

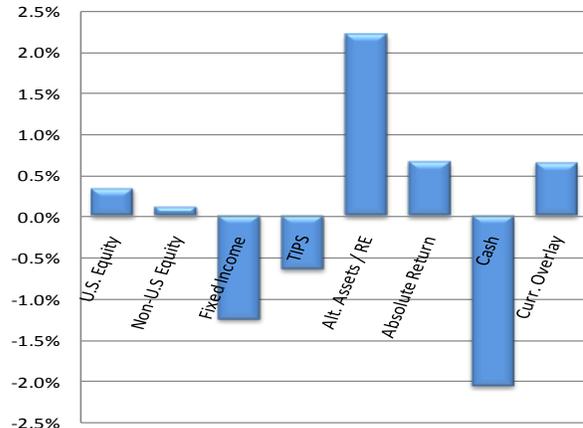


**Kentucky Retirement Systems**  
**Quarterly Investment Update** **June 30, 2010**

<b>PENSION</b>	<b>QTD</b>	<b>Fiscal Y-T-D</b>	<b>1 Yr Ended</b>	<b>3 Yrs Ended</b>	<b>5 Yrs Ended</b>	<b>10 Yrs Ended</b>
<b>Total Fund</b>						
KRS	-4.26%	15.81%	15.81%	-2.80%	3.03%	3.12%
Blended Index	-5.43%	13.16%	13.16%	-2.52%	2.85%	2.85%
<b>Equities</b>						
Domestic Equities	-11.26%	16.90%	16.90%	-9.42%	0.02%	-0.49%
Performance Benchmark	-11.04%	16.18%	16.18%	-9.34%	-0.25%	-0.39%
Non-U.S. Equities	-11.83%	12.07%	12.07%	-9.18%	3.35%	0.28%
Performance Benchmark	-12.33%	10.97%	10.97%	-11.07%	2.66%	0.62%
Total Equities	-11.51%	14.82%	14.82%	-9.35%	1.00%	-0.07%
Performance Benchmark	-11.51%	14.16%	14.16%	-10.13%	0.36%	-0.18%
<b>Fixed Income</b>						
Core Fixed Income	3.39%	12.13%	12.13%	5.53%	4.36%	5.93%
Performance Benchmark	3.49%	9.50%	9.50%	7.55%	5.46%	6.47%
TIPS	3.97%	9.67%	9.67%	7.77%	5.10%	6.89%
Performance Benchmark	3.82%	9.52%	9.52%	7.62%	4.98%	6.86%
Total Fixed Income	3.61%	11.80%	11.80%	6.32%	4.66%	6.35%
Performance Benchmark	3.59%	9.52%	9.52%	7.63%	5.37%	6.73%
<b>Real Estate</b>						
KRS	2.70%	-2.92%	-2.92%	-2.92%	-2.92%	-2.92%
Performance Benchmark	0.76%	-9.60%	-9.60%	-9.60%	-9.60%	-9.60%
<b>Absolute Return</b>						
KRS	-2.51%	-1.42%	-1.42%	-1.42%	-1.42%	-1.42%
Performance Benchmark	1.49%	1.98%	1.98%	1.98%	1.98%	1.98%
<b>Alternatives</b>						
KRS	5.23%	26.75%	26.75%	-3.68%	3.91%	10.75%
Performance Benchmark	-6.82%	20.15%	20.15%	-3.11%	2.68%	5.76%
<b>Cash</b>						
KRS	0.44%	1.26%	1.26%	2.46%	3.49%	3.94%
Performance Benchmark	0.03%	0.10%	0.10%	1.40%	2.63%	2.56%

**Actual V. Target Deviation**  
Pension as of 06/30/10

	<b>\$'s (millions)</b>	<b>Actual %</b>	<b>Target %</b>	<b>Diff</b>
U.S. Equity	\$3,176	30.3%	30.0%	0.3%
Non-U.S. Equity	2,106	20.1%	20.0%	0.1%
Fixed Income	2,486	23.7%	25.0%	-1.3%
TIPS	979	9.4%	10.0%	-0.6%
Alt. Assets / RE	1,487	14.2%	12.0%	2.2%
Absolute Return	69	0.7%	0.0%	0.7%
Cash	98	0.9%	3.0%	-2.1%
Curr. Overlay	68	0.6%	0.0%	0.6%
<b>Total</b>	<b>\$10,468</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>





Kentucky Retirement Systems Quarterly Investment Update						
						June 30, 2010
INSURANCE	QTD	Fiscal Y-T-D	1 Yr Ended	3 Yrs Ended	5 Yrs Ended	10 Yrs Ended
<b>Total Fund</b>						
KRS	-7.92%	15.46%	15.46%	-6.51%	1.85%	2.43%
Blended Index	-9.24%	13.07%	13.07%	-7.18%	1.16%	1.55%
<b>Equities</b>						
Domestic Equities	-13.07%	18.74%	18.74%	-10.49%	-0.64%	-0.22%
Performance Benchmark	-11.16%	15.58%	15.58%	-9.41%	-0.46%	-0.95%
Non-U.S. Equities	-12.16%	10.92%	10.92%	-8.68%	3.81%	1.48%
Performance Benchmark	-12.79%	9.37%	9.37%	-11.49%	2.36%	0.47%
Total Equities	-12.74%	15.69%	15.69%	-10.71%	0.07%	0.23%
Performance Benchmark	-11.83%	12.96%	12.96%	-10.42%	-0.07%	-0.32%
<b>Fixed Income</b>						
TIPS	3.92%	9.58%	9.58%	7.73%	5.06%	7.36%
Performance Benchmark	3.82%	9.52%	9.52%	7.62%	4.98%	7.29%
<b>Real Estate</b>						
KRS	14.61%	-4.39%	-4.39%	-4.39%	-4.39%	-4.39%
Performance Benchmark	0.76%	-9.60%	-9.60%	-9.60%	-9.60%	-9.60%
<b>Absolute Return</b>						
KRS	-3.03%	-1.94%	-1.94%	-1.94%	-1.94%	-1.94%
Performance Benchmark	1.49%	1.98%	1.98%	1.98%	1.98%	1.98%
<b>Alternatives</b>						
KRS	1.62%	26.01%	26.01%	-2.97%	3.02%	5.27%
Performance Benchmark	-9.01%	17.88%	17.88%	-6.29%	1.12%	2.19%
<b>Cash</b>						
KRS	0.09%	0.26%	0.26%	1.76%	3.21%	3.14%
Performance Benchmark	0.03%	0.10%	0.10%	1.40%	2.63%	2.56%

**Actual V. Target Deviation**  
Insurance as of 06/30/10

	\$'s (millions)	Actual %	Target %	Difference
U.S. Equity	\$995	41.4%	40.0%	1.4%
Non-U.S. Equity	596	24.8%	30.0%	-5.2%
TIPS	279	11.6%	12.0%	-0.4%
Alt. Assets / RE	218	9.1%	15.0%	-5.9%
Absolute Return	29	1.2%	0.0%	1.2%
Cash	263	10.9%	3.0%	7.9%
Curr. Overlay	25	1.0%	0.0%	1.0%
<b>Total</b>	<b>\$2,404</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>

