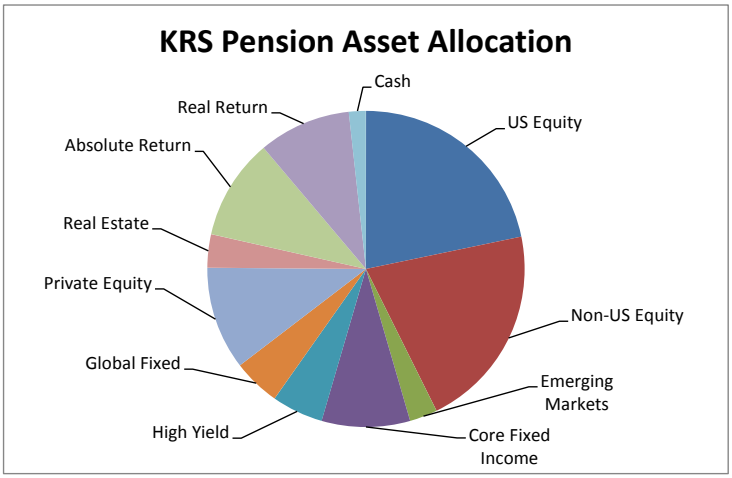
September 2013

KRS MONTHLY PERFORMANCE UPDATE

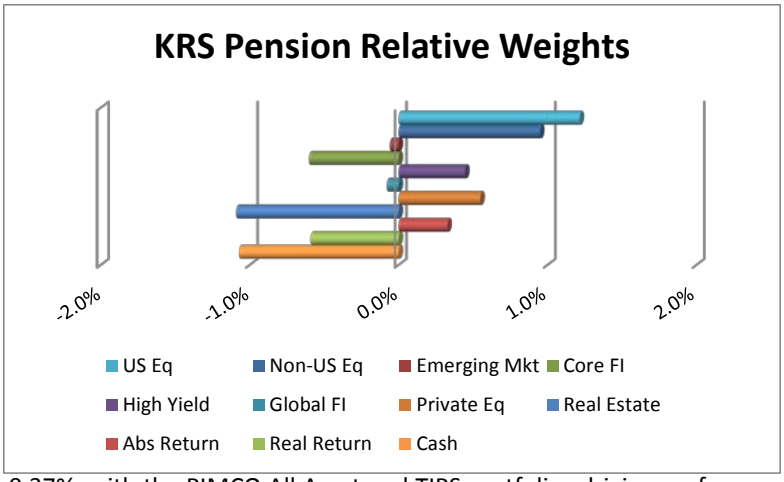
What's going on in the marketplace?

Global equity markets ended the month of September on a positive tone after pulling back in August. Returns were perversely driven by the Fed's guidance not to taper QE as soon as many market participants expected. This was to some degree influenced by increased Fed expectations of a U.S. government shutdown while the economy was still processing the economic data of an unstable recovery. U.S., Non-U.S., and Emerging Market Equities all provided positive returns to the portfolio for the month primarily driven by central bank intervention in the U.S. and by improving economic figures in both Europe and the Emerging economies. A secondary driver of positive global market returns was reduced concerns over military intervention in Syria, in light of a Russian Federation brokered agreement to both allow UN inspectors into Syria to confirm the use of chemical weapons, and a tentative agreement to remove any chemical weapons stockpiles from the Assad regime's control. The overall picture of an improving economy drove the U.S. markets, while at the same time the employment picture has not been updated due to the government shutdown. In terms of Non-U.S. markets, improving conditions in Europe and positive economic surprises in unstable members of the Eurozone have increased investor confidence in the ECB's policies and have provided positive equity tailwinds. Emerging Market Equity returns bounced back and provided positive returns for the month yet remain volatile and inconsistent across markets. This month's positive influence was driven by better than expected economic growth figures in China and signs of economic stability in several other emerging market economies. Overall the Emerging Markets have continued to face a risk on/risk off flow of investor funds which seems to be driven by global economic news events.



	Sept	1-Yr	3-Yr	5-Yr	10-Yr
Total Fund	3.23	10.90	8.60	7.34	6.72
Benchmark	2.89	11.67	8.89	8.04	6.91

The economic picture was somewhat blurred for the majority of the month as the government shutdown took its toll on the timeliness of economic data releases, such as the Bureau of Labor Statistics economists were not able to report several economic indicators for the month. While some reports were available from other economic data sources (most notably the University of Michigan's Consumer Confidence report) at the time of the shutdown the full economic picture was unavailable and thus Staff will wait until October's monthly update to gather the full picture of the economy's health.

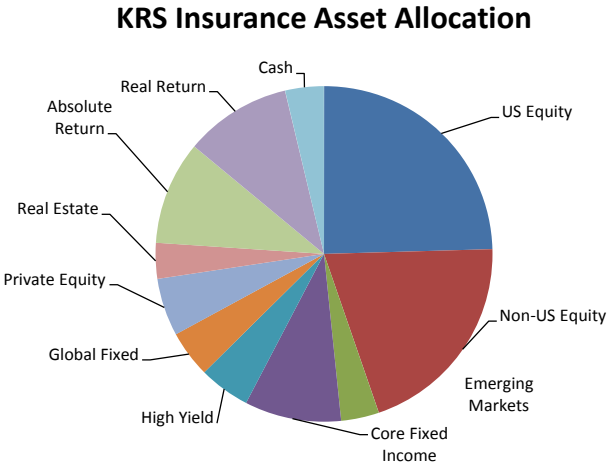


What added value this moth?

