixed: JPM Global High Yield + 3% * 0.98%*

Glossary of Terms

Through March 31, 2012

Page 27 - 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 33 - 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 50 – Structured Fixed Income Asset Allocation

- See Domestic Equity Asset Allocation for explanation

Page 57 – ETI Returns vs Custom Index and Barclays Capital U.S. Aggregate

- Targeted has implemented a Custom Benchmark to better track the performance of the individual Targeted 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
- GNMA: Citigroup 15 yr. GNMA
- PPAR: Citigroup GNMA + 65 bps per annum
- Access/Voyageur: 60% Merrill Lynch 30 yr Mortgage Index and 40% Merrill Lynch US Treasury 1-10yr Index
- CPC Revolving: 30 Day Libor + 180 bps per annum