

**Performance Analysis Report**

*for*

**Merced County Employees'  
Retirement Association**

*For the Period Ending March 31, 2013*

**Milliman, Inc.**

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# **I - Executive Summary and Overview**

## **Quarterly Overview**

### **Market Overview**

#### *Domestic Equity Markets*

US equities rose sharply in the first quarter on improving U.S economic data, better than expected corporate earnings, and assurances of continued stimulus by the Federal Reserve. For the first quarter of 2013, the S&P 500 index returned 10.6% compared to -0.4% in the fourth quarter of 2012. Most major domestic equity indices posted gains for the quarter. Small cap stocks posted better returns than large cap stocks with the Russell 2000® Index up 12.4% versus 1.9% for the prior quarter.

All ten of the S&P 500 sectors had positive returns during the first quarter. The Health Care sector had the greatest gain at 15.8%, followed by Consumer Staples 14.6%, Utilities 13.0%, Consumer Discretionary 12.2%, Financials 11.4%, Industrials 10.7%, Energy 10.2%, Telecommunications Services 9.5%, Materials 4.8% and Information Technology 4.6%.

For the first quarter, the median Large Cap manager underperformed the S&P 500 index by 0.1% with a return of 10.5%. The median Mid Cap manager underperformed the S&P Mid Cap Index by 2.6% with a median return of 10.9%, while the median Small Cap manager outperformed the S&P 600 index by 0.8% with a return of 12.6%.

In the quarter, value stocks outperformed growth securities in the large cap area of the market, while growth beat value stocks in small caps. In domestic large capitalization stocks, the Russell 1000® Value Index returned 12.3% compared to the Russell 1000® Growth Index return of 9.5%. In small cap, the Russell 2000® Value Index returned 11.6%, while the Russell 2000® Growth Index returned 13.2%.

#### *International Equity Markets*

The developed international equity markets posted gains helped by Central Bank efforts to support economic growth, while emerging markets struggled on weak commodity prices and mixed economic data. The MSCI EAFE Index returned 5.1% during the quarter, while emerging markets were down -1.6%.

#### *Domestic Bond Markets*

The Federal Reserve announced that it would continue its securities purchases ("QE3") at the current rate of \$85 billion per month and keep short term interest low until unemployment falls below 6.5%. The Barclays Capital Aggregate Bond Index returned -0.12% during the quarter.

Longer-duration bonds were the worst performing sector this quarter. The Barclays Long Government/Credit Index returned -0.31% while the shorter Barclays 1-3 Year Government/ Credit Index returned 0.04%. The Barclays Credit Index returned -0.17% compared to -0.18% for the Barclays Treasury Index. The Barclays Mortgage Index returned -0.05%, while high yield securities as measured by the Merrill Lynch High Yield Master II Index returned 2.89%.

During the first quarter, the median Fixed Income manager outperformed the Barclays Aggregate Index by 0.2% with a return of 0.1%. For the twelve months, ended March 31, 2013, the median Fixed Income manager outperformed the index by 1.1%.

#### *Real Estate*

The domestic real estate market, as measured by the NCREIF ODCE Property Index, was up 2.6% for the first quarter of 2013. The FTSE NAREIT Equity Index, which measures the domestic public REIT market, returned 8.2%. Global real estate securities, as measured by the FTSE EPRA/NAREIT Global Developed Markets Index, returned 5.9%.

## Watch List Review

### WHV – Small Cap Domestic Equity

There has been concern with WHV's small cap domestic equity portfolio during 2012. Over the past one through three years, performance has significantly deviated from most of the long-term history. Three-year results trail the Russell 2000 by 2.2%. Several meetings and conference calls have been held with the firm. The firm was placed on the watch list on November 8, 2012.

### UBS Realty

In the most recent quarter, UBS Realty trailed the performance of its benchmark. Over the past one through three year periods, UBS Realty has underperformed the NCREIF ODCE Index but consistently ranks above the median real estate manager over most trailing time periods. Over four years and longer, UBS Realty outperforms the NCREIF ODCE Index and ranks in the top quartile of defined benefit real estate funds. Since inception, UBS significantly outperforms the ODCE and the real estate median.

### Historical Watch List Overview

Firm	Date placed on watch	Recommendation
AXA Investment Managers	July 14, 2011	Removed 11/08/12

Delta Asset Management was terminated during the second quarter of 2011. Their assets were moved to the Mellon Large Cap Growth Index temporarily, and then used to fund the Association's new, mid cap passive allocation on July 19, 2011, also managed by Mellon.

GMO was placed on the watch list at the February 25, 2010 Board meeting. Due to improved performance results, the firm was taken off the watch list on May 26, 2011.

Earnest Partners' domestic equity portfolio was placed on the watch list on November 10, 2011. The firm was terminated by the Board at the August 23, 2012 Board meeting. Assets were moved to the Mellon large cap value index on September 6, 2012.

AXA was placed on watch due to the departure of the firm's three senior and founding partners in June, 2011. The key portfolio managers presented to the Board in Merced on 1/26/12 and an on-site due diligence visit was conducted 2/15/12. The Board decided to retain AXA. Results have slipped a little behind the benchmark in the 4<sup>th</sup> quarter of 2012, but are above the benchmark during the past year. AXA was removed from the watch list in November, 2012.

## ***Merced County Employees' Retirement Association***

### ***Asset Allocation Summary***

- The Merced County Employees' Retirement Association had a total market value of \$565,355,796 as of March 31, 2013, which represents an increase of \$30,311,893 from the December 31, 2012 market value of \$535,043,903.

### ***First quarter, 2013 Performance Summary***

#### ***Total Plan***

- The Retirement Association had a return of 4.9% during the first quarter of 2013, and underperformed the benchmark return of 5.2%.
- Over the past year, the Retirement Association's return of 9.7% underperformed the 10.8% return of the Fund's benchmark and ranked in the 56<sup>th</sup> percentile in the universe of total public defined benefit funds.
- During the past three years, the Retirement Association has returned 9.4% and ranked in the 42<sup>nd</sup> percentile of the universe. This return was 0.5% below the Fund benchmark.
- Over the past ten years, the Retirement Association return of 7.3% slightly trailed the benchmark (7.5%), and ranked in the 91<sup>st</sup> percentile of all public defined benefit funds.

#### ***Total Domestic Equity***

- The Retirement Association had a total domestic equity return of 11.9% during the first quarter of 2013, and ranked in the 41<sup>th</sup> percentile of the total domestic equity universe
- Over the past year, the Employees' Retirement Association's domestic equity return of 13.3% underperformed the 14.6% return of the Russell 3000® and the 14.0% return of the S&P 500.

#### ***International Equity Portfolios***

- The total international equity segment returned 3.6%, underperforming the international equity benchmark return of 4.1% and ranked in the 81<sup>st</sup> percentile of all international developed portfolios.

#### ***Fixed Income Portfolios***

- The total fixed income segment returned 0.8% in the first quarter of 2013, and outperformed the Barclays U.S. Aggregate. The total fixed income return ranked in the 7<sup>th</sup> percentile.

#### ***Real Estate Portfolios***

- The Real Estate composite returned 1.9% and trailed the 3.6% return of the Real Estate Benchmark.

*Private Equity Portfolios (Gross of Fees)*

- The total private equity segment return of 0.6% underperformed the S&P 500+5% benchmark of 11.9% in the first quarter. Please recall that the private equity returns are two quarters lagged versus the benchmark. Performance results for private equity lag the benchmark over all trailing time periods.

## **II – Asset Allocation and Asset Growth Review**

### **Comments on Asset Allocation**

The Merced County Employees' Retirement Association had a total market value of \$565,355,796 as of March 31, 2013, which represents an increase of \$30,311,893 from the December 31, 2012 market value of \$535,043,903.

#### *Net Contributions/Withdrawals*

- Net cash flow was negative and totaled approximately \$921 thousand during the first quarter. A significant withdrawal was made from Barrow Hanley (\$1.0 million). For the private equity managers, net contributions went to Adams Street (\$215 thousand), and Pantheon Ventures II (\$85 thousand); net withdrawals occurred in the Pantheon Secondary (\$200 thousand), Pantheon Ventures (\$133 thousand) and Invesco (\$228 thousand). Net cash inflow to the STIF account was (\$348 thousand).
- The Treasurer's cash account increased by \$563 thousand.

#### *Investment Gains/Losses*

- During the first quarter of 2013, the Retirement Association experienced an investment gain of \$26 million. The Retirement Association's domestic equity managers posted a first quarter investment gain of approximately \$18.9 million, the international equity managers gained \$5.0 million, the fixed income managers gained approximately \$1.2 million, and the real estate managers had a total gain of \$683 thousand. On a two quarter lag, the private equity managers had a combined investment gain of \$94 thousand. The cash account gained \$1,230.

#### *Current Actual Asset Allocation*

- As shown in the *Actual & Target Asset Allocation* table as of March 31, 2013, the Retirement Association had a 31.6% allocation to domestic equity managers, 22.6% to international equity, 3.6% to emerging market equity, 28.2% to fixed income, 6.8% to real estate, 4.8% to private equity and 2.4% to cash equivalents.
- Relative to December 31, 2012, the Retirement Association had lower allocations to fixed income (28.2 vs. 29.5%), emerging market equity (3.6% vs. 3.8%), private equity (4.8% vs. 5.0%), real estate (6.8% vs. 7.0%), and international equity (22.6% vs. 22.7%). The Retirement Association had higher allocations to domestic equity (31.6% vs. 29.6%) and cash (2.4% vs. 2.3%).



# Merced County Employees' Retirement Association

## Asset Allocation by Manager

### Asset Allocation by Manager

As Of March 31, 2013

	Total Market Value	% of Portfolio	Large Cap	Mid Cap	Small Cap	Intl. Equity	Fixed In.	EM	Real Estate	Priv. Equity	Cash
Domestic Equity											
Large Cap Equity											
Mellon Tangent	\$28,822,202	5.1%	\$28,822,202								
Large Core Capitalization Equity											
Earnest Partners	\$0	0.0%	\$0								
Large Growth Capitalization Equity											
Mellon Large Growth	\$41,202,534	7.3%	\$41,202,534								
Large Value Capitalization Equity											
Mellon Large Value	\$39,991,422	7.1%	\$39,991,422								
Mid Capitalization Equity											
Mellon Mid Cap	\$28,709,825	5.1%		\$28,709,825							
Small Capitalization Equity											
WHV	\$39,848,266	7.0%			\$39,848,266						
International Equity											
GMO	\$49,140,970	8.7%				\$49,140,970					
UBS Intl	\$20,908,168	3.7%				\$20,908,168					
Earnest Partners Intl	\$57,624,374	10.2%				\$57,624,374					
Wells Capital	\$20,476,674	3.6%					\$20,476,674				
Fixed Income											
AXA High Yield	\$31,205,584	5.5%					\$31,205,584				
Barrow Hanley	\$128,396,763	22.7%					\$128,396,763				
Core Portfolio											
Workout Portfolio											
TIPS Portfolio											
Real Estate											
UBS Realty	\$29,663,129	5.2%							\$29,663,129		
European Investors	\$8,466,165	1.5%							\$8,466,165		
Other Real Estate	\$430,000	0.1%							\$430,000		

# Merced County Employees' Retirement Association

## Asset Allocation by Manager

	Total Market Value	% of Portfolio	Large Cap	Mid Cap	Small Cap	Intl. Equity	Fixed In.	EM	Real Estate	Priv. Equity	Cash
Private Equity											
Adams Street Partners	\$7,838,949	1.4%								\$7,838,949	
Invesco Partnership	\$7,896,822	1.4%								\$7,896,822	
Pantheon Ventures	\$4,086,543	0.7%								\$4,086,543	
Pantheon Secondary	\$6,172,852	1.1%								\$6,172,852	
Pantheon Ventures II	\$908,493	0.2%								\$908,493	
Cash											
STIF	\$8,692,334	1.5%									\$8,692,334
Treasury Cash	\$4,873,728	0.9%									\$4,873,728
<b>Total</b>	<b>\$565,355,796</b>	<b>100.0%</b>	<b>\$110,016,157</b>	<b>\$28,709,825</b>	<b>\$39,848,266</b>	<b>\$127,673,512</b>	<b>\$159,602,347</b>	<b>\$20,476,674</b>	<b>\$38,559,294</b>	<b>\$26,903,659</b>	<b>\$13,566,062</b>
Percent of Total			19.5%	5.1%	7.0%	22.6%	28.2%	3.6%	6.8%	4.8%	2.4%
Difference from Target (%)			0.5%	1.1%	1.0%	2.6%	-5.8%	-0.4%	-1.2%	-0.2%	2.4%
Difference from Target (\$)			\$2,598,556	\$6,095,593	\$5,926,918	\$14,602,353	-\$32,618,623	-\$2,137,558	-\$6,669,170	-\$1,364,131	\$13,566,062

The non-managed Treasury Cash and Other Real Estate balances are not included in the Total Fund Market Value of \$560,052,068 for performance measurement and attribution analysis purposes. The Retirement Association's combined market value with the previously mentioned accounts is \$565,355,796 as of 3/31/13.

# Merced County Employees' Retirement Association

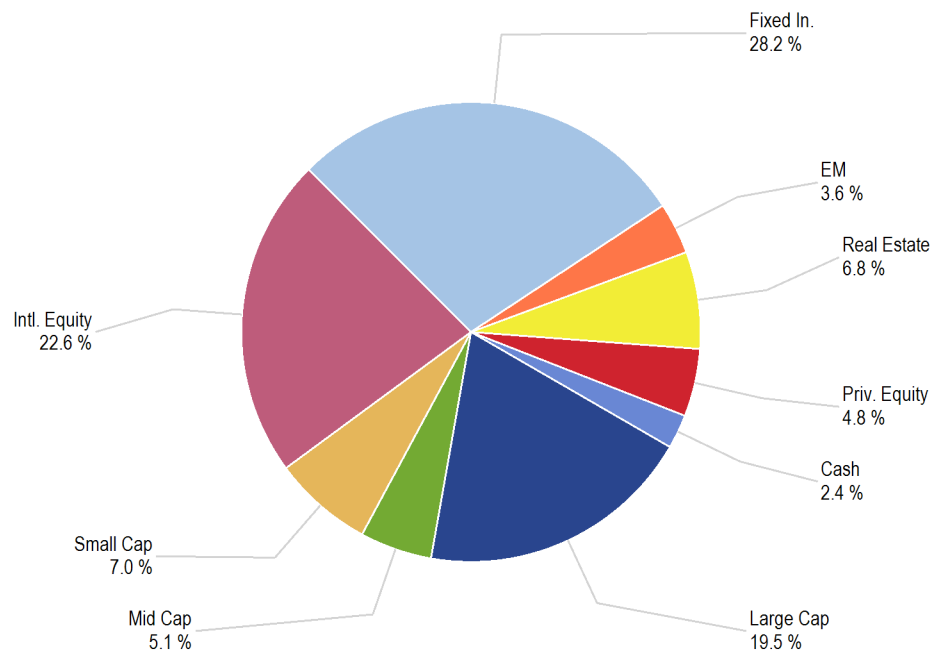
## Analysis of Change in Market Value of Assets

	Quarter Ending March 31, 2013					
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	Ending Market Value
Mellon Tangent	\$25,420,261	\$0	\$0	\$0	\$3,401,941	\$28,822,202
Earnest Partners	\$173	-\$213	\$1,304	\$1,091	-\$1,265	\$0
Mellon Large Growth	\$37,618,068	\$0	\$0	\$0	\$3,584,466	\$41,202,534
Mellon Large Value	\$35,610,051	\$0	\$0	\$0	\$4,381,371	\$39,991,422
Mellon Mid Cap	\$25,304,340	\$0	\$0	\$0	\$3,405,485	\$28,709,825
WHV	\$35,672,539	-\$176	\$5,853	\$5,677	\$4,170,050	\$39,848,266
GMO	\$47,222,163	\$0	\$0	\$0	\$1,918,807	\$49,140,970
UBS Intl	\$19,399,087	\$0	\$0	\$0	\$1,509,081	\$20,908,168
Earnest Partners Intl	\$55,872,725	\$0	\$0	\$0	\$1,751,649	\$57,624,374
Wells Capital	\$20,648,991	\$0	\$0	\$0	-\$172,318	\$20,476,674
AXA High Yield	\$30,014,351	\$0	\$218	\$218	\$1,191,015	\$31,205,584
Barrow Hanley	\$129,402,048	-\$1,015,451	\$0	-\$1,015,451	\$10,166	\$128,396,763
Core Portfolio	--	--	--	--	--	--
Workout Portfolio	--	--	--	--	--	--
TIPS Portfolio	--	--	--	--	--	--
UBS Realty	\$29,179,717	\$0	\$0	\$0	\$483,412	\$29,663,129
European Investors	\$8,266,560	\$0	\$0	\$0	\$199,605	\$8,466,165
Adams Street Partners	\$7,406,730	-\$45,579	\$260,825	\$215,246	\$216,973	\$7,838,949
Invesco Partnership	\$8,570,593	-\$227,925	\$0	-\$227,925	-\$445,846	\$7,896,822
Pantheon Ventures	\$4,133,906	-\$158,987	\$26,070	-\$132,917	\$85,554	\$4,086,543
Pantheon Secondary	\$6,138,864	-\$200,000	\$0	-\$200,000	\$233,988	\$6,172,852
Pantheon Ventures II	\$819,599	\$0	\$85,280	\$85,280	\$3,614	\$908,493
STIF	\$8,343,136	-\$1,585,382	\$1,933,351	\$347,968	\$1,230	\$8,692,334
<b>Total</b>	<b>\$535,043,903</b>	<b>-\$3,233,713</b>	<b>\$2,312,900</b>	<b>-\$920,812</b>	<b>\$25,928,977</b>	<b>\$560,052,068</b>

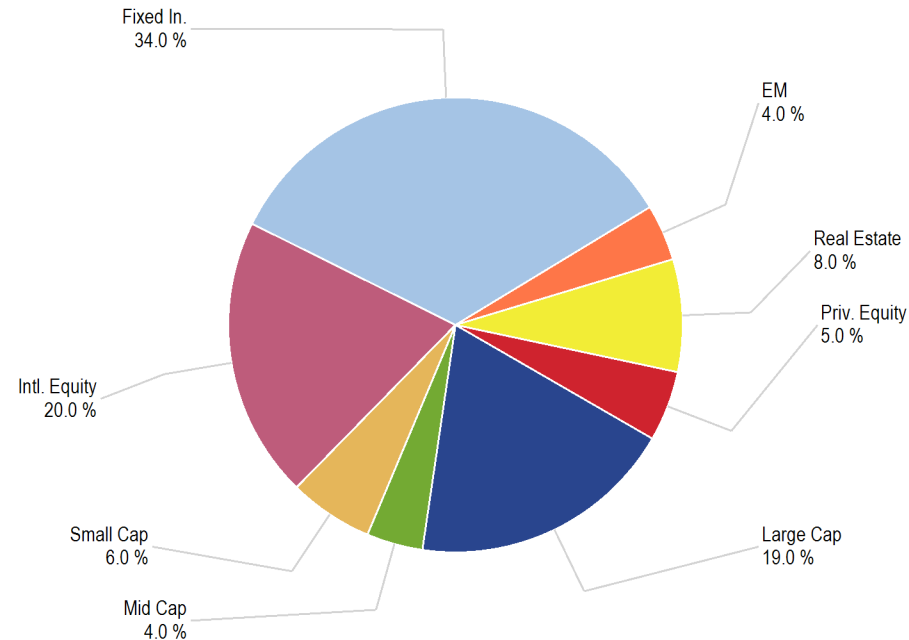
# Merced County Employees' Retirement Association

## Actual & Target Asset Allocation

Current Allocation



Target Allocation



Allocation vs. Targets and Policy

	Current Balance	Current Allocation	Policy	Difference	Target Ranges	Within IPS Range?
Large Cap	\$110,016,157	19.5%	19.0%	\$2,598,556	16.0% - 22.0%	Yes
Mid Cap	\$28,709,825	5.1%	4.0%	\$6,095,593	3.0% - 5.0%	No
Small Cap	\$39,848,266	7.0%	6.0%	\$5,926,918	5.0% - 7.0%	No
Intl. Equity	\$127,673,512	22.6%	20.0%	\$14,602,353	16.0% - 24.0%	Yes
Fixed In.	\$159,602,347	28.2%	34.0%	-\$32,618,623	19.0% - 47.0%	Yes
EM	\$20,476,674	3.6%	4.0%	-\$2,137,558	3.0% - 5.0%	Yes
Real Estate	\$38,559,294	6.8%	8.0%	-\$6,669,170	6.0% - 10.0%	Yes
Priv. Equity	\$26,903,659	4.8%	5.0%	-\$1,364,131	0.0% - 8.0%	Yes
Cash	\$13,566,062	2.4%	0.0%	\$13,566,062	0.0% - 3.0%	Yes
<b>Total</b>	<b>\$565,355,796</b>	<b>100.0%</b>	<b>100.0%</b>			

### **III - Performance Review**

#### **Comments on Investment Manager Performance**

##### ***Total Fund Performance***

- The Merced County Employees' Retirement Association Total Fund had a return of 4.9% versus 5.2% for the benchmark during the first quarter of 2013, and ranked in the 35<sup>th</sup> percentile of the total fund universe.
- Over the past year, the Association's return of 9.7% underperformed the 10.8% return of the Association's benchmark and ranked in the 56<sup>th</sup> percentile of total public defined benefit funds.
- During the past three years, the Total Fund returned 9.4% and ranked in the 42<sup>nd</sup> percentile of the universe
- Over the past five years, the Association returned 4.1%, underperforming the 5.0% return of the benchmark, and ranked in the 75<sup>th</sup> percentile.
- The total fund returned 7.3% over the ten year period, slightly trailing the benchmark of 7.5% and ranked in the 91<sup>st</sup> percentile of the total fund universe.
- Since inception the total fund significantly outperforms the benchmark (8.3% versus 5.4%).

##### ***Domestic Equity Portfolio Performance***

###### ***Mellon Capital***

- The Mellon Large Capitalization Growth portfolio returned 9.5% in the first quarter, matching the return of the Russell 1000® Growth Index.
- The Mellon Large Capitalization Value portfolio returned 12.3% in the first quarter, matching the return of the Russell 1000® Value Index.
- The Mellon Mid Cap portfolio returned 13.5% for the first quarter, matching the return of the Russell MidCap® Index. Mellon's first quarter performance ranked in the 25<sup>th</sup> percentile of mid cap equity managers.
- The Mellon Tangent-Add portfolio returned 13.4%, outperforming the 10.6% for the S&P 500.

###### ***WHV Investment Management***

- WHV's small cap portfolio returned 11.7% in the first quarter, underperforming the 12.4% return of the Russell 2000® and ranked in the 68<sup>th</sup> percentile of equity managers.
- Over one year, WHV returned 11.4%, significantly trailing the benchmark return of 16.3%. WHV trails the benchmark over the three and five year periods but has outperformed its benchmark over the four, seven and ten year periods. The ten year return of 14.7% ranks in the 21<sup>st</sup> percentile of small cap equity managers and significantly outperformed the benchmark return of 11.5%.

## ***International Equity and Emerging Market Portfolio Performance***

### ***GMO***

- The GMO international equity portfolio returned 4.2% in the first quarter, which underperformed the 5.2% return of the MSCI EAFE Index and ranked in the 78<sup>th</sup> percentile of international equity managers.
- GMO outperforms the index over the one, three, and five year time periods.

### ***UBS***

- The UBS international small cap growth portfolio returned 7.8% in the first quarter, underperforming the 8.5% return of the MSCI EAFE Small Cap Growth Index and ranked in the 61<sup>st</sup> percentile of international small cap equity managers.
- UBS outperforms the index over the one through five year time periods.

### ***Earnest Partners International***

- The Earnest international equity portfolio had a first quarter return of 3.1% versus 5.2% for the MSCI EAFE. The first quarter return ranked in the 92<sup>nd</sup> percentile of international equity managers.
- Over the past year, Earnest returned 10.4%, below the 11.8% of the MSCI EAFE Index, and ranked in the 87<sup>th</sup> percentile of international equity managers.

### ***Wells Capital***

- The emerging markets portfolio managed by Wells Capital returned -0.8% in the first quarter, better than the MSCI Emerging Markets Index return of -1.6%.
- Wells Capital outperforms the index over the one year period (2.4% versus 2.0%).

## ***Fixed Income Portfolio Performance***

### ***AXA***

- The AXA high yield portfolio returned 4.0% in the first quarter of 2013, above the BofA Merrill Lynch High Yield Master II Index return of 2.9% and ranked in the 13<sup>th</sup> percentile of high yield bond managers. The portfolio outperforms its benchmark over the last year (14.5% vs. 13.1%, respectively) and has a strong ranking.
- AXA outperforms the index over the two and three year time periods.

### ***Barrow Hanley***

- The Barrow Hanley portfolio returned 0.0% in the first quarter of 2013, above the -0.2% return of the custom benchmark, and ranked in the 73<sup>rd</sup> percentile. Results over the past year are above the Aggregate benchmark (4.8% versus 4.1%, respectively) and rank in the 54<sup>th</sup> percentile.
- Barrow Hanley outperforms the index over all trailing time periods.

## **Real Estate Portfolio Performance**

### **UBS Realty**

- UBS Realty had a 1.7% return in the first quarter, underperforming the 2.7% return of the UBS Real Estate benchmark and ranked in the 75<sup>th</sup> percentile in the universe of defined benefit real estate managers.
- UBS trails the index over all trailing time periods.

### **European Investors**

- European Investors had a return of 2.6% for the first quarter, underperforming the 6.3% return of its benchmark, the FTSE/EPRA NAREIT Developed Real Estate Index.
- Over the past year, European Investors trails the benchmark over the one through four year time periods. The five year return is above the benchmark.

## **Private Equity Portfolio Performance**

### **Adams Street Partners**

- Adams Street returned 3.3% in the first quarter.
- Over the past year, Adams Street has returned 13.4%.

### **Invesco Partnership**

- The Invesco Partnership posted a -5.2% return in the first quarter.
- Over the past year, Invesco has returned -6.1%.

### **Pantheon Ventures**

- Pantheon Ventures posted a 2.3% return in the first quarter.
- Over the past year, Pantheon returned 11.9%.

### **Pantheon Secondary**

- Pantheon Secondary returned 4.4% in the first quarter.
- Over the past year, Pantheon Secondary returned 2.7%.

### **Pantheon Ventures II**

- Pantheon Ventures II had a 0.4% return in the first quarter. Over the past year Pantheon II has returned 3.9%.

### ***Investment Management Fee Summary***

- In the first quarter of 2013, investment management fees reduced performance in Mellon Capital's Large Growth was lowered by 1 basis point, Large Value by 4 basis points and Mid Cap by 1 basis point; WHV's gross performance was lowered by approximately 20 basis points, UBS's international equity gross performance was lowered by approximately 25 basis points, Earnest Partners' International Equity portfolio was lowered by 19 basis points, Wells Capital was lowered by 26 basis points and GMO's gross performance was lowered by approximately 17 basis points. European Investors' gross performance was lowered by approximately 27 basis points and UBS Realty was lowered by approximately 22 basis points. AXA was lowered by 10 basis points and Barrow Hanley was lowered by 6 basis points.



