



Annuity & Benefit Fund

Municipal Employees' of Chicago

Annuity & Benefit Fund

Monthly Update

August 31, 2012

Total Fund Composite

Market Value: \$5,018.3 Million and 100.0% of Fund

Ending August 31, 2012

| | Asset Class | Market Value (\$) | 1 Mo Net Cash Flows (\$) | % of Portfolio | Policy % | Policy Difference (\$) |
|---------------------------------------|----------------------------|----------------------|-----------------------------|-------------------|--------------|---------------------------|
| Total Fund Composite | | 5,018,295,404 | -29,865,693 | 100.0 | 100.0 | -- |
| Fixed Income Composite | | 1,344,409,030 | -32,206,713 | 26.8 | 25.0 | 89,835,179 |
| Neuberger Berman | Core Plus Fixed Income | 275,303,759 | -12,315 | 5.5 | | |
| LM Capital | Core Fixed Income | 319,355,203 | -38,436 | 6.4 | | |
| UBS | Core Fixed Income | 113,481,116 | -10,881 | 2.3 | | |
| Segall Bryant & Hamill | Int. Fixed Income | 288,711,540 | -20,435 | 5.8 | | |
| Mackay Shields | High Yield Fixed Income | 175,964,689 | -66,748 | 3.5 | | |
| RBC Global | Opportunistic Fixed Income | 47,120,667 | -32,012,585 | 0.9 | | |
| Symphony | Senior Secured Loans | 124,472,055 | -45,314 | 2.5 | | |
| U.S. Equity Composite | | 1,337,752,665 | -44,766,011 | 26.7 | 25.0 | 83,178,814 |
| FIS Group U.S. Equity | | 107,513,542 | -44,421,261 | 2.1 | | |
| Great Lakes | Large-Cap Value | 109,376,497 | -27,247 | 2.2 | | |
| Herndon | Large-Cap Value | 118,406,623 | -34,850 | 2.4 | | |
| RhumbLine S&P 500 Index | Large-Cap Core | 257,305,199 | -24 | 5.1 | | |
| CastleArk | Large-Cap Growth | 95,093,173 | -30,323 | 1.9 | | |
| Holland Capital | Large-Cap Growth | 116,560,170 | -35,767 | 2.3 | | |
| Earnest Partners | Mid-Cap Core | 93,622,805 | -43,056 | 1.9 | | |
| William Blair | Mid-Cap Growth | 83,264,664 | -40,498 | 1.7 | | |
| Geneva Capital | Mid-Cap Growth | 91,868,056 | -38,496 | 1.8 | | |
| Ariel Investments | Smid-Cap Value | 118,659,403 | -38,922 | 2.4 | | |
| Keeley | Small-Cap Value | 146,082,533 | -55,568 | 2.9 | | |
| International Equity Composite | | 1,069,499,928 | 44,721,002 | 21.3 | 20.0 | 65,840,847 |
| FIS Group Non-U.S. Equity | | 44,506,161 | 44,989,982 | 0.9 | | |
| NTGI MSCI ACWI ex. U.S. Index Fund | Non-U.S. All-Cap Core | 274,660,109 | 4,587 | 5.5 | | |
| LSV | Non-U.S. Large-Cap Value | 144,726,104 | -68,951 | 2.9 | | |
| Madison Square | Non-U.S. Large-Cap Core | 102,406,298 | -43,227 | 2.0 | | |
| Walter Scott & Partners | Non-U.S. Large-Cap Growth | 107,773,446 | -74,720 | 2.1 | | |
| NTGI Small Cap International Index | Non-U.S. Small-Cap Core | 239,282,912 | 10,795 | 4.8 | | |
| William Blair | Emerging Markets | 156,144,898 | -97,464 | 3.1 | | |
| Hedge Fund Composite | | 512,189,319 | 0 | 10.2 | 10.0 | 10,359,779 |
| Rock Creek Georgetown Fund | Hedged Equity Hedge FoF | 261,203,595 | 0 | 5.2 | | |
| K2 Long Short Fund | Hedged Equity Hedge FoF | 250,985,724 | 0 | 5.0 | | |

