



## Capital Markets Review As of March 31, 2013

### First Quarter Economic Environment

Equity markets made significant and broad-based gains on the quarter, despite political uncertainty in the US and Europe, and continued weakness in the global economy. Domestically, the Bureau of Economic Analysis first estimate of real GDP growth was 2.5% annualized for the first quarter, above the fourth quarter rate of 0.4%. Job growth in the first quarter remained modest, as the economy added a monthly average of 168,000 jobs and the unemployment rate inched down to 7.6%. Political uncertainty continued to dominate headlines, as the spending cuts known as the Sequester took effect in March. Agreement has yet to be reached on the debt ceiling, currently scheduled to be reinstated in May. Regardless, consumer sentiment, as measured by the University of Michigan survey, increased to 78.6 in March. The Institute for Supply Management manufacturing index ended the quarter at 51.3, indicating continued expansion in the manufacturing sector, albeit at a slower rate than January and February.

Internationally, the bailout deal in Cyprus dominated headlines as the quarter came to a close. After the Cypriot parliament rejected an initial deal that would have imposed losses on small depositors, the country agreed to terms on a €10 billion loan. Cyprus was forced to impose capital controls to prevent a bank run following the deal, a first in the history of the Eurozone. Spanish, Italian and Greek debt spreads rose significantly in response to the deal, but remain below last year's highs. European stocks lost significant ground while still managing to stay in positive territory for the quarter. Euro area economic conditions remain bleak, with unemployment holding at a record high of 12%, including youth unemployment above 20%. Elsewhere, the Bank of Japan named a new head, Haruhiko Kuroda, who has promised to do "whatever it takes" to end deflation in the country, pledging to achieve the nation's 2% inflation target within two years. Japanese markets continue to rally, and closed the quarter up over 44% in local currency terms since November lows.

#### Domestic Equities

- Equities made gains each month of the quarter, with significant rallies in January and March. This was the the third consecutive quarter that the Russell 3000 posted gains.
- Value significantly outperformed growth, marking the fourth consecutive quarter that value stocks have been in favor, as the Russell 3000 Value Index returned 12.26% versus 9.82% for the Russell 3000 Growth Index.
- Mid-cap stocks outperformed small cap and large cap stocks, as the Russell 2500 returned 12.85% compared with 12.39% and 10.96% for the Russell 2000 and Russell 1000, respectively.
- All sectors posted positive returns this quarter. Health care posted a 15.81% return on the quarter, and was the highest performing sector.

#### International Equities

- Although not as strong as domestic equities, broad international indices made solid gains for the third consecutive quarter.
- Gains were driven by the developed world, as the MSCI EAFE returned 5.23% on the quarter, while the MSCI Emerging Markets returned -1.57%.

#### Fixed Income

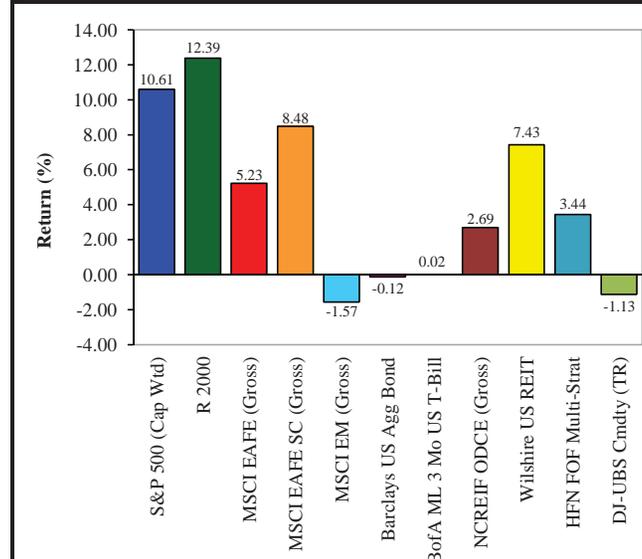
- The Barclays US Aggregate Bond Index posted its first negative quarter since 2010, as the "risk on" environment and increased optimism had investors seeking higher returns.
- Long duration bond returns suffered this quarter as investor appetite for return remained high. Treasury long and Corporate long bonds were the lowest performing sectors this quarter, posting returns of -2.38% and -1.85% respectively.

### Trailing-Period Performance

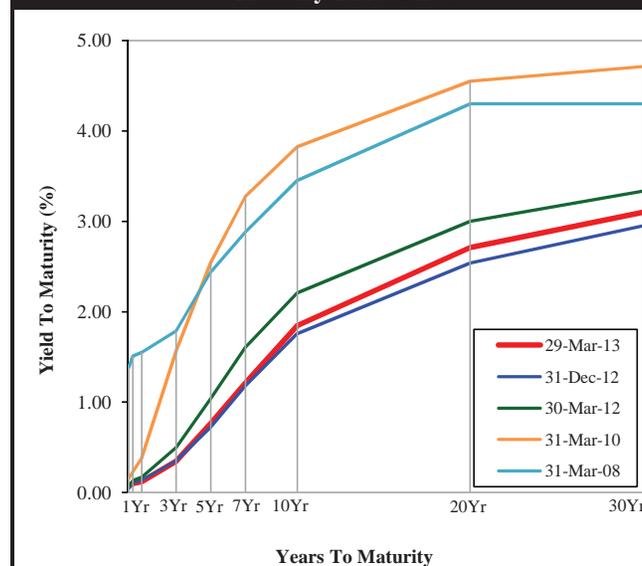
	Mth End Jan-2013	Mth End Feb-2013	MTD	QTD	CYTD	1 Year	2 Years	3 Years	5 Years	10 Years
S&P 500 (Cap Wtd)	5.18	1.36	3.75	10.61	10.61	13.96	11.22	12.67	5.81	8.53
R 2000	6.26	1.10	4.62	12.39	12.39	16.30	7.74	13.45	8.24	11.52
MSCI EAFE (Gross)	5.29	-0.92	0.88	5.23	5.23	11.79	2.89	5.49	-0.40	10.19
MSCI EAFE SC (Gross)	5.24	1.12	1.95	8.48	8.48	13.66	3.42	8.76	2.41	13.56
MSCI EM (Gross)	1.39	-1.24	-1.70	-1.57	-1.57	2.31	-3.26	3.59	1.40	17.41
Barclays US Agg Bond	-0.70	0.50	0.08	-0.12	-0.12	3.77	5.73	5.52	5.47	5.02
BofA ML 3 Mo US T-Bill	0.00	0.00	0.02	0.02	0.02	0.12	0.09	0.11	0.34	1.75
NCREIF ODCE (Gross)	N/A	N/A	N/A	2.69	2.69	10.79	12.71	15.13	-0.84	6.80
Wilshire US REIT	3.54	0.95	2.78	7.43	7.43	14.02	13.71	17.35	6.32	12.23
HFN FOF Multi-Strat	2.04	0.38	0.99	3.44	3.44	5.21	0.84	1.92	-0.54	3.57
DJ-UBS Cmdty (TR)	2.40	-4.09	0.67	-1.13	-1.13	-3.03	-9.90	1.42	-7.11	3.67

Performance is annualized for periods greater than one year.  
Treasury data courtesy of the U.S. Department of the Treasury.

### QTD



### Treasury Yield Curve



# **Kentucky Retirement Systems**

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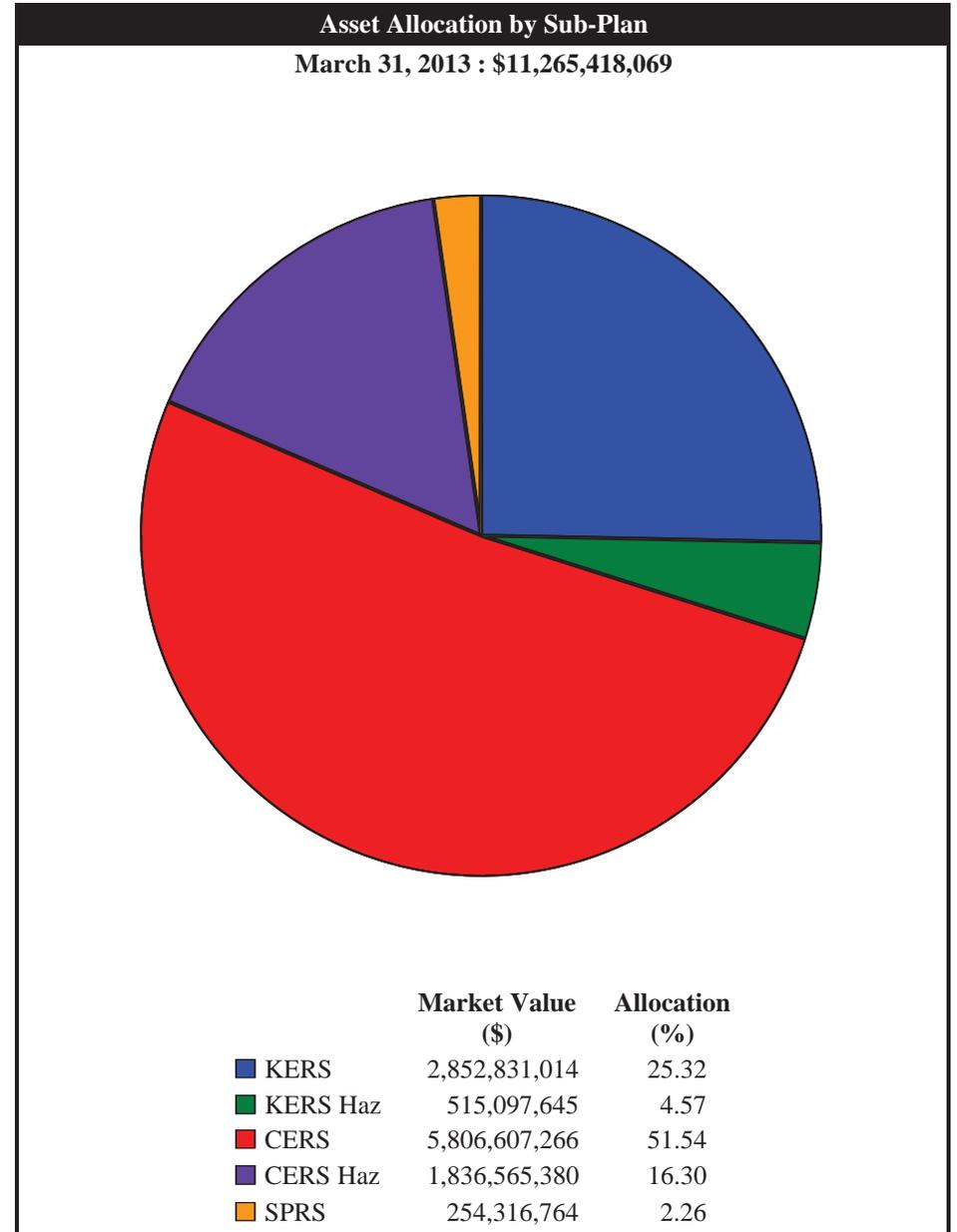
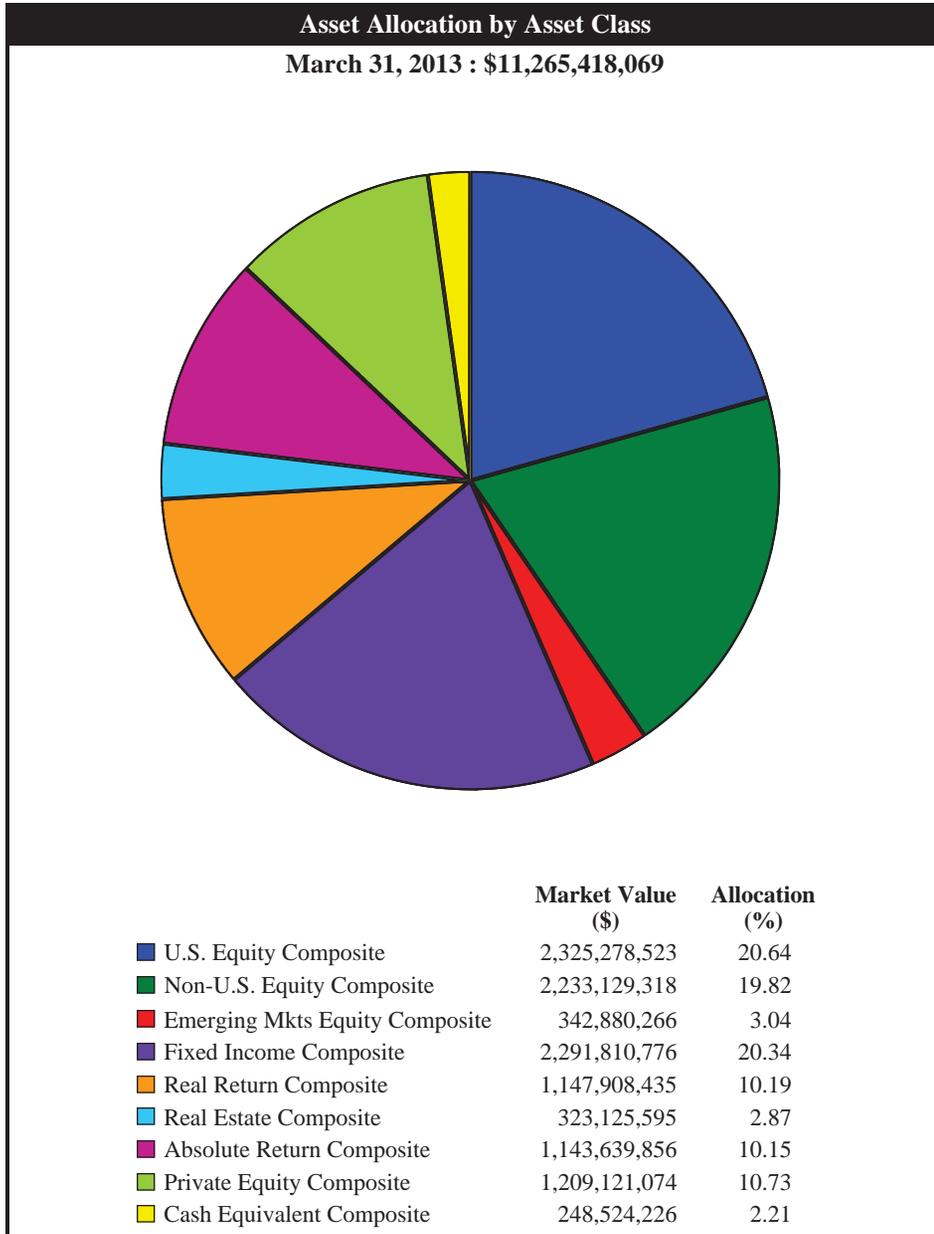
**Kentucky Retirement Systems - Pension Plan**  
**Asset Allocation & Performance**  
**As of March 31, 2013**

	Allocation		Performance (%)
	Market Value (\$)	%	FYTD
<b>Total Fund</b>	<b>11,265,418,069</b>	<b>100.00</b>	<b>11.40</b>
<b>Global Equity Composite</b>	<b>4,901,288,106</b>	<b>43.51</b>	<b>18.32</b>
<b>U.S. Equity Composite</b>	<b>2,325,278,523</b>	<b>20.64</b>	<b>18.72</b>
River Road Asset Management (SA)	32,020,653	0.28	18.25
Westwood Management (SA)	99,392,634	0.88	23.89
Westfield Capital (SA)	110,040,233	0.98	24.93
Internal S&P 500 Index (SA)	1,229,414,877	10.91	16.99
INVESCO Struct'd Core Equity (SA)	208,960,295	1.85	19.06
Sasco Capital Inc. (SA)	45,518,241	0.40	20.39
Systematic Financial Management (SA)	188,145,121	1.67	23.90
Geneva Capital Management (SA)	213,372,865	1.89	14.49
NT Structured Small Cap (SA)	198,083,132	1.76	21.85
Pension Liquidation	330,470	0.00	N/A
Kentucky Liquidation Account	3	0.00	N/A
<b>Non-U.S. Equity Composite</b>	<b>2,233,129,318</b>	<b>19.82</b>	<b>18.22</b>
The Boston Co. Non-US Value (SA)	668,720,122	5.94	18.33
BTC ACWI Ex US Fund (CF)	707,583,326	6.28	17.35
Pyramis Int'l Growth Fund (SA)	668,899,531	5.94	18.03
NT Int'l Sm Cap Eq Index (SA)	187,113,147	1.66	21.30
Artio Int'l Equity II (SA)	27,938	0.00	N/A
KRS Transition Account	785,254	0.01	N/A
<b>Emerging Mkts Equity Composite</b>	<b>342,880,266</b>	<b>3.04</b>	<b>14.79</b>
Aberdeen Emg Mkts Equity (CF)	216,915,878	1.93	15.63
Wellington Emg Mkts Equity (CF)	125,964,388	1.12	13.62
<b>Fixed Income Composite</b>	<b>2,291,810,776</b>	<b>20.34</b>	<b>5.74</b>
NISA Core Agg Fixed Income (SA)	561,989,608	4.99	1.86
PIMCO Core Fixed Income (SA)	811,526,907	7.20	3.38
Columbia HY Fixed Income (SA)	188,230,246	1.67	11.30

	Allocation		Performance (%)
	Market Value (\$)	%	FYTD
<b>Fixed Income Composite (Cont.)</b>			
Loomis Sayles HY Fixed Income (SA)	198,140,871	1.76	16.21
Manulife Asset Mgmt (SA)	119,537,936	1.06	8.41
Commerce Street Income Partners L.P.	43,913,180	0.39	5.64
Waterfall (SA)	122,414,061	1.09	11.03
Shenkman Capital (SA)	121,954,696	1.08	7.84
Stone Harbor (SA)	124,103,271	1.10	7.78
<b>Real Return Composite</b>	<b>1,147,908,435</b>	<b>10.19</b>	<b>5.21</b>
Internal TIPS (SA)	417,335,404	3.70	2.52
Weaver Barksdale TIPS (SA)	398,202,324	3.53	2.32
PIMCO:All Asset;Inst (PAAIX)	238,213,530	2.11	10.38
Tenaska Power Fund II (CF)	14,401,915	0.13	-4.08
Tortoise Capital (CF)	64,042,857	0.57	31.10
Amerra Ag Fund II (CF)	15,712,405	0.14	N/A
<b>Real Estate Composite</b>	<b>323,125,595</b>	<b>2.87</b>	<b>9.46</b>
Internal Real Estate (SA)	9,980,368	0.09	0.00
Walton Street Real Estate Fund VI, L.P.	28,906,831	0.26	8.21
Prima Mortgage Invest Trust, LLC	44,668,177	0.40	5.92
Mesa West Real Estate Income Fund II L.P.	39,661,945	0.35	35.19
H/2 Credit Partners (CF)	95,962,725	0.85	9.84
Harrison Street Core (CF)	80,785,764	0.72	2.50
Greenfield Acquisition Partners VI (CF)	23,159,785	0.21	N/A
<b>Absolute Return Composite</b>	<b>1,143,639,856</b>	<b>10.15</b>	<b>8.78</b>
BAAM (SA)	382,332,607	3.39	9.50
PAAMCO (SA)	380,443,448	3.38	8.87
Prisma Capital Partners (SA)	380,863,802	3.38	8.10
<b>Private Equity Composite</b>	<b>1,209,121,074</b>	<b>10.73</b>	<b>7.79</b>
<b>Cash Equivalent Composite</b>	<b>248,524,226</b>	<b>2.21</b>	<b>0.25</b>
Cash Equivalents (SA)	248,524,226	2.21	0.25

Performance shown is gross of fees, except where noted. Fiscal year ends June 30th. Allocations shown may not sum up to 100% exactly due to rounding. Real Estate and Private Equity valuations shown are as of the most recent date available. Internal Mid Cap (SA) was fully liquidated in March 2013.

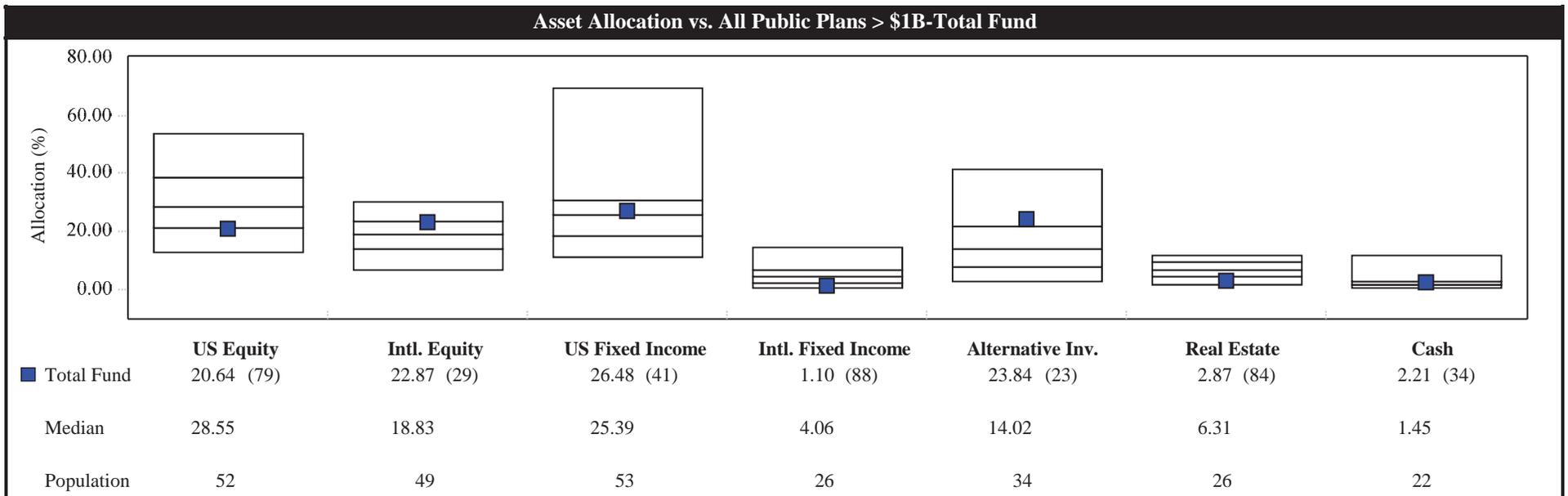
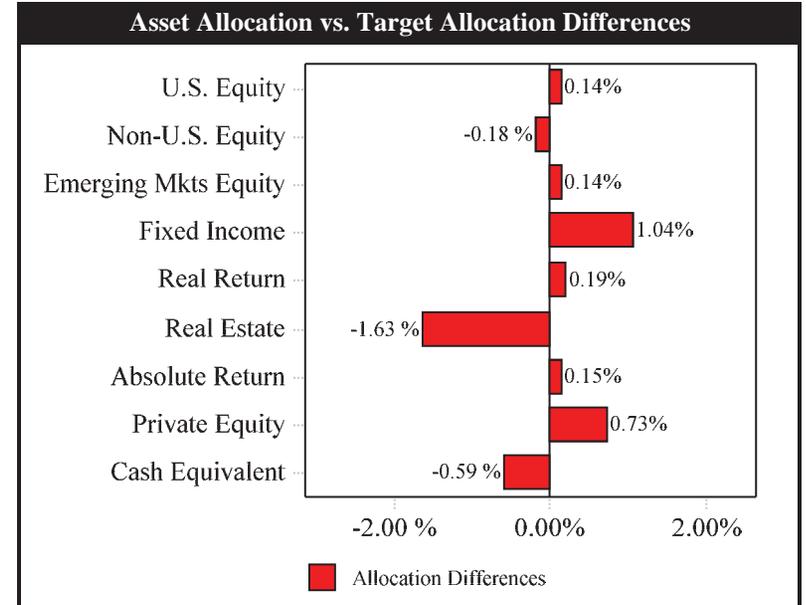
**Kentucky Retirement Systems - Pension Plan**  
**Total Fund**  
**Asset Allocation Charts**  
**As of March 31, 2013**



Allocations shown may not sum up to 100% exactly due to rounding.

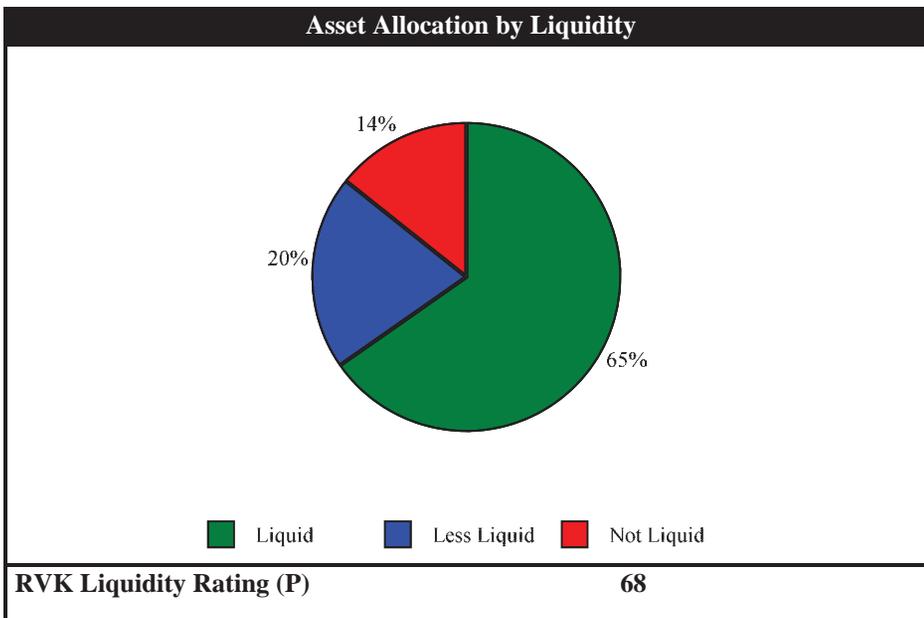
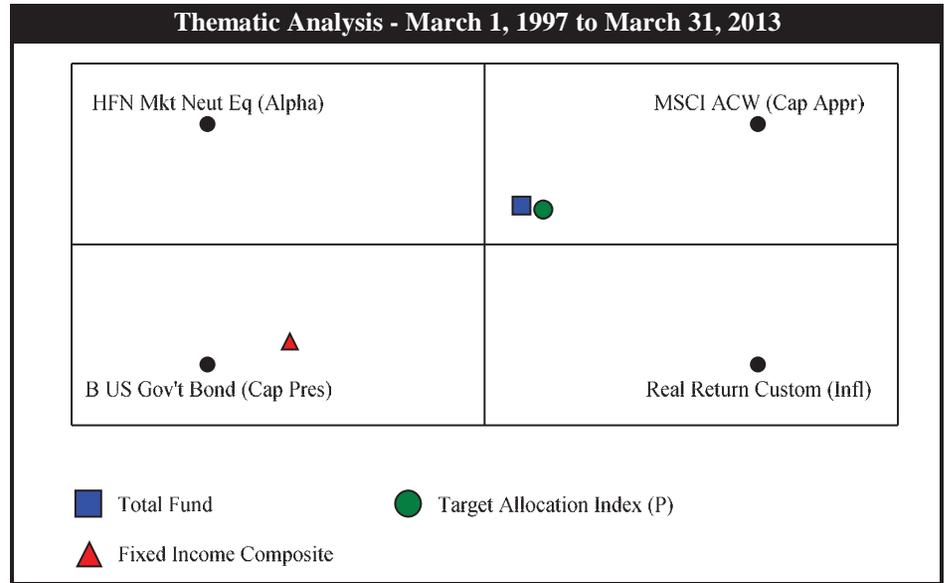
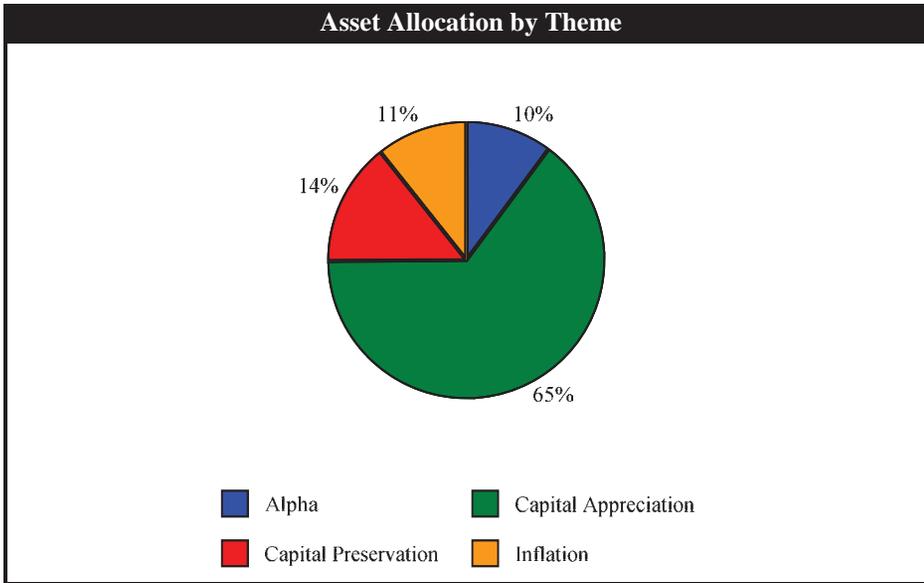
**Kentucky Retirement Systems - Pension Plan**  
**Total Fund vs. All Public Plans > \$1B-Total Fund**  
**Asset Allocation vs. Target and Plan Sponsor Peer Group**  
**As of March 31, 2013**

Asset Allocation vs. Target Allocation					
	Asset Allocation (\$)	Asset Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Target Allocation (%)
Total Fund	11,265,418,069	100.00	-	-	100.00
U.S. Equity Composite	2,325,278,523	20.64	15.50	25.50	20.50
Non-U.S. Equity Composite	2,233,129,318	19.82	15.00	25.00	20.00
Emerging Mkts Equity Composite	342,880,266	3.04	0.90	4.90	2.90
Fixed Income Composite	2,291,810,776	20.34	16.80	21.80	19.30
Real Return Composite	1,147,908,435	10.19	7.00	13.00	10.00
Real Estate Composite	323,125,595	2.87	1.50	7.50	4.50
Absolute Return Composite	1,143,639,856	10.15	7.00	13.00	10.00
Private Equity Composite	1,209,121,074	10.73	5.00	15.00	10.00
Cash Equivalent Composite	248,524,226	2.21	0.80	4.80	2.80



Parentheses contain percentile ranks. Allocations shown may not sum up to 100% exactly due to rounding. Dedicated TIPS are included in U.S. Fixed Income when compared to other public plans. Intl. Fixed Income does not reflect the underlying holdings within non-dedicated Intl. Fixed Income funds.

**Kentucky Retirement Systems - Pension Plan**  
**Total Fund Thematic and Liquidity Analysis**  
 As of March 31, 2013



### Correlation Matrix - 10 Years

	A	B	C	D
A	1.00			
B	0.63	1.00		
C	-0.27	-0.24	1.00	
D	0.59	0.85	-0.01	1.00

A = HFN Mkt Neut Eq Index (Alpha)  
 B = MSCI ACW Index (Capital Appreciation)  
 C = Barclays US Gov't Bond Index (Capital Preservation)  
 D = Real Return Custom Index (Inflation)

Asset Allocation by Theme is based on dedicated manager allocations; as such, thematic allocations are approximations. The RVK Liquidity Rating is calculated using beginning of month investment weights applied to each corresponding asset class liquidity rating. Please see the Glossary for additional information regarding liquidity, thematic, and custom index descriptions.

**Kentucky Retirement Systems - Pension Plan**  
**Comparative Performance**  
**As of March 31, 2013**

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	10 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Total Fund</b>	<b>4.01</b>	<b>4.01</b>	<b>11.40</b>	<b>10.03</b>	<b>8.29</b>	<b>4.69</b>	<b>7.69</b>	<b>12.88</b>	<b>-0.44</b>	<b>12.90</b>	<b>9.52</b>	<b>04/01/1984</b>
Target Allocation Index (P)	3.67	3.67	10.12	9.50	8.12	4.94	7.84	13.54	-1.19	12.41	9.59	
Difference	0.34	0.34	1.28	0.53	0.17	-0.25	-0.15	-0.66	0.75	0.49	-0.07	
All Public Plans > \$1B-Total Fund Median	4.71	4.71	12.24	10.36	9.63	5.12	8.41	13.45	0.75	13.23	9.85	
Total Fund Rank	74	74	75	64	87	68	81	61	79	58	60	
<b>Global Equity Composite</b>	<b>6.76</b>	<b>6.76</b>	<b>18.32</b>	<b>11.23</b>	<b>8.10</b>	<b>3.83</b>	<b>8.93</b>	<b>17.11</b>	<b>-7.97</b>	<b>14.99</b>	<b>10.88</b>	<b>04/01/1984</b>
Global Equity Blended Index (P)	6.57	6.57	17.73	11.18	8.73	3.29	9.01	17.19	-6.97	15.56	10.71	
Difference	0.19	0.19	0.59	0.05	-0.63	0.54	-0.08	-0.08	-1.00	-0.57	0.17	
<b>U.S. Equity Composite</b>	<b>11.23</b>	<b>11.23</b>	<b>18.72</b>	<b>14.14</b>	<b>12.82</b>	<b>6.53</b>	<b>9.28</b>	<b>15.92</b>	<b>1.04</b>	<b>16.77</b>	<b>11.16</b>	<b>04/01/1984</b>
R 3000 Index (P)*	11.07	11.07	18.29	14.57	13.05	6.50	9.42	16.42	0.92	17.50	11.06	
Difference	0.16	0.16	0.43	-0.43	-0.23	0.03	-0.14	-0.50	0.12	-0.73	0.10	
<b>Non-U.S. Equity Composite</b>	<b>3.69</b>	<b>3.69</b>	<b>18.22</b>	<b>8.46</b>	<b>3.06</b>	<b>0.60</b>	<b>9.76</b>	<b>16.43</b>	<b>-17.01</b>	<b>12.88</b>	<b>1.96</b>	<b>07/01/2000</b>
MSCI ACW Ex US Index (Gross) (P)*	3.27	3.27	17.55	8.87	5.03	0.30	10.50	17.39	-13.26	12.37	2.71	
Difference	0.42	0.42	0.67	-0.41	-1.97	0.30	-0.74	-0.96	-3.75	0.51	-0.75	
<b>Emerging Mkts Equity Composite</b>	<b>-0.36</b>	<b>-0.36</b>	<b>14.79</b>	<b>7.24</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>23.92</b>	<b>N/A</b>	<b>N/A</b>	<b>3.13</b>	<b>07/01/2011</b>
MSCI Emg Mkts Index (Gross)	-1.57	-1.57	12.15	2.31	3.59	1.40	17.41	18.64	-18.17	19.20	-3.13	
Difference	1.21	1.21	2.64	4.93	N/A	N/A	N/A	5.28	N/A	N/A	6.26	
<b>Fixed Income Composite</b>	<b>0.65</b>	<b>0.65</b>	<b>5.74</b>	<b>7.98</b>	<b>7.93</b>	<b>6.05</b>	<b>5.51</b>	<b>10.24</b>	<b>7.04</b>	<b>7.61</b>	<b>8.25</b>	<b>04/01/1984</b>
Barclays Universal Bond Index (P)*	0.08	0.08	2.67	4.72	6.23	5.52	5.36	5.53	8.12	6.49	7.99	
Difference	0.57	0.57	3.07	3.26	1.70	0.53	0.15	4.71	-1.08	1.12	0.26	
<b>Real Return Composite</b>	<b>0.76</b>	<b>0.76</b>	<b>5.21</b>	<b>7.60</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>9.55</b>	<b>N/A</b>	<b>N/A</b>	<b>9.85</b>	<b>07/01/2011</b>
Consumer Price Index + 3%	2.13	2.13	3.71	4.52	5.34	4.79	5.44	4.79	6.05	4.54	4.83	
Difference	-1.37	-1.37	1.50	3.08	N/A	N/A	N/A	4.76	N/A	N/A	5.02	
<b>Real Estate Composite</b>	<b>4.18</b>	<b>4.18</b>	<b>9.46</b>	<b>11.67</b>	<b>13.93</b>	<b>6.97</b>	<b>6.49</b>	<b>10.18</b>	<b>13.33</b>	<b>14.80</b>	<b>8.93</b>	<b>05/01/2009</b>
NCREIF ODCE Index (Gross) (AWA)*	2.69	2.69	8.01	10.79	12.39	2.00	8.20	10.94	15.26	5.83	4.32	
Difference	1.49	1.49	1.45	0.88	1.54	4.97	-1.71	-0.76	-1.93	8.97	4.61	
<b>Absolute Return Composite</b>	<b>4.17</b>	<b>4.17</b>	<b>8.78</b>	<b>8.05</b>	<b>4.34</b>	<b>N/A</b>	<b>N/A</b>	<b>7.06</b>	<b>3.82</b>	<b>N/A</b>	<b>4.34</b>	<b>04/01/2010</b>
HFRI FOF Diversified Index (Lagged)	3.47	3.47	5.60	4.19	2.42	-0.74	3.82	3.12	-2.46	4.07	2.42	
Difference	0.70	0.70	3.18	3.86	1.92	N/A	N/A	3.94	6.28	N/A	1.92	

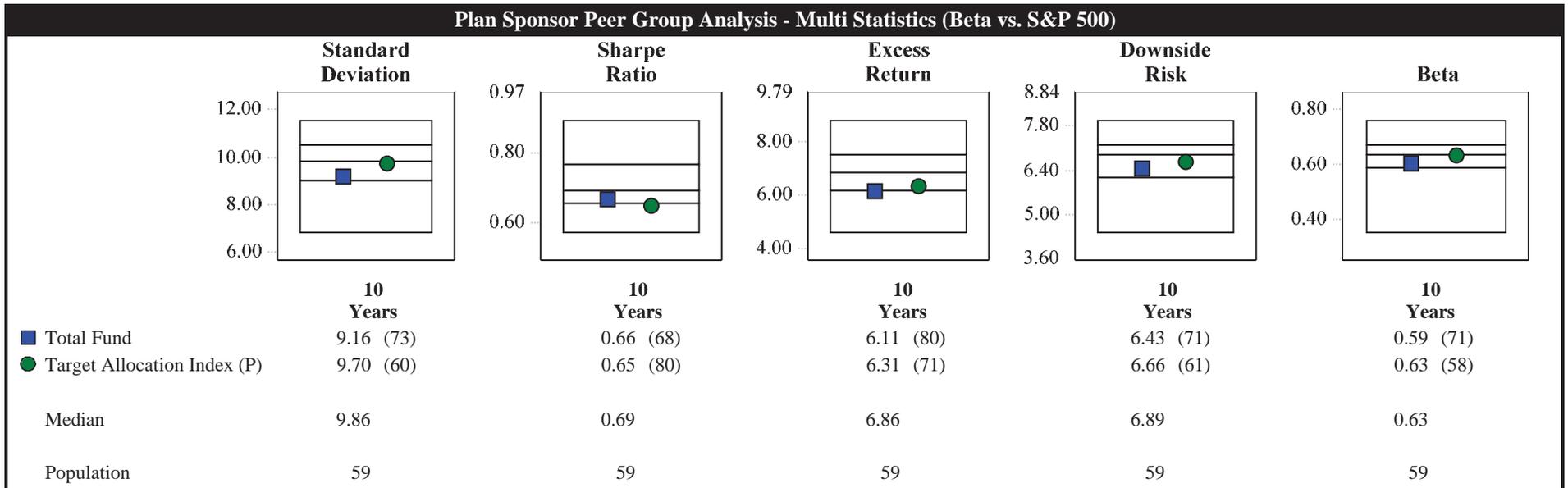
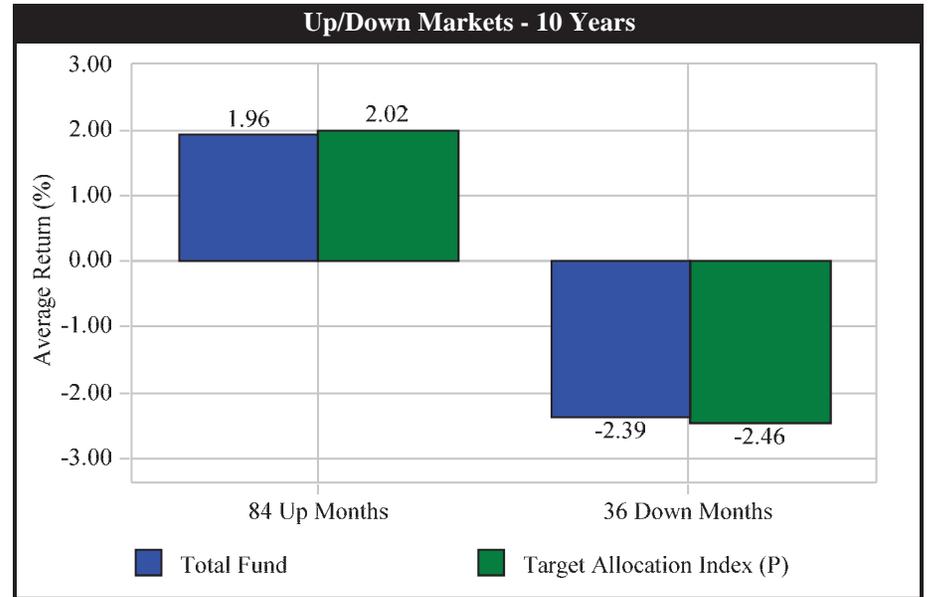
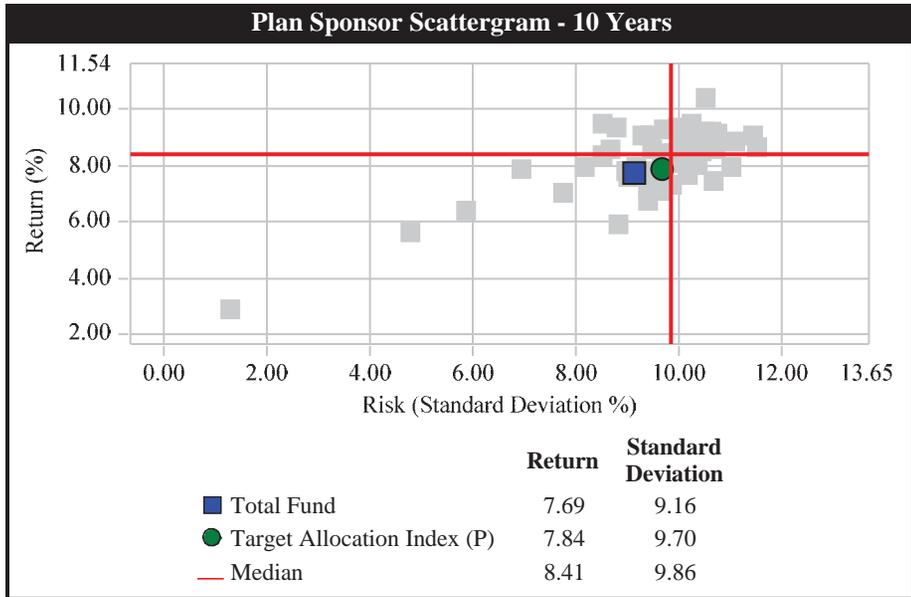
Performance shown is gross of fees, except where noted. All data reported for Kentucky Retirement Systems, including manager and composite performance, is provided by Nothern Trust. Fiscal year ends June 30th. An index marked with an asterisk (\*) represents the current benchmark. See the Addendum for the complete historical composition of the custom index.

**Kentucky Retirement Systems - Pension Plan**  
**Comparative Performance**  
**As of March 31, 2013**

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	10 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Private Equity Composite</b>	<b>3.41</b>	<b>3.41</b>	<b>7.79</b>	<b>14.17</b>	<b>13.19</b>	<b>3.86</b>	<b>12.02</b>	<b>13.78</b>	<b>11.03</b>	<b>16.76</b>	<b>10.99</b>	<b>10/01/1990</b>
R 3000 Index + 4% (Qtr Lag) (P)*	1.24	1.24	6.23	21.08	11.35	7.97	9.27	35.41	-8.63	16.16	N/A	
Difference	2.17	2.17	1.56	-6.91	1.84	-4.11	2.75	-21.63	19.66	0.60	N/A	
<b>Cash Equivalent Composite</b>	<b>0.07</b>	<b>0.07</b>	<b>0.25</b>	<b>0.32</b>	<b>0.47</b>	<b>0.89</b>	<b>2.21</b>	<b>0.30</b>	<b>0.31</b>	<b>0.89</b>	<b>4.19</b>	<b>01/01/1988</b>
Citi 3 Mo T-Bill Index	0.02	0.02	0.08	0.11	0.09	0.30	1.66	0.09	0.06	0.10	3.73	
Difference	0.05	0.05	0.17	0.21	0.38	0.59	0.55	0.21	0.25	0.79	0.46	

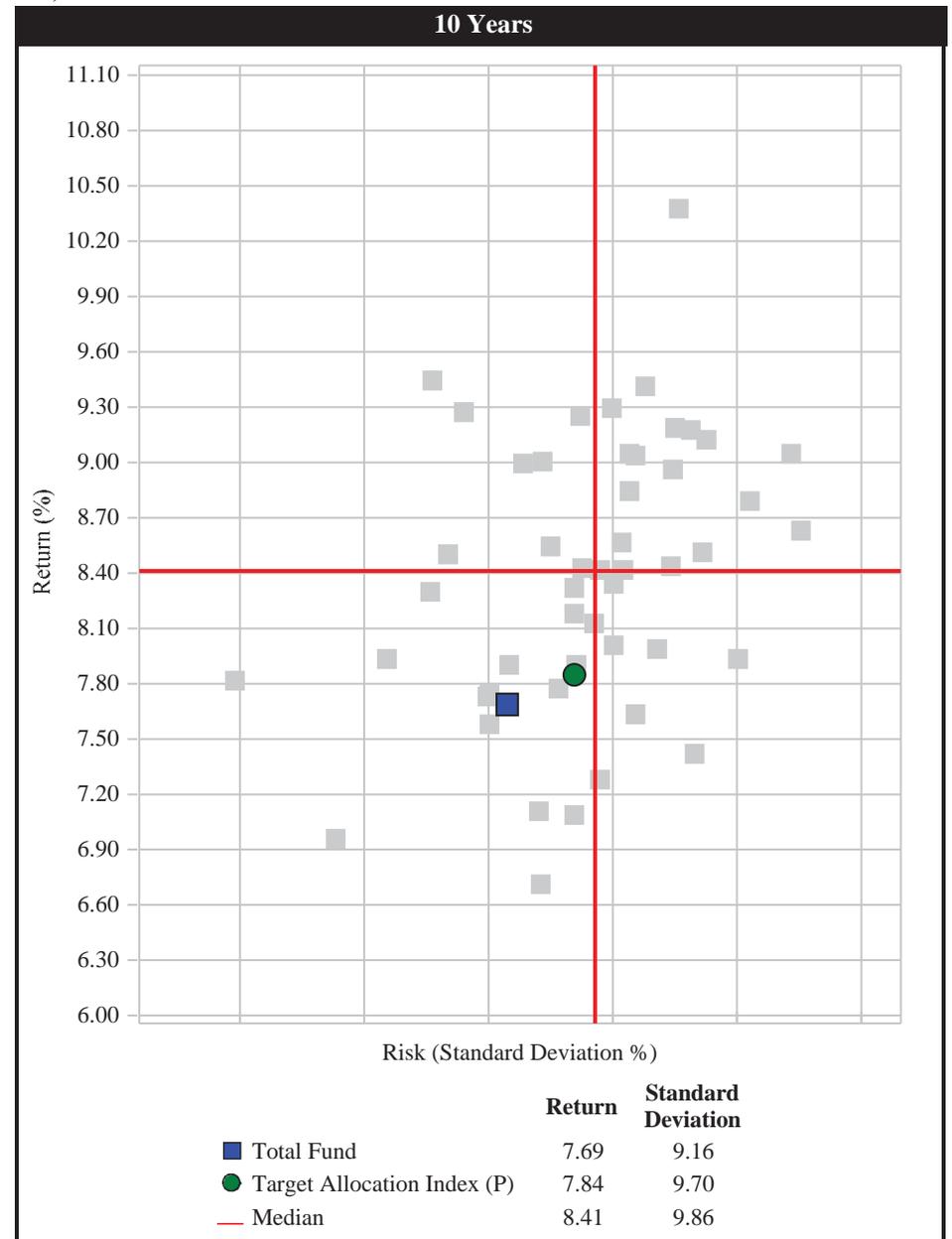
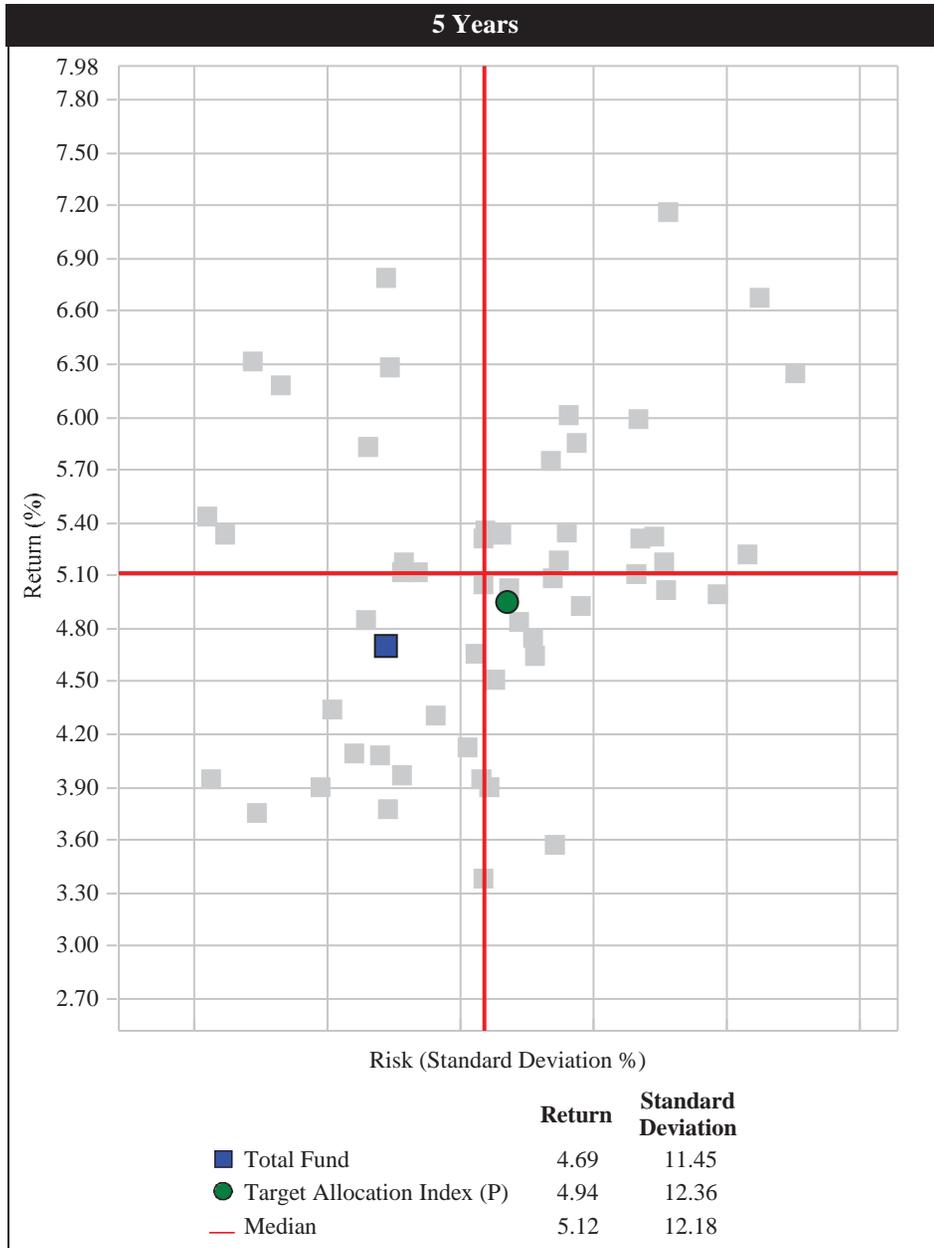
Performance shown is gross of fees, except where noted. All data reported for Kentucky Retirement Systems, including manager and composite performance, is provided by Nothern Trust. Fiscal year ends June 30th. An index marked with an asterisk (\*) represents the current benchmark. See the Addendum for the complete historical composition of the custom index.

**Kentucky Retirement Systems - Pension Plan**  
**Total Fund vs. All Public Plans > \$1B-Total Fund**  
 As of March 31, 2013



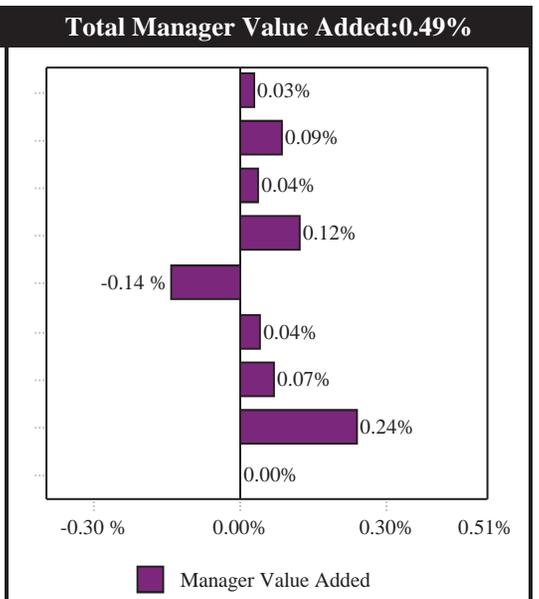
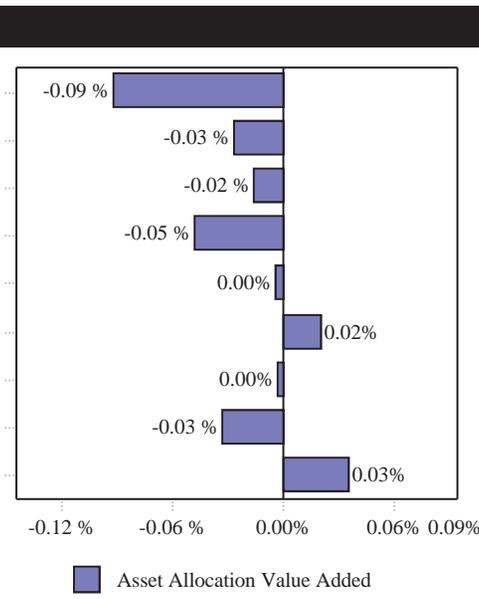
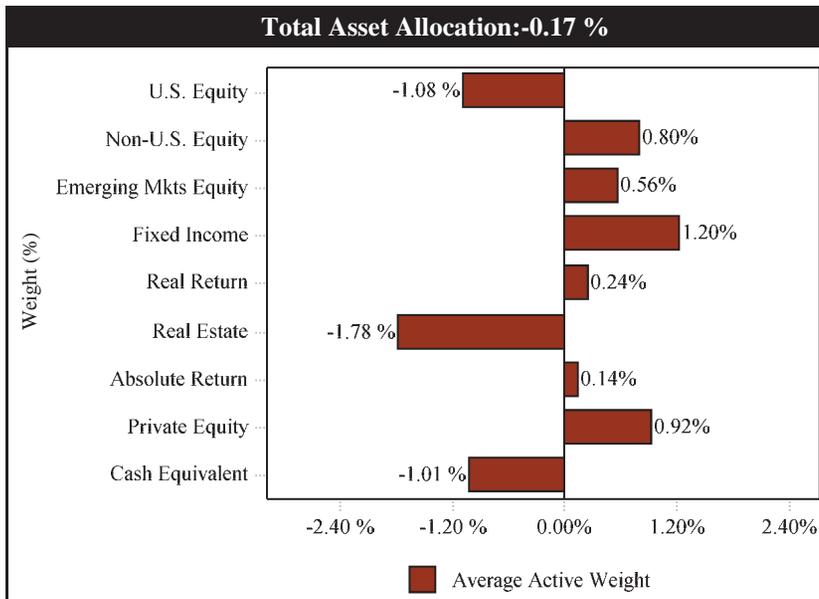
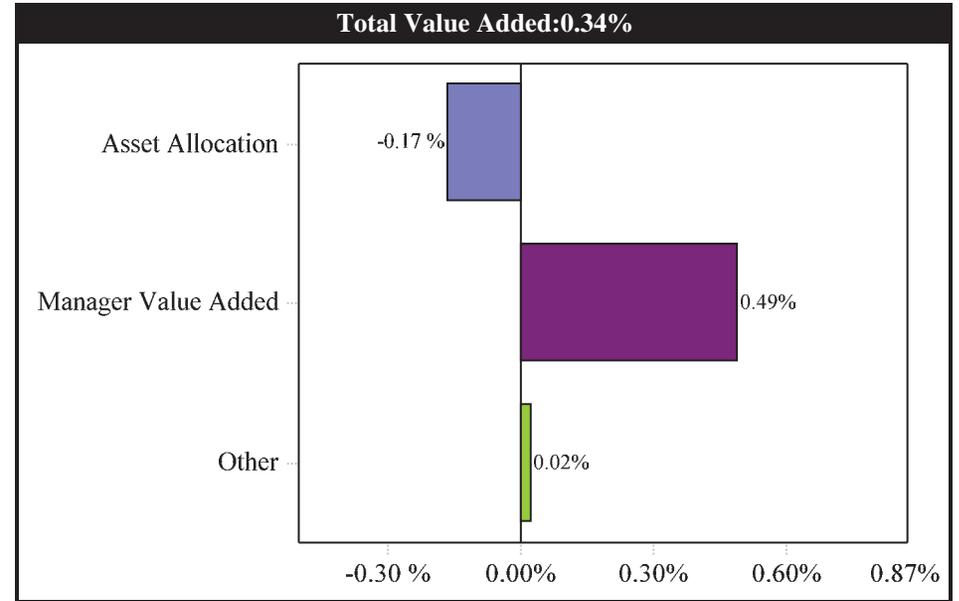
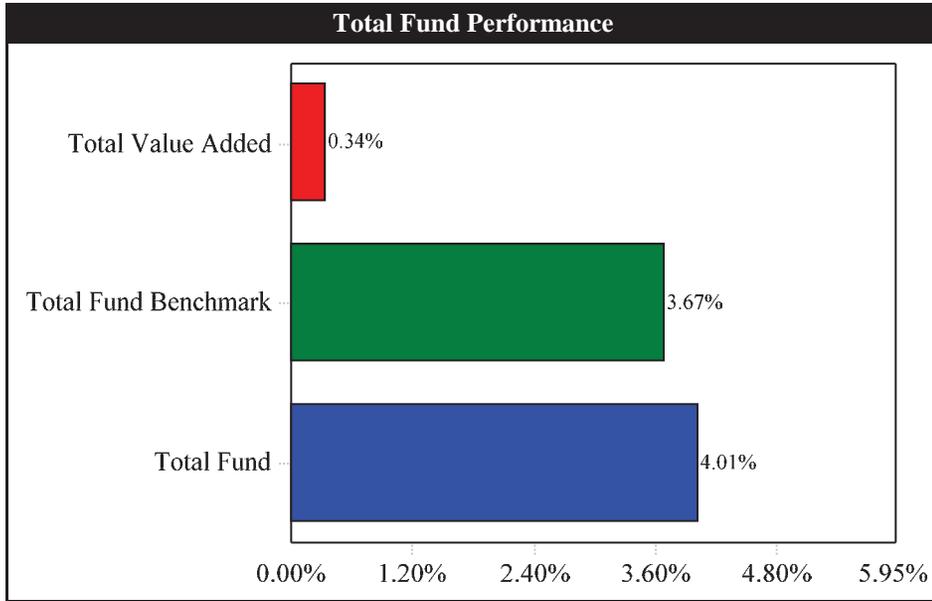
Performance shown is gross of fees. Calculation is based on monthly periodicity. Parentheses contain percentile ranks.