PENSION – The portfolio really benefited from stock selection across all manager asset clasess, with the exception of real estate. The biggest contribution in terms of relative outperformance came from the Real Return portfolio. The allocation provided 148 basis points of relative outperformance over its benchmark return of 0.37%, with the PIMCO All Asset and TIPS portfolios driving performance. The Total Fixed Income portfolio added 55 basis points over the BC Universal Index. Within the portfolio, strong relative performance was provided within the high yield

space, in addition to one of the global and core mandates. Both the U.S. and Non-U.S. equity portfolios performed well, returning 4.01% (vs. 3.72%) and 7.23% (vs. 6.98%), respectively. The Absolute Return portfolio provided 45 basis points of downside protection, and the Private Equity portfolio was also additive during the period.

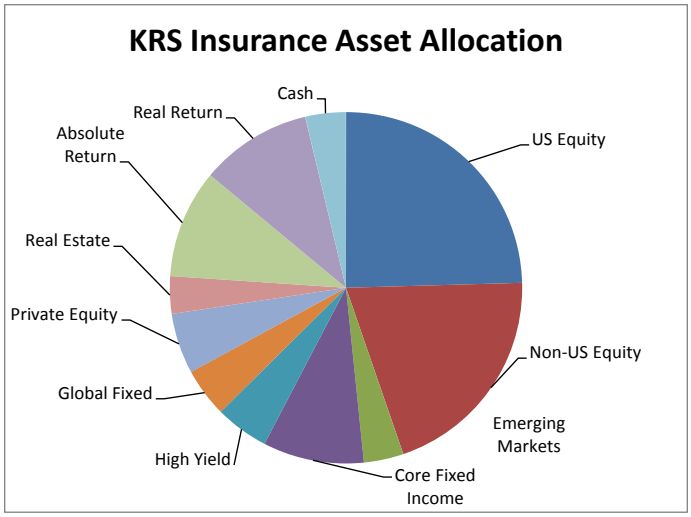
From an allocation perspective, the overweight to both the Non-U.S. and U.S. Equity spaces were the most additive decisions to the portfolio. The broad markets as deficed by the MSCI ACWI Ex-US and Russell 3000 Indices served as evidence, returning 6.98% and 3.72%, respectively.



	Sept	1-Yr	3-Yr	5-Yr	10-Yr
Total Fund	3.19	10.14	8.40	6.66	6.77
Benchmark	3.06	11.53	9.87	7.72	7.00

INSURANCE - Like the pension fund, the insurance portfolio enjoyed relative outperformance across a broad base of asset classes. From a manager selection perspective, the biggest gains (in relative terms) to the portfolio over the benchmark came from the Real Return (+146bps relative) and Fixed Income (+61bps) portfolios. In addition, both the U.S. and Non-U.S. Equity portfolios added to the fund's outperformance.

The fund also benefited from its significant overweighting of the U.S. Equity class, which performed well during the month. In addition, the underweight to the Private Equity space was helpful as the class was weaker during the period.



What detracted this month?

PENSION - The biggest detractor from a stock selection perspective was the Real Estate portfolio, which gave up 209 basis points of relative performance versus its benchmark (1.51% vs. 3.60%). Relative weakness was also felt from the Emerging Market Equity allocation which fell 24 basis points versus its benchmark (6.29% versus 6.53%).

From an allocation perspective, the only real detraction came from the underweight to the Real Estate allocation, as this was a fairly strong performer during the period.

INSURANCE – Like the pension fund, the biggest detractors for the month from a stock selection standpoint came from the Real Estate and Emerging Market Equity portfolios. The allocations fell 526 and 31 basis points to their respective benchmarks (ther was a significant mark to market in one of the real estate portfolios that primarily drove performance).

The underweight to the Real Estate and Emerging Market Equity spaces were the two detractors during the period; both asset classes performed well as evidenced by their respective benchmarks, 3.60% and 6.53%.

NOTES:

1) Returns displayed are "net". For the purposes of this report, total fund return information is net of fees and expenses, with audited data beginning in July 2011. At the manager level (detailed return sheets pgs.3-4), returns are net of fees beginning with July 2011, and gross of fees for prior data.
2) Individual plan allocation and performance will now be part of the performance report going forward (pg.5).