Total Fund Composite

Market Value: \$5,018.3 Million and 100.0% of Fund

Ending August 31, 2012

| | Asset Class | Market Value (\$) | 1 Mo Net Cash Flows (\$) | % of Portfolio | Policy % | Policy Difference (\$) |
|---|-----------------------|----------------------|-----------------------------|-------------------|-------------|---------------------------|
| Real Estate Composite | | 429,183,583 | -1,101,984 | 8.6 | 10.0 | -72,645,958 |
| Open-End Real Estate Comp | | 289,681,694 | 0 | 5.8 | | |
| American Core Realty Fund, LLC | Core Real Estate | 56,706,742 | 0 | 1.1 | | |
| AFL-CIO Building Investment Trust | Core Real Estate | 66,311,670 | 0 | 1.3 | | |
| JPMorgan Strategic Property Fund | Core Real Estate | 76,792,475 | 0 | 1.5 | | |
| PRISA | Core Real Estate | 53,133,613 | 0 | 1.1 | | |
| PRISA II | Core Plus Real Estate | 36,737,194 | 0 | 0.7 | | |
| Closed-End Real Estate Composite | | 139,501,889 | -1,101,984 | 2.8 | | |
| Private Equity Composite | | 230,036,561 | 1,294,223 | 4.6 | 10.0 | -271,792,980 |
| Fund of Funds Private Equity Composite | | 100,023,534 | -1,174,389 | 2.0 | | |
| Direct Investment Private Equity Composite | | 130,013,027 | 2,468,613 | 2.6 | | |
| Cash Accounts | | 95,151,475 | 2,902,837 | 1.9 | 0.0 | 95,151,475 |

Total Fund Composite

Annualized Performance (Net of Fees)

Market Value: \$5,018.3 Million and 100.0% of Fund

Ending August 31, 2012

| | 1 Mo | 3 Mo | YTD | 1 Yr | 2 Yrs | 3 Yrs | 4 Yrs | 5 Yrs | 7 Yrs | 10 Yrs |
|--|------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|------------|
| Total Fund Composite | 1.6 | 4.7 | 7.9 | 7.9 | 10.6 | 9.6 | 4.5 | 2.0 | 4.5 | 6.3 |
| <i>Actuarial Rate</i> | 0.6 | 1.9 | 5.3 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 |
| Fixed Income Composite | 0.5 | 2.4 | 5.6 | 7.5 | 6.3 | 7.9 | 7.2 | 5.6 | 5.0 | -- |
| <i>Barclays Aggregate</i> | 0.1 | 1.5 | 3.9 | 5.8 | 5.2 | 6.5 | 6.9 | 6.7 | 5.7 | 5.5 |
| U.S. Equity Composite | 3.2 | 6.5 | 11.8 | 15.2 | 18.3 | 14.9 | 5.9 | 2.3 | 4.8 | -- |
| <i>Dow Jones U.S. Total Stock Market</i> | 2.5 | 7.6 | 13.2 | 17.1 | 18.3 | 14.0 | 4.9 | 1.7 | 4.6 | 7.3 |
| International Equity Composite | 2.1 | 8.7 | 8.4 | -0.8 | 5.5 | 5.3 | 4.0 | 0.3 | 6.7 | -- |
| <i>MSCI ACWI ex USA</i> | 2.1 | 9.6 | 6.4 | -1.9 | 4.0 | 3.6 | -1.2 | -3.6 | 3.5 | 8.2 |
| <i>MSCI EAFE</i> | 2.7 | 11.1 | 6.9 | 0.0 | 4.9 | 2.4 | -2.2 | -4.8 | 2.1 | 6.7 |
| Hedge Fund Composite | 1.2 | 2.3 | 6.3 | 4.5 | 4.3 | 3.0 | -- | -- | -- | -- |
| <i>HFRX Equity Hedge Index</i> | 0.8 | 1.9 | 2.6 | -3.2 | -4.1 | -2.0 | -5.2 | -5.4 | -1.7 | 0.6 |
| Real Estate Composite | 0.3 | 1.9 | 4.8 | 10.8 | 15.6 | 9.6 | -4.8 | -3.2 | 3.1 | 5.2 |
| <i>NPI</i> | 0.0 | 0.9 | 5.3 | 9.6 | 12.9 | 9.6 | 0.9 | 2.0 | 6.3 | 8.2 |
| Open-End Real Estate Comp | 0.3 | 2.6 | 6.2 | 12.4 | 15.6 | 8.4 | -3.6 | -1.4 | 3.9 | 6.5 |
| <i>NFI</i> | 0.0 | 0.8 | 4.9 | 8.9 | 13.3 | 9.3 | -3.8 | -2.3 | 2.8 | 5.5 |