# Merced County Employees' Retirement Association

## Cumulative Performance Results by Manager - Before Fees

	Ending March 31, 2013																		Inception	
	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
<b>Total Fund</b>	<b>4.9%</b>	<b>35</b>	<b>12.9%</b>	<b>20</b>	<b>9.7%</b>	<b>56</b>	<b>6.6%</b>	<b>60</b>	<b>9.4%</b>	<b>42</b>	<b>15.2%</b>	<b>42</b>	<b>4.1%</b>	<b>75</b>	<b>4.3%</b>	<b>86</b>	<b>7.3%</b>	<b>91</b>	<b>8.3%</b>	<b>Jan-95</b>
<i>Fund Benchmark</i>	5.2%	27	12.8%	22	10.8%	8	8.3%	1	9.9%	14	16.0%	18	5.0%	50	5.0%	56	7.5%	85	5.4%	Jan-95
<i>IF Public DB \$250mm-\$1B Gross Median</i>	4.5%		11.9%		9.8%		6.8%		9.3%		15.1%		4.9%		5.2%		8.1%		8.3%	Jan-95
<b>Domestic Equity</b>	<b>11.9%</b>	<b>41</b>	<b>19.2%</b>	<b>49</b>	<b>13.3%</b>	<b>60</b>	<b>8.4%</b>	<b>66</b>	<b>11.9%</b>	<b>72</b>	<b>21.8%</b>	<b>58</b>	<b>5.8%</b>	<b>77</b>	<b>4.8%</b>	<b>76</b>	<b>9.4%</b>	<b>76</b>	<b>8.9%</b>	<b>Jan-95</b>
<i>Russell 3000</i>	11.1%	56	18.3%	57	14.6%	49	10.8%	38	13.0%	57	21.8%	58	6.3%	69	5.1%	68	9.2%	79	9.1%	Jan-95
<i>S&amp;P 500</i>	10.6%	64	17.2%	67	14.0%	55	11.2%	33	12.7%	62	21.0%	68	5.8%	76	5.0%	71	8.5%	90	9.0%	Jan-95
<i>eA All US Equity Gross Median</i>	11.4%		19.1%		14.4%		9.8%		13.4%		22.5%		7.6%		5.9%		11.1%		10.9%	Jan-95
Mellon Tangent	13.4%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	Oct-12
<i>S&amp;P 500</i>	10.6%	--	17.2%	--	14.0%	--	11.2%	--	12.7%	--	21.0%	--	5.8%	--	5.0%	--	8.5%	--	10.2%	Oct-12
<b>Large Growth Capitalization Equity</b>																				
Mellon Large Growth	9.5%	36	14.7%	53	10.1%	38	10.6%	29	13.1%	30	21.3%	29	7.3%	36	6.1%	40	8.7%	68	8.7%	Mar-03
<i>Russell 1000 Growth</i>	9.5%	36	14.7%	53	10.1%	39	10.6%	29	13.1%	30	21.3%	29	7.3%	37	6.1%	41	8.6%	69	8.6%	Mar-03
<i>eA US Large Cap Growth Equity Gross Median</i>	8.9%		14.9%		8.8%		9.0%		12.0%		20.2%		6.6%		5.8%		9.2%		9.2%	Mar-03
<b>Large Value Capitalization Equity</b>																				
Mellon Large Value	12.3%	31	21.4%	33	18.8%	18	11.6%	35	12.8%	41	21.9%	35	4.9%	71	4.3%	75	9.2%	72	9.2%	Mar-03
<i>Russell 1000 Value</i>	12.3%	30	21.4%	33	18.8%	18	11.6%	36	12.7%	42	21.8%	36	4.8%	72	4.2%	76	9.2%	73	9.2%	Mar-03
<i>eA US Large Cap Value Equity Gross Median</i>	11.5%		19.9%		16.0%		10.7%		12.3%		21.0%		5.9%		5.4%		9.9%		9.9%	Mar-03
<b>Mid Capitalization Equity</b>																				
Mellon Mid Cap	13.5%	25	24.0%	26	17.9%	27	--	--	--	--	--	--	--	--	--	--	--	--	31.8%	Oct-11
<i>S&amp;P 400 MidCap</i>	13.5%	25	23.9%	26	17.8%	28	9.6%	45	15.1%	37	25.8%	28	9.8%	32	7.1%	45	12.4%	51	31.7%	Oct-11
<i>eA US Mid Cap Equity Gross Median</i>	12.0%		20.3%		14.2%		9.2%		14.3%		24.2%		8.8%		6.8%		12.5%		28.7%	Oct-11
<b>Small Capitalization Equity</b>																				
WHV	11.7%	68	20.9%	57	11.4%	81	3.8%	91	11.5%	86	26.5%	38	7.0%	83	5.9%	53	14.7%	21	12.6%	Apr-97
<i>Russell 2000</i>	12.4%	54	20.5%	60	16.3%	49	7.7%	65	13.5%	70	24.2%	72	8.2%	68	4.6%	76	11.5%	81	8.0%	Apr-97
<i>eA US Small Cap Equity Gross Median</i>	12.6%		21.5%		16.2%		8.8%		14.8%		25.6%		9.6%		6.1%		13.0%		11.0%	Apr-97
<b>International Equity</b>	<b>3.6%</b>	<b>81</b>	<b>20.4%</b>	<b>53</b>	<b>10.9%</b>	<b>69</b>	<b>2.2%</b>	<b>74</b>	<b>7.4%</b>	<b>51</b>	<b>18.3%</b>	<b>44</b>	<b>1.6%</b>	<b>41</b>	<b>3.9%</b>	<b>32</b>	<b>10.7%</b>	<b>64</b>	<b>5.6%</b>	<b>Jan-99</b>
<i>Intl. Equity Benchmark</i>	4.1%	73	18.7%	72	10.2%	74	2.2%	74	5.0%	82	15.8%	77	-0.7%	82	1.9%	79	10.0%	79	4.0%	Jan-99
<i>MSCI EAFE Gross</i>	5.2%	49	20.0%	58	11.8%	61	2.9%	66	5.5%	76	16.2%	71	-0.4%	75	2.1%	73	10.2%	74	4.1%	Jan-99
<i>eA All EAFE Equity Gross Median</i>	5.2%		20.7%		12.8%		3.9%		7.4%		17.7%		0.9%		2.9%		11.2%		6.7%	Jan-99

# Merced County Employees' Retirement Association

## Cumulative Performance Results by Manager - Before Fees

	Ending March 31, 2013																		Inception	
	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
GMO	4.2%	78	18.6%	78	12.6%	61	4.2%	52	7.0%	57	15.3%	92	0.3%	64	--	--	--	--	-1.1%	Oct-07
MSCI EAFE Gross	5.2%	62	20.0%	63	11.8%	71	2.9%	81	5.5%	89	16.2%	80	-0.4%	79	2.1%	78	10.2%	74	-2.3%	Oct-07
eA EAFE Core Equity Gross Median	5.8%		20.9%		13.6%		4.2%		7.5%		17.9%		1.2%		3.0%		11.2%		-1.2%	Oct-07
UBS Intl	7.8%	61	29.4%	15	19.0%	17	3.6%	75	11.2%	50	26.6%	20	3.1%	57	--	--	--	--	1.8%	Oct-07
MSCI EAFE Small Cap Growth	7.5%	67	20.9%	87	12.2%	83	3.3%	78	9.3%	77	21.3%	83	2.0%	79	2.6%	78	12.8%	86	-0.3%	Oct-07
S&P Dev ex-US SCG	7.2%	73	21.3%	85	11.6%	85	2.1%	90	8.3%	85	21.1%	84	1.7%	82	--	--	--	--	-0.8%	Oct-07
MSCI EAFE Small Cap Gross	8.5%	50	24.2%	60	13.7%	78	3.4%	77	8.8%	79	21.7%	74	2.4%	74	2.2%	82	13.6%	76	0.1%	Oct-07
eA EAFE Small Cap Equity Gross Median	8.4%		25.9%		15.8%		6.5%		11.2%		23.2%		3.3%		4.2%		14.8%		0.2%	Oct-07
Earnest Partners Intl	3.1%	92	22.1%	41	10.4%	87	1.7%	90	7.9%	46	21.7%	23	--	--	--	--	--	--	4.1%	Jul-08
MSCI EAFE Gross	5.2%	62	20.0%	63	11.8%	71	2.9%	81	5.5%	89	16.2%	80	-0.4%	79	2.1%	78	10.2%	74	0.0%	Jul-08
eA EAFE Core Equity Gross Median	5.8%		20.9%		13.6%		4.2%		7.5%		17.9%		1.2%		3.0%		11.2%		1.2%	Jul-08
Wells Capital	-0.8%	64	11.9%	77	2.4%	71	--	--	--	--	--	--	--	--	--	--	--	--	2.4%	Apr-12
MSCI Emerging Markets	-1.6%	78	11.9%	77	2.0%	73	-3.6%	68	3.3%	68	18.8%	78	1.1%	70	6.4%	66	17.1%	83	2.0%	Apr-12
MSCI Emerging Markets Gross	-1.6%	78	12.1%	75	2.3%	72	-3.3%	67	3.6%	68	19.2%	76	1.4%	67	6.7%	63	17.4%	78	2.3%	Apr-12
eA Emg Mkts Equity Gross Median	0.2%		14.7%		5.5%		-1.4%		4.9%		21.8%		2.4%		7.7%		18.6%		5.5%	Apr-12
<b>Fixed Income</b>	<b>0.8%</b>	<b>7</b>	<b>4.3%</b>	<b>12</b>	<b>6.6%</b>	<b>13</b>	<b>7.4%</b>	<b>16</b>	<b>7.4%</b>	<b>13</b>	<b>8.5%</b>	<b>29</b>	<b>4.8%</b>	<b>97</b>	<b>4.9%</b>	<b>98</b>	<b>4.4%</b>	<b>97</b>	<b>6.3%</b>	<b>Jan-95</b>
Barclays Aggregate	-0.1%	91	1.7%	89	3.8%	90	5.7%	86	5.5%	85	6.1%	85	5.5%	88	5.9%	83	5.0%	87	6.6%	Jan-95
eA US Core Fixed Inc Gross Median	0.1%		2.8%		4.9%		6.6%		6.3%		7.5%		6.3%		6.5%		5.5%		7.0%	Jan-95
AXA High Yield	4.0%	13	12.2%	23	14.5%	16	10.7%	12	12.2%	18	--	--	--	--	--	--	--	--	12.2%	Apr-10
BofA Merrill Lynch US High Yield Master II TR	2.9%	52	11.1%	47	13.1%	42	9.3%	63	10.9%	69	21.0%	22	11.3%	41	9.1%	50	9.9%	49	10.9%	Apr-10
eA US High Yield Fixed Inc Gross Median	2.9%		10.9%		12.7%		9.5%		11.2%		19.0%		10.9%		9.1%		9.9%		11.2%	Apr-10
Barrow Hanley	0.0%	73	2.6%	62	4.8%	54	6.7%	45	6.3%	50	--	--	--	--	--	--	--	--	6.3%	Apr-10
Barrow Hanley Benchmark*	-0.2%	93	1.8%	86	4.1%	81	6.3%	65	6.0%	66	--	--	--	--	--	--	--	--	6.0%	Apr-10
Barclays Aggregate	-0.1%	91	1.7%	89	3.8%	90	5.7%	86	5.5%	85	6.1%	85	5.5%	88	5.9%	83	5.0%	87	5.5%	Apr-10
eA US Core Fixed Inc Gross Median	0.1%		2.8%		4.9%		6.6%		6.3%		7.5%		6.3%		6.5%		5.5%		6.3%	Apr-10
Core Portfolio	0.0%	--	2.3%	--	4.5%	--	6.2%	--	5.9%	--	--	--	--	--	--	--	--	--	--	
Workout Portfolio	4.9%	--	19.1%	--	22.0%	--	12.5%	--	9.4%	--	--	--	--	--	--	--	--	--	--	
TIPS Portfolio	-0.5%	68	2.3%	62	5.1%	71	8.5%	53	8.4%	37	--	--	--	--	--	--	--	--	--	
Barclays US TIPS	-0.4%	46	2.5%	42	5.7%	31	8.9%	21	8.6%	17	8.0%	34	5.9%	24	7.0%	23	6.3%	19	--	
Inflation-Protected Bond MStar MF Median	-0.4%		2.4%		5.4%		8.5%		8.2%		7.7%		5.6%		6.7%		6.1%		--	

# Merced County Employees' Retirement Association

## Cumulative Performance Results by Manager - Before Fees

	Ending March 31, 2013																		Inception	
	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
<b>Real Estate</b>	<b>1.9%</b>	<b>70</b>	<b>8.2%</b>	<b>40</b>	<b>10.4%</b>	<b>54</b>	<b>10.8%</b>	<b>71</b>	<b>13.4%</b>	<b>66</b>	<b>9.6%</b>	<b>15</b>	<b>1.7%</b>	<b>14</b>	<b>5.1%</b>	<b>7</b>	<b>8.1%</b>	<b>11</b>	<b>8.6%</b>	<b>Apr-99</b>
Real Estate Benchmark	3.6%	19	10.6%	19	13.4%	21	12.4%	51	13.2%	67	7.0%	22	2.3%	13	5.8%	3	8.5%	10	8.4%	Apr-99
IF All DB Real Estate Gross Median	2.5%		7.8%		10.7%		12.5%		14.5%		5.6%		-0.9%		2.8%		5.9%		6.5%	Apr-99
UBS Realty	1.7%	75	6.3%	68	8.7%	72	10.7%	76	13.2%	67	6.4%	32	0.9%	21	4.6%	14	7.8%	13	8.4%	Apr-99
UBS Real Estate Benchmark	2.7%	36	8.0%	44	10.8%	46	12.4%	52	14.9%	49	8.2%	17	3.2%	11	6.5%	3	9.0%	10	8.7%	Apr-99
NCREIF (ODCE) Index	2.7%	36	8.0%	44	10.8%	46	12.7%	44	15.1%	46	5.8%	42	-0.8%	43	3.4%	33	6.8%	29	7.5%	Apr-99
IF All DB Real Estate Gross Median	2.5%		7.8%		10.7%		12.5%		14.5%		5.6%		-0.9%		2.8%		5.9%		6.5%	Apr-99
European Investors	2.7%	92	15.6%	81	17.0%	82	11.1%	35	13.7%	28	28.7%	12	4.8%	13	--	--	--	--	4.8%	Apr-08
European Investors Benchmark	6.3%	12	18.6%	57	21.1%	47	11.8%	15	14.3%	21	29.0%	11	3.0%	50	--	--	--	--	3.0%	Apr-08
Global Real Estate MStar MF Median	5.2%		19.5%		20.2%		10.5%		12.6%		25.7%		3.0%		3.5%		11.5%		3.0%	Apr-08
<b>Private Equity</b>	<b>0.6%</b>	<b>--</b>	<b>1.7%</b>	<b>--</b>	<b>3.8%</b>	<b>--</b>	<b>10.5%</b>	<b>--</b>	<b>11.8%</b>	<b>--</b>	<b>5.5%</b>	<b>--</b>	<b>5.1%</b>	<b>--</b>	<b>7.7%</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>6.9%</b>	<b>Jul-05</b>
SP500 Plus 5%	11.9%	--	21.5%	--	19.6%	--	16.7%	--	18.2%	--	26.9%	--	11.1%	--	10.2%	--	13.9%	--	11.1%	Jul-05
Cambridge U.S Private Equity Index	3.5%	--	7.1%	--	12.8%	--	11.8%	--	14.6%	--	14.3%	--	5.9%	--	10.9%	--	15.0%	--	13.1%	Jul-05
Adams Street Partners	3.3%	--	8.1%	--	13.4%	--	15.0%	--	14.5%	--	9.0%	--	6.1%	--	8.8%	--	--	--	8.6%	Oct-05
Invesco Partnership	-5.2%	--	-7.3%	--	-6.1%	--	10.0%	--	13.3%	--	6.5%	--	6.9%	--	9.6%	--	--	--	8.1%	Jul-05
Pantheon Ventures	2.3%	--	8.8%	--	11.9%	--	8.5%	--	11.1%	--	5.1%	--	4.2%	--	4.2%	--	--	--	3.5%	Jan-06
Pantheon Secondary	4.4%	--	2.7%	--	2.7%	--	7.5%	--	7.5%	--	1.5%	--	1.9%	--	--	--	--	--	7.8%	Jul-07
Pantheon Ventures II	0.4%	--	4.9%	--	3.9%	--	--	--	--	--	--	--	--	--	--	--	--	--	-0.1%	Jan-12

1 Prior to 4th quarter of 2001, the UBS real estate benchmark was 100% Wilshire Real Estate Funds. In subsequent periods, the benchmark is 100% NCREIF Property Index. As of the 1st quarter 2010, the benchmark is 100% NCREIF ODCE Property Index.

2 Prior to 1st quarter 2010, the European Investors benchmark was 100% FTSE EPRA/NAREIT Global RE Index. As of the 1st quarter 2010, the benchmark is 100% FTSE EPRA/NAREIT Developed Index.

3 Prior to 1st quarter of 2002, the Real Estate Composite benchmark was 100% Wilshire Real Estate Funds. In subsequent periods, the benchmark is 100% NCREIF Property Index. As of the 1st quarter 2010, the benchmark is 75% NCREIF ODCE Property Index and 25% FTSE EPRA/NAREIT Developed Index.

4 The Barrow Hanley Benchmark is 82.8% Barclays US Aggregate and 17.2% Barclays US TIPS.

As of 4/01/12, the Total Fund benchmark is 19% S&P 500, 4% S&P 400, 6% Russell 2000®, 20% EAFE, 4% MSCI Emerging Markets, 24% Barclays Aggregate, 5% ML High Yield Master II, 5% Barclays U.S. TIPS, 6% NCREIF ODCE Property Index, 2% FTSE EPRA/NAREIT Developed Index and 5% S&P 500 + 5.0% (private equity)

# Merced County Employees' Retirement Association

## Calendar Year Performance Results by Manager - Before Fees

	YTD	Rank	2012	Rank	2011	Rank	2010	Rank	2009	Rank	2008	Rank	2007	Rank	2006	Rank	2005	Rank	2004	Rank	2003	Rank
<b>Total Fund</b>	<b>4.9%</b>	<b>35</b>	<b>12.3%</b>	<b>54</b>	<b>0.9%</b>	<b>55</b>	<b>13.7%</b>	<b>53</b>	<b>20.7%</b>	<b>60</b>	<b>-29.7%</b>	<b>82</b>	<b>7.9%</b>	<b>34</b>	<b>13.2%</b>	<b>51</b>	<b>7.8%</b>	<b>21</b>	<b>10.0%</b>	<b>86</b>	<b>19.9%</b>	<b>70</b>
<i>Fund Benchmark</i>	5.2%	27	13.5%	13	1.9%	28	12.4%	76	20.6%	62	-26.8%	50	6.5%	70	13.2%	50	5.7%	78	9.7%	88	19.9%	71
<i>IF Public DB \$250mm-\$1B Gross Median</i>	4.5%		12.5%		0.9%		13.8%		21.0%		-26.8%		7.4%		13.2%		7.0%		10.8%		21.1%	
<b>Domestic Equity</b>	<b>11.9%</b>	<b>41</b>	<b>15.3%</b>	<b>58</b>	<b>-2.5%</b>	<b>66</b>	<b>18.5%</b>	<b>55</b>	<b>34.1%</b>	<b>39</b>	<b>-40.2%</b>	<b>72</b>	<b>7.1%</b>	<b>49</b>	<b>14.9%</b>	<b>53</b>	<b>8.5%</b>	<b>51</b>	<b>11.0%</b>	<b>75</b>	<b>34.0%</b>	<b>51</b>
<i>Russell 3000</i>	11.1%	56	16.4%	45	1.0%	39	16.9%	61	28.3%	60	-37.3%	54	5.1%	60	15.7%	45	6.1%	71	11.9%	68	31.0%	63
<i>S&amp;P 500</i>	10.6%	64	16.0%	50	2.1%	30	15.1%	73	26.5%	67	-37.0%	51	5.5%	59	15.8%	44	4.9%	81	10.9%	76	28.7%	75
<i>eA All US Equity Gross Median</i>	11.4%		16.0%		-0.4%		19.6%		30.9%		-36.9%		6.8%		15.1%		8.5%		15.0%		34.0%	
Mellon Tangent	13.4%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<i>S&amp;P 500</i>	10.6%	--	16.0%	--	2.1%	--	15.1%	--	26.5%	--	-37.0%	--	5.5%	--	15.8%	--	4.9%	--	10.9%	--	28.7%	--
<b>Large Growth Capitalization Equity</b>																						
Mellon Large Growth	9.5%	36	15.4%	53	2.7%	22	16.7%	45	37.2%	34	-38.4%	51	11.8%	64	9.2%	51	5.3%	69	6.4%	78	--	--
<i>Russell 1000 Growth</i>	9.5%	36	15.3%	55	2.6%	22	16.7%	46	37.2%	33	-38.4%	51	11.8%	63	9.1%	53	5.3%	69	6.3%	78	29.8%	48
<i>eA US Large Cap Growth Equity Gross Median</i>	8.9%		15.7%		-0.3%		16.1%		34.0%		-38.4%		13.8%		9.2%		7.4%		9.7%		29.2%	
<b>Large Value Capitalization Equity</b>																						
Mellon Large Value	12.3%	31	17.6%	30	0.4%	51	15.5%	35	19.9%	75	-36.8%	67	-0.1%	80	22.2%	17	7.2%	58	16.5%	34	--	--
<i>Russell 1000 Value</i>	12.3%	30	17.5%	30	0.4%	51	15.5%	35	19.7%	75	-36.8%	68	-0.2%	80	22.2%	17	7.0%	60	16.5%	34	30.0%	53
<i>eA US Large Cap Value Equity Gross Median</i>	11.5%		15.7%		0.5%		14.3%		24.3%		-35.1%		4.2%		19.0%		7.9%		15.1%		30.5%	
<b>Mid Capitalization Equity</b>																						
Mellon Mid Cap	13.5%	25	18.0%	31	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<i>S&amp;P 400 MidCap</i>	13.5%	25	17.9%	31	-1.7%	52	26.6%	33	37.4%	53	-36.2%	30	8.0%	59	10.3%	72	12.5%	47	16.5%	63	35.6%	60
<i>eA US Mid Cap Equity Gross Median</i>	12.0%		16.1%		-1.4%		24.5%		37.9%		-40.1%		9.7%		13.7%		12.1%		18.3%		37.3%	
<b>Small Capitalization Equity</b>																						
WHV	11.7%	68	13.5%	73	-6.5%	80	25.3%	68	53.4%	10	-42.5%	81	11.1%	23	16.5%	46	23.3%	2	24.1%	25	47.7%	43
<i>Russell 2000</i>	12.4%	54	16.3%	49	-4.2%	67	26.9%	58	27.2%	71	-33.8%	36	-1.6%	67	18.4%	33	4.6%	81	18.3%	58	47.3%	44
<i>eA US Small Cap Equity Gross Median</i>	12.6%		16.2%		-2.2%		27.5%		33.5%		-36.0%		2.1%		15.8%		8.1%		19.8%		45.8%	
<b>International Equity</b>	<b>3.6%</b>	<b>81</b>	<b>18.1%</b>	<b>70</b>	<b>-10.1%</b>	<b>30</b>	<b>15.8%</b>	<b>27</b>	<b>35.0%</b>	<b>57</b>	<b>-41.4%</b>	<b>30</b>	<b>12.0%</b>	<b>57</b>	<b>26.3%</b>	<b>62</b>	<b>11.6%</b>	<b>93</b>	<b>21.5%</b>	<b>46</b>	<b>31.4%</b>	<b>92</b>
<i>Intl. Equity Benchmark</i>	4.1%	73	17.5%	76	-11.7%	47	8.2%	78	32.5%	67	-43.1%	41	11.6%	59	26.9%	55	14.0%	79	20.7%	52	39.2%	55
<i>MSCI EAFE Gross</i>	5.2%	49	17.9%	72	-11.7%	47	8.2%	78	32.5%	67	-43.1%	41	11.6%	59	26.9%	55	14.0%	79	20.7%	52	39.2%	55
<i>eA All EAFE Equity Gross Median</i>	5.2%		20.4%		-12.0%		11.7%		36.5%		-44.1%		13.2%		27.3%		17.5%		21.0%		39.9%	

# Merced County Employees' Retirement Association

## Calendar Year Performance Results by Manager - Before Fees

	YTD	Rank	2012	Rank	2011	Rank	2010	Rank	2009	Rank	2008	Rank	2007	Rank	2006	Rank	2005	Rank	2004	Rank	2003	Rank
GMO	4.2%	78	17.9%	82	-8.9%	18	11.5%	55	20.5%	99	-37.5%	6	--	--	--	--	--	--	--	--	--	--
MSCI EAFE Gross	5.2%	62	17.9%	82	-11.7%	47	8.2%	85	32.5%	65	-43.1%	41	11.6%	59	26.9%	64	14.0%	85	20.7%	58	39.2%	55
eA EAFE Core Equity Gross Median	5.8%		21.0%		-11.9%		11.8%		35.4%		-44.1%		12.8%		28.4%		17.9%		21.5%		39.8%	
UBS Intl	7.8%	61	25.5%	24	-17.9%	94	31.3%	9	59.9%	18	-52.3%	87	--	--	--	--	--	--	--	--	--	--
MSCI EAFE Small Cap Growth	7.5%	67	18.7%	91	-14.2%	61	25.3%	42	44.1%	58	-48.0%	51	4.7%	79	24.3%	84	22.6%	64	26.8%	69	54.1%	61
S&P Dev ex-US SCG	7.2%	73	17.8%	92	-14.2%	60	22.0%	76	48.2%	49	-49.0%	62	--	--	--	--	--	--	--	--	--	--
MSCI EAFE Small Cap Gross	8.5%	50	20.4%	83	-15.7%	77	22.4%	73	47.3%	53	-46.8%	43	1.8%	86	19.7%	95	26.6%	46	31.3%	42	62.1%	24
eA EAFE Small Cap Equity Gross Median	8.4%		23.6%		-13.5%		24.6%		48.1%		-48.0%		10.2%		30.5%		26.0%		29.8%		55.6%	
Earnest Partners Intl	3.1%	92	17.8%	83	-8.7%	13	16.6%	25	55.4%	4	--	--	--	--	--	--	--	--	--	--	--	--
MSCI EAFE Gross	5.2%	62	17.9%	82	-11.7%	47	8.2%	85	32.5%	65	-43.1%	41	11.6%	59	26.9%	64	14.0%	85	20.7%	58	39.2%	55
eA EAFE Core Equity Gross Median	5.8%		21.0%		-11.9%		11.8%		35.4%		-44.1%		12.8%		28.4%		17.9%		21.5%		39.8%	
Wells Capital	-0.8%	64	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets	-1.6%	78	18.2%	68	-18.4%	48	18.9%	64	78.5%	57	-53.3%	42	39.4%	60	32.2%	70	34.0%	70	25.6%	59	55.8%	76
MSCI Emerging Markets Gross	-1.6%	78	18.6%	68	-18.2%	45	19.2%	62	79.0%	54	-53.2%	37	39.8%	58	32.6%	62	34.5%	66	26.0%	56	56.3%	72
eA Emg Mkts Equity Gross Median	0.2%		20.9%		-18.6%		20.1%		79.5%		-54.0%		40.5%		34.2%		36.5%		26.5%		59.2%	
<b>Fixed Income</b>	<b>0.8%</b>	<b>7</b>	<b>7.7%</b>	<b>14</b>	<b>7.9%</b>	<b>42</b>	<b>7.5%</b>	<b>44</b>	<b>9.1%</b>	<b>49</b>	<b>-8.3%</b>	<b>96</b>	<b>5.7%</b>	<b>84</b>	<b>4.7%</b>	<b>30</b>	<b>2.6%</b>	<b>58</b>	<b>4.8%</b>	<b>24</b>	<b>4.7%</b>	<b>42</b>
Barclays Aggregate	-0.1%	91	4.2%	90	7.8%	46	6.5%	76	5.9%	80	5.2%	37	7.0%	47	4.3%	69	2.4%	78	4.3%	60	4.1%	66
eA US Core Fixed Inc Gross Median	0.1%		5.9%		7.7%		7.3%		8.9%		4.1%		6.9%		4.5%		2.7%		4.5%		4.5%	
AXA High Yield	4.0%	13	16.1%	36	6.0%	30	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
BofA Merrill Lynch US High Yield Master II TR	2.9%	52	15.6%	47	4.4%	60	15.2%	42	57.5%	16	-26.4%	82	2.2%	82	11.7%	30	2.7%	81	10.9%	55	28.1%	24
eA US High Yield Fixed Inc Gross Median	2.9%		15.5%		4.9%		14.9%		45.0%		-21.2%		3.5%		10.5%		3.7%		11.2%		24.2%	
Barrow Hanley	0.0%	73	5.9%	51	8.3%	24	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Barrow Hanley Benchmark*	-0.2%	93	4.7%	81	8.8%	13	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Barclays Aggregate	-0.1%	91	4.2%	90	7.8%	46	6.5%	76	5.9%	80	5.2%	37	7.0%	47	4.3%	69	2.4%	78	4.3%	60	4.1%	66
eA US Core Fixed Inc Gross Median	0.1%		5.9%		7.7%		7.3%		8.9%		4.1%		6.9%		4.5%		2.7%		4.5%		4.5%	
Core Portfolio	0.0%	--	5.5%	--	7.6%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Workout Portfolio	4.9%	--	25.0%	--	-2.0%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