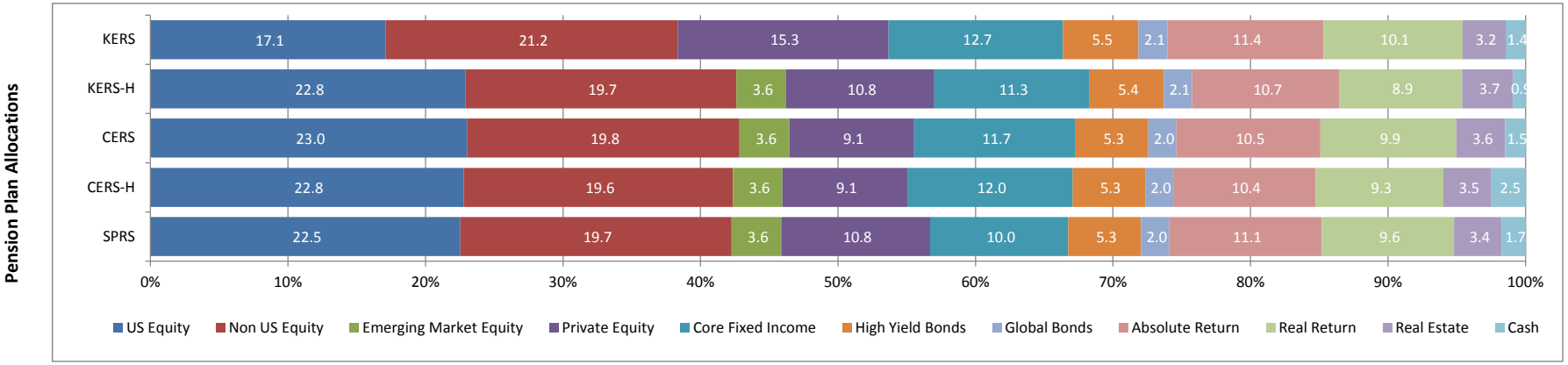
KENTUCKY RETIREMENT SYSTEMS - PENSION FUND - 09/30/13