Total Fund Composite

Calendar Performance (Net of Fees)

Market Value: \$5,018.3 Million and 100.0% of Fund

Calendar Year

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
|--|--------------|-------------|--------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Total Fund Composite | 0.1 | 14.2 | 19.6 | -25.8 | 7.3 | 12.7 | 6.7 | 10.4 | 19.6 | -9.5 | -2.5 |
| <i>Actuarial Rate</i> | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 |
| Fixed Income Composite | 6.7 | 8.0 | 10.6 | -4.6 | 5.2 | 4.6 | 2.3 | 4.4 | -- | -- | -- |
| <i>Barclays Aggregate</i> | 7.8 | 6.5 | 5.9 | 5.2 | 7.0 | 4.3 | 2.4 | 4.3 | 4.1 | 10.3 | 8.4 |
| U.S. Equity Composite | 0.7 | 20.9 | 34.7 | -38.4 | 5.7 | 13.1 | 5.9 | 13.0 | -- | -- | -- |
| <i>Dow Jones U.S. Total Stock Market</i> | 1.1 | 17.5 | 28.6 | -37.2 | 5.6 | 15.8 | 6.4 | 12.5 | 31.7 | -20.9 | -11.0 |
| International Equity Composite | -13.7 | 15.3 | 41.6 | -36.6 | 14.3 | 29.8 | 17.2 | 16.4 | -- | -- | -- |
| <i>MSCI ACWI ex USA</i> | -13.7 | 11.2 | 41.4 | -45.5 | 16.7 | 26.7 | 16.6 | 20.9 | 40.8 | -14.9 | -19.7 |
| <i>MSCI EAFE</i> | -12.1 | 7.8 | 31.8 | -43.4 | 11.2 | 26.3 | 13.5 | 20.2 | 38.6 | -15.9 | -21.4 |
| Hedge Fund Composite | -4.7 | 5.3 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>HFRX Equity Hedge Index</i> | -19.1 | 8.9 | 13.1 | -25.5 | 3.2 | 9.2 | 4.2 | 2.2 | 14.5 | 2.1 | 9.0 |
| Real Estate Composite | 16.6 | 17.8 | -31.2 | -15.5 | 15.3 | 17.6 | 25.3 | 10.8 | 5.4 | 7.5 | 9.8 |
| <i>NPI</i> | 14.3 | 13.1 | -16.9 | -6.5 | 15.8 | 16.6 | 20.1 | 14.5 | 9.0 | 6.7 | 7.3 |
| Open-End Real Estate Comp | 15.7 | 15.7 | -31.0 | -10.4 | 16.6 | 16.1 | 23.5 | 13.5 | 9.1 | 6.0 | 7.6 |
| <i>NFI</i> | 15.0 | 15.3 | -30.4 | -10.7 | 14.8 | 15.3 | 20.2 | 12.0 | 8.3 | 4.6 | 4.6 |

Investment Manager

Annualized Performance (Net of Fees)