# Merced County Employees' Retirement Association

## Calendar Year Performance Results by Manager - Before Fees

	YTD	Rank	2012	Rank	2011	Rank	2010	Rank	2009	Rank	2008	Rank	2007	Rank	2006	Rank	2005	Rank	2004	Rank	2003	Rank
TIPS Portfolio	-0.5%	68	6.9%	30	13.1%	40	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Barclays US TIPS	-0.4%	46	7.0%	23	13.6%	9	6.3%	41	11.4%	26	-2.4%	54	11.6%	20	0.5%	37	2.9%	20	8.5%	26	8.4%	15
Inflation-Protected Bond MStar MF Median	-0.4%		6.7%		12.9%		6.2%		10.9%		-2.2%		11.2%		0.3%		2.5%		8.3%		7.7%	
<b>Real Estate</b>	<b>1.9%</b>	<b>70</b>	<b>14.1%</b>	<b>16</b>	<b>9.3%</b>	<b>87</b>	<b>17.2%</b>	<b>18</b>	<b>-14.3%</b>	<b>11</b>	<b>-13.7%</b>	<b>86</b>	<b>13.9%</b>	<b>74</b>	<b>16.7%</b>	<b>30</b>	<b>21.1%</b>	<b>23</b>	<b>14.5%</b>	<b>23</b>	<b>9.5%</b>	<b>39</b>
Real Estate Benchmark	3.6%	19	15.3%	16	9.1%	88	12.2%	73	-16.9%	11	-6.5%	28	15.8%	34	16.6%	32	20.1%	32	14.5%	23	9.0%	47
IF All DB Real Estate Gross Median	2.5%		10.7%		14.6%		15.1%		-29.5%		-9.0%		15.4%		15.6%		18.6%		11.9%		8.6%	
UBS Realty	1.7%	75	10.1%	56	13.2%	69	16.8%	27	-22.3%	13	-7.5%	34	13.9%	74	16.7%	30	21.1%	23	14.5%	23	9.5%	39
UBS Real Estate Benchmark	2.7%	36	10.9%	46	15.3%	38	16.4%	29	-16.9%	11	-6.5%	28	15.8%	34	16.6%	32	20.1%	32	14.5%	23	9.0%	47
NCREIF (ODCE) Index	2.7%	36	10.9%	46	16.0%	33	16.4%	29	-29.8%	57	-10.0%	59	16.0%	32	16.3%	39	21.4%	22	13.1%	30	9.3%	45
IF All DB Real Estate Gross Median	2.5%		10.7%		14.6%		15.1%		-29.5%		-9.0%		15.4%		15.6%		18.6%		11.9%		8.6%	
European Investors	2.7%	92	30.7%	47	-4.9%	13	18.8%	34	44.8%	13	--	--	--	--	--	--	--	--	--	--	--	--
European Investors Benchmark	6.3%	12	28.7%	64	-5.8%	35	20.4%	12	35.1%	74	-47.7%	70	--	--	--	--	--	--	--	--	--	--
Global Real Estate MStar MF Median	5.2%		30.2%		-6.9%		17.7%		36.4%		-45.7%		-7.1%		41.2%		14.4%		36.2%		41.9%	
<b>Private Equity</b>	<b>0.6%</b>	<b>--</b>	<b>-1.7%</b>	<b>--</b>	<b>30.3%</b>	<b>--</b>	<b>13.2%</b>	<b>--</b>	<b>-18.4%</b>	<b>--</b>	<b>12.5%</b>	<b>--</b>	<b>19.6%</b>	<b>--</b>	<b>5.5%</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
SP500 Plus 5%	11.9%	--	21.7%	--	7.2%	--	20.7%	--	32.7%	--	-33.7%	--	10.8%	--	21.5%	--	10.1%	--	16.4%	--	35.0%	--
Cambridge U.S Private Equity Index	3.5%	--	14.9%	--	13.4%	--	18.2%	--	-9.4%	--	-4.8%	--	30.6%	--	23.6%	--	36.9%	--	19.3%	--	12.1%	--
Adams Street Partners	3.3%	--	5.6%	--	29.2%	--	11.2%	--	-16.2%	--	2.6%	--	19.5%	--	14.3%	--	--	--	--	--	--	--
Invesco Partnership	-5.2%	--	-3.6%	--	40.4%	--	19.0%	--	-17.4%	--	16.5%	--	18.7%	--	11.7%	--	--	--	--	--	--	--
Pantheon Ventures	2.3%	--	-2.6%	--	25.2%	--	16.8%	--	-19.1%	--	8.1%	--	16.7%	--	-13.6%	--	--	--	--	--	--	--
Pantheon Secondary	4.4%	--	-6.3%	--	22.5%	--	6.7%	--	-20.4%	--	18.2%	--	--	--	--	--	--	--	--	--	--	--
Pantheon Ventures II	0.4%	--	-0.5%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

# Merced County Employees' Retirement Association

## Cumulative Performance Results by Manager - Net of Fees

	Ending March 31, 2013									Inception	
	3 Mo	Fiscal YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Fund	4.8%	12.5%	9.2%	--	--	--	--	--	--	--	Jan-95
Fund Benchmark	5.2%	12.8%	10.8%	8.3%	9.9%	16.0%	5.0%	5.0%	7.5%	5.4%	Jan-95
Domestic Equity	11.8%	19.0%	13.0%	--	--	--	--	--	--	--	Jan-95
Russell 3000	11.1%	18.3%	14.6%	10.8%	13.0%	21.8%	6.3%	5.1%	9.2%	9.1%	Jan-95
S&P 500	10.6%	17.2%	14.0%	11.2%	12.7%	21.0%	5.8%	5.0%	8.5%	9.0%	Jan-95
Mellon Tangent	13.4%	--	--	--	--	--	--	--	--	--	Oct-12
S&P 500	10.6%	17.2%	14.0%	11.2%	12.7%	21.0%	5.8%	5.0%	8.5%	10.2%	Oct-12
Large Growth Capitalization Equity											
Mellon Large Growth	9.5%	14.7%	10.1%	10.6%	13.0%	21.3%	7.2%	6.0%	8.5%	8.5%	Mar-03
Russell 1000 Growth	9.5%	14.7%	10.1%	10.6%	13.1%	21.3%	7.3%	6.1%	8.6%	8.6%	Mar-03
Large Value Capitalization Equity											
Mellon Large Value	12.3%	21.4%	18.7%	11.5%	12.7%	21.7%	4.8%	4.2%	9.1%	9.1%	Mar-03
Russell 1000 Value	12.3%	21.4%	18.8%	11.6%	12.7%	21.8%	4.8%	4.2%	9.2%	9.2%	Mar-03
Mid Capitalization Equity											
Mellon Mid Cap	13.4%	23.9%	17.9%	--	--	--	--	--	--	31.7%	Oct-11
S&P 400 MidCap	13.5%	23.9%	17.8%	9.6%	15.1%	25.8%	9.8%	7.1%	12.4%	31.7%	Oct-11
Small Capitalization Equity											
WHV	11.5%	20.2%	10.5%	2.9%	10.6%	25.5%	6.2%	5.1%	13.8%	11.8%	Apr-97
Russell 2000	12.4%	20.5%	16.3%	7.7%	13.5%	24.2%	8.2%	4.6%	11.5%	8.0%	Apr-97
International Equity	3.4%	19.7%	10.1%	--	--	--	--	--	--	--	Jan-99
Intl. Equity Benchmark	4.1%	18.7%	10.2%	2.2%	5.0%	15.8%	-0.7%	1.9%	10.0%	4.0%	Jan-99
MSCI EAFE Gross	5.2%	20.0%	11.8%	2.9%	5.5%	16.2%	-0.4%	2.1%	10.2%	4.1%	Jan-99
GMO	4.1%	18.0%	11.9%	3.6%	6.3%	14.6%	-0.3%	--	--	-1.7%	Oct-07
MSCI EAFE Gross	5.2%	20.0%	11.8%	2.9%	5.5%	16.2%	-0.4%	2.1%	10.2%	-2.3%	Oct-07
UBS Intl	7.5%	28.5%	17.9%	2.7%	10.1%	25.4%	2.1%	--	--	0.8%	Oct-07
MSCI EAFE Small Cap Growth	7.5%	20.9%	12.2%	3.3%	9.3%	21.3%	2.0%	2.6%	12.8%	-0.3%	Oct-07
S&P Dev ex-US SCG	7.2%	21.3%	11.6%	2.1%	8.3%	21.1%	1.7%	--	--	-0.8%	Oct-07
MSCI EAFE Small Cap Gross	8.5%	24.2%	13.7%	3.4%	8.8%	21.7%	2.4%	2.2%	13.6%	0.1%	Oct-07

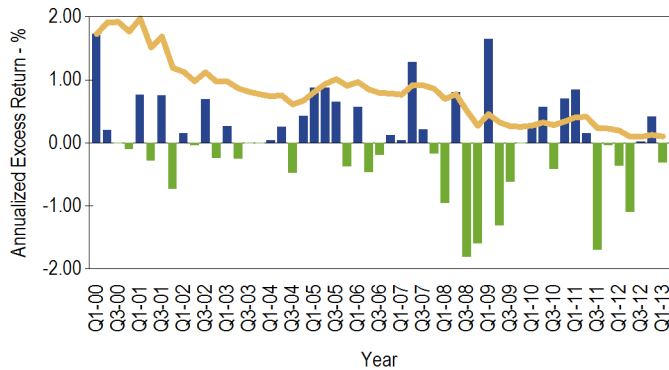
# Merced County Employees' Retirement Association

## Cumulative Performance Results by Manager - Net of Fees

	Ending March 31, 2013									Inception	
	3 Mo	Fiscal YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Earnest Partners Intl	3.0%	21.5%	9.7%	1.0%	7.1%	20.9%	--	--	--	3.3%	Jul-08
MSCI EAFE Gross	5.2%	20.0%	11.8%	2.9%	5.5%	16.2%	-0.4%	2.1%	10.2%	0.0%	Jul-08
Wells Capital	-1.1%	11.1%	1.4%	--	--	--	--	--	--	1.4%	Apr-12
MSCI Emerging Markets	-1.6%	11.9%	2.0%	-3.6%	3.3%	18.8%	1.1%	6.4%	17.1%	2.0%	Apr-12
MSCI Emerging Markets Gross	-1.6%	12.1%	2.3%	-3.3%	3.6%	19.2%	1.4%	6.7%	17.4%	2.3%	Apr-12
<b>Fixed Income</b>	<b>0.7%</b>	<b>4.1%</b>	<b>6.3%</b>	<b>6.0%</b>	<b>4.0%</b>	<b>3.0%</b>	<b>2.4%</b>	<b>1.7%</b>	<b>1.2%</b>	<b>0.6%</b>	<b>Jan-95</b>
Barclays Aggregate	-0.1%	1.7%	3.8%	5.7%	5.5%	6.1%	5.5%	5.9%	5.0%	6.6%	Jan-95
AXA High Yield	3.9%	11.9%	14.0%	10.3%	11.8%	--	--	--	--	11.8%	Apr-10
BofA Merrill Lynch US High Yield Master II TR	2.9%	11.1%	13.1%	9.3%	10.9%	21.0%	11.3%	9.1%	9.9%	10.9%	Apr-10
Barrow Hanley	0.0%	2.4%	4.6%	6.4%	6.1%	--	--	--	--	6.1%	Apr-10
Barrow Hanley Benchmark*	-0.2%	1.8%	4.1%	6.3%	6.0%	--	--	--	--	6.0%	Apr-10
Barclays Aggregate	-0.1%	1.7%	3.8%	5.7%	5.5%	6.1%	5.5%	5.9%	5.0%	5.5%	Apr-10
<b>Real Estate</b>	<b>1.7%</b>	<b>7.5%</b>	<b>9.5%</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>Apr-99</b>
Real Estate Benchmark	3.6%	10.6%	13.4%	12.4%	13.2%	7.0%	2.3%	5.8%	8.5%	8.4%	Apr-99
UBS Realty	1.5%	5.6%	7.8%	9.7%	12.1%	5.3%	-0.2%	3.4%	6.5%	7.1%	Apr-99
UBS Real Estate Benchmark	2.7%	8.0%	10.8%	12.4%	14.9%	8.2%	3.2%	6.5%	9.0%	8.7%	Apr-99
NCREIF (ODCE) Index	2.7%	8.0%	10.8%	12.7%	15.1%	5.8%	-0.8%	3.4%	6.8%	7.5%	Apr-99
European Investors	2.4%	14.8%	15.8%	10.0%	12.6%	27.5%	3.8%	--	--	3.8%	Apr-08
European Investors Benchmark	6.3%	18.6%	21.1%	11.8%	14.3%	29.0%	3.0%	--	--	3.0%	Apr-08
<b>Private Equity</b>	<b>0.3%</b>	<b>0.8%</b>	<b>2.4%</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>Jul-05</b>
SP500 Plus 5%	11.9%	21.5%	19.6%	16.7%	18.2%	26.9%	11.1%	10.2%	13.9%	11.1%	Jul-05
Cambridge U.S Private Equity Index	3.5%	7.1%	12.8%	11.8%	14.6%	14.3%	5.9%	10.9%	15.0%	13.1%	Jul-05
Adams Street Partners	2.8%	6.5%	11.1%	12.6%	12.0%	6.4%	3.4%	4.1%	--	2.2%	Oct-05
Invesco Partnership	-5.2%	-7.8%	-6.7%	9.5%	13.0%	6.3%	6.7%	9.4%	--	8.0%	Jul-05
Pantheon Ventures	2.1%	8.2%	11.0%	7.6%	10.1%	4.1%	2.9%	2.1%	--	1.5%	Jan-06
Pantheon Secondary	3.9%	1.5%	1.1%	6.0%	5.8%	-0.1%	0.2%	--	--	5.3%	Jul-07
Pantheon Ventures II	0.4%	3.2%	1.5%	--	--	--	--	--	--	-2.6%	Jan-12

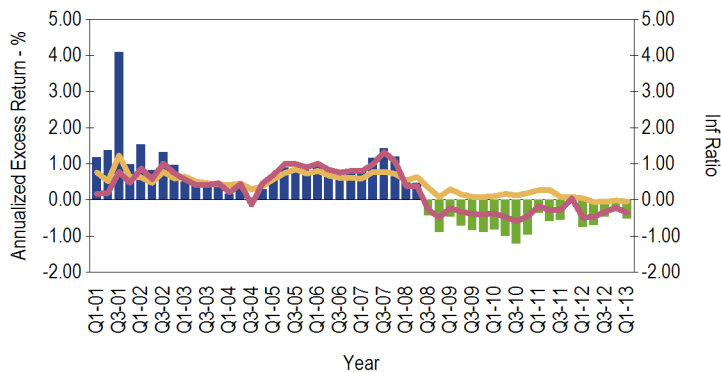


## Annualized Excess Performance



■ Quarterly Out Performance  
■ Quarterly Under Performance  
— Annualized Excess Performance

## Annualized Excess Performance and Information Ratio



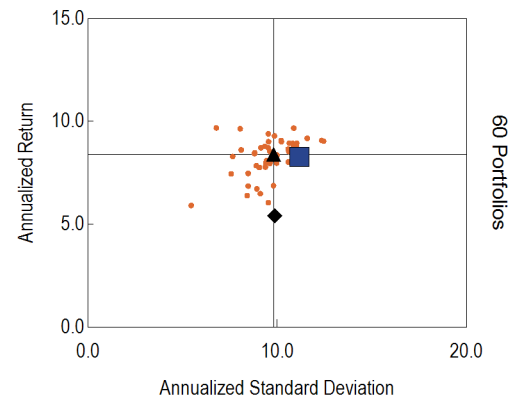
■ Rolling 3 Year Out Performance  
■ Rolling 3 Year Under Performance  
— Annualized Excess Performance  
— Rolling 3 Year Information Ratio vs. Fund Benchmark

## Top Holdings

ARM HDG.SPN.ADR 1:3	0.98%
APPLE	0.78%
DIAGEO	0.77%
CORE LABORATORIES	0.75%
BANCO SANTANDER SA ADR 1:1	0.72%
EXXON MOBIL	0.71%
SAMSUNG ELECTRONICS	0.66%
RIO TINTO SPN.ADR 1:1	0.65%
DENSO	0.62%
ICICI BK.ADR 1:2	0.60%
<b>Total</b>	<b>7.24%</b>

## Annualized Return vs. Annualized Standard Deviation

18 Years 3 Months Ending March 31, 2013



■ Total Fund  
◆ Fund Benchmark  
▲ Universe Median  
● IF Public DB Gross

Portfolio Russell 3000

Number of Holdings	2,734	2,942
Weighted Avg. Market Cap. (\$B)	44.11	85.57
Median Market Cap. (\$B)	4.53	1.14
Price To Earnings	18.55	19.04
Price To Book	3.16	3.11
Price To Sales	2.14	2.28
Return on Equity (%)	17.25	17.28
Yield (%)	2.06	1.97
Beta	0.59	1.00
R-Squared	0.93	1.00
HISTORICAL GROWTH MEASURES		
Dividends/Share-5 Yrs.	2.43	5.78
Book Value Growth-5 Yrs.	8.43	7.95
EPS Growth 1 Yr (\$ Wtd. Median)	5.43	5.29
EPS Growth 5 Yrs (\$ Wtd. Median)	6.06	6.39
Sales/Growth-1 Yr	8.63	7.46
Sales/Growth-5 Yrs.	7.48	6.83
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	6.11	10.06
Materials	3.27	3.90
Industrials	6.72	11.37
Consumer Discretionary	6.18	12.45
Consumer Staples	3.90	9.47
Health Care	5.99	12.01
Financials	10.90	17.15
Information Technology	8.24	17.49
Telecommunications	1.58	2.64
Utilities	1.66	3.46
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. (\$B)	44.11	85.57
Median Market Cap. (\$B)	4.53	1.14
Large Cap. (%)	21.03	39.29
Medium/Large Cap. (%)	22.17	26.00
Medium Cap. (%)	15.33	17.66
Medium/Small Cap. (%)	21.22	9.93
Small Cap. (%)	20.26	7.12

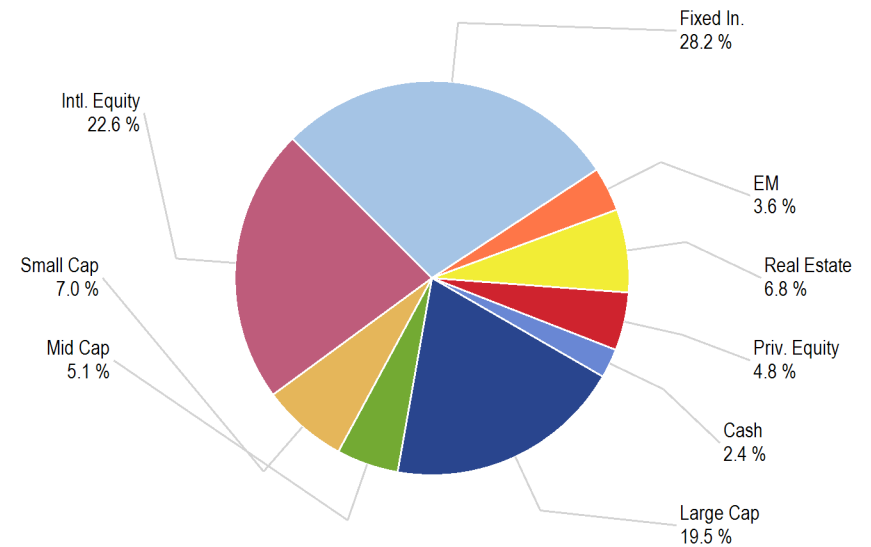
# Total Fund

\$560.1 Million and 100.0% of Fund

	Total Fund		Benchmark		Attribution Effect		
	% Weight	Return	% Weight	Return	Manager	Asset Class	Total
Small Cap Equity	6.7	11.69 %	6.0	12.39 %	-0.05	0.05	0.00
Mid Cap Equity	4.7	13.46	4.0	13.45	0.00	0.06	0.06
Large Cap Equity	18.4	11.53	19.0	10.61	0.17	-0.03	0.14
International Equity	26.7	3.55	24.0	4.08	-0.14	-0.03	-0.17
Fixed Income	24.2	0.01	29.0	-0.12	0.03	0.26	0.29
High Yield	5.6	3.97	5.0	2.89	0.06	-0.01	0.05
Global Real Estate	1.5	2.67	2.0	6.26	-0.06	0.00	-0.06
Real Estate	5.5	1.66	6.0	2.69	-0.06	0.01	-0.04
Private Equity	5.1	0.61	5.0	11.92	-0.57	0.00	-0.57
Cash	1.6	0.01	0.0	0.00	0.00	-0.09	-0.09
	100.00	4.88	100.00	5.27	-0.61	0.22	-0.39

\*Total Returns will vary slightly from the actual performance due to calculation methodology

Current Allocation



Ending March 31, 2013

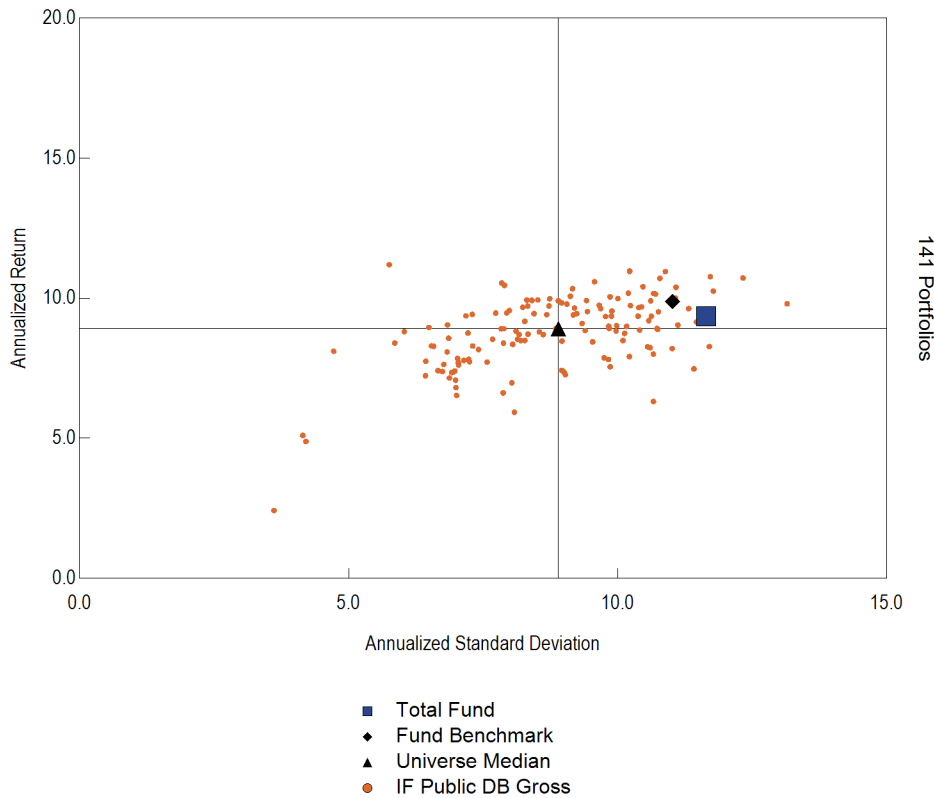
Inception

	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
<b>Total Fund</b>	<b>4.9%</b>	<b>35</b>	<b>12.9%</b>	<b>20</b>	<b>9.7%</b>	<b>56</b>	<b>6.6%</b>	<b>60</b>	<b>9.4%</b>	<b>42</b>	<b>15.2%</b>	<b>42</b>	<b>4.1%</b>	<b>75</b>	<b>4.3%</b>	<b>86</b>	<b>7.3%</b>	<b>91</b>	<b>8.3%</b>	<b>Jan-95</b>
<i>Fund Benchmark</i>	5.2%	27	12.8%	22	10.8%	8	8.3%	1	9.9%	14	16.0%	18	5.0%	50	5.0%	56	7.5%	85	5.4%	Jan-95
<i>IF Public DB \$250mm-\$1B Gross Median</i>	4.5%		11.9%		9.8%		6.8%		9.3%		15.1%		4.9%		5.2%		8.1%		8.3%	Jan-95