**Kentucky Retirement Systems - Pension Plan**  
**Total Fund vs. All Public Plans > \$1B-Total Fund**  
**Plan Sponsor Peer Group Scattergram**  
**As of March 31, 2013**



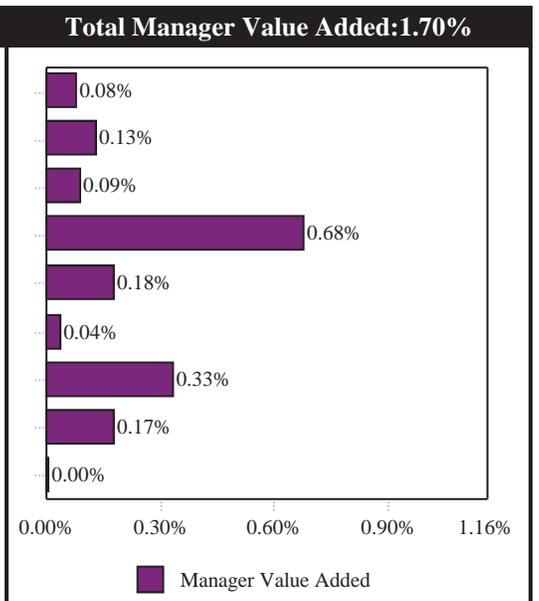
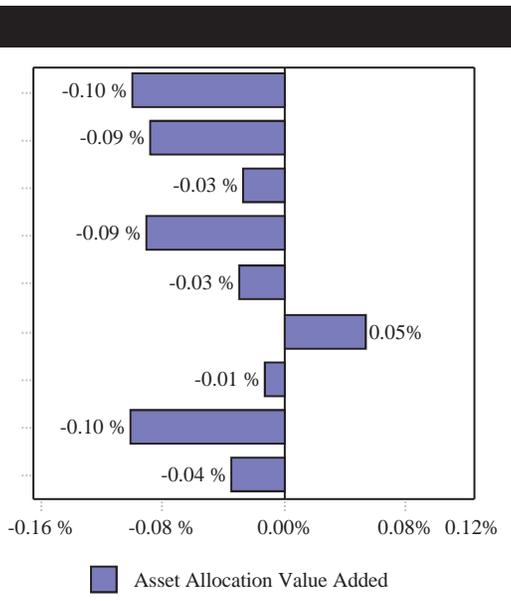
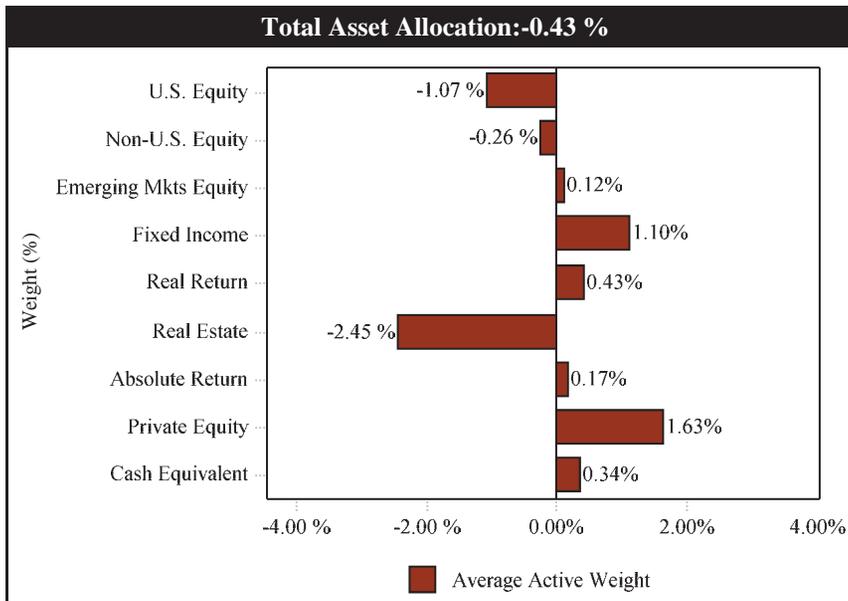
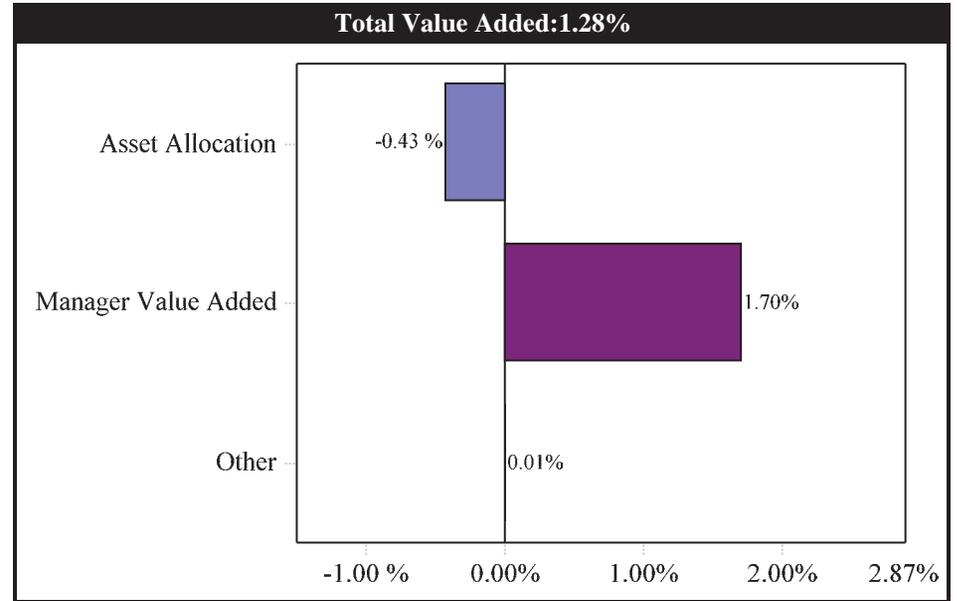
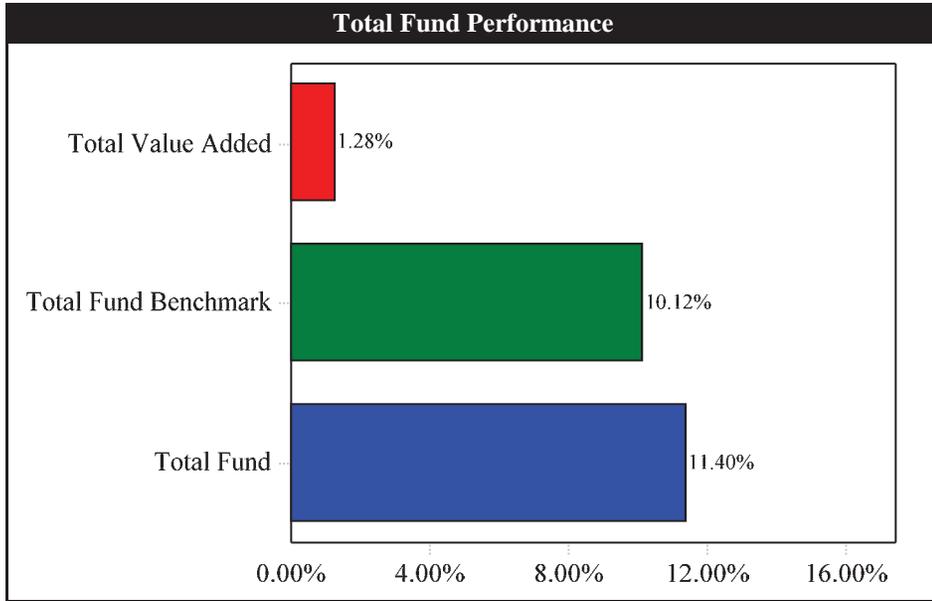
Performance shown is gross of fees. Calculation is based on monthly periodicity.

**Kentucky Retirement Systems - Pension Plan**  
**Total Fund vs. Target Allocation Index (P)**  
**Total Fund Attribution**  
**Quarter To Date Ending March 31, 2013**



Performance shown is gross of fees, except where noted. Calculation is based on monthly periodicity. Allocation to "Other" is the contribution of other residual factors, including market timing and cash flows. Please see the Glossary for additional information regarding the Total Fund Attribution calculation.

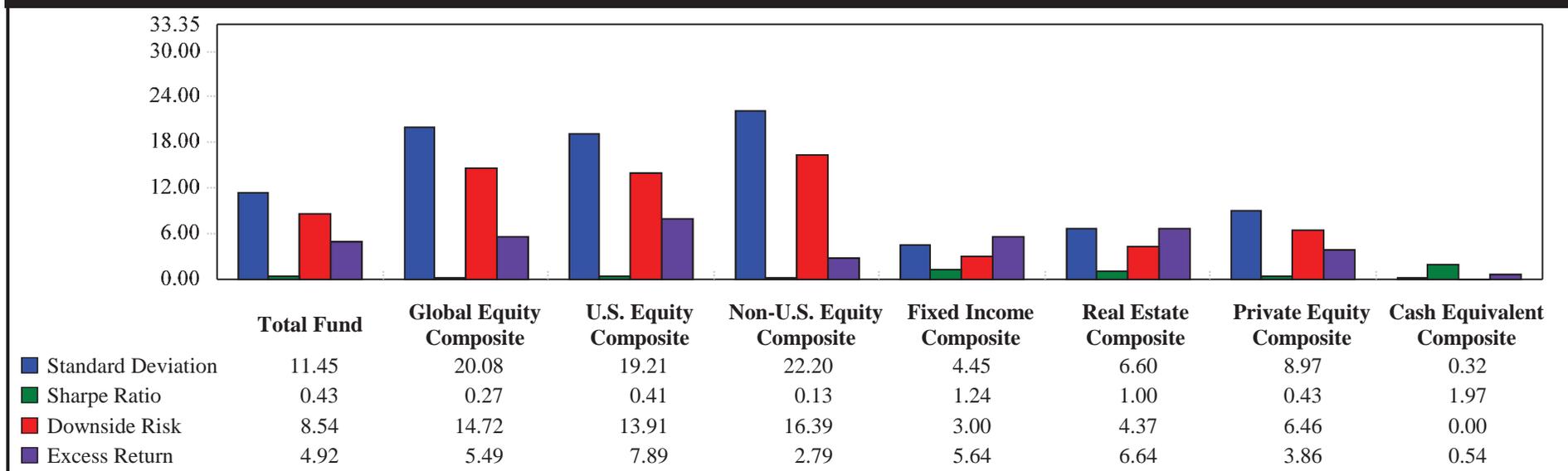
**Kentucky Retirement Systems - Pension Plan**  
**Total Fund vs. Target Allocation Index (P)**  
**Total Fund Attribution**  
**Fiscal Year To Date Ending March 31, 2013**



Performance shown is gross of fees, except where noted. Calculation is based on monthly periodicity. Allocation to "Other" is the contribution of other residual factors, including market timing and cash flows. Please see the Glossary for additional information regarding the Total Fund Attribution calculation.

**Kentucky Retirement Systems - Pension Plan**  
**Historical Stats & Correlation Analysis**  
**As of March 31, 2013**

**Historical Statistics - 5 Years**



**Correlation Matrix - 5 Years**

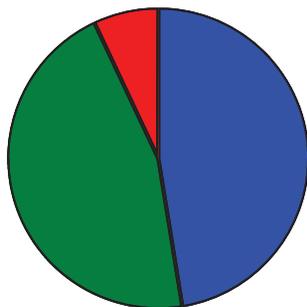
	Total Fund	Global Equity Composite	U.S. Equity Composite	Non-U.S. Equity Composite	Fixed Income Composite	Real Estate Composite	Private Equity Composite	Cash Equivalent Composite
Total Fund	1.00							
Global Equity Composite	0.98	1.00						
U.S. Equity Composite	0.96	0.98	1.00					
Non-U.S. Equity Composite	0.96	0.98	0.91	1.00				
Fixed Income Composite	0.58	0.48	0.42	0.52	1.00			
Real Estate Composite	-0.11	-0.13	-0.09	-0.16	-0.05	1.00		
Private Equity Composite	0.39	0.26	0.33	0.19	0.33	0.20	1.00	
Cash Equivalent Composite	-0.06	-0.05	-0.03	-0.08	0.01	-0.22	-0.16	1.00

Performance shown is gross of fees, except where noted. Calculation is based on quarterly periodicity. Excluded composites do not have five years of performance history.

**Kentucky Retirement Systems - Pension Plan  
Global Equity Composite  
Asset Allocation Charts  
As of March 31, 2013**

**Style Allocation**

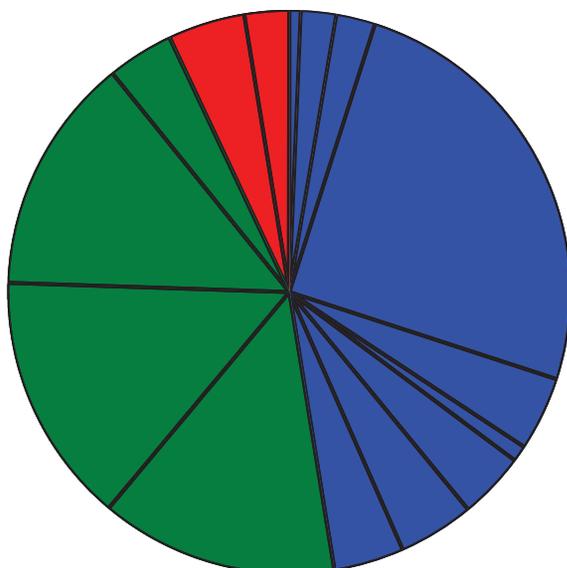
March 31, 2013 : \$4,901,288,106



	Market Value (\$)	Allocation (%)
U.S. Equity	2,325,278,523	47.44
Non-U.S. Equity	2,233,129,318	45.56
Emerging Mkts Equity	342,880,266	7.00

**Sub-Composite Detail**

March 31, 2013 : \$4,901,288,106



	Market Value (\$)	Allocation (%)
River Road Asset Management (SA)	32,020,653	0.65
Westwood Management (SA)	99,392,634	2.03
Westfield Capital (SA)	110,040,233	2.25
Internal S&P 500 Index (SA)	1,229,414,877	25.08
INVESCO Struct'd Core Equity (SA)	208,960,295	4.26
Sasco Capital Inc. (SA)	45,518,241	0.93
Systematic Financial Management (SA)	188,145,121	3.84
Geneva Capital Management (SA)	213,372,865	4.35
NT Structured Small Cap (SA)	198,083,132	4.04
Pension Liquidation	330,470	0.01
Kentucky Liquidation Account	3	0.00
The Boston Co. Non-US Value (SA)	668,720,122	13.64
BTC ACWI Ex US Fund (CF)	707,583,326	14.44
Pyramis Int'l Growth Fund (SA)	668,899,531	13.65
NT Int'l Sm Cap Eq Index (SA)	187,113,147	3.82
Artio Int'l Equity II (SA)	27,938	0.00
KRS Transition Account	785,254	0.02
Aberdeen Emg Mkts Equity (CF)	216,915,878	4.43
Wellington Emg Mkts Equity (CF)	125,964,388	2.57

Allocations shown may not sum up to 100% exactly due to rounding.

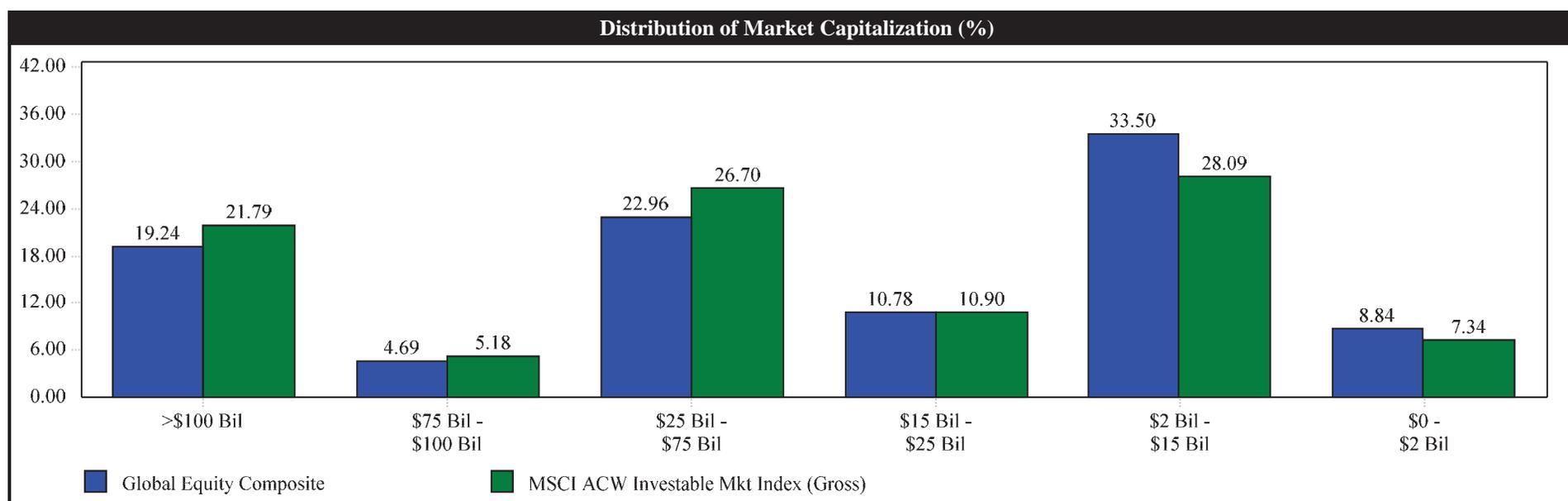
**Kentucky Retirement Systems - Pension Plan**  
**Global Equity Composite vs. MSCI ACW Investable Mkt Index (Gross)**

**Portfolio Characteristics**

As of March 31, 2013

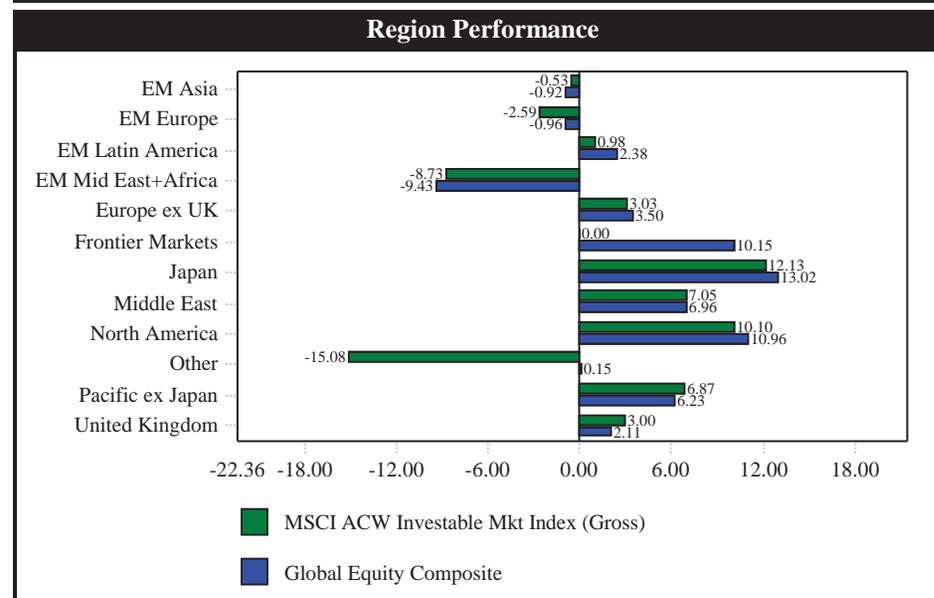
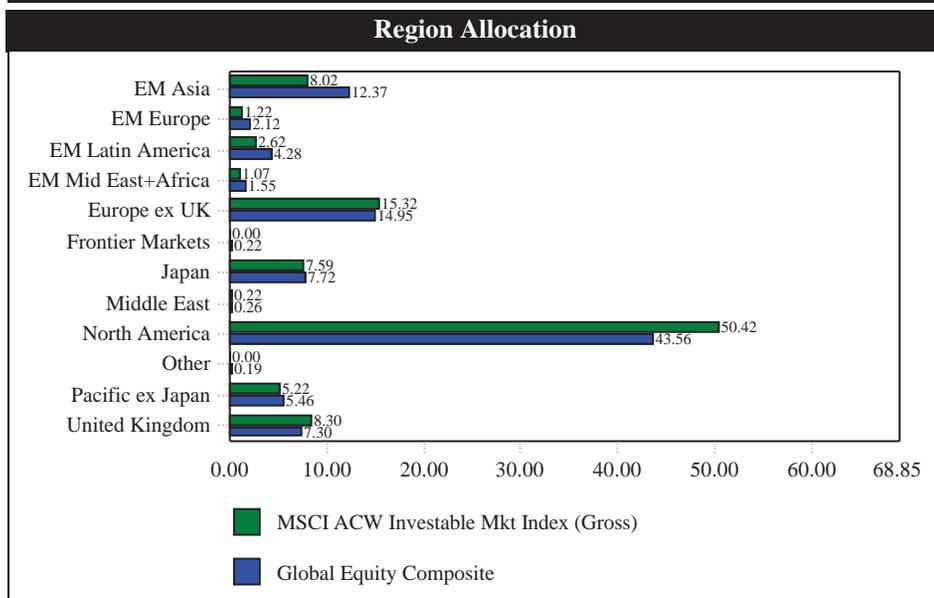
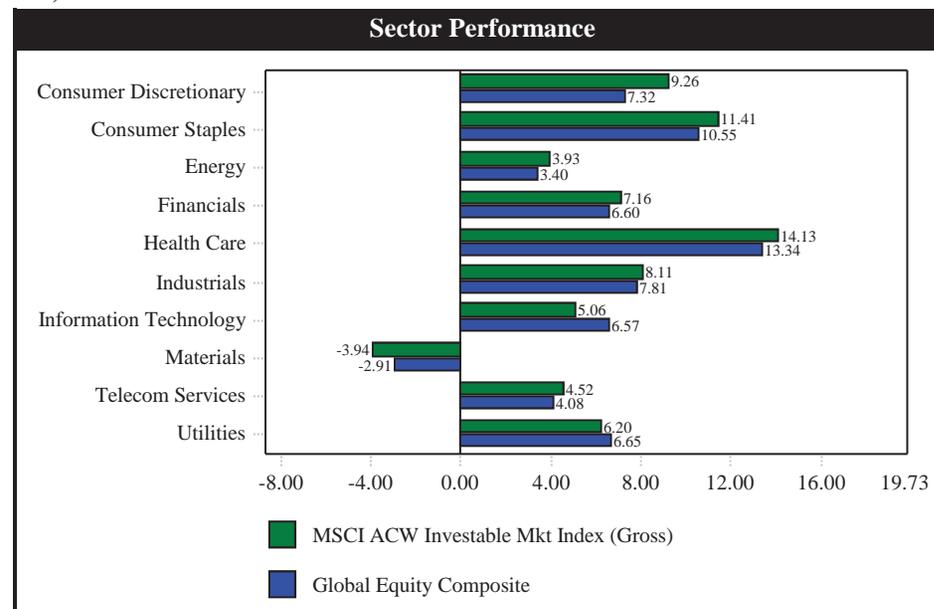
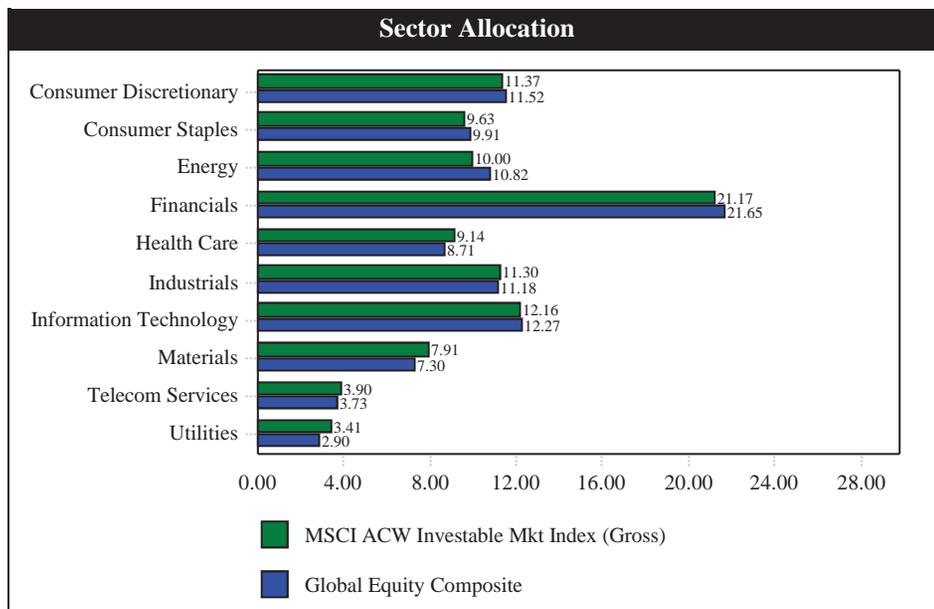
Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Exxon Mobil Corp	0.99	1.14	-0.15	4.78
HSBC Holdings PLC	0.75	0.55	0.20	3.21
Chevron Corp	0.61	0.65	-0.04	10.73
Novartis AG	0.61	0.45	0.16	17.40
Toyota Motor Corp	0.60	0.40	0.20	12.11
General Electric Co	0.60	0.67	-0.07	11.05
Roche Holding AG	0.59	0.46	0.13	19.80
Pfizer Inc	0.56	0.59	-0.03	16.08
Microsoft Corp	0.56	0.60	-0.04	7.98
Johnson & Johnson	0.55	0.63	-0.08	17.23
% of Portfolio	6.42	6.14		

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	55,036	65,174
Median Mkt. Cap (\$M)	885	1,196
Price/Earnings Ratio	15.40	15.31
Price/Book Ratio	2.28	2.32
5 Yr. EPS Growth Rate (%)	3.42	3.95
Current Yield (%)	2.40	2.53
Beta (5 Years, Monthly)	0.93	1.00
Number of Securities	9,756	8,453



Holdings for the Global Equity Blended Index (P) are unavailable. The MSCI ACW Investable Mkt Index (Gross) is used as a proxy. Artio Int'l Equity II (SA) currently has a 100% allocation to cash and is excluded from the holdings shown.

**Kentucky Retirement Systems - Pension Plan**  
**Global Equity Composite vs. MSCI ACW Investable Mkt Index (Gross)**  
**Buy and Hold Sector/Region Attribution Graphs**  
**As of March 31, 2013**

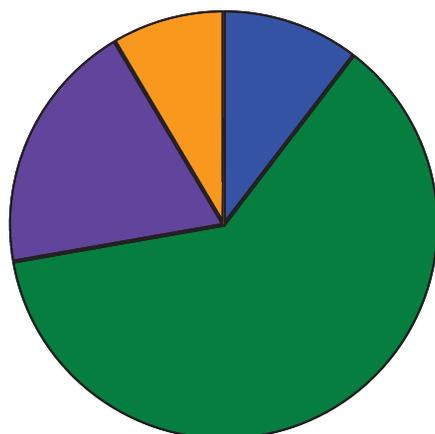


Holdings for the Global Equity Blended Index (P) are unavailable. The MSCI ACW Investable Mkt Index (Gross) is used as a proxy. Artio Int'l Equity II (SA) currently has a 100% allocation to cash and is excluded from the holdings shown. Region allocation to "Other" consists of holdings domiciled in countries/regions that do not meet economic development, size, liquidity, or market accessibility criteria as defined by MSCI.

**Kentucky Retirement Systems - Pension Plan**  
**U.S. Equity Composite**  
**Asset Allocation Charts**  
**As of March 31, 2013**

**Style Allocation**

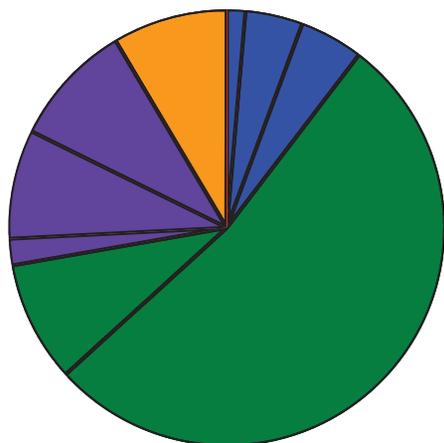
March 31, 2013 : \$2,325,278,523



	Market Value (\$)	Allocation (%)
U.S. All Cap Equity	241,453,520	10.38
U.S. Large Cap Equity	1,438,375,172	61.86
U.S. Mid Cap Equity	447,036,227	19.23
U.S. Small Cap Equity	198,083,132	8.52
Other	330,472	0.01

**Sub-Composite Detail**

March 31, 2013 : \$2,325,278,523



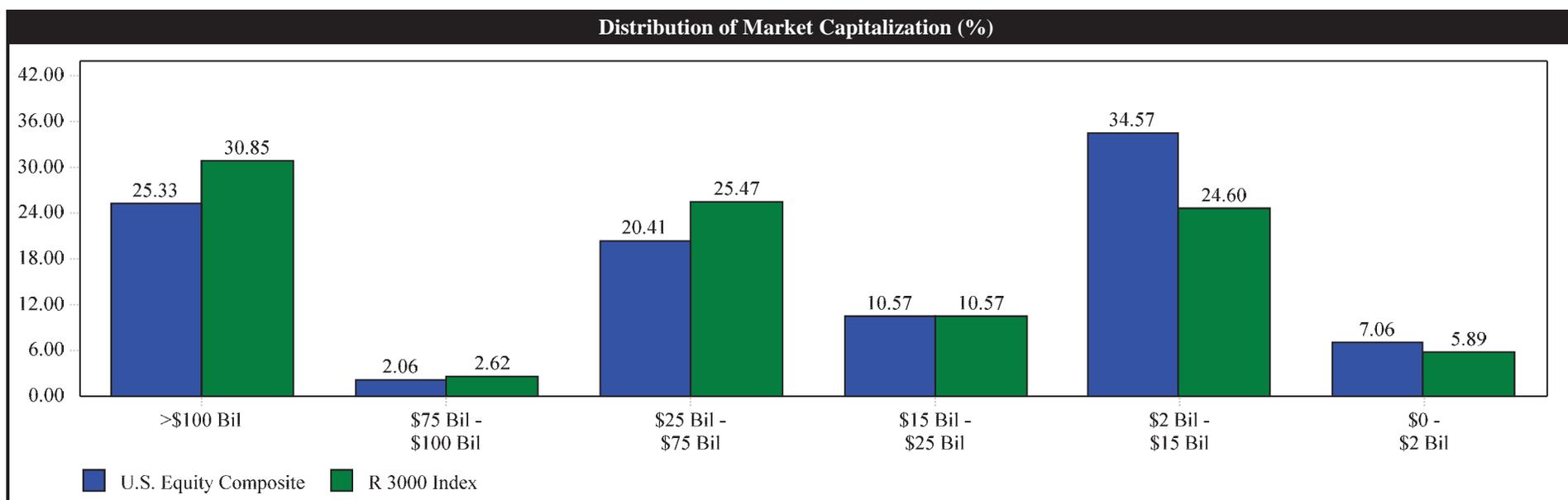
	Market Value (\$)	Allocation (%)
River Road Asset Management (SA)	32,020,653	1.38
Westwood Management (SA)	99,392,634	4.27
Westfield Capital (SA)	110,040,233	4.73
Internal S&P 500 Index (SA)	1,229,414,877	52.87
INVESCO Struct'd Core Equity (SA)	208,960,295	8.99
Sasco Capital Inc. (SA)	45,518,241	1.96
Systematic Financial Management (SA)	188,145,121	8.09
Geneva Capital Management (SA)	213,372,865	9.18
NT Structured Small Cap (SA)	198,083,132	8.52
Pension Liquidation	330,470	0.01
Kentucky Liquidation Account	3	0.00

Allocations shown may not sum up to 100% exactly due to rounding.

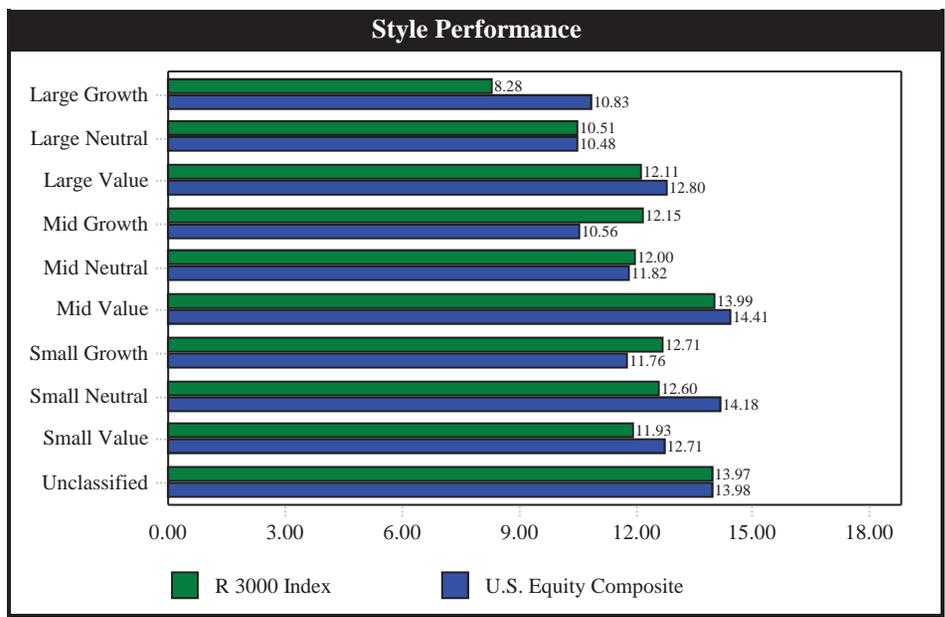
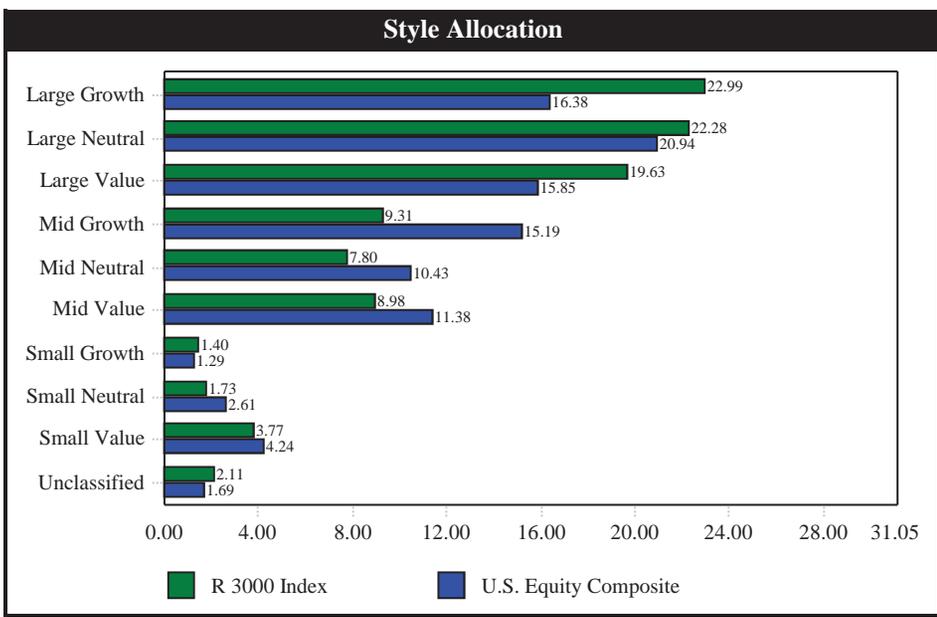
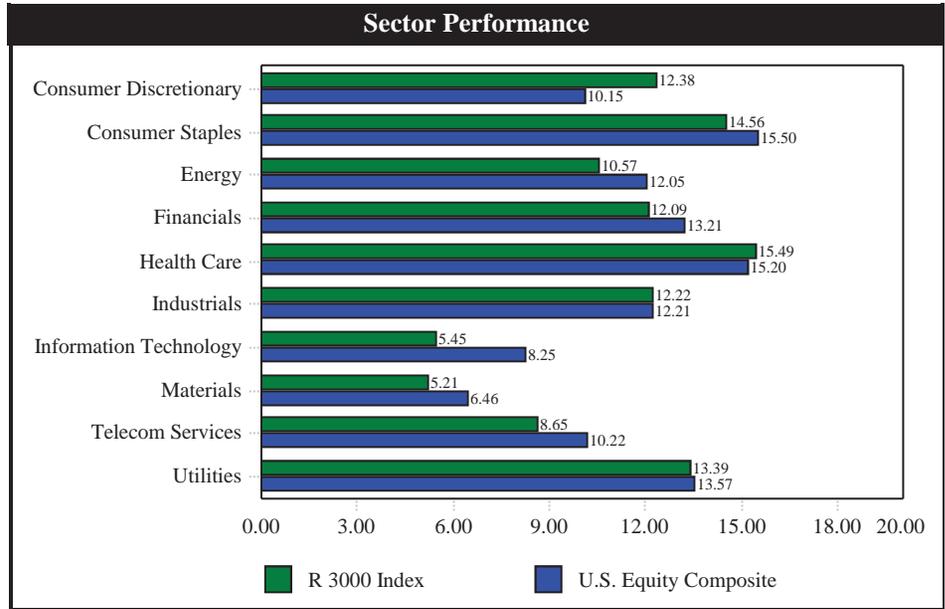
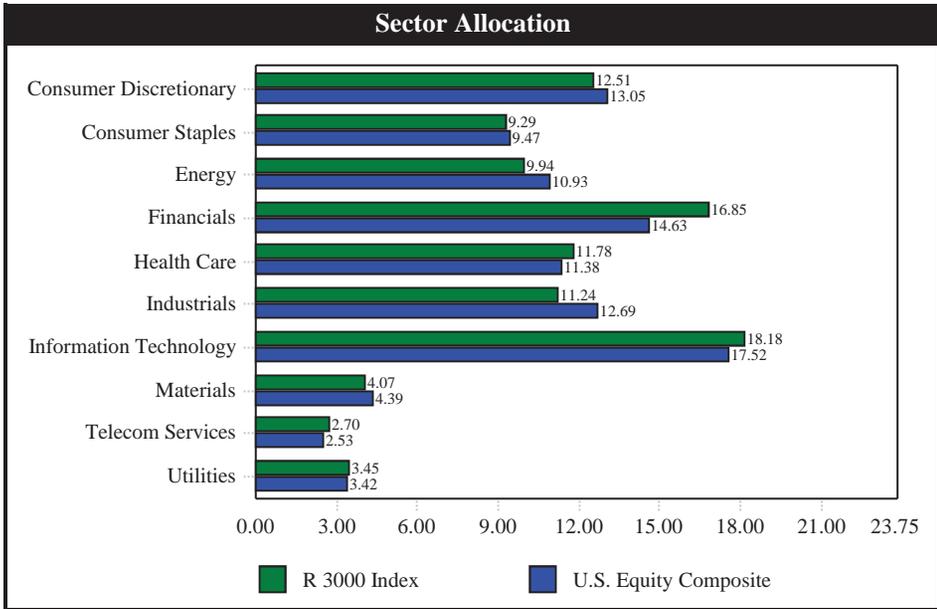
**Kentucky Retirement Systems - Pension Plan**  
**U.S. Equity Composite vs. R 3000 Index**  
**Portfolio Characteristics**  
**As of March 31, 2013**

<b>Top Ten Equity Holdings</b>				
	<b>Portfolio Weight (%)</b>	<b>Benchmark Weight (%)</b>	<b>Active Weight (%)</b>	<b>Quarterly Return (%)</b>
Exxon Mobil Corp	2.21	2.43	-0.22	4.78
Chevron Corp	1.38	1.35	0.03	10.73
General Electric Co	1.34	1.41	-0.07	11.05
Pfizer Inc	1.27	1.24	0.03	16.08
Microsoft Corp	1.25	1.24	0.01	7.98
Johnson & Johnson	1.23	1.29	-0.06	17.23
AT&T Inc	1.12	1.24	-0.12	10.27
JPMorgan Chase & Co	1.09	1.04	0.05	8.66
Google Inc	1.08	1.18	-0.10	12.27
Verizon Communications Inc	0.98	0.80	0.18	14.95
% of Portfolio	12.95	13.22		

<b>Portfolio Characteristics</b>		
	<b>Portfolio</b>	<b>Benchmark</b>
Wtd. Avg. Mkt. Cap (\$M)	68,758	86,751
Median Mkt. Cap (\$M)	550	1,162
Price/Earnings Ratio	17.11	16.75
Price/Book Ratio	2.66	2.63
5 Yr. EPS Growth Rate (%)	6.84	6.15
Current Yield (%)	1.86	2.01
Beta (5 Years, Monthly)	0.98	1.00
Number of Securities	3,409	2,942



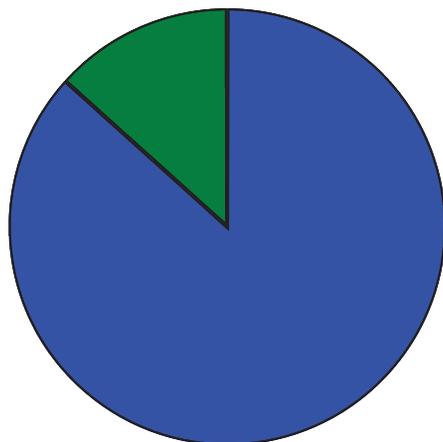
**Kentucky Retirement Systems - Pension Plan**  
**U.S. Equity Composite vs. R 3000 Index**  
**Buy and Hold Sector/Style Attribution Graphs**  
**As of March 31, 2013**



**Kentucky Retirement Systems - Pension Plan**  
**Non-U.S. and Emerging Markets Equity Composite**  
**Asset Allocation Charts**  
**As of March 31, 2013**

**Style Allocation**

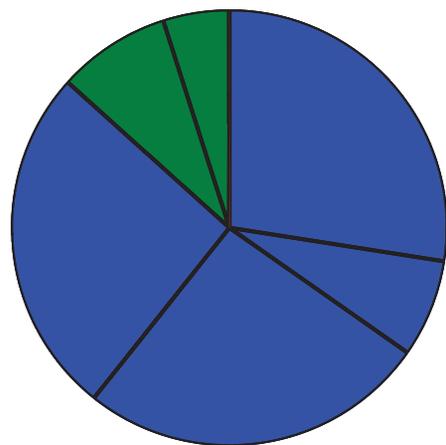
March 31, 2013 : \$2,576,039,584



	Market Value (\$)	Allocation (%)
ACW Ex-U.S. Equity	2,232,346,126	86.66
Emerging Mkts Equity	342,880,266	13.31
Other	813,192	0.03

**Sub-Composite Detail**

March 31, 2013 : \$2,576,009,583



	Market Value (\$)	Allocation (%)
BTC ACWI Ex US Fund (CF)	707,583,326	27.47
NT Int'l Sm Cap Eq Index (SA)	187,113,147	7.26
The Boston Co. Non-US Value (SA)	668,720,122	25.96
Pyramis Int'l Growth Fund (SA)	668,899,531	25.97
Aberdeen Emg Mkts Equity (CF)	216,915,878	8.42
Wellington Emg Mkts Equity (CF)	125,964,388	4.89
Artio Int'l Equity II (SA)	27,938	0.00
KRS Transition Account	785,254	0.03

Allocations shown may not sum up to 100% exactly due to rounding.

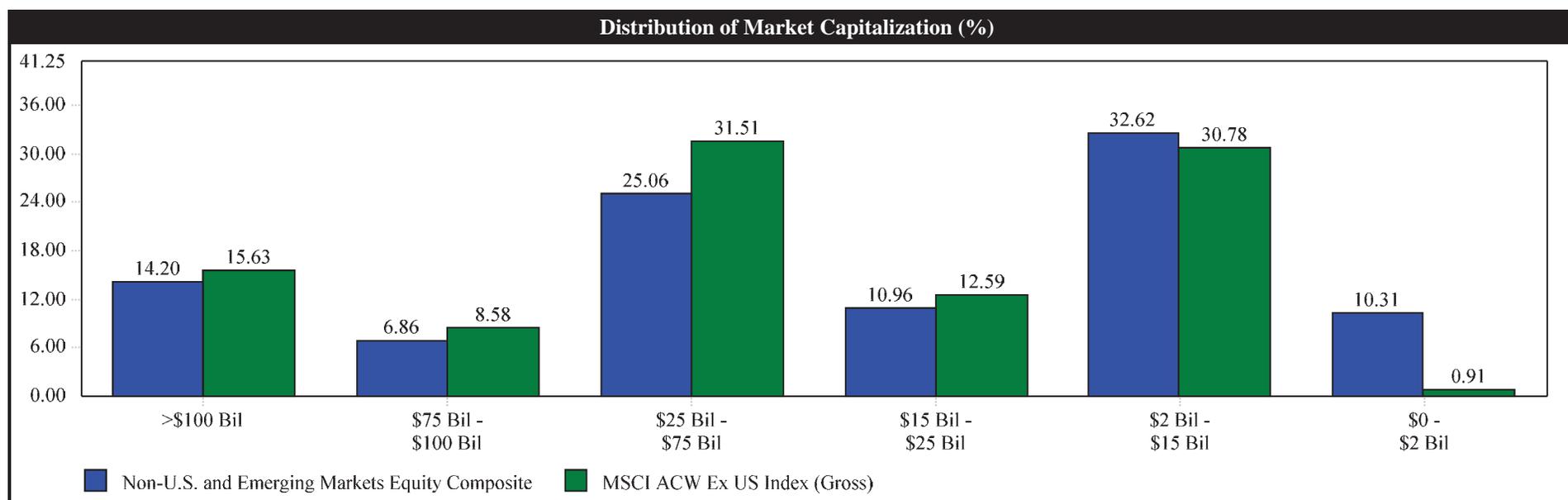
**Kentucky Retirement Systems - Pension Plan**  
**Non-U.S. and Emerging Markets Equity Composite vs. MSCI ACW Ex US Index (Gross)**

**Portfolio Characteristics**

As of March 31, 2013

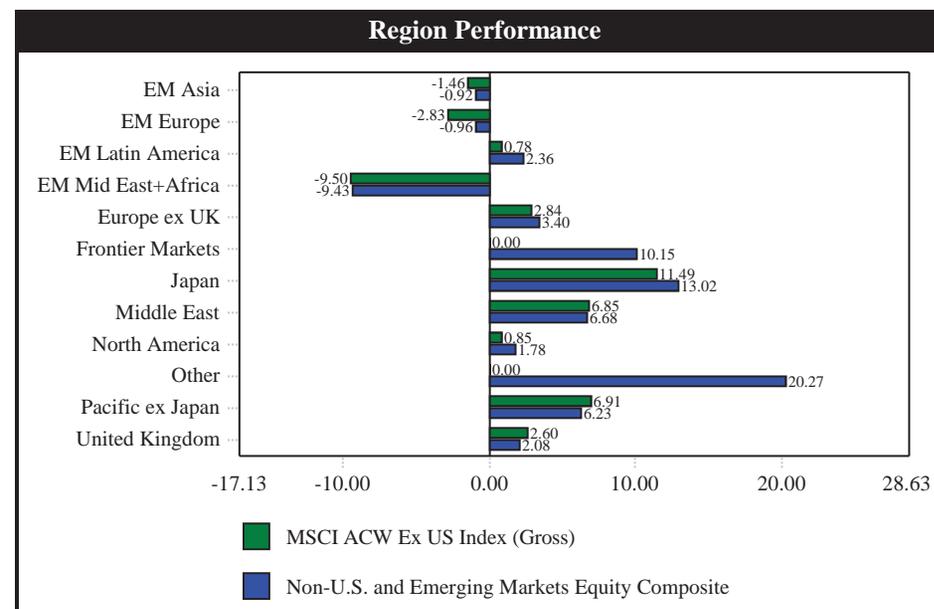
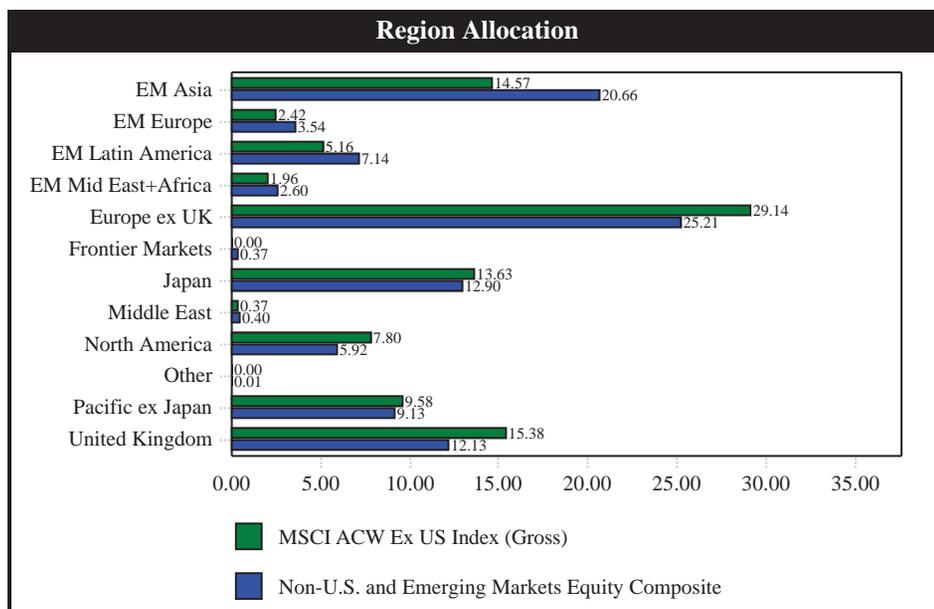
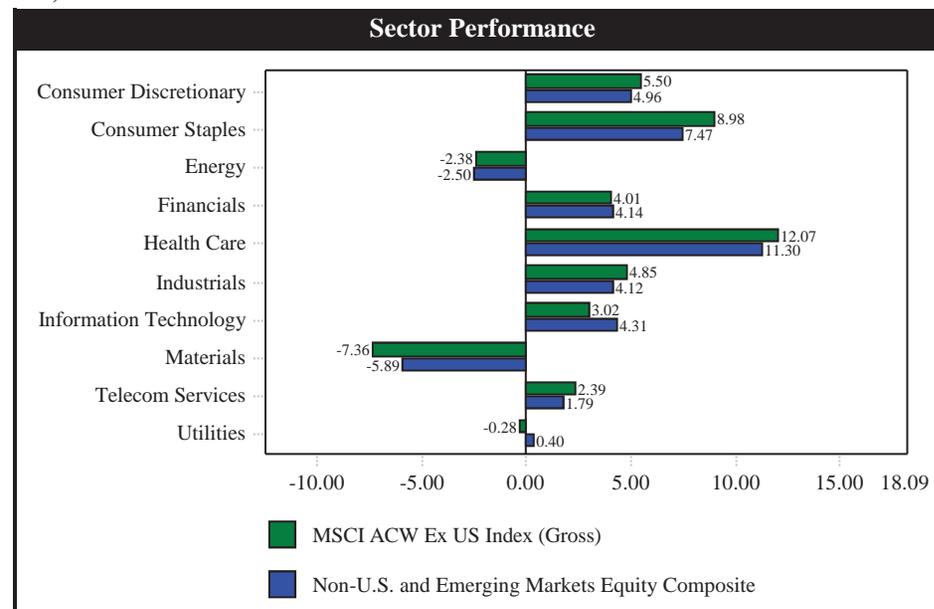
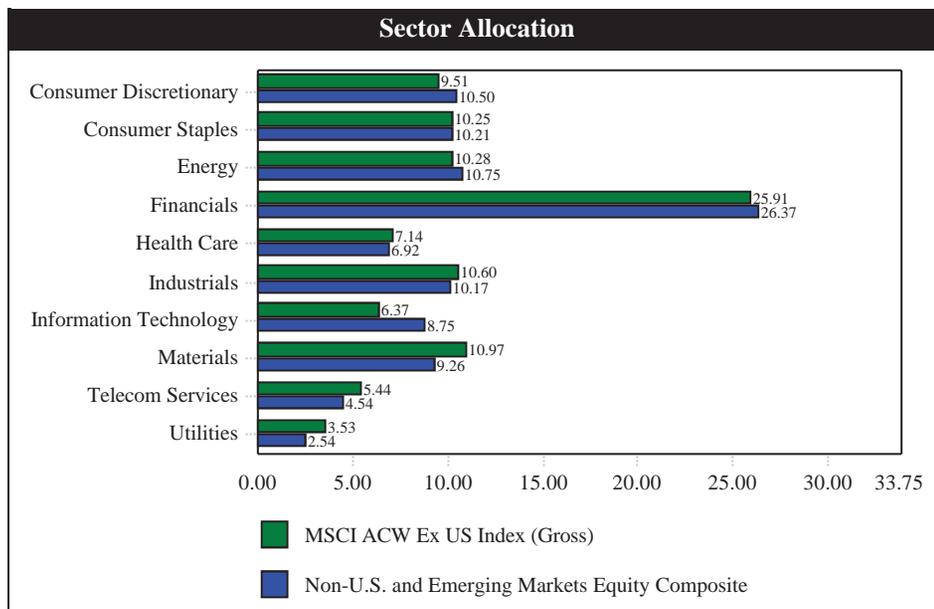
Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
HSBC Holdings PLC	1.36	1.19	0.17	3.21
Novartis AG	1.10	0.99	0.11	17.40
Toyota Motor Corp	1.08	0.86	0.22	12.11
Roche Holding AG	1.06	0.99	0.07	19.80
Sanofi	0.88	0.73	0.15	7.95
Nestle SA, Cham Und Vevey	0.84	1.42	-0.58	11.08
Total SA	0.77	0.62	0.15	-5.49
Vodafone Group PLC	0.76	0.85	-0.09	12.94
BP PLC	0.75	0.81	-0.06	2.49
Mitsubishi UFJ Financial Group	0.73	0.46	0.27	12.33
% of Portfolio	9.33	8.92		

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	44,009	52,167
Median Mkt. Cap (\$M)	1,061	6,531
Price/Earnings Ratio	14.04	14.05
Price/Book Ratio	1.97	2.04
5 Yr. EPS Growth Rate (%)	-0.31	0.99
Current Yield (%)	2.84	3.06
Beta (5 Years, Monthly)	0.93	1.00
Number of Securities	6,352	1,827



Artio Int'l Equity II (SA) currently has a 100% allocation to cash and are excluded from the holdings shown.

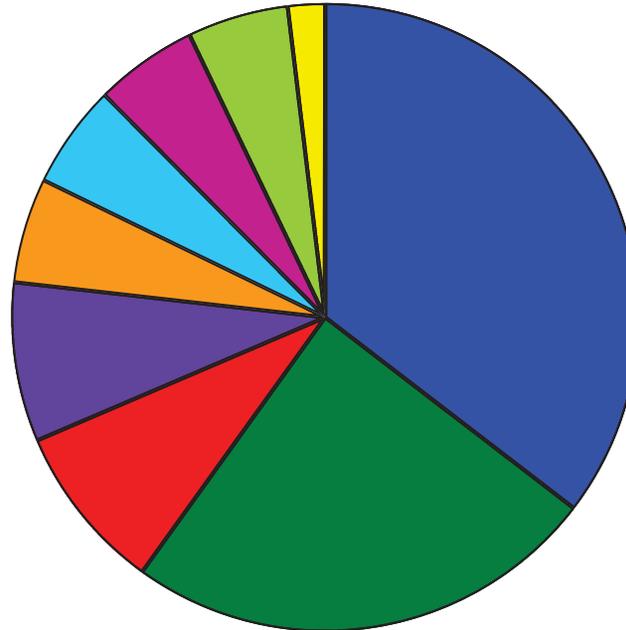
**Kentucky Retirement Systems - Pension Plan**  
**Non-U.S. and Emerging Markets Equity Composite vs. MSCI ACW Ex US Index (Gross)**  
**Buy and Hold Sector/Region Attribution Graphs**  
**As of March 31,2013**



Artio Int'l Equity II (SA) currently has a 100% allocation to cash and are excluded from the holdings shown. Regional allocation to "Other" consists of holdings domiciled in countries/regions that do not meet economic development, size, liquidity, or market accessibility criteria as defined by MSCI.