Structure	Benchmark	Inception	Market Value	% of Total	Month		QTD		Fiscal YTD		1 Year		3 Years		5 Years		10 Years		ITD	
TOTAL FUND	**KY Ret. Blended Index**	**04/01/84**	**11,287,647,123.90**	**100.00**	**3.23**	**2.89**	**4.30**	**4.08**	**4.30**	**4.08**	**10.90**	**11.67**	**8.60**	**8.89**	**7.34**	**8.04**	**6.72**	**6.91**	**9.47**	**9.60**
US PUBLIC	**KY Domestic Equity Blend**	**04/01/84**	**2,449,593,647.36**	**21.70**	**4.01**	**3.72**	**6.97**	**6.35**	**6.97**	**6.35**	**22.31**	**21.60**	**16.72**	**16.79**	**10.27**	**10.46**	**8.09**	**8.24**	**11.30**	**11.20**
GENEVA CAPITAL	Russell Midcap Growth Index	07/01/12	236,456,239.26	2.09	5.92	4.93	10.93	9.34	10.93	9.34	22.33	27.54							20.98	26.65
INVESCO	S&P 500 - Total Return Index	08/01/05	227,039,159.05	2.01	2.80	3.14	5.35	5.24	5.35	5.24	21.95	19.34	17.51	16.27	9.57	10.02			7.51	6.09
NTGI STRUCTURED	Russell 2000 Index	10/01/99	224,278,986.89	1.99	6.14	6.38	10.66	10.21	10.66	10.21	31.53	30.06	20.26	18.29	13.32	11.15	10.90	9.64	10.21	8.22
RIVER ROAD	Russell 3000 Value Index	07/01/11	34,139,150.88	0.30	4.01	2.76	4.26	4.23	4.26	4.23	21.34	22.67							14.04	13.90
S&P 500 INDEX	KY Ret. S&P Blend	07/01/01	1,242,820,554.31	11.01	3.10	3.14	5.24	5.24	5.24	5.24	19.33	19.34	16.66	16.53	10.33	10.35	7.98	7.99	5.24	5.18
SASCO CAPITAL	Russell Midcap Value Index	07/01/12	49,291,567.58	0.44	5.44	4.18	11.24	5.89	11.24	5.89	25.97	27.77							23.82	27.27
SYSTEMATIC	Russell Midcap Value Index	07/01/12	205,484,028.17	1.82	6.01	4.18	9.73	5.89	9.73	5.89	27.52	27.77							27.54	27.27
TRANSITION ACCOUNT		07/01/11	114.35	0.00	3.75		7.54		7.54		6.42								1.69	
WESTFIELD CAPITAL	Russell 3000 Growth Index	07/01/11	122,657,873.79	1.09	4.68	4.66	10.35	8.48	10.35	8.48	26.46	20.30							14.53	13.88
WESTWOOD MGMT	Russell 3000 Value Index	07/01/11	107,425,973.08	0.95	3.31	2.76	4.91	4.23	4.91	4.23	26.22	22.67							11.61	13.90
EQUITY NON US	**KY Ret.Int'l Eq. Blended Index**	**07/01/00**	**2,363,234,632.77**	**20.94**	**7.23**	**6.98**	**9.97**	**10.17**	**9.97**	**10.17**	**19.26**	**16.98**	**5.20**	**6.60**	**6.94**	**7.05**	**8.10**	**8.47**	**2.47**	**3.13**
BLACKROCK ACWI EX	MSCI All Country World Ex United States Net Index	07/01/09	733,851,101.91	6.50	6.91	6.95	9.96	10.09	9.96	10.09	16.59	16.48	6.18	5.95					10.72	10.54
BOSTON CO NON-US VALUE	KY MSCI Blended Index	05/01/05	725,585,917.05	6.43	7.06	6.98	9.52	10.17	9.52	10.17	21.23	16.98	5.51	7.04	5.85	5.88			4.77	5.46
NTGI INTL SM CAP	MSCI AC World ex USA Small Cap Net Index	12/01/08	190,013,338.79	1.68	7.98	7.99	12.36	12.38	12.36	12.38	21.06	20.04	7.01	7.27					19.24	20.18
PYRAMIS NON-US GROWTH	KY MSCI Blended Index	08/01/01	713,784,275.02	6.32	7.53	6.98	9.80	10.17	9.80	10.17	19.53	16.98	8.25	7.04	6.43	5.88	8.60	8.00	6.93	5.99
EQ EMERGING MKTS	**MSCI Emerging Markets Index**	**07/01/11**	**320,619,084.20**	**2.84**	**6.29**	**6.53**	**4.85**	**5.90**	**4.85**	**5.90**	**1.51**	**1.33**							**0.14**	**-3.55**
ABERDEEN	MSCI Emerging Markets Index	04/01/08	114,965,058.42	1.02	7.71	6.53	2.45	5.90	2.45	5.90	0.73	1.33	3.84	0.00	13.52	7.56			8.20	0.80
BLACKROCK EMERG MKTS	MSCI Emerging Markets Index	07/01/13	84,766,099.68	0.75	6.49	6.53	5.72	5.90	5.72	5.90									5.72	5.90
WELLINGTON	MSCI Emerging Markets Index	04/01/08	120,887,926.10	1.07	4.83	6.53	6.58	5.90	6.58	5.90	1.11	1.33	-1.55	0.00	6.09	7.56			0.29	0.80
PUBLIC EQUITY	**Global Equity Blended Index**	**04/01/84**	**5,133,447,364.33**	**45.48**	**5.61**	**5.45**	**8.19**	**8.05**	**8.19**	**8.05**	**19.49**	**18.20**	**10.84**	**11.19**	**8.31**	**8.16**	**7.51**	**7.48**	**10.97**	**10.79**
FIXED INCOME	**KY Ret.Fixed Blended Index**	**04/01/84**	**2,150,891,860.97**	**19.06**	**1.55**	**1.00**	**1.21**	**0.75**	**1.21**	**0.75**	**0.94**	**-1.00**	**4.98**	**3.57**	**6.45**	**5.63**	**5.05**	**4.86**	**8.04**	**7.78**
COLUMBIA	Barclays U.S. Corporate High Yield	11/01/11	171,456,876.84	1.52	1.18	0.99	2.11	2.28	2.11	2.28	6.84	7.14							10.40	10.30
