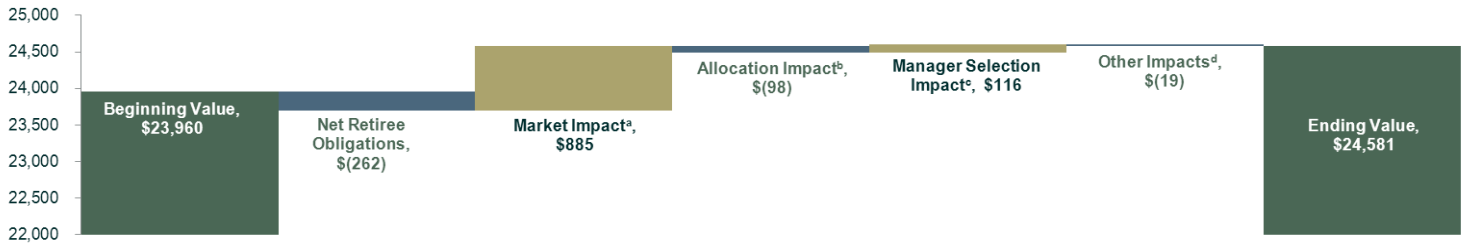




Pursuant to S.C. Code Ann. §§ 9-16-90 (A) and 9-16-360 (B)

### December 31, 2011 Contribution Analysis



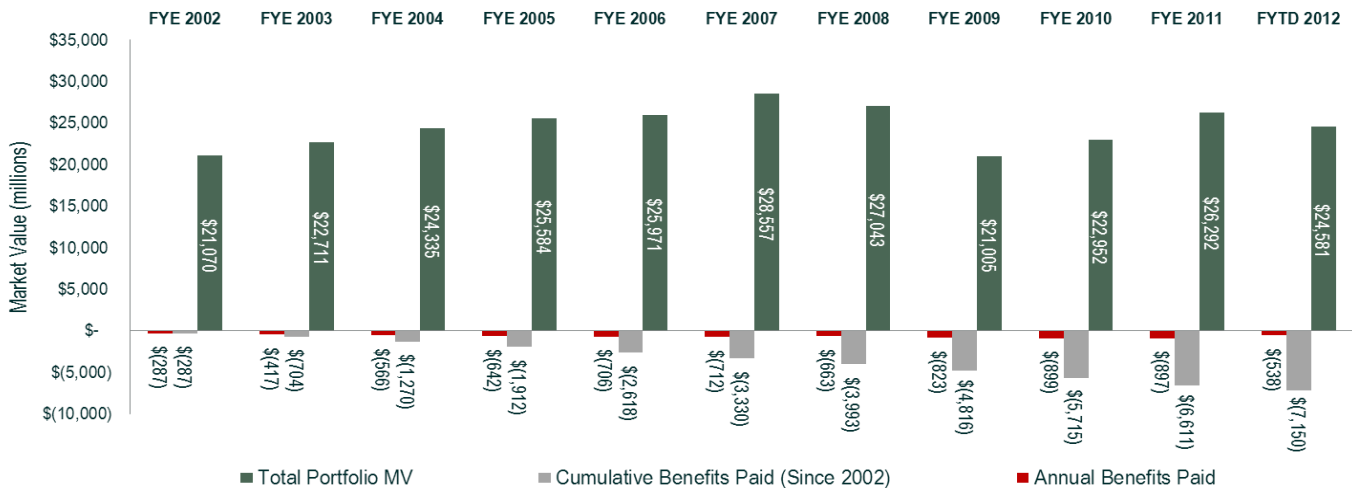
- <sup>a</sup> Market Impact shows the estimated change in plan value from a portfolio invested to mirror the Policy Benchmark.
- <sup>b</sup> Allocation impact represents the value from asset allocation decisions to deviate from the Policy Benchmark Weights.
- <sup>c</sup> Manager Selection Impact indicates whether, in aggregate, managers performed better or worse than the Strategy Benchmarks for their asset class.
- <sup>d</sup> Other impacts include the impact from the timing of trades, partial-month returns, fees and expenses, as well as other minor portfolio impacts.

Performance vs. Benchmarks			
	Total Portfolio	Policy	Strategy
Quarter	3.77%	3.69%	3.28%
One Year	0.82%	0.46%	-1.71%
Three Years	12.14%	9.33%	9.35%
Five Years	1.40%	0.66%	0.50%

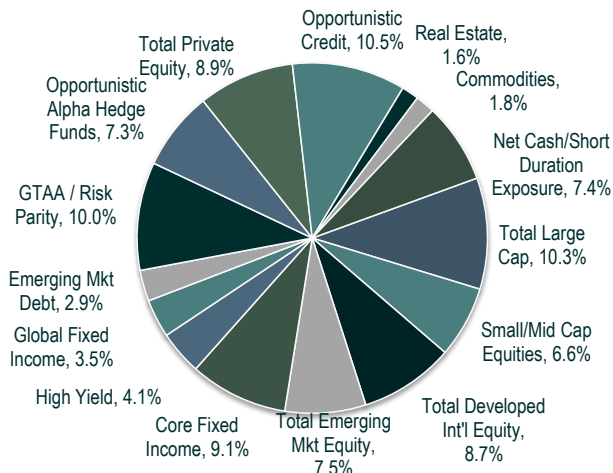
As of December 31, 2011

Value Added vs. Policy Benchmark			
	Value From Active Management	Value From Allocation Decisions	Total Value Added
Quarter	\$116.3	(\$98.3)	\$18.0
One Year	\$652.8	(\$548.2)	\$104.6
Three Years	\$1,784.2	(\$122.9)	\$1,661.3
Five Years	\$1,204.2	(\$320.6)	\$883.6

All figures expressed in millions of dollars, as of December 31, 2011



### Portfolio Exposure



### Key Developments During the Quarter

- The Commission approved investments with two private equity funds and one timberland investment.
- The Commission authorized an increase in the total investment capacity of the Reservoir Palmetto Strategic Partnership.