**Kentucky Retirement Systems - Pension Plan**  
**Fixed Income Composite**  
**Asset Allocation by Manager**  
**As of March 31, 2013**

**March 31, 2013 : \$2,291,810,776**



	Market Value (\$)	Allocation (%)
■ PIMCO Core Fixed Income (SA)	811,526,907	35.41
■ NISA Core Agg Fixed Income (SA)	561,989,608	24.52
■ Loomis Sayles HY Fixed Income (SA)	198,140,871	8.65
■ Columbia HY Fixed Income (SA)	188,230,246	8.21
■ Stone Harbor (SA)	124,103,271	5.42
■ Waterfall (SA)	122,414,061	5.34
■ Shenkman Capital (SA)	121,954,696	5.32
■ Manulife Asset Mgmt (SA)	119,537,936	5.22
■ Commerce Street Income Partners L.P.	43,913,180	1.92

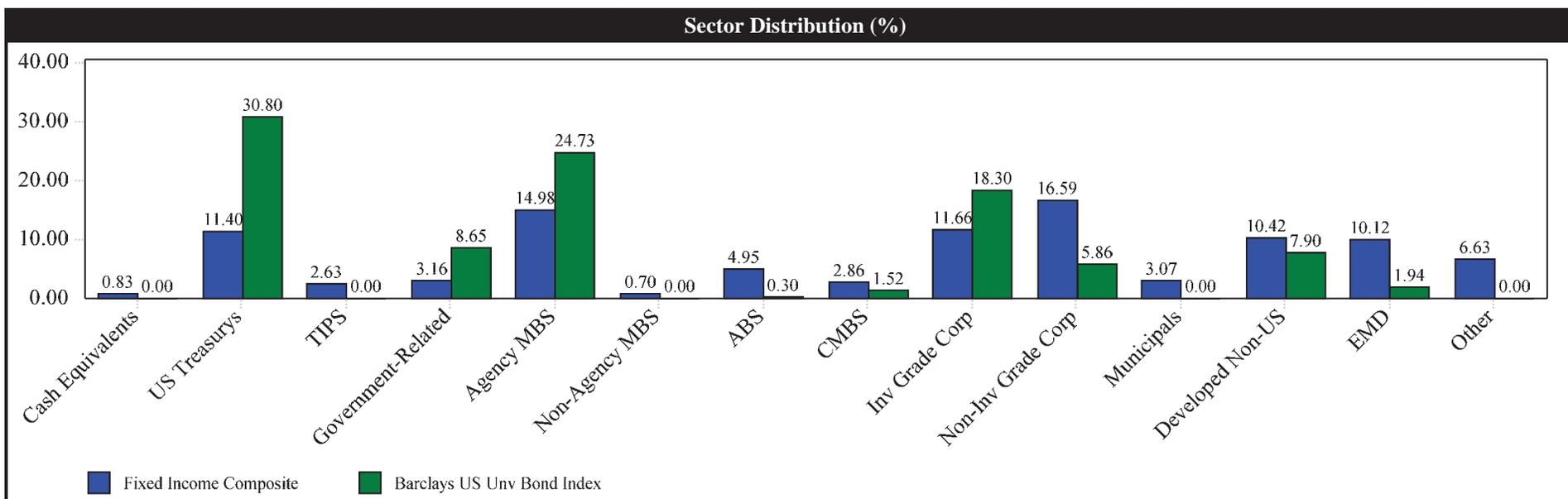
Allocations shown may not sum up to 100% exactly due to rounding.

**Kentucky Retirement Systems - Pension Plan**  
**Fixed Income Composite vs. Barclays US Unv Bond Index**  
**Portfolio Characteristics**  
**As of March 31, 2013**

**Portfolio Characteristics**

	<b>Portfolio</b>	<b>Benchmark</b>
Effective Duration	5.42	5.18
Avg. Maturity	7.98	7.19
Avg. Quality	Baa1	-
Yield To Maturity (%)	4.16	2.29
Coupon Rate (%)	4.28	3.88
Current Yield (%)	4.00	-

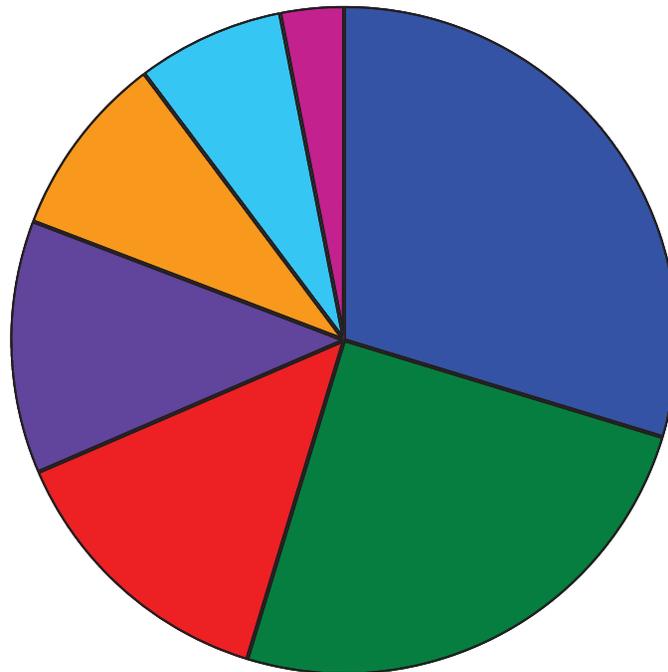
**Sector Distribution (%)**



Allocation to "Other" consists of Euro/Yankee bonds, bank loans, convertibles, and preferred securities. Commerce Street Income Partners L.P. is not included in the Fixed Income Composite statistics due to its private equity style.

**Kentucky Retirement Systems - Pension Plan**  
**Real Estate Composite**  
**Asset Allocation by Manager**  
**As of March 31, 2013**

**March 31, 2013 : \$323,125,595**



	Market Value (\$)	Allocation (%)
■ H/2 Credit Partners (CF)	95,962,725	29.70
■ Harrison Street Core (CF)	80,785,764	25.00
■ Prima Mortgage Invest Trust, LLC	44,668,177	13.82
■ Mesa West Real Estate Income Fund II L.P.	39,661,945	12.27
■ Walton Street Real Estate Fund VI, L.P.	28,906,831	8.95
■ Greenfield Acquisition Partners VI (CF)	23,159,785	7.17
■ Internal Real Estate (SA)	9,980,368	3.09

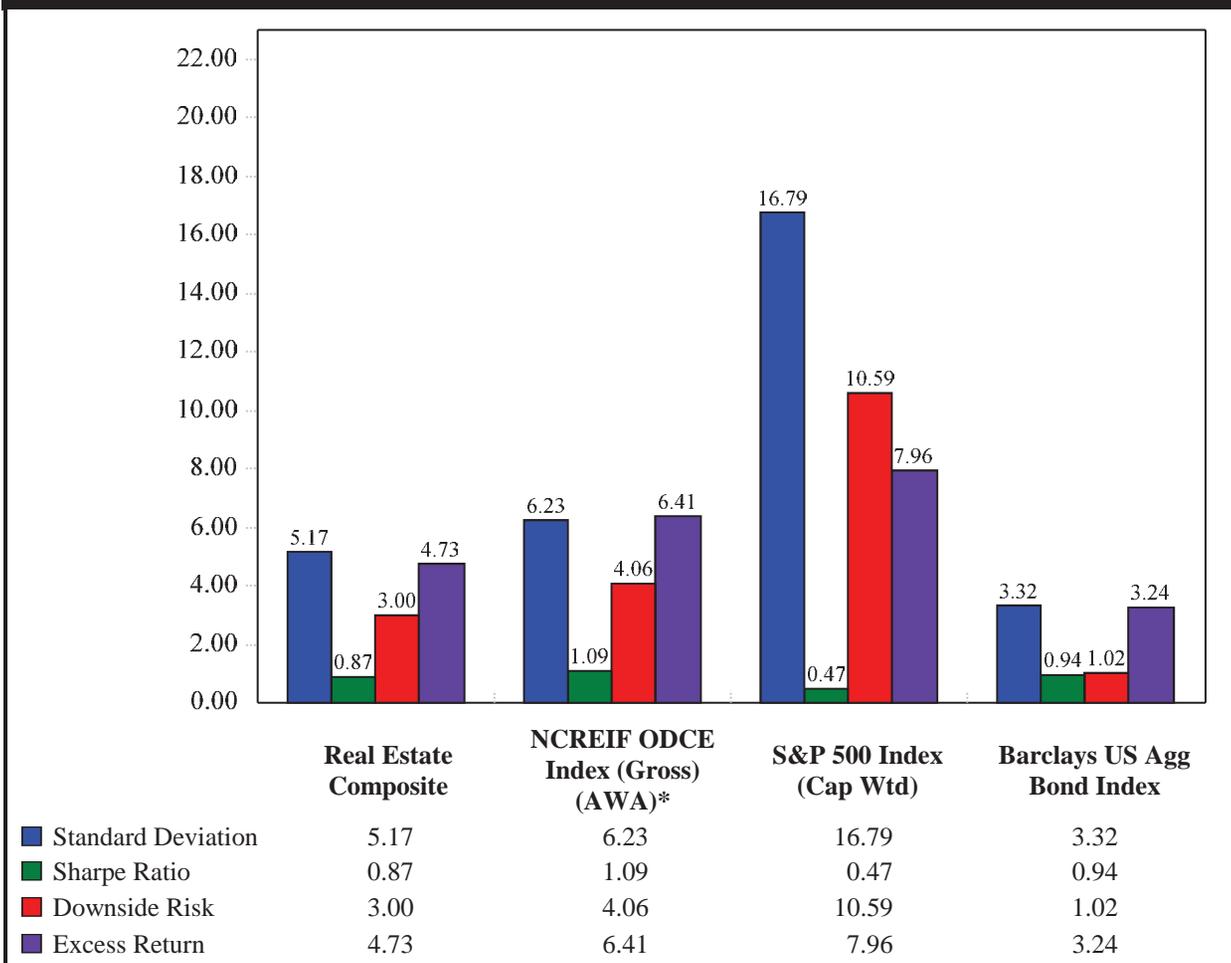
Allocations shown may not sum up to 100% exactly due to rounding.

**Kentucky Retirement Systems - Pension Plan  
Real Estate Composite  
As of March 31, 2013**

**Comparative Performance**

	QTD	FYTD	CYTD	1 Year	3 Years	5 Years	10 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Real Estate Composite</b>	<b>4.18</b>	<b>9.46</b>	<b>4.18</b>	<b>11.67</b>	<b>13.93</b>	<b>6.97</b>	<b>6.49</b>	<b>10.18</b>	<b>13.33</b>	<b>14.80</b>	<b>8.93</b>	<b>05/01/2009</b>
NCREIF ODCE Index (Gross) (AWA)*	2.69	8.01	2.69	10.79	12.39	2.00	8.20	10.94	15.26	5.83	4.32	
Difference	1.49	1.45	1.49	0.88	1.54	4.97	-1.71	-0.76	-1.93	8.97	4.61	

**Historical Statistics - 10 Years**

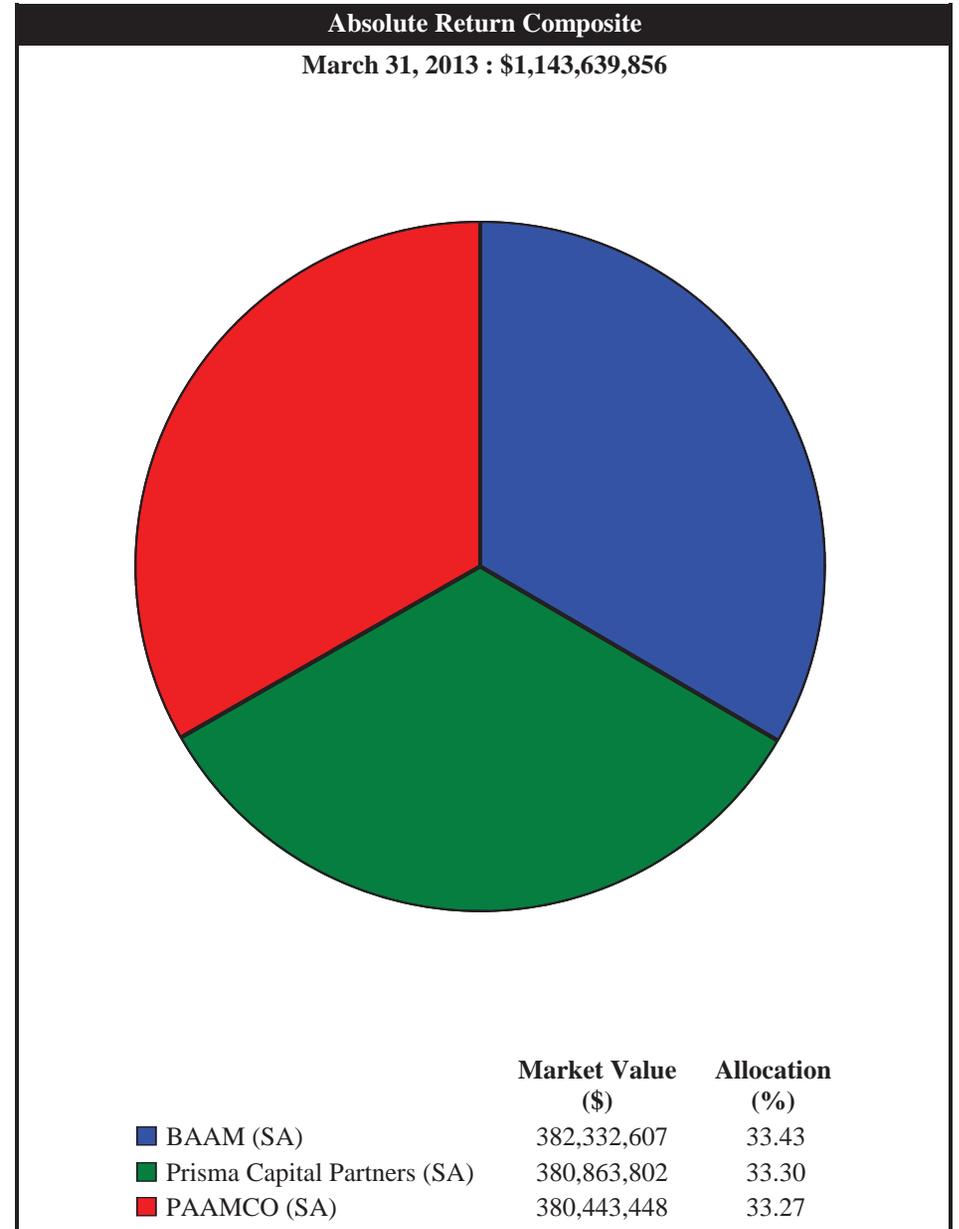
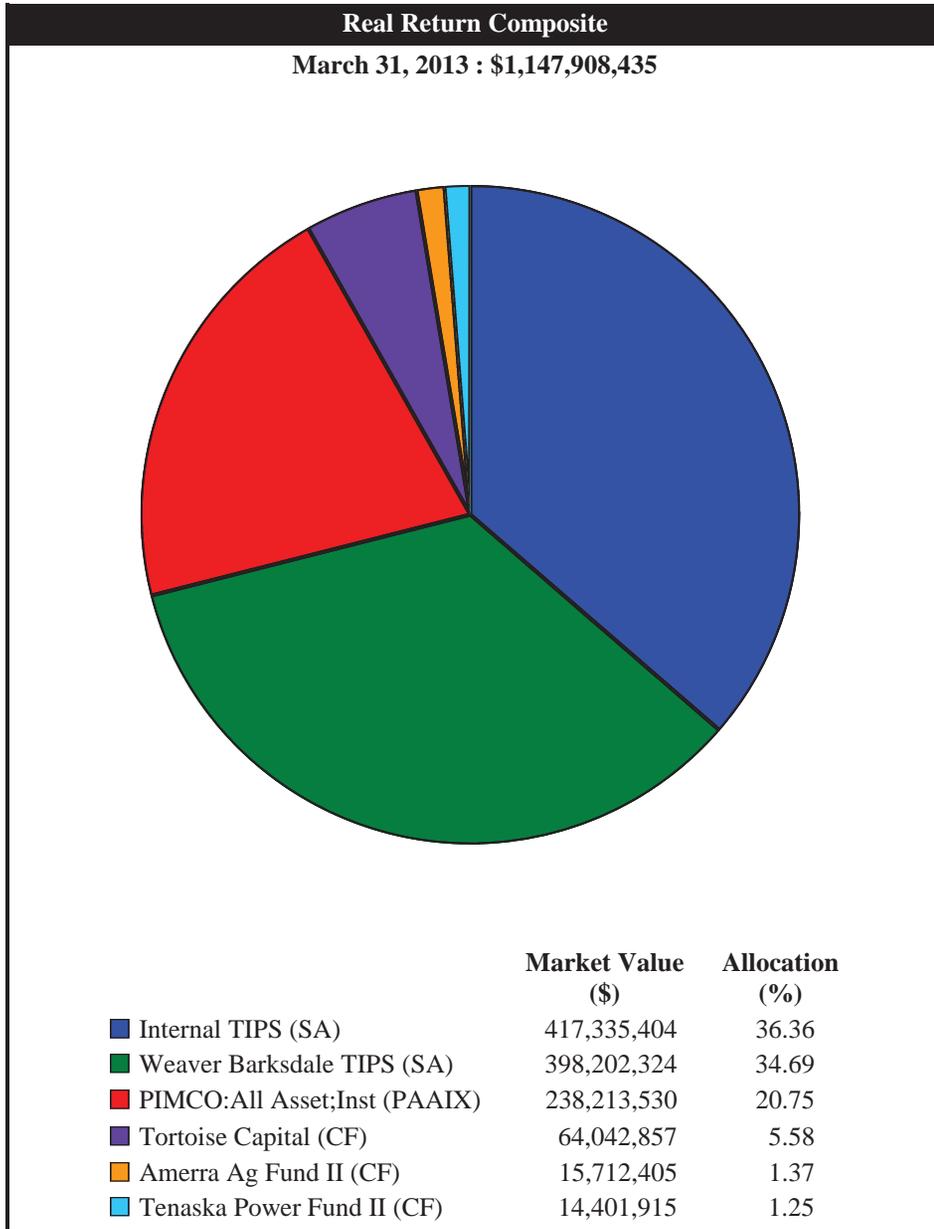


**Actual Correlation - 10 Years**

	Actual Correlation
NCREIF ODCE Index (Gross) (AWA)*	0.31
S&P 500 Index (Cap Wtd)	-0.08
R 2000 Index	-0.07
MSCI EAFE Index (Gross)	-0.13
MSCI Emg Mkts Index (Gross)	-0.11
Barclays US Agg Bond Index	-0.05
Barclays US Trsy: US TIPS Index	-0.05
Wilshire US REIT Index	-0.06
HFN FOF Multi-Strat Index (Net)	-0.07
DJ-UBS Cmdty Index (TR)	-0.01
BofA ML 3 Mo US T-Bill Index	-0.12
Consumer Price Index	0.07

Performance shown is gross of fees. Calculation is based on quarterly periodicity.

**Kentucky Retirement Systems - Pension Plan**  
**Real Return Composite and Absolute Return Composite**  
**Asset Allocation by Manager**  
**As of March 31, 2013**



Allocations shown may not sum up to 100% exactly due to rounding.

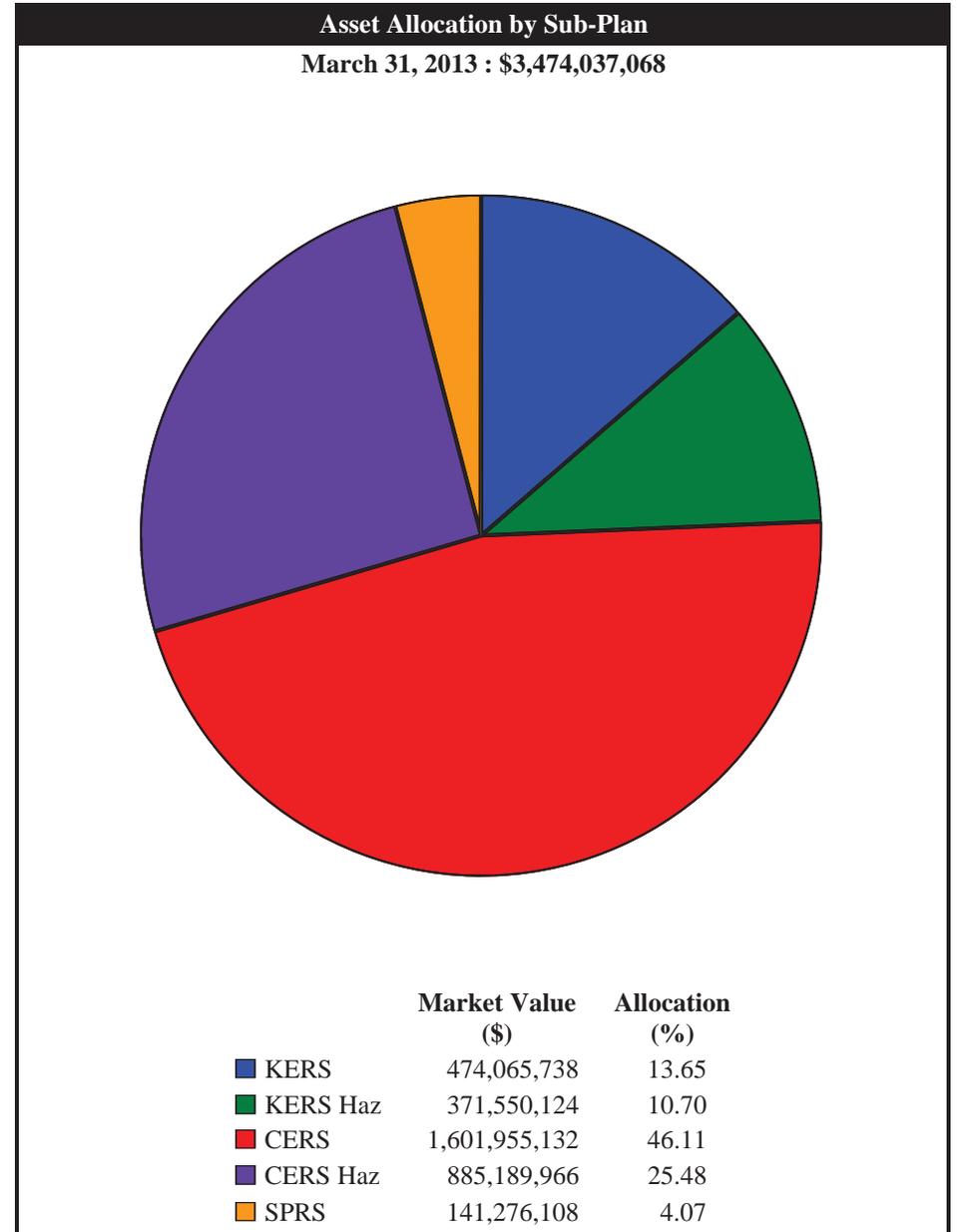
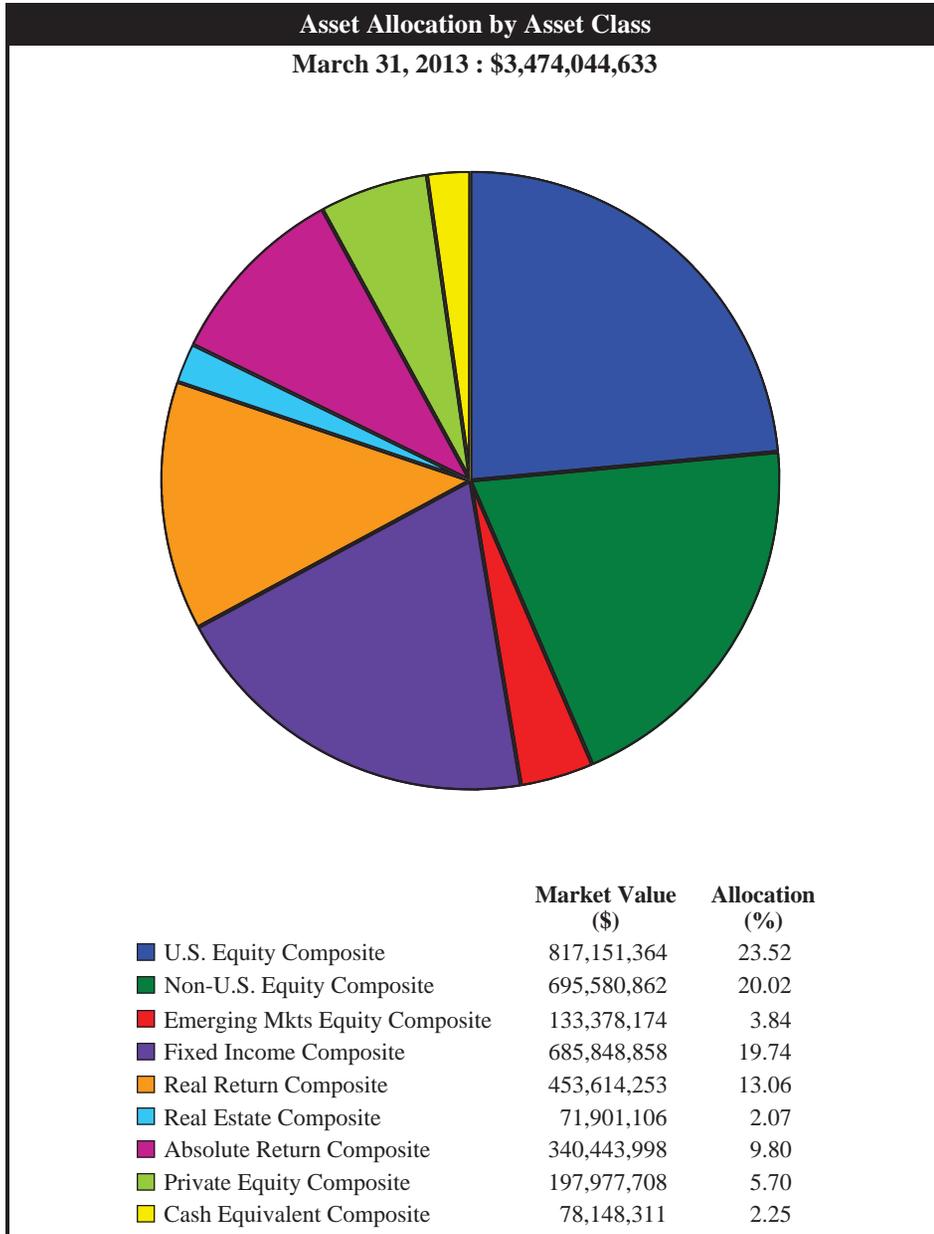
**Kentucky Retirement Systems - Insurance Plan**  
**Asset Allocation & Performance**  
**As of March 31, 2013**

	Allocation		Performance (%)
	Market Value (\$)	%	FYTD
<b>Total Fund</b>	<b>3,474,044,633</b>	<b>100.00</b>	<b>11.18</b>
<b>Global Equity Composite</b>	<b>1,646,110,400</b>	<b>47.38</b>	<b>18.01</b>
<b>U.S. Equity Composite</b>	<b>817,151,364</b>	<b>23.52</b>	<b>18.70</b>
River Road Asset Management (SA)	12,407,031	0.36	18.25
Westwood Management (SA)	38,276,985	1.10	23.85
Westfield Capital (SA)	42,729,954	1.23	24.91
Internal S&P 500 Index (SA)	485,135,555	13.96	17.16
Sasco Capital Inc. (SA)	15,338,024	0.44	20.37
Systematic Financial Management (SA)	63,407,319	1.83	23.89
Geneva Capital Management (SA)	71,909,312	2.07	14.49
NT Structured Small Cap (SA)	87,915,264	2.53	22.01
KRS Insurance Liquidation	31,920	0.00	N/A
<b>Non-U.S. Equity Composite</b>	<b>695,580,862</b>	<b>20.02</b>	<b>17.99</b>
The Boston Co. Non-US Value (SA)	212,831,262	6.13	18.15
BTC ACWI Ex US Fund (CF)	268,550,824	7.73	17.26
Pyramis Int'l Growth Fund (SA)	213,950,151	6.16	17.77
Artio Int'l Equity II (SA)	9,205	0.00	N/A
KRS Insurance Transition	239,420	0.01	N/A
<b>Emerging Mkts Equity Composite</b>	<b>133,378,174</b>	<b>3.84</b>	<b>14.82</b>
Aberdeen Emg Mkts Equity (CF)	84,293,171	2.43	15.63
Wellington Emg Mkts Equity (CF)	49,085,002	1.41	13.66
<b>Fixed Income Composite</b>	<b>685,848,858</b>	<b>19.74</b>	<b>5.67</b>
NISA Core Agg Fixed Income (SA)	172,562,619	4.97	1.78
PIMCO Core Fixed Income (SA)	258,867,219	7.45	4.20
Columbia HY Fixed Income (SA)	51,499,281	1.48	11.10
Loomis Sayles HY Fixed Income (SA)	53,587,928	1.54	15.64

	Allocation		Performance (%)
	Market Value (\$)	%	FYTD
<b>Fixed Income Composite (Cont.)</b>			
Manulife Asset Mgmt (SA)	33,745,003	0.97	7.98
Commerce Street Income Partners L.P.	8,364,411	0.24	5.64
Waterfall (SA)	39,053,417	1.12	14.77
Shenkman Capital (SA)	34,893,227	1.00	7.61
Stone Harbor (SA)	33,275,754	0.96	7.14
<b>Real Return Composite</b>	<b>453,614,253</b>	<b>13.06</b>	<b>4.58</b>
Internal TIPS (SA)	359,883,666	10.36	2.33
PIMCO:All Asset;Inst (PAAIX)	67,632,742	1.95	10.38
Tenaska Power Fund II (CF)	1,600,212	0.05	-4.08
Tortoise Capital (CF)	18,160,800	0.52	30.87
Amerra Ag Fund II (CF)	6,336,833	0.18	N/A
<b>Real Estate Composite</b>	<b>71,901,106</b>	<b>2.07</b>	<b>7.61</b>
Walton Street Real Estate Fund VI, L.P.	3,211,865	0.09	8.21
Prima Mortgage Invest Trust, LLC	4,963,130	0.14	5.30
Mesa West Real Estate Income Fund II L.P.	4,406,877	0.13	35.19
H/2 Credit Partners (CF)	23,469,581	0.68	9.74
Harrison Street Core (CF)	25,684,933	0.74	2.18
Greenfield Acquisition Partners VI (CF)	10,164,720	0.29	N/A
<b>Absolute Return Composite</b>	<b>340,443,998</b>	<b>9.80</b>	<b>8.72</b>
BAAM (SA)	113,276,424	3.26	9.50
PAAMCO (SA)	114,181,651	3.29	8.73
Prisma Capital Partners (SA)	112,985,923	3.25	8.09
<b>Private Equity Composite</b>	<b>197,977,708</b>	<b>5.70</b>	<b>7.97</b>
<b>Cash Equivalent Composite</b>	<b>78,148,311</b>	<b>2.25</b>	<b>0.43</b>
Cash Equivalents (SA)	78,140,747	2.25	0.43
KRS Clearing Account	7,564	0.00	0.12

Performance shown is gross of fees, except where noted. Fiscal year ends June 30th. Allocations shown may not sum up to 100% exactly due to rounding. Real Estate and Private Equity valuations shown are as of the most recent date available. KRS Clearing Account is excluded from the Cash Equivalent Composite performance calculation. Internal Mid Cap (SA) and International Account (SA) were fully liquidated in March 2013.

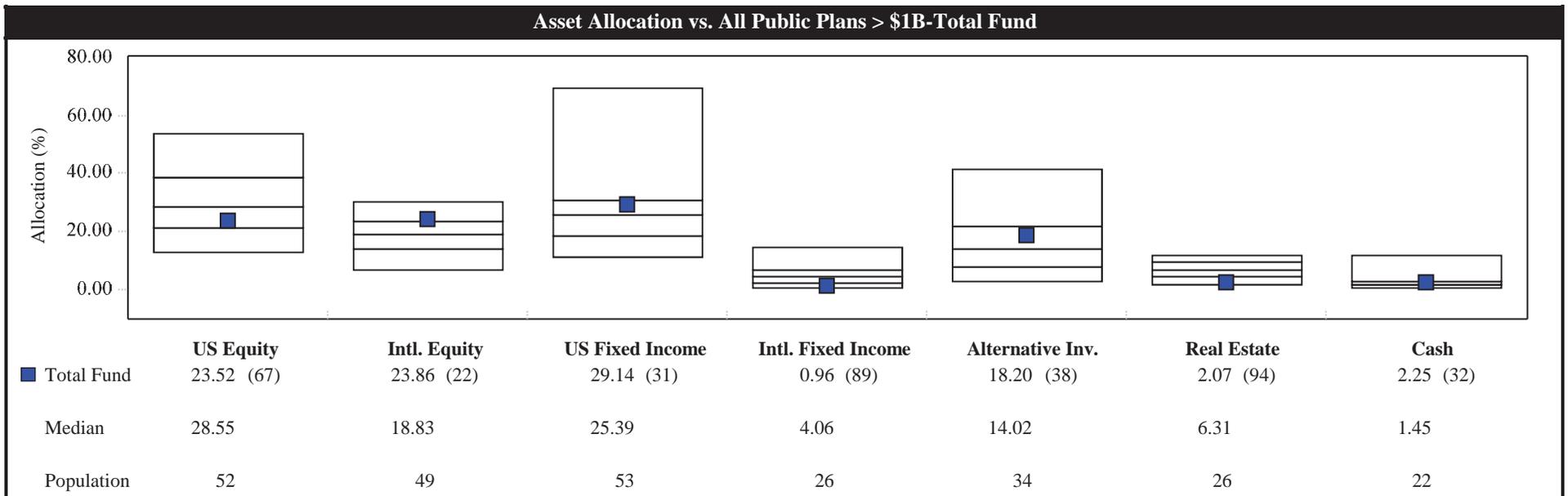
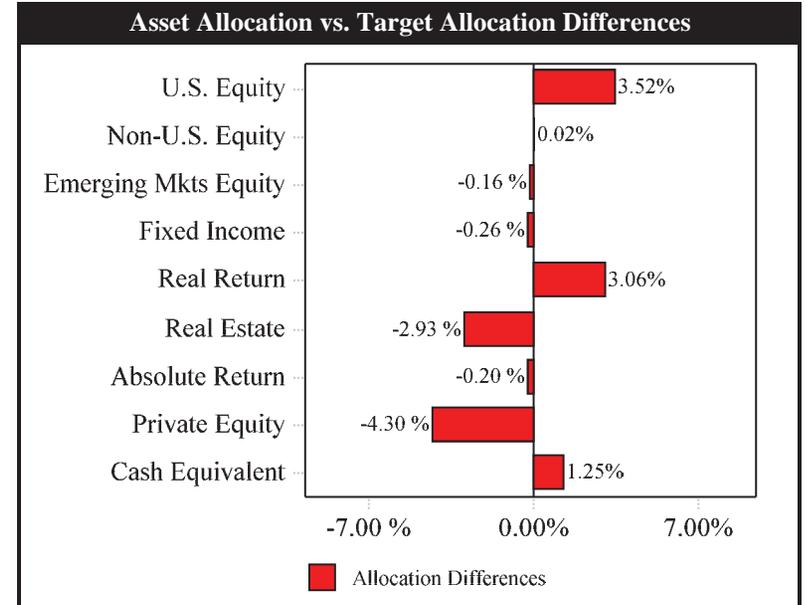
**Kentucky Retirement Systems - Insurance Plan**  
**Total Fund**  
**Asset Allocation Charts**  
**As of March 31, 2013**



Allocations shown may not sum up to 100% exactly due to rounding. Sub-Plan allocations shown may not sum up to the Total Fund due to accounting differences between the performance and accounting departments of Northern Trust.

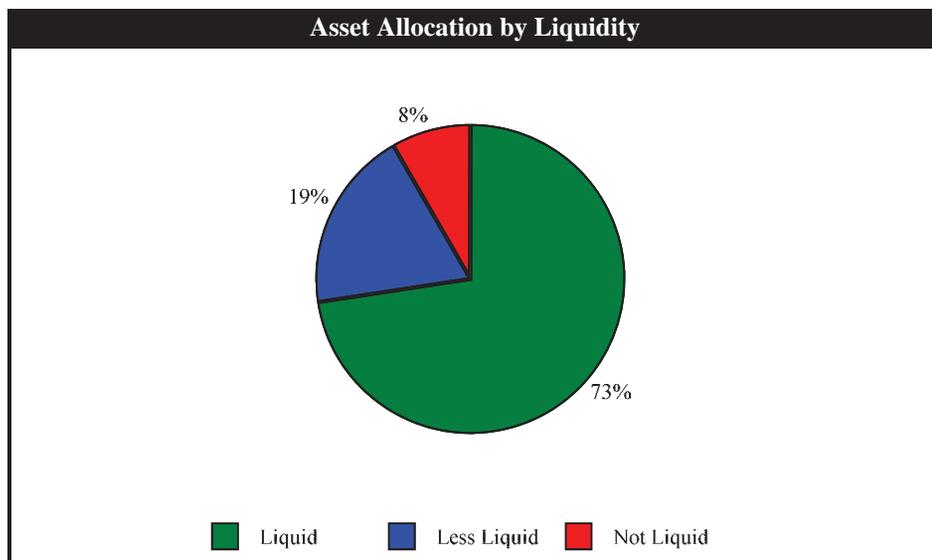
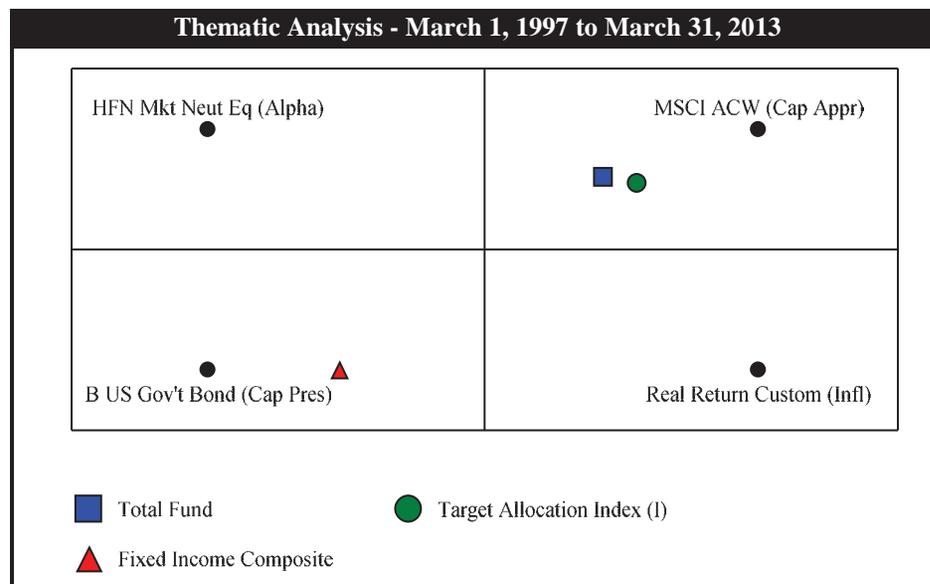
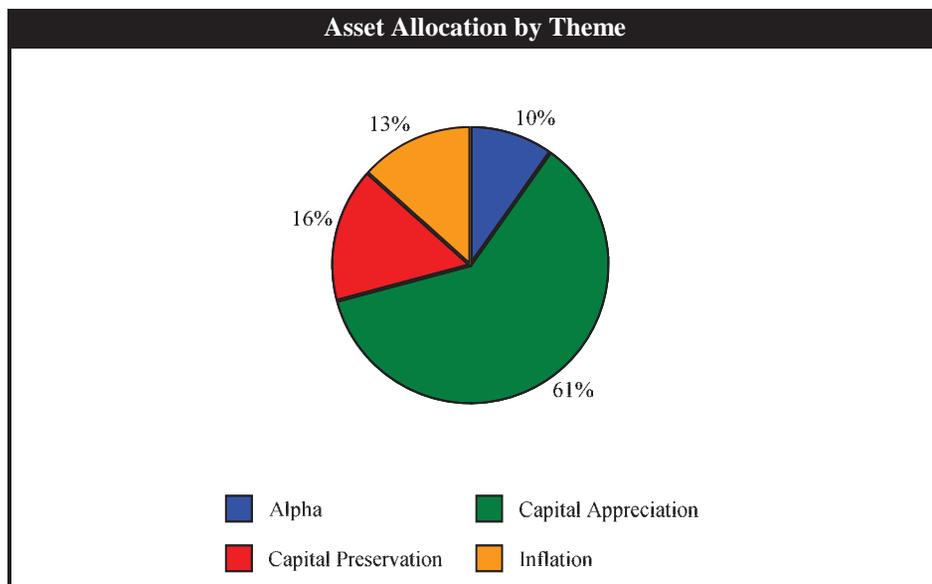
**Kentucky Retirement Systems - Insurance Plan**  
**Total Fund vs. All Public Plans > \$1B-Total Fund**  
**Asset Allocation vs. Target and Plan Sponsor Peer Group**  
**As of March 31, 2013**

Asset Allocation vs. Target Allocation					
	Asset Allocation (\$)	Asset Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Target Allocation (%)
Total Fund	3,474,044,633	100.00	-	-	100.00
U.S. Equity Composite	817,151,364	23.52	15.00	25.00	20.00
Non-U.S. Equity Composite	695,580,862	20.02	15.00	25.00	20.00
Emerging Mkts Equity Composite	133,378,174	3.84	2.00	6.00	4.00
Fixed Income Composite	685,848,858	19.74	17.50	22.50	20.00
Real Return Composite	453,614,253	13.06	7.00	13.00	10.00
Real Estate Composite	71,901,106	2.07	2.00	8.00	5.00
Absolute Return Composite	340,443,998	9.80	7.00	13.00	10.00
Private Equity Composite	197,977,708	5.70	5.00	15.00	10.00
Cash Equivalent Composite	78,148,311	2.25	0.00	3.00	1.00



Parenteses contain percentile ranks. Allocations shown may not sum up to 100% exactly due to rounding. Dedicated TIPS are included in U.S. Fixed Income when compared to other public plans. Intl. Fixed Income does not reflect the underlying holdings within non-dedicated Intl. Fixed Income funds.

**Kentucky Retirement Systems - Insurance Plan**  
**Total Fund Thematic and Liquidity Analysis**  
 As of March 31, 2013



**RVK Liquidity Rating (I)** **75**

### Correlation Matrix - 10 Years

A	1.00			
B	0.63	1.00		
C	-0.27	-0.24	1.00	
D	0.59	0.85	-0.01	1.00

A = HFN Mkt Neut Eq Index (Alpha)  
 B = MSCI ACW Index (Capital Appreciation)  
 C = Barclays US Gov't Bond Index (Capital Preservation)  
 D = Real Return Custom Index (Inflation)

Asset Allocation by Theme is based on dedicated manager allocations; as such, thematic allocations are approximations. The RVK Liquidity Rating is calculated using beginning of month investment weights applied to each corresponding asset class liquidity rating. Please see the Glossary for additional information regarding liquidity, thematic, and custom index descriptions.

**Kentucky Retirement Systems - Insurance Plan**  
**Comparative Performance**  
**As of March 31, 2013**

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	10 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Total Fund</b>	<b>4.03</b>	<b>4.03</b>	<b>11.18</b>	<b>9.52</b>	<b>7.51</b>	<b>3.41</b>	<b>8.10</b>	<b>12.17</b>	<b>-1.94</b>	<b>13.26</b>	<b>7.74</b>	<b>04/01/1987</b>
Target Allocation Index (I)	3.62	3.62	10.08	9.12	8.40	3.74	8.27	13.18	-0.45	13.24	7.86	
Difference	0.41	0.41	1.10	0.40	-0.89	-0.33	-0.17	-1.01	-1.49	0.02	-0.12	
All Public Plans > \$1B-Total Fund Median	4.71	4.71	12.24	10.36	9.63	5.12	8.41	13.45	0.75	13.23	8.58	
Total Fund Rank	74	74	78	78	96	94	63	78	98	50	100	
<b>Global Equity Composite</b>	<b>6.84</b>	<b>6.84</b>	<b>18.01</b>	<b>11.23</b>	<b>7.58</b>	<b>3.26</b>	<b>8.65</b>	<b>16.81</b>	<b>-8.56</b>	<b>14.09</b>	<b>8.68</b>	<b>07/01/1992</b>
Global Equity Blended Index (I)	6.32	6.32	17.38	10.92	8.43	2.87	8.36	17.16	-6.67	14.01	8.47	
Difference	0.52	0.52	0.63	0.31	-0.85	0.39	0.29	-0.35	-1.89	0.08	0.21	
<b>U.S. Equity Composite</b>	<b>11.23</b>	<b>11.23</b>	<b>18.70</b>	<b>14.31</b>	<b>12.56</b>	<b>6.17</b>	<b>8.95</b>	<b>15.86</b>	<b>0.43</b>	<b>16.32</b>	<b>9.02</b>	<b>07/01/1992</b>
R 3000 Index (I)*	11.07	11.07	18.29	14.57	12.83	6.18	8.95	16.42	0.97	16.38	N/A	
Difference	0.16	0.16	0.41	-0.26	-0.27	-0.01	0.00	-0.56	-0.54	-0.06	N/A	
<b>Non-U.S. Equity Composite</b>	<b>3.50</b>	<b>3.50</b>	<b>17.99</b>	<b>8.21</b>	<b>2.30</b>	<b>-0.04</b>	<b>10.04</b>	<b>16.09</b>	<b>-17.36</b>	<b>11.39</b>	<b>1.99</b>	<b>04/01/2000</b>
MSCI ACW Ex US Index (Gross) (I)*	3.27	3.27	17.55	8.87	4.77	-0.39	10.14	17.39	-12.90	10.60	1.54	
Difference	0.23	0.23	0.44	-0.66	-2.47	0.35	-0.10	-1.30	-4.46	0.79	0.45	
<b>Emerging Mkts Equity Composite</b>	<b>-0.33</b>	<b>-0.33</b>	<b>14.82</b>	<b>7.32</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>23.97</b>	<b>N/A</b>	<b>N/A</b>	<b>3.18</b>	<b>07/01/2011</b>
MSCI Emg Mkts Index (Gross)	-1.57	-1.57	12.15	2.31	3.59	1.40	17.41	18.64	-18.17	19.20	-3.13	
Difference	1.24	1.24	2.67	5.01	N/A	N/A	N/A	5.33	N/A	N/A	6.31	
<b>Fixed Income Composite</b>	<b>0.66</b>	<b>0.66</b>	<b>5.67</b>	<b>7.92</b>	<b>8.19</b>	<b>5.79</b>	<b>6.33</b>	<b>10.01</b>	<b>7.99</b>	<b>6.40</b>	<b>7.21</b>	<b>07/01/1992</b>
Barclays Universal Bond Index (I)*	0.08	0.08	2.67	4.72	7.09	5.02	5.88	5.53	10.00	6.31	6.96	
Difference	0.58	0.58	3.00	3.20	1.10	0.77	0.45	4.48	-2.01	0.09	0.25	
<b>Real Return Composite</b>	<b>0.59</b>	<b>0.59</b>	<b>4.58</b>	<b>7.26</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>9.02</b>	<b>N/A</b>	<b>N/A</b>	<b>9.41</b>	<b>07/01/2011</b>
Consumer Price Index + 3%	2.13	2.13	3.71	4.52	5.34	4.79	5.44	4.79	6.05	4.54	4.83	
Difference	-1.54	-1.54	0.87	2.74	N/A	N/A	N/A	4.23	N/A	N/A	4.58	
<b>Real Estate Composite</b>	<b>2.74</b>	<b>2.74</b>	<b>7.61</b>	<b>9.59</b>	<b>19.04</b>	<b>N/A</b>	<b>N/A</b>	<b>10.23</b>	<b>14.85</b>	<b>18.36</b>	<b>9.11</b>	<b>05/01/2009</b>
NCREIF ODCE Index (Gross) (AWA)*	2.69	2.69	8.01	10.79	12.39	2.00	8.20	10.94	15.26	5.83	4.32	
Difference	0.05	0.05	-0.40	-1.20	6.65	N/A	N/A	-0.71	-0.41	12.53	4.79	
<b>Absolute Return Composite</b>	<b>4.13</b>	<b>4.13</b>	<b>8.72</b>	<b>8.19</b>	<b>4.16</b>	<b>N/A</b>	<b>N/A</b>	<b>7.16</b>	<b>3.81</b>	<b>N/A</b>	<b>4.16</b>	<b>04/01/2010</b>
HFRI FOF Diversified Index (Lagged)	3.47	3.47	5.60	4.19	2.42	-0.74	3.82	3.12	-2.46	4.07	2.42	
Difference	0.66	0.66	3.12	4.00	1.74	N/A	N/A	4.04	6.27	N/A	1.74	

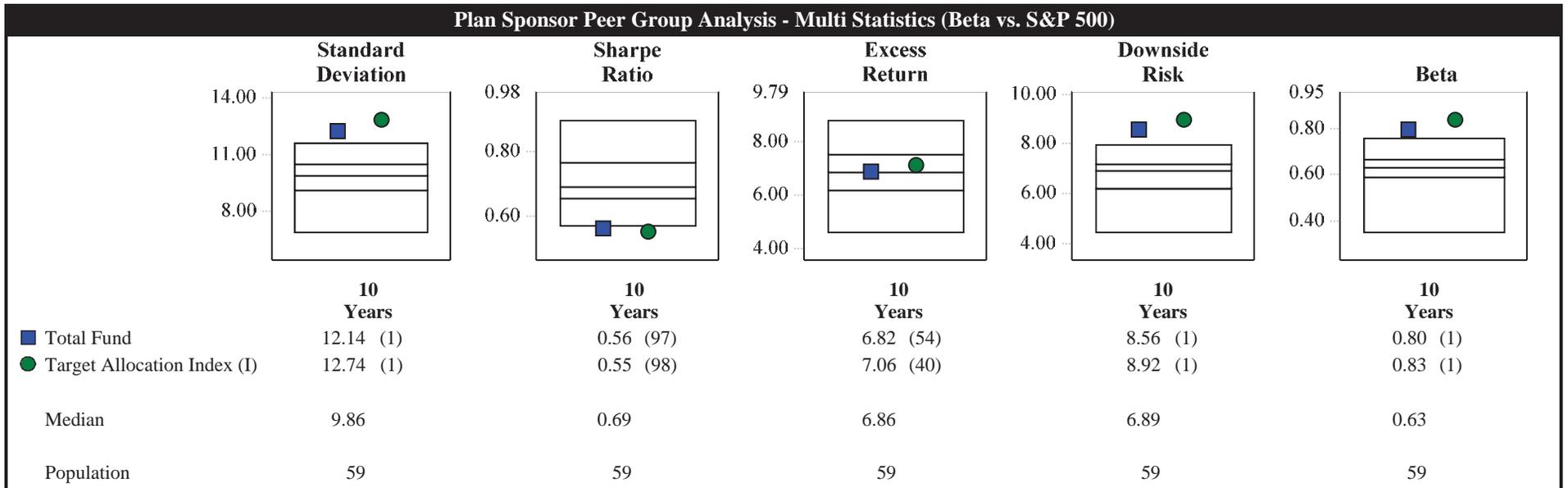
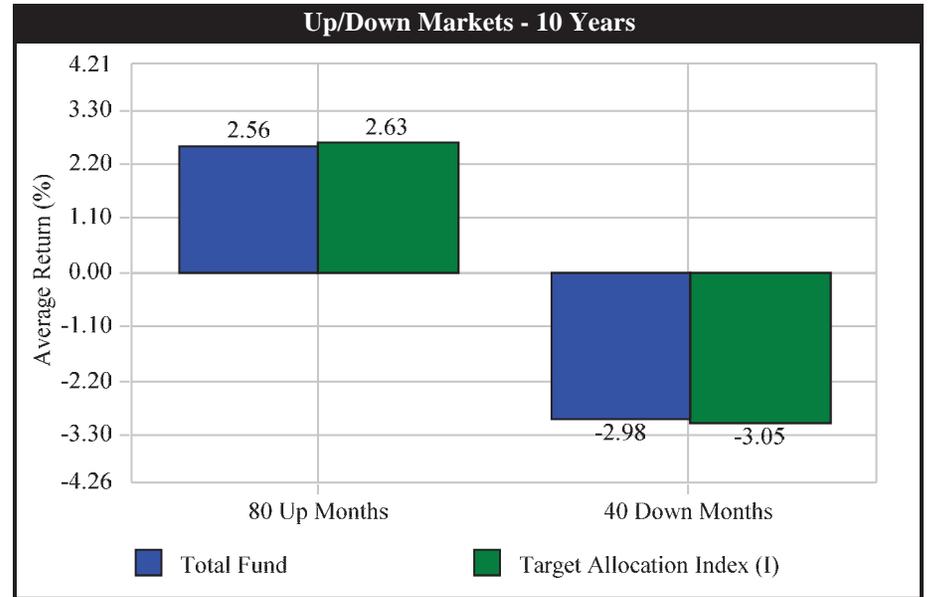
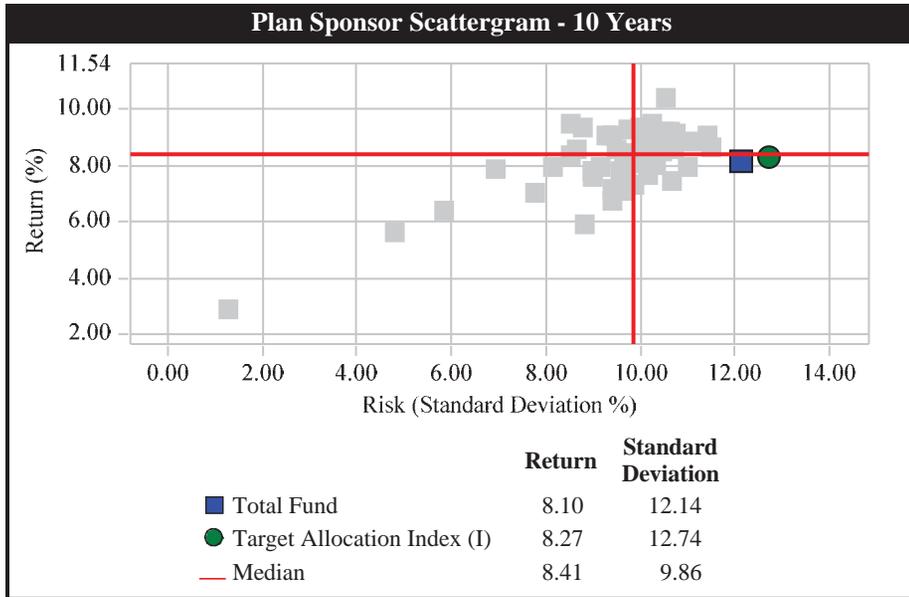
Performance shown is gross of fees, except where noted. All data reported for Kentucky Retirement Systems, including manager and composite performance, is provided by Nothern Trust. Fiscal year ends June 30th. An index marked with an asterisk (\*) represents the current benchmark. See the Addendum for the complete historical composition of the custom index.