Market Value: \$5,018.3 Million and 100.0% of Fund

| | Ending August 31, 2012 | | | | | | | | | | Inception | |
|---|------------------------|------------|-------------|-------------|-------------|-------------|------------|------------|------------|------------|-------------|---------------|
| | 1 Mo | 3 Mo | YTD | 1 Yr | 2 Yrs | 3 Yrs | 4 Yrs | 5 Yrs | 7 Yrs | 10 Yrs | Return | Since |
| Total Fund Composite | 1.6 | 4.7 | 7.9 | 7.9 | 10.6 | 9.6 | 4.5 | 2.0 | 4.5 | 6.3 | -- | -- |
| <i>Actuarial Rate</i> | 0.6 | 1.9 | 5.3 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | -- | -- |
| Fixed Income Composite | 0.5 | 2.4 | 5.6 | 7.5 | 6.3 | 7.9 | 7.2 | 5.6 | 5.0 | -- | -- | -- |
| <i>Barclays Aggregate</i> | 0.1 | 1.5 | 3.9 | 5.8 | 5.2 | 6.5 | 6.9 | 6.7 | 5.7 | 5.5 | -- | -- |
| Neuberger Berman | 0.2 | 2.0 | 4.8 | 6.9 | 5.9 | 8.0 | 8.2 | 7.1 | 6.0 | 5.8 | 6.2 | May-01 |
| <i>Barclays Aggregate</i> | 0.1 | 1.5 | 3.9 | 5.8 | 5.2 | 6.5 | 6.9 | 6.7 | 5.7 | 5.5 | 5.9 | May-01 |
| LM Capital | 0.3 | 2.0 | 4.6 | 5.9 | 5.2 | 6.7 | -- | -- | -- | -- | 7.6 | Mar-09 |
| <i>Barclays Aggregate</i> | 0.1 | 1.5 | 3.9 | 5.8 | 5.2 | 6.5 | 6.9 | 6.7 | 5.7 | 5.5 | 7.1 | Mar-09 |
| UBS | 0.2 | 1.9 | 4.4 | 6.6 | 5.9 | -- | -- | -- | -- | -- | 6.0 | Jul-10 |
| <i>Barclays Aggregate</i> | 0.1 | 1.5 | 3.9 | 5.8 | 5.2 | 6.5 | 6.9 | 6.7 | 5.7 | 5.5 | 5.6 | Jul-10 |
| Segall Bryant & Hamill | 0.3 | 1.4 | 3.9 | 5.1 | 4.7 | 6.1 | -- | -- | -- | -- | 6.9 | Apr-09 |
| <i>Barclays Int Govt/Credit</i> | 0.2 | 1.2 | 3.3 | 4.0 | 4.0 | 5.4 | 5.7 | 5.8 | 5.2 | 4.9 | 6.0 | Apr-09 |
| Mackay Shields | 1.2 | 4.7 | 9.6 | 13.5 | 10.8 | 12.6 | -- | -- | -- | -- | 15.8 | Apr-09 |
| <i>Barclays High Yield</i> | 1.2 | 5.3 | 10.6 | 13.9 | 11.1 | 14.5 | 12.4 | 9.6 | 8.5 | 10.7 | 18.9 | Apr-09 |
| RBC Global | 1.8 | 4.7 | 11.4 | 11.4 | 11.2 | -- | -- | -- | -- | -- | 16.3 | Oct-09 |
| <i>Barclays Aggregate</i> | 0.1 | 1.5 | 3.9 | 5.8 | 5.2 | 6.5 | 6.9 | 6.7 | 5.7 | 5.5 | 6.3 | Oct-09 |