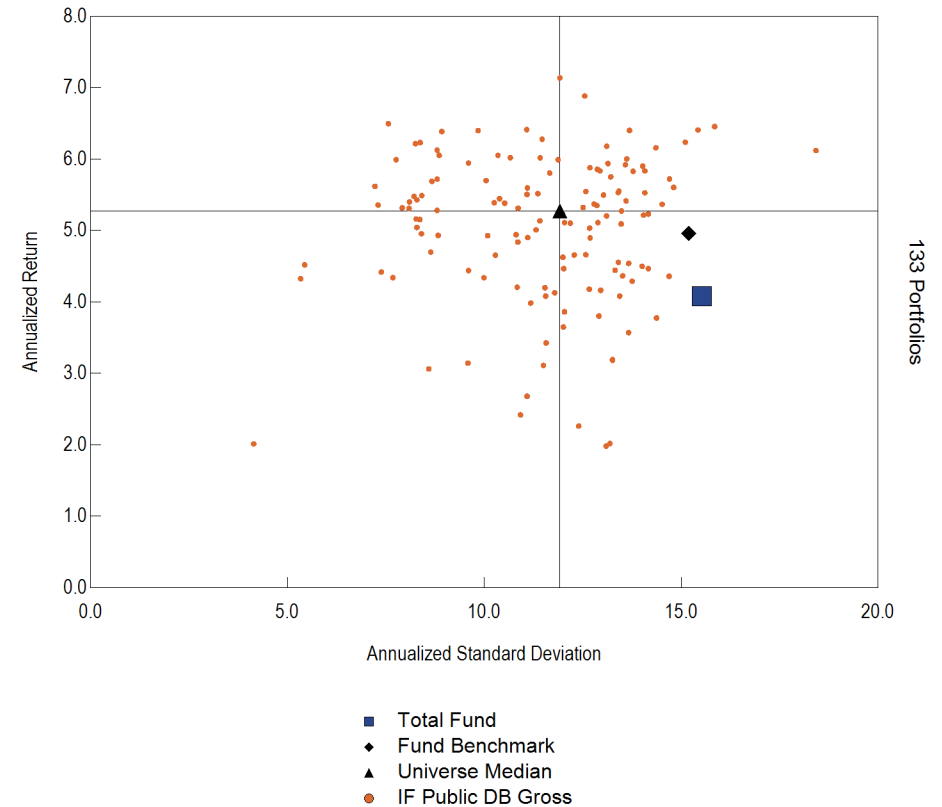
  

	Fiscal YTD	Rank	Fiscal 2012	Rank	Fiscal 2011	Rank	Fiscal 2010	Rank	Fiscal 2009	Rank	Fiscal 2008	Rank	Fiscal 2007	Rank	Fiscal 2006	Rank	Fiscal 2005	Rank	Fiscal 2004	Rank
<b>Total Fund</b>	<b>4.9%</b>	<b>35</b>	<b>12.3%</b>	<b>54</b>	<b>0.9%</b>	<b>55</b>	<b>13.7%</b>	<b>53</b>	<b>20.7%</b>	<b>60</b>	<b>-29.7%</b>	<b>82</b>	<b>7.9%</b>	<b>34</b>	<b>13.2%</b>	<b>51</b>	<b>7.8%</b>	<b>21</b>	<b>10.0%</b>	<b>86</b>
<i>Fund Benchmark</i>	5.2%	27	13.5%	13	1.9%	28	12.4%	76	20.6%	62	-26.8%	50	6.5%	70	13.2%	50	5.7%	78	9.7%	88
<i>IF Public DB \$250mm-\$1B Gross Median</i>	4.5%		12.5%		0.9%		13.8%		21.0%		-26.8%		7.4%		13.2%		7.0%		10.8%	

Annualized Return vs. Annualized Standard Deviation  
3 Years Ending March 31, 2013



Annualized Return vs. Annualized Standard Deviation  
5 Years Ending March 31, 2013



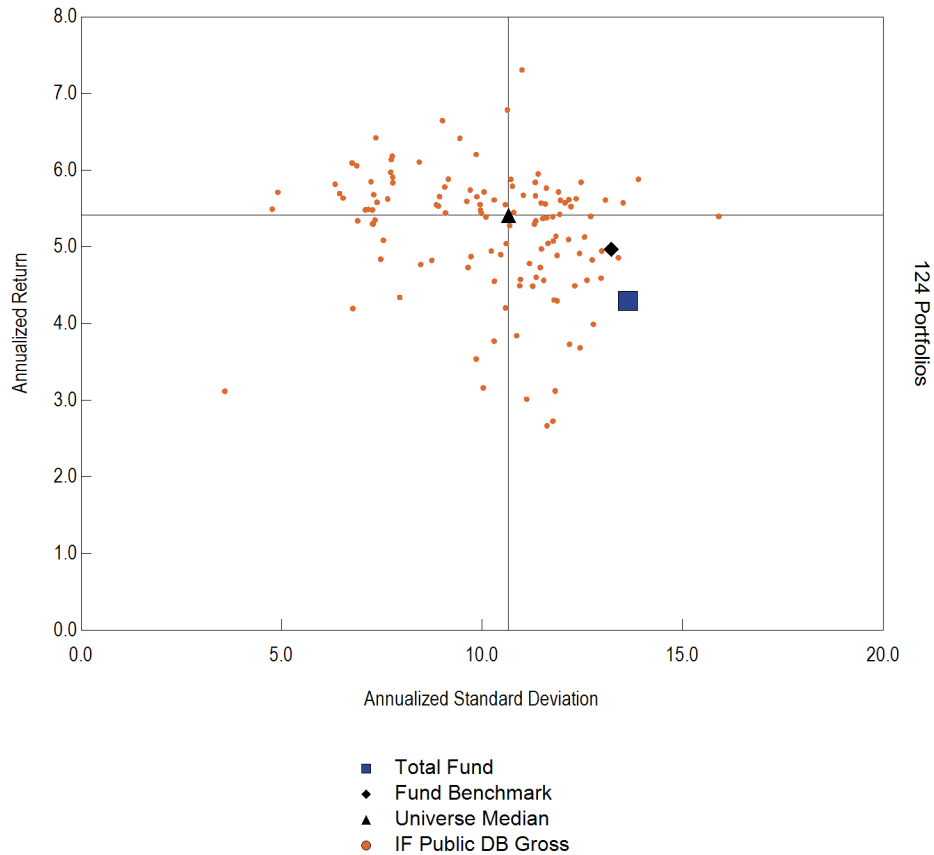
Risk vs. Return for 3 Years Ending March 31, 2013

Rank within IF Public DB Gross (USD) (peer)	Annualized Return	Percentile Rank	Standard Deviation
Total Fund	9.4%	39	11.6%
Fund Benchmark	9.9%	21	11.0%
Median for this Universe	8.9%		8.9%

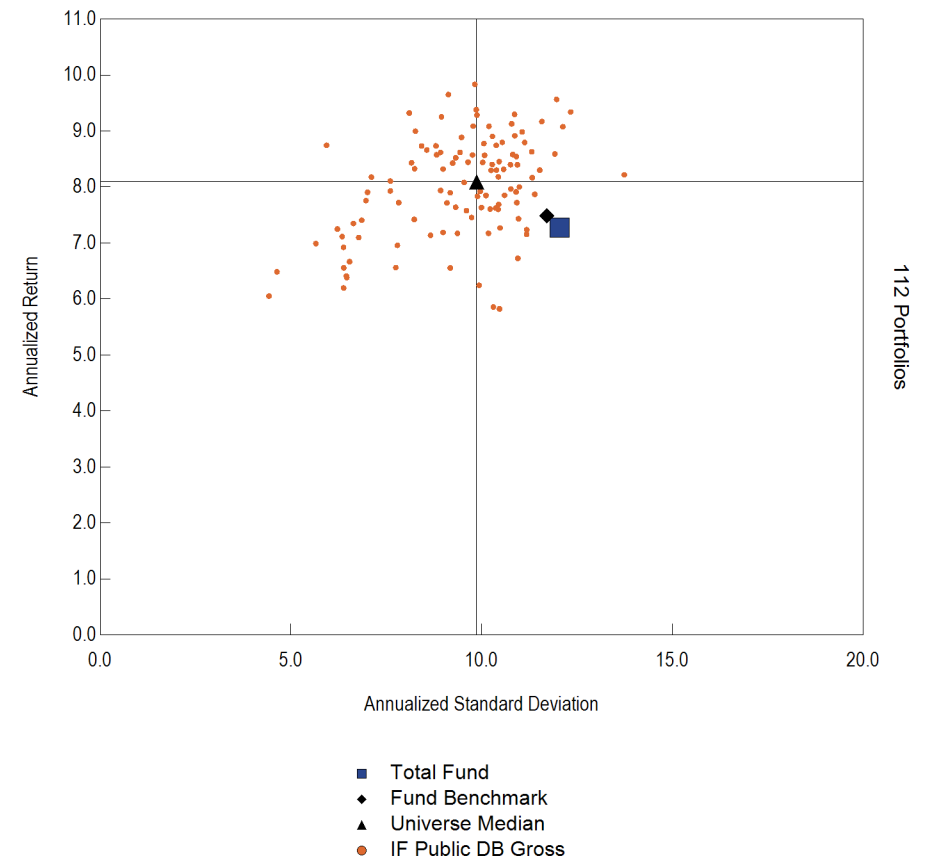
Risk vs. Return for 5 Years Ending March 31, 2013

Rank within IF Public DB Gross (USD) (peer)	Annualized Return	Percentile Rank	Standard Deviation
Total Fund	4.1%	86	15.5%
Fund Benchmark	5.0%	62	15.2%
Median for this Universe	5.3%		11.9%

Annualized Return vs. Annualized Standard Deviation  
7 Years Ending March 31, 2013



Annualized Return vs. Annualized Standard Deviation  
10 Years Ending March 31, 2013



Risk vs. Return for 7 Years Ending March 31, 2013

Rank within IF Public DB Gross (USD) (peer)	Annualized Return	Percentile Rank	Standard Deviation
Total Fund	4.3%	88	13.6%
Fund Benchmark	5.0%	67	13.2%
Median for this Universe	5.4%		10.7%

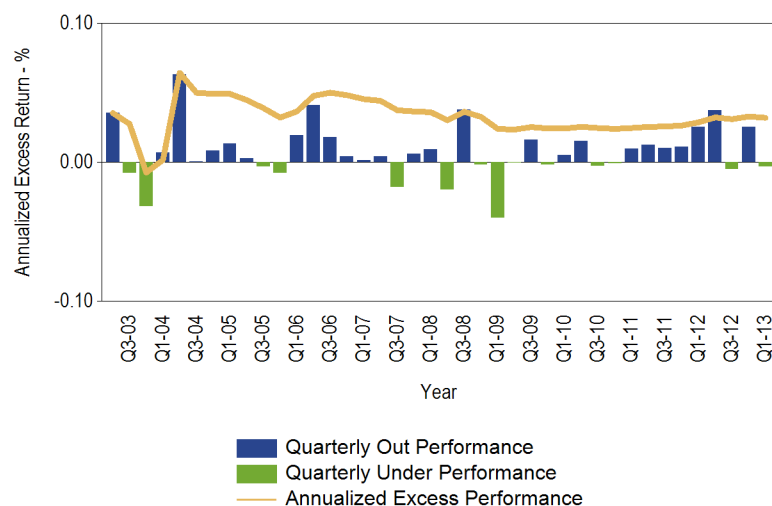
Risk vs. Return for 10 Years Ending March 31, 2013

Rank within IF Public DB Gross (USD) (peer)	Annualized Return	Percentile Rank	Standard Deviation
Total Fund	7.3%	77	12.1%
Fund Benchmark	7.5%	72	11.7%
Median for this Universe	8.1%		9.9%

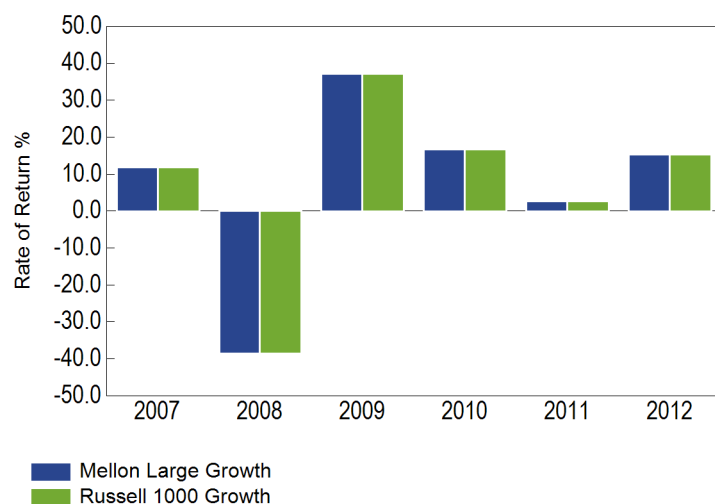
# Mellon Large Growth

\$41.2 Million and 7.4% of Fund

## Annualized Excess Performance



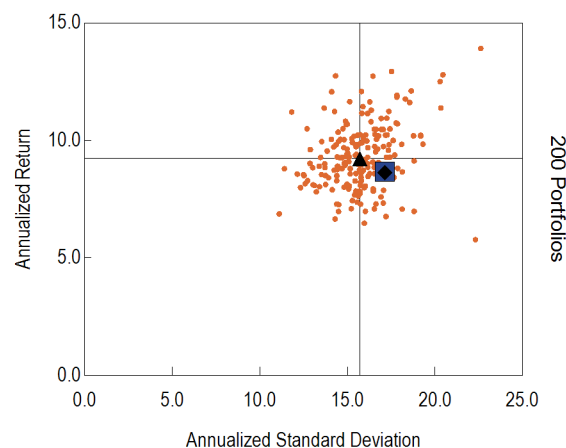
## Return Summary Ending March 31, 2013



## Top Holdings

APPLE	5.36%
INTERNATIONAL BUS.MCHS.	3.01%
MICROSOFT	2.79%
GOOGLE 'A'	2.67%
COCA COLA	2.05%
PHILIP MORRIS INTL.	1.90%
VERIZON COMMUNICATIONS	1.81%
PEPSICO	1.60%
ORACLE	1.60%
QUALCOMM	1.49%
<b>Total</b>	<b>24.29%</b>

## Annualized Return vs. Annualized Standard Deviation 10 Years Ending March 31, 2013



Portfolio  
Russell  
1000  
Growth

Number of Holdings	570	574
Weighted Avg. Market Cap. (\$B)	91.49	92.29
Median Market Cap. (\$B)	7.15	7.10
Price To Earnings	21.82	21.03
Price To Book	5.49	5.21
Price To Sales	3.15	3.03
Return on Equity (%)	28.84	24.59
Yield (%)	1.74	1.73
Beta	1.00	1.00
R-Squared	1.00	1.00
HISTORICAL GROWTH MEASURES		
Dividends/Share-5 Yrs.	7.38	11.70
Book Value Growth-5 Yrs.	11.65	11.85
EPS Growth 1 Yr (\$ Wtd. Median)	10.07	5.45
EPS Growth 5 Yrs (\$ Wtd. Median)	10.70	13.26
Sales/Growth-1 Yr	11.27	10.90
Sales/Growth-5 Yrs.	11.00	8.94
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	4.21	4.28
Materials	3.89	3.94
Industrials	12.95	13.01
Consumer Discretionary	16.82	16.80
Consumer Staples	12.97	12.83
Health Care	12.85	12.44
Financials	4.89	4.84
Information Technology	28.92	29.37
Telecommunications	2.30	2.28
Utilities	0.20	0.20
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. (\$B)	91.49	92.29
Median Market Cap. (\$B)	7.15	7.10
Large Cap. (%)	44.56	45.91
Medium/Large Cap. (%)	26.86	26.99
Medium Cap. (%)	20.83	19.28
Medium/Small Cap. (%)	7.16	7.29
Small Cap. (%)	0.59	0.53

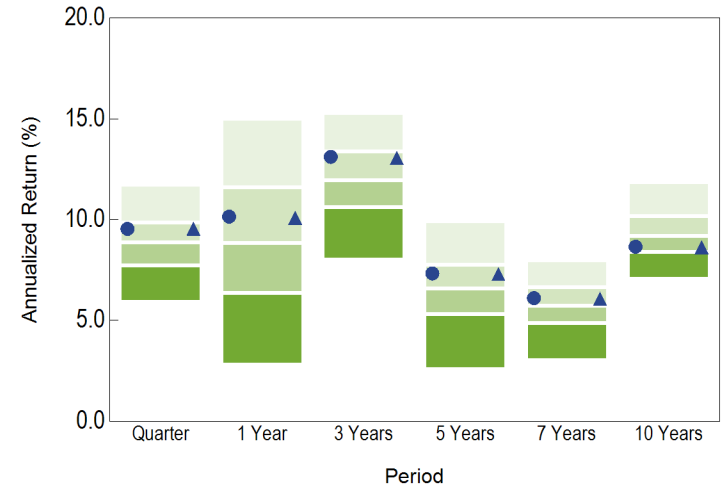
# Mellon Large Growth

\$41.2 Million and 7.4% of Fund

## Mellon Capital Large Growth Performance Attribution vs. Russell 1000 Growth

	Attribution Effects			Returns		Ending Sector Weights	
	Total Effects	Selection Effect	Allocation Effect	Portfolio	Benchmark	Portfolio	Benchmark
Energy	0.00%	0.00%	0.00%	13.58%	13.55%	4.21%	4.28%
Materials	0.00%	0.00%	0.00%	6.57%	6.63%	3.89%	3.94%
Industrials	0.00%	0.00%	0.00%	11.66%	11.66%	12.95%	13.01%
Cons. Disc.	-0.01%	0.00%	0.00%	12.20%	12.22%	16.82%	16.80%
Cons. Staples	0.01%	0.00%	0.01%	13.41%	13.41%	12.97%	12.83%
Health Care	0.00%	0.00%	0.00%	16.64%	16.64%	12.85%	12.44%
Financials	0.00%	0.00%	0.00%	10.70%	10.69%	4.89%	4.84%
Info. Tech	0.00%	0.00%	0.00%	2.47%	2.47%	28.92%	29.37%
Telecomm.	0.00%	0.00%	0.00%	10.81%	10.81%	2.30%	2.28%
Utilities	0.00%	0.00%	0.00%	14.34%	14.55%	0.20%	0.20%
Cash	0.00%	0.00%	--	--	--	0.00%	0.00%
<b>Portfolio</b>	<b>-0.01%</b>	<b>=</b>	<b>-0.01%</b>	<b>+</b>	<b>0.00%</b>	<b>9.54%</b>	<b>9.54%</b>
Method Effect						0.01%	0.00%
Combined Performance						9.54%	9.54%

## eA US Large Cap Growth Equity Gross Accounts



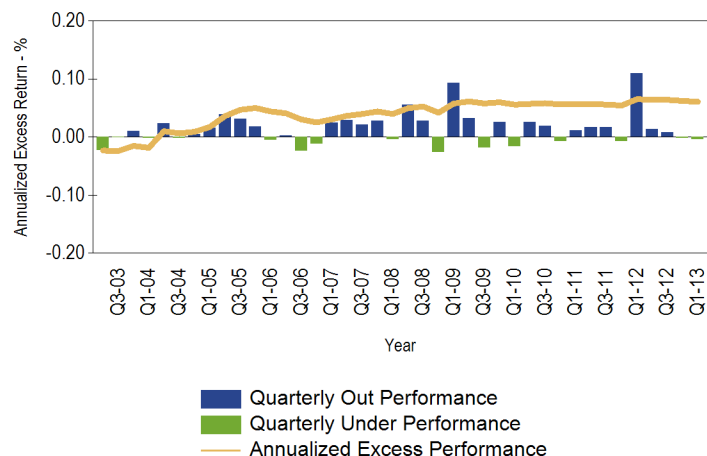
	Return (Rank)					
5th Percentile	11.7	15.0	15.3	9.9	8.0	11.8
25th Percentile	9.9	11.6	13.4	7.8	6.7	10.2
Median	8.9	8.8	12.0	6.6	5.8	9.2
75th Percentile	7.7	6.4	10.6	5.3	4.9	8.4
95th Percentile	5.9	2.8	8.0	2.6	3.0	7.1
# of Portfolios	271	271	265	255	230	200
● Mellon Large Growth	9.5 (36)	10.1 (38)	13.1 (30)	7.3 (36)	6.1 (40)	8.7 (68)
▲ Russell 1000 Growth	9.5 (36)	10.1 (39)	13.1 (30)	7.3 (37)	6.1 (41)	8.6 (69)

## Ending March 31, 2013

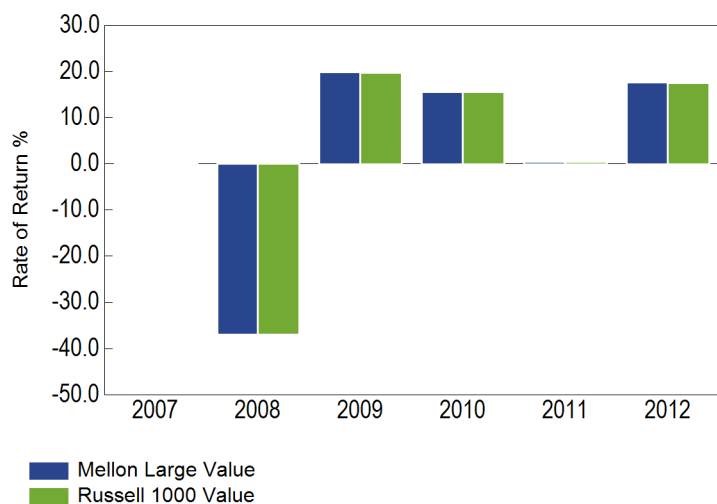
## Inception

	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
Mellon Large Growth	9.5%	36	14.7%	53	10.1%	38	10.6%	29	13.1%	30	21.3%	29	7.3%	36	6.1%	40	8.7%	68	8.7%	Mar-03
Russell 1000 Growth	9.5%	36	14.7%	54	10.1%	39	10.6%	29	13.1%	30	21.3%	29	7.3%	37	6.1%	41	8.6%	69	8.6%	Mar-03
eA US Large Cap Growth Equity Gross Median	8.9%		14.9%		8.8%		9.0%		12.0%		20.2%		6.6%		5.8%		9.2%		9.2%	Mar-03
	YTD	Rank	2012	Rank	2011	Rank	2010	Rank	2009	Rank	2008	Rank	2007	Rank	2006	Rank	2005	Rank		
Mellon Large Growth	9.5%	36	15.4%	53	2.7%	22	16.7%	45	37.2%	34	-38.4%	51	11.8%	64	9.2%	51	5.3%	69		
Russell 1000 Growth	9.5%	36	15.3%	55	2.6%	22	16.7%	46	37.2%	33	-38.4%	51	11.8%	63	9.1%	53	5.3%	69		
eA US Large Cap Growth Equity Gross Median	8.9%		15.7%		-0.3%		16.1%		34.0%		-38.4%		13.8%		9.2%		7.4%			

### Annualized Excess Performance



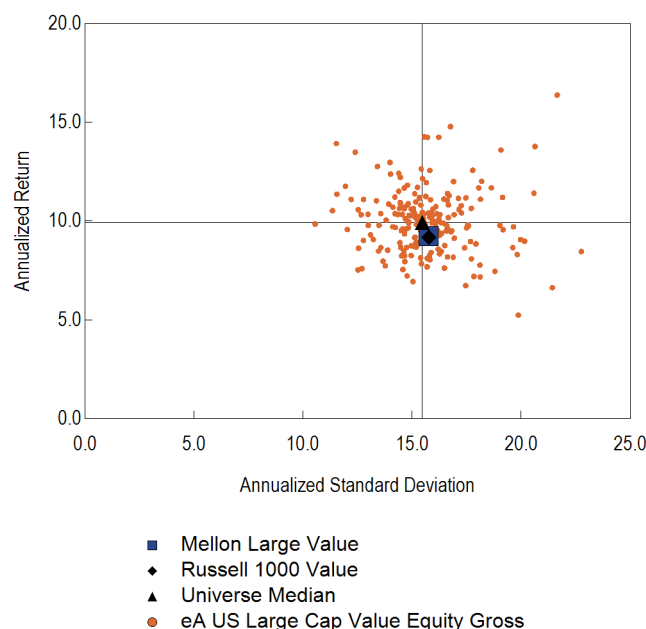
### Return Summary Ending March 31, 2013



### Top Holdings

EXXON MOBIL	5.06%
GENERAL ELECTRIC	2.97%
CHEVRON	2.82%
PFIZER	2.60%
AT&T	2.43%
PROCTER & GAMBLE	2.35%
BERKSHIRE HATHAWAY 'B'	2.23%
WELLS FARGO & CO	2.18%
JP MORGAN CHASE & CO.	2.17%
JOHNSON & JOHNSON	2.08%
<b>Total</b>	<b>26.88%</b>

### Annualized Return vs. Annualized Standard Deviation 10 Years Ending March 31, 2013



	Portfolio	Russell 1000 Value
Number of Holdings	694	695
Weighted Avg. Market Cap. (\$B)	91.45	92.74
Median Market Cap. (\$B)	5.77	5.70
Price To Earnings	17.43	17.11
Price To Book	2.04	2.02
Price To Sales	1.84	1.65
Return on Equity (%)	12.95	13.33
Yield (%)	2.37	2.36
Beta	1.00	1.00
R-Squared	1.00	1.00
HISTORICAL GROWTH MEASURES		
Dividends/Share-5 Yrs.	1.05	3.09
Book Value Growth-5 Yrs.	4.97	5.17
EPS Growth 1 Yr (\$ Wtd. Median)	9.76	3.68
EPS Growth 5 Yrs (\$ Wtd. Median)	2.14	0.33
Sales/Growth-1 Yr	3.44	3.01
Sales/Growth-5 Yrs.	2.91	2.86
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	15.83	16.06
Materials	3.60	3.64
Industrials	9.11	9.23
Consumer Discretionary	8.31	8.21
Consumer Staples	7.41	7.30
Health Care	11.80	11.59
Financials	27.59	27.56
Information Technology	6.65	6.63
Telecommunications	3.09	3.30
Utilities	6.61	6.49
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. (\$B)	91.45	92.74
Median Market Cap. (\$B)	5.77	5.70
Large Cap. (%)	38.47	39.50
Medium/Large Cap. (%)	30.24	29.26
Medium Cap. (%)	19.01	19.00
Medium/Small Cap. (%)	10.89	10.97
Small Cap. (%)	1.38	1.28