**Kentucky Retirement Systems - Insurance Plan**  
**Comparative Performance**  
**As of March 31, 2013**

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	10 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Private Equity Composite</b>	<b>4.42</b>	<b>4.42</b>	<b>7.97</b>	<b>14.04</b>	<b>13.45</b>	<b>6.21</b>	<b>10.35</b>	<b>12.43</b>	<b>11.64</b>	<b>17.83</b>	<b>7.22</b>	<b>06/01/2001</b>
R 3000 Index + 4% (Qtr Lag) (I)*	1.24	1.24	6.23	21.08	11.42	6.71	8.93	35.41	-8.41	16.32	5.11	
Difference	3.18	3.18	1.74	-7.04	2.03	-0.50	1.42	-22.98	20.05	1.51	2.11	
<b>Cash Equivalent Composite</b>	<b>0.07</b>	<b>0.07</b>	<b>0.43</b>	<b>0.49</b>	<b>0.33</b>	<b>0.51</b>	<b>2.14</b>	<b>0.47</b>	<b>0.26</b>	<b>0.25</b>	<b>3.26</b>	<b>07/01/1992</b>
Citi 3 Mo T-Bill Index	0.02	0.02	0.08	0.11	0.09	0.30	1.66	0.09	0.06	0.10	3.05	
Difference	0.05	0.05	0.35	0.38	0.24	0.21	0.48	0.38	0.20	0.15	0.21	

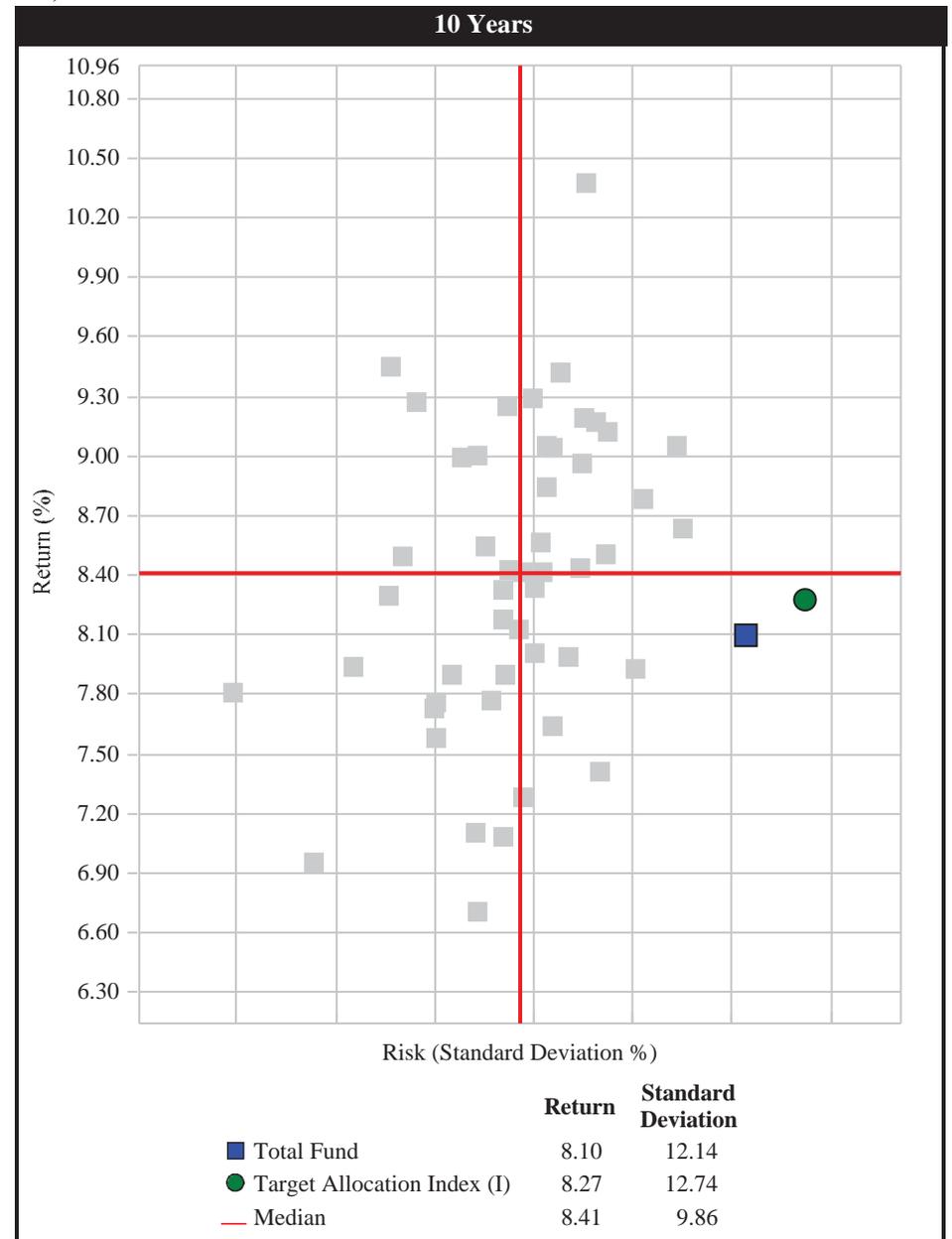
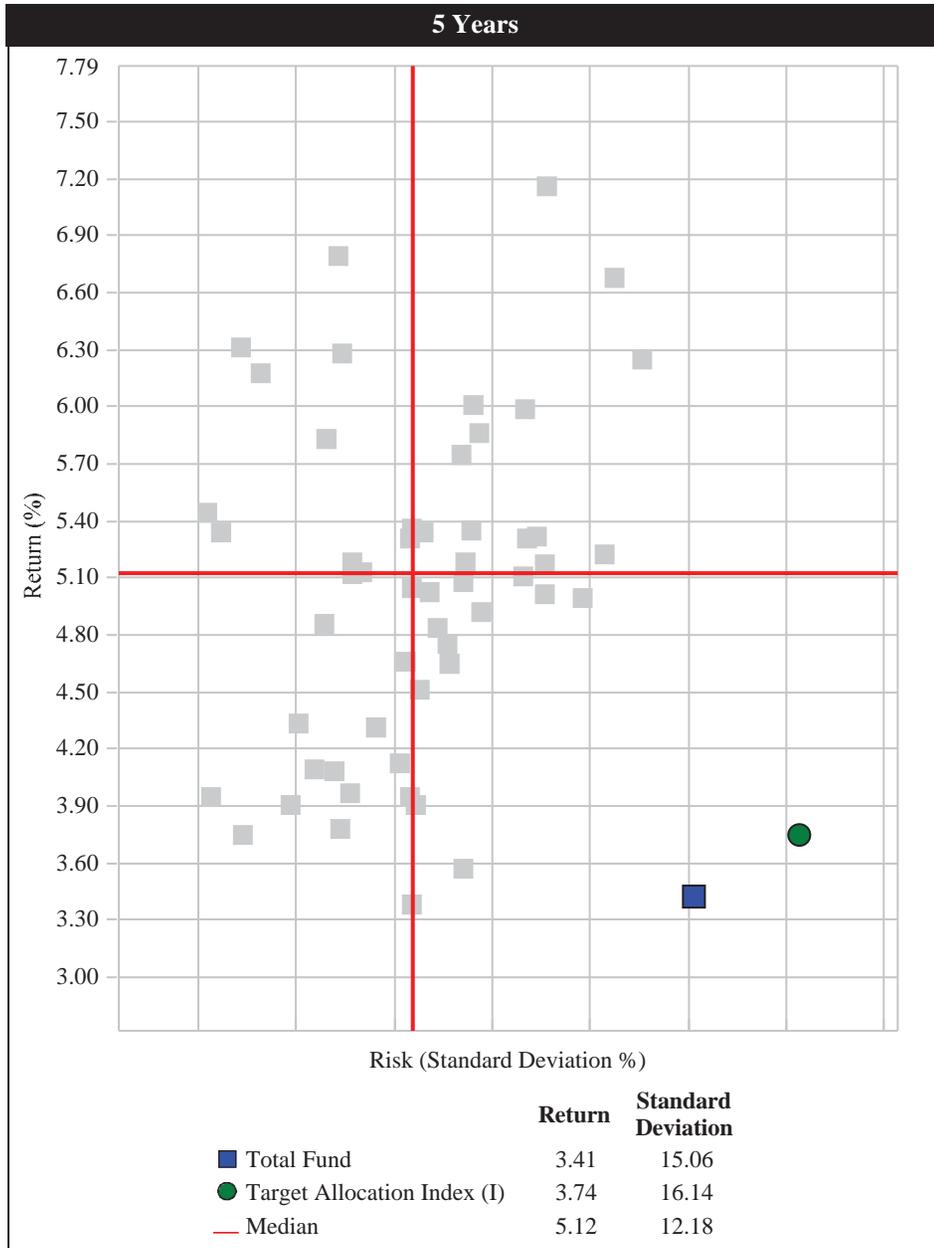
Performance shown is gross of fees, except where noted. All data reported for Kentucky Retirement Systems, including manager and composite performance, is provided by Nothern Trust. Fiscal year ends June 30th. An index marked with an asterisk (\*) represents the current benchmark. See the Addendum for the complete historical composition of the custom index.

**Kentucky Retirement Systems - Insurance Plan**  
**Total Fund vs. All Public Plans > \$1B-Total Fund**  
 As of March 31, 2013



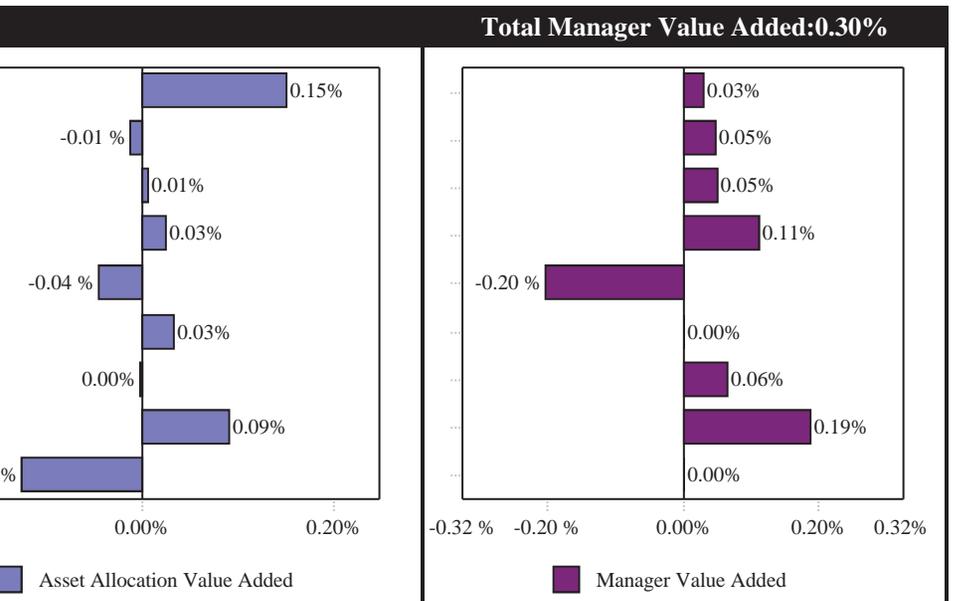
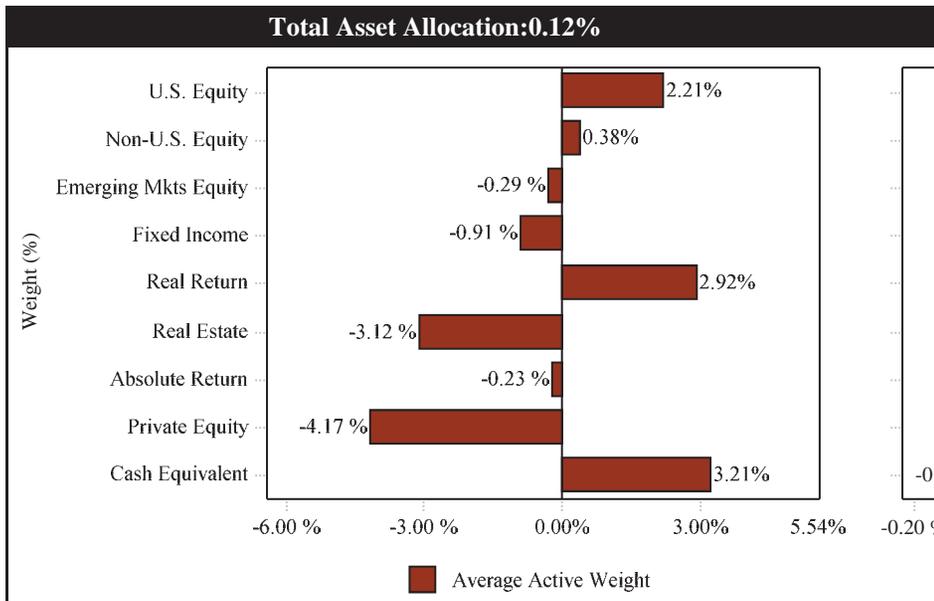
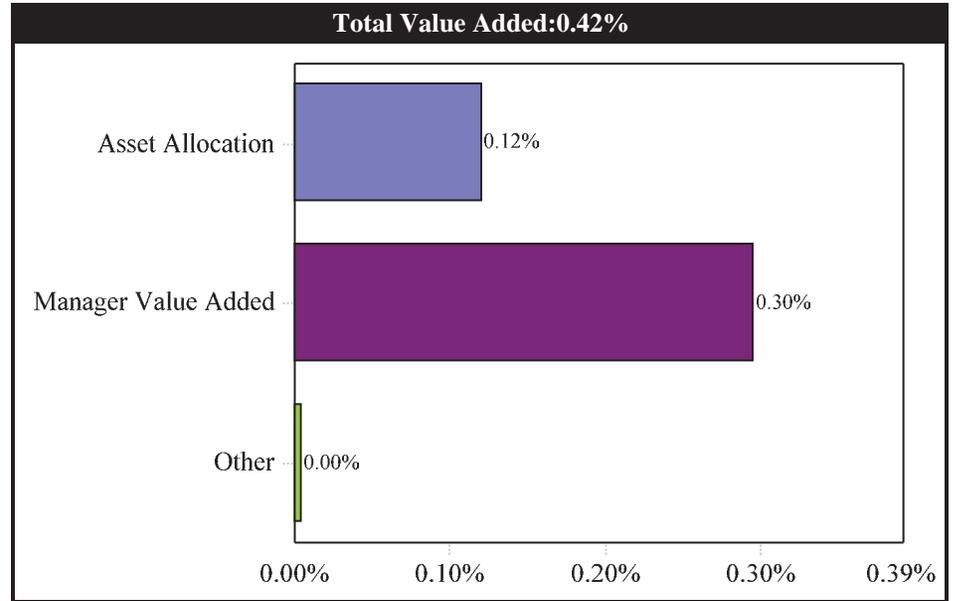
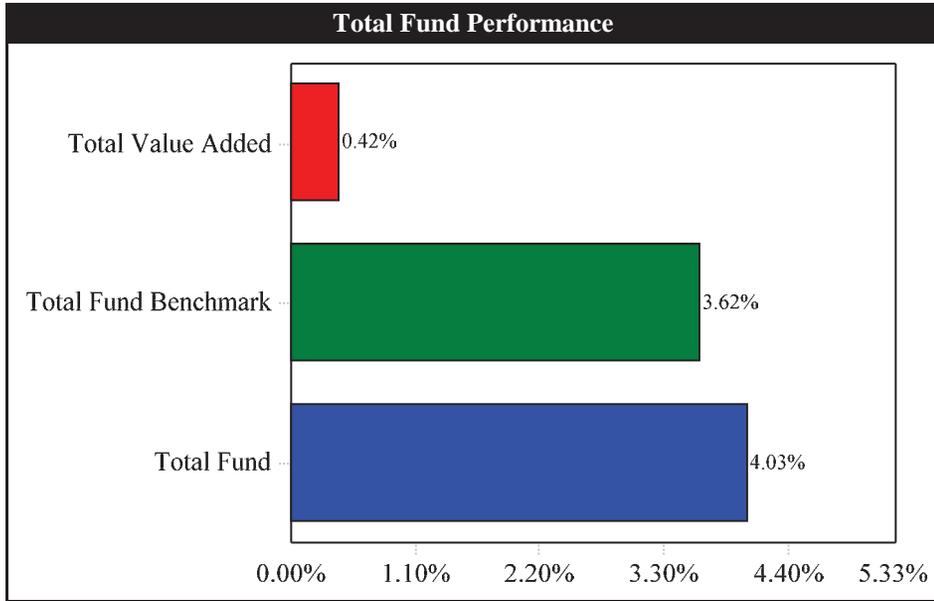
Performance shown is gross of fees. Calculation is based on monthly periodicity. Parentheses contain percentile ranks.

**Kentucky Retirement Systems - Insurance Plan**  
**Total Fund vs. All Public Plans > \$1B-Total Fund**  
**Plan Sponsor Peer Group Scattergram**  
**As of March 31, 2013**



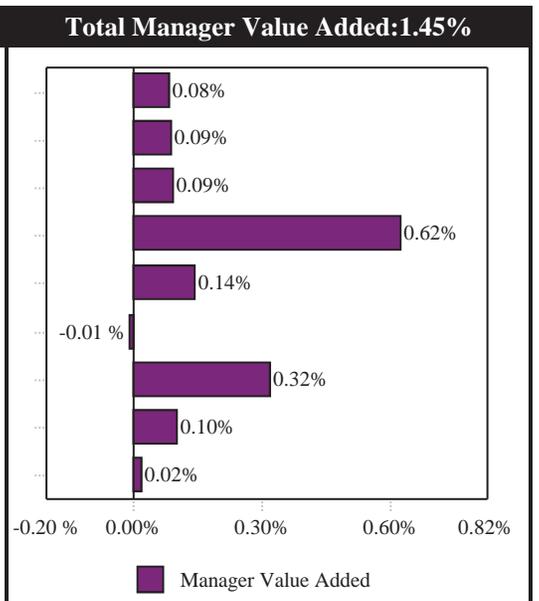
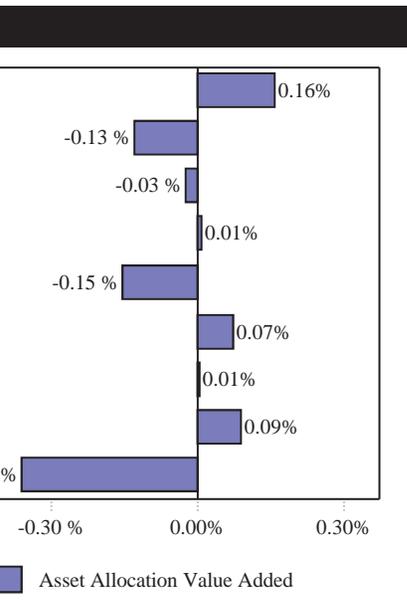
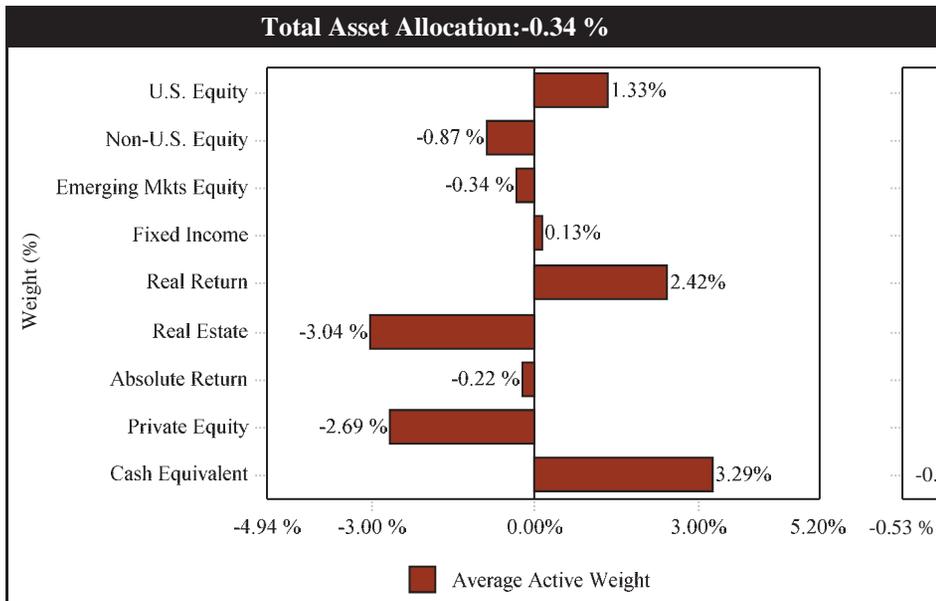
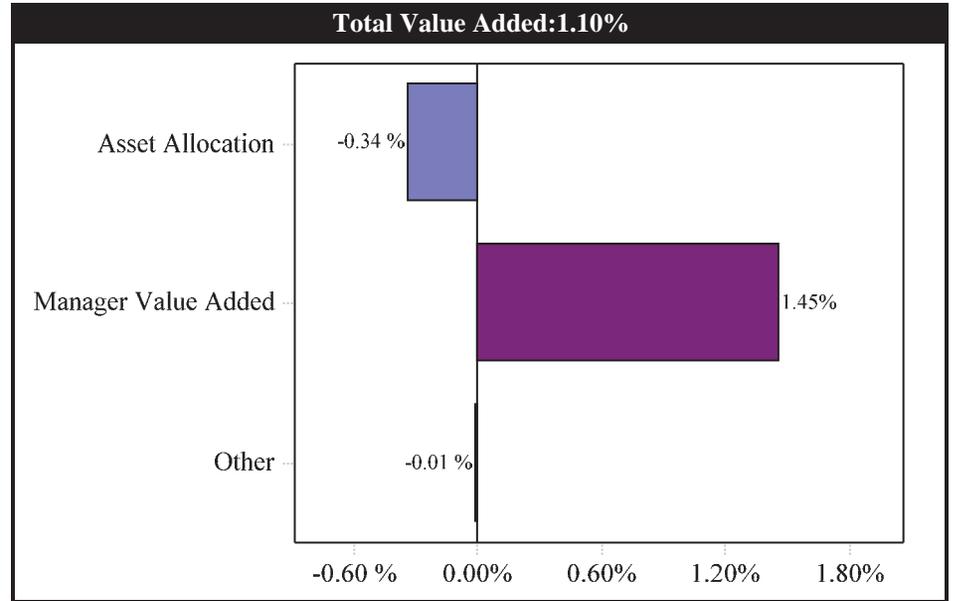
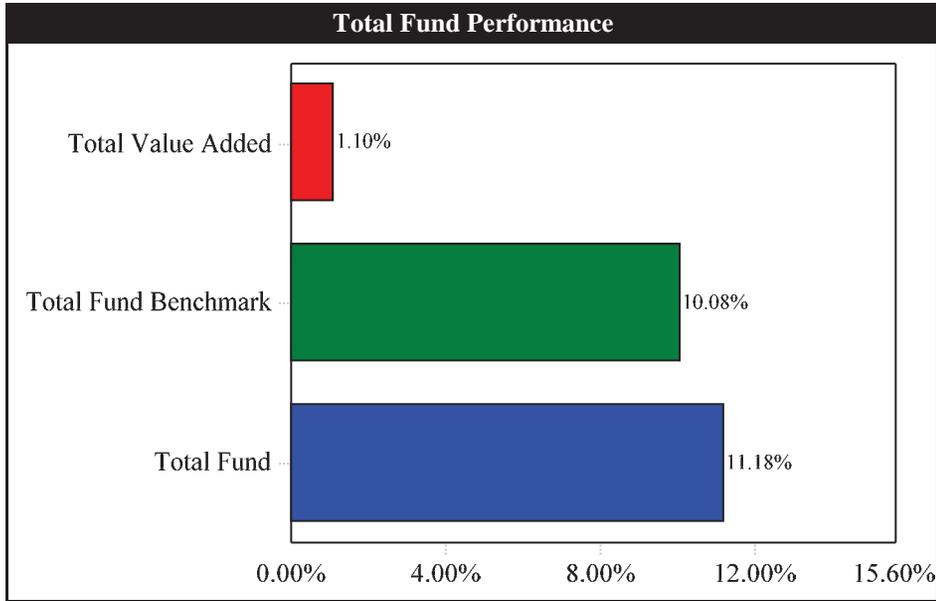
Performance shown is gross of fees. Calculation is based on monthly periodicity.

**Kentucky Retirement Systems - Insurance Plan**  
**Total Fund vs. Target Allocation Index (I)**  
**Total Fund Attribution**  
**Quarter To Date Ending March 31, 2013**



Performance shown is gross of fees, except where noted. Calculation is based on monthly periodicity. Allocation to "Other" is the contribution of other residual factors, including market timing and cash flows. Please see the Glossary for additional information regarding the Total Fund Attribution calculation.

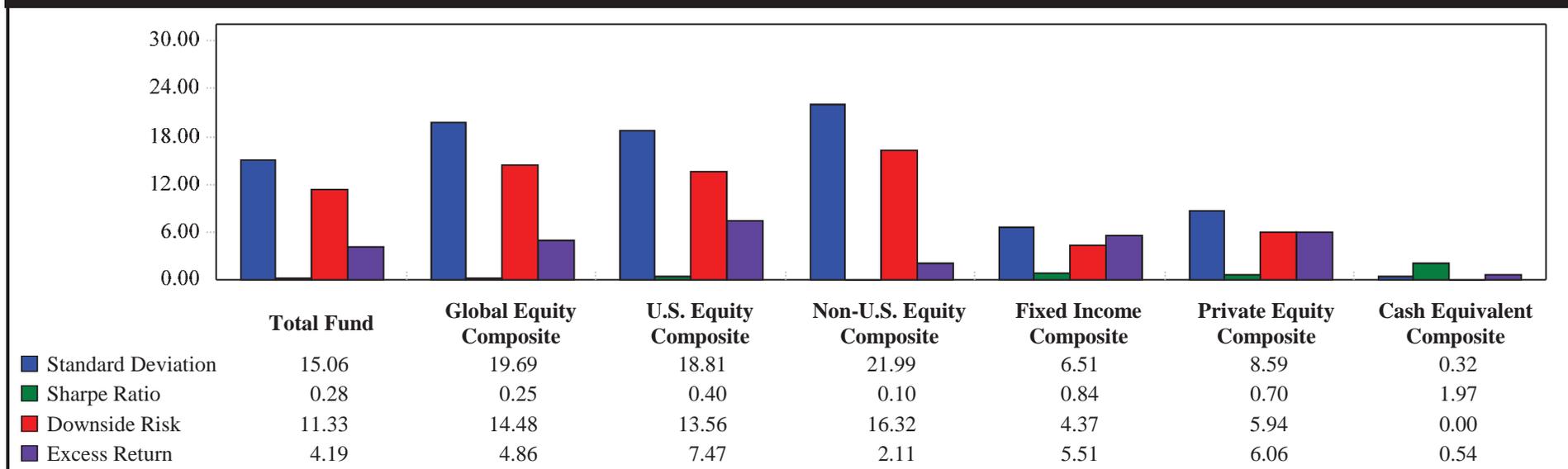
**Kentucky Retirement Systems - Insurance Plan**  
**Total Fund vs. Target Allocation Index (I)**  
**Total Fund Attribution**  
**Fiscal Year To Date Ending March 31, 2013**



Performance shown is gross of fees, except where noted. Calculation is based on monthly periodicity. Allocation to "Other" is the contribution of other residual factors, including market timing and cash flows. Please see the Glossary for additional information regarding the Total Fund Attribution calculation.

**Kentucky Retirement Systems - Insurance Plan**  
**Historical Stats & Correlation Analysis**  
**As of March 31, 2013**

**Historical Statistics - 5 Years**



**Correlation Matrix - 5 Years**

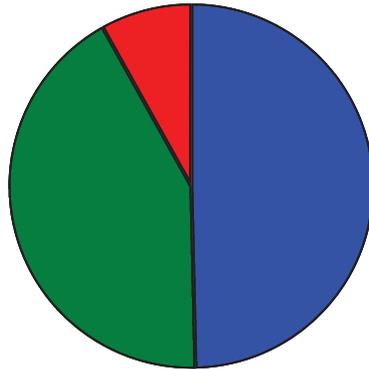
	Total Fund	Global Equity Composite	U.S. Equity Composite	Non-U.S. Equity Composite	Fixed Income Composite	Private Equity Composite	Cash Equivalent Composite
Total Fund	1.00						
Global Equity Composite	0.97	1.00					
U.S. Equity Composite	0.96	0.98	1.00				
Non-U.S. Equity Composite	0.95	0.98	0.92	1.00			
Fixed Income Composite	0.45	0.40	0.36	0.43	1.00		
Private Equity Composite	0.63	0.53	0.57	0.46	0.28	1.00	
Cash Equivalent Composite	-0.04	-0.06	-0.05	-0.07	0.15	-0.15	1.00

Performance shown is gross of fees, except where noted. Calculation is based on quarterly periodicity. Excluded composites do not have five years of performance history.

**Kentucky Retirement Systems - Insurance Plan**  
**Global Equity Composite**  
**Asset Allocation Charts**  
**As of March 31, 2013**

**Style Allocation**

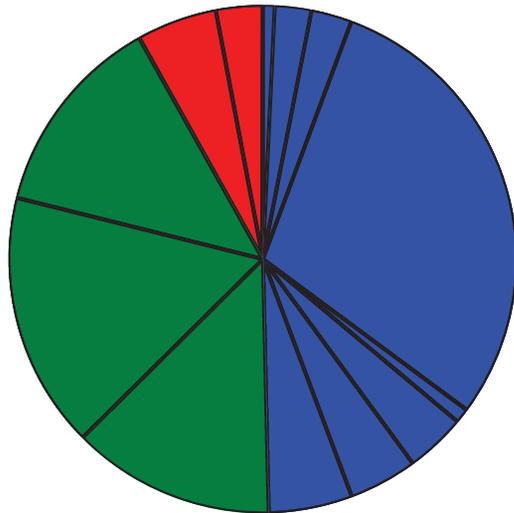
March 31, 2013 : \$1,646,110,400



	Market Value (\$)	Allocation (%)
■ U.S. Equity	817,151,364	49.64
■ Non-U.S. Equity	695,580,862	42.26
■ Emerging Mkts Equity	133,378,174	8.10

**Sub-Composite Detail**

March 31, 2013 : \$1,646,110,400



	Market Value (\$)	Allocation (%)
■ River Road Asset Management (SA)	12,407,031	0.75
■ Westwood Management (SA)	38,276,985	2.33
■ Westfield Capital (SA)	42,729,954	2.60
■ Internal S&P 500 Index (SA)	485,135,555	29.47
■ Sasco Capital Inc. (SA)	15,338,024	0.93
■ Systematic Financial Management (SA)	63,407,319	3.85
■ Geneva Capital Management (SA)	71,909,312	4.37
■ NT Structured Small Cap (SA)	87,915,264	5.34
■ KRS Insurance Liquidation	31,920	0.00
■ The Boston Co. Non-US Value (SA)	212,831,262	12.93
■ BTC ACWI Ex US Fund (CF)	268,550,824	16.31
■ Pyramis Int'l Growth Fund (SA)	213,950,151	13.00
■ Artio Int'l Equity II (SA)	9,205	0.00
■ KRS Insurance Transition	239,420	0.01
■ Aberdeen Emg Mkts Equity (CF)	84,293,171	5.12
■ Wellington Emg Mkts Equity (CF)	49,085,002	2.98

Allocations shown may not sum up to 100% exactly due to rounding.

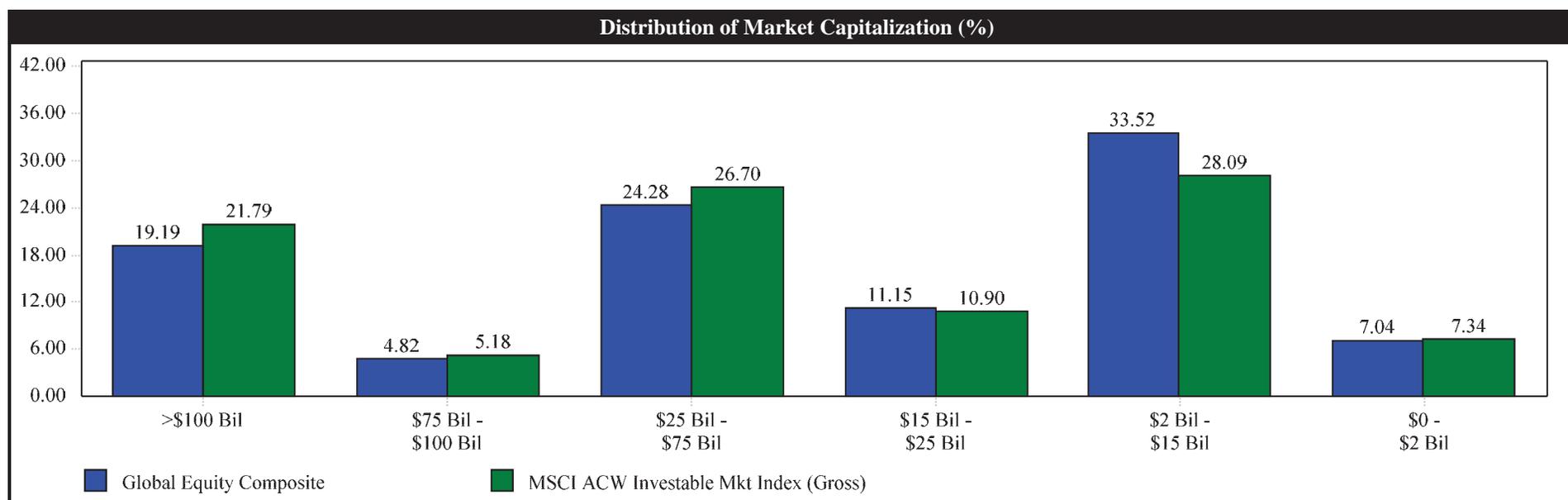
**Kentucky Retirement Systems - Insurance Plan**  
**Global Equity Composite vs. MSCI ACW Investable Mkt Index (Gross)**

**Portfolio Characteristics**

As of March 31, 2013

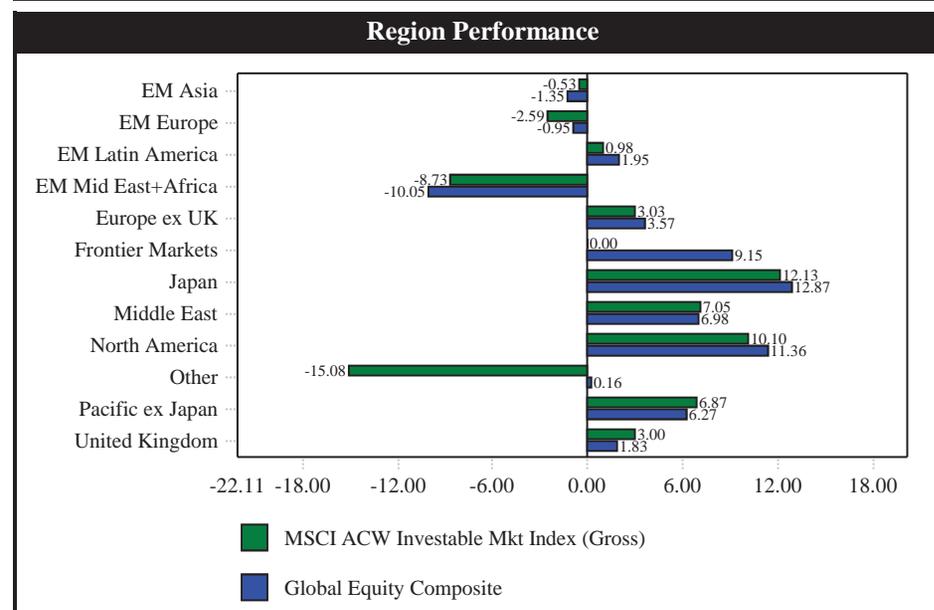
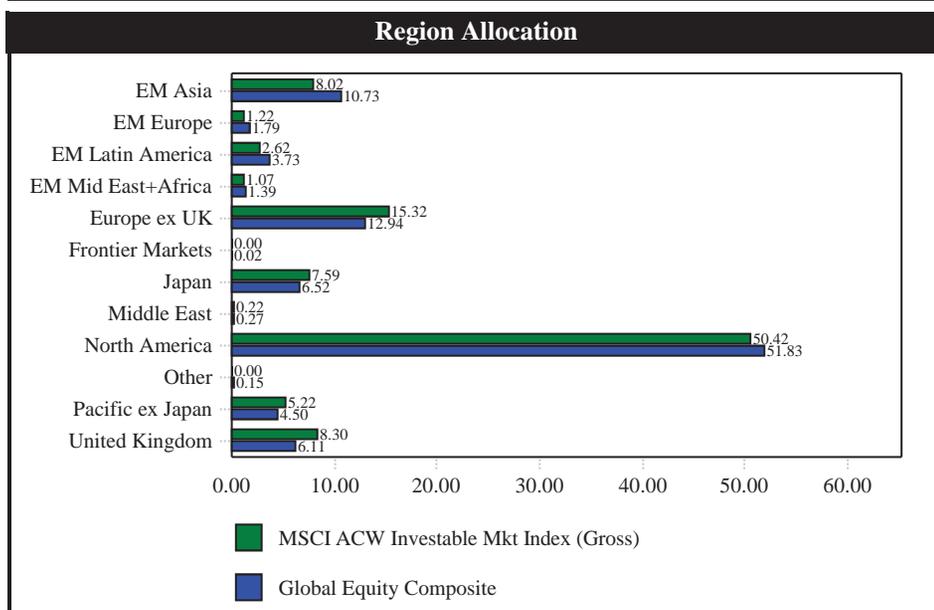
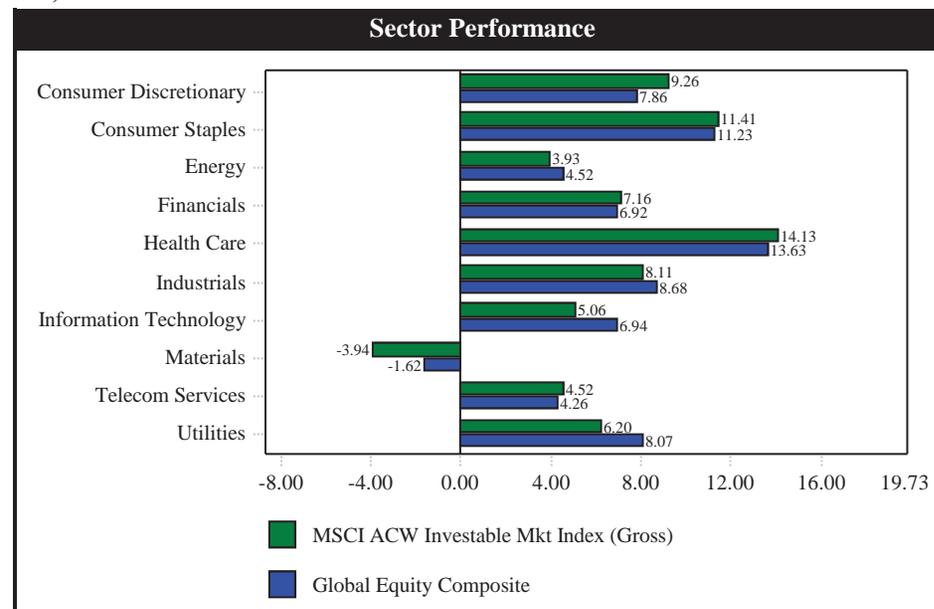
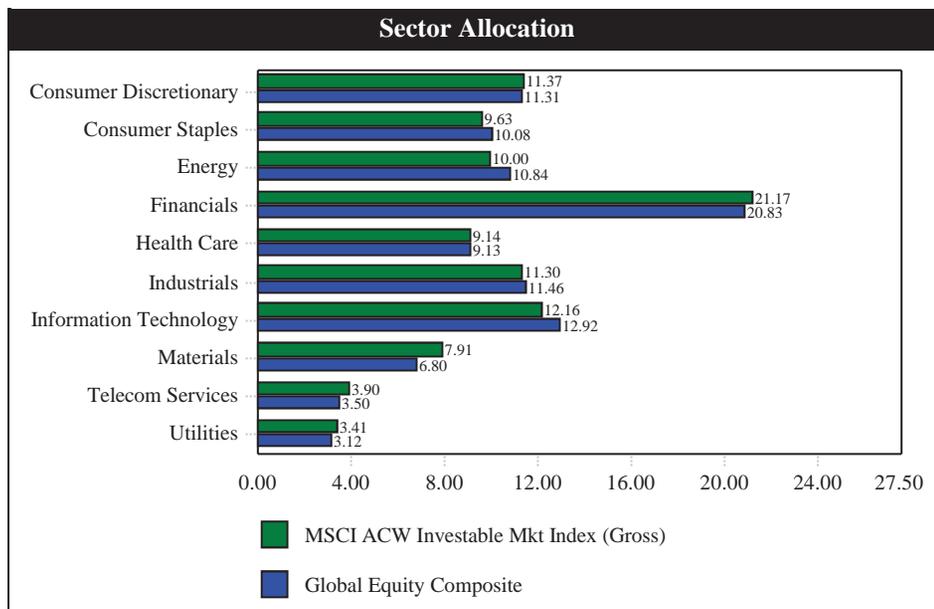
<b>Top Ten Equity Holdings</b>				
	<b>Portfolio Weight (%)</b>	<b>Benchmark Weight (%)</b>	<b>Active Weight (%)</b>	<b>Quarterly Return (%)</b>
Exxon Mobil Corp	0.90	1.14	-0.24	4.78
HSBC Holdings PLC	0.74	0.55	0.19	3.21
Novartis AG	0.60	0.45	0.15	17.40
Toyota Motor Corp	0.60	0.40	0.20	12.11
Roche Holding AG	0.58	0.46	0.12	19.80
Johnson & Johnson	0.57	0.63	-0.06	17.23
Microsoft Corp	0.55	0.60	-0.05	7.98
Chevron Corp	0.55	0.65	-0.10	10.73
Google Inc	0.55	0.59	-0.04	12.27
General Electric Co	0.54	0.67	-0.13	11.05
% of Portfolio	6.18	6.14		

<b>Portfolio Characteristics</b>		
	<b>Portfolio</b>	<b>Benchmark</b>
Wtd. Avg. Mkt. Cap (\$M)	55,309	65,174
Median Mkt. Cap (\$M)	2,127	1,196
Price/Earnings Ratio	15.67	15.31
Price/Book Ratio	2.30	2.32
5 Yr. EPS Growth Rate (%)	3.61	3.95
Current Yield (%)	2.37	2.53
Beta (5 Years, Monthly)	0.91	1.00
Number of Securities	5,080	8,453



Holdings for the Global Equity Blended Index (I) are unavailable. The MSCI ACW Investable Mkt Index (Gross) is used as a proxy. Artio Int'l Equity II (SA) currently has a 100% allocation to cash and is excluded from the holdings shown.

**Kentucky Retirement Systems - Insurance Plan**  
**Global Equity Composite vs. MSCI ACW Investable Mkt Index (Gross)**  
**Buy and Hold Sector/Region Attribution Graphs**  
**As of March 31, 2013**

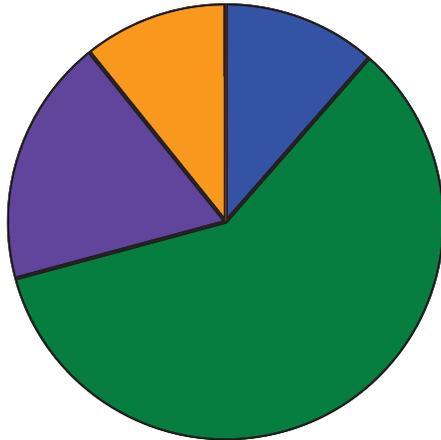


Holdings for the Global Equity Blended Index (I) are unavailable. The MSCI ACW Investable Mkt Index (Gross) is used as a proxy. Artio Int'l Equity II (SA) currently has a 100% allocation to cash and is excluded from the holdings shown. Region allocation to "Other" consists of holdings domiciled in regions that do not meet economic development, size, liquidity, or market accessibility criteria as defined by MSCI.

**Kentucky Retirement Systems - Insurance Plan**  
**U.S. Equity Composite**  
**Asset Allocation Charts**  
**As of March 31, 2013**

**Style Allocation**

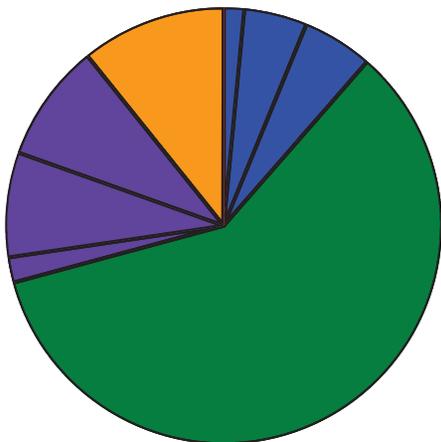
March 31, 2013 : \$817,151,364



	Market Value (\$)	Allocation (%)
All Cap U.S. Equity	93,413,971	11.43
U.S. Large Cap Equity	485,135,555	59.37
U.S. Mid Cap Equity	150,654,655	18.44
U.S. Small Cap Equity	87,915,264	10.76
Other	31,920	0.00

**Sub-Composite Detail**

March 31, 2013 : \$817,151,364



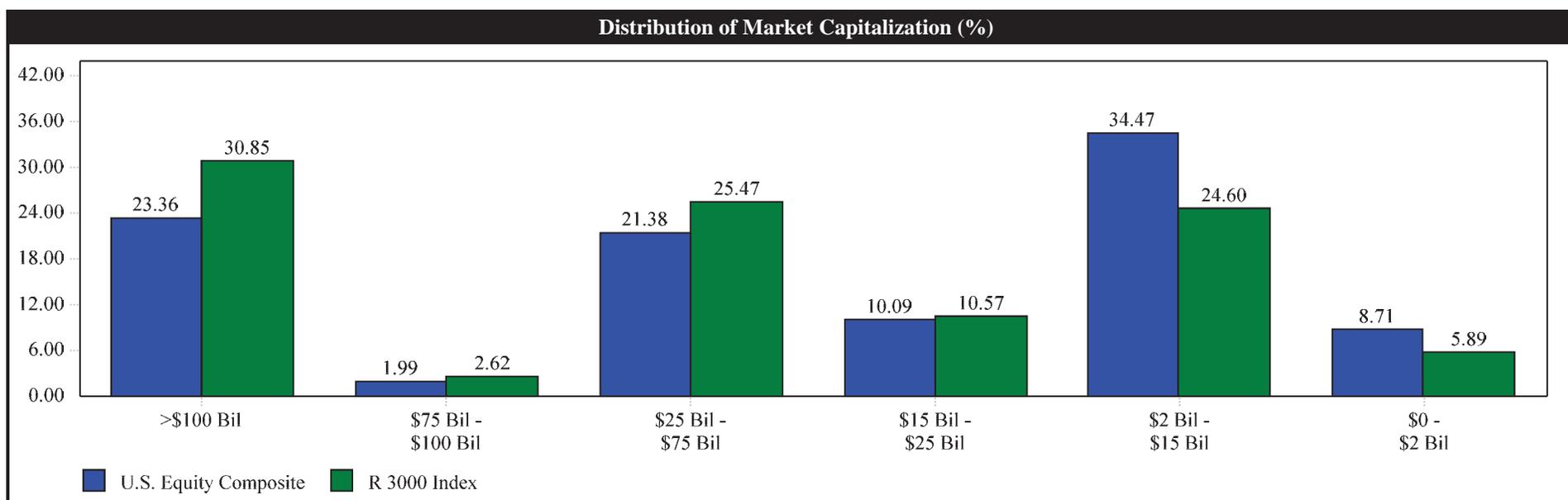
	Market Value (\$)	Allocation (%)
River Road Asset Management (SA)	12,407,031	1.52
Westwood Management (SA)	38,276,985	4.68
Westfield Capital (SA)	42,729,954	5.23
Internal S&P 500 Index (SA)	485,135,555	59.37
Sasco Capital Inc. (SA)	15,338,024	1.88
Systematic Financial Management (SA)	63,407,319	7.76
Geneva Capital Management (SA)	71,909,312	8.80
NT Structured Small Cap (SA)	87,915,264	10.76
KRS Insurance Liquidation	31,920	0.00

Allocations shown may not sum up to 100% exactly due to rounding.

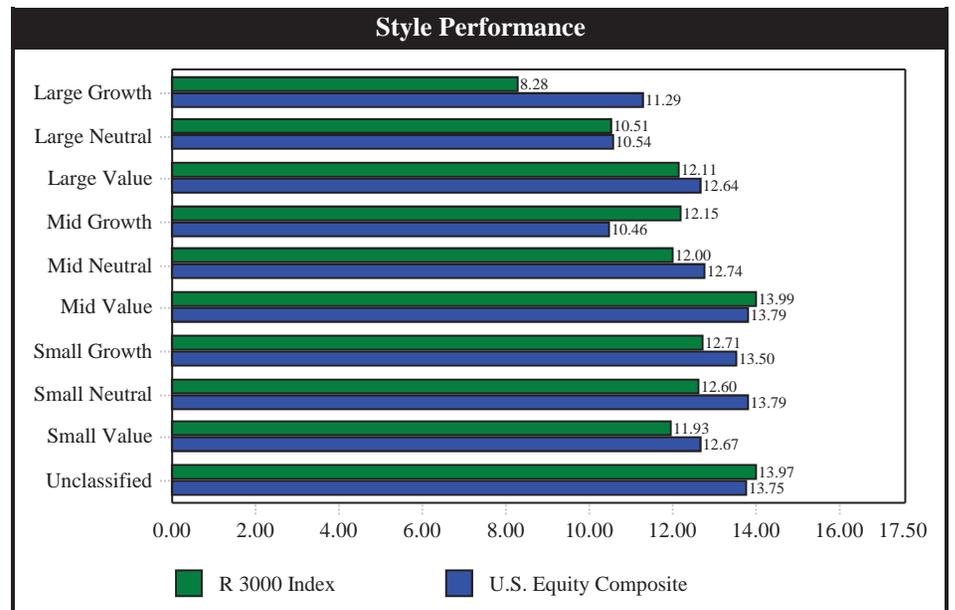
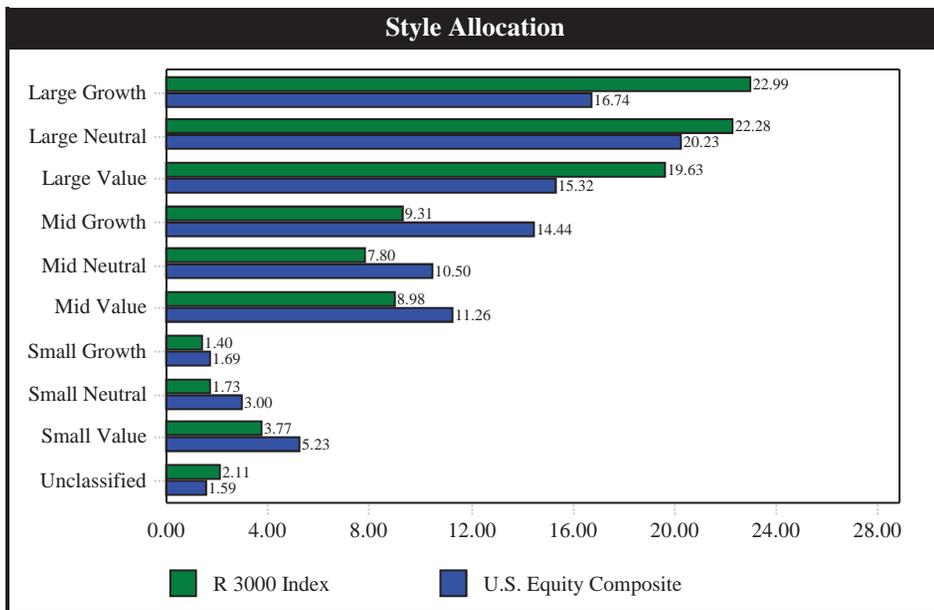
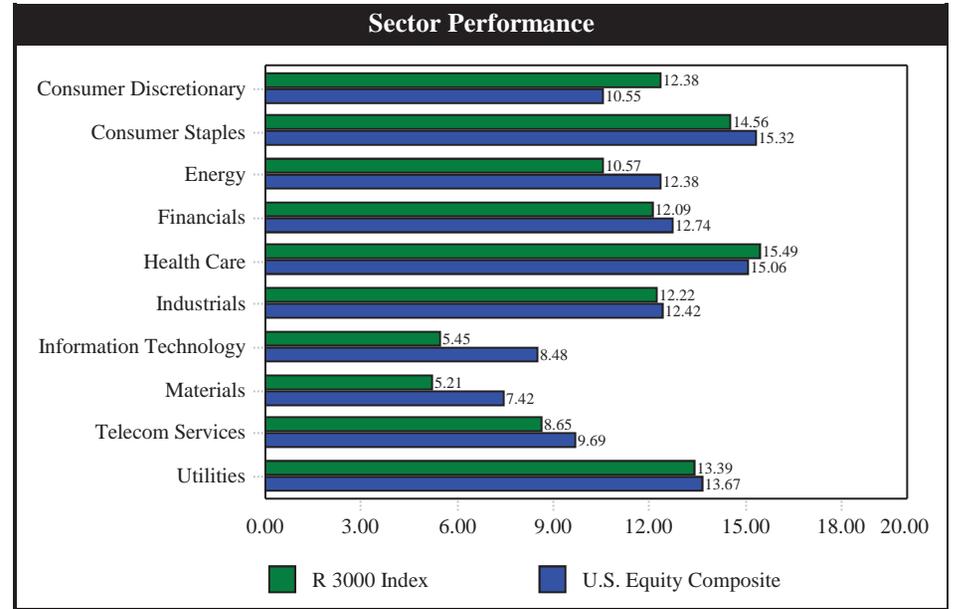
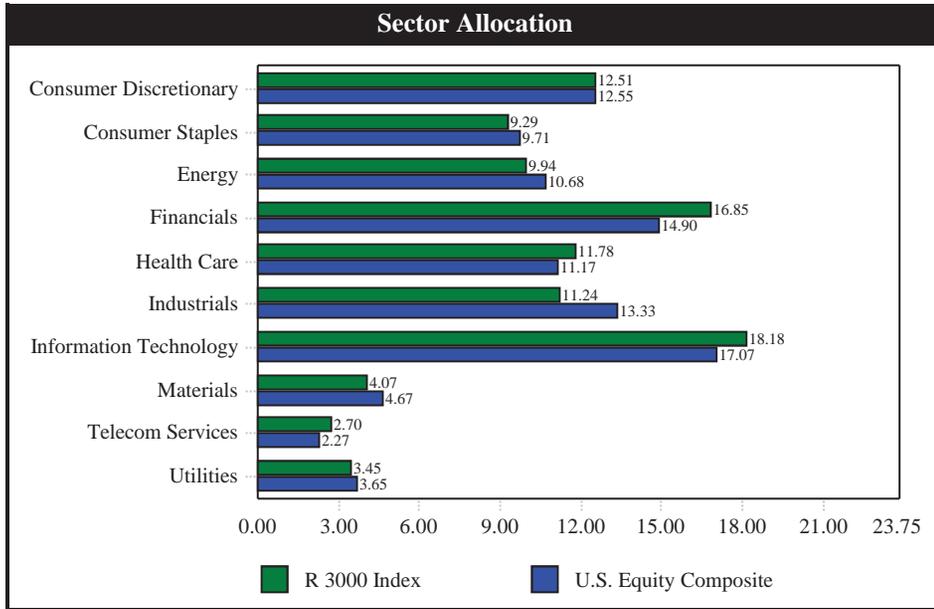
**Kentucky Retirement Systems - Insurance Plan**  
**U.S. Equity Composite vs. R 3000 Index**  
**Portfolio Characteristics**  
**As of March 31, 2013**

<b>Top Ten Equity Holdings</b>				
	<b>Portfolio Weight (%)</b>	<b>Benchmark Weight (%)</b>	<b>Active Weight (%)</b>	<b>Quarterly Return (%)</b>
Exxon Mobil Corp	1.89	2.43	-0.54	4.78
Johnson & Johnson	1.20	1.29	-0.09	17.23
Microsoft Corp	1.16	1.24	-0.08	7.98
Chevron Corp	1.16	1.35	-0.19	10.73
Google Inc	1.16	1.18	-0.02	12.27
General Electric Co	1.12	1.41	-0.29	11.05
International Business Machines Corp	1.05	1.34	-0.29	11.83
Procter & Gamble Co (The)	1.01	1.22	-0.21	14.43
Wells Fargo & Co	1.00	1.04	-0.04	9.00
JPMorgan Chase & Co	1.00	1.04	-0.04	8.66
% of Portfolio	11.75	13.54		

<b>Portfolio Characteristics</b>		
	<b>Portfolio</b>	<b>Benchmark</b>
Wtd. Avg. Mkt. Cap (\$M)	64,192	86,751
Median Mkt. Cap (\$M)	600	1,162
Price/Earnings Ratio	17.51	16.75
Price/Book Ratio	2.65	2.63
5 Yr. EPS Growth Rate (%)	6.74	6.15
Current Yield (%)	1.85	2.01
Beta (5 Years, Monthly)	0.96	1.00
Number of Securities	3,064	2,942



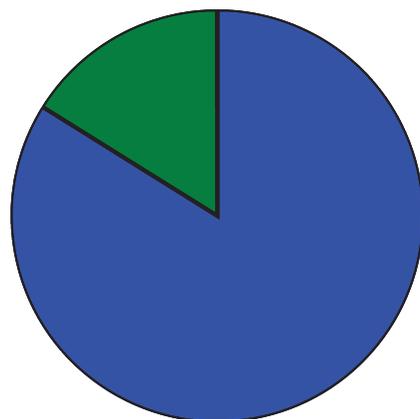
**Kentucky Retirement Systems - Insurance Plan**  
**U.S. Equity Composite vs. R 3000 Index**  
**Buy and Hold Sector/Style Attribution Graphs**  
**As of March 31,2013**



**Kentucky Retirement Systems - Insurance Plan**  
**Non-U.S. and Emerging Markets Equity Composite**  
**Asset Allocation Charts**  
**As of March 31, 2013**

**Style Allocation**

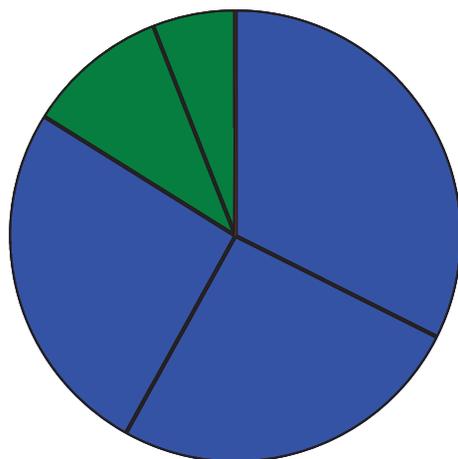
March 31, 2013 : \$828,959,036



	Market Value (\$)	Allocation (%)
ACW Ex-U.S. Equity	695,332,237	83.88
Emerging Mkts Equity	133,378,174	16.09
Other	248,625	0.03

**Sub-Composite Detail**

March 31, 2013 : \$828,959,036



	Market Value (\$)	Allocation (%)
BTC ACWI Ex US Fund (CF)	268,550,824	32.40
The Boston Co. Non-US Value (SA)	212,831,262	25.67
Pyramis Int'l Growth Fund (SA)	213,950,151	25.81
Aberdeen Emg Mkts Equity (CF)	84,293,171	10.17
Wellington Emg Mkts Equity (CF)	49,085,002	5.92
Artio Int'l Equity II (SA)	9,205	0.00
KRS Insurance Transition	239,420	0.03

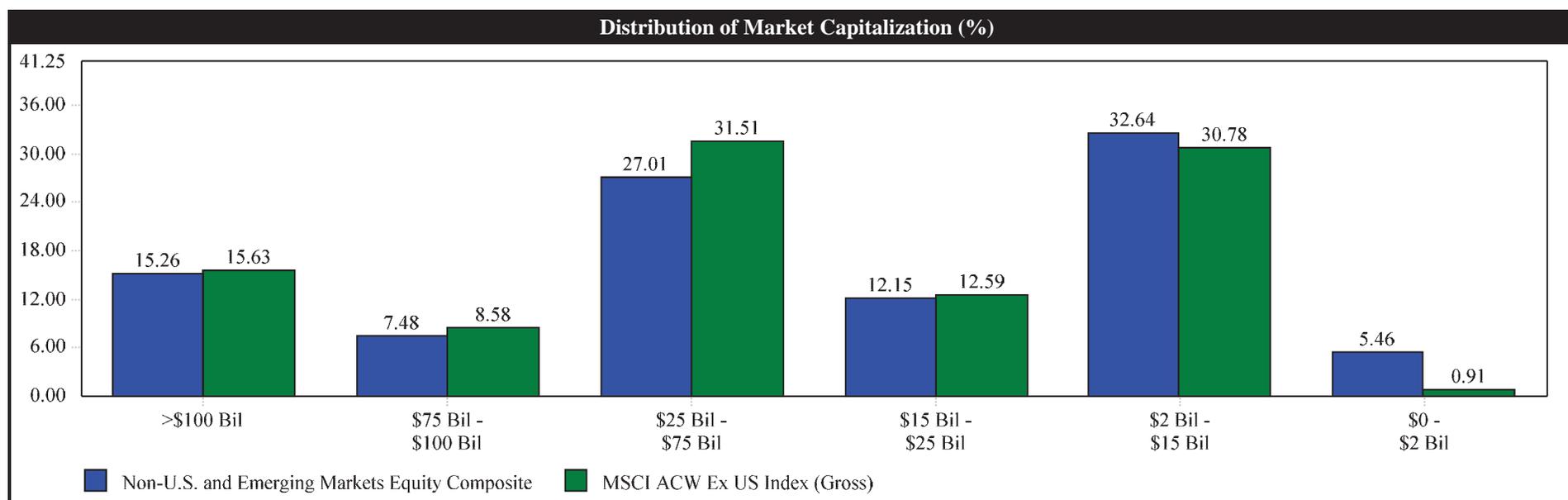
Allocations shown may not sum up to 100% exactly due to rounding. KRS Insurance Transition is currently comprised of partial redemptions from other Non-U.S. and Emerging Markets managers; assets include common stock, preferred stock, stapled securities, ETF holdings, and cash equivalents.