| Symphony | 0.9 | 2.6 | 7.0 | 12.4 | 8.0 | 9.8 | -- | -- | -- | -- | 9.8 | Aug-09 |
| <i>CSFB Leveraged Loan</i> | 1.1 | 2.8 | 6.6 | 9.8 | 6.6 | 8.5 | 6.1 | 4.6 | 4.6 | 5.5 | 8.5 | Aug-09 |
| U.S. Equity Composite | 3.2 | 6.5 | 11.8 | 15.2 | 18.3 | 14.9 | 5.9 | 2.3 | 4.8 | -- | -- | -- |
| <i>Dow Jones U.S. Total Stock Market</i> | 2.5 | 7.6 | 13.2 | 17.1 | 18.3 | 14.0 | 4.9 | 1.7 | 4.6 | 7.3 | -- | -- |
| FIS Group U.S. Equity | 2.5 | 6.2 | 9.0 | 12.6 | 16.3 | -- | -- | -- | -- | -- | 12.7 | Jul-10 |
| <i>FIS Group Custom Benchmark</i> | 2.9 | 7.3 | 12.0 | 15.4 | 18.0 | 13.9 | 4.4 | 1.8 | 4.4 | 8.0 | 13.8 | Jul-10 |
| Great Lakes | 1.3 | 6.8 | 9.6 | 14.5 | 16.2 | 14.6 | 4.0 | 0.4 | 4.4 | 7.6 | 9.6 | Mar-91 |
| <i>Russell 1000 Value</i> | 2.2 | 8.4 | 12.2 | 17.3 | 15.8 | 12.1 | 2.9 | -0.9 | 3.0 | 6.6 | 9.4 | Mar-91 |
| Herndon | 2.7 | 7.5 | 15.9 | -- | -- | -- | -- | -- | -- | -- | 15.4 | Nov-11 |
| <i>Russell 1000 Value</i> | 2.2 | 8.4 | 12.2 | 17.3 | 15.8 | 12.1 | 2.9 | -0.9 | 3.0 | 6.6 | 14.4 | Nov-11 |
| RhumbLine S&P 500 Index | 2.3 | 7.9 | 13.7 | 18.5 | 18.4 | 13.7 | 5.0 | -- | -- | -- | 5.0 | Aug-08 |
| <i>S&P 500</i> | 2.3 | 7.9 | 13.5 | 18.0 | 18.2 | 13.6 | 4.6 | 1.3 | 4.2 | 6.5 | 4.6 | Aug-08 |
| CastleArk | 3.9 | 6.1 | 12.0 | 14.3 | 21.6 | 14.8 | 4.1 | 2.4 | 5.4 | -- | 7.3 | Jul-04 |
| <i>Russell 1000 Growth</i> | 2.7 | 6.9 | 14.6 | 17.4 | 20.6 | 15.6 | 6.5 | 3.7 | 5.6 | 7.0 | 6.2 | Jul-04 |
| Holland Capital | 2.8 | 5.5 | 12.0 | 14.9 | 18.5 | 15.5 | 7.4 | 5.2 | 5.7 | -- | 7.6 | Oct-02 |
| <i>Russell 1000 Growth</i> | 2.7 | 6.9 | 14.6 | 17.4 | 20.6 | 15.6 | 6.5 | 3.7 | 5.6 | 7.0 | 7.4 | Oct-02 |
| Earnest Partners | 2.8 | 6.0 | 9.4 | 11.3 | 16.8 | 15.5 | 4.4 | 3.2 | -- | -- | 3.5 | Nov-06 |
| <i>Russell MidCap</i> | 3.2 | 6.3 | 11.6 | 13.3 | 17.2 | 15.6 | 5.4 | 2.5 | 5.3 | 9.9 | 3.2 | Nov-06 |
| William Blair | 4.0 | 4.8 | 9.4 | 9.2 | 19.0 | 15.3 | 7.0 | 3.1 | -- | -- | 4.9 | Dec-06 |
| <i>William Blair MCG Custom Benchmark</i> | 3.2 | 6.3 | 11.6 | 13.3 | 17.2 | 15.6 | 5.5 | 2.9 | 5.1 | 9.7 | 3.2 | Dec-06 |