### Mellon Capital Large Value Performance Attribution vs. Russell 1000 Value

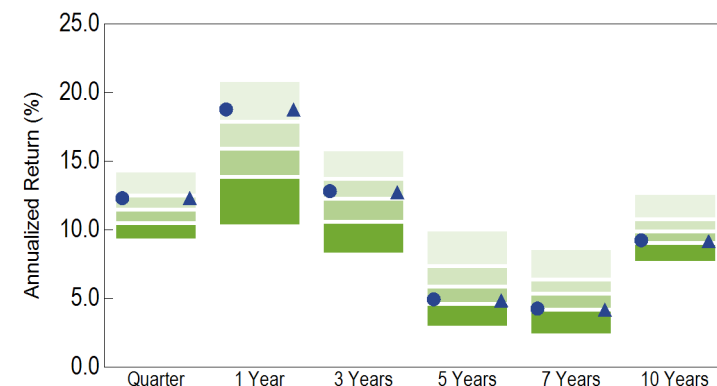
	Attribution Effects			Returns		Ending Sector Weights	
	Total Effects	Selection Effect	Allocation Effect	Portfolio	Benchmark	Portfolio	Benchmark
Energy	0.00%	0.00%	0.00%	9.79%	9.79%	15.83%	16.06%
Materials	0.00%	0.00%	0.00%	3.09%	3.03%	3.60%	3.64%
Industrials	0.00%	0.00%	0.00%	12.52%	12.53%	9.11%	9.23%
Cons. Disc.	0.00%	0.00%	0.00%	13.43%	13.44%	8.31%	8.21%
Cons. Staples	0.00%	0.00%	0.00%	16.86%	16.86%	7.41%	7.30%
Health Care	0.00%	0.00%	0.00%	14.57%	14.58%	11.80%	11.59%
Financials	0.00%	0.00%	0.00%	12.10%	12.10%	27.59%	27.56%
Info. Tech	0.00%	0.00%	0.00%	16.87%	16.89%	6.65%	6.63%
Telecomm.	0.00%	0.00%	0.00%	7.54%	7.53%	3.09%	3.30%
Utilities	0.00%	0.00%	0.00%	13.61%	13.60%	6.61%	6.49%
Cash	0.00%	0.00%	--	--	--	0.00%	0.00%
<b>Portfolio</b>	<b>0.00%</b>	<b>=</b>	<b>0.00%</b>	<b>+</b>	<b>0.00%</b>	<b>12.40%</b>	<b>12.40%</b>
Method Effect							
Combined Performance							

5th Percentile  
25th Percentile  
Median  
75th Percentile  
95th Percentile



Mellon Large Value  
Russell 1000 Value

### eA US Large Cap Value Equity Gross Accounts



Return (Rank)	Period					
	Quarter	1 Year	3 Years	5 Years	7 Years	10 Years
5th Percentile	14.3	20.9	15.9	10.0	8.6	12.7
25th Percentile	12.5	17.9	13.8	7.4	6.4	10.8
Median	11.5	16.0	12.3	5.9	5.4	9.9
75th Percentile	10.5	13.9	10.6	4.6	4.2	9.0
95th Percentile	9.2	10.3	8.2	2.9	2.3	7.6
# of Portfolios	305	305	300	286	270	215
Mellon Large Value	12.3 (31)	18.8 (18)	12.8 (41)	4.9 (71)	4.3 (75)	9.2 (72)
Russell 1000 Value	12.3 (30)	18.8 (18)	12.7 (42)	4.8 (72)	4.2 (76)	9.2 (73)

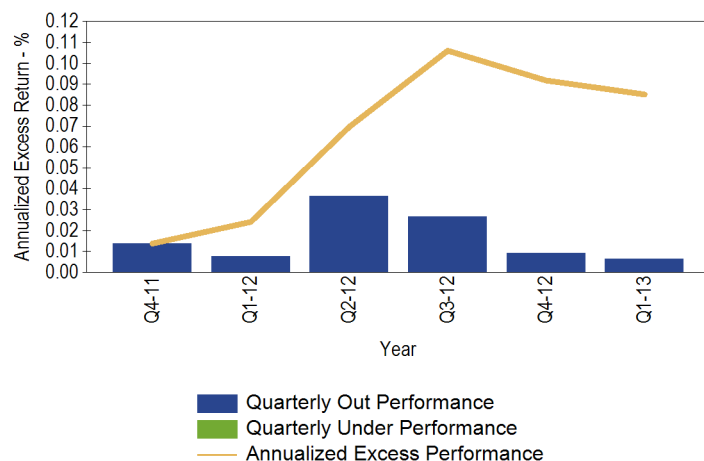
### Ending March 31, 2013

### Inception

	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
Mellon Large Value	12.3%	31	21.4%	33	18.8%	18	11.6%	35	12.8%	41	21.9%	35	4.9%	71	4.3%	75	9.2%	72	9.2%	Mar-03
Russell 1000 Value	12.3%	30	21.4%	33	18.8%	18	11.6%	36	12.7%	42	21.8%	36	4.8%	72	4.2%	76	9.2%	73	9.2%	Mar-03
eA US Large Cap Value Equity Gross Median	11.5%		19.9%		16.0%		10.7%		12.3%		21.0%		5.9%		5.4%		9.9%		9.9%	Mar-03
	YTD	Rank	2012	Rank	2011	Rank	2010	Rank	2009	Rank	2008	Rank	2007	Rank	2006	Rank	2005	Rank		
Mellon Large Value	12.3%	31	17.6%	30	0.4%	51	15.5%	35	19.9%	75	-36.8%	67	-0.1%	80	22.2%	17	7.2%	58		
Russell 1000 Value	12.3%	30	17.5%	30	0.4%	51	15.5%	35	19.7%	75	-36.8%	68	-0.2%	80	22.2%	17	7.1%	60		
eA US Large Cap Value Equity Gross Median	11.5%		15.7%		0.5%		14.3%		24.3%		-35.1%		4.2%		19.0%		7.9%			



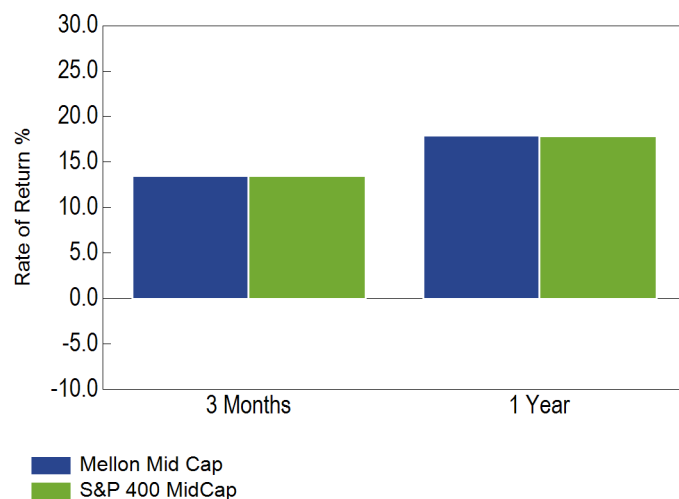
### Annualized Excess Performance



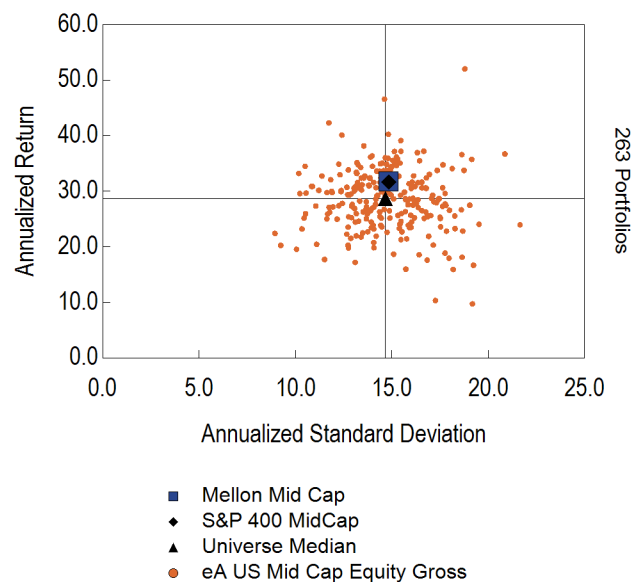
### Top Holdings

REGENERON PHARMS.	1.00%
KANSAS CTY.STHN.	0.91%
VERTEX PHARMS.	0.89%
AMETEK	0.78%
EQUINIX	0.78%
HOLLYFRONTIER	0.78%
CHURCH & DWIGHT CO.	0.67%
REALTY INCOME	0.66%
MACERICH	0.65%
HENRY SCHEIN	0.60%
<b>Total</b>	<b>7.73%</b>

### Return Summary Ending March 31, 2013



### Annualized Return vs. Annualized Standard Deviation 1 Year 6 Months Ending March 31, 2013



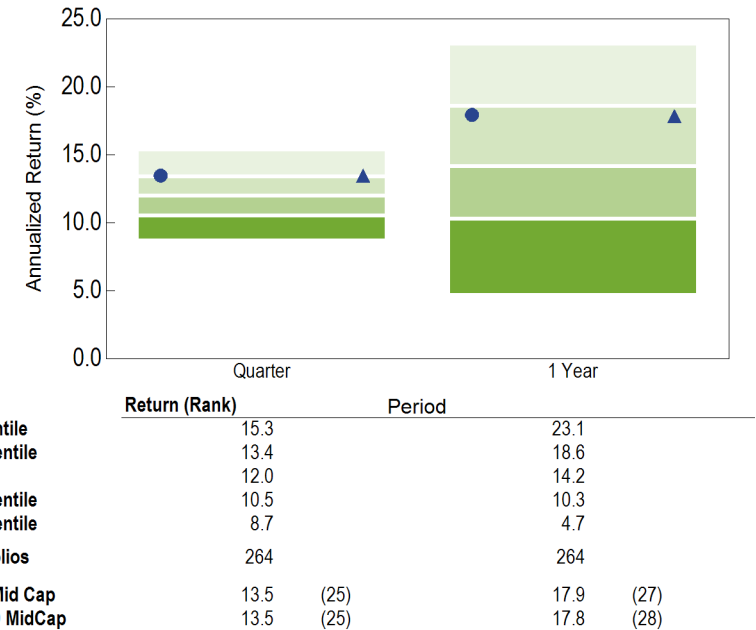
	Portfolio	S&P 400 MidCap
Number of Holdings	400	400
Weighted Avg. Market Cap. (\$B)	4.71	4.71
Median Market Cap. (\$B)	3.11	3.12
Price To Earnings	23.92	23.62
Price To Book	3.46	2.92
Price To Sales	2.65	2.21
Return on Equity (%)	15.35	13.31
Yield (%)	1.42	1.42
Beta		1.00
R-Squared		1.00
HISTORICAL GROWTH MEASURES		
Dividends/Share-5 Yrs.	1.60	5.82
Book Value Growth-5 Yrs.	7.92	7.50
EPS Growth 1 Yr (\$ Wtd. Median)	8.17	2.03
EPS Growth 5 Yrs (\$ Wtd. Median)	6.69	6.25
Sales/Growth-1 Yr	9.15	9.37
Sales/Growth-5 Yrs.	6.80	6.85
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	6.00	5.99
Materials	6.78	6.78
Industrials	17.44	17.45
Consumer Discretionary	12.48	12.48
Consumer Staples	3.68	3.68
Health Care	9.66	9.65
Financials	23.29	23.30
Information Technology	15.10	15.13
Telecommunications	0.44	0.44
Utilities	5.12	5.11
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. (\$B)	4.71	4.71
Median Market Cap. (\$B)	3.11	3.12
Large Cap. (%)	0.00	0.00
Medium/Large Cap. (%)	0.00	0.00
Medium Cap. (%)	19.06	19.06
Medium/Small Cap. (%)	63.88	63.88
Small Cap. (%)	17.05	17.06

Mellon Capital MidCap Performance Attribution vs. S&P 400 MidCap

	Attribution Effects			Returns		Ending Sector Weights	
	Total Effects	Selection Effect	Allocation Effect	Portfolio	Benchmark	Portfolio	Benchmark
Energy	0.00%	0.00%	0.00%	11.63%	11.64%	6.00%	5.99%
Materials	0.00%	0.00%	0.00%	6.78%	6.79%	6.78%	6.78%
Industrials	0.00%	0.00%	0.00%	17.78%	17.79%	17.44%	17.45%
Cons. Disc.	0.01%	0.01%	0.00%	12.14%	12.04%	12.48%	12.48%
Cons. Staples	0.00%	0.00%	0.00%	22.89%	22.80%	3.68%	3.68%
Health Care	0.00%	0.00%	0.00%	16.40%	16.39%	9.66%	9.65%
Financials	0.02%	0.01%	0.01%	13.60%	13.57%	23.29%	23.30%
Info. Tech	0.00%	0.00%	0.00%	8.40%	8.39%	15.10%	15.13%
Telecomm.	0.00%	0.00%	0.00%	-2.27%	-2.27%	0.44%	0.44%
Utilities	0.00%	0.00%	0.00%	18.69%	18.68%	5.12%	5.11%
Cash	0.00%	0.00%	--	--	--	0.00%	0.00%
Portfolio	0.03%	=	0.02% + 0.00%	13.44%	13.41%	100.00%	100.00%
Method Effect				0.02%	0.04%		
Combined Performance				13.46%	13.45%		

● Mellon Mid Cap  
 ▲ S&P 400 MidCap

eA US Mid Cap Equity Gross Accounts



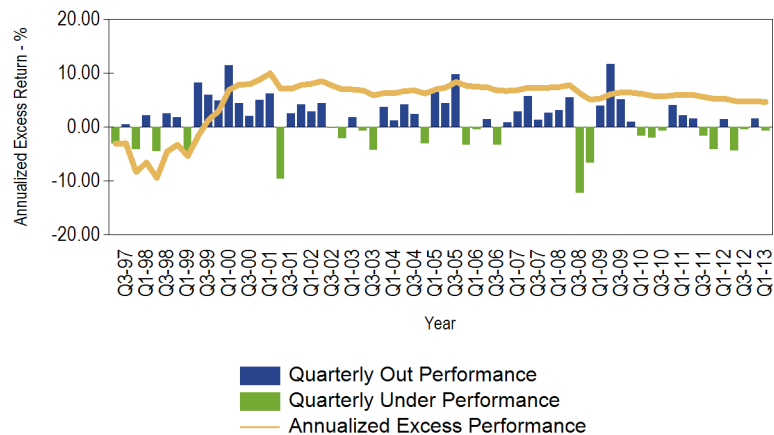
Ending March 31, 2013

Inception

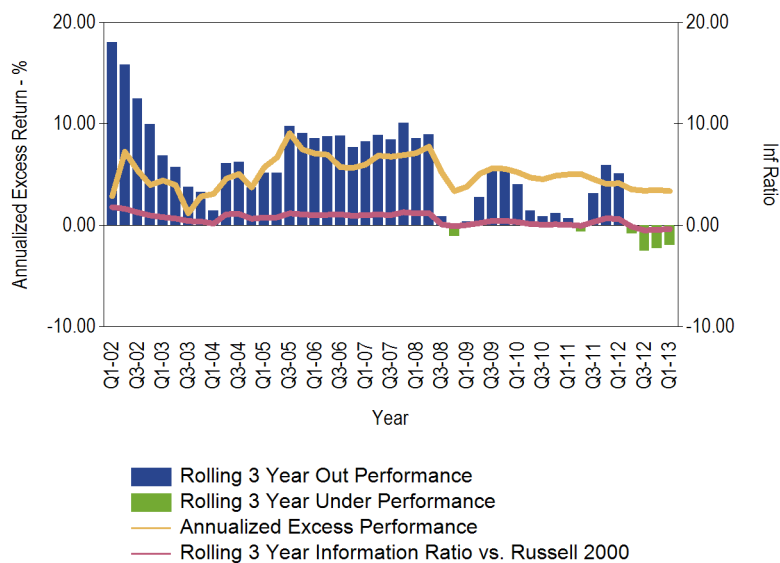
	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
Mellon Mid Cap	13.5%	25	24.0%	26	17.9%	27	--	--	--	--	--	--	--	--	--	--	--	--	31.8%	Oct-11
S&P 400 MidCap	13.5%	25	23.9%	26	17.8%	28	9.6%	45	15.1%	37	25.8%	28	9.8%	32	7.1%	45	12.4%	51	31.7%	Oct-11
eA US Mid Cap Equity Gross Median	12.0%		20.3%		14.2%		9.2%		14.3%		24.2%		8.8%		6.8%		12.5%		28.7%	Oct-11

	2012	Rank
Mellon Mid Cap	18.0%	31
S&P 400 MidCap	17.9%	31
eA US Mid Cap Equity Gross Median	16.1%	

## Annualized Excess Performance

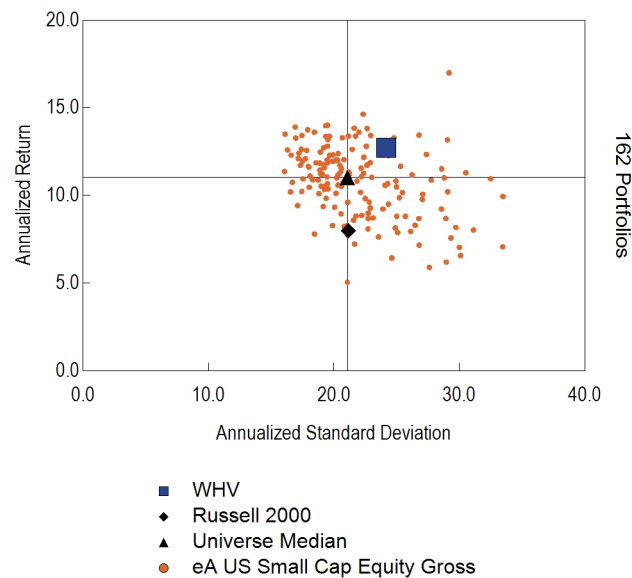


## Annualized Excess Performance and Information Ratio



## Top Holdings

CHART INDUSTRIES	3.44%
BRISTOW GROUP	3.32%
DRIL-QUIP	3.28%
ATWOOD OCEANICS	3.25%
EB TEMPORARY INVESTMENT FD II	2.59%
GULFMARK OFFSHORE 'A'	2.41%
LUFKIN INDUSTRIES	2.37%
VISHAY INTERTECHNOLOGY	1.78%
ROVI	1.77%
DELUXE	1.77%
<b>Total</b>	<b>25.98%</b>

Annualized Return vs. Annualized Standard Deviation  
16 Years Ending March 31, 2013

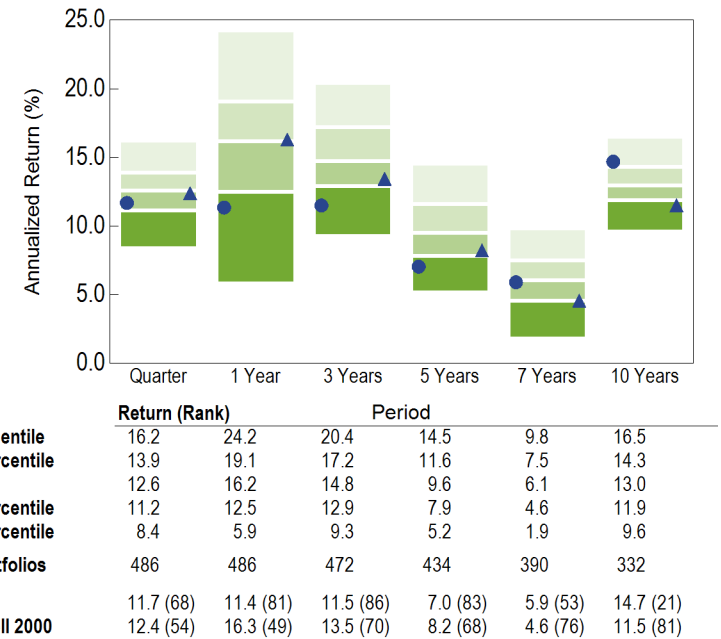
	Portfolio	Russell 2000
Number of Holdings	91	1,952
Weighted Avg. Market Cap. (\$B)	1.58	1.53
Median Market Cap. (\$B)	1.17	0.56
Price To Earnings	16.06	17.20
Price To Book	2.26	2.59
Price To Sales	1.65	2.26
Return on Equity (%)	7.16	10.10
Yield (%)	0.61	1.10
Beta	1.07	1.00
R-Squared	0.96	1.00

HISTORICAL GROWTH MEASURES		
Dividends/Share-5 Yrs.	-1.96	-11.35
Book Value Growth-5 Yrs.	7.03	5.26
EPS Growth 1 Yr (\$ Wtd. Median)	-1.42	3.44
EPS Growth 5 Yrs (\$ Wtd. Median)	5.64	3.86
Sales/Growth-1 Yr	9.90	11.28
Sales/Growth-5 Yrs.	8.07	6.74
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	15.83	6.09
Materials	4.72	5.32
Industrials	18.36	15.23
Consumer Discretionary	8.55	13.74
Consumer Staples	1.66	3.54
Health Care	12.78	12.16
Financials	8.67	23.31
Information Technology	25.67	16.60
Telecommunications	0.00	0.63
Utilities	1.16	3.39
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. (\$B)	1.58	1.53
Median Market Cap. (\$B)	1.17	0.56
Large Cap. (%)	0.00	0.00
Medium/Large Cap. (%)	0.00	0.00
Medium Cap. (%)	0.00	0.00
Medium/Small Cap. (%)	17.32	18.73
Small Cap. (%)	82.68	81.27

## Wentworth Hauser Performance Attribution vs. Russell 2000

	Attribution Effects				Returns		Ending Sector Weights		
	Total Effects	Selection Effect	Allocation Effect	Portfolio	Benchmark	Portfolio	Benchmark		
Energy	1.96%	0.87%	1.09%	17.51%	11.83%	15.83%	6.09%		
Materials	-0.58%	-0.69%	0.10%	-1.55%	9.00%	4.72%	5.32%		
Industrials	0.91%	0.59%	0.32%	17.43%	14.06%	18.36%	15.23%		
Cons. Disc.	-0.85%	-0.36%	-0.48%	8.78%	12.42%	8.55%	13.74%		
Cons. Staples	0.08%	0.35%	-0.28%	39.71%	11.54%	1.66%	3.54%		
Health Care	-0.81%	-0.81%	0.00%	7.56%	14.29%	12.78%	12.16%		
Financials	-2.18%	-0.22%	-1.96%	10.46%	13.17%	8.67%	23.31%		
Info. Tech	1.27%	0.21%	1.06%	11.52%	10.71%	25.67%	16.60%		
Telecomm.	-0.01%	0.00%	-0.01%	--	1.25%	0.00%	0.63%		
Utilities	-0.19%	0.04%	-0.23%	13.96%	10.44%	1.16%	3.39%		
Cash	0.00%	0.00%	0.00%	0.02%	--	2.60%	0.00%		
Portfolio	-0.41%	=	-0.01%	+	-0.39%	11.98%	12.38%	100.00%	100.00%
Method Effect				-0.29%	0.01%				
Combined Performance				11.69%	12.39%				

## eA US Small Cap Equity Gross Accounts



## Ending March 31, 2013

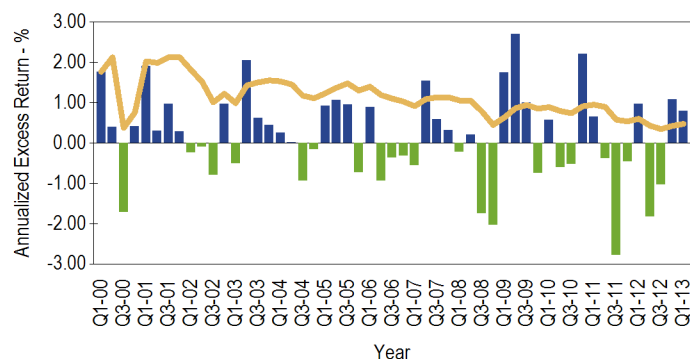
## Inception

	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
WHV	11.7%	68	20.9%	57	11.4%	81	3.8%	91	11.5%	86	26.5%	38	7.0%	83	5.9%	53	14.7%	21	12.6%	Apr-97
Russell 2000	12.4%	54	20.5%	60	16.3%	49	7.7%	65	13.5%	70	24.2%	72	8.2%	68	4.6%	76	11.5%	81	8.0%	Apr-97
eA US Small Cap Equity Gross Median	12.6%		21.5%		16.2%		8.8%		14.8%		25.6%		9.6%		6.1%		13.0%		11.0%	Apr-97
	2012	Rank	2011	Rank	2010	Rank	2009	Rank	2008	Rank	2007	Rank	2006	Rank	2005	Rank	2004	Rank	2003	Rank
WHV	13.5%	73	-6.5%	80	25.3%	68	53.4%	10	-42.5%	81	11.1%	23	16.5%	46	23.3%	2	24.1%	25	47.7%	43
Russell 2000	16.3%	49	-4.2%	67	26.9%	58	27.2%	71	-33.8%	36	-1.6%	67	18.4%	33	4.6%	81	18.3%	58	47.3%	44
eA US Small Cap Equity Gross Median	16.2%		-2.2%		27.5%		33.5%		-36.0%		2.1%		15.8%		8.1%		19.8%		45.8%	

# Domestic Equity

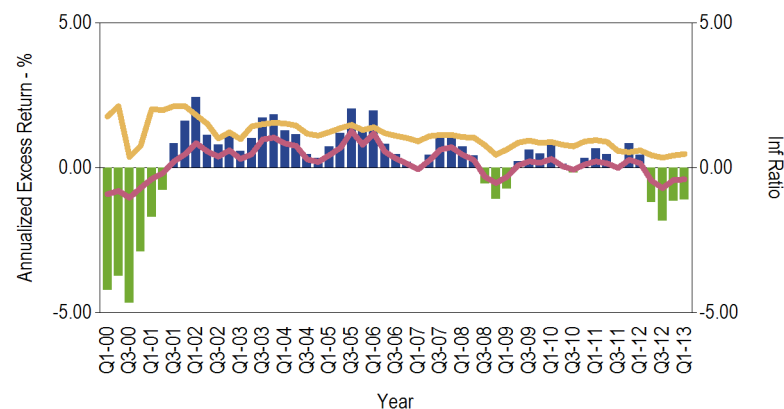
**\$178.6 Million and 31.9% of Fund**

## Annualized Excess Performance



■ Quarterly Out Performance  
■ Quarterly Under Performance  
— Annualized Excess Performance

## Annualized Excess Performance and Information Ratio

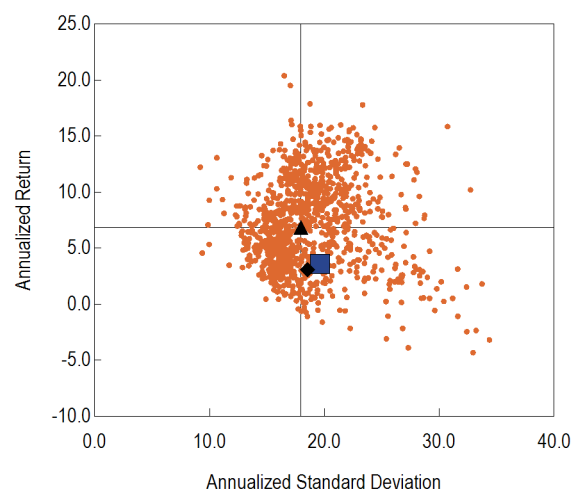


■ Rolling 3 Year Out Performance  
■ Rolling 3 Year Under Performance  
— Annualized Excess Performance  
— Rolling 3 Year Information Ratio vs. Russell 3000

## Top Holdings

<b>EB DV TANGENT-ADDED FUND</b>	16.14%
<b>APPLE</b>	1.24%
<b>EXXON MOBIL</b>	1.13%
<b>DRIL-QUIP</b>	0.77%
<b>ATWOOD OCEANICS</b>	0.77%
<b>CHART INDUSTRIES</b>	0.77%
<b>BRISTOW GROUP</b>	0.74%
<b>INTERNATIONAL BUS.MCHS.</b>	0.69%
<b>GENERAL ELECTRIC</b>	0.66%
<b>MICROSOFT</b>	0.64%
<b>Total</b>	<b>23.56%</b>