**Kentucky Retirement Systems - Insurance Plan**  
**Non-U.S. and Emerging Markets Equity Composite vs. MSCI ACW Ex US Index (Gross)**

**Portfolio Characteristics**  
**As of March 31, 2013**

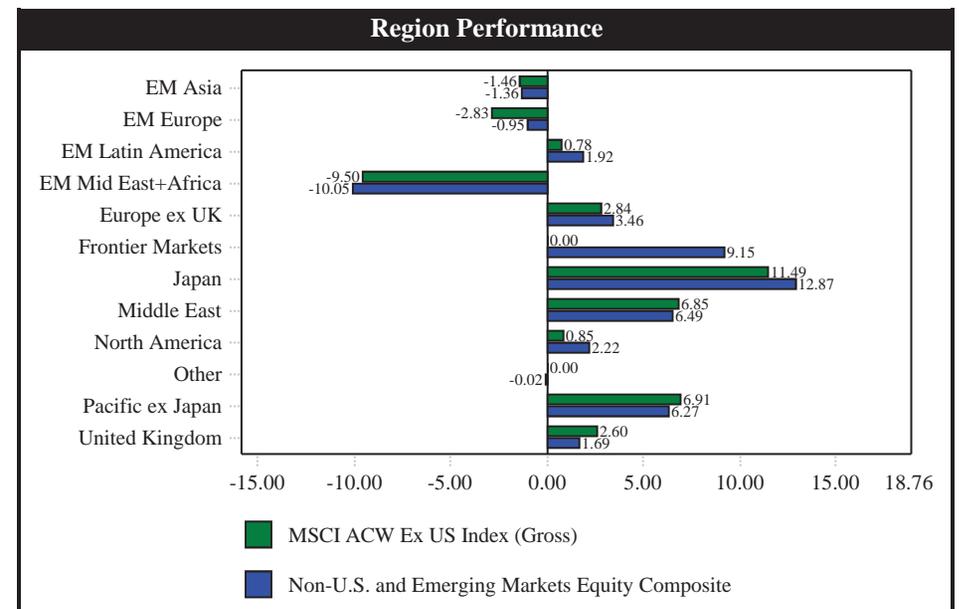
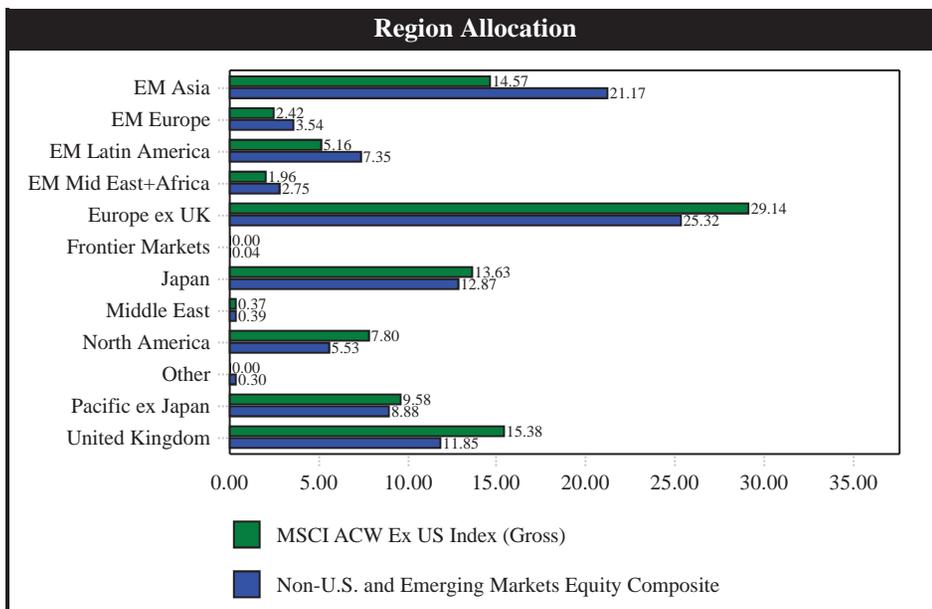
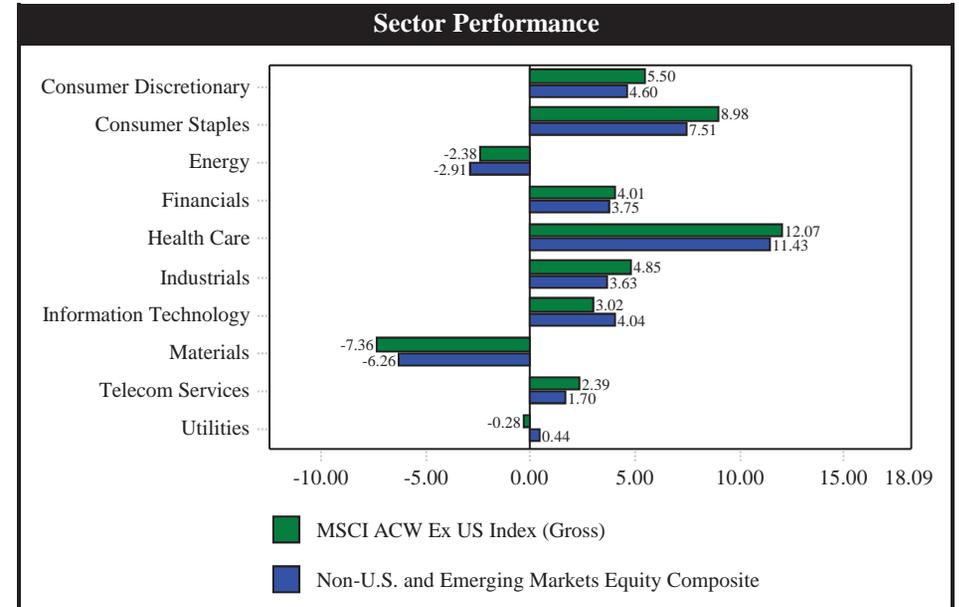
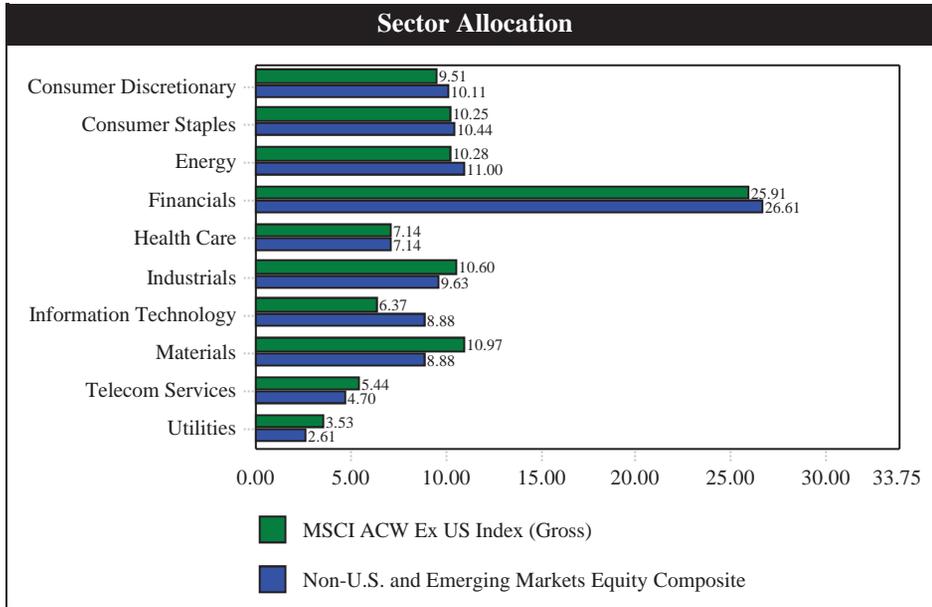
<b>Top Ten Equity Holdings</b>				
	<b>Portfolio Weight (%)</b>	<b>Benchmark Weight (%)</b>	<b>Active Weight (%)</b>	<b>Quarterly Return (%)</b>
HSBC Holdings PLC	1.41	1.19	0.22	3.21
Novartis AG	1.15	0.99	0.16	17.40
Toyota Motor Corp	1.14	0.86	0.28	12.11
Roche Holding AG	1.11	0.99	0.12	19.80
Nestle SA, Cham Und Vevey	0.91	1.42	-0.51	11.08
Sanofi	0.91	0.73	0.18	7.95
Taiwan Semiconductor Mfg	0.83	0.50	0.33	0.87
Total SA	0.80	0.62	0.18	-5.49
Vodafone Group PLC	0.80	0.85	-0.05	12.94
China Mobile Ltd	0.79	0.39	0.40	-9.06
% of Portfolio	9.85	8.54		

<b>Portfolio Characteristics</b>		
	<b>Portfolio</b>	<b>Benchmark</b>
Wtd. Avg. Mkt. Cap (\$M)	47,226	52,167
Median Mkt. Cap (\$M)	6,192	6,531
Price/Earnings Ratio	14.04	14.05
Price/Book Ratio	1.98	2.04
5 Yr. EPS Growth Rate (%)	-0.19	0.99
Current Yield (%)	2.85	3.06
Beta (5 Years, Monthly)	0.92	1.00
Number of Securities	2,019	1,827



Artio Int'l Equity II (SA) currently has a 100% allocation to cash and is excluded from the holdings shown. Beta calculation shown based on Developed Non-U.S. Composite returns.

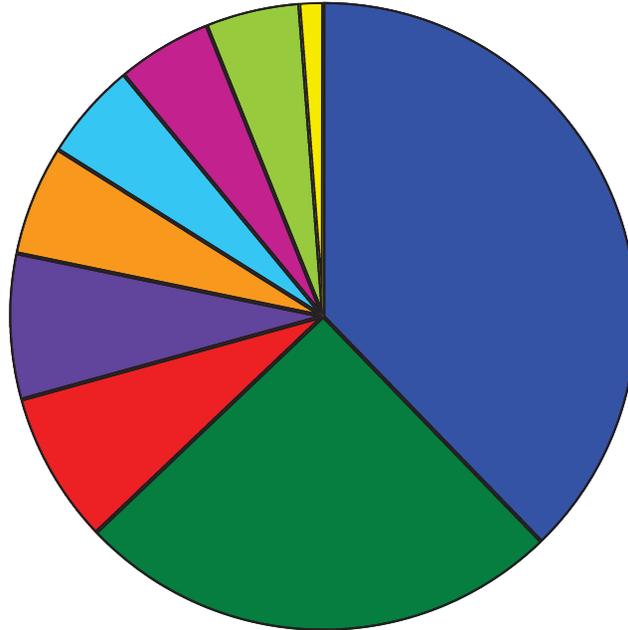
**Kentucky Retirement Systems - Insurance Plan**  
**Non-U.S. and Emerging Markets Equity Composite vs. MSCI ACW Ex US Index (Gross)**  
**Buy and Hold Sector/Region Attribution Graphs**  
**As of March 31, 2013**



Artio Int'l Equity II (SA) currently has a 100% allocation to cash and is excluded from the holdings shown. Region allocation to "Other" consists of holdings domiciled in regions that do not meet economic development, size, liquidity, or market accessibility criteria as defined by MSCI.

**Kentucky Retirement Systems - Insurance Plan**  
**Fixed Income Composite**  
**Asset Allocation by Manager**  
**As of March 31, 2013**

**March 31, 2013 : \$685,848,858**



	Market Value (\$)	Allocation (%)
■ PIMCO Core Fixed Income (SA)	258,867,219	37.74
■ NISA Core Agg Fixed Income (SA)	172,562,619	25.16
■ Loomis Sayles HY Fixed Income (SA)	53,587,928	7.81
■ Columbia HY Fixed Income (SA)	51,499,281	7.51
■ Waterfall (SA)	39,053,417	5.69
■ Shenkman Capital (SA)	34,893,227	5.09
■ Manulife Asset Mgmt (SA)	33,745,003	4.92
■ Stone Harbor (SA)	33,275,754	4.85
■ Commerce Street Income Partners L.P.	8,364,411	1.22

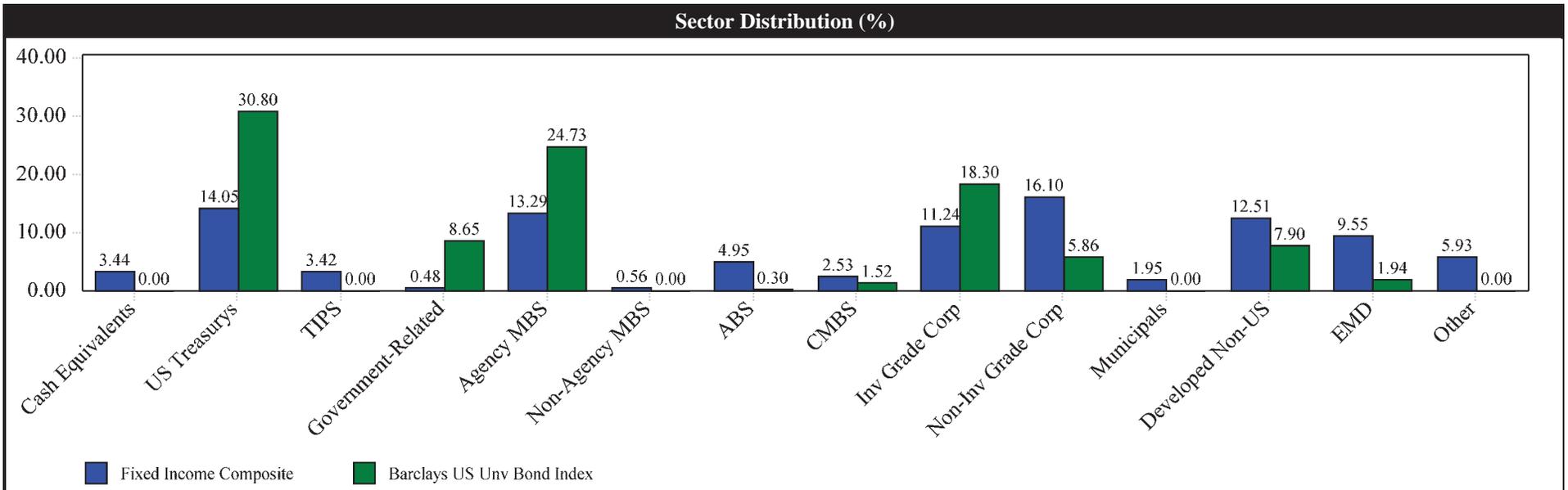
Allocations shown may not sum up to 100% exactly due to rounding.

**Kentucky Retirement Systems - Insurance Plan**  
**Fixed Income Composite vs. Barclays US Unv Bond Index**  
**Portfolio Characteristics**  
**As of March 31, 2013**

**Portfolio Characteristics**

	<b>Portfolio</b>	<b>Benchmark</b>
Effective Duration	5.45	5.18
Avg. Maturity	7.48	7.19
Avg. Quality	Baa1	-
Yield To Maturity (%)	4.01	2.29
Coupon Rate (%)	4.00	3.88
Current Yield (%)	3.74	-

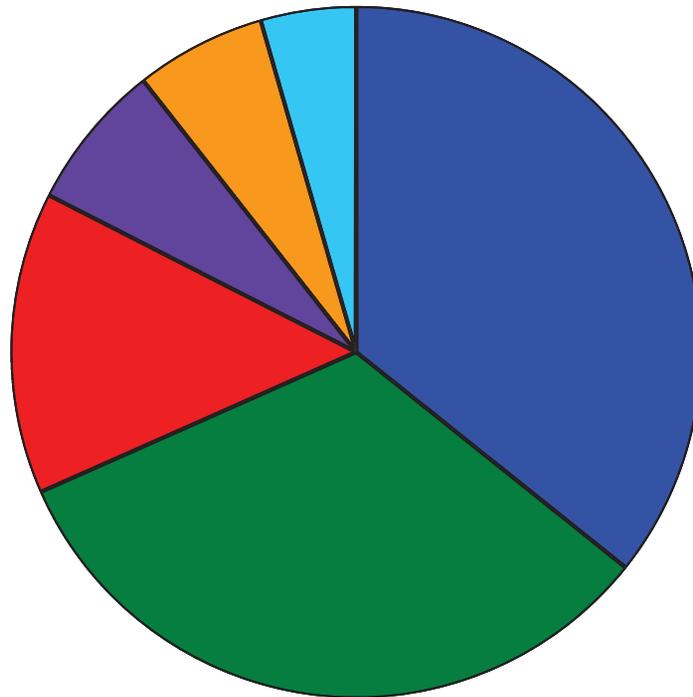
**Sector Distribution (%)**



Allocation to "Other" consists of Euro/Yankee bonds, bank loans, convertibles, and preferred securities. Commerce Street Income Partners L.P. is not included in the Fixed Income Composite statistics due to its private equity style.

**Kentucky Retirement Systems - Insurance Plan**  
**Real Estate Composite**  
**Asset Allocation by Manager**  
**As of March 31, 2013**

**March 31, 2013 : \$71,901,106**



	Market Value (\$)	Allocation (%)
■ Harrison Street Core (CF)	25,684,933	35.72
■ H/2 Credit Partners (CF)	23,469,581	32.64
■ Greenfield Acquisition Partners VI (CF)	10,164,720	14.14
■ Prima Mortgage Invest Trust, LLC	4,963,130	6.90
■ Mesa West Real Estate Income Fund II L.P.	4,406,877	6.13
■ Walton Street Real Estate Fund VI, L.P.	3,211,865	4.47

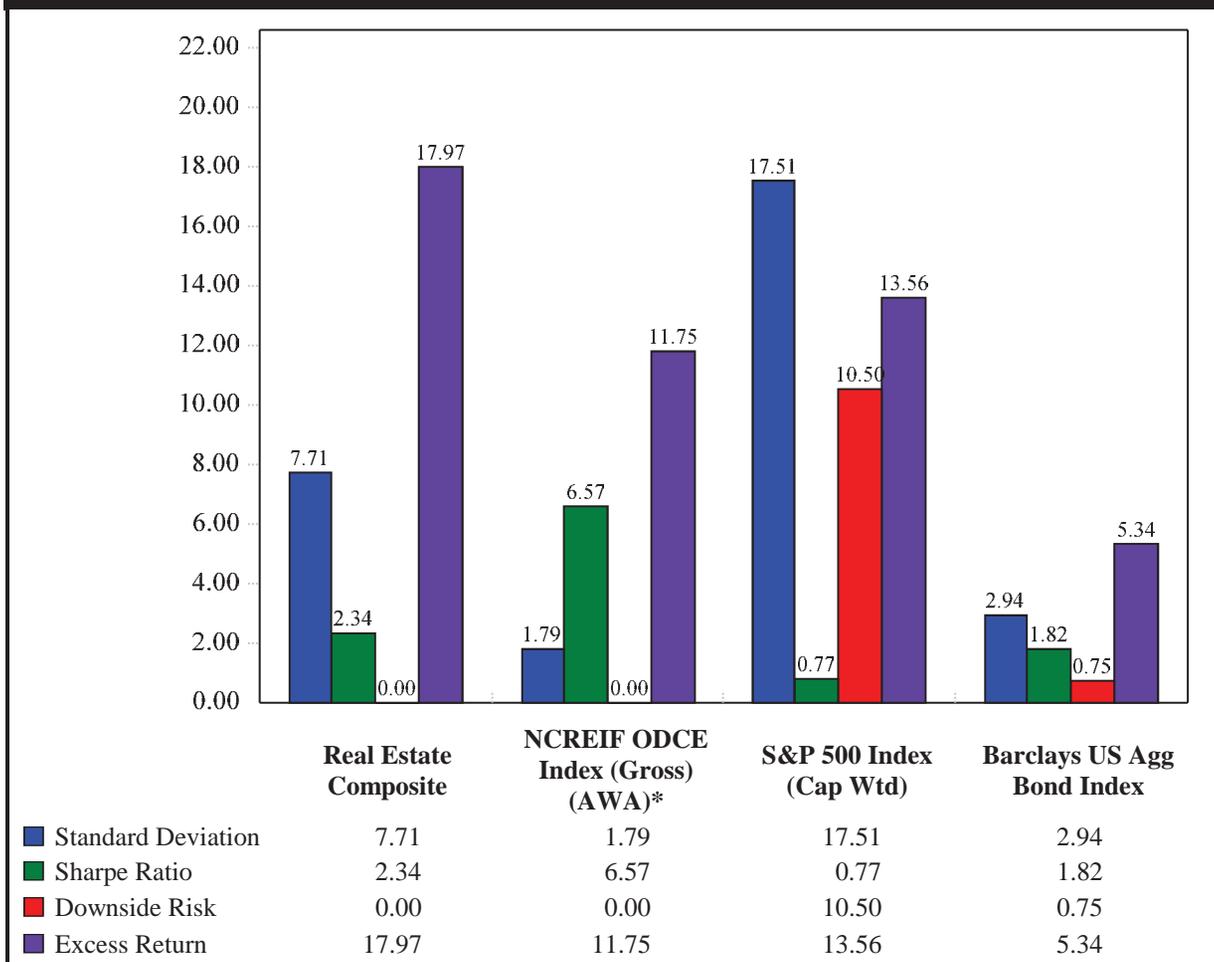
Allocations shown may not sum up to 100% exactly due to rounding.

**Kentucky Retirement Systems - Insurance Plan**  
**Real Estate Composite**  
**As of March 31, 2013**

**Comparative Performance**

	QTD	FYTD	CYTD	1 Year	3 Years	5 Years	10 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Real Estate Composite</b>	<b>2.74</b>	<b>7.61</b>	<b>2.74</b>	<b>9.59</b>	<b>19.04</b>	<b>N/A</b>	<b>N/A</b>	<b>10.23</b>	<b>14.85</b>	<b>18.36</b>	<b>9.11</b>	<b>05/01/2009</b>
NCREIF ODCE Index (Gross) (AWA)*	2.69	8.01	2.69	10.79	12.39	2.00	8.20	10.94	15.26	5.83	4.32	
Difference	0.05	-0.40	0.05	-1.20	6.65	N/A	N/A	-0.71	-0.41	12.53	4.79	

**Historical Statistics - 3 Years**

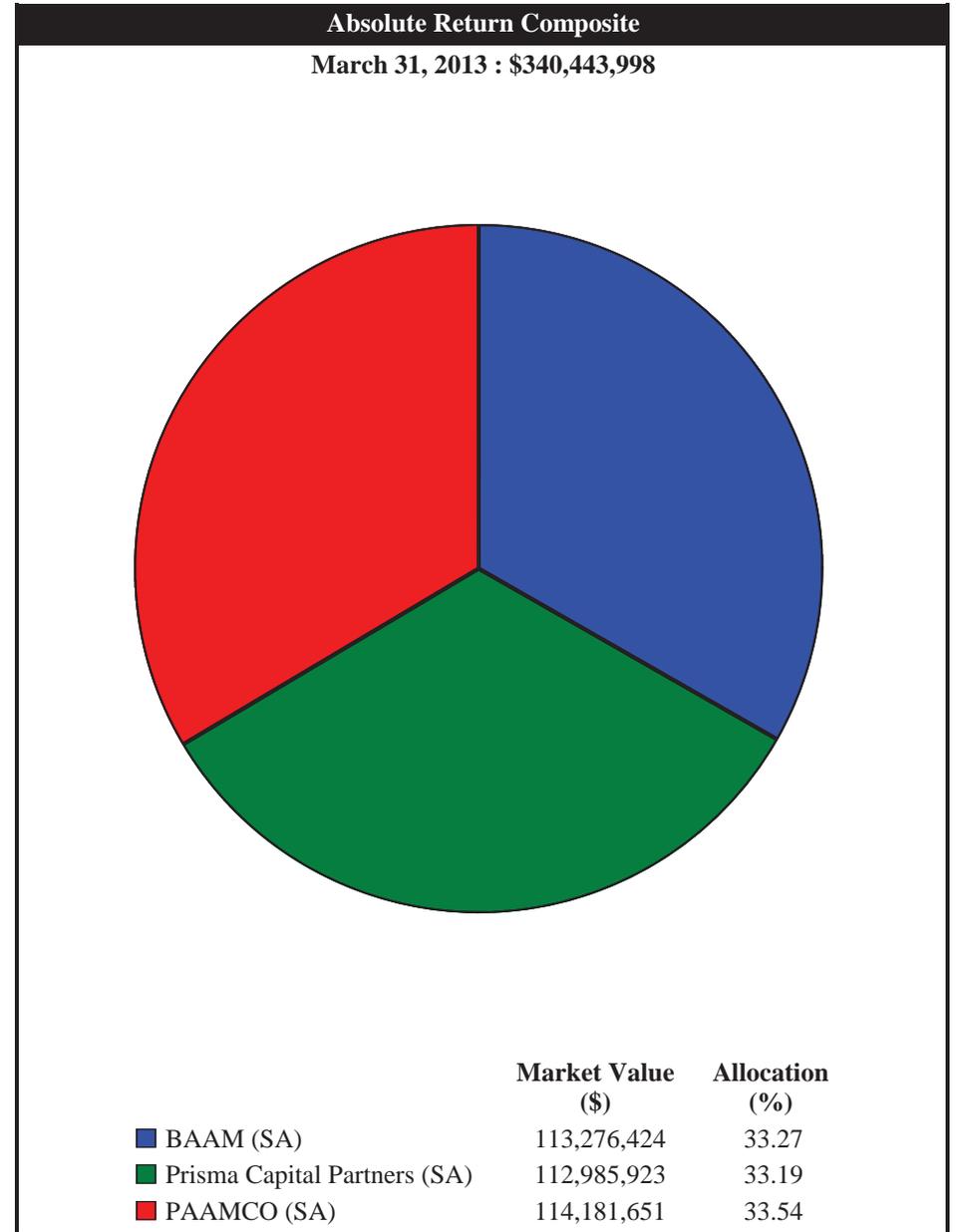
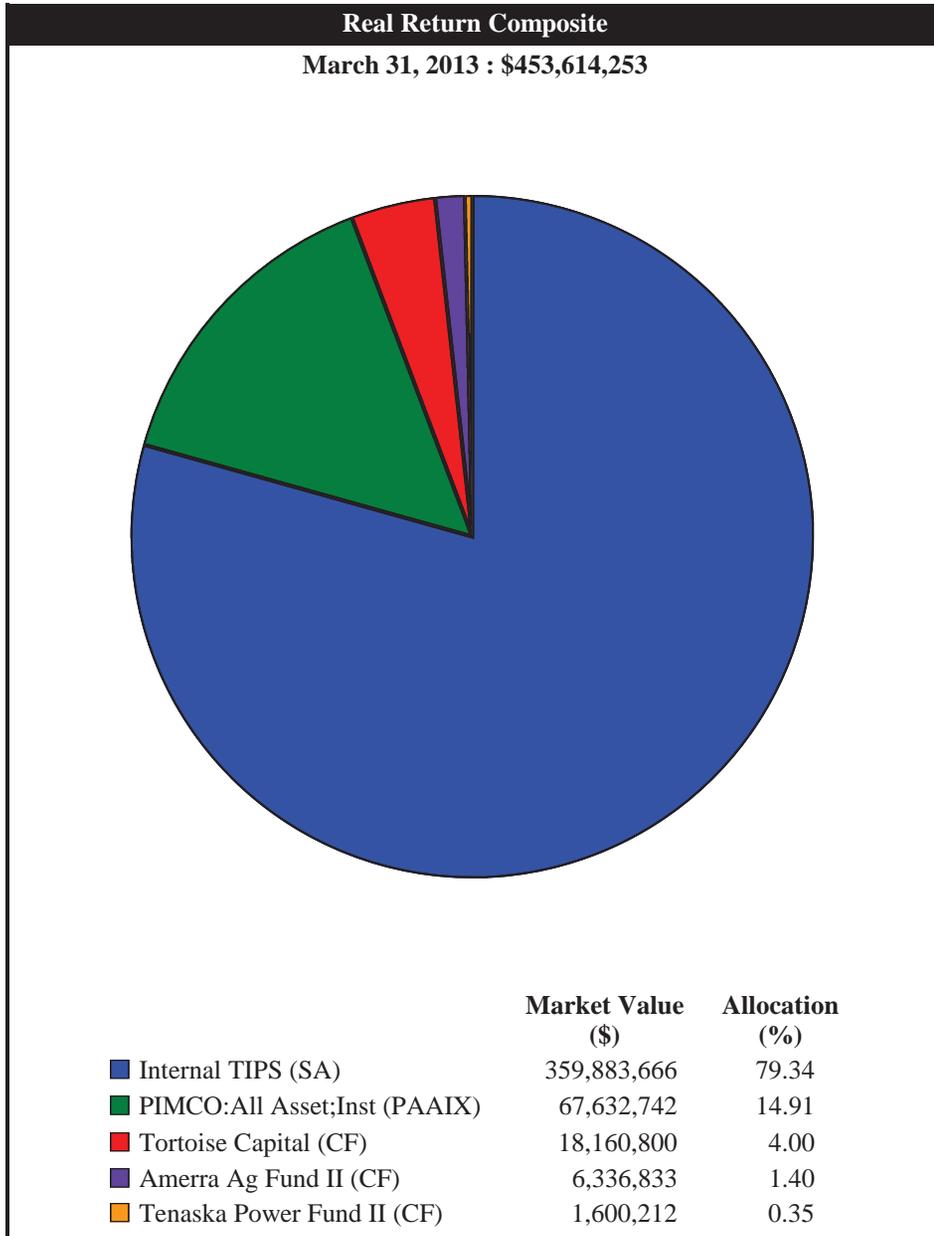


**Actual Correlation - 3 Years**

	Actual Correlation
NCREIF ODCE Index (Gross) (AWA)*	0.03
S&P 500 Index (Cap Wtd)	-0.40
R 2000 Index	-0.27
MSCI EAFE Index (Gross)	-0.45
MSCI Emg Mkts Index (Gross)	-0.22
Barclays US Agg Bond Index	0.04
Barclays US Trsy: US TIPS Index	-0.13
Wilshire US REIT Index	-0.35
HFN FOF Multi-Strat Index (Net)	-0.37
DJ-UBS Cmnty Index (TR)	-0.24
BofA ML 3 Mo US T-Bill Index	0.25
Consumer Price Index	0.13
Real Estate Composite	1.00

Performance shown is gross of fees. Calculation is based on quarterly periodicity.

**Kentucky Retirement Systems - Insurance Plan**  
**Real Return Composite and Absolute Return Composite**  
**Asset Allocation by Manager**  
**As of March 31, 2013**



Allocations shown may not sum up to 100% exactly due to rounding.

**Kentucky Retirement Systems - Pension Plan**  
**Manager Comparative Performance**  
As of March 31, 2013

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>River Road Asset Management (SA)</b>	<b>14.00</b>	<b>14.00</b>	<b>18.25</b>	<b>18.30</b>	N/A	N/A	<b>10.28</b>	N/A	N/A	<b>14.27</b>	<b>07/01/2011</b>
R 3000 Value Index	12.26	12.26	21.46	18.71	12.70	5.05	17.55	-0.10	16.23	13.43	
Difference	1.74	1.74	-3.21	-0.41	N/A	N/A	-7.27	N/A	N/A	0.84	
IM U.S. All Cap Value Equity (SA+CF) Median	11.80	11.80	20.85	15.95	12.44	6.97	15.77	-0.71	17.38	11.76	
River Road Asset Management (SA) Rank	11	11	70	25	N/A	N/A	85	N/A	N/A	15	
<b>Westwood Management (SA)</b>	<b>12.33</b>	<b>12.33</b>	<b>23.89</b>	<b>15.77</b>	N/A	N/A	<b>14.79</b>	N/A	N/A	<b>10.10</b>	<b>07/01/2011</b>
R 3000 Value Index	12.26	12.26	21.46	18.71	12.70	5.05	17.55	-0.10	16.23	13.43	
Difference	0.07	0.07	2.43	-2.94	N/A	N/A	-2.76	N/A	N/A	-3.33	
IM U.S. All Cap Value Equity (SA+CF) Median	11.80	11.80	20.85	15.95	12.44	6.97	15.77	-0.71	17.38	11.76	
Westwood Management (SA) Rank	32	32	25	51	N/A	N/A	59	N/A	N/A	73	
<b>Westfield Capital (SA)</b>	<b>11.37</b>	<b>11.37</b>	<b>24.93</b>	<b>15.88</b>	N/A	N/A	<b>22.86</b>	N/A	N/A	<b>12.26</b>	<b>07/01/2011</b>
R 3000 Growth Index	9.82	9.82	15.04	10.42	13.19	7.44	15.21	2.18	17.64	11.43	
Difference	1.55	1.55	9.89	5.46	N/A	N/A	7.65	N/A	N/A	0.83	
IM U.S. All Cap Growth Equity (SA+CF) Median	9.98	9.98	15.84	9.42	12.39	8.23	15.88	-1.44	21.39	9.81	
Westfield Capital (SA) Rank	18	18	2	8	N/A	N/A	1	N/A	N/A	11	
<b>U.S. All Cap Equity Composite</b>	<b>12.11</b>	<b>12.11</b>	<b>23.58</b>	<b>16.14</b>	N/A	N/A	<b>17.72</b>	N/A	N/A	<b>11.61</b>	<b>07/01/2011</b>
R 3000 Index	11.07	11.07	18.29	14.57	12.97	6.32	16.42	1.03	16.93	12.47	
Difference	1.04	1.04	5.29	1.57	N/A	N/A	1.30	N/A	N/A	-0.86	
<b>Internal S&amp;P 500 Index (SA)</b>	<b>10.58</b>	<b>10.58</b>	<b>16.99</b>	<b>13.79</b>	<b>13.20</b>	<b>6.43</b>	<b>15.84</b>	<b>3.20</b>	<b>15.97</b>	<b>4.76</b>	<b>07/01/2001</b>
S&P 500 Index (Cap Wtd)*	10.61	10.61	17.19	13.96	13.05	6.30	16.00	2.37	16.38	4.68	
Difference	-0.03	-0.03	-0.20	-0.17	0.15	0.13	-0.16	0.83	-0.41	0.08	
IM U.S. Large Cap Index Equity (SA+CF) Median	10.64	10.64	17.31	14.03	12.73	5.88	16.22	1.56	15.56	4.25	
Internal S&P 500 Index (SA) Rank	70	70	75	76	10	24	80	9	41	24	
<b>INVESCO Struct'd Core Equity (SA)</b>	<b>11.21</b>	<b>11.21</b>	<b>19.06</b>	<b>14.25</b>	<b>12.49</b>	<b>6.10</b>	<b>16.97</b>	<b>2.85</b>	<b>11.17</b>	<b>6.77</b>	<b>08/01/2005</b>
S&P 500 Index (Cap Wtd)	10.61	10.61	17.19	13.96	12.67	5.81	16.00	2.11	15.06	5.40	
Difference	0.60	0.60	1.87	0.29	-0.18	0.29	0.97	0.74	-3.89	1.37	
IM U.S. Large Cap Core Equity (SA+CF) Median	10.70	10.70	17.75	13.97	12.67	6.34	15.73	1.87	14.87	6.10	
INVESCO Struct'd Core Equity (SA) Rank	36	36	32	45	54	55	33	39	87	24	

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	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Sasco Capital Inc. (SA)</b>	<b>12.54</b>	<b>12.54</b>	<b>20.39</b>	N/A	N/A	N/A	N/A	N/A	N/A	<b>20.39</b>	<b>07/01/2012</b>
R Mid Cap Value Index	14.21	14.21	25.58	21.49	14.96	8.53	18.51	-1.38	24.75	25.58	
Difference	-1.67	-1.67	-5.19	N/A	N/A	N/A	N/A	N/A	N/A	-5.19	
IM U.S. Mid Cap Value Equity (SA+CF) Median	13.09	13.09	23.83	19.11	14.34	9.12	17.26	-1.08	22.22	23.83	
Sasco Capital Inc. (SA) Rank	69	69	86	N/A	N/A	N/A	N/A	N/A	N/A	86	
<b>Systematic Financial Management (SA)</b>	<b>13.61</b>	<b>13.61</b>	<b>23.90</b>	N/A	N/A	N/A	N/A	N/A	N/A	<b>23.90</b>	<b>07/01/2012</b>
R Mid Cap Value Index	14.21	14.21	25.58	21.49	14.96	8.53	18.51	-1.38	24.75	25.58	
Difference	-0.60	-0.60	-1.68	N/A	N/A	N/A	N/A	N/A	N/A	-1.68	
IM U.S. Mid Cap Value Equity (SA+CF) Median	13.09	13.09	23.83	19.11	14.34	9.12	17.26	-1.08	22.22	23.83	
Systematic Financial Management (SA) Rank	44	44	50	N/A	N/A	N/A	N/A	N/A	N/A	50	
<b>Geneva Capital Management (SA)</b>	<b>10.98</b>	<b>10.98</b>	<b>14.49</b>	N/A	N/A	N/A	N/A	N/A	N/A	<b>14.49</b>	<b>07/01/2012</b>
R Mid Cap Growth Index	11.51	11.51	19.45	12.76	14.23	7.98	15.81	-1.65	26.38	19.45	
Difference	-0.53	-0.53	-4.96	N/A	N/A	N/A	N/A	N/A	N/A	-4.96	
IM U.S. Mid Cap Growth Equity (SA+CF) Median	11.00	11.00	17.47	10.32	14.20	8.25	15.06	-1.78	26.65	17.47	
Geneva Capital Management (SA) Rank	51	51	73	N/A	N/A	N/A	N/A	N/A	N/A	73	
<b>NT Structured Small Cap (SA)</b>	<b>12.41</b>	<b>12.41</b>	<b>21.85</b>	<b>18.30</b>	<b>16.03</b>	<b>9.98</b>	<b>18.71</b>	<b>-1.25</b>	<b>29.64</b>	<b>9.57</b>	<b>10/01/1999</b>
R 2000 Index	12.39	12.39	20.48	16.30	13.45	8.24	16.34	-4.18	26.86	7.51	
Difference	0.02	0.02	1.37	2.00	2.58	1.74	2.37	2.93	2.78	2.06	
IM U.S. Small Cap Core Equity (SA+CF) Median	12.63	12.63	21.75	16.24	15.69	9.28	16.66	-1.50	28.32	10.70	
NT Structured Small Cap (SA) Rank	57	57	50	31	43	31	32	49	39	72	
<b>U.S. Cap Weighted Equity Composite</b>	<b>11.13</b>	<b>11.13</b>	<b>18.08</b>	<b>13.93</b>	<b>12.83</b>	<b>6.71</b>	<b>15.65</b>	<b>1.41</b>	<b>17.71</b>	<b>5.94</b>	<b>10/01/1999</b>
R 3000 Index	11.07	11.07	18.29	14.57	12.97	6.32	16.42	1.03	16.93	4.19	
Difference	0.06	0.06	-0.21	-0.64	-0.14	0.39	-0.77	0.38	0.78	1.75	
<b>U.S. Equity Composite</b>	<b>11.23</b>	<b>11.23</b>	<b>18.72</b>	<b>14.14</b>	<b>12.82</b>	<b>6.53</b>	<b>15.92</b>	<b>1.04</b>	<b>16.77</b>	<b>11.16</b>	<b>04/01/1984</b>
R 3000 Index (P)*	11.07	11.07	18.29	14.57	13.05	6.50	16.42	0.92	17.50	11.06	
Difference	0.16	0.16	0.43	-0.43	-0.23	0.03	-0.50	0.12	-0.73	0.10	

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	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>The Boston Co. Non-US Value (SA)</b>	<b>3.36</b>	<b>3.36</b>	<b>18.33</b>	<b>7.17</b>	<b>1.08</b>	<b>-0.17</b>	<b>14.85</b>	<b>-16.01</b>	<b>5.88</b>	<b>3.87</b>	<b>05/01/2005</b>
MSCI ACW Ex US Index (Gross)*	3.27	3.27	17.55	8.87	4.88	-0.61	17.39	-11.78	9.43	4.91	
Difference	0.09	0.09	0.78	-1.70	-3.80	0.44	-2.54	-4.23	-3.55	-1.04	
IM International Value Equity (SA+CF) Median	4.46	4.46	19.27	11.11	6.38	1.34	18.47	-11.15	11.26	6.21	
The Boston Co. Non-US Value (SA) Rank	72	72	61	79	93	72	81	83	81	92	
<b>BTC ACWI Ex US Fund (CF)</b>	<b>3.20</b>	<b>3.20</b>	<b>17.35</b>	<b>8.61</b>	<b>4.63</b>	<b>N/A</b>	<b>17.13</b>	<b>-13.43</b>	<b>11.23</b>	<b>10.32</b>	<b>07/01/2009</b>
MSCI ACW Ex US Index (Net)	3.17	3.17	17.29	8.36	4.41	-0.39	16.83	-13.71	11.15	10.12	
Difference	0.03	0.03	0.06	0.25	0.22	N/A	0.30	0.28	0.08	0.20	
IM International Core Equity (SA+CF) Median	5.18	5.18	20.41	12.64	7.22	0.79	19.56	-12.11	11.64	12.27	
BTC ACWI Ex US Fund (CF) Rank	88	88	85	92	92	N/A	77	67	54	84	
<b>Pyramis Int'l Growth Fund (SA)</b>	<b>3.64</b>	<b>3.64</b>	<b>18.03</b>	<b>9.78</b>	<b>5.84</b>	<b>0.08</b>	<b>17.56</b>	<b>-11.52</b>	<b>11.85</b>	<b>6.51</b>	<b>08/01/2001</b>
MSCI ACW Ex US Index (Gross)*	3.27	3.27	17.55	8.87	4.88	-0.61	17.39	-11.78	9.43	5.64	
Difference	0.37	0.37	0.48	0.91	0.96	0.69	0.17	0.26	2.42	0.87	
IM International Growth Equity (SA+CF) Median	5.34	5.34	19.29	12.06	7.81	1.77	20.00	-12.23	14.64	7.65	
Pyramis Int'l Growth Fund (SA) Rank	83	83	67	70	79	65	73	46	66	73	
<b>NT Int'l Sm Cap Eq Index (SA)</b>	<b>6.56</b>	<b>6.56</b>	<b>21.30</b>	<b>10.67</b>	<b>6.05</b>	<b>N/A</b>	<b>18.14</b>	<b>-18.79</b>	<b>22.69</b>	<b>19.53</b>	<b>12/01/2008</b>
MSCI ACW Ex US Sm Cap Index (Net)	6.54	6.54	21.30	10.48	6.95	2.54	18.52	-18.50	25.21	20.74	
Difference	0.02	0.02	0.00	0.19	-0.90	N/A	-0.38	-0.29	-2.52	-1.21	
IM International Small Cap Equity (SA+CF) Median	8.19	8.19	24.11	15.56	11.15	3.48	23.13	-13.59	23.58	20.79	
NT Int'l Sm Cap Eq Index (SA) Rank	77	77	81	89	97	N/A	88	95	60	66	
<b>Non-U.S. Equity Composite</b>	<b>3.69</b>	<b>3.69</b>	<b>18.22</b>	<b>8.46</b>	<b>3.06</b>	<b>0.60</b>	<b>16.43</b>	<b>-17.01</b>	<b>12.88</b>	<b>1.96</b>	<b>07/01/2000</b>
MSCI ACW Ex US Index (Gross) (P)*	3.27	3.27	17.55	8.87	5.03	0.30	17.39	-13.26	12.37	2.71	
Difference	0.42	0.42	0.67	-0.41	-1.97	0.30	-0.96	-3.75	0.51	-0.75	

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	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Aberdeen Emg Mkts Equity (CF)</b>	<b>0.50</b>	<b>0.50</b>	<b>15.63</b>	<b>10.61</b>	<b>11.67</b>	<b>10.60</b>	<b>26.41</b>	<b>-10.46</b>	<b>29.06</b>	<b>10.60</b>	<b>04/01/2008</b>
MSCI Emg Mkts Index (Gross)	-1.57	-1.57	12.15	2.31	3.59	1.40	18.64	-18.17	19.20	1.40	
Difference	2.07	2.07	3.48	8.30	8.08	9.20	7.77	7.71	9.86	9.20	
IM Emerging Markets Equity (SA+CF) Median	0.32	0.32	14.62	5.31	4.74	2.00	20.06	-18.63	21.27	2.00	
Aberdeen Emg Mkts Equity (CF) Rank	47	47	41	16	6	5	10	7	11	5	
<b>Wellington Emg Mkts Equity (CF)</b>	<b>-1.61</b>	<b>-1.61</b>	<b>13.62</b>	<b>1.66</b>	<b>1.95</b>	<b>1.04</b>	<b>19.49</b>	<b>-21.63</b>	<b>16.39</b>	<b>1.04</b>	<b>04/01/2008</b>
MSCI Emg Mkts Index (Gross)	-1.57	-1.57	12.15	2.31	3.59	1.40	18.64	-18.17	19.20	1.40	
Difference	-0.04	-0.04	1.47	-0.65	-1.64	-0.36	0.85	-3.46	-2.81	-0.36	
IM Emerging Markets Equity (SA+CF) Median	0.32	0.32	14.62	5.31	4.74	2.00	20.06	-18.63	21.27	2.00	
Wellington Emg Mkts Equity (CF) Rank	78	78	62	79	79	64	60	72	84	64	
<b>Emerging Mkts Equity Composite</b>	<b>-0.36</b>	<b>-0.36</b>	<b>14.79</b>	<b>7.24</b>	<b>N/A</b>	<b>N/A</b>	<b>23.92</b>	<b>N/A</b>	<b>N/A</b>	<b>3.13</b>	<b>07/01/2011</b>
MSCI Emg Mkts Index (Gross)	-1.57	-1.57	12.15	2.31	3.59	1.40	18.64	-18.17	19.20	-3.13	
Difference	1.21	1.21	2.64	4.93	N/A	N/A	5.28	N/A	N/A	6.26	

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	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>NISA Core Agg Fixed Income (SA)</b>	<b>-0.07</b>	<b>-0.07</b>	<b>1.86</b>	<b>4.12</b>	<b>5.73</b>	<b>N/A</b>	<b>4.47</b>	<b>8.00</b>	<b>6.96</b>	<b>6.34</b>	<b>02/01/2009</b>
Barclays US Agg Bond Index	-0.12	-0.12	1.68	3.77	5.52	5.47	4.21	7.84	6.54	6.07	
Difference	0.05	0.05	0.18	0.35	0.21	N/A	0.26	0.16	0.42	0.27	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	0.11	0.11	2.77	4.89	6.20	6.24	5.85	7.85	7.23	7.52	
NISA Core Agg Fixed Income (SA) Rank	79	79	84	82	80	N/A	86	38	63	83	
<b>PIMCO Core Fixed Income (SA)</b>	<b>-0.62</b>	<b>-0.62</b>	<b>3.38</b>	<b>6.51</b>	<b>6.20</b>	<b>N/A</b>	<b>9.26</b>	<b>4.90</b>	<b>7.06</b>	<b>5.68</b>	<b>11/01/2009</b>
PIMCO Blended Index	-0.66	-0.66	2.64	3.67	5.85	5.66	6.07	7.51	6.54	5.57	
Difference	0.04	0.04	0.74	2.84	0.35	N/A	3.19	-2.61	0.52	0.11	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	0.11	0.11	2.77	4.89	6.20	6.24	5.85	7.85	7.23	6.19	
PIMCO Core Fixed Income (SA) Rank	100	100	27	9	49	N/A	5	99	60	73	
IM Global Fixed Income (SA+CF) Median	-0.10	-0.10	4.76	6.09	6.19	5.29	7.97	5.27	7.81	5.62	
PIMCO Core Fixed Income (SA) Rank	56	56	62	47	50	N/A	46	55	59	50	
<b>Columbia HY Fixed Income (SA)</b>	<b>2.71</b>	<b>2.71</b>	<b>11.30</b>	<b>13.66</b>	<b>N/A</b>	<b>N/A</b>	<b>16.43</b>	<b>N/A</b>	<b>N/A</b>	<b>14.20</b>	<b>11/01/2011</b>
Barclays US Corp: Hi Yld Index	2.89	2.89	11.09	13.13	11.24	11.65	15.81	4.98	15.12	13.53	
Difference	-0.18	-0.18	0.21	0.53	N/A	N/A	0.62	N/A	N/A	0.67	
<b>Loomis Sayles HY Fixed Income (SA)</b>	<b>3.44</b>	<b>3.44</b>	<b>16.21</b>	<b>17.63</b>	<b>N/A</b>	<b>N/A</b>	<b>24.26</b>	<b>N/A</b>	<b>N/A</b>	<b>18.55</b>	<b>11/01/2011</b>
Barclays US Corp: Hi Yld Index	2.89	2.89	11.09	13.13	11.24	11.65	15.81	4.98	15.12	13.53	
Difference	0.55	0.55	5.12	4.50	N/A	N/A	8.45	N/A	N/A	5.02	
<b>Manulife Asset Mgmt (SA)</b>	<b>1.95</b>	<b>1.95</b>	<b>8.41</b>	<b>9.45</b>	<b>N/A</b>	<b>N/A</b>	<b>12.13</b>	<b>N/A</b>	<b>N/A</b>	<b>10.77</b>	<b>12/01/2011</b>
Barclays Multiverse Index	-1.96	-1.96	1.06	1.68	4.76	3.90	4.84	5.55	5.84	2.63	
Difference	3.91	3.91	7.35	7.77	N/A	N/A	7.29	N/A	N/A	8.14	
<b>Commerce Street Income Partners L.P.</b>	<b>5.78</b>	<b>5.78</b>	<b>5.64</b>	<b>2.77</b>	<b>6.44</b>	<b>N/A</b>	<b>-2.85</b>	<b>6.66</b>	<b>2.67</b>	<b>8.26</b>	<b>05/01/2009</b>
Opportunistic FI Blended Index	2.10	2.10	7.27	8.49	7.33	8.13	9.89	3.24	10.12	12.76	
Difference	3.68	3.68	-1.63	-5.72	-0.89	N/A	-12.74	3.42	-7.45	-4.50	
<b>Waterfall (SA)</b>	<b>3.24</b>	<b>3.24</b>	<b>11.03</b>	<b>13.29</b>	<b>15.40</b>	<b>N/A</b>	<b>14.05</b>	<b>10.55</b>	<b>N/A</b>	<b>15.94</b>	<b>02/01/2010</b>
Opportunistic FI Blended Index	2.10	2.10	7.27	8.49	7.33	8.13	9.89	3.24	10.12	7.64	
Difference	1.14	1.14	3.76	4.80	8.07	N/A	4.16	7.31	N/A	8.30	

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	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Shenkman Capital (SA)</b>	<b>1.92</b>	<b>1.92</b>	<b>7.84</b>	<b>8.19</b>	N/A	N/A	<b>10.65</b>	<b>3.46</b>	N/A	<b>7.43</b>	<b>10/01/2010</b>
Shenkman Blended Index	2.55	2.55	9.22	10.72	8.63	9.61	13.00	3.04	12.41	8.75	
Difference	-0.63	-0.63	-1.38	-2.53	N/A	N/A	-2.35	0.42	N/A	-1.32	
<b>Stone Harbor (SA)</b>	<b>-1.63</b>	<b>-1.63</b>	<b>7.78</b>	<b>9.17</b>	N/A	N/A	<b>17.53</b>	<b>7.12</b>	N/A	<b>9.78</b>	<b>12/01/2010</b>
JPMorgan EMBI Global Dvf'd TR Index	-2.26	-2.26	7.16	10.12	9.87	9.44	17.44	7.35	12.24	9.15	
Difference	0.63	0.63	0.62	-0.95	N/A	N/A	0.09	-0.23	N/A	0.63	
IM Emerging Markets Debt (SA+CF) Median	-0.57	-0.57	9.38	10.59	10.37	10.16	19.11	2.83	15.04	9.73	
Stone Harbor (SA) Rank	84	84	91	66	N/A	N/A	68	21	N/A	50	
<b>Fixed Income Composite</b>	<b>0.65</b>	<b>0.65</b>	<b>5.74</b>	<b>7.98</b>	<b>7.93</b>	<b>6.05</b>	<b>10.24</b>	<b>7.04</b>	<b>7.61</b>	<b>8.25</b>	<b>04/01/1984</b>
Fixed Income Custom Index (P)	0.08	0.08	2.67	4.72	6.23	5.52	5.53	8.12	6.49	7.99	
Difference	0.57	0.57	3.07	3.26	1.70	0.53	4.71	-1.08	1.12	0.26	

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**Kentucky Retirement Systems - Pension Plan**  
**Manager Comparative Performance**  
As of March 31, 2013

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Internal TIPS (SA)</b>	<b>-0.45</b>	<b>-0.45</b>	<b>2.52</b>	<b>5.80</b>	<b>8.52</b>	<b>5.85</b>	<b>7.15</b>	<b>13.09</b>	<b>6.46</b>	<b>7.15</b>	<b>05/01/2002</b>
Barclays US Trsy: US TIPS Index	-0.36	-0.36	2.45	5.68	8.57	5.89	6.98	13.56	6.31	7.13	
Difference	-0.09	-0.09	0.07	0.12	-0.05	-0.04	0.17	-0.47	0.15	0.02	
IM U.S. TIPS (SA+CF) Median	-0.29	-0.29	2.61	5.74	8.65	6.03	7.14	13.55	6.42	N/A	
Internal TIPS (SA) Rank	84	84	78	43	62	66	49	60	44	N/A	
<b>Weaver Barksdale TIPS (SA)</b>	<b>-0.55</b>	<b>-0.55</b>	<b>2.32</b>	<b>5.60</b>	<b>8.63</b>	<b>5.98</b>	<b>6.96</b>	<b>13.67</b>	<b>6.51</b>	<b>7.15</b>	<b>07/01/2001</b>
Barclays US Trsy: US TIPS Index	-0.36	-0.36	2.45	5.68	8.57	5.89	6.98	13.56	6.31	7.10	
Difference	-0.19	-0.19	-0.13	-0.08	0.06	0.09	-0.02	0.11	0.20	0.05	
IM U.S. TIPS (SA+CF) Median	-0.29	-0.29	2.61	5.74	8.65	6.03	7.14	13.55	6.42	N/A	
Weaver Barksdale TIPS (SA) Rank	95	95	95	65	57	54	66	44	43	N/A	
<b>PIMCO:All Asset;Inst (PAAIX)</b>	<b>0.88</b>	<b>0.88</b>	<b>10.38</b>	<b>9.66</b>	<b>N/A</b>	<b>N/A</b>	<b>19.91</b>	<b>N/A</b>	<b>N/A</b>	<b>12.50</b>	<b>12/01/2011</b>
Barclays US Trsy Infl Notes: 1-10 Yr Index	0.33	0.33	2.52	3.89	6.20	4.55	5.04	8.93	5.22	3.87	
Difference	0.55	0.55	7.86	5.77	N/A	N/A	14.87	N/A	N/A	8.63	
<b>Tenaska Power Fund II (CF)</b>	<b>-0.39</b>	<b>-0.39</b>	<b>-4.08</b>	<b>3.92</b>	<b>3.08</b>	<b>N/A</b>	<b>2.33</b>	<b>5.94</b>	<b>-0.92</b>	<b>-0.33</b>	<b>10/01/2008</b>
<b>Tortoise Capital (CF)</b>	<b>20.78</b>	<b>20.78</b>	<b>31.10</b>	<b>27.39</b>	<b>24.51</b>	<b>N/A</b>	<b>8.24</b>	<b>18.68</b>	<b>34.95</b>	<b>28.02</b>	<b>08/01/2009</b>
Alerian MLP Index	19.74	19.74	25.93	23.06	21.50	18.45	4.80	13.88	35.85	25.44	
Difference	1.04	1.04	5.17	4.33	3.01	N/A	3.44	4.80	-0.90	2.58	
<b>Amerra Ag Fund II (CF)</b>	<b>-4.19</b>	<b>-4.19</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-4.19</b>	<b>12/01/2012</b>
<b>Real Return Composite</b>	<b>0.76</b>	<b>0.76</b>	<b>5.21</b>	<b>7.60</b>	<b>N/A</b>	<b>N/A</b>	<b>9.55</b>	<b>N/A</b>	<b>N/A</b>	<b>9.85</b>	<b>07/01/2011</b>
Consumer Price Index + 3%	2.13	2.13	3.71	4.52	5.34	4.79	4.79	6.05	4.54	4.83	
Difference	-1.37	-1.37	1.50	3.08	N/A	N/A	4.76	N/A	N/A	5.02	

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**Kentucky Retirement Systems - Pension Plan  
Manager Comparative Performance  
As of March 31, 2013**

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
Internal Real Estate (SA)	0.00	0.00	0.00	0.00	0.01	0.06	0.00	0.02	0.02	4.25	04/01/1999
Walton Street Real Estate Fund VI, L.P.	5.47	5.47	8.21	10.07	30.96	N/A	7.95	54.15	-11.15	-44.12	05/01/2009
Prima Mortgage Invest Trust, LLC	1.27	1.27	5.92	9.40	11.37	N/A	8.03	7.93	22.63	12.03	05/01/2009
Mesa West Real Estate Income Fund II L.P.	21.21	21.21	35.19	40.22	11.00	N/A	20.16	11.12	-15.50	10.11	01/01/2010
H/2 Credit Partners (CF)	3.13	3.13	9.84	11.41	N/A	N/A	12.56	N/A	N/A	8.65	07/01/2011
Harrison Street Core (CF)	2.00	2.00	2.50	N/A	N/A	N/A	N/A	N/A	N/A	2.50	05/01/2012
Greenfield Acquisition Partners VI (CF)	-3.07	-3.07	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-3.07	12/01/2012
<b>Real Estate Composite</b>	<b>4.18</b>	<b>4.18</b>	<b>9.46</b>	<b>11.67</b>	<b>13.93</b>	<b>6.97</b>	<b>10.18</b>	<b>13.33</b>	<b>14.80</b>	<b>8.93</b>	<b>05/01/2009</b>
NCREIF ODCE Index (Gross) (AWA)*	2.69	2.69	8.01	10.79	12.39	2.00	10.94	15.26	5.83	4.32	
Difference	1.49	1.49	1.45	0.88	1.54	4.97	-0.76	-1.93	8.97	4.61	

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**Kentucky Retirement Systems - Pension Plan**  
**Manager Comparative Performance**  
**As of March 31, 2013**

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>BAAM (SA)</b>	3.95	3.95	9.50	8.99	N/A	N/A	7.87	N/A	N/A	7.66	09/01/2011
<b>PAAMCO (SA)</b>	4.73	4.73	8.87	7.61	N/A	N/A	6.00	N/A	N/A	6.35	09/01/2011
<b>Prisma Capital Partners (SA)</b>	3.85	3.85	8.10	7.69	N/A	N/A	7.77	N/A	N/A	5.45	09/01/2011
<b>Absolute Return Composite</b>	4.17	4.17	8.78	8.05	4.34	N/A	7.06	3.82	N/A	4.34	04/01/2010
HFRI FOF Diversified Index (Lagged)	3.47	3.47	5.60	4.19	2.42	-0.74	3.12	-2.46	4.07	2.42	
Difference	0.70	0.70	3.18	3.86	1.92	N/A	3.94	6.28	N/A	1.92	
<b>Cash Equivalents (SA)</b>	0.07	0.07	0.25	0.32	0.47	0.89	0.30	0.31	0.89	4.19	01/01/1988
Citi 3 Mo T-Bill Index	0.02	0.02	0.08	0.11	0.09	0.30	0.09	0.06	0.10	3.73	
Difference	0.05	0.05	0.17	0.21	0.38	0.59	0.21	0.25	0.79	0.46	

Performance for absolute return managers and the HFRI FOF Diversified Index is lagged by one month.