LOOMIS	Barclays U.S. Corporate High Yield	11/01/11	174,645,320.92	1.55	2.39	0.99	1.85	2.28	1.85	2.28	7.42	7.14							12.49	10.30
MANULIFE ASSET MGMT	Barclays Multiverse Index	12/01/11	115,463,995.49	1.02	1.63	2.04	0.50	2.82	0.50	2.82	2.62	-2.22							6.41	1.92
NISA	Barclays U.S. Aggregate Bond Index	02/01/09	544,114,866.74	4.82	0.93	0.95	0.51	0.57	0.51	0.57	-1.83	-1.68	2.90	2.86					5.15	5.00
PIMCO	PIMCO Blended Index	11/01/09	785,052,016.88	6.95	1.89	1.61	1.32	1.31	1.32	1.31	-2.34	-1.45	2.92	3.30					4.12	
SHENKMAN CAP	Shenkman Blended Index	10/01/10	120,145,335.07	1.06	0.69	0.61	1.42	1.73	1.42	1.73	5.13	6.11	6.23	7.63					6.23	7.63
STONE HARBOR	JP Morgan Emerging Markets Bond Index GD	12/01/10	114,365,994.99	1.01	3.02	2.61	-0.01	1.19	-0.01	1.19	-5.88	-4.06							5.08	5.73
WATERFALL	Opportunistic FI Blended Index	02/01/10	125,647,454.04	1.11	0.94	0.82	3.03	1.44	3.03	1.44	11.00	5.02	13.39	5.96					14.76	6.76
REAL RETURN	**KRS CPI + 300 bpts**	**07/01/11**	**1,061,420,259.12**	**9.40**	**1.85**	**0.37**	**1.43**	**1.14**	**1.43**	**1.14**	**-2.62**								**5.50**	
AMERRA AGRI FUND II		12/01/12	28,129,800.63	0.25	1.37		1.37		1.37										-1.33	
INTERNAL TIPS	Barclays U.S. Treasury: US TIPS Index	05/01/02	291,834,335.47	2.59	1.40	1.45	0.87	0.70	0.87	0.70	-5.97	-6.10	3.92	4.02	5.28	5.31	5.24	5.23	6.23	6.19
MAGNETAR MTP		07/01/13	57,113,770.16	0.51	0.23		2.17		2.17										2.17	
PIMCO ALL ASSET	Barclays U.S. Treasury Inflation Notes: 1-10 Year	12/01/11	330,074,073.72	2.92	3.11	1.27	2.94	0.92	2.94	0.92	2.29	-3.90							8.12	0.16
TORTOISE CAPITAL	Alerian MLP Index	08/01/09	65,207,647.91	0.58	2.46	2.32	0.69	-0.73	0.69	-0.73	23.02	17.04	20.63	16.48					25.23	22.42
TPF II		10/01/08	10,952,625.00	0.10	-3.99		-3.99		-3.99		-12.80		0.47		-3.50				-3.50	
WEAVER TIPS	Barclays U.S. Treasury: US TIPS Index	07/01/01	278,108,006.23	2.46	1.34	1.45	1.08	0.70	1.08	0.70	-5.69	-6.10	4.07	4.02	5.53	5.31	5.37	5.23	6.32	6.23
ABSOLUTE RETURN	**HFRI FOFs Diversified Index - 1 Month Arrears**	**04/01/10**	**1,165,036,077.28**	**10.32**	**-0.25**	**-0.70**	**0.19**	**-1.10**	**0.19**	**-1.10**	**9.72**	**5.76**	**6.61**	**2.92**					**4.71**	**2.45**
BAAM		09/01/11	376,755,228.00	3.34	0.01		0.66		0.66		10.76								7.68	
MKP OPPORTUNITY		12/01/13	15,000,000.00	0.13																
PAAMCO		09/01/11	390,546,394.33	3.46	-0.63		0.78		0.78		10.79								7.10	
PRISMA CAPITAL		09/01/11	382,734,454.95	3.39	-0.13		-0.90		-0.90		7.70								5.01	
REAL ESTATE	**NCREIF NFI-ODCE Net 1 Qtr in Arrears Index^**	**07/01/84**	**384,652,213.42**	**3.41**	**1.51**	**3.60**	**1.67**	**3.60**	**1.67**	**3.60**	**10.77**	**11.08**	**11.87**	**13.85**	**7.80**	**-1.07**	**6.62**	**5.95**	**5.59**	**5.87**
FHA MORTGAGES		10/01/90	1,871,010.95	0.02	-1.00		1.09		1.09		5.75		8.08		-3.91		4.02		8.18	
GREENFIELD ACQ VI		12/01/12	32,911,592.00	0.29	3.65		3.65		3.65										10.48	
H/2 CREDIT PARTNER		07/01/11	96,690,817.20	0.86	-0.53		-0.53		-0.53		6.09								7.03	
HARRISON STREET		05/01/12	83,144,997.00	0.74	3.61		3.61		3.61		7.46								5.14	
MESA WEST CORE LEND		05/01/13	47,911,901.00	0.42	1.70		1.70		1.70										1.70	
MESA WEST RE INC II		01/01/10	26,610,043.00	0.24	-0.18		-0.18		-0.18		34.15		20.12						9.80	
PRIMA MORTGAGE		05/01/09	56,626,768.09	0.50	0.23		1.42		1.42		7.06		8.39						11.46	
RUBENSTEIN PF II		07/01/13	2,648,081.18	0.02	0.00		0.00		0.00										0.00	
WALTON ST RE FD VI		05/01/09	32,484,794.00	0.29	4.20		4.20		4.20		14.80		25.17						-39.36	
WALTON ST RE FD VII		06/01/13	3,752,209.00	0.03	2.58		2.58		2.58										2.58	
PRIVATE EQUITY	**Russell 3000 + 4%(Qtr Lag)**	**10/01/90**	**1,189,940,030.14**	**10.54**	**2.15**	**-0.97**	**2.51**	**3.67**	**2.51**	**3.67**	**13.42**	**26.26**	**12.90**	**16.28**	**5.59**	**13.38**	**10.35**	**9.22**	**10.99**	
CASH ACCOUNT	**Citigroup Treasury Bill-3 Month**	**01/01/88**	**194,959,318.64**	**1.73**	**0.03**	**0.00**	**0.43**	**0.01**	**0.43**	**0.01**	**0.67**	**0.07**	**0.42**	**0.08**	**0.68**	**0.15**	**2.19**	**1.61**	**4.12**	**3.65**