## Annualized Return vs. Annualized Standard Deviation 13 Years 3 Months Ending March 31, 2013



■ Domestic Equity  
◆ Russell 3000  
▲ Universe Median  
● eA All US Equity Gross

Portfolio Russell  
3000

Number of Holdings	1,172	2,942
Weighted Avg. Market Cap. (\$B)	51.26	85.57
Median Market Cap. (\$B)	4.62	1.14
Price To Earnings	19.52	19.04
Price To Book	3.32	3.11
Price To Sales	2.31	2.28
Return on Equity (%)	16.24	17.28
Yield (%)	1.56	1.97
Beta	1.09	1.00
R-Squared	0.99	1.00
HISTORICAL GROWTH MEASURES		
Dividends/Share-5 Yrs.	2.14	5.78
Book Value Growth-5 Yrs.	7.98	7.95
EPS Growth 1 Yr (\$ Wtd. Median)	8.45	5.29
EPS Growth 5 Yrs (\$ Wtd. Median)	6.39	6.39
Sales/Growth-1 Yr	8.95	7.46
Sales/Growth-5 Yrs.	6.69	6.83
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	9.02	10.06
Materials	3.85	3.90
Industrials	11.93	11.37
Consumer Discretionary	9.66	12.45
Consumer Staples	5.61	9.47
Health Care	10.01	12.01
Financials	12.99	17.15
Information Technology	16.32	17.49
Telecommunications	1.29	2.64
Utilities	2.61	3.46
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. (\$B)	51.26	85.57
Median Market Cap. (\$B)	4.62	1.14
Large Cap. (%)	22.69	39.29
Medium/Large Cap. (%)	15.58	26.00
Medium Cap. (%)	14.56	17.66
Medium/Small Cap. (%)	21.76	9.93
Small Cap. (%)	25.41	7.12

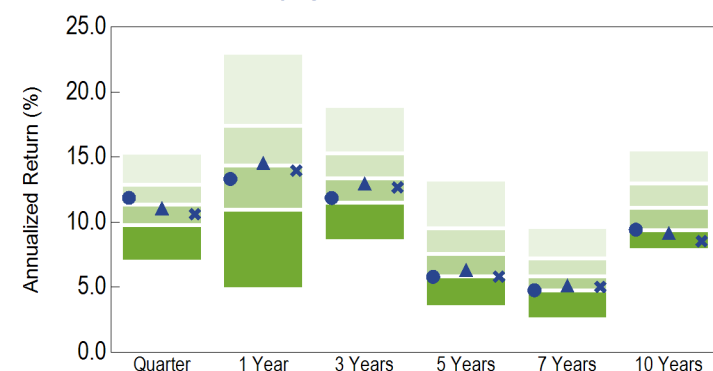
# Domestic Equity

\$178.6 Million and 31.9% of Fund

## Domestic Equity Performance Attribution vs. Russell 3000

	Attribution Effects			Returns		Ending Sector Weights		
	Total Effects	Selection Effect	Allocation Effect	Portfolio	Benchmark	Portfolio	Benchmark	
Energy	0.36%	0.29%	0.07%	13.32%	10.57%	9.02%	10.06%	
Materials	-0.04%	-0.10%	0.06%	3.29%	5.22%	3.85%	3.90%	
Industrials	0.72%	0.40%	0.32%	15.14%	12.24%	11.93%	11.37%	
Cons. Disc.	-0.17%	-0.12%	-0.06%	11.66%	12.63%	9.66%	12.45%	
Cons. Staples	-0.28%	0.14%	-0.42%	16.74%	14.61%	5.61%	9.47%	
Health Care	-0.28%	-0.22%	-0.06%	13.53%	15.50%	10.01%	12.01%	
Financials	-0.21%	0.02%	-0.23%	12.16%	12.03%	12.99%	17.15%	
Info. Tech	0.56%	0.45%	0.12%	7.64%	5.45%	16.32%	17.49%	
Telecomm.	-0.10%	-0.01%	-0.09%	8.24%	8.65%	1.29%	2.64%	
Utilities	0.00%	0.06%	-0.06%	15.21%	13.39%	2.61%	3.46%	
Cash	0.00%	0.00%	0.00%	0.02%	--	0.58%	0.00%	
Portfolio	0.56%	=	0.90%	+ -0.34%	11.67%	11.11%	83.86%	100.00%
Method Effect				0.20%	-0.04%			
Combined Performance				11.87%	11.07%			

## eA All US Equity Gross Accounts



	Period					
	Quarter	1 Year	3 Years	5 Years	7 Years	10 Years
Return (Rank)						
5th Percentile	15.3	23.0	18.9	13.3	9.6	15.6
25th Percentile	12.9	17.4	15.3	9.5	7.2	13.0
Median	11.4	14.4	13.4	7.6	5.9	11.1
75th Percentile	9.8	11.0	11.5	5.9	4.8	9.4
95th Percentile	7.0	4.9	8.6	3.5	2.5	7.9
# of Portfolios	2,393	2,392	2,319	2,168	1,947	1,556
Domestic Equity	11.9 (41)	13.3 (60)	11.9 (72)	5.8 (77)	4.8 (76)	9.4 (76)
Russell 3000	11.1 (56)	14.6 (49)	13.0 (57)	6.3 (69)	5.1 (68)	9.2 (80)
S&P 500	10.6 (64)	14.0 (55)	12.7 (62)	5.8 (76)	5.0 (71)	8.5 (90)

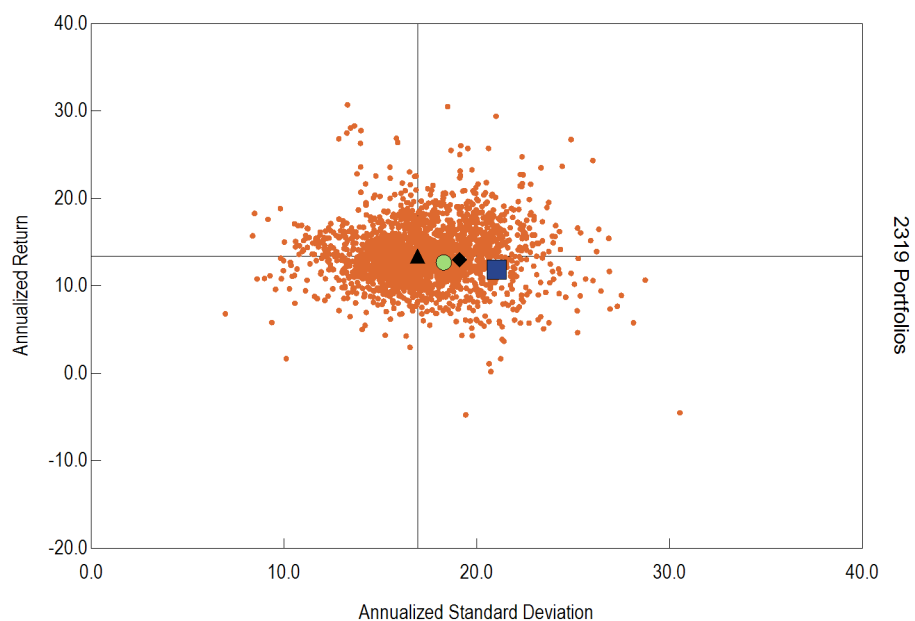
## Ending March 31, 2013

## Inception

	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
<b>Domestic Equity</b>	<b>11.9%</b>	<b>41</b>	<b>19.2%</b>	<b>49</b>	<b>13.3%</b>	<b>60</b>	<b>8.4%</b>	<b>66</b>	<b>11.9%</b>	<b>72</b>	<b>21.8%</b>	<b>58</b>	<b>5.8%</b>	<b>77</b>	<b>4.8%</b>	<b>76</b>	<b>9.4%</b>	<b>76</b>	<b>8.9%</b>	<b>Jan-95</b>
Russell 3000	11.1%	56	18.3%	57	14.6%	49	10.8%	38	13.0%	57	21.8%	58	6.3%	69	5.1%	68	9.2%	79	9.1%	Jan-95
S&P 500	10.6%	64	17.2%	67	14.0%	55	11.2%	33	12.7%	62	21.0%	68	5.8%	76	5.0%	71	8.5%	90	9.0%	Jan-95
eA All US Equity Gross Median	11.4%		19.1%		14.4%		9.8%		13.4%		22.5%		7.6%		5.9%		11.1%		10.9%	Jan-95

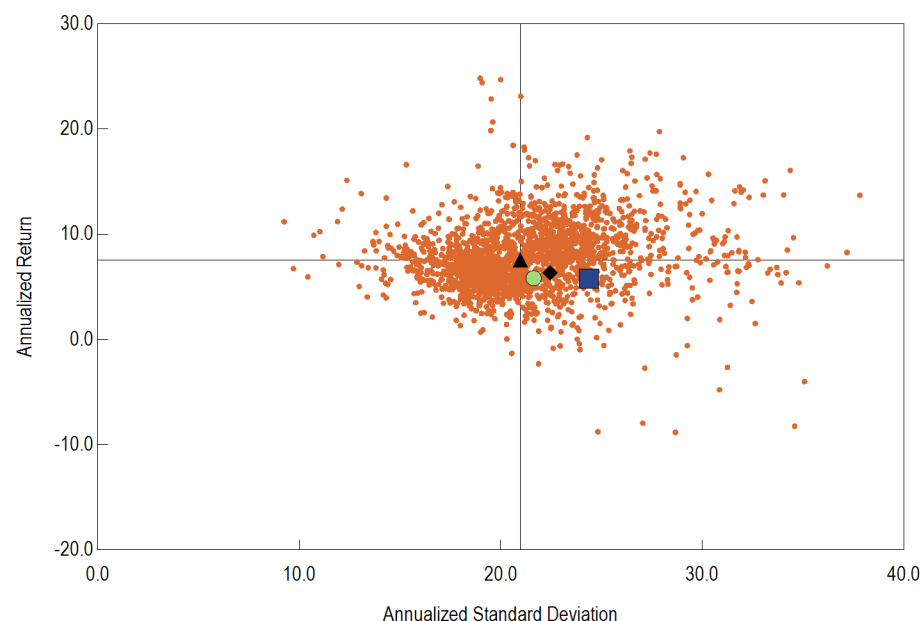
	2012	Rank	2011	Rank	2010	Rank	2009	Rank	2008	Rank	2007	Rank	2006	Rank	2005	Rank	2004	Rank	2003	Rank
<b>Domestic Equity</b>	<b>15.3%</b>	<b>58</b>	<b>-2.5%</b>	<b>66</b>	<b>18.5%</b>	<b>55</b>	<b>34.1%</b>	<b>39</b>	<b>-40.2%</b>	<b>72</b>	<b>7.1%</b>	<b>49</b>	<b>14.9%</b>	<b>53</b>	<b>8.5%</b>	<b>51</b>	<b>11.0%</b>	<b>75</b>	<b>34.0%</b>	<b>51</b>
Russell 3000	16.4%	45	1.0%	39	16.9%	61	28.3%	60	-37.3%	54	5.1%	60	15.7%	46	6.1%	72	11.9%	68	31.1%	63
S&P 500	16.0%	50	2.1%	30	15.1%	73	26.5%	67	-37.0%	51	5.5%	59	15.8%	45	4.9%	81	10.9%	76	28.7%	75
eA All US Equity Gross Median	16.0%		-0.4%		19.6%		30.9%		-36.9%		6.8%		15.1%		8.5%		15.0%		34.0%	

Annualized Return vs. Annualized Standard Deviation  
3 Years Ending March 31, 2013



- Domestic Equity
- ◆ Russell 3000
- S&P 500
- ▲ Universe Median
- eA All US Equity Gross

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending March 31, 2013



- Domestic Equity
- ◆ Russell 3000
- S&P 500
- ▲ Universe Median
- eA All US Equity Gross

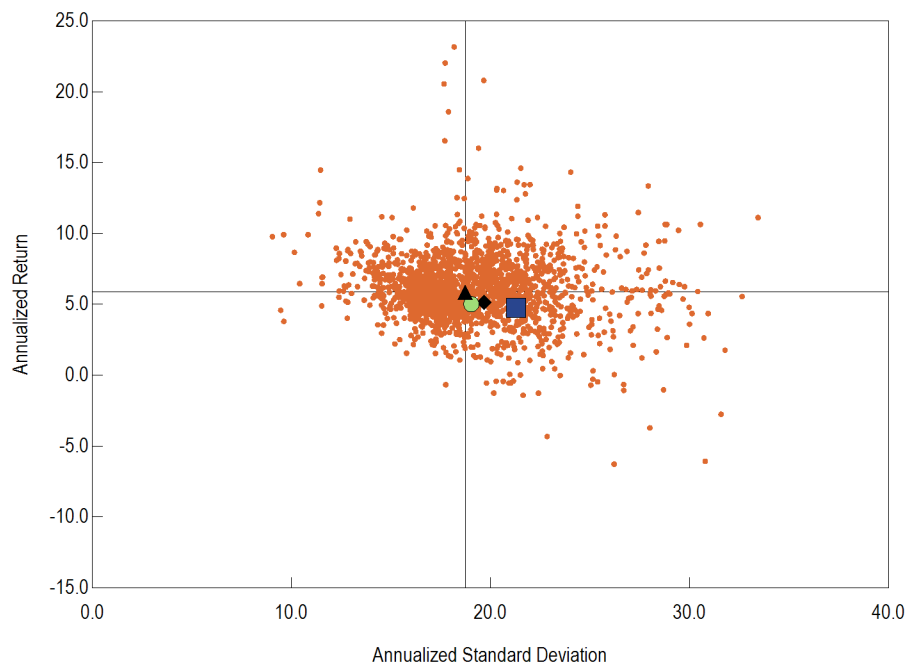
Risk vs. Return for 3 Years Ending March 31, 2013

Rank within eA All US Equity Gross (USD) (manager)	Annualized Return	Percentile Rank	Standard Deviation
Domestic Equity	11.9%	72	21.0%
Russell 3000	13.0%	57	19.1%
S&P 500	12.7%	62	18.3%
Median for this Universe	13.4%		16.9%

Risk vs. Return for 5 Years Ending March 31, 2013

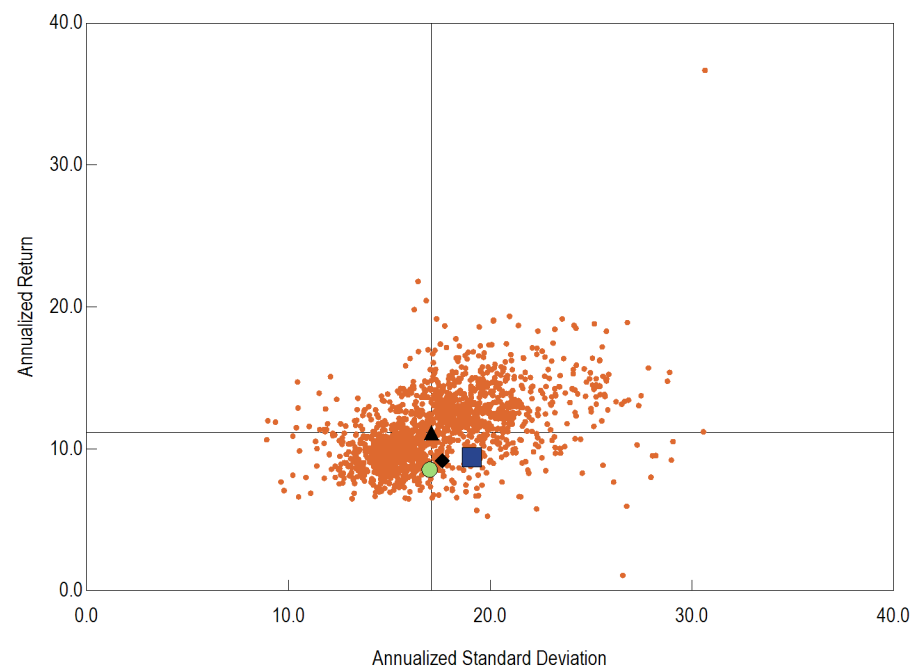
Rank within eA All US Equity Gross (USD) (manager)	Annualized Return	Percentile Rank	Standard Deviation
Domestic Equity	5.8%	77	24.4%
Russell 3000	6.3%	69	22.4%
S&P 500	5.8%	76	21.6%
Median for this Universe	7.6%		21.0%

Annualized Return vs. Annualized Standard Deviation  
7 Years Ending March 31, 2013



- Domestic Equity
- ◆ Russell 3000
- S&P 500
- ▲ Universe Median
- eA All US Equity Gross

Annualized Return vs. Annualized Standard Deviation  
10 Years Ending March 31, 2013



- Domestic Equity
- ◆ Russell 3000
- S&P 500
- ▲ Universe Median
- eA All US Equity Gross

Risk vs. Return for 7 Years Ending March 31, 2013

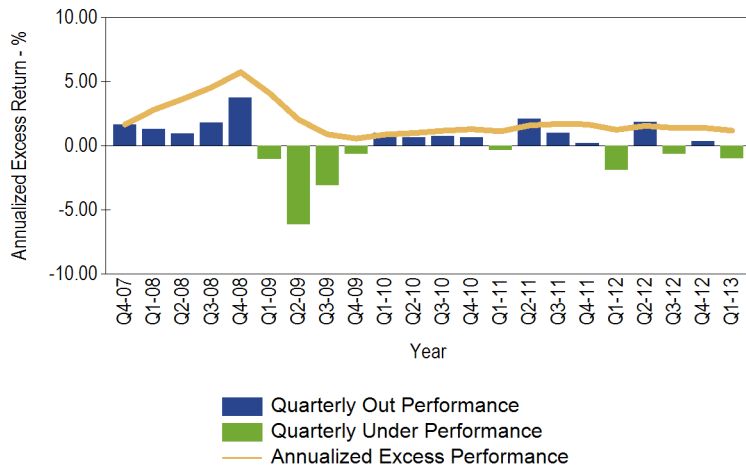
Rank within eA All US Equity Gross (USD) (manager)	Annualized Return	Percentile Rank	Standard Deviation
Domestic Equity	4.8%	76	21.3%
Russell 3000	5.1%	68	19.7%
S&P 500	5.0%	71	19.0%
Median for this Universe	5.9%		18.7%

Risk vs. Return for 10 Years Ending March 31, 2013

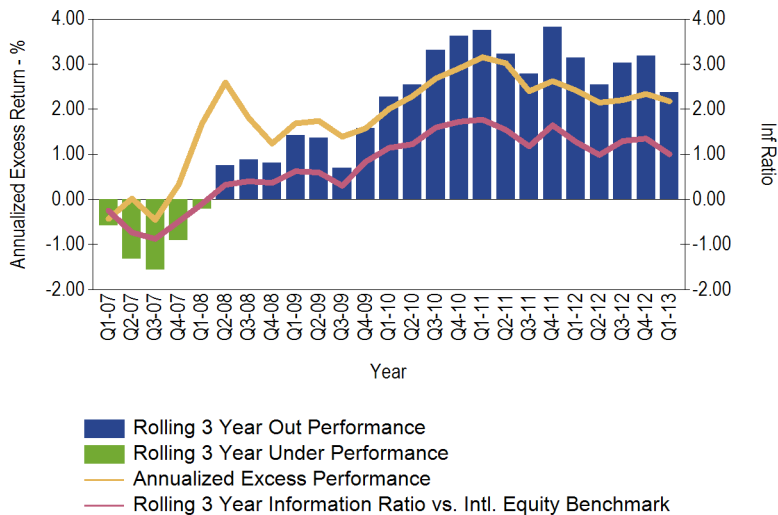
Rank within eA All US Equity Gross (USD) (manager)	Annualized Return	Percentile Rank	Standard Deviation
Domestic Equity	9.4%	76	19.1%
Russell 3000	9.2%	79	17.6%
S&P 500	8.5%	90	17.0%
Median for this Universe	11.1%		17.1%



## Annualized Excess Performance



## Annualized Excess Performance and Information Ratio

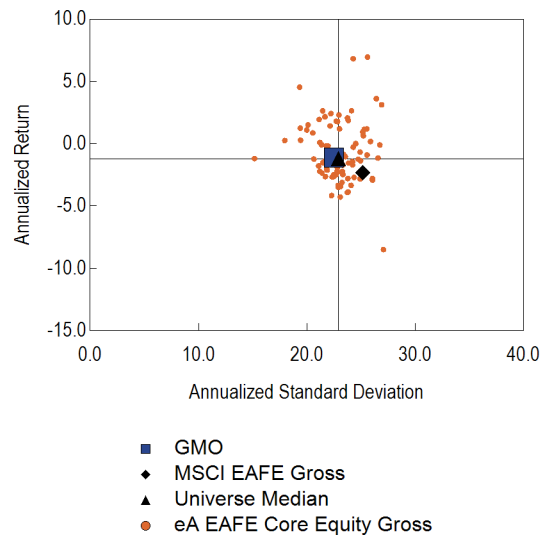


## Top Holdings

BANCO SANTANDER SA ADR 1:1	4.73%
TOTAL	3.19%
BP	2.17%
ASTRAZENECA SPN.ADR.1:1	2.12%
VODAFONE GP.SP.N.ADR 1:10	1.90%
BARCLAYS	1.79%
RIO TINTO SPN.ADR 1:1	1.73%
ROYAL DUTCH SHELL A ADR 1:2	1.67%
TELEFONICA ADR 1:1	1.58%
GLAXOSMITHKLINE SPN.ADR 1:2	1.35%
<b>Total</b>	<b>22.23%</b>

Annualized Return vs. Annualized Standard Deviation

5 Years 6 Months Ending March 31, 2013



Portfolio MSCI EAFE

Number of Holdings	934	909
Weighted Avg. Market Cap. (\$B)	45.62	55.62
Median Market Cap. (\$B)	3.86	7.81
Price To Earnings	13.92	17.21
Price To Book	2.46	2.11
Price To Sales	1.52	1.60
Return on Equity (%)	13.56	13.44
Yield (%)	4.00	3.11
Beta	0.95	1.00
R-Squared	0.99	1.00
HISTORICAL GROWTH MEASURES		
Dividends/Share-5 Yrs.	-2.37	3.81
Book Value Growth-5 Yrs.	4.72	4.46
EPS Growth 1 Yr (\$ Wtd. Median)	-7.56	1.48
EPS Growth 5 Yrs (\$ Wtd. Median)	0.15	-0.50
Sales/Growth-1 Yr	3.82	5.24
Sales/Growth-5 Yrs.	4.84	4.24
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	12.74	7.16
Materials	4.58	8.86
Industrials	10.91	12.58
Consumer Discretionary	8.93	10.96
Consumer Staples	7.18	12.34
Health Care	10.00	10.30
Financials	21.41	24.85
Information Technology	5.31	4.34
Telecommunications	7.94	4.93
Utilities	7.18	3.67
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. (\$B)	45.62	55.62
Median Market Cap. (\$B)	3.86	7.81
Large Cap. (%)	27.72	0.00
Medium/Large Cap. (%)	32.34	0.00
Medium Cap. (%)	14.61	0.00
Medium/Small Cap. (%)	12.15	0.00
Small Cap. (%)	13.19	0.00

**International Equity Performance Attribution**  
**Versus MSCI EAFE Gross - Quarter Ending March 31, 2013**

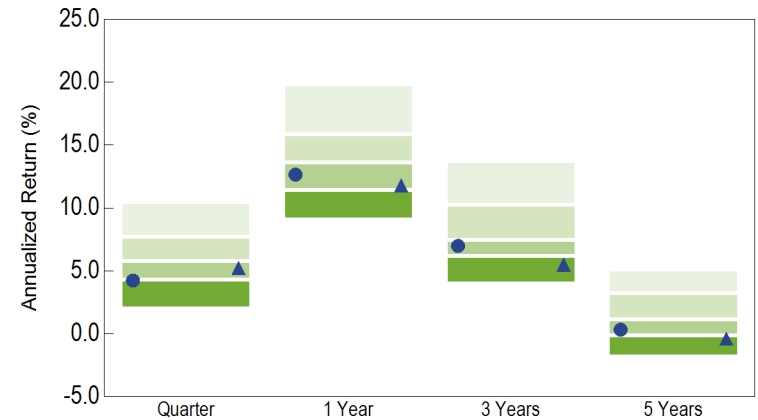
**Returns and Ending Weights**

**Attribution Effects**

	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Total Effects
<b>Totals</b>								
Americas	5.3%	--	20.8%	0.0%	-0.9%	2.0%	0.0%	1.0%
Europe	-0.4%	2.9%	54.7%	63.9%	-2.8%	-0.5%	1.3%	-2.1%
Asia/Pacific	10.9%	9.7%	24.2%	35.6%	0.7%	-1.8%	0.3%	-0.9%
Other	3.5%	7.2%	0.4%	0.5%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>3.3%</b>	<b>5.2%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-3.1%</b>	<b>-0.4%</b>	<b>1.5%</b>	<b>-2.0%</b>
<b>Totals</b>								
Developed	3.2%	5.2%	96.5%	100.0%	-3.3%	-0.4%	1.5%	-2.1%
Emerging*	4.4%	--	3.5%	0.0%	-0.2%	0.4%	0.0%	0.2%

\*Emerging contains securities from non-benchmark countries.

