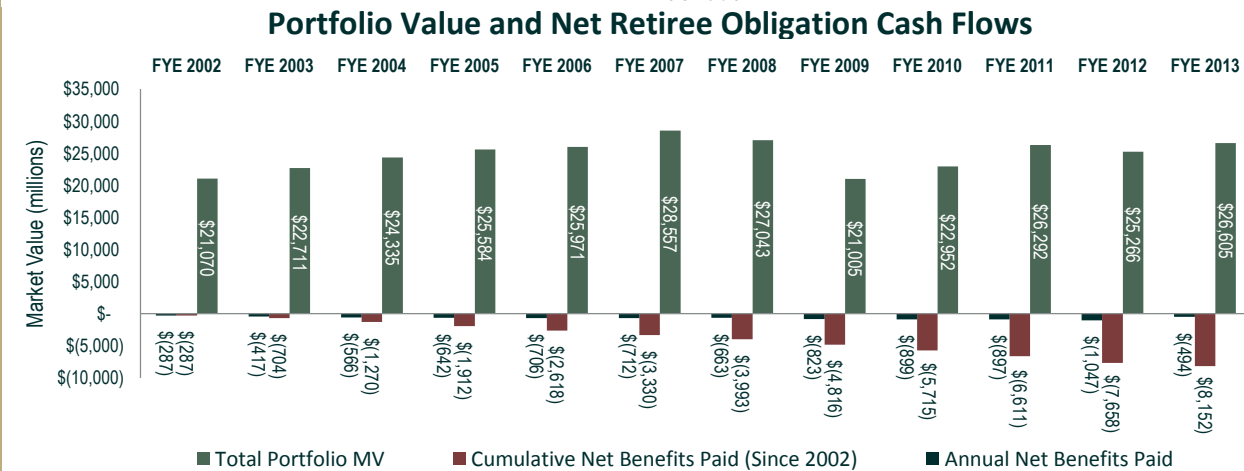


Value Added vs. Policy Benchmark			Performance vs. Benchmarks				
	Value From Active Management	Value From Allocation Decisions	Total Value Added ¹		Total Portfolio ¹	Policy	Strategy
Quarter	\$178.7	(\$27.4)	\$151.2	Quarter	2.75%	2.16%	2.06%
One Year	\$596.3	(\$203.3)	\$393.0	One Year	12.39%	10.68%	9.80%
Three Years	\$1,580.9	(\$875.6)	\$705.3	Three Years	8.24%	7.25%	6.00%
Five Years	\$1,346.7	(\$436.9)	\$909.8	Five Years	2.22%	1.45%	1.19%

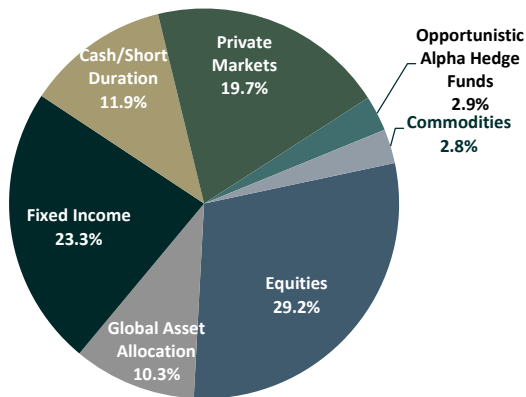
¹All figures expressed in millions of dollars, as of 12.31.2012

Total Value Added reflects the value the Portfolio has added over the Policy benchmark.

¹As of 12.31.2012 Returns are net of fees, brokerage commissions, expenses related to trading, and applicable foreign withholding taxes on dividends, interest, and capital gains. All returns are expressed in U.S. Dollars



12/31/12 - Plan Exposures¹



¹Portfolio Exposures are different from Portfolio Allocations due to adjustments made for managers that invest across multiple asset classes, as well as adjustments made for the Russell Overlay Program. These exposures reflect the Staff's view of how investments in the portfolio fit into the risk framework of its various asset classes.

Key Developments During the Quarter

- 4th quarter returns driven primarily by Developed and Emerging Markets.
- William M. Blume served his last term as the director of PEBA and as a member of the Investment Commission. He will be replaced by David K. Avant.
- SCRISIC Continues to work closely with its newly appointed consultant, Hewitt EnissKnupp (HEK) on finalizing an asset liability study and determining next fiscal year's asset allocation policy.