KENTUCKY RETIREMENT SYSTEMS - INSURANCE FUND - 09/30/13

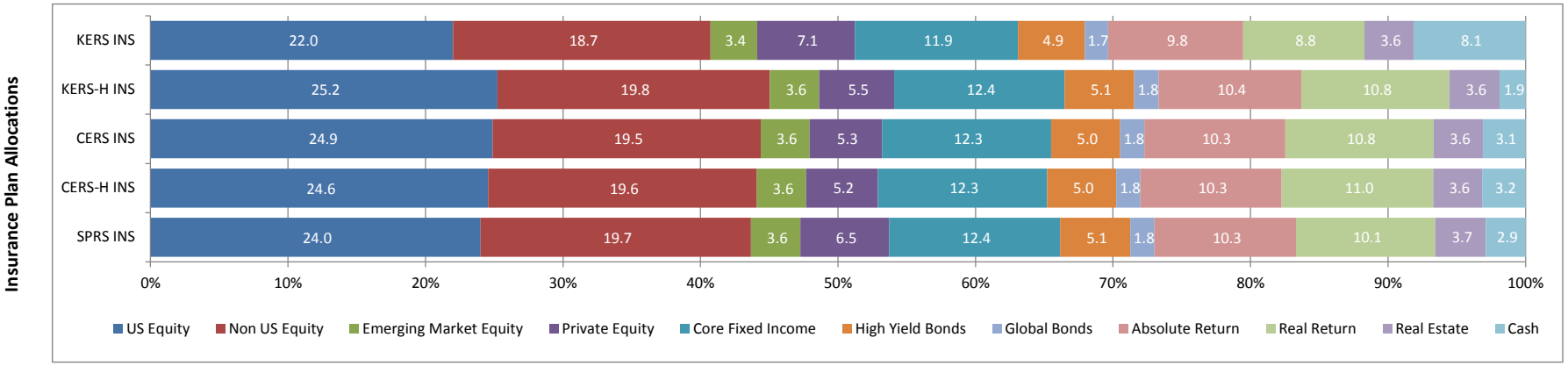
Structure	Benchmark	Inception	Market Value	% of Total	Month		QTD		Fiscal YTD		1 Year		3 Years		5 Years		10 Years		ITD	
TOTAL FUND	**KY Ins. Blended Index**	**04/01/87**	**3,672,318,691.57**	**100.00**	**3.19**	**3.06**	**4.35**	**4.23**	**4.35**	**4.23**	**10.14**	**11.53**	**8.40**	**9.87**	**6.66**	**7.72**	**6.77**	**7.00**	**7.52**	**7.90**
US PUBLIC	**KY Domestic Equity Blend**	**07/01/92**	**901,047,760.69**	**24.54**	**4.05**	**3.72**	**6.94**	**6.35**	**6.94**	**6.35**	**22.21**	**21.60**	**16.28**	**16.62**	**10.29**	**10.40**	**8.00**		**9.26**	
GENEVA CAPITAL	Russell Midcap Growth Index	07/01/12	79,686,185.05	2.17	5.92	4.93	10.93	9.34	10.93	9.34	22.33	27.54							20.97	26.65
NTGI STRUCTURED	Russell 2000 Index	07/01/11	99,686,523.75	2.71	6.10	6.38	10.39	10.21	10.39	10.21	31.23	30.06							15.48	13.91
RIVER ROAD	Russell 3000 Value Index	07/01/11	13,233,263.04	0.36	4.00	2.76	4.28	4.23	4.28	4.23	21.38	22.67							14.10	13.90
S&P 500 INDEX	KY Ins. S&P Blend	07/01/01	533,439,900.87	14.53	3.11	3.14	5.22	5.24	5.22	5.24	19.26	19.34	16.61	16.53	10.48	10.35	8.10	7.99	5.30	5.18
SASCO CAPITAL	Russell Midcap Value Index	07/01/12	16,583,527.72	0.45	5.36	4.18	11.20	5.89	11.20	5.89	25.91	27.77							23.77	27.27
SYSTEMATIC	Russell Midcap Value Index	07/01/12	69,240,043.13	1.89	6.01	4.18	9.69	5.89	9.69	5.89	27.48	27.77							27.50	27.27
TRANSITION ACCOUNT		09/01/04	94.26	0.00	-0.18		-13.36		-13.36		-16.03									
WESTFIELD CAPITAL	Russell 3000 Growth Index	07/01/11	47,615,503.29	1.30	4.67	4.66	10.32	8.48	10.32	8.48	26.44	20.30							14.56	13.88
WESTWOOD MGMT	Russell 3000 Value Index	07/01/11	41,562,719.58	1.13	3.31	2.76	4.93	4.23	4.93	4.23	26.20	22.67							11.59	13.90
EQUITY NON US	**KRS Ins.Int'l Eq Blend**	**04/01/00**	**741,598,746.84**	**20.19**	**7.20**	**6.98**	**9.91**	**10.17**	**9.91**	**10.17**	**18.91**	**16.98**	**-1.71**	**6.59**	**2.14**	**6.32**	**6.27**	**8.10**	**1.06**	**1.99**
BLACKROCK ACWI EX-US	MSCI All Country World Ex US Net Index	06/01/12	227,536,436.23	6.20	6.91	6.95	9.93	10.09	9.93	10.09	15.72	16.48							22.89	23.48
BLACKROCK ACWI EX-US SM CAP	MSCI AC World ex USA Small Cap Net Index	07/01/13	53,000,568.81	1.44	7.96	7.99	14.83	12.38	14.83	12.38									14.83	12.38
BOSTON CO NON-US VALUE	KY MSCI ACWI EX USA GD	06/01/08	231,951,558.76	6.32	6.95	6.98	9.30	10.17	9.30	10.17	20.69	16.98	5.35	7.04	5.85	5.88			0.43	-0.54
PYRAMIS NON-US GROWTH	KY MSCI ACWI EX USA GD	08/01/01	229,110,183.04	6.24	7.58	6.98	9.41	10.17	9.41	10.17	18.86	16.98	7.88	7.04	6.26	5.88	8.47	8.00	6.84	5.99
EQ EMERGING MKT	**MSCI Emerging Markets Index**	**07/01/11**	**133,517,529.16**	**3.64**	**6.22**	**6.53**	**4.79**	**5.90**	**4.79**	**5.90**	**1.56**	**1.33**							**0.18**	**-3.55**
ABERDEEN	MSCI Emerging Markets Index	04/01/08	48,186,944.54	1.31	7.71	6.53	2.37	5.90	2.37	5.90	0.66	1.33	3.81	0.00	13.50	7.56			8.18	0.80
BLACKROCK EMERG MKTS	MSCI Emerging Markets Index	07/01/13	38,223,166.24	1.04	6.49	6.53	5.72	5.90	5.72	5.90									5.72	5.90
WELLINGTON	MSCI Emerging Markets Index	04/01/08	47,107,418.38	1.28	4.51	6.53	6.57	5.90	6.57	5.90	1.24	1.33	-1.50	0.00	6.12	7.56			0.31	0.80
PUBLIC EQUITY	**Global Equity Blended Index**	**07/01/92**	**1,776,164,036.69**	**48.37**	**5.51**	**5.44**	**7.99**	**8.07**	**7.99**	**8.07**	**18.99**	**17.62**	**10.28**	**10.92**	**7.85**	**7.92**	**7.37**	**7.06**	**8.83**	**8.61**
FIXED INCOME	**KRS Ins. Fixed Blended Index**	**07/01/92**	**686,250,173.74**	**18.69**	**1.61**	**1.00**	**1.47**	**0.75**	**1.47**	**0.75**	**0.91**	**-1.00**	**5.13**	**4.32**	**6.09**	**5.49**	**5.70**	**5.32**	**6.93**	**6.71**
COLUMBIA	Barclays U.S. Corporate High Yield	11/01/11	50,968,571.53	1.39	1.22	0.99	2.05	2.28	2.05	2.28	6.48	7.14							10.20	10.30