**eA EAFE Core Equity Gross Accounts**



**Return (Rank)**

	Quarter	1 Year	3 Years	5 Years
5th Percentile	10.5	19.8	13.7	5.1
25th Percentile	7.7	15.9	10.3	3.3
Median	5.8	13.6	7.5	1.2
75th Percentile	4.3	11.4	6.2	-0.1
95th Percentile	2.0	9.1	4.0	-1.8
# of Portfolios	112	112	104	94
• <b>GMO</b>	4.2 (78)	12.6 (61)	7.0 (58)	0.3 (64)
▲ <b>MSCI EAFE Gross</b>	5.2 (62)	11.8 (71)	5.5 (89)	-0.4 (79)

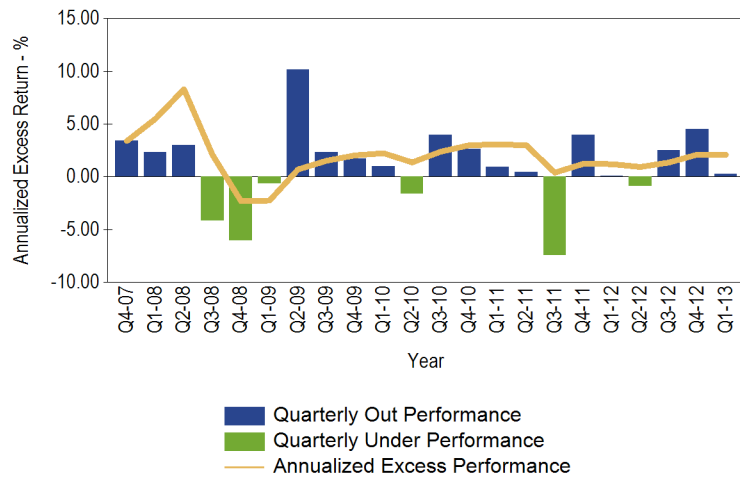
**Ending March 31, 2013**

**Inception**

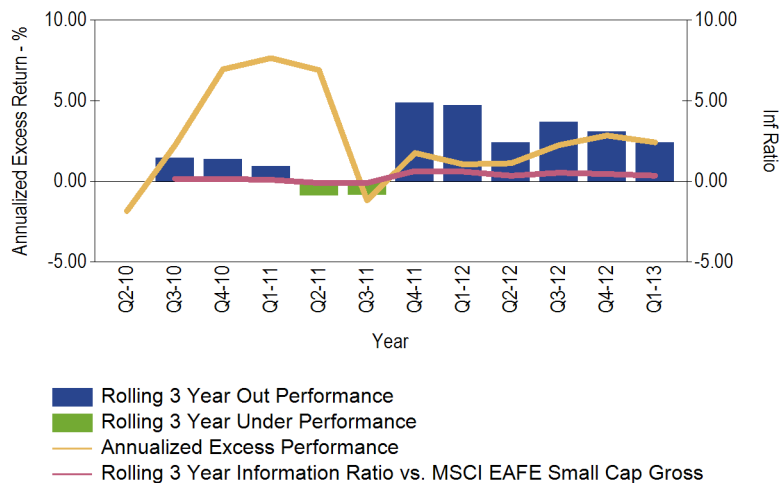
	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
GMO	4.2%	78	18.6%	78	12.6%	61	4.2%	52	7.0%	58	15.3%	92	0.3%	64	--	--	--	--	-1.1%	Oct-07
MSCI EAFE Gross	5.2%	62	20.0%	63	11.8%	71	2.9%	81	5.5%	89	16.2%	80	-0.4%	79	2.1%	78	10.2%	74	-2.3%	Oct-07
eA EAFE Core Equity Gross Median	5.8%		20.9%		13.6%		4.2%		7.5%		17.9%		1.2%		3.0%		11.2%		-1.2%	Oct-07

	2012	Rank	2011	Rank	2010	Rank	2009	Rank	2008	Rank
GMO	17.9%	82	-8.9%	18	11.5%	55	20.5%	99	-37.5%	6
MSCI EAFE Gross	17.9%	82	-11.7%	47	8.2%	85	32.5%	65	-43.1%	41
eA EAFE Core Equity Gross Median	21.0%		-11.9%		11.8%		35.4%		-44.1%	

### Annualized Excess Performance



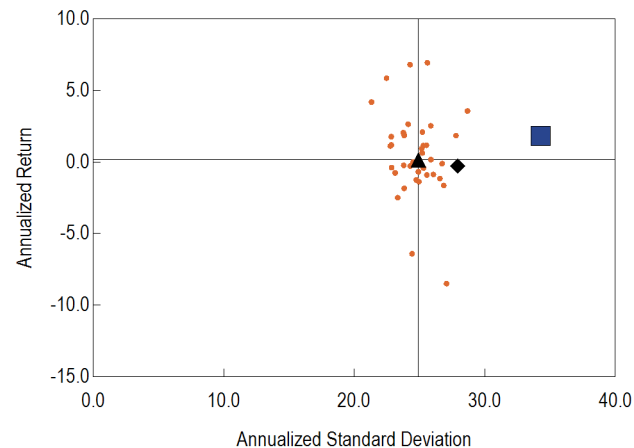
### Annualized Excess Performance and Information Ratio



### Top Holdings

TADANO	2.86%
ALAM SUTERA REALTY	2.73%
ASOS	2.70%
SURUGA BANK	2.54%
KUKA	2.43%
MAKINO MILL. MACHINE	2.37%
NTT URBAN DEV.	2.36%
AUSTRIAMICROSYSTEMS	2.30%
THK	2.21%
GEMALTO	2.08%
<b>Total</b>	<b>24.58%</b>

### Annualized Return vs. Annualized Standard Deviation 5 Years 6 Months Ending March 31, 2013



- UBS Intl
- ◆ MSCI EAFE Small Cap Growth
- ▲ Universe Median
- eA EAFE Small Cap Equity Gross

	Portfolio	MSCI EAFE Small Cap
Number of Holdings	76	2,164
Weighted Avg. Market Cap. (\$B)	3.07	1.90
Median Market Cap. (\$B)	2.73	0.78
Price To Earnings	24.57	15.80
Price To Book	3.26	1.88
Price To Sales	1.96	1.29
Return on Equity (%)	17.43	11.51
Yield (%)	1.64	2.43
Beta	1.20	1.00
R-Squared	0.96	1.00
HISTORICAL GROWTH MEASURES		
Dividends/Share-5 Yrs.	2.79	2.56
Book Value Growth-5 Yrs.	11.31	4.97
EPS Growth 1 Yr (\$ Wtd. Median)	7.62	5.63
EPS Growth 5 Yrs (\$ Wtd. Median)	9.00	1.51
Sales/Growth-1 Yr	14.65	6.46
Sales/Growth-5 Yrs.	10.36	5.11
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	4.25	4.78
Materials	9.34	10.20
Industrials	20.75	21.38
Consumer Discretionary	18.28	19.11
Consumer Staples	8.76	6.02
Health Care	5.61	5.70
Financials	24.23	20.99
Information Technology	8.78	8.94
Telecommunications	0.00	1.26
Utilities	0.00	1.62
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. (\$B)	3.07	1.90
Median Market Cap. (\$B)	2.73	0.78
Large Cap. (%)	0.00	0.00
Medium/Large Cap. (%)	0.00	0.00
Medium Cap. (%)	5.72	0.00
Medium/Small Cap. (%)	54.16	0.00
Small Cap. (%)	40.12	0.00

### eA EAFE Small Cap Growth Gross Accounts

Time Period	Average Return (%)	Median Return (%)
Quarter	~7.5	~7.0
1 Year	~19.0	~12.0
3 Years	~11.0	~9.0
5 Years	~3.0	~2.0

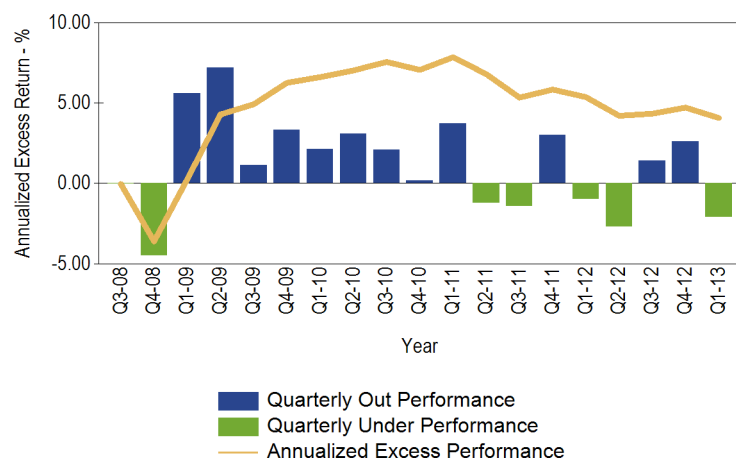
	Return (Rank)	Period			
5th Percentile	13.8	25.7	16.7	5.6	
25th Percentile	10.6	19.7	11.0	3.0	
Median	8.3	16.5	9.3	2.3	
75th Percentile	7.4	9.0	8.4	0.3	
95th Percentile	5.1	8.4	7.8	-3.2	
# of Portfolios	10	10	10	9	
UBS Intl	7.8 (62)	19.0 (31)	11.2 (23)	3.1 (25)	
MSCI EAFE Small Cap Growth	7.5 (66)	12.2 (61)	9.3 (51)	2.0 (61)	

Ending March 31, 2013

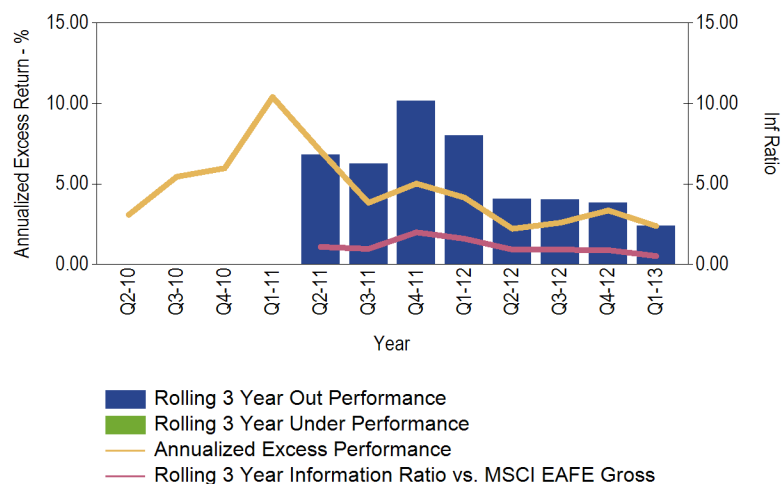
## Inception

	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
UBS Intl	7.8%	61	29.4%	15	19.0%	17	3.6%	75	11.2%	50	26.6%	20	3.1%	57	--	--	--	--	1.8%	Oct-07
MSCI EAFE Small Cap Growth	7.5%	67	20.9%	87	12.2%	83	3.3%	78	9.3%	77	21.3%	83	2.0%	79	2.6%	78	12.8%	86	-0.3%	Oct-07
S&P Dev ex-US SCG	7.2%	73	21.3%	85	11.6%	85	2.1%	90	8.3%	85	21.1%	84	1.7%	82	--	--	--	--	-0.8%	Oct-07
									2012	Rank	2011	Rank	2010	Rank	2009	Rank			2008	Rank
UBS Intl									25.5%	24	-17.9%	94	31.3%	9	59.9%	18			-52.3%	87
MSCI EAFE Small Cap Growth									18.7%	91	-14.2%	61	25.3%	42	44.1%	58			-48.0%	51
S&P Dev ex-US SCG									17.8%	92	-14.2%	60	22.0%	76	48.2%	49			-49.0%	62

### Annualized Excess Performance



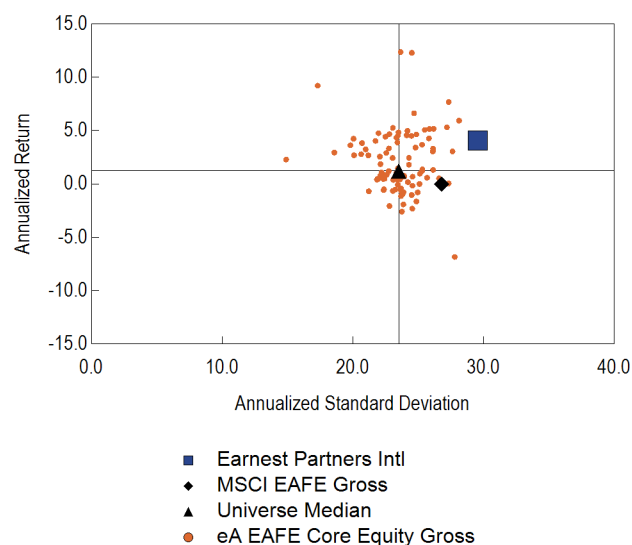
### Annualized Excess Performance and Information Ratio



### Top Holdings

<b>EARNEST PARTNERS CHINA FUND</b>	7.61%
<b>ARM HDG.SPN.ADR 1:3</b>	4.85%
<b>CORE LABORATORIES</b>	3.69%
<b>DENSO</b>	3.04%
<b>GETINGE</b>	2.83%
<b>DIAGEO</b>	2.76%
<b>SHIRE</b>	2.60%
<b>ICON</b>	2.57%
<b>ICICI BK.ADR 1:2</b>	2.55%
<b>DNB</b>	2.52%
<b>Total</b>	<b>35.01%</b>

### Annualized Return vs. Annualized Standard Deviation 4 Years 9 Months Ending March 31, 2013



Portfolio MSCI EAFE

Number of Holdings	63	909
Weighted Avg. Market Cap. (\$B)	40.03	55.62
Median Market Cap. (\$B)	19.72	7.81
Price To Earnings	16.37	17.21
Price To Book	3.08	2.11
Price To Sales	1.96	1.60
Return on Equity (%)	22.27	13.44
Yield (%)	2.09	3.11
Beta	1.04	1.00
R-Squared	0.96	1.00

### HISTORICAL GROWTH MEASURES

Dividends/Share-5 Yrs.	4.84	3.81
Book Value Growth-5 Yrs.	9.62	4.46
EPS Growth 1 Yr (\$ Wtd. Median)	5.40	1.48
EPS Growth 5 Yrs (\$ Wtd. Median)	6.26	-0.50
Sales/Growth-1 Yr	6.98	5.24
Sales/Growth-5 Yrs.	7.52	4.24

### INDUSTRY SECTOR DISTRIBUTION (% Equity)

Energy	12.48	7.16
Materials	9.59	8.86
Industrials	6.43	12.58
Consumer Discretionary	8.09	10.96
Consumer Staples	3.98	12.34
Health Care	14.01	10.30
Financials	20.32	24.85
Information Technology	12.49	4.34
Telecommunications	1.30	4.93
Utilities	0.00	3.67

### COMPANY SIZE DISTRIBUTION

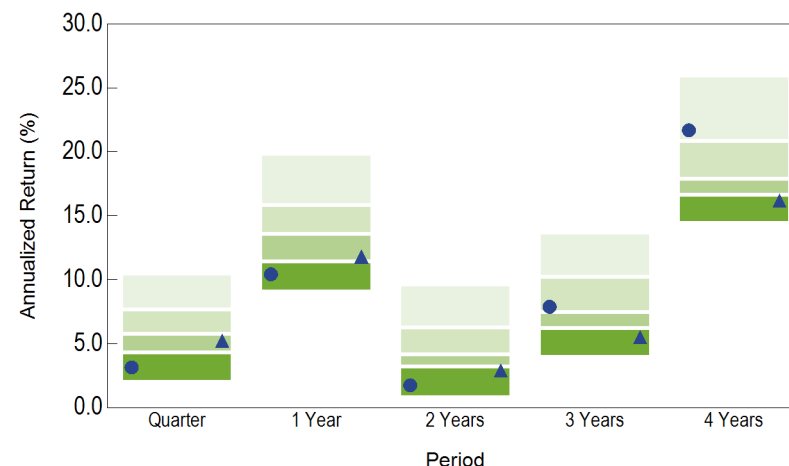
Weighted Ave. Market Cap. (\$B)	40.03	55.62
Median Market Cap. (\$B)	19.72	7.81
Large Cap. (%)	21.40	0.00
Medium/Large Cap. (%)	36.21	0.00
Medium Cap. (%)	18.56	0.00
Medium/Small Cap. (%)	14.80	0.00
Small Cap. (%)	9.03	0.00

**International Equity Performance Attribution**  
Versus MSCI EAFE - Quarter Ending March 31, 2013

	Returns and Ending Weights				Attribution Effects			Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	
<b>Totals</b>								
Americas	11.3%	--	24.6%	0.0%	0.2%	1.4%	0.0%	1.6%
Europe	2.1%	2.9%	42.7%	63.9%	-1.1%	-1.6%	1.8%	-1.0%
Asia/Pacific	1.4%	9.7%	30.6%	35.6%	-4.4%	0.8%	0.8%	-2.8%
Other	5.1%	7.2%	1.4%	0.5%	0.1%	0.1%	-0.1%	0.1%
Cash	0.0%	--	0.7%	--	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>3.2%</b>	<b>5.2%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-5.3%</b>	<b>0.7%</b>	<b>2.6%</b>	<b>-2.0%</b>
<b>Totals</b>								
Developed	5.4%	5.2%	79.6%	100.0%	-1.3%	-2.9%	2.8%	-1.4%
Emerging*	-2.3%	--	19.7%	0.0%	-3.1%	2.7%	-0.3%	-0.6%
Cash	0.0%	--	0.7%	--	0.0%	0.0%	0.0%	0.0%

\*Emerging contains securities from non-benchmark countries.

**eA EAFE Core Equity Gross Accounts**



	Return (Rank)				
5th Percentile	10.5	19.8	9.6	13.7	25.9
25th Percentile	7.7	15.9	6.3	10.3	20.9
Median	5.8	13.6	4.2	7.5	17.9
75th Percentile	4.3	11.4	3.3	6.2	16.7
95th Percentile	2.0	9.1	0.8	4.0	14.5
# of Portfolios	112	112	107	104	100
• Earnest Partners Intl	3.1 (92)	10.4 (87)	1.7 (90)	7.9 (46)	21.7 (23)
▲ MSCI EAFE Gross	5.2 (62)	11.8 (71)	2.9 (81)	5.5 (89)	16.2 (80)

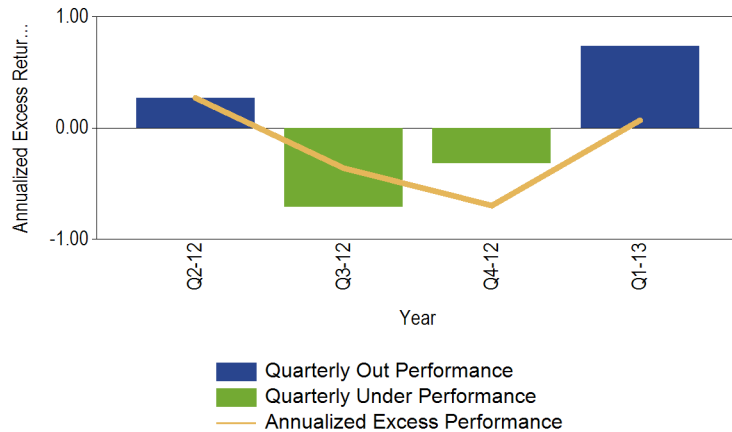
**Ending March 31, 2013**

**Inception**

	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
Earnest Partners Intl	3.1%	92	22.1%	41	10.4%	87	1.7%	90	7.9%	46	21.7%	23	--	--	--	--	--	--	4.1%	Jul-08
MSCI EAFE Gross	5.2%	62	20.0%	63	11.8%	71	2.9%	81	5.5%	89	16.2%	80	-0.4%	79	2.1%	78	10.2%	74	0.0%	Jul-08
eA EAFE Core Equity Gross Median	5.8%		20.9%		13.6%		4.2%		7.5%		17.9%		1.2%		3.0%		11.2%		1.2%	Jul-08

	2012	Rank	2011	Rank	2010	Rank	2009	Rank	2008	Rank
Earnest Partners Intl	17.8%	83	-8.7%	13	16.6%	25	55.4%	4	--	--
MSCI EAFE Gross	17.9%	82	-11.7%	47	8.2%	85	32.5%	65	-43.1%	41
eA EAFE Core Equity Gross Median	21.0%		-11.9%		11.8%		35.4%		-44.1%	

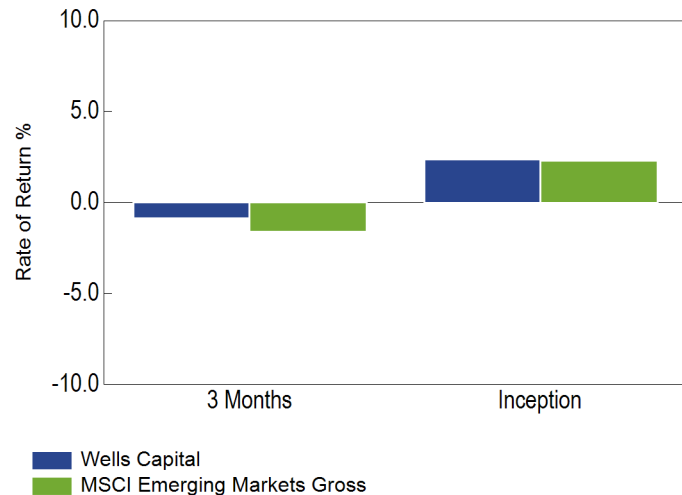
### Annualized Excess Performance



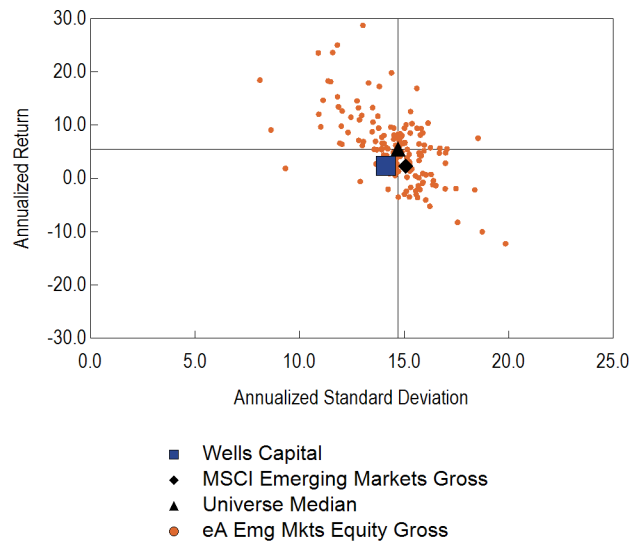
### Top Holdings

SAMSUNG ELECTRONICS	5.17%
TAIWAN SEMICON.SPN.ADR 1:5	3.37%
BNC.BRADESCO PF.SPN.ADR 1:1	3.19%
GRUPO TELEVISA SPN.ADR 1:5	2.52%
CHINA MOBILE	2.45%
FOM.ECO.MEXNO.SAB DE CV SPN.ADR 1:10	2.21%
COMPANHIA DE BEB.DAS AMRS.PN ADR.1:1	2.21%
PTRO.BRAO.ADR 1:2	2.16%
LOJAS AMERIC PN	2.13%
SINA	2.10%
<b>Total</b>	<b>27.52%</b>

### Return Summary Ending March 31, 2013



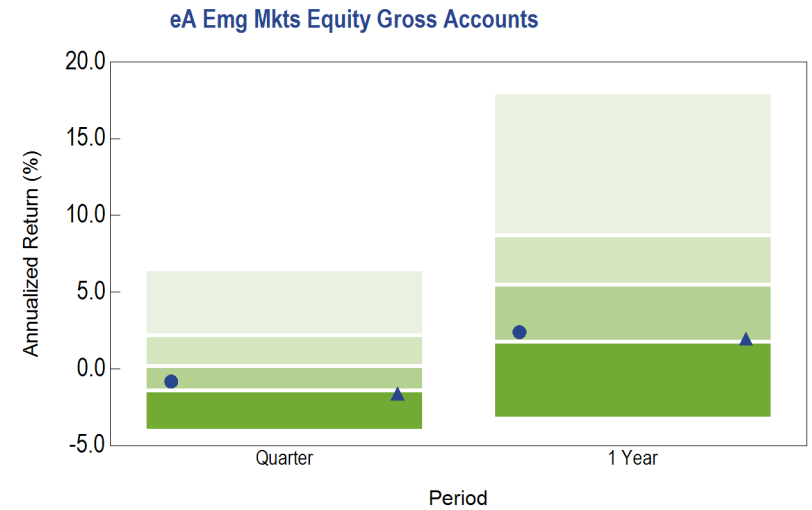
### Annualized Return vs. Annualized Standard Deviation 1 Year Ending March 31, 2013



	Portfolio	MSCI Emerging Markets Gross
Number of Holdings	121	823
Weighted Avg. Market Cap. (\$B)	41.17	36.09
Median Market Cap. (\$B)	11.70	4.64
Price To Earnings	19.90	15.89
Price To Book	3.19	2.47
Price To Sales	2.67	2.09
Return on Equity (%)	19.56	18.37
Yield (%)	2.17	2.65
Beta		1.00
R-Squared		1.00
HISTORICAL GROWTH MEASURES		
Dividends/Share-5 Yrs.	9.32	11.48
Book Value Growth-5 Yrs.	13.77	15.14
EPS Growth 1 Yr (\$ Wtd. Median)	4.33	0.35
EPS Growth 5 Yrs (\$ Wtd. Median)	11.65	12.66
Sales/Growth-1 Yr	11.10	15.20
Sales/Growth-5 Yrs.	13.56	15.66
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	10.83	12.01
Materials	4.63	10.68
Industrials	4.97	6.43
Consumer Discretionary	10.41	7.78
Consumer Staples	17.28	9.07
Health Care	0.13	1.34
Financials	23.08	27.60
Information Technology	15.25	14.09
Telecommunications	9.74	7.38
Utilities	0.00	3.56
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. (\$B)	41.17	36.09
Median Market Cap. (\$B)	11.70	4.64
Large Cap. (%)	15.49	0.00
Medium/Large Cap. (%)	37.87	0.00
Medium Cap. (%)	24.91	0.00
Medium/Small Cap. (%)	17.89	0.00
Small Cap. (%)	3.85	0.00

**International Equity Performance Attribution**  
Versus MSCI Emerging Markets Gross - Quarter Ending March 31, 2013

	Returns and Ending Weights				Attribution Effects			Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	
<b>Totals</b>								
Americas	0.2%	0.9%	36.2%	22.0%	0.3%	-0.2%	-0.2%	-0.1%
Europe	1.2%	-5.3%	5.2%	7.8%	0.2%	0.1%	0.1%	0.5%
Asia/Pacific	-0.2%	-1.5%	51.2%	60.6%	0.3%	0.0%	0.4%	0.8%
Other	-10.6%	-5.6%	7.4%	9.6%	-0.5%	0.0%	0.3%	-0.2%
<b>Total</b>	<b>-0.8%</b>	<b>-1.7%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.4%</b>	<b>-0.1%</b>	<b>0.6%</b>	<b>0.9%</b>
<b>Totals</b>								
Developed	-2.7%	--	11.2%	0.0%	-0.3%	-0.1%	-0.1%	-0.4%
Emerging*	-0.4%	-1.7%	88.8%	100.0%	0.6%	0.1%	0.7%	1.4%



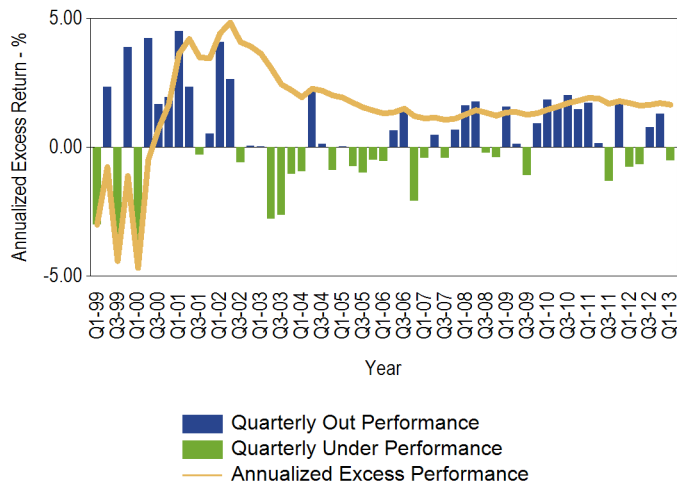
\*Emerging contains securities from non-benchmark countries.