Performance for the NCREIF ODCE Index (Gross) (AWA) is available quarterly; interim month returns assume a 0.00% return.

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**Kentucky Retirement Systems - Insurance Plan**  
**Manager Comparative Performance**  
As of March 31, 2013

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>River Road Asset Management (SA)</b>	<b>13.99</b>	<b>13.99</b>	<b>18.25</b>	<b>18.31</b>	N/A	N/A	<b>10.34</b>	N/A	N/A	<b>14.29</b>	<b>07/01/2011</b>
R 3000 Value Index	12.26	12.26	21.46	18.71	12.70	5.05	17.55	-0.10	16.23	13.43	
Difference	1.73	1.73	-3.21	-0.40	N/A	N/A	-7.21	N/A	N/A	0.86	
IM U.S. All Cap Value Equity (SA+CF) Median	11.80	11.80	20.85	15.95	12.44	6.97	15.77	-0.71	17.38	11.76	
River Road Asset Management (SA) Rank	11	11	70	25	N/A	N/A	85	N/A	N/A	14	
<b>Westwood Management (SA)</b>	<b>12.33</b>	<b>12.33</b>	<b>23.85</b>	<b>15.72</b>	N/A	N/A	<b>14.72</b>	N/A	N/A	<b>10.05</b>	<b>07/01/2011</b>
R 3000 Value Index	12.26	12.26	21.46	18.71	12.70	5.05	17.55	-0.10	16.23	13.43	
Difference	0.07	0.07	2.39	-2.99	N/A	N/A	-2.83	N/A	N/A	-3.38	
IM U.S. All Cap Value Equity (SA+CF) Median	11.80	11.80	20.85	15.95	12.44	6.97	15.77	-0.71	17.38	11.76	
Westwood Management (SA) Rank	32	32	25	51	N/A	N/A	59	N/A	N/A	73	
<b>Westfield Capital (SA)</b>	<b>11.36</b>	<b>11.36</b>	<b>24.91</b>	<b>15.87</b>	N/A	N/A	<b>22.88</b>	N/A	N/A	<b>12.26</b>	<b>07/01/2011</b>
R 3000 Growth Index	9.82	9.82	15.04	10.42	13.19	7.44	15.21	2.18	17.64	11.43	
Difference	1.54	1.54	9.87	5.45	N/A	N/A	7.67	N/A	N/A	0.83	
IM U.S. All Cap Growth Equity (SA+CF) Median	9.98	9.98	15.84	9.42	12.39	8.23	15.88	-1.44	21.39	9.81	
Westfield Capital (SA) Rank	18	18	2	8	N/A	N/A	1	N/A	N/A	11	
<b>U.S. All Cap Equity Composite</b>	<b>12.10</b>	<b>12.10</b>	<b>23.55</b>	<b>16.13</b>	N/A	N/A	<b>17.71</b>	N/A	N/A	<b>11.60</b>	<b>07/01/2011</b>
R 3000 Index	11.07	11.07	18.29	14.57	12.97	6.32	16.42	1.03	16.93	12.47	
Difference	1.03	1.03	5.26	1.56	N/A	N/A	1.29	N/A	N/A	-0.87	
<b>Internal S&amp;P 500 Index (SA)</b>	<b>10.58</b>	<b>10.58</b>	<b>17.16</b>	<b>13.92</b>	<b>13.22</b>	<b>6.54</b>	<b>15.95</b>	<b>2.71</b>	<b>16.32</b>	<b>4.82</b>	<b>07/01/2001</b>
S&P 500 Index (Cap Wtd)*	10.61	10.61	17.19	13.96	13.05	6.30	16.00	2.37	16.38	4.68	
Difference	-0.03	-0.03	-0.03	-0.04	0.17	0.24	-0.05	0.34	-0.06	0.14	
IM U.S. Large Cap Index Equity (SA+CF) Median	10.64	10.64	17.31	14.03	12.73	5.88	16.22	1.56	15.56	4.25	
Internal S&P 500 Index (SA) Rank	71	71	64	68	10	19	75	12	31	22	
<b>Sasco Capital Inc. (SA)</b>	<b>12.53</b>	<b>12.53</b>	<b>20.37</b>	N/A	N/A	N/A	N/A	N/A	N/A	<b>20.37</b>	<b>07/01/2012</b>
R Mid Cap Value Index	14.21	14.21	25.58	21.49	14.96	8.53	18.51	-1.38	24.75	25.58	
Difference	-1.68	-1.68	-5.21	N/A	N/A	N/A	N/A	N/A	N/A	-5.21	
IM U.S. Mid Cap Value Equity (SA+CF) Median	13.09	13.09	23.83	19.11	14.34	9.12	17.26	-1.08	22.22	23.83	
Sasco Capital Inc. (SA) Rank	69	69	87	N/A	N/A	N/A	N/A	N/A	N/A	87	

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**Kentucky Retirement Systems - Insurance Plan**  
**Manager Comparative Performance**  
As of March 31, 2013

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Systematic Financial Management (SA)</b>	<b>13.61</b>	<b>13.61</b>	<b>23.89</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>23.89</b>	<b>07/01/2012</b>
R Mid Cap Value Index	14.21	14.21	25.58	21.49	14.96	8.53	18.51	-1.38	24.75	25.58	
Difference	-0.60	-0.60	-1.69	N/A	N/A	N/A	N/A	N/A	N/A	-1.69	
IM U.S. Mid Cap Value Equity (SA+CF) Median	13.09	13.09	23.83	19.11	14.34	9.12	17.26	-1.08	22.22	23.83	
Systematic Financial Management (SA) Rank	44	44	50	N/A	N/A	N/A	N/A	N/A	N/A	50	
<b>Geneva Capital Management (SA)</b>	<b>10.98</b>	<b>10.98</b>	<b>14.49</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>14.49</b>	<b>07/01/2012</b>
R Mid Cap Growth Index	11.51	11.51	19.45	12.76	14.23	7.98	15.81	-1.65	26.38	19.45	
Difference	-0.53	-0.53	-4.96	N/A	N/A	N/A	N/A	N/A	N/A	-4.96	
IM U.S. Mid Cap Growth Equity (SA+CF) Median	11.00	11.00	17.47	10.32	14.20	8.25	15.06	-1.78	26.65	17.47	
Geneva Capital Management (SA) Rank	51	51	73	N/A	N/A	N/A	N/A	N/A	N/A	73	
<b>NT Structured Small Cap (SA)</b>	<b>12.42</b>	<b>12.42</b>	<b>22.01</b>	<b>18.46</b>	<b>N/A</b>	<b>N/A</b>	<b>18.50</b>	<b>N/A</b>	<b>N/A</b>	<b>11.95</b>	<b>07/01/2011</b>
R 2000 Index	12.39	12.39	20.48	16.30	13.45	8.24	16.34	-4.18	26.86	9.91	
Difference	0.03	0.03	1.53	2.16	N/A	N/A	2.16	N/A	N/A	2.04	
IM U.S. Small Cap Core Equity (SA+CF) Median	12.63	12.63	21.75	16.24	15.69	9.28	16.66	-1.50	28.32	11.00	
NT Structured Small Cap (SA) Rank	57	57	50	30	N/A	N/A	34	N/A	N/A	37	
<b>U.S. Cap Weighted Equity Composite</b>	<b>11.11</b>	<b>11.11</b>	<b>18.07</b>	<b>14.06</b>	<b>12.72</b>	<b>6.26</b>	<b>15.57</b>	<b>1.21</b>	<b>16.32</b>	<b>3.74</b>	<b>07/01/2000</b>
R 3000 Index	11.07	11.07	18.29	14.57	12.97	6.32	16.42	1.03	16.93	3.14	
Difference	0.04	0.04	-0.22	-0.51	-0.25	-0.06	-0.85	0.18	-0.61	0.60	
<b>U.S. Equity Composite</b>	<b>11.23</b>	<b>11.23</b>	<b>18.70</b>	<b>14.31</b>	<b>12.56</b>	<b>6.17</b>	<b>15.86</b>	<b>0.43</b>	<b>16.32</b>	<b>9.02</b>	<b>07/01/1992</b>
R 3000 Index (I)*	11.07	11.07	18.29	14.57	12.83	6.18	16.42	0.97	16.38	N/A	
Difference	0.16	0.16	0.41	-0.26	-0.27	-0.01	-0.56	-0.54	-0.06	N/A	

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**Kentucky Retirement Systems - Insurance Plan**  
**Manager Comparative Performance**  
As of March 31, 2013

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>The Boston Co. Non-US Value (SA)</b>	<b>3.20</b>	<b>3.20</b>	<b>18.15</b>	<b>7.03</b>	<b>1.02</b>	<b>N/A</b>	<b>14.90</b>	<b>-16.00</b>	<b>5.79</b>	<b>-1.35</b>	<b>06/01/2008</b>
MSCI ACW Ex US Index (Gross)*	3.27	3.27	17.55	8.87	4.88	-0.61	17.39	-11.78	9.43	-1.97	
Difference	-0.07	-0.07	0.60	-1.84	-3.86	N/A	-2.49	-4.22	-3.64	0.62	
IM International Value Equity (SA+CF) Median	4.46	4.46	19.27	11.11	6.38	1.34	18.47	-11.15	11.26	-0.10	
The Boston Co. Non-US Value (SA) Rank	75	75	63	79	93	N/A	81	83	81	70	
<b>BTC ACWI Ex US Fund (CF)</b>	<b>3.15</b>	<b>3.15</b>	<b>17.26</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>24.19</b>	<b>06/01/2012</b>
MSCI ACW Ex US Index (Net)	3.17	3.17	17.29	8.36	4.41	-0.39	16.83	-13.71	11.15	24.20	
Difference	-0.02	-0.02	-0.03	N/A	N/A	N/A	N/A	N/A	N/A	-0.01	
IM International Core Equity (SA+CF) Median	5.18	5.18	20.41	12.64	7.22	0.79	19.56	-12.11	11.64	27.40	
BTC ACWI Ex US Fund (CF) Rank	88	88	85	N/A	N/A	N/A	N/A	N/A	N/A	78	
<b>Pyramis Int'l Growth Fund (SA)</b>	<b>3.53</b>	<b>3.53</b>	<b>17.77</b>	<b>9.53</b>	<b>5.65</b>	<b>0.01</b>	<b>17.12</b>	<b>-11.48</b>	<b>11.75</b>	<b>6.47</b>	<b>08/01/2001</b>
MSCI ACW Ex US Index (Gross)*	3.27	3.27	17.55	8.87	4.88	-0.61	17.39	-11.78	9.43	5.64	
Difference	0.26	0.26	0.22	0.66	0.77	0.62	-0.27	0.30	2.32	0.83	
IM International Growth Equity (SA+CF) Median	5.34	5.34	19.29	12.06	7.81	1.77	20.00	-12.23	14.64	7.65	
Pyramis Int'l Growth Fund (SA) Rank	84	84	71	72	80	66	75	46	67	74	
<b>Non-U.S. Equity Composite</b>	<b>3.50</b>	<b>3.50</b>	<b>17.99</b>	<b>8.21</b>	<b>2.30</b>	<b>-0.04</b>	<b>16.09</b>	<b>-17.36</b>	<b>11.39</b>	<b>1.99</b>	<b>04/01/2000</b>
MSCI ACW Ex US Index (Gross) (I)*	3.27	3.27	17.55	8.87	4.77	-0.39	17.39	-12.90	10.60	1.54	
Difference	0.23	0.23	0.44	-0.66	-2.47	0.35	-1.30	-4.46	0.79	0.45	

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**Kentucky Retirement Systems - Insurance Plan**  
**Manager Comparative Performance**  
As of March 31, 2013

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Aberdeen Emg Mkts Equity (CF)</b>	<b>0.50</b>	<b>0.50</b>	<b>15.63</b>	<b>10.61</b>	<b>11.67</b>	<b>10.59</b>	<b>26.41</b>	<b>-10.46</b>	<b>29.06</b>	<b>10.59</b>	<b>04/01/2008</b>
MSCI Emg Mkts Index (Gross)	-1.57	-1.57	12.15	2.31	3.59	1.40	18.64	-18.17	19.20	1.40	
Difference	2.07	2.07	3.48	8.30	8.08	9.19	7.77	7.71	9.86	9.19	
IM Emerging Markets Equity (SA+CF) Median	0.32	0.32	14.62	5.31	4.74	2.00	20.06	-18.63	21.27	2.00	
Aberdeen Emg Mkts Equity (CF) Rank	47	47	41	16	6	5	10	7	11	5	
<b>Wellington Emg Mkts Equity (CF)</b>	<b>-1.57</b>	<b>-1.57</b>	<b>13.66</b>	<b>1.69</b>	<b>1.97</b>	<b>1.05</b>	<b>19.49</b>	<b>-21.61</b>	<b>16.39</b>	<b>1.05</b>	<b>04/01/2008</b>
MSCI Emg Mkts Index (Gross)	-1.57	-1.57	12.15	2.31	3.59	1.40	18.64	-18.17	19.20	1.40	
Difference	0.00	0.00	1.51	-0.62	-1.62	-0.35	0.85	-3.44	-2.81	-0.35	
IM Emerging Markets Equity (SA+CF) Median	0.32	0.32	14.62	5.31	4.74	2.00	20.06	-18.63	21.27	2.00	
Wellington Emg Mkts Equity (CF) Rank	77	77	61	79	79	64	60	72	84	64	
<b>Emerging Mkts Equity Composite</b>	<b>-0.33</b>	<b>-0.33</b>	<b>14.82</b>	<b>7.32</b>	<b>N/A</b>	<b>N/A</b>	<b>23.97</b>	<b>N/A</b>	<b>N/A</b>	<b>3.18</b>	<b>07/01/2011</b>
MSCI Emg Mkts Index (Gross)	-1.57	-1.57	12.15	2.31	3.59	1.40	18.64	-18.17	19.20	-3.13	
Difference	1.24	1.24	2.67	5.01	N/A	N/A	5.33	N/A	N/A	6.31	

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**Kentucky Retirement Systems - Insurance Plan**  
**Manager Comparative Performance**  
**As of March 31, 2013**

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>NISA Core Agg Fixed Income (SA)</b>	<b>-0.08</b>	<b>-0.08</b>	<b>1.78</b>	<b>4.03</b>	<b>N/A</b>	<b>N/A</b>	<b>4.34</b>	<b>N/A</b>	<b>N/A</b>	<b>5.48</b>	<b>07/01/2011</b>
Barclays US Agg Bond Index	-0.12	-0.12	1.68	3.77	5.52	5.47	4.21	7.84	6.54	5.20	
Difference	0.04	0.04	0.10	0.26	N/A	N/A	0.13	N/A	N/A	0.28	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	0.11	0.11	2.77	4.89	6.20	6.24	5.85	7.85	7.23	6.11	
NISA Core Agg Fixed Income (SA) Rank	81	81	89	86	N/A	N/A	88	N/A	N/A	83	
<b>PIMCO Core Fixed Income (SA)</b>	<b>-0.28</b>	<b>-0.28</b>	<b>4.20</b>	<b>7.43</b>	<b>N/A</b>	<b>N/A</b>	<b>9.91</b>	<b>N/A</b>	<b>N/A</b>	<b>6.74</b>	<b>04/01/2011</b>
PIMCO Blended Index	-0.66	-0.66	2.64	3.67	5.85	5.66	6.07	7.51	6.54	6.21	
Difference	0.38	0.38	1.56	3.76	N/A	N/A	3.84	N/A	N/A	0.53	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	0.11	0.11	2.77	4.89	6.20	6.24	5.85	7.85	7.23	6.45	
PIMCO Core Fixed Income (SA) Rank	97	97	10	5	N/A	N/A	4	N/A	N/A	37	
IM Global Fixed Income (SA+CF) Median	-0.10	-0.10	4.76	6.09	6.19	5.29	7.97	5.27	7.81	5.84	
PIMCO Core Fixed Income (SA) Rank	53	53	56	40	N/A	N/A	42	N/A	N/A	45	
<b>Columbia HY Fixed Income (SA)</b>	<b>2.56</b>	<b>2.56</b>	<b>11.10</b>	<b>13.47</b>	<b>N/A</b>	<b>N/A</b>	<b>16.38</b>	<b>N/A</b>	<b>N/A</b>	<b>14.05</b>	<b>11/01/2011</b>
Barclays US Corp: Hi Yld Index	2.89	2.89	11.09	13.13	11.24	11.65	15.81	4.98	15.12	13.53	
Difference	-0.33	-0.33	0.01	0.34	N/A	N/A	0.57	N/A	N/A	0.52	
<b>Loomis Sayles HY Fixed Income (SA)</b>	<b>3.41</b>	<b>3.41</b>	<b>15.64</b>	<b>16.95</b>	<b>N/A</b>	<b>N/A</b>	<b>23.50</b>	<b>N/A</b>	<b>N/A</b>	<b>17.97</b>	<b>11/01/2011</b>
Barclays US Corp: Hi Yld Index	2.89	2.89	11.09	13.13	11.24	11.65	15.81	4.98	15.12	13.53	
Difference	0.52	0.52	4.55	3.82	N/A	N/A	7.69	N/A	N/A	4.44	
<b>Manulife Asset Mgmt (SA)</b>	<b>1.85</b>	<b>1.85</b>	<b>7.98</b>	<b>9.09</b>	<b>N/A</b>	<b>N/A</b>	<b>11.75</b>	<b>N/A</b>	<b>N/A</b>	<b>10.38</b>	<b>12/01/2011</b>
Barclays Multiverse Index	-1.96	-1.96	1.06	1.68	4.76	3.90	4.84	5.55	5.84	2.63	
Difference	3.81	3.81	6.92	7.41	N/A	N/A	6.91	N/A	N/A	7.75	
<b>Commerce Street Income Partners L.P.</b>	<b>5.78</b>	<b>5.78</b>	<b>5.64</b>	<b>2.77</b>	<b>6.44</b>	<b>N/A</b>	<b>-2.85</b>	<b>6.66</b>	<b>2.67</b>	<b>8.26</b>	<b>05/01/2009</b>
Opportunistic FI Blended Index	2.10	2.10	7.27	8.49	7.33	8.13	9.89	3.24	10.12	12.76	
Difference	3.68	3.68	-1.63	-5.72	-0.89	N/A	-12.74	3.42	-7.45	-4.50	
<b>Waterfall (SA)</b>	<b>3.85</b>	<b>3.85</b>	<b>14.77</b>	<b>16.13</b>	<b>N/A</b>	<b>N/A</b>	<b>17.92</b>	<b>N/A</b>	<b>N/A</b>	<b>15.97</b>	<b>07/01/2011</b>
Opportunistic FI Blended Index	2.10	2.10	7.27	8.49	7.33	8.13	9.89	3.24	10.12	6.74	
Difference	1.75	1.75	7.50	7.64	N/A	N/A	8.03	N/A	N/A	9.23	

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**Kentucky Retirement Systems - Insurance Plan**  
**Manager Comparative Performance**  
**As of March 31, 2013**

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Shenkman Capital (SA)</b>	<b>2.02</b>	<b>2.02</b>	<b>7.61</b>	<b>8.39</b>	N/A	N/A	<b>10.81</b>	N/A	N/A	<b>7.62</b>	<b>07/01/2011</b>
US High Yield/Bank Loan Blended Index	2.55	2.55	9.22	10.72	8.63	9.61	13.00	3.04	12.41	8.36	
Difference	-0.53	-0.53	-1.61	-2.33	N/A	N/A	-2.19	N/A	N/A	-0.74	
<b>Stone Harbor (SA)</b>	<b>-2.18</b>	<b>-2.18</b>	<b>7.14</b>	<b>8.20</b>	N/A	N/A	<b>16.94</b>	N/A	N/A	<b>8.33</b>	<b>07/01/2011</b>
JPMorgan EMBI Global Dvf'd TR Index	-2.26	-2.26	7.16	10.12	9.87	9.44	17.44	7.35	12.24	9.72	
Difference	0.08	0.08	-0.02	-1.92	N/A	N/A	-0.50	N/A	N/A	-1.39	
IM Emerging Markets Debt (SA+CF) Median	-0.57	-0.57	9.38	10.59	10.37	10.16	19.11	2.83	15.04	9.12	
Stone Harbor (SA) Rank	97	97	95	73	N/A	N/A	76	N/A	N/A	54	
<b>Fixed Income Composite</b>	<b>0.66</b>	<b>0.66</b>	<b>5.67</b>	<b>7.92</b>	<b>8.19</b>	<b>5.79</b>	<b>10.01</b>	<b>7.99</b>	<b>6.40</b>	<b>7.21</b>	<b>07/01/1992</b>
Barclays Universal Bond Index (I)*	0.08	0.08	2.67	4.72	7.09	5.02	5.53	10.00	6.31	6.96	
Difference	0.58	0.58	3.00	3.20	1.10	0.77	4.48	-2.01	0.09	0.25	

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**Kentucky Retirement Systems - Insurance Plan**  
**Manager Comparative Performance**  
**As of March 31, 2013**

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>Internal TIPS (SA)</b>	<b>-0.48</b>	<b>-0.48</b>	<b>2.33</b>	<b>5.62</b>	<b>8.52</b>	<b>5.89</b>	<b>7.01</b>	<b>13.30</b>	<b>6.40</b>	<b>6.47</b>	<b>10/01/2003</b>
Barclays US Trsy: US TIPS Index	-0.36	-0.36	2.45	5.68	8.57	5.89	6.98	13.56	6.31	6.25	
Difference	-0.12	-0.12	-0.12	-0.06	-0.05	0.00	0.03	-0.26	0.09	0.22	
IM U.S. TIPS (SA+CF) Median	-0.29	-0.29	2.61	5.74	8.65	6.03	7.14	13.55	6.42	6.38	
Internal TIPS (SA) Rank	94	94	95	63	62	61	60	56	52	28	
<b>PIMCO:All Asset;Inst (PAAIX)</b>	<b>0.87</b>	<b>0.87</b>	<b>10.38</b>	<b>9.65</b>	<b>N/A</b>	<b>N/A</b>	<b>19.91</b>	<b>N/A</b>	<b>N/A</b>	<b>12.50</b>	<b>12/01/2011</b>
Barclays US Trsy Infl Notes: 1-10 Yr Index	0.33	0.33	2.52	3.89	6.20	4.55	5.04	8.93	5.22	3.87	
Difference	0.54	0.54	7.86	5.76	N/A	N/A	14.87	N/A	N/A	8.63	
<b>Tenaska Power Fund II (CF)</b>	<b>-0.39</b>	<b>-0.39</b>	<b>-4.08</b>	<b>3.92</b>	<b>3.08</b>	<b>N/A</b>	<b>2.33</b>	<b>5.94</b>	<b>-0.92</b>	<b>-0.33</b>	<b>10/01/2008</b>
<b>Tortoise Capital (CF)</b>	<b>20.50</b>	<b>20.50</b>	<b>30.87</b>	<b>29.55</b>	<b>25.23</b>	<b>N/A</b>	<b>10.34</b>	<b>18.73</b>	<b>34.93</b>	<b>28.62</b>	<b>08/01/2009</b>
Alerian MLP Index	19.74	19.74	25.93	23.06	21.50	18.45	4.80	13.88	35.85	25.44	
Difference	0.76	0.76	4.94	6.49	3.73	N/A	5.54	4.85	-0.92	3.18	
<b>Amerra Ag Fund II (CF)</b>	<b>-4.19</b>	<b>-4.19</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-4.19</b>	<b>12/01/2012</b>
<b>Real Return Composite</b>	<b>0.59</b>	<b>0.59</b>	<b>4.58</b>	<b>7.26</b>	<b>N/A</b>	<b>N/A</b>	<b>9.02</b>	<b>N/A</b>	<b>N/A</b>	<b>9.41</b>	<b>07/01/2011</b>
Consumer Price Index + 3%	2.13	2.13	3.71	4.52	5.34	4.79	4.79	6.05	4.54	4.83	
Difference	-1.54	-1.54	0.87	2.74	N/A	N/A	4.23	N/A	N/A	4.58	

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**Kentucky Retirement Systems - Insurance Plan**  
**Manager Comparative Performance**  
As of March 31, 2013

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
Walton Street Real Estate Fund VI, L.P.	5.47	5.47	8.21	10.07	30.96	N/A	7.95	54.14	-11.15	-44.12	05/01/2009
Prima Mortgage Invest Trust, LLC	1.27	1.27	5.30	8.75	15.65	N/A	7.39	7.92	22.87	11.92	05/01/2009
Mesa West Real Estate Income Fund II L.P.	21.21	21.21	35.19	40.22	11.00	N/A	20.16	11.12	-15.50	10.11	01/01/2010
H/2 Credit Partners (CF)	3.13	3.13	9.74	11.30	N/A	N/A	12.45	N/A	N/A	8.59	07/01/2011
Harrison Street Core (CF)	1.68	1.68	2.18	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12/01/2011
Greenfield Acquisition Partners VI (CF)	-3.13	-3.13	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-3.13	12/01/2012
<b>Real Estate Composite</b>	<b>2.74</b>	<b>2.74</b>	<b>7.61</b>	<b>9.59</b>	<b>19.04</b>	<b>N/A</b>	<b>10.23</b>	<b>14.85</b>	<b>18.36</b>	<b>9.11</b>	<b>05/01/2009</b>
NCREIF ODCE Index (Gross) (AWA)*	2.69	2.69	8.01	10.79	12.39	2.00	10.94	15.26	5.83	4.32	
Difference	0.05	0.05	-0.40	-1.20	6.65	N/A	-0.71	-0.41	12.53	4.79	

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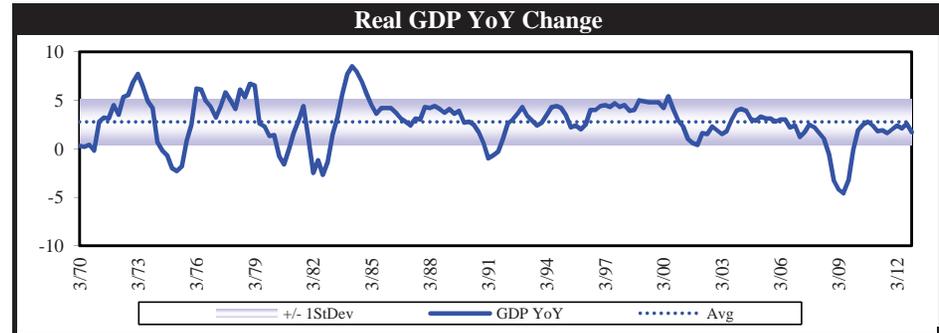
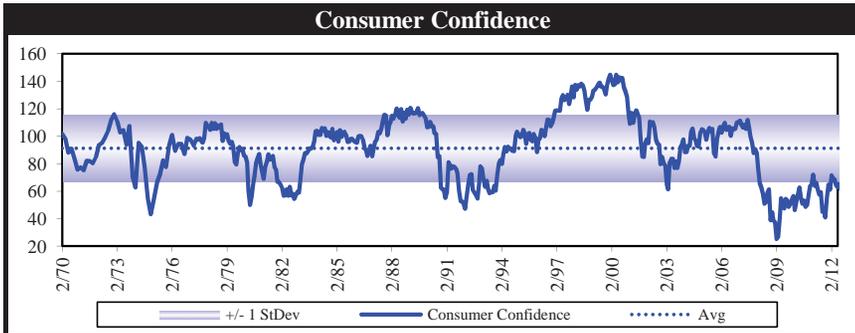
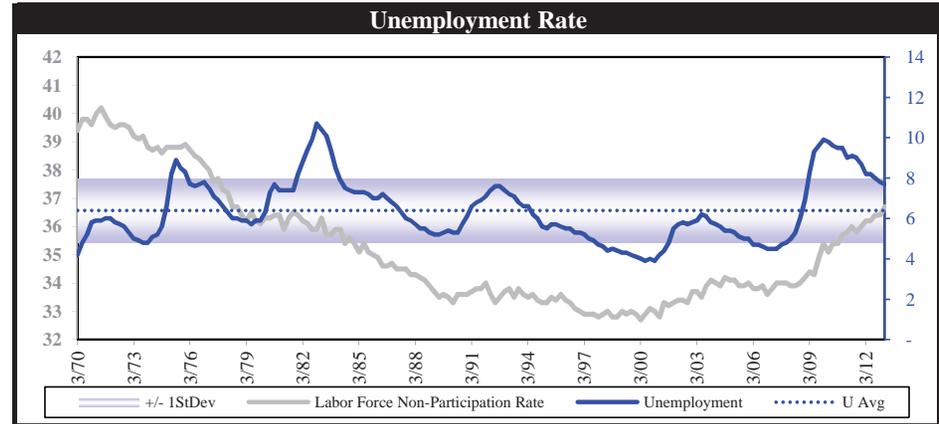
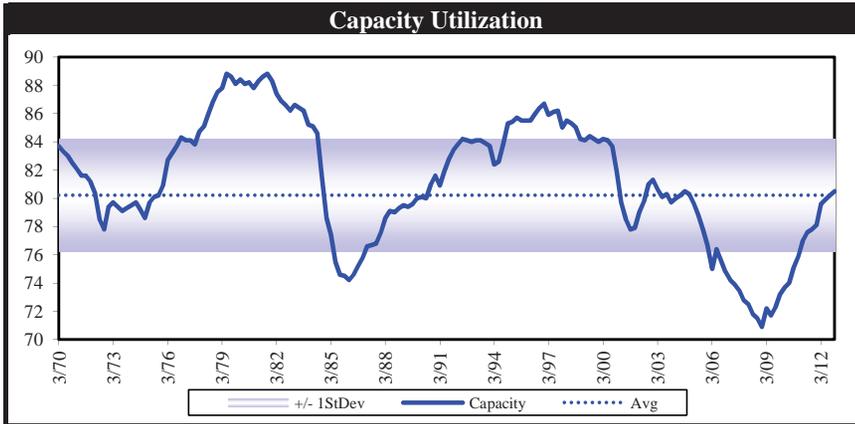
**Kentucky Retirement Systems - Insurance Plan**  
**Manager Comparative Performance**  
**As of March 31, 2013**

	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	2012	2011	2010	Since Incep.	Inception Date
<b>BAAM (SA)</b>	3.95	3.95	9.50	9.17	N/A	N/A	8.05	N/A	N/A	7.77	09/01/2011
<b>PAAMCO (SA)</b>	4.60	4.60	8.73	7.71	N/A	N/A	6.22	N/A	N/A	6.41	09/01/2011
<b>Prisma Capital Partners (SA)</b>	3.84	3.84	8.09	7.88	N/A	N/A	7.97	N/A	N/A	5.57	09/01/2011
<b>Absolute Return Composite</b>	4.13	4.13	8.72	8.19	4.16	N/A	7.16	3.81	N/A	4.16	04/01/2010
HFRI FOF Diversified Index (Lagged)	3.47	3.47	5.60	4.19	2.42	-0.74	3.12	-2.46	4.07	2.42	
Difference	0.66	0.66	3.12	4.00	1.74	N/A	4.04	6.27	N/A	1.74	
<b>Cash Equivalents (SA)</b>	0.07	0.07	0.43	0.49	0.33	0.51	0.47	0.26	0.25	3.17	07/01/1992
Citi 3 Mo T-Bill Index	0.02	0.02	0.08	0.11	0.09	0.30	0.09	0.06	0.10	3.05	
Difference	0.05	0.05	0.35	0.38	0.24	0.21	0.38	0.20	0.15	0.12	
<b>KRS Clearing Account</b>	0.04	0.04	0.12	0.16	0.06	2.83	0.14	-0.02	0.02	2.65	03/01/2002
Citi 3 Mo T-Bill Index	0.02	0.02	0.08	0.11	0.09	0.30	0.09	0.06	0.10	1.65	
Difference	0.02	0.02	0.04	0.05	-0.03	2.53	0.05	-0.08	-0.08	1.00	

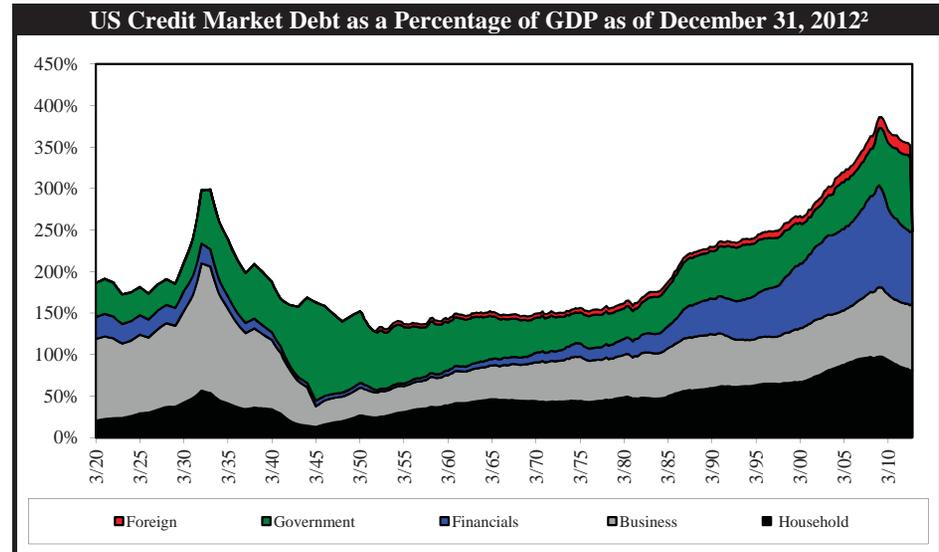
Performance for absolute return managers and the HFRI FOF Diversified Index is lagged by one month.

Performance for the NCREIF ODCE Index (Gross) (AWA) is available quarterly; interim month returns assume a 0.00% return.

Economic Measures <sup>1</sup>  
As of March 31, 2013



	3/31/2013		12/31/2012	20 Year	40 Year
Capacity Utilization	78.50	▲	77.70	79.10	80.10
Unemployment Rate	7.60%	▼	7.80%	6.00%	6.40%
Shiller 20 City YoY - Housing	N/A		6.84%	2.94%	N/A
PMI - Manufacturing	51.30	▲	50.20	52.10	52.10
Baltic Dry Index - Shipping	910	▲	699	2,425	2,077
Real GDP YoY	N/A		1.70%	2.60%	2.80%
Consumer Confidence (Conf. Bd.)	59.70	▼	66.70	93.13	91.54
Breakeven Inflation - 10 Year	2.52	▲	2.45	N/A	N/A
CPI YoY (Headline) <sup>4</sup>	1.50%	▼	1.70%	2.50%	4.40%
CPI YoY (Core) <sup>4</sup>	1.90%	—	1.90%	2.30%	4.20%
PPI YoY	1.10%	▼	1.30%	2.30%	4.00%
M2 YoY	6.80%	▼	7.90%	5.70%	6.70%
Personal Savings	N/A		6.50%	4.00%	6.40%
Disposable Personal Income	N/A		2.70%	0.40%	0.50%
Prsnl Consumption Expenditures	N/A		1.50%	2.10%	3.90%
US Dollar Total Weighted Index	76.23	▲	73.44	87.44	95.22
WTI Crude Oil per Barrel	\$97	▲	\$92	\$43	\$39
Gold Spot per Oz <sup>5</sup>	\$1,599	▼	\$1,675	\$310	\$332

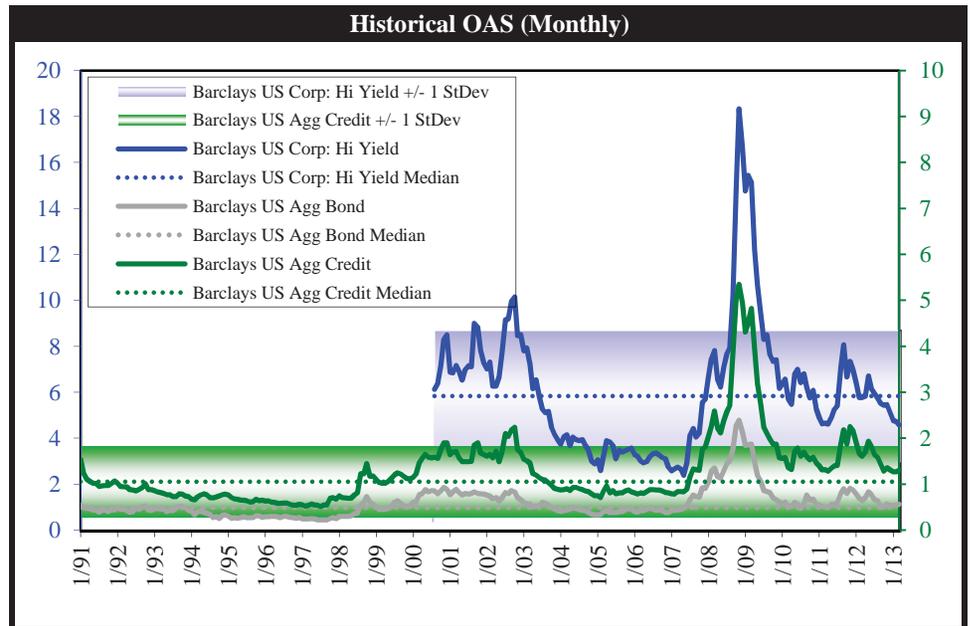
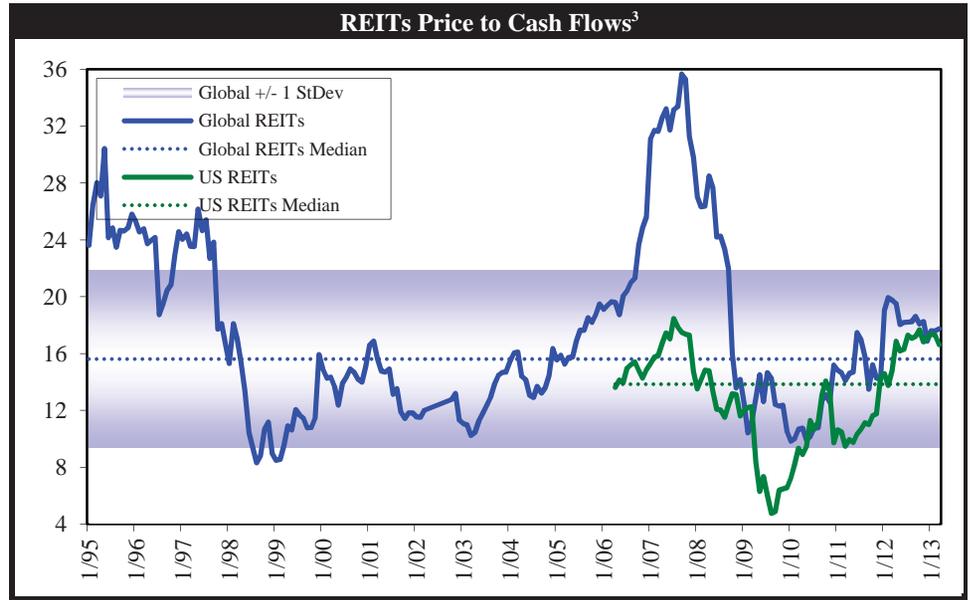
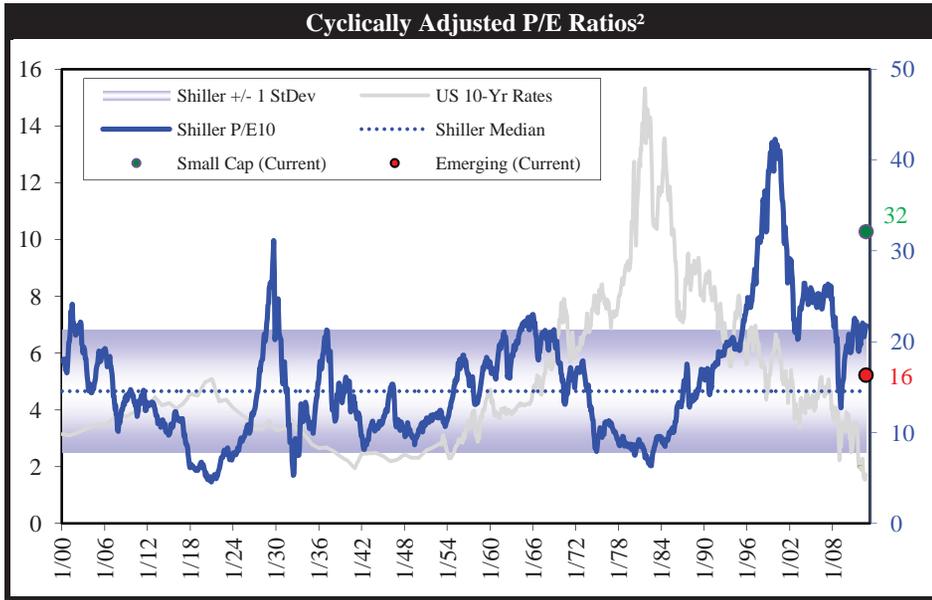


<sup>1</sup> All data courtesy of Bloomberg Professional Service, except as noted below.

<sup>2</sup> Data prior to 1952 is from "The Statistical History of the United States, From Colonial Times to the Present", by Ben Wattenberg, Morgan Stanley Research.

<sup>3</sup> "N/A" is shown for data that is not yet available. <sup>4</sup> CPI figures are cyclically adjusted. <sup>5</sup> 20- and 40-year average Gold spot prices are adjusted for inflation.

Valuation Metrics<sup>1</sup>  
As of March 31, 2013

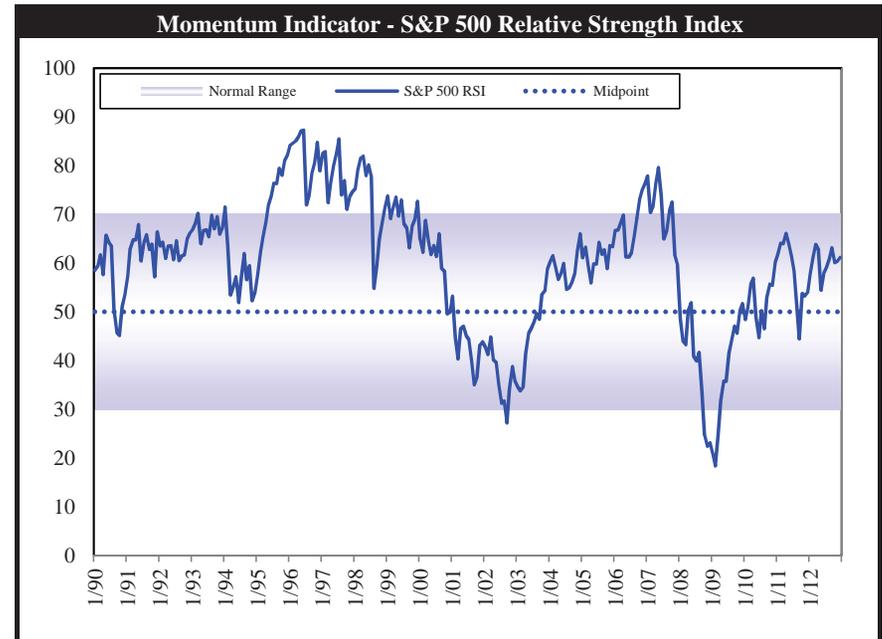
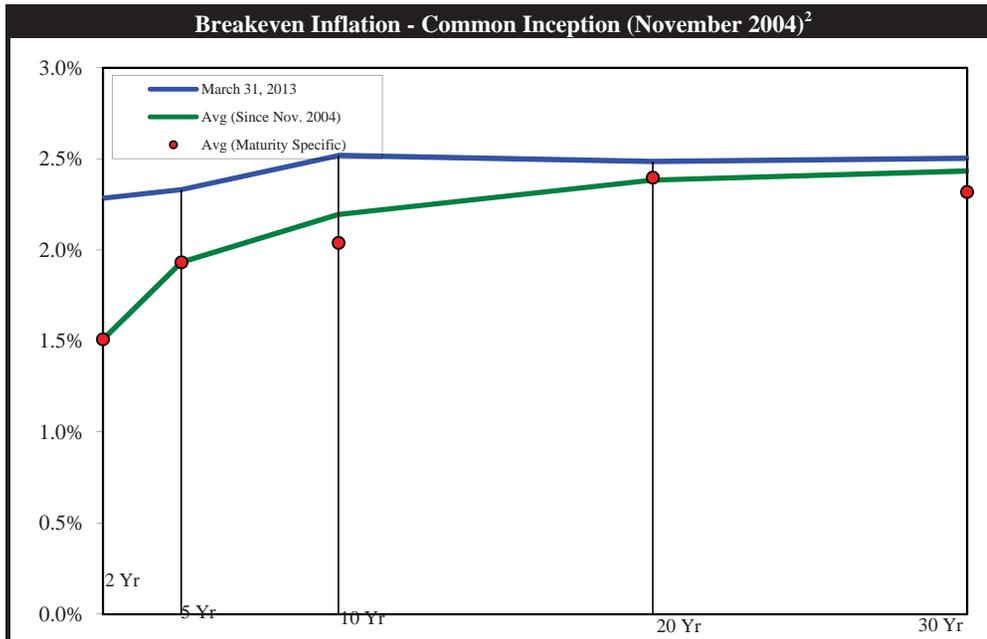
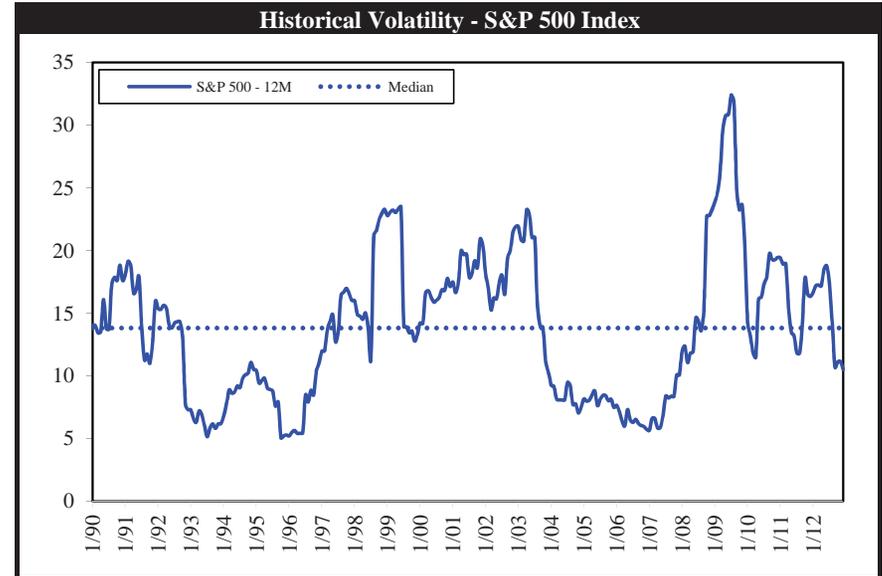
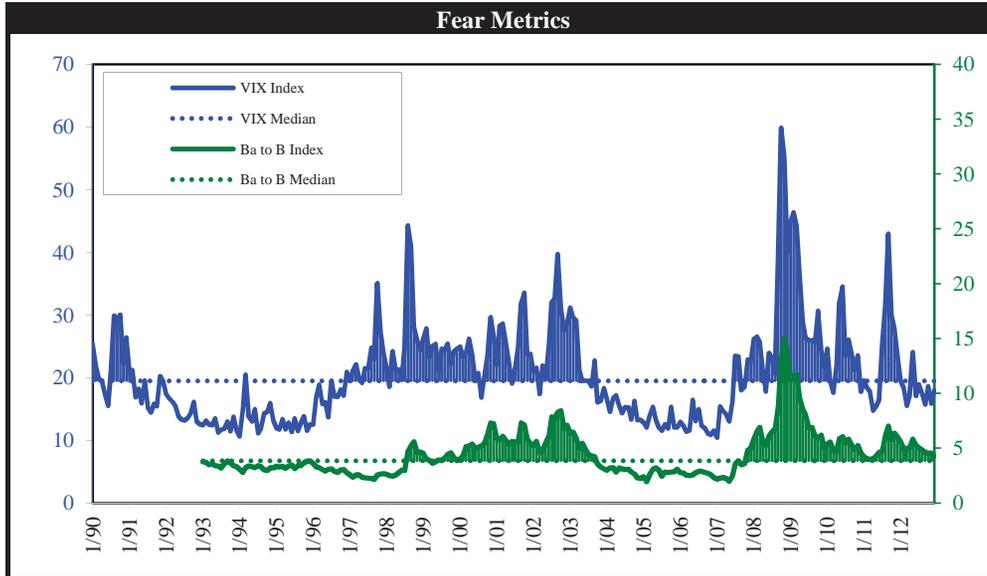


<sup>1</sup> All data courtesy of Bloomberg Professional Service.

<sup>2</sup> Source: Bloomberg and Robert J. Shiller, Irrational Exuberance, Second Edition. P/E for the S&P 500 Index is based on 10-year trailing real earnings. Small Cap is represented by the S&P 600 Small Cap Index, and Emerging is represented by the MSCI Emerging Markets Index. Due to limited history, only the current 10-year P/E is shown for Small Cap and Emerging.

<sup>3</sup> US REITs is represented by the MSCI US REITs Index and Global REITs is represented by the MSCI World Real Estate Index.

Risk Metrics <sup>1</sup>  
As of March 31, 2013



<sup>1</sup> All data courtesy of Bloomberg Professional Service.

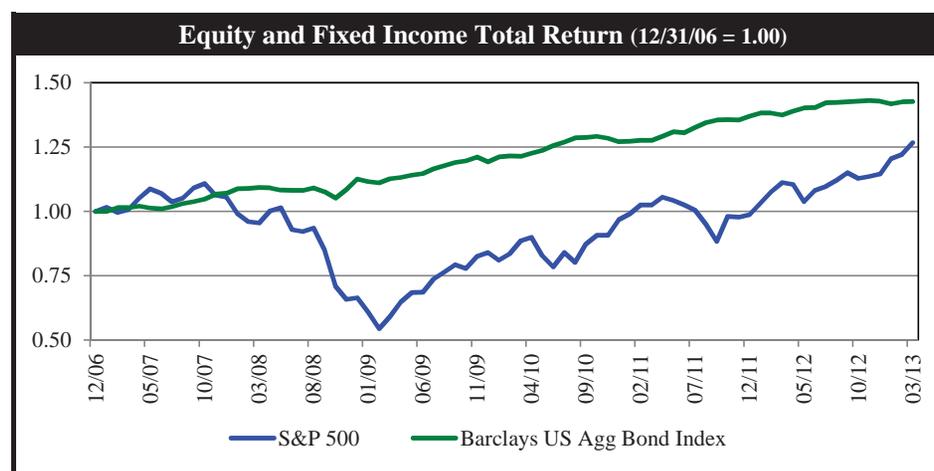
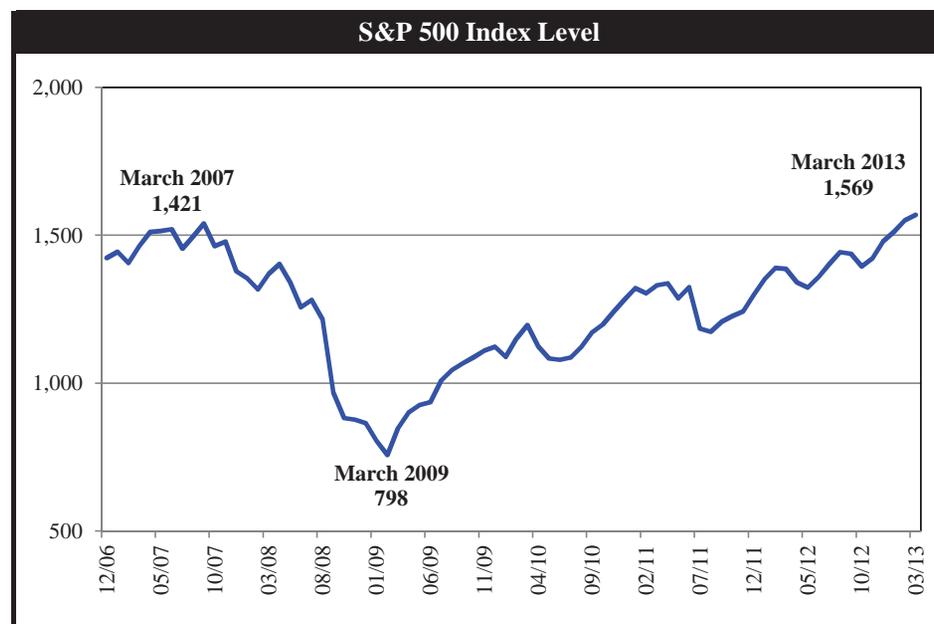
<sup>2</sup> Common inception of November 2004 is based on historical data availability. Specific inception dates are as follows: 2- and 20-year (2004), 5-year (2002), 10- and 30-year (1998).

**A Tale of Three Marches<sup>1</sup>**  
**As of March 31, 2013**

Market	3/31/07	3/31/09	3/31/13
S&P 500 Index	1,421	798	1,569
Volume (Bil shares/Month)	29.3	34.8	10.7
Trailing EPS	87.3	60.9	101.6
Trailing P/E	16.3	13.1	15.4
Price/Book Value	2.8	1.8	2.3
Dividend Yield	1.8%	3.6%	2.1%
10-Year Treasury Yield	4.7%	2.7%	1.9%
3-Month Treasury Bill	5.0%	0.2%	0.1%
VIX (S&P 500 Volatility)	14.64	44.14	12.7
Gold	664	919	1,599

Economy	3/31/07	3/31/09	3/31/13
GDP (\$Tr chained 2005)	13.1	12.7	13.7 <sup>2</sup>
GDP Growth (YoY)	1.2%	-4.2%	1.7% <sup>2</sup>
CPI (3/31/2007 = 100)	100	104	113
Credit Market Debt (% GDP) <sup>3</sup>	344.5%	385.5%	358.8% <sup>2</sup>
Unemployed Americans (Mil)	6.7	13.4	11.7
Unemployment Rate	4.4%	8.7%	7.6%
Labor Force Participation	66.2%	65.6%	63.3%
Consumer Conf (Conf Board)	108.2	26.9	59.7

Federal Gov't	3/31/07	3/31/09	3/31/13
Fed Balance Sheet (\$Bil)	874	2,073	3,204
Federal Funds Rate	5.3%	0.2%	0.2%
U.S. Deficit (\$Bil)	161	1,413	973 <sup>2</sup>
U.S. Deficit (% GDP) <sup>3</sup>	1.17%	10.15%	6.2% <sup>2</sup>
Total U.S. Debt (\$Tr)	8.8	11.1	16.4 <sup>2</sup>
U.S. Debt (% GDP) <sup>3</sup>	64.3%	79.9%	104.6% <sup>2</sup>



<sup>1</sup> Data courtesy of Bloomberg, FRED, U.S. Dept. of Treasury, BEA, and BLS.

<sup>2</sup> Data is shown as of 12/31/2012.