Investment Manager

Annualized Performance (Net of Fees)

Market Value: \$5,018.3 Million and 100.0% of Fund

Ending August 31, 2012

Inception

| | 1 Mo | 3 Mo | YTD | 1 Yr | 2 Yrs | 3 Yrs | 4 Yrs | 5 Yrs | 7 Yrs | 10 Yrs | Return | Since |
|---|------|------|------|------|-------|-------|-------|-------|-------|--------|--------|--------|
| Geneva Capital | 3.8 | 2.1 | 9.7 | 14.5 | 20.9 | -- | -- | -- | -- | -- | 17.6 | Nov-09 |
| <i>Russell MidCap Growth</i> | 3.4 | 5.2 | 11.6 | 11.7 | 18.5 | 16.1 | 5.7 | 2.9 | 5.6 | 10.0 | 15.1 | Nov-09 |
| Ariel Investments | 4.9 | 6.1 | 8.8 | 11.0 | 13.2 | 13.2 | 6.3 | 0.4 | 2.4 | 6.5 | 12.0 | Jun-84 |
| <i>Russell 2500 Value</i> | 3.4 | 7.1 | 11.3 | 14.7 | 16.0 | 13.9 | 4.7 | 1.9 | 4.0 | 9.1 | -- | Jun-84 |
| Keeley | 4.3 | 8.8 | 16.0 | 18.5 | 20.0 | 16.6 | 3.4 | 1.5 | 4.7 | 9.2 | 11.5 | Dec-92 |
| <i>Keeley SCV Custom Benchmark</i> | 3.1 | 7.0 | 10.4 | 14.1 | 15.5 | 12.2 | 2.7 | -0.1 | 3.3 | 8.5 | 10.2 | Dec-92 |
| International Equity Composite | 2.1 | 8.7 | 8.4 | -0.8 | 5.5 | 5.3 | 4.0 | 0.3 | 6.7 | -- | -- | |
| <i>MSCI ACWI ex USA</i> | 2.1 | 9.6 | 6.4 | -1.9 | 4.0 | 3.6 | -1.2 | -3.6 | 3.5 | 8.2 | -- | |
| <i>MSCI EAFE</i> | 2.7 | 11.1 | 6.9 | 0.0 | 4.9 | 2.4 | -2.2 | -4.8 | 2.1 | 6.7 | -- | |
| FIS Group Non-U.S. Equity | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | Aug-12 |
| <i>MSCI ACWI ex USA</i> | 2.1 | 9.6 | 6.4 | -1.9 | 4.0 | 3.6 | -1.2 | -3.6 | 3.5 | 8.2 | 2.1 | Aug-12 |
| NTGI MSCI ACWI ex. U.S. Index Fund | 2.0 | 9.4 | 6.6 | -1.7 | 4.3 | 3.9 | -- | -- | -- | -- | 10.2 | Oct-08 |
| <i>MSCI ACWI ex USA</i> | 2.1 | 9.6 | 6.4 | -1.9 | 4.0 | 3.6 | -1.2 | -3.6 | 3.5 | 8.2 | 9.9 | Oct-08 |
| LSV | 3.2 | 11.6 | 6.3 | -0.8 | 5.1 | 2.8 | -1.1 | -5.3 | 1.9 | -- | 2.9 | Apr-05 |
| <i>MSCI EAFE Value</i> | 3.4 | 13.0 | 6.1 | 0.1 | 3.4 | -0.1 | -2.8 | -6.1 | 1.2 | 6.7 | 2.1 | Apr-05 |
| Madison Square | 2.3 | 10.4 | 13.1 | 4.2 | 4.8 | 3.2 | 1.8 | -0.8 | 4.9 | -- | 5.5 | Nov-04 |
| <i>MSCI EAFE</i> | 2.7 | 11.1 | 6.9 | 0.0 | 4.9 | 2.4 | -2.2 | -4.8 | 2.1 | 6.7 | 3.0 | Nov-04 |
| Walter Scott & Partners | 1.3 | 9.4 | 11.3 | 2.9 | 7.2 | 6.1 | 2.1 | 0.5 | 5.5 | -- | 6.1 | Nov-04 |
| <i>MSCI EAFE Growth</i> | 1.9 | 9.3 | 7.7 | -0.2 | 6.3 | 4.8 | -1.7 | -3.6 | 2.9 | 6.6 | 3.7 | Nov-04 |
| NTGI Small Cap International Index | 2.9 | 7.2 | 7.1 | -4.3 | 6.8 | 6.3 | -- | -- | -- | -- | 15.4 | Oct-08 |
| <i>MSCI World ex USA Small Cap</i> | 2.9 | 7.2 | 7.0 | -4.6 | 6.4 | 6.0 | 1.6 | -3.1 | 2.8 | 10.1 | 15.1 | Oct-08 |
| William Blair | 1.3 | 6.1 | 11.3 | 1.0 | 5.9 | 11.3 | 1.8 | -2.0 | 9.0 | -- | 9.3 | Jul-05 |
| <i>MSCI Emerging Markets</i> | -0.3 | 5.5 | 5.6 | -5.8 | 1.4 | 6.6 | 2.2 | -0.4 | 9.1 | 15.0 | 9.1 | Jul-05 |
| Hedge Fund Composite | 1.2 | 2.3 | 6.3 | 4.5 | 4.3 | 3.0 | -- | -- | -- | -- | -- | |
| <i>HFRX Equity Hedge Index</i> | 0.8 | 1.9 | 2.6 | -3.2 | -4.1 | -2.0 | -5.2 | -5.4 | -1.7 | 0.6 | -- | |
| Rock Creek Georgetown Fund | 1.1 | 2.1 | 7.0 | 4.9 | 5.0 | 4.0 | -- | -- | -- | -- | 4.3 | Jan-09 |
| <i>HFRX Equity Hedge Index</i> | 0.8 | 1.9 | 2.6 | -3.2 | -4.1 | -2.0 | -5.2 | -5.4 | -1.7 | 0.6 | 0.7 | Jan-09 |
| K2 Long Short Fund | 1.2 | 2.6 | 5.6 | 4.2 | 3.6 | 2.1 | -- | -- | -- | -- | 3.1 | Jan-09 |
| <i>HFRX Equity Hedge Index</i> | 0.8 | 1.9 | 2.6 | -3.2 | -4.1 | -2.0 | -5.2 | -5.4 | -1.7 | 0.6 | 0.7 | Jan-09 |