LOOMIS	Barclays U.S. Corporate High Yield	11/01/11	52,227,584.60	1.42	2.45	0.99	2.02	2.28	2.02	2.28	6.84	7.14							11.91	10.30
MANULIFE ASSET MGMT	Barclays Multiverse Index	12/01/11	32,822,464.14	0.89	1.90	2.04	1.47	2.82	1.47	2.82	3.51	-2.22							6.81	1.92
NISA	Barclays U.S. Aggregate Bond Index	07/01/11	187,809,493.62	5.11	0.94	0.95	0.59	0.57	0.59	0.57	-1.81	-1.68							3.28	3.20
PIMCO	PIMCO Blended Index	04/01/11	254,541,774.88	6.93	2.06	1.61	1.39	1.31	1.39	1.31	-2.07	-1.45							4.01	4.38
SHENKMAN CAP	Shenkman Blended Index	07/01/11	36,090,543.61	0.98	0.76	0.61	4.83	1.73	4.83	1.73	8.99	6.11							7.52	6.96
STONE HARBOR	JP Morgan Emerging Markets Bond Index GD	07/01/11	30,424,201.41	0.83	3.05	2.61	0.17	1.19	0.17	1.19	-6.01	-4.06							3.33	5.29
WATERFALL	Opportunistic FI Blended Index	07/01/11	41,365,539.95	1.13	0.85	0.82	2.85	1.44	2.85	1.44	12.84	5.02							13.89	5.53
REAL RETURN	**KRS CPI + 300 bpts**	**07/01/11**	**376,384,637.16**	**10.25**	**1.83**	**0.37**	**1.50**	**1.14**	**1.50**	**1.14**	**-3.26**								**5.03**	
AMERRA AGRI FUND II		12/01/12	11,344,785.10	0.31	1.37		1.37		1.37										-1.33	
INTERNAL TIPS	Barclays U.S. Treasury: US TIPS Index	10/01/03	224,539,503.78	6.11	1.39	1.45	1.58	0.70	1.58	0.70	-5.36	-6.10	4.19	4.02	5.43	5.31	5.54	5.23	5.54	5.23
MAGNETAR MTP		07/01/13	17,471,313.56	0.48	0.23		2.17		2.17										2.17	
PIMCO ALL-ASSET	Barclays U.S. Treasury Inflation Notes: 1-10 Year	12/01/11	103,370,290.20	2.81	3.11	1.27	2.94	0.92	2.94	0.92	2.28	-3.90							8.12	0.16
TORTOISE CAP	Alerian MLP Index	08/01/09	18,441,787.52	0.50	2.47	2.32	0.69	-0.73	0.69	-0.73	22.70	17.04	21.38	16.48					25.79	22.42
TPF II		10/01/08	1,216,957.00	0.03	-3.99		-3.99		-3.99		-12.80		0.47		-3.50				-3.50	
REAL ESTATE	**NCREIF NFI-ODCE Net 1 Qtr in Arrears Index^**	**05/01/09**	**126,616,251.10**	**3.45**	**-1.66**	**3.60**	**-1.60**	**3.60**	**-1.60**	**3.60**	**5.67**	**11.08**	**11.01**	**13.85**					**8.28**	**1.64**
GREENFIELD ACQ VI		12/01/12	14,465,733.00	0.39	3.65		3.65		3.65										10.47	
H/2 CREDIT PARTNER		07/01/11	23,645,221.05	0.64	-0.53		-0.53		-0.53		5.98								6.98	
HARRISON STREET		05/01/12	22,912,301.00	0.62	-11.65		-11.65		-11.65		-8.77								-6.33	
MESA WEST CORE LEND		05/01/13	21,247,886.00	0.58	1.70		1.70		1.70										1.70	
MESA WEST RE INC II		01/01/10	2,956,672.00	0.08	-0.18		-0.18		-0.18		34.15		20.12						9.80	
PRIMA MORTGAGE		05/01/09	34,958,530.37	0.95	0.04		0.26		0.26		5.83		7.76						11.07	
RUBENSTEIN PF II		07/01/13	1,171,266.68	0.03	0.00		0.00		0.00										0.00	
WALTON ST RE FD VI		05/01/09	3,609,421.00	0.10	4.20		4.20		4.20		14.80		25.16						-39.36	
WALTON ST RE FD VII		07/01/13	1,649,220.00	0.04	2.58		2.58		2.58										2.58	
ABSOLUTE RETURN	**HFRI FOFs Diversified Index - 1 Month Arrears**	**04/01/10**	**366,486,128.77**	**9.98**	**-0.25**	**-0.70**	**0.18**	**-1.10**	**0.18**	**-1.10**	**9.67**	**5.76**	**6.62**	**2.92**					**4.55**	**2.45**
BAAM		09/01/11	121,110,251.00	3.30	0.01		0.66		0.66		10.72								7.74	
MKP OPPORTUNITY		12/01/13	5,000,000.00	0.14																
PAAMCO		09/01/11	121,292,979.02	3.30	-0.63		0.78		0.78		10.62								7.13	
PRISMA CAPITAL PAR		09/01/11	119,082,898.75	3.24	-0.13		-0.90		-0.90		7.67								5.09	
PRIVATE EQUITY	**Russell 3000 + 4% (Qtr Lag)**	**06/01/01**	**203,847,393.88**	**5.55**	**3.07**	**-0.97**	**3.46**	**3.67**	**3.46**	**3.67**	**14.66**	**26.26**	**13.97**	**16.96**	**8.43**	**12.20**	**8.98**	**8.77**	**7.46**	**6.20**
CASH ACCOUNT	**Citigroup Treasury Bill-3 Month**	**07/01/92**	**136,470,055.78**	**3.72**	**0.02**	**0.00**	**0.07**	**0.01**	**0.07**	**0.01**	**0.48**	**0.07**	**0.33**	**0.08**	**0.29**	**0.15**	**2.00**	**1.61**	**3.10**	**2.98**