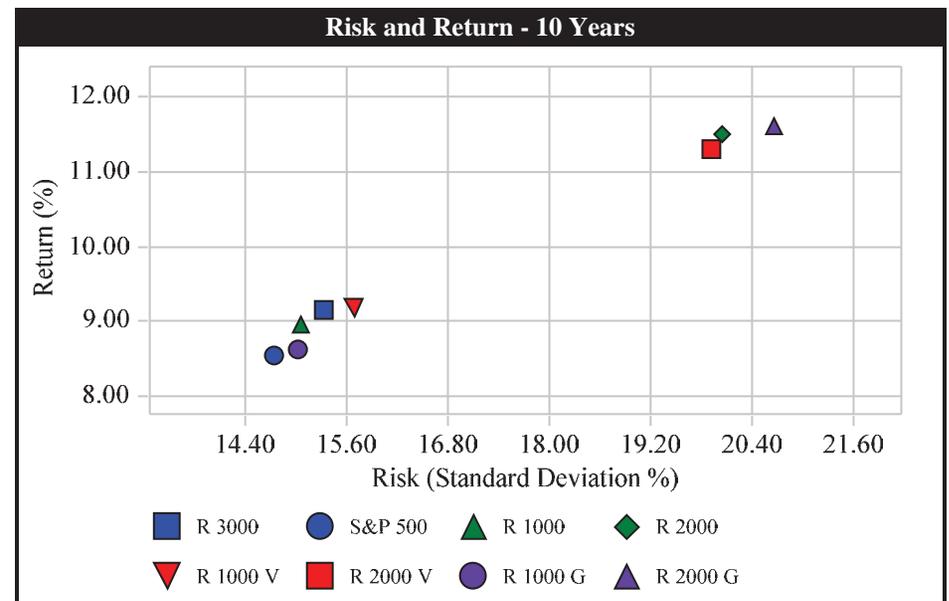
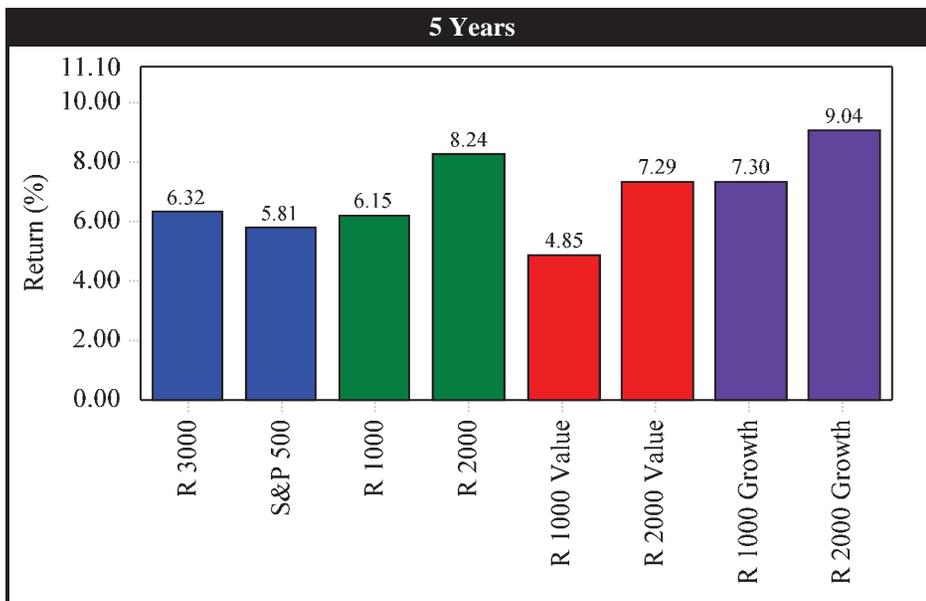
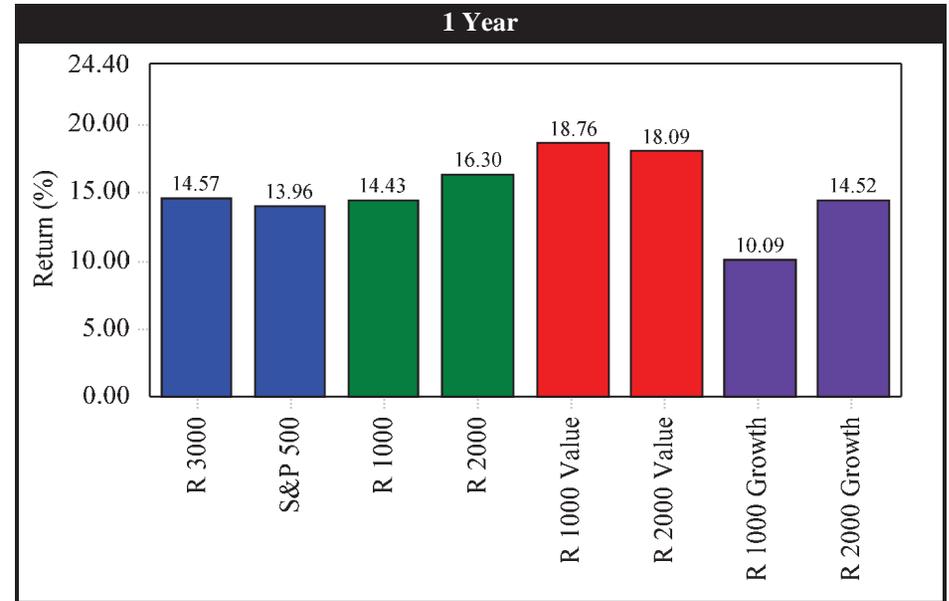
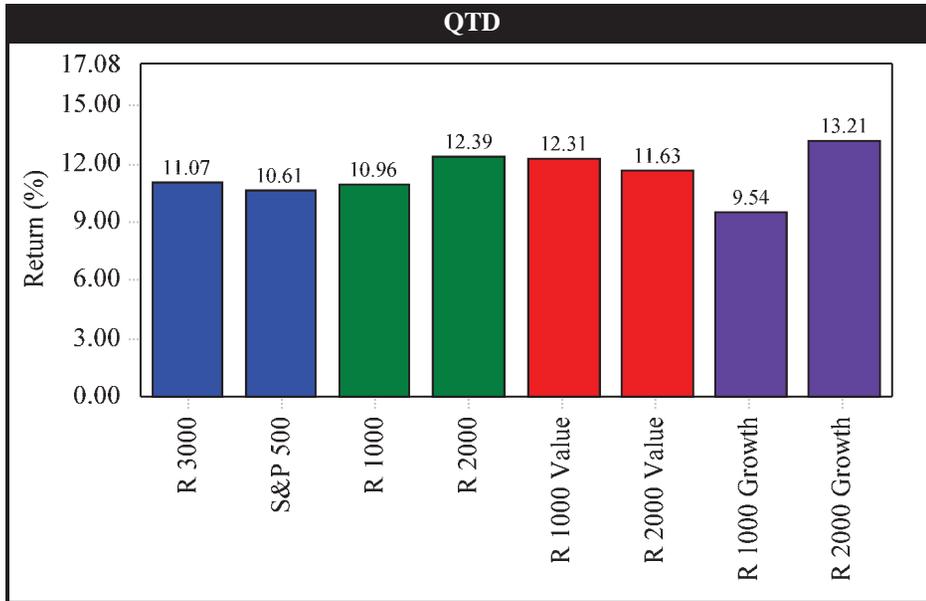
<sup>3</sup> Percentage of GDP calculations are shown unadjusted for inflation (nominal GDP).

**Annual Asset Class Performance**  
As of March 31, 2013

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	YTD
Best	66.42	31.84	12.35	25.91	62.14	33.16	34.54	35.97	39.78	8.44	79.02	28.60	22.49	20.42	12.39
	27.31	31.04	8.44	16.56	56.28	31.27	26.65	32.59	16.23	5.24	58.21	26.86	15.99	18.64	10.61
	24.69	16.16	7.89	14.81	47.25	25.95	21.39	26.86	15.97	2.06	47.32	22.40	13.56	17.90	8.48
	24.34	14.28	7.28	10.25	39.17	20.70	21.36	19.67	11.63	-2.35	32.46	19.20	9.24	17.59	7.43
	21.26	13.15	6.61	5.54	36.18	18.33	14.02	18.37	11.63	-10.01	28.60	16.83	7.84	16.34	5.23
	21.04	12.40	5.64	3.58	28.97	13.06	13.82	16.32	9.91	-20.47	27.18	16.36	4.98	16.00	3.44
	20.19	11.63	5.28	3.12	28.68	11.13	6.75	15.79	6.97	-26.16	26.46	15.12	2.11	15.81	2.89
	13.17	6.18	4.42	1.78	23.93	10.88	5.33	11.85	6.60	-33.79	18.91	15.06	0.10	10.94	2.69
	4.85	-3.02	2.49	-1.41	11.93	9.15	4.91	9.85	5.49	-35.65	11.41	10.16	-4.18	8.82	0.02
	2.40	-5.86	-2.37	-6.00	9.28	8.56	4.55	4.85	5.00	-37.00	9.72	8.21	-5.55	6.98	-0.12
	2.39	-7.22	-11.89	-7.44	8.39	8.46	3.07	4.33	1.87	-39.20	5.93	6.54	-11.73	4.80	-0.36
	-0.82	-9.10	-12.11	-15.66	5.87	6.79	2.84	2.71	1.79	-43.06	1.92	6.31	-13.32	4.21	-1.13
	-2.58	-13.96	-19.51	-20.48	4.10	4.34	2.74	2.07	-1.57	-46.78	0.21	4.77	-15.66	0.11	-1.57
Worst	-7.65	-30.61	-21.21	-22.10	1.15	1.33	2.43	0.41	-17.55	-53.18	-29.76	0.13	-18.17	-1.06	-1.98

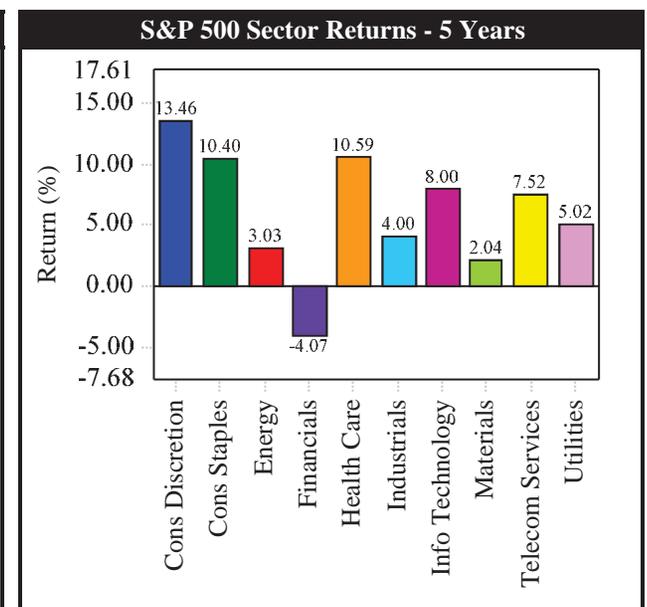
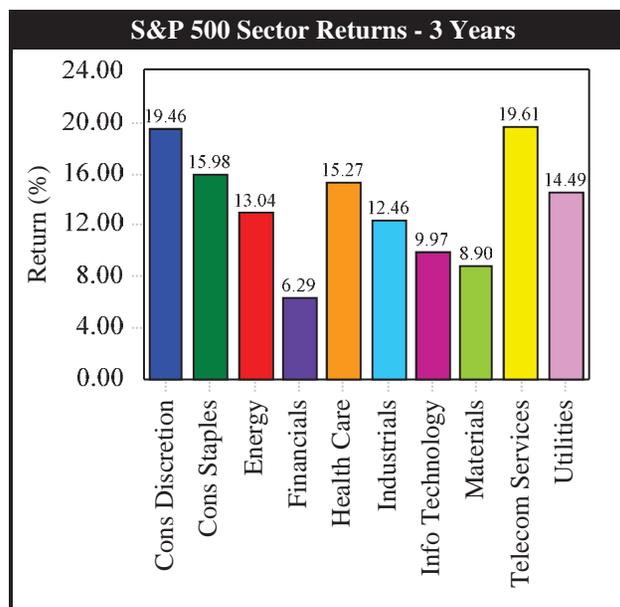
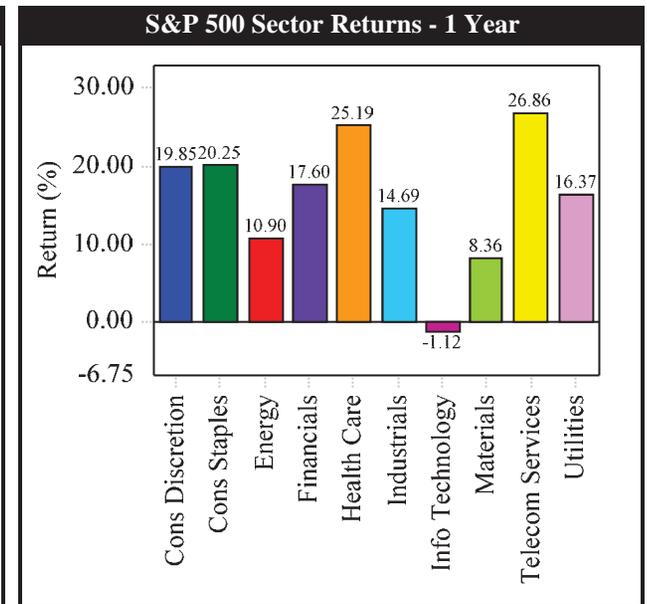
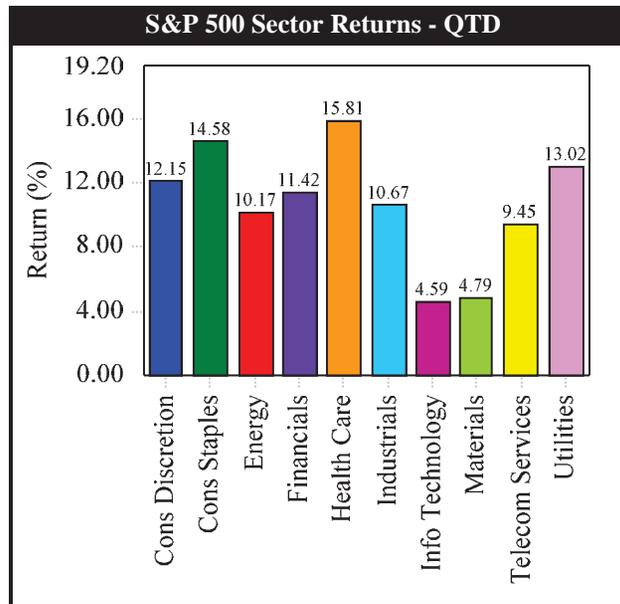
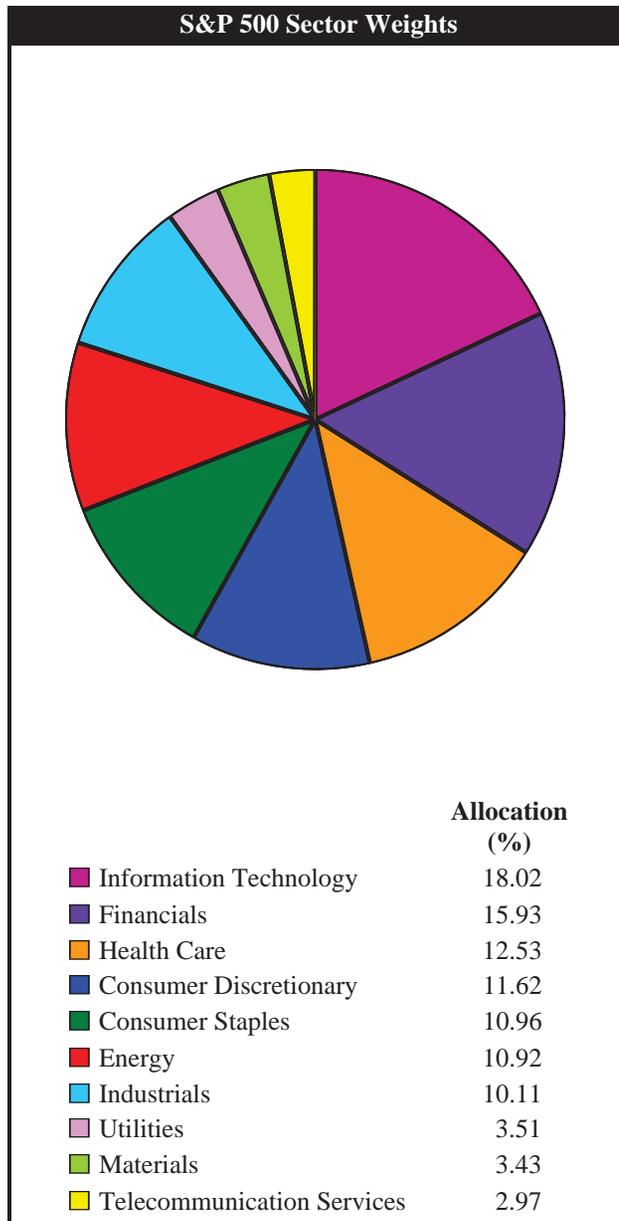
S&P 500 - US Large Cap	R 2000 - US Small Cap	MSCI EAFE (Gross) - Int'l Dev.	MSCI EAFE SC (Gross) - Int'l SC	MSCI EM (Gross) - Int'l Emg Mkts	Barclays US Agg Bond - FI	Barclays US Corp: Hi Yield - FI	Barclays US Trsy: US TIPS - FI	Barclays US Gov/Credit: Lng - FI	NCREIF ODCE (Gross) - Real Estate	Wilshire US REIT - REITs	HFN FOF Multi-Strat (Net) - ARS	DJ-UBS Cmdty (TR) - Commod.	BofA ML 3 Mo T-Bill - Cash Equiv
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**Domestic Equity Market Performance and Risk**  
As of March 31, 2013



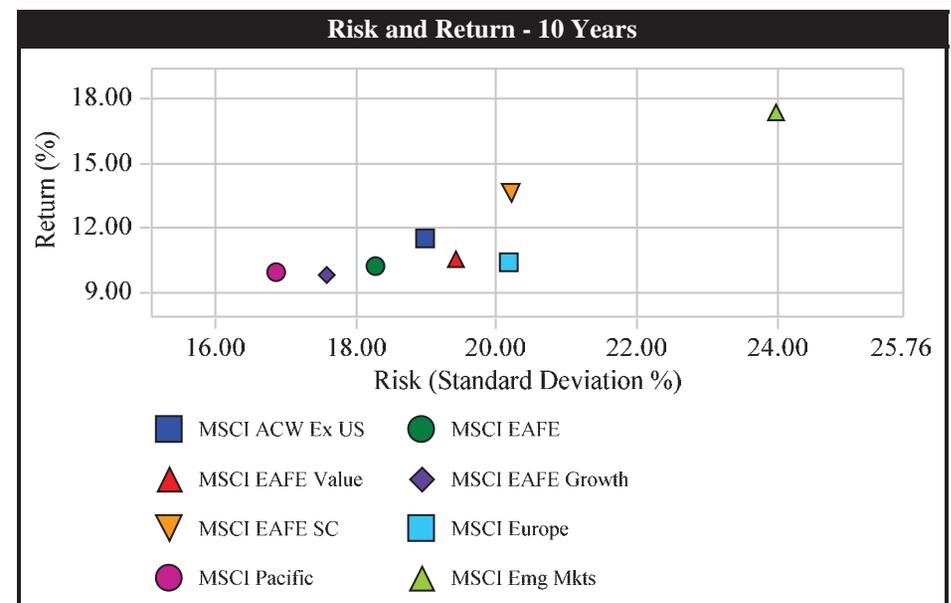
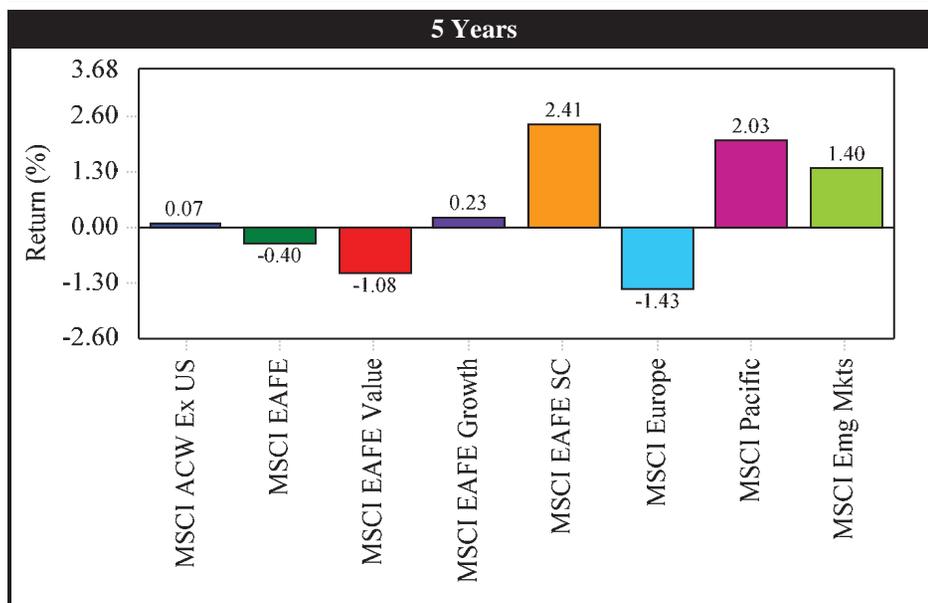
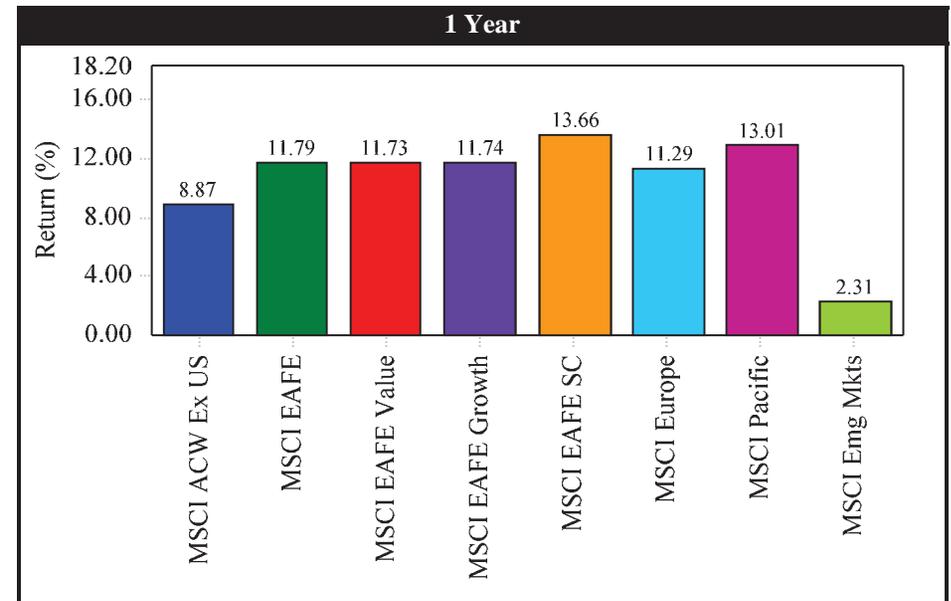
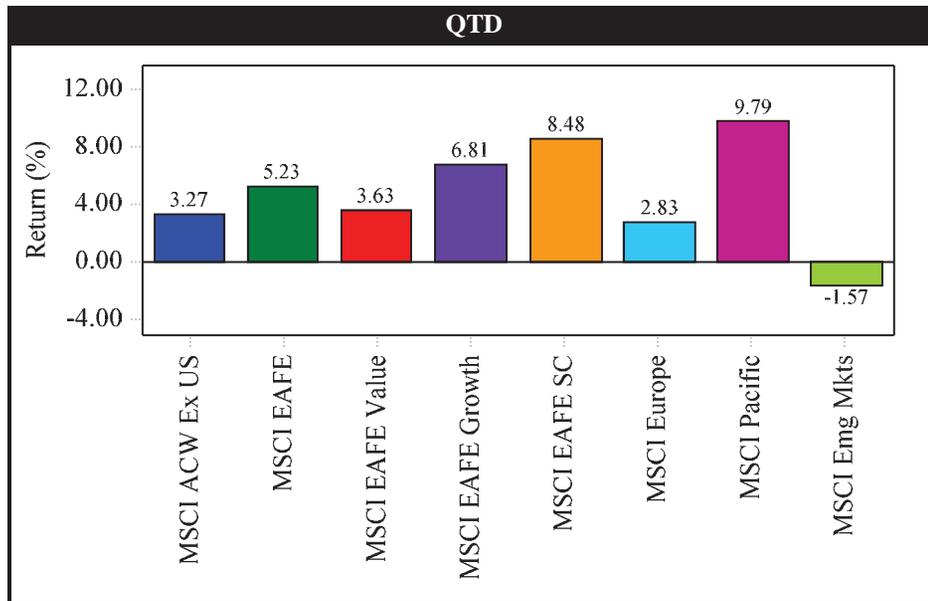
Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity.

**Domestic Equity Sector Weights and Returns**  
As of March 31, 2013



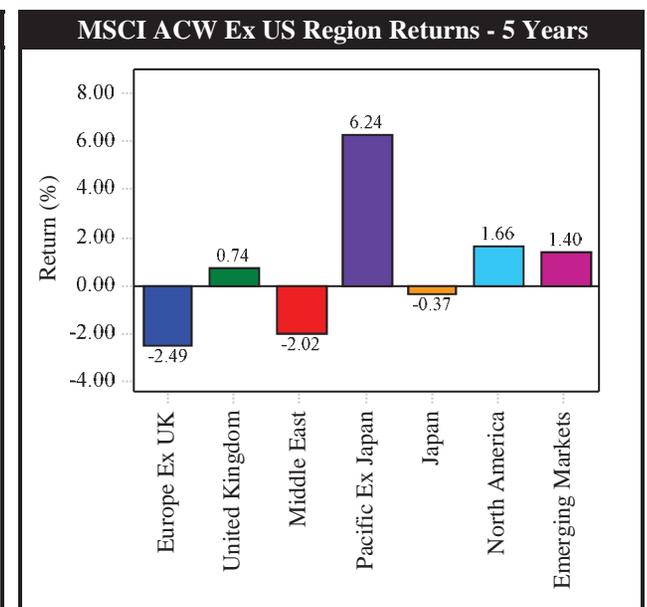
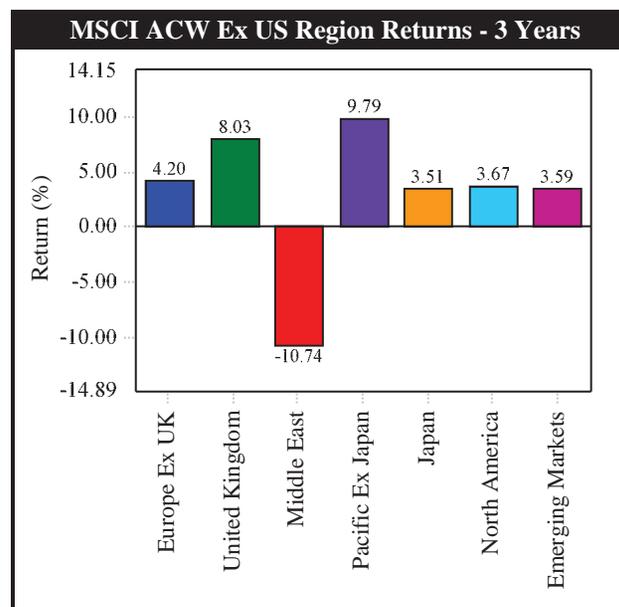
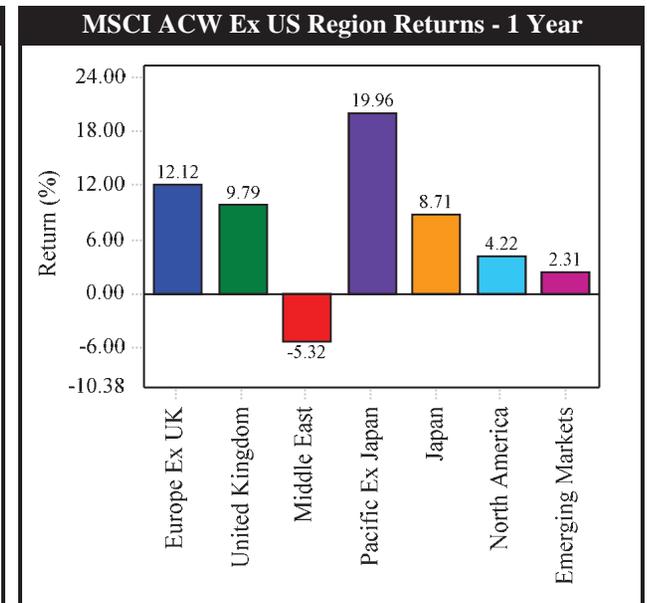
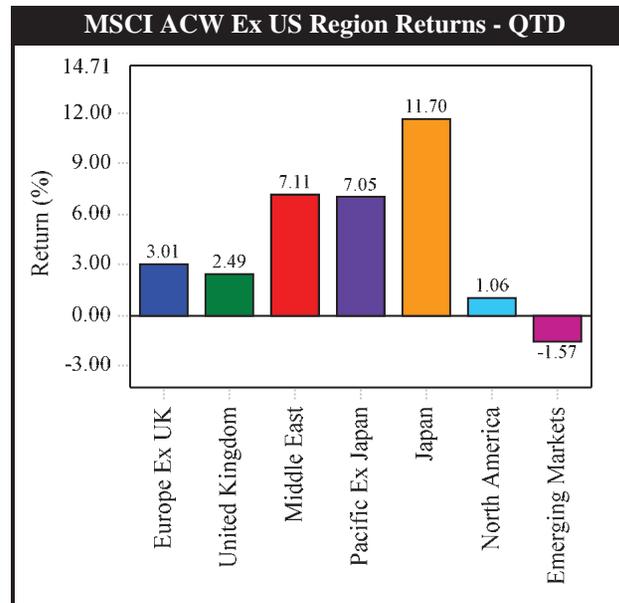
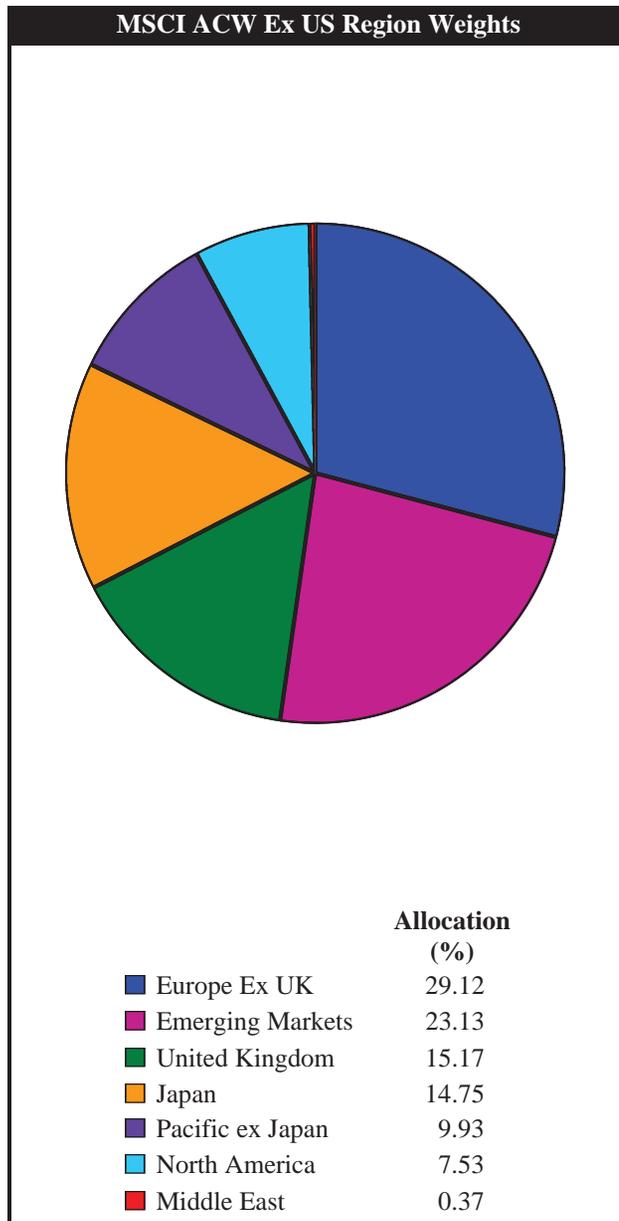
Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year. Returns provided by Morningstar, allocations provided by Standard & Poor's.

**International Equity Market Performance and Risk**  
As of March 31, 2013



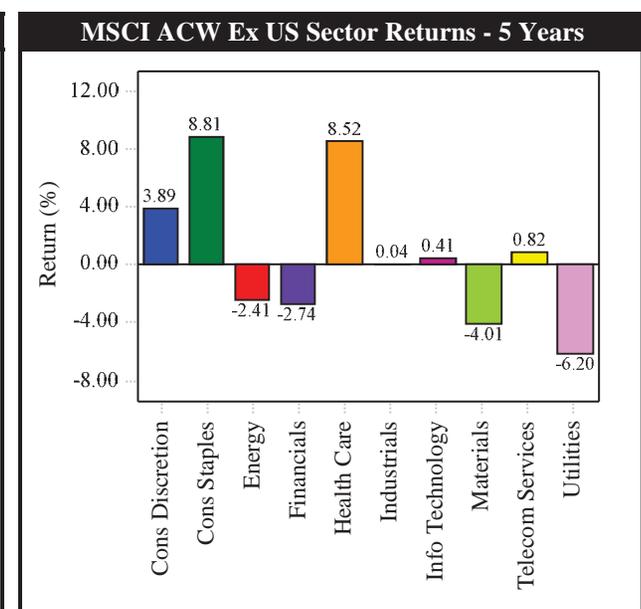
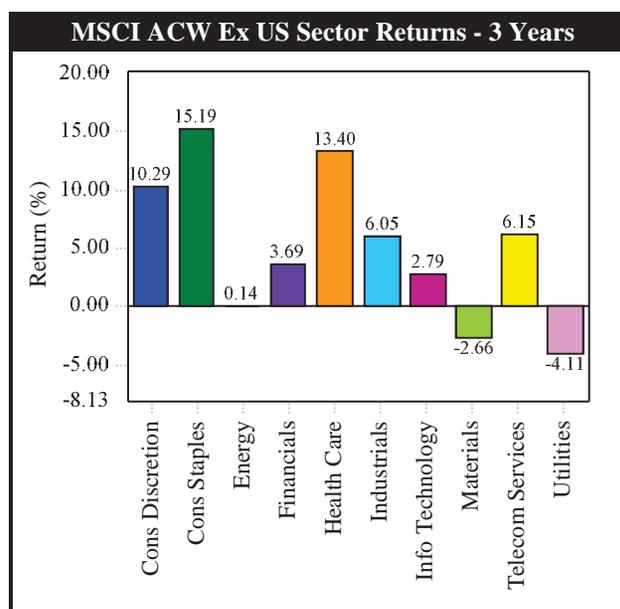
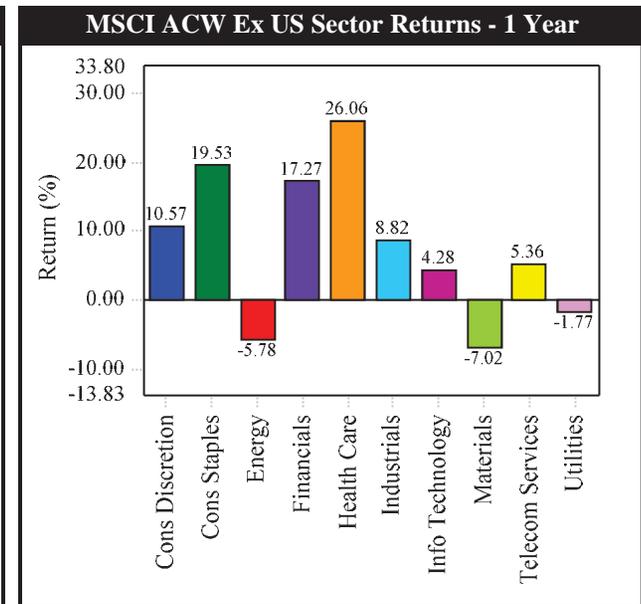
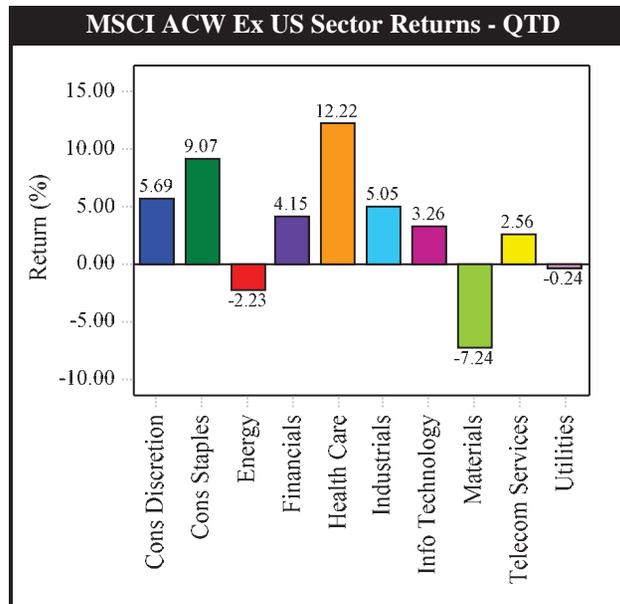
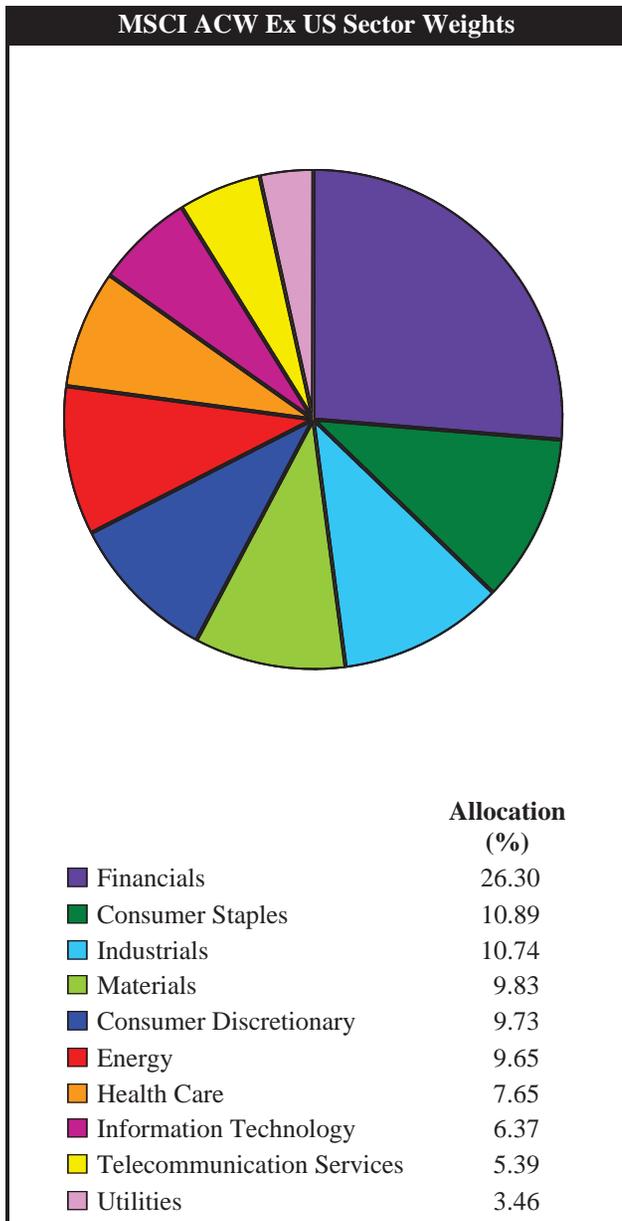
Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity. All returns are shown gross of foreign taxes on dividends.

**International Equity Region Weights and Returns**  
As of March 31, 2013



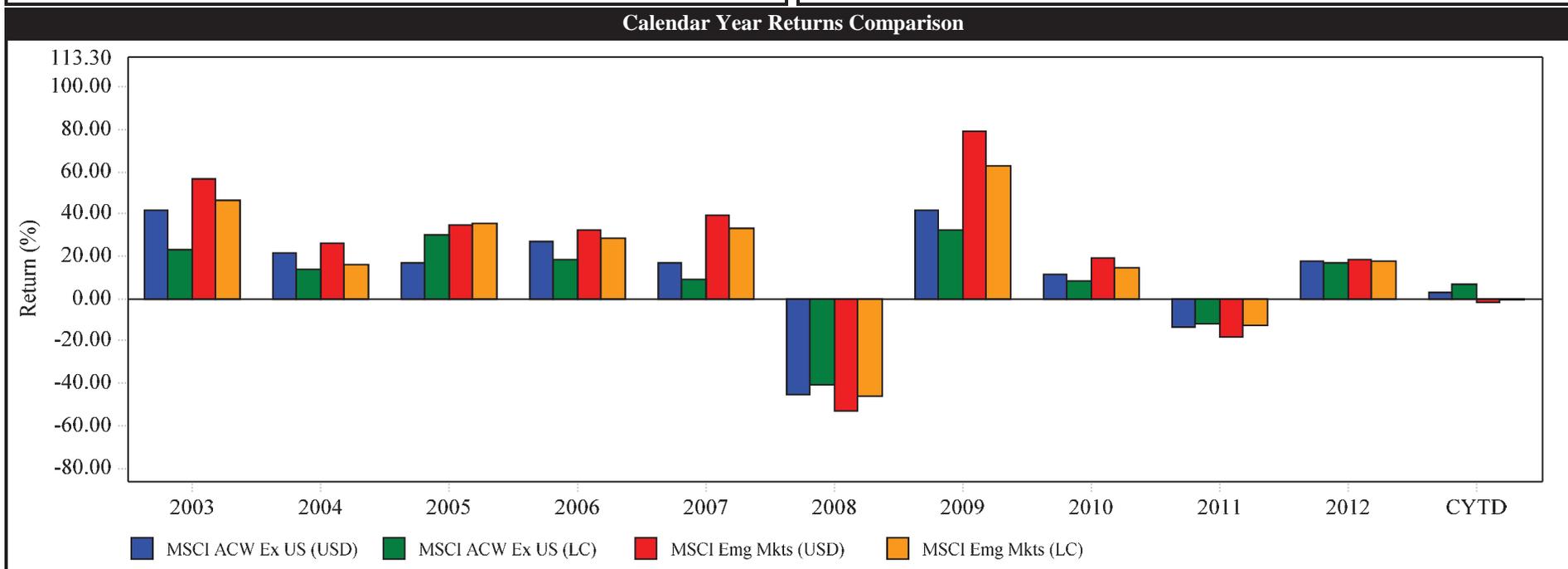
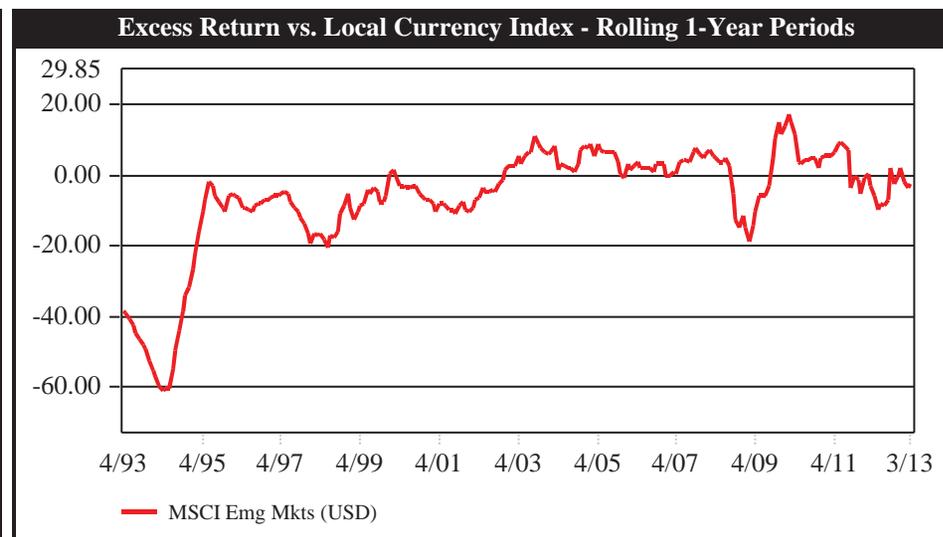
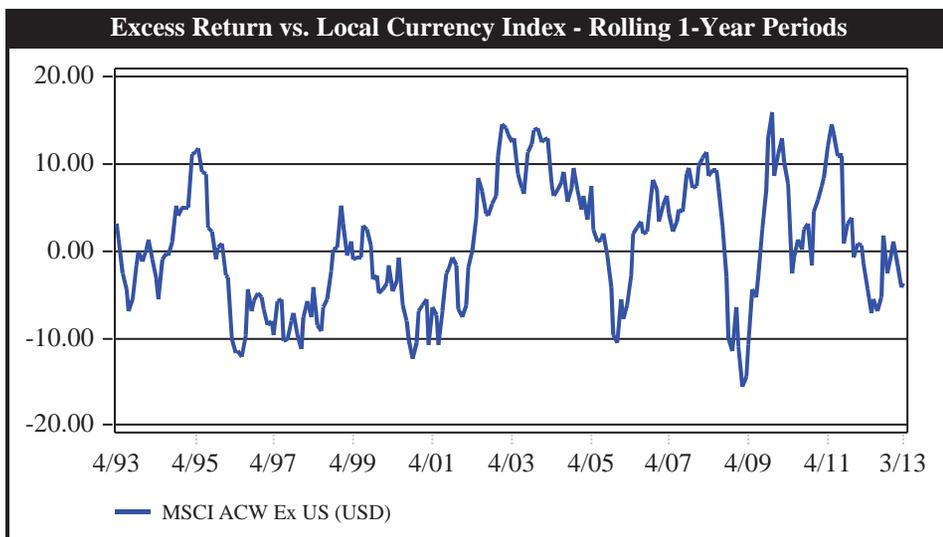
Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year. Returns and allocations provided by MSCI Barra. All returns are shown gross of foreign taxes on dividends.

**International Equity Sector Weights and Returns**  
As of March 31, 2013



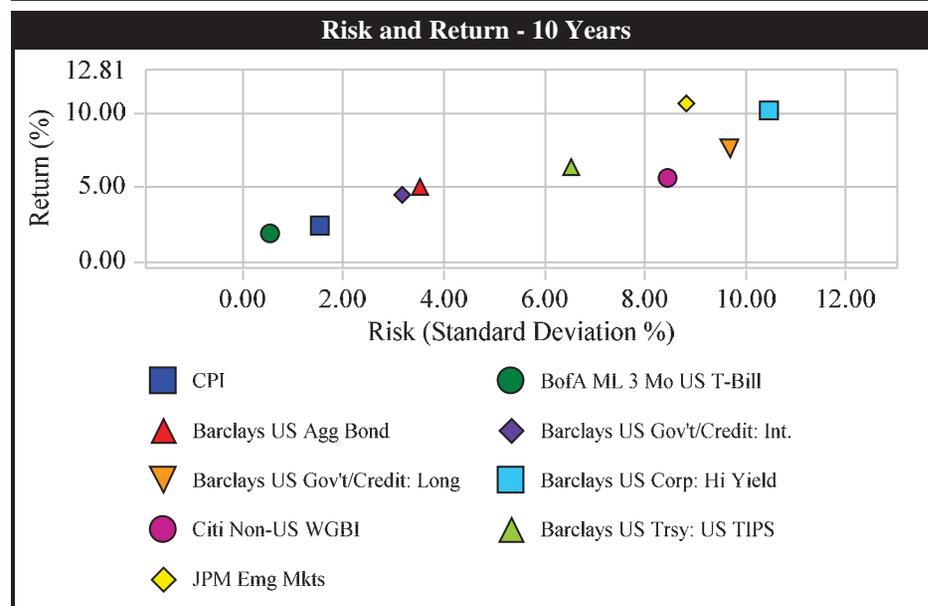
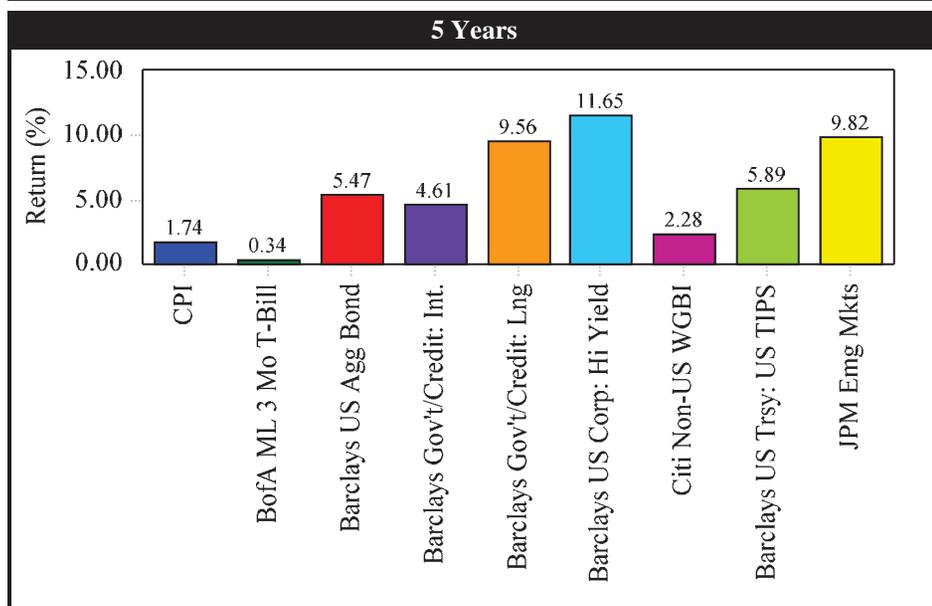
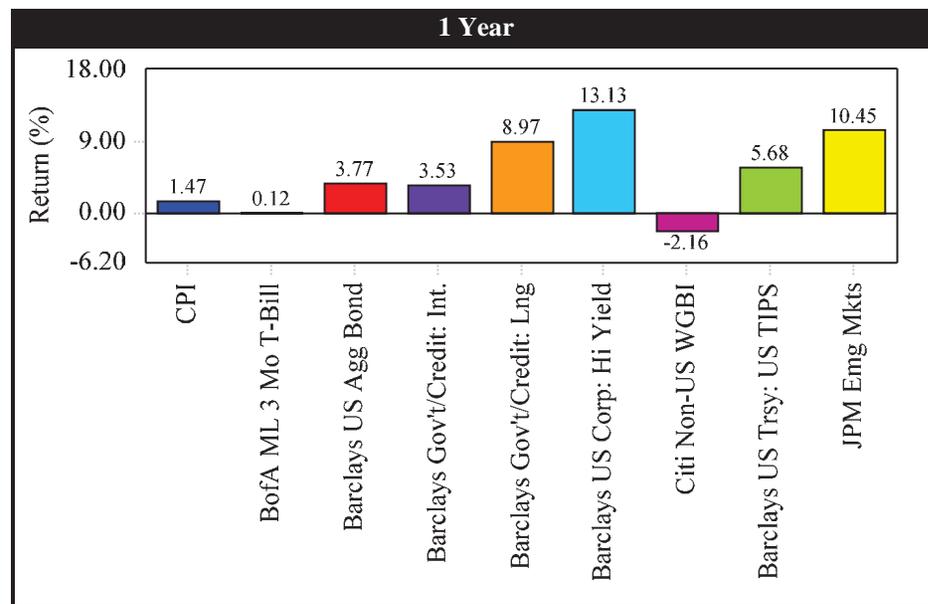
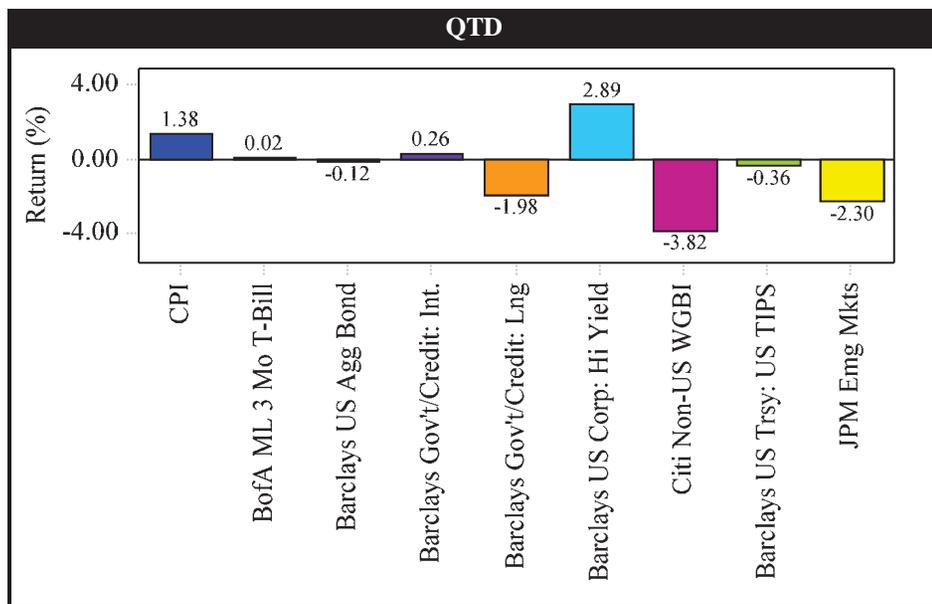
Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year. Returns provided by Morningstar, allocations provided by MSCI Barra. All returns are shown gross of foreign taxes on dividends.

**Effect of Currency on International Equity Performance**  
As of March 31, 2013



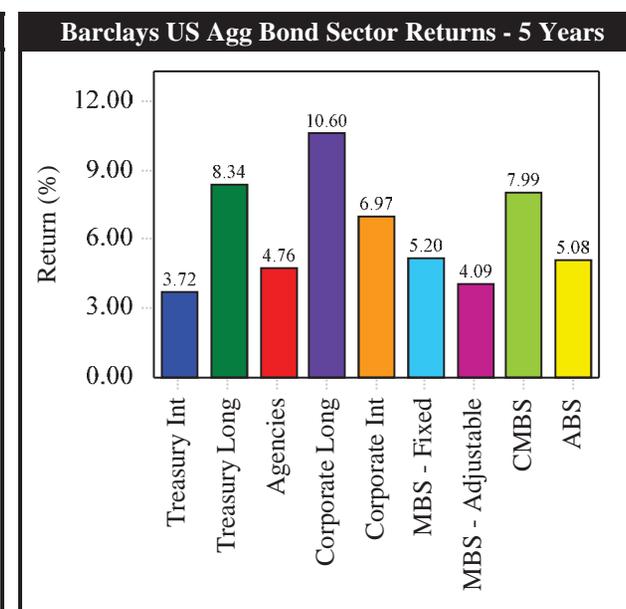
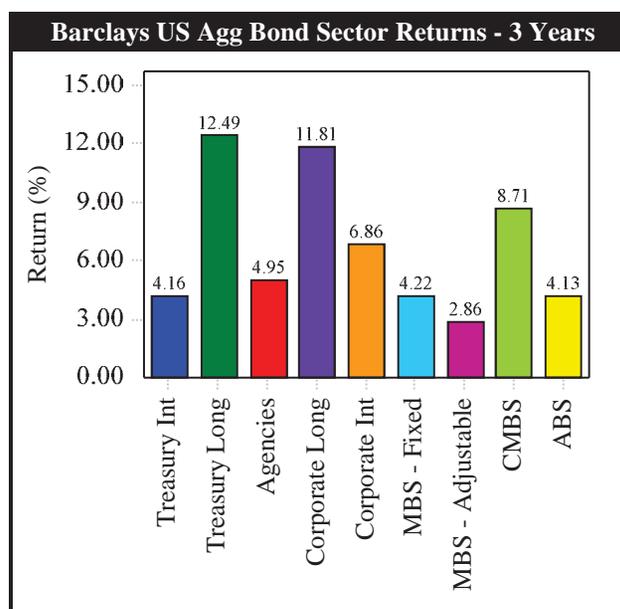
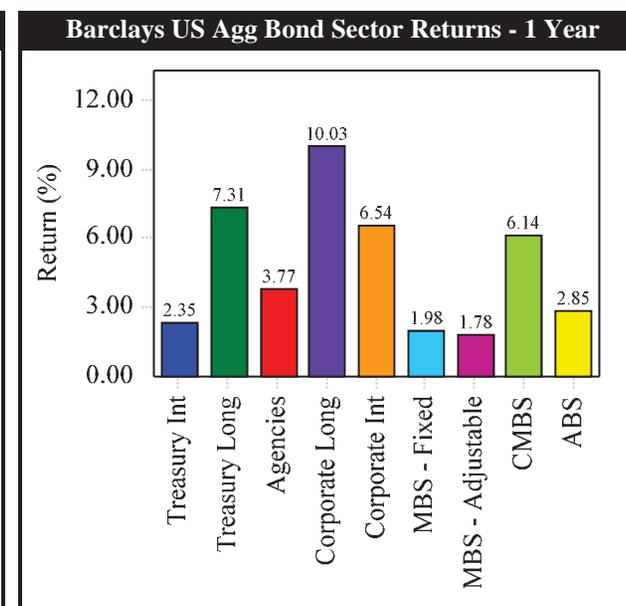
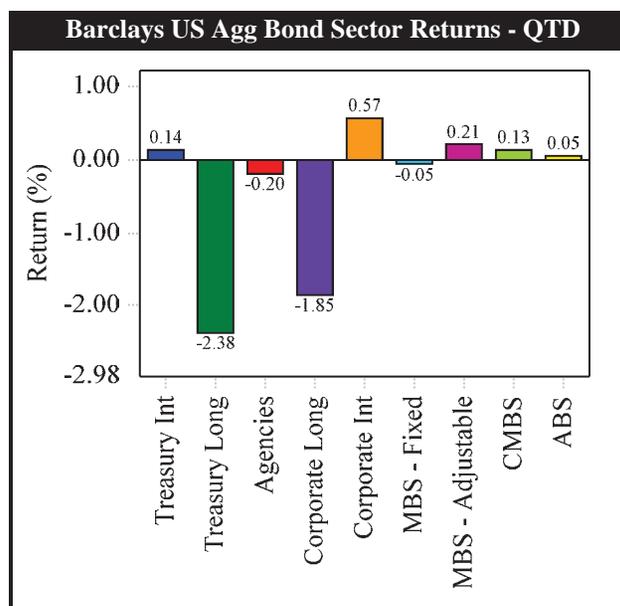
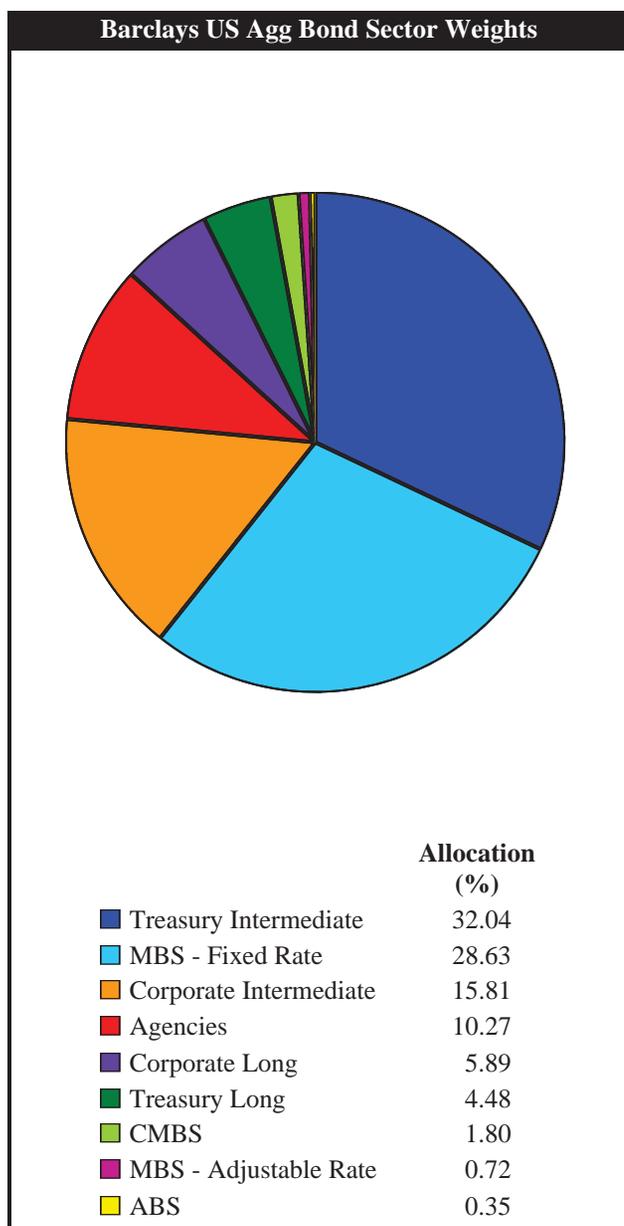
Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity. All returns are shown gross of foreign taxes on dividends.