Investment Manager

Annualized Performance (Net of Fees)

Market Value: \$5,018.3 Million and 100.0% of Fund

| | Ending August 31, 2012 | | | | | | | | | | Inception | |
|-----------------------------------|------------------------|------|-----|------|-------|-------|-------|-------|-------|--------|-----------|--------|
| | 1 Mo | 3 Mo | YTD | 1 Yr | 2 Yrs | 3 Yrs | 4 Yrs | 5 Yrs | 7 Yrs | 10 Yrs | Return | Since |
| Real Estate Composite | 0.3 | 1.9 | 4.8 | 10.8 | 15.6 | 9.6 | -4.8 | -3.2 | 3.1 | 5.2 | -- | -- |
| <i>NFI</i> | 0.0 | 0.9 | 5.3 | 9.6 | 12.9 | 9.6 | 0.9 | 2.0 | 6.3 | 8.2 | -- | -- |
| Open-End Real Estate Comp | 0.3 | 2.6 | 6.2 | 12.4 | 15.6 | 8.4 | -3.6 | -1.4 | 3.9 | 6.5 | -- | -- |
| <i>NFI</i> | 0.0 | 0.8 | 4.9 | 8.9 | 13.3 | 9.3 | -3.8 | -2.3 | 2.8 | 5.5 | -- | -- |
| American Core Realty Fund, LLC | 0.0 | 2.5 | 5.3 | 11.1 | 13.7 | 4.3 | -4.4 | -1.8 | 2.5 | -- | 4.1 | Nov-03 |
| <i>NFI</i> | 0.0 | 0.8 | 4.9 | 8.9 | 13.3 | 9.3 | -3.8 | -2.3 | 2.8 | 5.5 | 5.1 | Nov-03 |
| AFL-CIO Building Investment Trust | 0.0 | 2.5 | 6.2 | 12.3 | 14.2 | 6.1 | -2.8 | -0.8 | 3.9 | 4.7 | 4.7 | Jun-02 |
| <i>NFI</i> | 0.0 | 0.8 | 4.9 | 8.9 | 13.3 | 9.3 | -3.8 | -2.3 | 2.8 | 5.5 | 5.5 | Jun-02 |
| JPMorgan Strategic Property Fund | 1.2 | 2.7 | 6.6 | 11.1 | 15.0 | 9.2 | -1.7 | 0.2 | 5.0 | 7.6 | 7.6 | Jun-02 |
| <i>NFI</i> | 0.0 | 0.8 | 4.9 | 8.9 | 13.3 | 9.3 | -3.8 | -2.3 | 2.8 | 5.5 | 5.5 | Jun-02 |
| PRISA | 0.0 | 2.1 | 5.3 | 12.7 | 16.6 | 9.2 | -5.1 | -2.8 | 2.9 | 5.6 | 6.1 | Nov-81 |
| <i>NFI</i> | 0.0 | 0.8 | 4.9 | 8.9 | 13.3 | 9.3 | -3.8 | -2.3 | 2.8 | 5.5 | -- | Nov-81 |
| PRISA II | 0.0 | 3.4 | 7.8 | 16.3 | 21.2 | 9.9 | -8.0 | -5.4 | 1.3 | 5.3 | 6.7 | Nov-89 |
| <i>NFI</i> | 0.0 | 0.8 | 4.9 | 8.9 | 13.3 | 9.3 | -3.8 | -2.3 | 2.8 | 5.5 | -- | Nov-89 |