KENTUCKY RETIREMENT SYSTEMS - PENSION & INSURANCE - PLAN PERFORMANCE & ALLOCATION - 09/30/13



KRS - PENSION

	09/30/13	FYTD	1 YR	3 YR	5 YR	10 YR	ITD
KERS	**2.98**	**4.11**	**10.69**	**8.53**	**7.30**	**6.70**	**9.47**
KERS Plan Index	2.76	4.11	11.71	8.90	8.05	6.91	9.60
KERS-H	**3.30**	**4.31**	**10.91**	**8.60**	**7.34**	**6.72**	**9.47**
KHAZ Plan Index	3.01	4.29	11.90	8.97	8.09	6.93	9.61
CERS	**3.31**	**4.34**	**10.95**	**8.61**	**7.35**	**6.72**	**9.47**
CERS Plan Index	3.01	4.29	11.90	8.97	8.09	6.93	9.61
CERS-H	**3.27**	**4.33**	**10.93**	**8.61**	**7.35**	**6.72**	**9.47**
CHAZ Plan Index	3.01	4.29	11.90	8.97	8.09	6.93	9.61
SPRS	**3.28**	**4.42**	**11.02**	**8.64**	**7.36**	**6.73**	**9.48**
SPRS Plan Index	3.00	4.28	11.89	8.96	8.09	6.93	9.61

KRS - INSURANCE

	09/30/13	FYTD	1 YR	3 YR	5 YR	10 YR	ITD
KERS INS	**3.03**	**4.12**	**9.90**	**8.32**	**6.62**	**6.75**	**7.51**
INS KERS Plan Index	3.10	4.38	11.69	9.93	7.75	7.01	7.91
KERS-H INS	**3.23**	**4.39**	**10.18**	**8.41**	**6.67**	**6.78**	**7.52**
INS KHAZ Plan Index	3.11	4.39	11.71	9.93	7.75	7.02	7.91
CERS INS	**3.21**	**4.38**	**10.18**	**8.41**	**6.67**	**6.78**	**7.52**
INS CERS Plan Index	3.11	4.39	11.71	9.93	7.75	7.02	7.91
CERS-H INS	**3.21**	**4.37**	**10.17**	**8.40**	**6.67**	**6.78**	**7.52**
INS CHAZ Plan Index	3.11	4.39	11.71	9.93	7.75	7.02	7.91
SPRS INS	**3.22**	**4.38**	**10.17**	**8.41**	**6.67**	**6.78**	**7.52**
INS SPRS Plan Index	3.11	4.39	11.71	9.93	7.75	7.02	7.91