**Fixed Income Market Performance and Risk**  
As of March 31, 2013



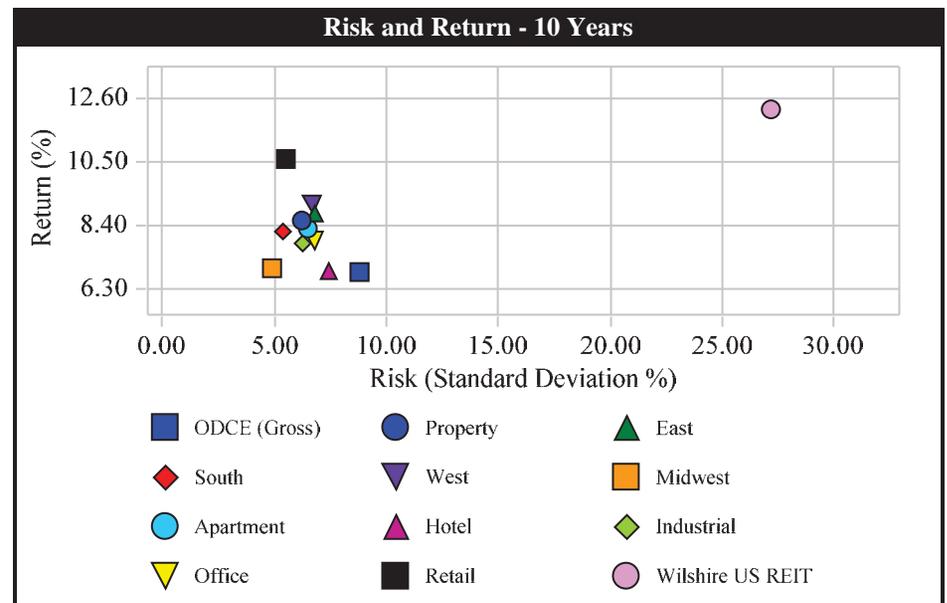
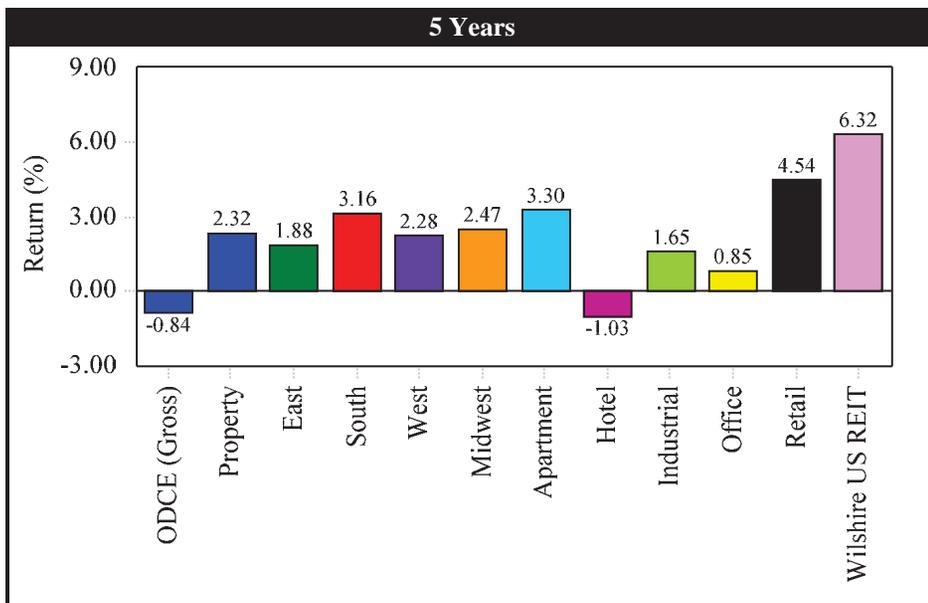
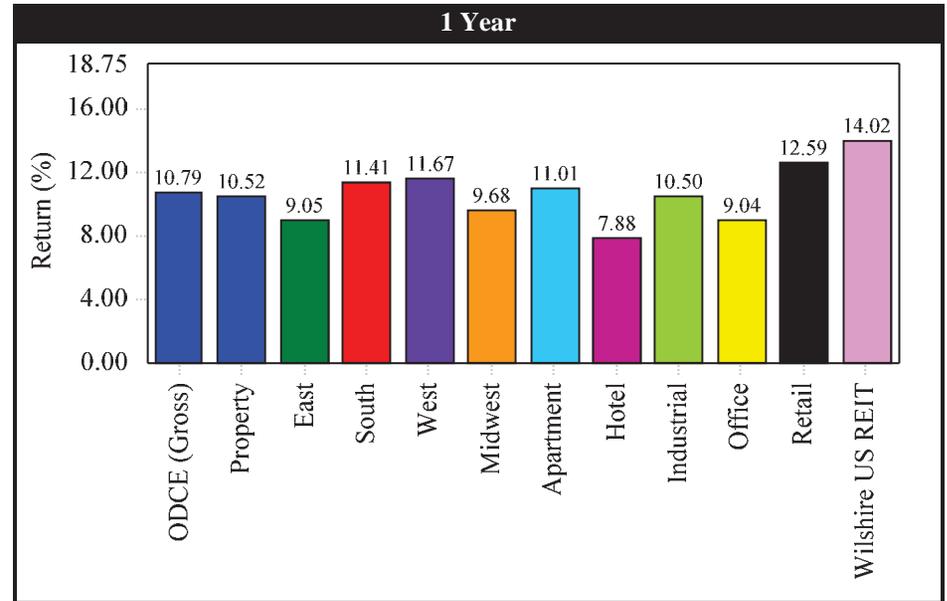
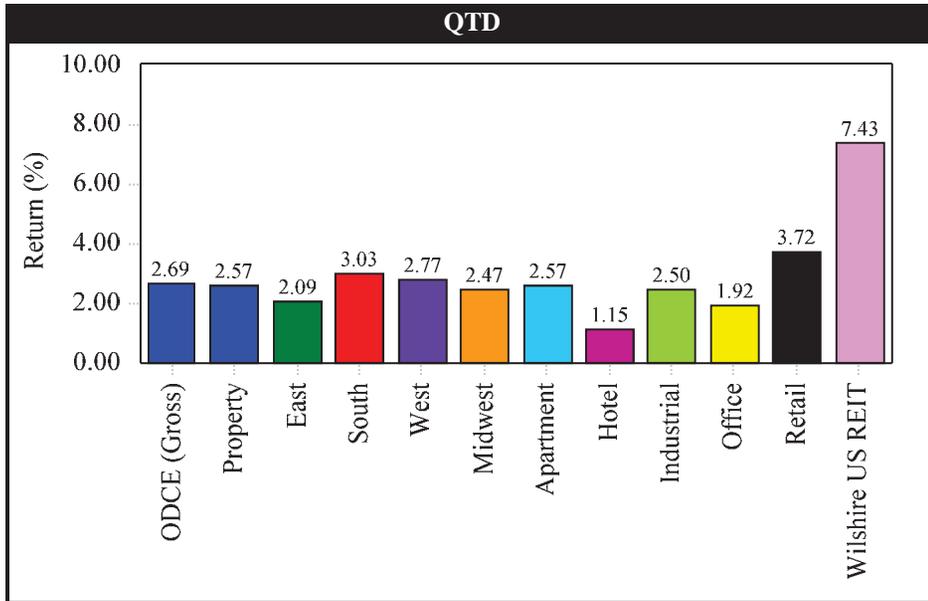
Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity.

**Domestic Fixed Income Sector Weights and Returns**  
As of March 31, 2013



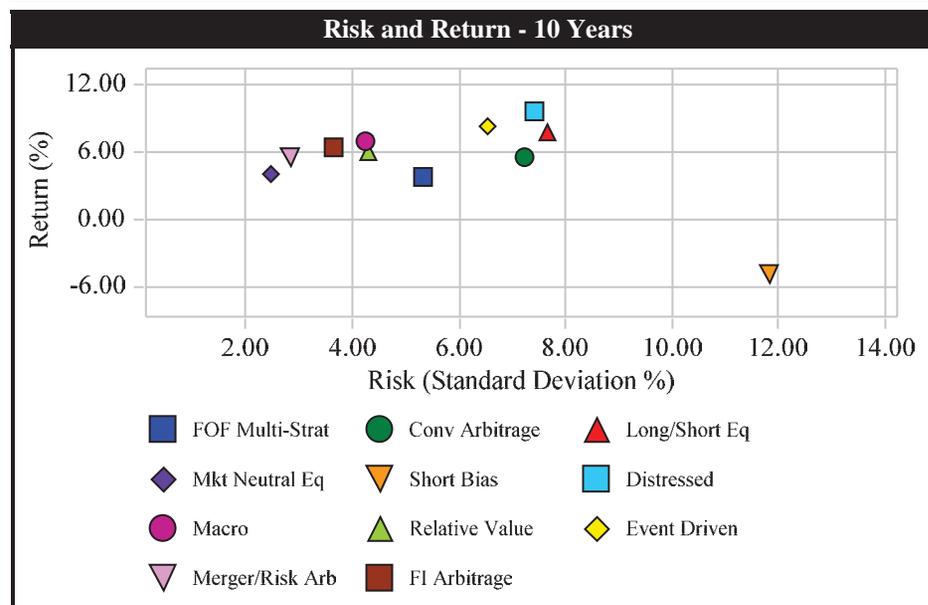
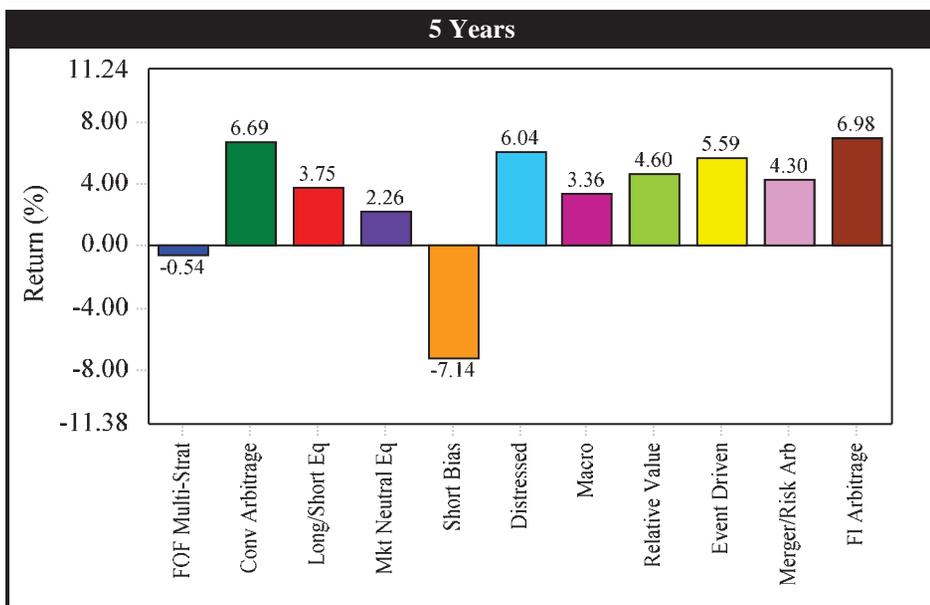
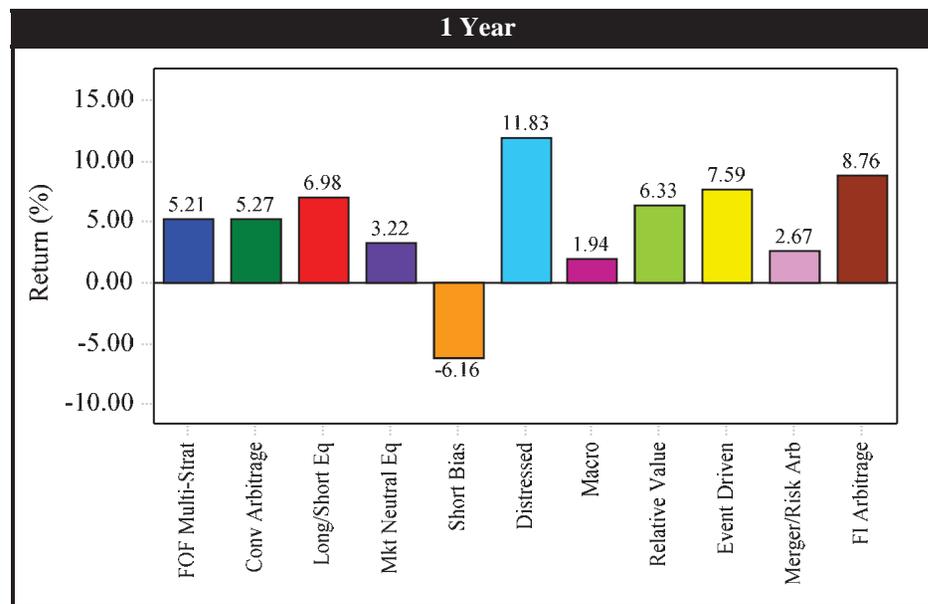
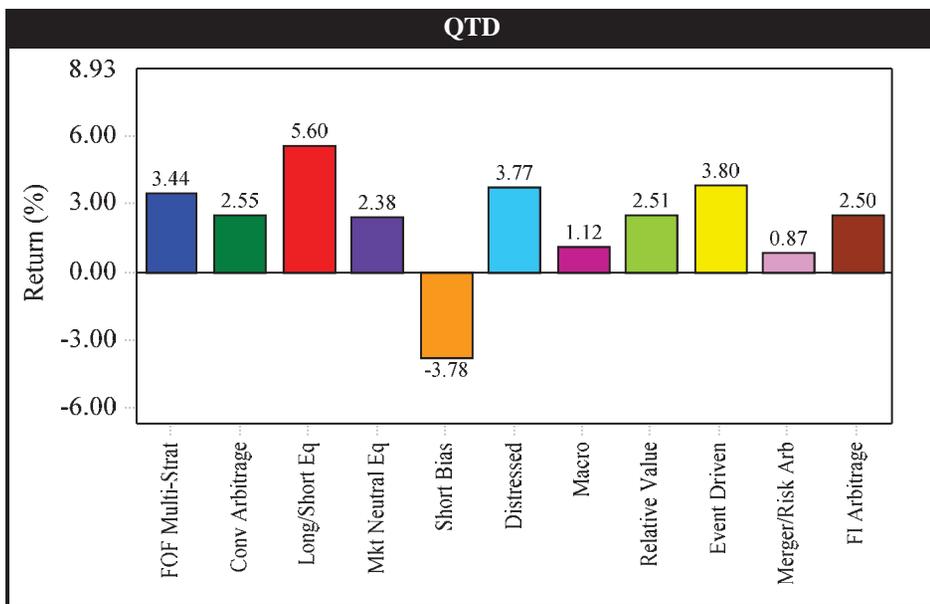
Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year. Returns and allocations provided by Barclays Indices.

**Real Estate Market Performance and Risk**  
As of March 31, 2013



Performance is annualized for periods greater than one year. Calculation is based on quarterly periodicity. All data shown represent NCREIF indices unless otherwise noted. Region and sector data represent the Property Index.

## Hedge Fund Market Performance and Risk As of March 31, 2013



Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity. All data shown represent HFN indices, net of fees. Values are preliminary and subject to change.

**Kentucky Retirement Systems**  
**Addendum**  
**As of March 31, 2013**

**Performance Related Comments**

- Performance shown is gross of fees, except mutual funds, absolute return, and private equity, which are shown net of fees.
- Indices show N/A for Since Inception returns when the fund contains more history than the corresponding benchmark.
- All data reported for Kentucky Retirement Systems including manager performance and composite performance is provided by Northern Trust. Real Estate and Private Equity valuations are as of the most recent date available.

**Asset Allocation Comments**

- The U.S. Equity and Non-U.S. Equity Composites include Liquidation Accounts.
- The Private Equity Composite includes Internal Alternative Assets.
- The KERS, KERS Haz, CERS, CERS Haz and SPRS asset allocations are provided by Northern Trust.

**Manager Transition Comments**

- Harrison Street Core (CF), Sasco Capital Inc. (SA), Systematic Financial Management (SA), and Geneva Capital Management (SA) were funded in Q2 2012. Artio Int'l Equity II (SA) and Internal Mid Cap (SA) were liquidated in Q2 2012.
- Currency Overlay was liquidated in Q4 2012.
- International Account (SA) (Pension) and Arrowhawk Durable Alpha Fund L.P. were liquidated in December 2012.
- Equitization Assets Program (Pension) and Equitization Assets Program (Insurance) were fully liquidated in January 2013.
- Amerria Ag Fund II (CF) (Pension and Insurance) and Greenfield Acquisition Parters VI (CF) (Pension and Insurance) were funded in January 2013.
- Internal Mid Cap (SA) (Pension and Insurance) and International Account (Insurance) were fully liquidated in March 2013.

**Holdings Comments**

- KRS Transition Account (Pension and Insurance) is currently comprised of foreign currencies in the form of cash and recoverable taxes.
- Kentucky Liquidation Account (Pension) and KRS Insurance Liquidation (Insurance) are currently comprised of U.S. dollars, common stock, and warrants.

**Miscellaneous Comments**

- The PIMCO All Asset Fund currently consists of the following underlying strategies which have been classified by RVK into eight broad categories:
  - *Equity - Nat. Resources*: None
  - *Commodities*: Commodity Real Return Strategy Fund, CommoditiesPLUS Strategy Fund
  - *Inflation Linked Bonds*: Real Return Fund, Real Return Asset Fund
  - *Floating Rate Bonds*: Floating Income Fund, Senior Floating Rate Fund, Global Advantage Inflation-Linked Bond ETF
  - *REITs*: None
  - *Nominal Bonds*: Low Duration Fund, Short Term Fund, Investment Grade Corporate Bond Fund, Long Duration TR Fund, Long Term Credit Fund, Long Term US Government Fund, Total Return Fund, Convertible Fund, Emerging Markets Currency, Diversified Income Fund, Emerging Local Bond Fund, Emerging Markets Bond Fund, Foreign Bond Fund (Unhedged), Global Advantage Strategy Fund, High Yield Fund, High Yield Spectrum Fund, Income Fund, Credit Absolute Return Fund
  - *Equity - Non Real*: EM Fundamental IndexPlus TR Fund, Fundamental IndexPlus TR, Int'l StocksPlus TR Fund (US Dollar Hedged), Int'l StocksPlus TR Fund (Unhedged), International Fundamental IndexPLUS TR Strategy Fund, Small Company Fundamental IndexPLUS TR Strategy Fund, Small Cap StocksPlus TR Fund, StocksPlus Fund, StocksPlus TR Fund, EqS Pathfinder Fund, EqS Emerging Markets Fund, EqS Dividend Fund, EqS Long/Short Fund, EqS Emerging Markets Corporate Fund
  - *Other (Includes Cash)*: Net Cash Equivalents, Unconstrained Bond Fund, Fundamental Advantage TR Strategy Fund, Worldwide Fundamental Advantage TR Strategy Fund

**Kentucky Retirement Systems  
Custom & Blended Index Composition  
As of March 31, 2012**

**Composite/Manager**

Total Fund Target Allocation Index (P)

**Benchmark**

R.V. Kuhns & Associates, Inc. began calculating the custom index as of September 1, 2008.  
The custom index is calculated monthly and consists of:

**Since**

<ul style="list-style-type: none"> <li>6.00% S&amp;P 500 Index (Cap Wtd)</li> <li>27.20% S&amp;P 1500 Composite Index</li> <li>4.00% R 2000 Index</li> <li>18.00% MSCI EAFE Index (Gross)</li> <li>2.00% MSCI Emerging Markets Index (Gross)</li> <li>25.00% Barclays US Aggregate Bond Index</li> <li>10.00% Barclays US Treasury: US TIPS Index</li> <li>4.80% Barclays US Corporate: High Yield Index</li> <li>3.00% Citigroup 3 Mo T-Bill Index</li> </ul>	9/1/2008
<ul style="list-style-type: none"> <li>6.00% S&amp;P 500 Index (Cap Wtd)</li> <li>27.20% S&amp;P 1500 Composite Index</li> <li>4.00% R 2000 Index</li> <li>12.00% MSCI World Ex US Index (Gross)</li> <li>4.00% MSCI ACW Ex US Index (Gross)</li> <li>2.00% MSCI ACW Ex US Small Cap Index (Gross)</li> <li>2.00% MSCI Emerging Markets Index (Gross)</li> <li>25.00% Barclays US Aggregate Bond Index</li> <li>10.00% Barclays US Treasury: US TIPS Index</li> <li>4.80% Barclays US Corporate: High Yield Index</li> <li>3.00% Citigroup 3 Mo T-Bill Index</li> </ul>	7/1/2009
<ul style="list-style-type: none"> <li>20.00% R 3000 Index</li> <li>20.00% MSCI ACW Ex US Index (Gross)</li> <li>4.00% MSCI Emerging Markets Index (Gross)</li> <li>20.00% Barclays US Unv Index</li> <li>10.00% Consumer Price Index + 3%</li> <li>5.00% NCREIF ODCE Index (Gross) (AWA)</li> <li>10.05% HFRI FOF Div Index (Lagged)</li> <li>9.93% R 3000 Index +4% (Qtr Lag)</li> <li>1.02% Citi 3 Mo T-Bill Index</li> </ul>	7/1/2011
<ul style="list-style-type: none"> <li><b>20.50% R 3000 Index</b></li> <li><b>20.00% MSCI ACW Ex US Index (Gross)</b></li> <li><b>2.90% MSCI Emerging Markets Index (Gross)</b></li> <li><b>19.30% Barclays Universal Bond Index</b></li> <li><b>10.00% Consumer Price Index + 3%</b></li> <li><b>4.50% NCREIF ODCE Index (Gross) (AWA)</b></li> <li><b>10.00% HFRI FOF Div Index (Month Lag)</b></li> <li><b>10.00% R 3000 Index +4% (Qtr Lag)</b></li> <li><b>2.80% Citi 3 Mo T-Bill Index</b></li> </ul>	1/1/2013

**Kentucky Retirement Systems  
Custom & Blended Index Composition  
As of March 31, 2012**

<u>Composite/Manager</u>	<u>Benchmark</u>	<u>Since</u>
Total Fund Target Allocation Index (I)	The custom index is calculated monthly and consists of:	
	27.50% S&P 500 Index (Cap Wtd)	
	62.50% Barclays US Gov't/Credit Bond index	
	10.00% Citigroup 3 Mo T-Bill Index	Inception
	50.00% S&P 500 Index (Cap Wtd)	
	20.00% S&P SmallCap 600 Index (Cap Wtd)	
	25.00% Barclays US Gov't/Credit Bond index	
	5.00% Citigroup 3 Mo T-Bill Index	8/1/1996
	35.00% S&P 500 Index (Cap Wtd)	
	20.00% S&P SmallCap 600 Index (Cap Wtd)	
	25.00% Barclays US Gov't/Credit Bond index	
	15.00% BNY Mellon ADR Index	
	5.00% Citigroup 3 Mo T-Bill Index	7/1/2000
	60.00% S&P 1500 Composite Index	
	15.00% MSCI EAFE Index (Gross)	
	10.00% Barclays US Treasury: US TIPS Index	
	5.00% R 3000 Index + 4% (Qtr Lag) (I)*	
	5.00% BNY Mellon ADR Index	
	5.00% Citigroup 3 Mo T-Bill Index	7/1/2001
	60.00% S&P 1500 Composite Index	
	15.00% MSCI EAFE Index (Gross)	
	10.00% Barclays US Treasury: US TIPS Index	
	5.00% R 3000 Index + 4% (Qtr Lag) (I)*	
	5.00% S&P American Depositary Receipt Index	
	5.00% Citigroup 3 Mo T-Bill Index	7/1/2002
	60.00% S&P 1500 Composite Index	
	16.00% MSCI EAFE Index (Gross)	
	10.00% Barclays US Treasury: US TIPS Index	
	5.00% R 3000 Index + 4% (Qtr Lag) (I)*	
	4.00% S&P American Depositary Receipt Index	
	5.00% Citigroup 3 Mo T-Bill Index	7/1/2003
	60.00% S&P 1500 Composite Index	
	20.00% MSCI EAFE Index (Gross)	
	10.00% Barclays US Treasury: US TIPS Index	
	5.00% R 3000 Index + 4% (Qtr Lag) (I)*	
	5.00% Citigroup 3 Mo T-Bill Index	4/1/2004
	40.00% S&P 1500 Composite Index	
	30.00% MSCI EAFE Index (Gross)	
	12.00% Barclays US Treasury: US TIPS Index	
	15.00% R 3000 Index + 4% (Qtr Lag) (I)*	
	3.00% Citigroup 3 Mo T-Bill Index	7/1/2007

**Kentucky Retirement Systems  
Custom & Blended Index Composition  
As of March 31, 2012**

<u>Composite/Manager</u>	<u>Benchmark</u>	<u>Since</u>
Total Fund Target Allocation Index (I) (Cont.)	40.00% S&P 1500 Composite Index	
	27.00% MSCI EAFE Index (Gross)	
	3.00% MSCI Emerging Markets Index (Gross)	
	12.00% Barclays US Treasury: US TIPS Index	
	15.00% R 3000 Index + 4% (Qtr Lag) (I)*	
	3.00% Citigroup 3 Mo T-Bill Index	5/1/2008
	40.00% S&P 1500 Composite Index	
	24.00% MSCI World Ex US Index (Gross)	
	3.00% MSCI ACW Ex US Index (Gross)	
	3.00% MSCI Emerging Markets Index (Gross)	
12.00% 70% Barclays US Treasury: US TIPS Index/30% Barclays US Aggregate Bond Index		
15.00% R 3000 Index + 4% (Qtr Lag) (I)*		
3.00% Citigroup 3 Mo T-Bill Index	7/1/2009	
21.11% R 3000 Index		
20.97% MSCI ACW Ex US Index (Gross)		
3.45% MSCI Emerging Markets Index (Gross)		
19.30% Barclays US Unv Index		
11.39% Consumer Price Index + 3%		
4.31% NCREIF ODCE Index (Gross) (AWA)		
10.21% HFRI FOF Div Index (Lagged)		
8.30% R 3000 Index +4% (Qtr Lag)		
0.96% Citi 3 Mo T-Bill Index	7/1/2011	
<b>20.00% R 3000 Index</b>		
<b>20.00% MSCI ACW Ex US Index (Gross)</b>		
<b>4.00% MSCI Emerging Markets Index (Gross)</b>		
<b>20.00% Barclays Universal Bond Index</b>		
<b>10.00% Consumer Price Index + 3%</b>		
<b>5.00% NCREIF ODCE Index (Gross) (AWA)</b>		
<b>10.00% HFRI FOF Div Index (Month Lag)</b>		
<b>10.00% R 3000 Index +4% (Qtr Lag)</b>		
<b>1.00% Citi 3 Mo T-Bill Index</b>	<b>1/1/2013</b>	

**Kentucky Retirement Systems  
Custom & Blended Index Composition  
As of March 31, 2012**

Composite/Manager  
Global Equity Composite (P)

Benchmark

R.V. Kuhns & Associates, Inc. began calculating the custom index as of July 1, 2011.  
Prior performance was provided by Northern Trust.  
The custom index is calculated monthly and consists of:

Since

90.00%	S&P 500 Index (Cap Wtd)	Inception
10.00%	Russell 2000	
85.00%	S&P 500 Index (Cap Wtd)	8/1/1996
15.00%	Russell 2000	
62.00%	S&P 500 Index (Cap Wtd)	7/1/2000
15.00%	Russell 2000	
23.00%	BNY Melon ADR Index	
30.00%	S&P 500 Index (Cap Wtd)	7/1/2001
31.00%	S&P 1500 Composite Index	
12.00%	Russell 2000	
18.00%	MSCI EAFE Index (Gross)	
9.00%	BNY Melon ADR Index	
30.00%	S&P 500 Index (Cap Wtd)	7/1/2002
31.00%	S&P 1500 Composite Index	
12.00%	Russell 2000	
18.00%	MSCI EAFE Index (Gross)	
9.00%	S&P ADR Index	
20.00%	S&P 500 Index (Cap Wtd)	7/1/2003
31.00%	S&P 1500 Composite Index	
9.00%	Russell 2000	
6.00%	Russell 2500 Growth Index	
20.00%	MSCI EAFE Index (Gross)	
7.00%	S&P ADR Index	
7.00%	S&P 500 BARRA Growth Index	
12.00%	S&P 500 Index (Cap Wtd)	7/1/2009
40.00%	S&P 1500 Composite Index	
8.00%	Russell 2000 Index	
24.00%	MSCI World Ex US Index (Gross)	
8.00%	MSCI ACW Ex US Index (Gross)	
4.00%	MSCI ACW Ex US Small Cap (Gross)	
4.00%	MSCI Emerging Markets Index (Gross)	
45.45%	R 3000 Index	7/1/2011
45.45%	MSCI ACW Ex US Index (Gross)	
9.10%	MSCI Emerging Markets Index (Gross)	
<b>47.20%</b>	<b>R 3000 Index</b>	<b>1/1/2013</b>
<b>46.10%</b>	<b>MSCI ACW Ex US Index (Gross)</b>	
<b>6.70%</b>	<b>MSCI Emerging Markets Index (Gross)</b>	

**Kentucky Retirement Systems  
Custom & Blended Index Composition  
As of March 31, 2012**

**Composite/Manager**  
Global Equity Composite (I)

**Benchmark**

R.V. Kuhns & Associates, Inc. began calculating the custom index as of July 1, 2011.  
Prior performance was provided by Northern Trust.  
The custom index is calculated monthly and consists of:

**Since**

100.00%	S&P 500 Index (Cap Wtd)	Inception
70.00%	S&P 500 Index (Cap Wtd)	
30.00%	S&P 600 Index	8/1/1996
50.00%	S&P 500 Index (Cap Wtd)	
20.00%	BNY Melon ADR Index	
30.00%	S&P 600 Index	7/1/2000
75.00%	S&P 1500 Composite Index	
5.00%	BNY Melon ADR Index	
20.00%	MSCI EAFE Index (Gross)	7/1/2001
75.00%	S&P 1500 Composite Index	
5.00%	S&P ADR Index	
20.00%	MSCI EAFE Index (Gross)	7/1/2002
25.00%	MSCI EAFE Index (Gross)	
75.00%	S&P 1500 Composite Index	4/1/2004
42.90%	MSCI EAFE Index (Gross)	
57.10%	S&P 1500 Composite Index	7/1/2007
57.10%	S&P 1500 Composite Index	
38.61%	MSCI EAFE Index (Gross)	
4.29%	MSCI Emerging Markets	5/1/2008
57.10%	S&P 1500 Composite Index	
4.29%	MSCI ACW Ex US Index (Gross)	
4.29%	MSCI Emerging Markets Index (Gross)	
34.32%	MSCI World Ex US Index (Gross)	7/1/2009
46.40%	R 3000 Index	
46.10%	MSCI ACW Ex US Index (Gross)	
7.50%	MSCI Emerging Markets Index (Gross)	7/1/2011
<b>45.50%</b>	<b>R 3000 Index</b>	
<b>45.50%</b>	<b>MSCI ACW Ex US Index (Gross)</b>	
<b>9.00%</b>	<b>MSCI Emerging Markets Index (Gross)</b>	<b>1/1/2013</b>

**Kentucky Retirement Systems  
Custom & Blended Index Composition  
As of March 31, 2012**

<u>Composite/Manager</u>	<u>Benchmark</u>	<u>Since</u>
U.S. Equity Composite (P)	The custom index is calculated monthly and consists of:	
	90.00% S&P 500 Index (Cap Wtd)	
	10.00% R 2000 Index	Inception
	85.00% S&P 500 Index (Cap Wtd)	
	15.00% R 2000 Index	8/1/1996
	80.52% S&P 500 Index (Cap Wtd)	
	19.48% R 2000 Index	7/1/2000
	41.10% S&P 500 Index (Cap Wtd)	
	42.46% S&P 1500 Composite Index	
	16.44% R 2000 Index	7/1/2001
	36.98% S&P 500 Index (Cap Wtd)	
	42.47% S&P 1500 Composite Index	
	12.33% R 2000 Index	
	8.22% R 2500 Growth Index	7/1/2003
	27.50% S&P 500 Index (Cap Wtd)	
	50.00% S&P 1500 Composite Index	
	12.50% R 2000 Index	
	10.00% R 2500 Growth Index	11/1/2003
	12.50% S&P 500 Index (Cap Wtd)	
	65.00% S&P 1500 Composite Index	
	12.50% R 2000 Index	
	10.00% R 2500 Growth Index	8/1/2005
	16.50% S&P 500 Index (Cap Wtd)	
	71.00% S&P 1500 Composite Index	
	12.50% R 2000 Index	3/1/2006
	20.00% S&P 500 Index (Cap Wtd)	
	66.67% S&P 1500 Composite Index	
	13.33% R 2000 Index	7/1/2007
	<b>100.00% R 3000 Index</b>	<b>7/1/2011</b>
U.S. Equity Composite (I)	The custom index is calculated monthly and consists of:	
	100.00% S&P 1500 Composite Index	Inception
	<b>100.00% R 3000 Index</b>	<b>7/1/2011</b>

**Kentucky Retirement Systems  
Custom & Blended Index Composition  
As of March 31, 2012**

<u>Composite/Manager</u>	<u>Benchmark</u>	<u>Since</u>
Non-U.S. Equity Composite (P) & Non-U.S. Equity Ex C.O Composite (P)	The custom index is calculated monthly and consists of:	
	100.00% BNY Mellon ADR Index	Inception
	33.00% BNY Mellon ADR Index	
	67.00% MSCI EAFE Index (Gross)	8/1/2001
	33.00% S&P American Depositary Receipt Index	
	67.00% MSCI EAFE Index (Gross)	7/1/2002
	27.00% S&P American Depositary Receipt Index	
	73.00% MSCI EAFE Index (Gross)	7/1/2003
	100.00% MSCI EAFE Index (Gross)	4/1/2004
	90.00% MSCI EAFE Index (Gross)	
	10.00% MSCI Emerging Markets Index (Gross)	5/1/2008
	80.00% MSCI EAFE Index (Gross)	
	10.00% MSCI Emerging Markets Index (Gross)	
	10.00% MSCI ACW Ex US Small Cap Index (Gross)	1/1/2009
	60.00% MSCI World Ex US Index (Gross)	
	20.00% MSCI ACW Ex US Index (Gross)	
	10.00% MSCI Emerging Markets Index (Gross)	
	10.00% MSCI ACW Ex US Small Cap Index (Gross)	7/1/2009
	<b>100.00% MSCI ACW Ex US Index (Gross)</b>	<b>7/1/2011</b>
Non-U.S. Equity Composite (I) & Non-U.S. Equity Ex C.O Composite (I)	The custom index is calculated monthly and consists of:	
	100.00% BNY Mellon ADR Index	Inception
	25.00% BNY Mellon ADR Index	
	75.00% MSCI EAFE Index (Gross)	7/1/2001
	25.00% S&P American Depositary Receipt Index	
	75.00% MSCI EAFE Index (Gross)	7/1/2002
	20.00% S&P American Depositary Receipt Index	
	80.00% MSCI EAFE Index (Gross)	7/1/2003
	100.00% MSCI EAFE Index (Gross)	4/1/2004
	90.00% MSCI EAFE Index (Gross)	
	10.00% MSCI Emerging Markets Index (Gross)	5/1/2008
	80.00% MSCI World Ex US Index (Gross)	
	10.00% MSCI ACW Ex US Index (Gross)	
	10.00% MSCI Emerging Markets Index (Gross)	7/1/2009
	<b>100.00% MSCI ACW Ex US Index (Gross)</b>	<b>7/1/2011</b>

**Kentucky Retirement Systems  
Custom & Blended Index Composition  
As of March 31, 2012**

<u>Composite/Manager</u>	<u>Benchmark</u>	<u>Since</u>
Fixed Income Composite (P)	The custom index is calculated monthly and consists of:	
	80.00% Barclays US Govt/Credit Bond Index	Inception
	20.00% BofA ML 1-3 Year US Treasury Index	
	54.00% Barclays US Govt/Credit Bond Index	7/1/2001
	27.00% Barclays US Tsry: US TIPS Index	
	19.00% Barclays US Agg Bond Index	
	38.00% Barclays US Agg Bond Index	7/1/2003
	35.00% Barclays US Govt/Credit Bond Index	
	27.00% Barclays US Tsry: US TIPS Index	
	71.43% Barclays US Agg Bond Index	7/1/2007
28.57% Barclays US Tsry: US TIPS Index		
	<b>100.00% Barclays US Unv Bond Index</b>	<b>7/1/2011</b>
Fixed Income Composite (I)	The custom index is calculated monthly and consists of:	
	100.00% Barclays US Govt/Credit Bond Index	Inception
	100.00% Barclays US Tsry: US TIPS Index	7/1/2001
	70.00% Barclays US Tsry: US TIPS Index	4/1/2011
	30.00% Barclays US Agg Bond Index	
		<b>100.00% Barclays US Unv Bond Index</b>
Real Estate Composite (P) & Real Estate Composite (I)	The custom index is calculated monthly and consists of:	
	100.00% NCREIF Property Index (Qtr Lag)	Inception
	<b>100.00% NCREIF ODCE Index (Gross) (AWA)</b>	<b>7/1/2011</b>
Private Equity Composite (P)	The custom index is calculated monthly and consists of:	
	60.00% S&P 1500 Composite Index	Inception
	40.00% Barclays US Corp: High Yield Index	
		<b>100.00% R 3000 Index + 4% (Qtr Lag)</b>
Private Equity Composite (I)	The custom index is calculated monthly and consists of:	
	80.00% S&P 1500 Composite Index	Inception
	20.00% Barclays US Corp: High Yield Index	
		<b>100.00% R 3000 Index + 4% (Qtr Lag)</b>

**Kentucky Retirement Systems  
Custom & Blended Index Composition  
As of March 31, 2012**

<u>Composite/Manager</u>	<u>Benchmark</u>	<u>Since</u>
Internal S&P 500 Index (SA)	The custom index is calculated monthly and consists of:  100.00% S&P 1500 Composite Index <b>100.00% S&amp;P 500 Index (Cap Wtd)</b>	Inception <b>7/1/2011</b>
The Boston Co. Non-U.S. Value (SA) & Pyramis Int'l Growth Fund (SA)	The custom index is calculated monthly and consists of:  100.00% MSCI EAFE Index (Gross)  100.00% MSCI World Ex US Index (Gross) <b>100.00% MSCI ACW Ex US Index (Gross)</b>	Inception  7/1/2009 <b>1/1/2012</b>
PIMCO Core Fixed Income (SA) <i>PIMCO Blended Index</i>	The blended index is calculated monthly and consists of:  100.00% Barclays US Agg Bond Index  <b>60.00% Barclays US Agg Bond Index</b> <b>40.00% PIMCO Global Advantage Index</b>	Inception  <b>10/1/2011</b>
Commerce Street Income Partners L.P. & Waterfall (SA) <i>Opportunistic FI Blended Index</i>	The blended index is calculated monthly and consists of:  <b>60.00% Barclays US Corp: High Yield Index</b> <b>40.00% Barclays US ABS Floating Rate Index</b>	<b>Inception</b>
Shenkman Capital (SA) <i>Shenkman Blended Index</i>	The blended index is calculated monthly and consists of:  <b>50.00% Barclays US Corp: High Yield Index</b> <b>50.00% Barclays US High Yield Loans Index</b>	<b>Inception</b>

## Glossary

**Alpha** - A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. It is a measure of the portfolio's historical performance not explained by movements of the market or a portfolio's non-systematic return.

**Alpha Ratio** - A measure of a portfolio's non-systematic return per unit of downside risk. It is measured by dividing the alpha of a portfolio by the downside risk. The non-systematic return is a measure of a portfolio's historical performance not explained by movements of the market.

**Average Quality** - Bond quality ratings are reported using the investment managers' and the index providers' preferred rating agency. There are two primary rating agencies in the US. *Moody's* assigns ratings on a system that employs up to four symbols (consisting of letters and numbers) such as, Aaa, Aa2, etc., with Aaa being the highest or safest rating. *Standard & Poor's (S&P)* employs a system that uses + and - along with letters such as AAA, AA+, etc. The two rating agencies' systems are summarized below.

<u>S&amp;P</u>	<u>Moody's</u>	<u>Explanation</u>	<u>S&amp;P</u>	<u>Moody's</u>	<u>Explanation</u>
<b>Higher Credit Quality – Investment Grade</b>			<b>Lower Credit Quality – Below Investment Grade</b>		
AAA	Aaa	Prime/Highest credit quality	BB+	Ba1	Speculative/Low credit quality
AA+	Aa1	High credit quality	BB	Ba2	
AA	Aa2		BB-	Ba3	
AA-	Aa3		B+	B1	Highly speculative
A+	A1	Upper-medium credit quality	B	B2	
A	A2		B-	B3	
A-	A3		CCC+	Caa1	Substantial credit/default risk
BBB+	Baa1	Lower-medium credit quality	CCC	Caa2	Extremely speculative
BBB	Baa2		CCC-	Caa3	
BBB-	Baa3		CC	Ca	vulnerable to default
			C	Ca	
			D	C	In default

**Beta** - A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk.

**Buy and Hold Attribution** - At the beginning of the time period under analysis, the manager and benchmark portfolios are broken down into segments (i.e., styles, sectors, countries, and regions) based on the desired type of attribution. The formula assumes zero turn-over to the manager and benchmark portfolios throughout the period and calculates the segment returns ("buy and hold returns") to arrive at performance attribution. Due to portfolio turnover, buy and hold attribution may not accurately represent quarterly performance relative to the benchmark. Country, region, sector, and style allocations are as of the date one quarter prior to the reporting date, and the returns shown are for those segments throughout the quarter reported. Due to disclosure guidelines set by each investment manager, equity characteristics shown are as of the most recent date available. The following is the methodology for segment classification.

**Sector** - Attribution is calculated using the Global Industry Classification Standard (GICS) which is a detailed and comprehensive structure for sector and industry analysis. Stocks are classified by their primary sector, as defined by S & P Capital IQ data.

**Country/Region** - Attribution is calculated using the Morgan Stanley Capital International (MSCI) region standards. Stocks are classified by their domicile country/region, as defined by S & P Capital IQ data.

**Style** - Stocks are classified into the following style boxes: large/mid/small vs. growth/neutral/value. Stocks are classified along large/mid/small categories at the time of the Russell index rebalancing, using the index market cap boundaries as cutoff points. Stocks are classified along growth/neutral/value categories at the time of the Russell index rebalancing, using the price/book ratio as supplied by S & P Capital IQ. Stocks in the Russell 3000 Index portfolio are sorted by price/book ratio: names with the highest price/book ratio that make up 1/3 of the total market capitalization are assigned to the growth category, names that make up the subsequent 1/3 of the total market capitalization are assigned to the neutral category, while the balance of the names are assigned to the value category.

Portfolio Characteristics and Buy and Hold Attribution reports utilize product-specific data for all mutual funds and commingled funds.

## Glossary

### Capital Markets Review -

**Baltic Dry Index** - Measures the demand for shipping capacity versus the supply of dry bulk carriers. As the supply of cargo ships is inelastic, the Baltic Dry Index provides an assessment of the price of moving major raw materials by sea.

**Breakeven Inflation** - Measures the expected inflation rate at each stated maturity by taking the difference between the real yield of the inflation-linked maturity curve and the yield of the closest nominal Treasury maturity.

**Capacity Utilization** - Measures the extent to which a country efficiently utilizes installed productive capacity. It measures the difference between the output that is produced using the installed equipment versus the output that *could* be produced using the installed equipment.

**Consumer Confidence** - Measures domestic consumer confidence as defined by the degree of optimism on the state of the economy that consumers express through saving and spending.

**Consumer Price Index (CPI)** - Measures the change in the price level of consumer goods and services.

**Disposable Personal Income** - The difference between total personal income and personal income tax payments.

**Disposable Producer Price Index (PPI)** - Measures the average change in selling prices received by US producers for their output.

**M2** - Measures the amount of money in circulation and is often used as an indicator for forecasting inflation.

**Option-Adjusted Spread** - Measures the flat spread of an index or bond to the Treasury yield curve after removing the effect of any embedded options.

**Personal Consumption Expenditures** - Measures the average increase in prices for all domestic personal consumption.

**Personal Savings** - Percentage of personal saving within the US as a percentage of disposable personal income.

**Purchasing Managers Index (PMI)** - Measures economic activity by surveying purchasing managers on a monthly basis as to whether business conditions have improved, worsened, or stayed the same.

**Relative Strength Index (RSI)** - Measures the current and historical strength or weakness of a stock market based on the closing prices of the most recent 14-day period. RSI is classified as a momentum oscillator and measures the velocity and magnitude of directional price movements. RSI levels at or above 70 may indicate that a market is "overbought" while RSI levels below 30 may indicate that a market is "oversold."

**Shiller 20 City YoY** - Measures the yearly change in housing prices for 20 major metropolitan areas within the US.

### US Credit Market Debt as a Percentage of GDP -

**Business** - Non-financial corporate business and non-corporate business.

**Financials** - Commercial banks, savings institutions and credit unions, government-sponsored enterprises, agency- and GSE-backed mortgage pools, ABS issuers, life insurance companies, REITs, and financial companies.

**Foreign** - US credit market instruments owed by non-US entities and debt issued by foreign companies in the US.

**Government** - Savings bonds, Treasury securities, budget agency securities, insurance reserves, and non-marketable securities held by retirement plans.

**Household** - Home mortgages, consumer credit, municipal securities, bank loans, and commercial mortgages.

**US Dollar Total Weighted Index** - Measures the value of the US Dollar relative to a basket of other world currencies. It is calculated as the weighted geometric mean of the dollar's value versus the EUR, GBP, CAD, SEK, CHF, and JPY.

**VIX** - Measures the implied volatility of S & P 500 Index options by looking at the market's expectation of the S & P 500 Index volatility over the next 30 day period. Commonly referred to as the "fear index" or the "fear gauge."

**Consistency** - The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the product's performance.

**Convexity** - A measure of the shape of the curve that describes the relationship between bond prices and bond yields.

**Correlation** - A statistical measure of the relationship between asset class returns. A value of 1.00 is a perfect correlation that is, the asset classes always move in the same direction. A value of -1.00 indicates a perfect negative correlation, in which the asset classes always move in opposite directions of each other. A value of 0 indicates there is no relationship between the direction of returns of the two asset classes. Correlation calculations only consider the direction of changes relative to two variables and not the magnitude of those changes.

**Coupon Rate** - The percentage rate of interest paid on a bond or fixed income security. It is typically paid twice per year.

## Glossary

**Current Yield** - The annual income of a security divided by the security's current price.

**Down Market Capture** - Down market by definition is negative benchmark return and down market capture represents the ratio in % terms of the average portfolio's return over the benchmark during the down market period. The lower the value of the down market capture the better the product's performance.

**Downside Risk** - A measure similar to standard deviation, but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.

**Earnings Per Share** - It is backward looking, calculated using the one year current EPS divided by the one year EPS five years ago.

**Effective Duration** - The weighted average duration of all the bonds in a given portfolio, weighted by their dollar values.

**Excess Return vs. Market** - Average of the monthly arithmetic difference between the manager's return and the benchmark return over a specified time period, shown on an annualized basis.

**Excess Return vs. Risk Free** - Average of the monthly arithmetic difference between the manager's return and the risk-free return (i.e., BofA ML 3 Mo US T-Bill Index unless specified otherwise) over a specified time period, shown on an annualized basis.

**Excess Risk** - A measure of the standard deviation of a portfolio's performance relative to the risk free return.

**Expense Ratios** - Morningstar is the source for mutual fund expense ratios.

**Gain/Loss** - The net increase or decrease in the market value of a portfolio excluding its Net Cash Flow for a given period.

**Indices** - All indices and related information are considered intellectual property and are licensed by each index provider. The indices may not be copied, used or distributed without the index provider's prior written approval. Index providers make no warranties and bear no liability with respect to the indices, any related data, their quality, accuracy, suitability and/or completeness.

**Information Ratio** - Measured by dividing the active rate of return by the tracking error. The higher the information ratio, the more value-added contribution by the manager.

**Liability Driven Investing (LDI)** - A method to optimally structure asset investments relative to liabilities. The change in liabilities is estimated by the Ryan Labs Generic PPA Index of appropriate duration for that Plan. This benchmark is based on generic data and is therefore an approximation. R is not an actuarial firm, and does not have actuarial expertise.

**Estimated Funded Status** - The estimated ratio of a Plan's assets relative to its future liabilities. This is calculated by dividing the Plan's asset market value by the estimated present value of its liabilities. The higher the estimated funded status, the better the Plan's ability to cover its projected benefit obligations. An estimated funded status of 100% indicates a Plan that is fully funded.

**Estimated PV of Liabilities** - An estimate of a Plan's future liabilities in present value terms. The beginning of the period liability is provided by the Plan's actuary. The period-end present value liability estimate provided in this report is derived by applying the estimated percentage change generated using the Ryan Labs Generic PPA Index with duration similar to that reported on the most recent actuarial valuation report.

**Duration of Liabilities** - The sensitivity of the value of a Plan's liabilities to changes in interest rates, as calculated by the Plan's actuary.

**Duration of Assets** - The dollar-weighted average duration of all the individual Plan assets.

**Estimated Plan Hedge Ratio** - The estimate of how well a Plan's investment portfolio is hedged against changes in interest rates - a primary driver of funded status movements. This is calculated by dividing the dollar-weighted values of both the Plan asset duration by the liability duration and multiplying by the estimated funded status. An estimated plan hedge ratio of zero indicates that the Plan's liabilities have not been hedged, whereas a value of one indicates fully hedged.

**Modified Duration** - The approximate percentage change in a bond's price for a 100 basis point change in yield.

**Net Cash Flow** - The sum, in dollars, of a portfolio's contributions and withdrawals. This includes all management fees and expenses only when performance shown is gross of fees.

## Glossary

### Peer Groups -

**Plan Sponsor Peer Groups - R** utilizes the Mellon Analytical Solutions Trust Universe along with the Investment Metrics Plan Sponsor Universe. The combined Mellon Analytical Solutions Trust Universe and Investment Metrics Plan Sponsor Universe is used for comparison of total fund composite results and utilizes actual client returns compiled from consultant and custodial data. The Plan Sponsor Peer Group database includes performance and other quantitative data for over 2,100 plans which include corporate, endowment, foundation, public, and Taft Hartley plans. Plan Sponsor Peer Groups are gross of fees.

**Institutional Peer Groups (Separate Account and Commingled Fund) - R** utilizes the Investment Metrics Separate Account and Commingled Fund Manager Peer Groups for peer comparison and rankings. The Separate Account and Commingled Fund Peer Group database includes performance and other quantitative data for over 1,000 investment management firms, 6,400 investment products, across 100 standard peer groups. Separate Account and Commingled Fund Peer Groups are gross of fees.

**Mutual Fund (MF) Peer Groups - R** utilizes the Lipper Mutual Fund Manager Peer Groups for peer comparison and rankings. The Lipper Manager Peer Group database includes performance and other quantitative data for over 700 investment management firms and 24,500 investment products, across more than 140 standard peer groups. Mutual Fund Peer Groups are net of fees.

**Percentile Rankings -** Percentile rank compares an individual fund's performance with those of other funds within a defined peer group of managers possessing a similar investment style. Percentile rank identifies the percentage of a fund's peer group that has a higher return (or other comparative measurement) than the fund being ranked. Conversely, 100 minus the individual fund's ranking will identify the percentage of funds within the peer group that have a lower return than the fund being ranked.

1 - Highest Statistical Value                      100 - Lowest Statistical Value

*Example: American Funds AMCP;R-4 (RAFEX) is ranked in the 4<sup>th</sup> percentile within the IM US Equity Large-Cap Growth Funds (MF) Peer Group for the Sharpe Ratio. Within the IM US Equity Large-Cap Growth Funds peer group, 4% of the other funds performed better than American Funds AMCP;R-4 (RAFEX), while 96% of the funds performed worse.*

**Performance Methodology - R** endorses the Global Investment Performance Standards (GIPS) and calculates performance for investment managers and composites using different methodologies. Investment manager performance is calculated by revaluing the portfolio on the date of all large external cash flows while composite performance is calculated using the Modified Dietz calculation methodology. According to the CFA Institute, "Only investment management firms that actually manage assets can claim compliance with the Standards. Plan Sponsors and consultants cannot make a claim of compliance unless they actually manage assets for which they are making a claim of compliance. They can claim to endorse the Standards and/or require that their investment managers comply with the Standards."

**Investment Managers -** Performance is calculated for interim periods between all large external cash flows for a given month and geometrically linked to calculate period returns. An external cash flow is defined as cash, securities, or assets that enter or exit a portfolio. R defines a "large cash flow" as a net aggregate cash flow of  $\geq 10\%$  of the beginning-period portfolio market value or any cash flow that causes R calculated performance to deviate from manager/custodian reported performance in excess of 5 basis points for a given month.

**Composites -** The Modified Dietz methodology is utilized to calculate asset class, sub-asset class, and total fund composite performance. The Modified Dietz method calculates a time-weighted total rate of return that considers the timing of external cash flows however, it does not utilize interim period performance to mitigate the impact of significant cash in- and outflows to the composite.

R calculates performance beginning with the first full month following inception. Since inception performance may vary from manager reported performance due to R using the first full month of returns as the inception date. Performance for both managers and composites is annualized for periods greater than one year.

**Portfolio Characteristics -** Due to disclosure guidelines set by each investment manager, portfolio characteristics shown are as of the most recent date available.

**Private Equity Quartile Ranks -** Private Equity quartile ranks are generated using vintage year peer group data provided by Thomson Reuters, and are based on each fund's annualized, since inception internal rate of return (IRR). Three Private Equity peer groups are available via Thomson Reuters Buyout, Venture, and All Private Equity. Ranks are available quarterly, at a one-quarter lag.

**Return -** Compounded rate of return for the period.

**%Return -** The time-weighted rate of return of a portfolio for a given period.

## Glossary

**R-Squared** - The percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. High R-Squared means a higher correlation of the portfolio's performance to the appropriate benchmark.

**Risk Free Benchmark** - BofA ML 3 Mo US T-Bill Index unless specified otherwise.

**RVK Liquidity Rating** - A qualitative method for determining the relative amount of liquidity in a portfolio. The characteristics considered when determining relative liquidity include trading volume, gates for redemption, leverage, nature of transactions, and pricing mechanisms. The RVK Liquidity Rating is calculated using beginning of month investment weights applied to each corresponding asset class liquidity rating.

<u>Asset Class</u>	<u>RVK Liquidity Rating</u>	<u>Asset Class</u>	<u>RVK Liquidity Rating</u>
<b><u>Liquid Investments</u></b>			
T-Bills and Treasuries	100	<b><u>Less Liquid Investments</u></b>	
Cash Equivalents	98	Fixed Income Plus Sector	50
TIPS	95	Diversified Real Return	50
US Large Cap Equity	95	Global Tactical Asset Allocation	50
Stable Value (Participant Directed)	91	Stable Value (Plan Sponsor Directed)	50
Non-US Large Cap Equity	90	Absolute Return Strategies	35
US Small Cap Equity	85	<b><u>Not Liquid Investments</u></b>	
REITS	85	Core Real Estate	25
Non-US Small Cap Equity	85	Core Plus Real Estate	15
Emerging Markets Equity	85	Plus Only Real Estate	5
Core Fixed Income	85	Private Equity Funds of Funds	5
Core Plus Fixed Income	80		

**Sharpe Ratio** - Represents the excess rate of return over the risk-free return (i.e., BofA ML 3 Mo US T-Bill Index unless specified otherwise), divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.

**Simple Alpha** - The difference between the manager's return and the benchmark's return.

**Spread Duration** - A measure of the price sensitivity of a bond to a 100 basis-point movement of the bond's spread relative to Treasuries.

**Standard Deviation** - A statistical measure of the range of a portfolio's performance. The variability of a return around its average return over a specified time period.

**Time Period Abbreviations** - **QTD** - Quarter-to-Date. **CYTD** - Calendar Year-to-Date. **FYTD** - Fiscal Year-to-Date. **YOY** - Year Over Year.

## Glossary

**Thematic Classification** - Represents dedicated manager allocations as such, thematic allocations are approximations. R categorizes the following asset classes as Alpha, Capital Appreciation, Capital Preservation, and Inflation

<u>Alpha</u>	<u>Capital Appreciation</u>	<u>Capital Preservation</u>	<u>Inflation</u>
Absolute Return Strategies	Public Equity	Core Fixed Income	TIPS
Currency Overlay	Private Equity	CMBS Fixed Income	Core Real Estate
	Preferred Securities	Asset Backed Fixed Income	Real Return
	High Yield	Domestic Core Plus Fixed Income	Inflation Hedges
	Convertible Fixed Income	Mortgage Backed Fixed Income	REITS
	TALF Funds	International Developed Fixed Income	Commodities
	Distressed Debt	Cash Equivalents	
	Emerging Market Fixed Income	Stable Value	
	Value Added Real Estate		
	Opportunistic Real Estate		

**Total Fund Attribution** - A method for identifying the sources of a total fund's over- or underperformance relative to its benchmark. The calculation identifies the contributions of positive or negative total fund excess return caused by allocation differences relative to the total fund's custom benchmark, and performance differences of the investment managers relative to the benchmark components that represent them.

### **Total Fund Performance -**

**Total Fund** - The percentage return of the total fund for the specified time period.

**Total Fund Benchmark** - The percentage return of the total fund benchmark for the specified time period calculated using the target asset allocation and the corresponding benchmark returns.

**Total Value Added** - The percentage of over- or underperformance of the total fund as compared to the total fund benchmark.

### **Total Value Added -**

**Asset Allocation** - Shows how the variance of the total fund's actual allocation from its target allocation added to or subtracted from fund performance.

**Manager Value Added** - The portion of the total value added attributable to the outperformance or underperformance of the fund's investment managers, relative to the individual benchmarks that represent them in the total fund benchmark.

**Market Timing/Other** - The contribution of other residual factors, including estimation error and transaction timing.

**Total Fund Beta** - Total Fund Beta is calculated using the S & P 500 as the benchmark. It represents a measure of the sensitivity of the total fund to movements in the S & P 500 and is a measure of the Total Fund's non-diversifiable or systematic risk.

**Tracking Error** - A measure of the standard deviation of a portfolio's performance relative to the performance of an appropriate market benchmark.

**Treynor Ratio** - Similar to Sharpe ratio, but focuses on beta rather than excess risk (standard deviation). Treynor ratio represents the excess rate of return over the risk-free rate (i.e., BofA ML 3 Mo US T-Bill Index unless specified otherwise) divided by the beta. The result is the absolute rate of return per unit of risk. The higher the value, the better historical risk-adjusted performance.

**Unit Value** - The dollar value of a portfolio, assuming an initial nominal investment of \$100, growing at the compounded rate of %Return for a given period.

**Up Market Capture** - Up market by definition is positive benchmark return and up market capture represents the ratio in % terms of the average portfolios return over the benchmark during the up market period. The higher the value of the up market capture the better the product's performance.

**Yield to Maturity** - The rate of return achieved on a bond or other fixed income security assuming the security is bought and held to maturity and that the coupon interest paid over the life of the bond will be reinvested at the same rate of return.

**Yield to Worst** - The bond yield calculated by using the worst possible yield taking into consideration all call, put, and optional sink dates.