Annuity & Benefit Fund

Inception Performance (Net of Fees)

Ending August 31, 2012

| Asset Class | Benchmark | Manager | From | Performance | | Difference |
|------------------------------|-------------------------------|-----------------------------|--------------|-------------|-----------|------------|
| | | | | Manager | Benchmark | |
| SMID-Cap Value Equity | Custom Benchmark ¹ | Ariel | July-84 | 12.0% | 11.2% | 0.8% |
| Large-Cap Value Equity | Russell 1000 Value | Great Lakes | April-91 | 9.6% | 9.4% | 0.2% |
| Small-Cap Value Equity | Custom Benchmark | Keeley | January-93 | 11.5% | 10.2% | 1.3% |
| Enhanced Index Fixed Income | BarCap Aggregate | Neuberger Berman | June-01 | 6.2% | 5.9% | 0.3% |
| Large-Cap Growth Equity | Russell 1000 Growth | Holland | November-02 | 7.6% | 7.4% | 0.2% |
| Large-Cap Growth Equity | Russell 1000 Growth | CastleArk | August-04 | 7.3% | 6.2% | 1.1% |
| International Growth Equity | MSCI EAFE Growth | Madison Square | December-04 | 5.5% | 3.0% | 2.5% |
| International Growth Equity | MSCI EAFE Growth | Walter Scott | December-04 | 6.0% | 3.5% | 2.5% |
| International Value Equity | MSCI EAFE Value | LSV | May-05 | 2.9% | 2.1% | 0.8% |
| Int'l Emerging Core Equity | MSCI EM | William Blair | August-05 | 9.3% | 9.1% | 0.2% |
| Mid-Cap Core Equity | Russell MidCap | Earnest | December-06 | 3.5% | 3.2% | 0.3% |
| Mid-Cap Growth Equity | Custom Benchmark | William Blair | January-07 | 4.9% | 3.2% | 1.7% |
| Large-Cap Core Equity | S&P 500 | Rhumblin | September-08 | 5.0% | 4.6% | 0.4% |
| International Core Equity | MSCI ACWI ex. U.S. | NTGI ACWI ex. U.S. | November-08 | 10.2% | 9.9% | 0.3% |
| Int'l Small-Cap Equity | MSCI Small-Cap International | MSCI World Ex USA Small Cap | November-08 | 15.4% | 15.1% | 0.3% |
| Hedged Equity Fund of Funds | HFRX Hedged Equity | K2 Advisors | February-09 | 3.1% | 0.7% | 2.4% |
| Hedged Equity Fund of Funds | HFRX Hedged Equity | Rock Creek | February-09 | 4.3% | 0.7% | 3.6% |
| Core Fixed Income | BarCap Aggregate | LM Capital | April-09 | 7.6% | 7.1% | 0.5% |
| Fixed Income - Intermediate | BarCap Int. Gov/Credit | Segall, Bryant, & Hamill | May-09 | 6.9% | 6.0% | 0.9% |
| Fixed Income - High Yield | BarCap High Yield | Mackay Shields | May-09 | 15.8% | 18.9% | -3.1% |
| Fixed Income - Senior Loan | CSFB Leveraged Loan | Symphony | September-09 | 9.8% | 8.5% | 1.3% |
| Fixed Income - Opportunistic | BarCap Aggregate | RBC Global | November-09 | 16.4% | 6.3% | 10.1% |
| Mid-Cap Growth Equity | Russell MidCap Growth | Geneva Capital | December-09 | 17.6% | 15.1% | 2.5% |
| Core Fixed Income | BarCap Aggregate | UBS | August-10 | 6.0% | 5.6% | 0.4% |
| Large-Cap Value Equity | Russell 1000 Value | Herndon | December-11 | 15.4% | 14.4% | 1.0% |

¹ Ariel Custom Benchmark is Russell 2500 Value, and prior to March 2002, the Russell 2000 Value.