	Return (Rank)	
5th Percentile	6.5	18.0
25th Percentile	2.2	8.7
Median	0.2	5.5
75th Percentile	-1.4	1.8
95th Percentile	-4.0	-3.2
# of Portfolios	154	154
• Wells Capital	-0.8 (64)	2.4 (71)
▲ MSCI Emerging Markets	-1.6 (78)	2.0 (73)

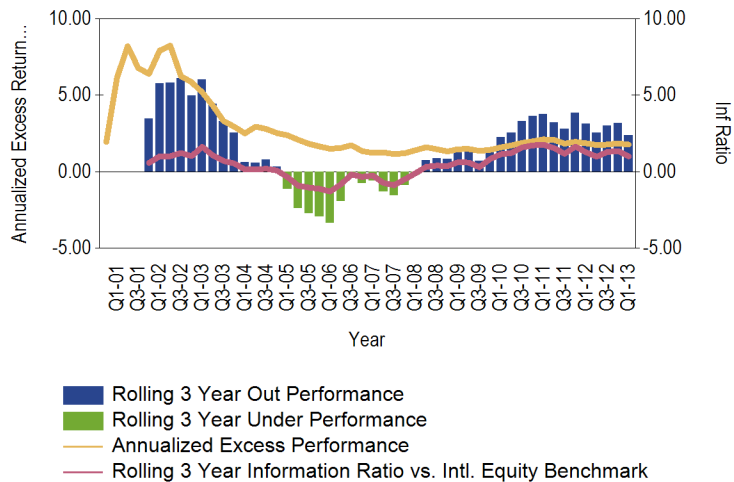
	Ending March 31, 2013												Inception	
	3 Mo	Rank	YTD	Rank	Fiscal YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return	Since
Wells Capital	-0.8%	64	-0.8%	64	11.9%	77	2.4%	71	--	--	--	--	2.4%	Apr-12
MSCI Emerging Markets	-1.6%	78	-1.6%	78	11.9%	77	2.0%	73	3.3%	68	1.1%	70	2.0%	Apr-12
MSCI Emerging Markets Gross	-1.6%	78	-1.6%	78	12.1%	75	2.3%	72	3.6%	68	1.4%	67	2.3%	Apr-12
eA Emg Mkts Equity Gross Median	0.2%		0.2%		14.7%		5.5%		4.9%		2.4%		5.5%	Apr-12



### Annualized Excess Performance



### Annualized Excess Performance and Information Ratio

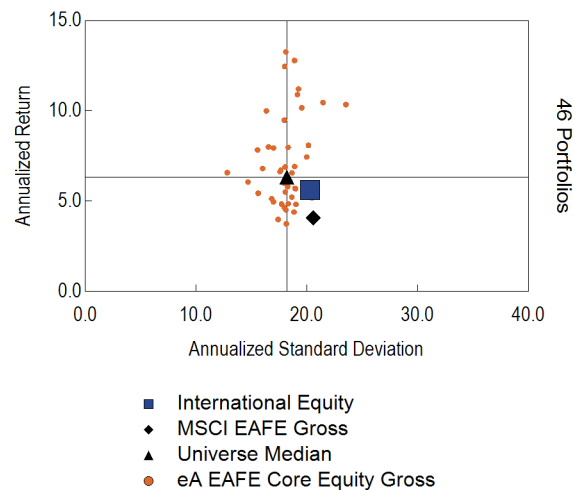


### Top Holdings

ARM HDG.SPN.ADR 1:3	2.06%
DIAGEO	1.61%
CORE LABORATORIES	1.57%
BANCO SANTANDER SA ADR 1:1	1.52%
SAMSUNG ELECTRONICS	1.38%
RIO TINTO SPN.ADR 1:1	1.37%
DENSO	1.30%
ICICI BK.ADR 1:2	1.27%
GETINGE	1.20%
SHIRE	1.11%
<b>Total</b>	<b>14.39%</b>

### Annualized Return vs. Annualized Standard Deviation

14 Years 3 Months Ending March 31, 2013



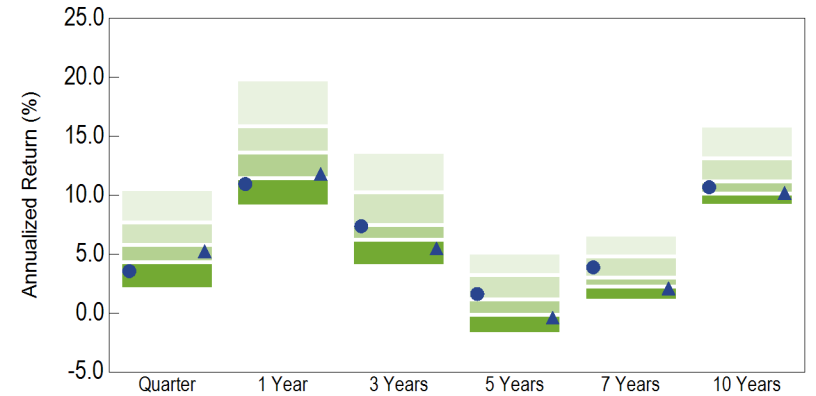
	Portfolio	MSCI EAFE
Number of Holdings	1,126	909
Weighted Avg. Market Cap. (\$B)	36.11	55.62
Median Market Cap. (\$B)	4.38	7.81
Price To Earnings	17.44	17.21
Price To Book	3.04	2.11
Price To Sales	1.94	1.60
Return on Equity (%)	18.39	13.44
Yield (%)	2.63	3.11
Beta	1.04	1.00
R-Squared	0.99	1.00
HISTORICAL GROWTH MEASURES		
Dividends/Share-5 Yrs.	2.76	3.81
Book Value Growth-5 Yrs.	8.94	4.46
EPS Growth 1 Yr (\$ Wtd. Median)	2.71	1.48
EPS Growth 5 Yrs (\$ Wtd. Median)	5.13	-0.50
Sales/Growth-1 Yr	7.77	5.24
Sales/Growth-5 Yrs.	7.61	4.24
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	11.12	7.16
Materials	7.34	8.86
Industrials	9.75	12.58
Consumer Discretionary	10.17	10.96
Consumer Staples	7.44	12.34
Health Care	9.69	10.30
Financials	21.60	24.85
Information Technology	10.08	4.34
Telecommunications	4.28	4.93
Utilities	2.22	3.67
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. (\$B)	36.11	55.62
Median Market Cap. (\$B)	4.38	7.81
Large Cap. (%)	19.17	0.00
Medium/Large Cap. (%)	29.54	0.00
Medium Cap. (%)	16.20	0.00
Medium/Small Cap. (%)	20.60	0.00
Small Cap. (%)	14.49	0.00

### International Equity Performance Attribution Versus MSCI EAFE - Quarter Ending March 31, 2013

	Returns and Ending Weights				Attribution Effects			Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	
<b>Totals</b>								
Americas	5.1%	--	21.5%	0.0%	-0.9%	1.7%	0.0%	0.9%
Europe	1.9%	2.9%	43.3%	63.9%	-1.1%	-1.6%	1.6%	-1.1%
Asia/Pacific	4.4%	9.7%	32.9%	35.6%	-2.6%	0.2%	0.7%	-1.7%
Other	-0.8%	7.2%	2.1%	0.5%	-0.1%	0.1%	-0.1%	-0.1%
Cash	0.0%	--	0.3%	--	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>3.3%</b>	<b>5.2%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-4.6%</b>	<b>0.5%</b>	<b>2.2%</b>	<b>-2.0%</b>
<b>Totals</b>								
Developed	4.4%	5.2%	76.9%	100.0%	-1.6%	-2.7%	2.3%	-2.0%
Emerging*	0.1%	--	22.8%	0.0%	-2.4%	2.6%	-0.2%	0.0%
Cash	0.0%	--	0.3%	--	0.0%	0.0%	0.0%	0.0%

\*Emerging contains securities from non-benchmark countries.

### eA EAFE Core Equity Gross Accounts



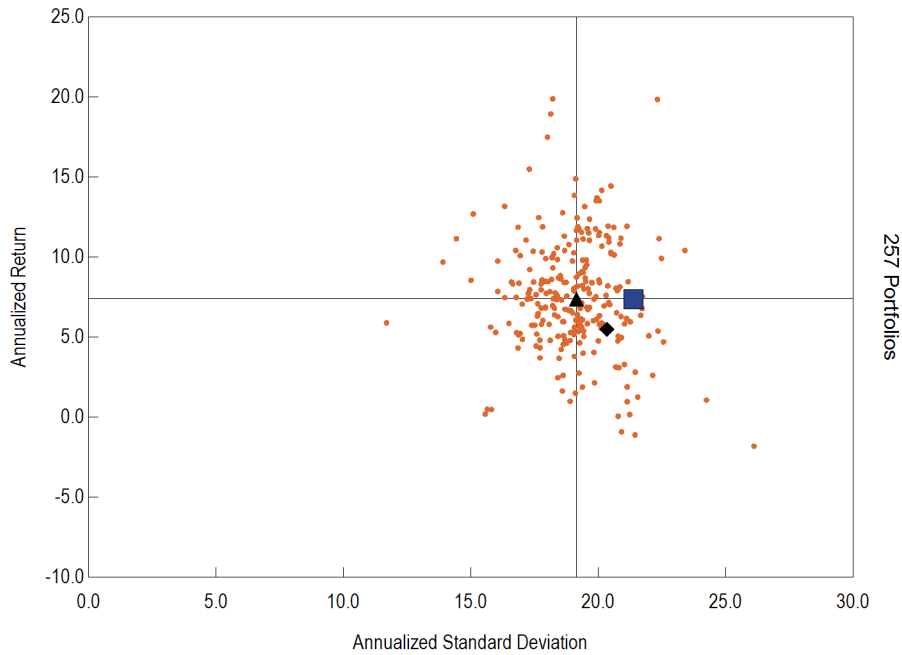
	Period					
Return (Rank)	Quarter	1 Year	3 Years	5 Years	7 Years	10 Years
5th Percentile	10.5	19.8	13.7	5.1	6.6	15.9
25th Percentile	7.7	15.9	10.3	3.3	4.8	13.1
Median	5.8	13.6	7.5	1.2	3.0	11.2
75th Percentile	4.3	11.4	6.2	-0.1	2.3	10.2
95th Percentile	2.0	9.1	4.0	-1.8	1.1	9.1
# of Portfolios	112	112	104	94	77	62
● International Equity	3.6 (87)	10.9 (82)	7.4 (53)	1.6 (42)	3.9 (32)	10.7 (61)
▲ MSCI EAFE Gross	5.2 (62)	11.8 (71)	5.5 (89)	-0.4 (79)	2.1 (78)	10.2 (74)

### Ending March 31, 2013

### Inception

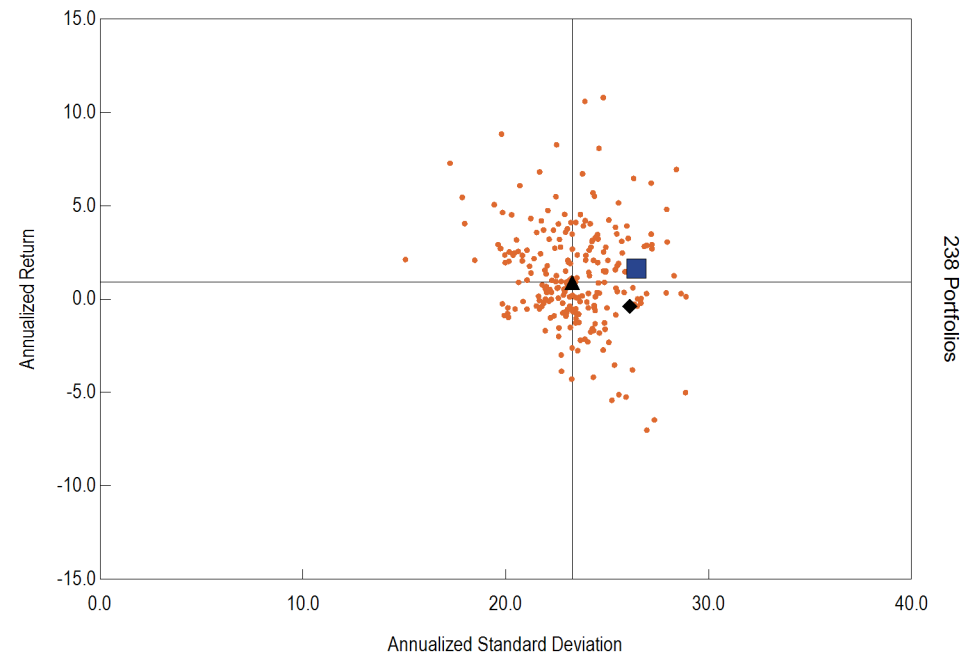
	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
<b>International Equity</b>	<b>3.6%</b>	<b>81</b>	<b>20.4%</b>	<b>53</b>	<b>10.9%</b>	<b>69</b>	<b>2.2%</b>	<b>74</b>	<b>7.4%</b>	<b>51</b>	<b>18.3%</b>	<b>44</b>	<b>1.6%</b>	<b>41</b>	<b>3.9%</b>	<b>32</b>	<b>10.7%</b>	<b>64</b>	<b>5.6%</b>	<b>Jan-99</b>
Intl. Equity Benchmark	4.1%	73	18.7%	72	10.2%	74	2.2%	74	5.0%	82	15.8%	77	-0.7%	82	1.9%	79	10.0%	79	4.0%	Jan-99
MSCI EAFE Gross	5.2%	49	20.0%	58	11.8%	61	2.9%	66	5.5%	76	16.2%	71	-0.4%	75	2.1%	73	10.2%	74	4.1%	Jan-99
eA All EAFE Equity Gross Median	5.2%		20.7%		12.8%		3.9%		7.4%		17.7%		0.9%		2.9%		11.2%		6.7%	Jan-99
	2012	Rank	2011	Rank	2010	Rank	2009	Rank	2008	Rank	2007	Rank	2006	Rank	2005	Rank	2004	Rank	2003	Rank
<b>International Equity</b>	<b>18.1%</b>	<b>70</b>	<b>-10.1%</b>	<b>30</b>	<b>15.8%</b>	<b>27</b>	<b>35.0%</b>	<b>57</b>	<b>-41.4%</b>	<b>30</b>	<b>12.0%</b>	<b>57</b>	<b>26.3%</b>	<b>62</b>	<b>11.6%</b>	<b>93</b>	<b>21.5%</b>	<b>46</b>	<b>31.4%</b>	<b>92</b>
Intl. Equity Benchmark	17.5%	76	-11.7%	47	8.2%	78	32.5%	67	-43.1%	41	11.6%	59	26.9%	55	14.0%	79	20.7%	52	39.2%	55
MSCI EAFE Gross	17.9%	72	-11.7%	47	8.2%	78	32.5%	67	-43.1%	41	11.6%	59	26.9%	55	14.0%	79	20.7%	52	39.2%	55
eA All EAFE Equity Gross Median	20.4%		-12.0%		11.7%		36.5%		-44.1%		13.2%		27.3%		17.5%		21.0%		39.9%	

Annualized Return vs. Annualized Standard Deviation  
3 Years Ending March 31, 2013



- International Equity
- ◆ MSCI EAFE Gross
- ▲ Universe Median
- eA All EAFE Equity Gross

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending March 31, 2013



- International Equity
- ◆ MSCI EAFE Gross
- ▲ Universe Median
- eA All EAFE Equity Gross

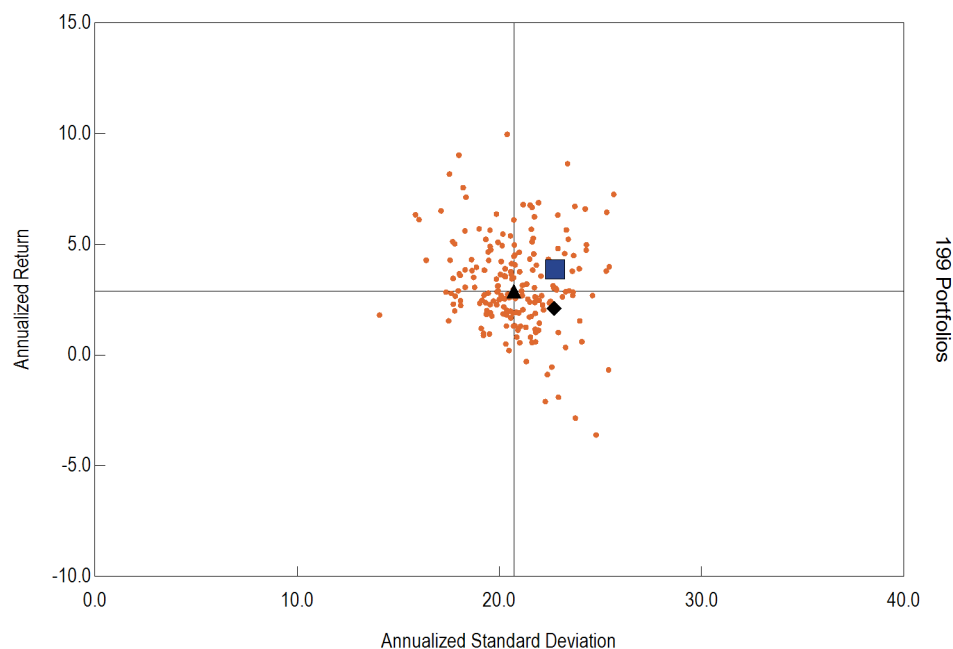
Risk vs. Return for 3 Years Ending March 31, 2013

Rank within eA All EAFE Equity Gross (USD) (manager)	Annualized Return	Percentile Rank	Standard Deviation
International Equity	7.4%	51	21.4%
MSCI EAFE Gross	5.5%	76	20.4%
Median for this Universe	7.4%		19.2%

Risk vs. Return for 5 Years Ending March 31, 2013

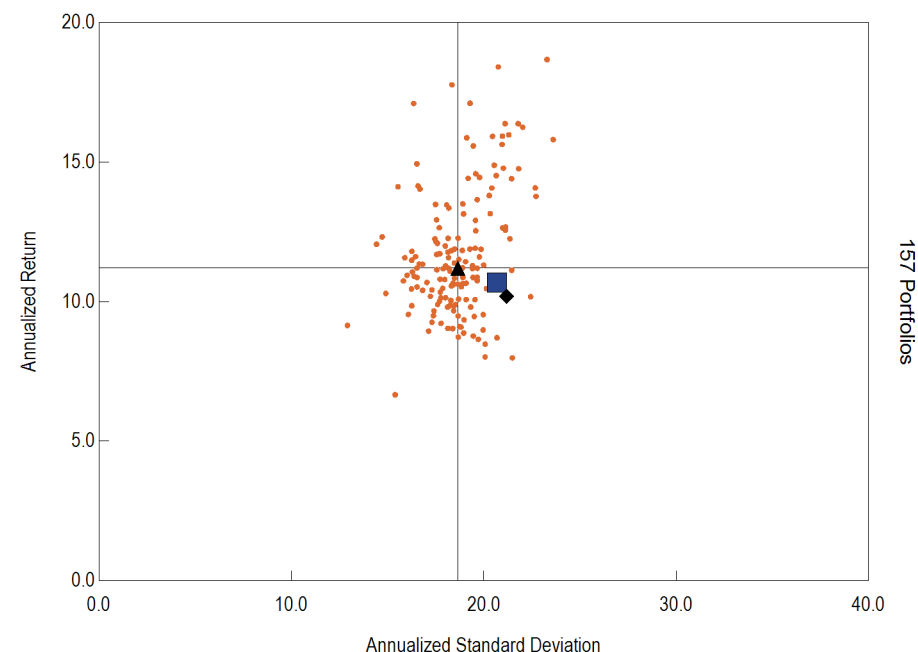
Rank within eA All EAFE Equity Gross (USD) (manager)	Annualized Return	Percentile Rank	Standard Deviation
International Equity	1.6%	41	26.4%
MSCI EAFE Gross	-0.4%	75	26.1%
Median for this Universe	0.9%		23.3%

Annualized Return vs. Annualized Standard Deviation  
7 Years Ending March 31, 2013



- International Equity
- ◆ MSCI EAFE Gross
- ▲ Universe Median
- eA All EAFE Equity Gross

Annualized Return vs. Annualized Standard Deviation  
10 Years Ending March 31, 2013



- International Equity
- ◆ MSCI EAFE Gross
- ▲ Universe Median
- eA All EAFE Equity Gross

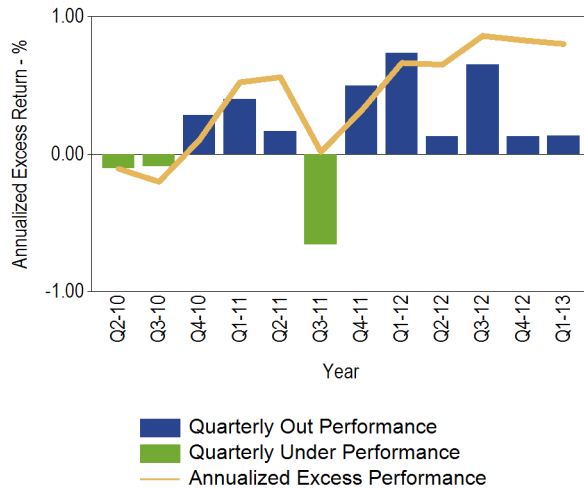
Risk vs. Return for 7 Years Ending March 31, 2013

Rank within eA All EAFE Equity Gross (USD) (manager)	Annualized Return	Percentile Rank	Standard Deviation
International Equity	3.9%	32	22.8%
MSCI EAFE Gross	2.1%	73	22.7%
Median for this Universe	2.9%		20.7%

Risk vs. Return for 10 Years Ending March 31, 2013

Rank within eA All EAFE Equity Gross (USD) (manager)	Annualized Return	Percentile Rank	Standard Deviation
International Equity	10.7%	64	20.7%
MSCI EAFE Gross	10.2%	74	21.2%
Median for this Universe	11.2%		18.7%

### Annualized Excess Performance

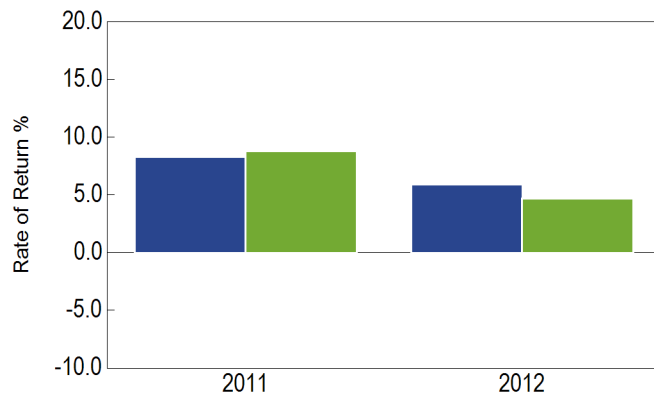


### Top Holdings

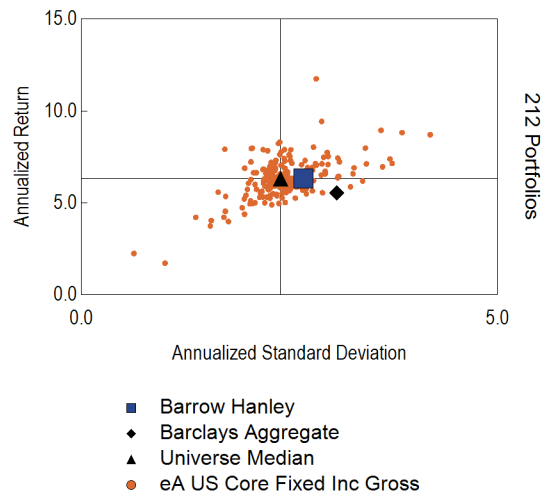
UNITED STATES TREASURY	28.40%
FN 30yr	5.30%
FH 30yr GOLD	2.35%
EB TEMPORARY INVESTMENT FD II	1.90%
FN AC3278	1.75%
FG G05753	1.72%
UST 2.375 01/15/17	1.47%
FN AH3373	1.37%
FN 995024	1.17%
BEAR STEARNS CO LLC	1.14%
<b>Total</b>	<b>46.56%</b>

Portfolio Characteristics	Barrow	BC. Aggregate
Eff Duration (Yrs.)	5.0	3.6
Yield to Maturity (%)	3.7	1.7
Wtd Avg. Coupon (%)	3.9	3.6
Maturity	6.1	7.0
Quality	A1/A+	AA1/AA2
Sector	Barrow	Aggregate
Corporate	55.6 %	21.5 %
Government	9.6	46.7
Mortgage	29.1	29.6
Foreign	0.0	0.0
CMBS	3.7	2.2
Cash	2.0	0.0
Quality	Barrow	Aggregate
Govt/Agency	38.7 %	0.0 %
AAA	6.2	73.1
AA	8.2	5.0
A	25.1	11.0
BBB	10.5	10.8
BB	11.3	0.0
Less than BB	0.0	0.0
Not Rated	0.0	0.0

### Return Summary Ending March 31, 2013



### Annualized Return vs. Annualized Standard Deviation 3 Years Ending March 31, 2013

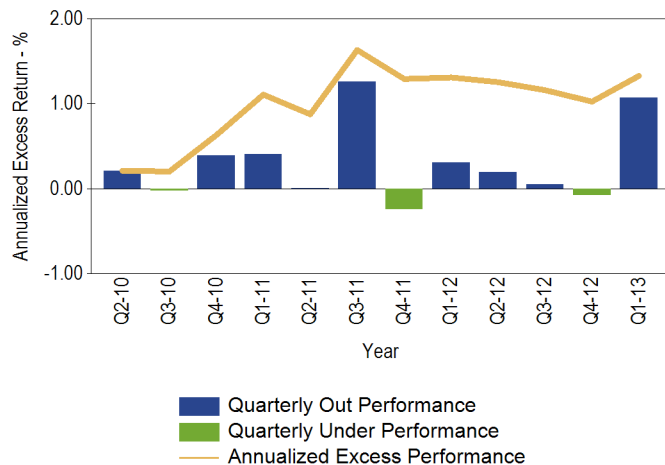


	Ending March 31, 2013										Inception									
	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
Barrow Hanley	0.0%	73	2.6%	62	4.8%	54	6.7%	45	6.3%	50	--	--	--	--	--	--	--	--	6.3%	Apr-10
Barrow Hanley Benchmark*	-0.2%	93	1.8%	86	4.1%	81	6.3%	65	6.0%	66	--	--	--	--	--	--	--	--	6.0%	Apr-10
Barclays Aggregate	-0.1%	91	1.7%	89	3.8%	90	5.7%	86	5.5%	85	6.1%	85	5.5%	88	5.9%	83	5.0%	87	5.5%	Apr-10
eA US Core Fixed Inc Gross Median	0.1%		2.8%		4.9%		6.6%		6.3%		7.5%		6.3%		6.5%		5.5%		6.3%	Apr-10

	2012	Rank	2011	Rank
Barrow Hanley	5.9%	51	8.3%	24
Barrow Hanley Benchmark*	4.7%	81	8.8%	13
Barclays Aggregate	4.2%	90	7.8%	46
eA US Core Fixed Inc Gross Median	5.9%		7.7%	

\*The Barrow Hanley benchmark is 17.2% Barclays Capital US TIPS, and 82.8% Barclays Capital US Aggregate.

### Annualized Excess Performance

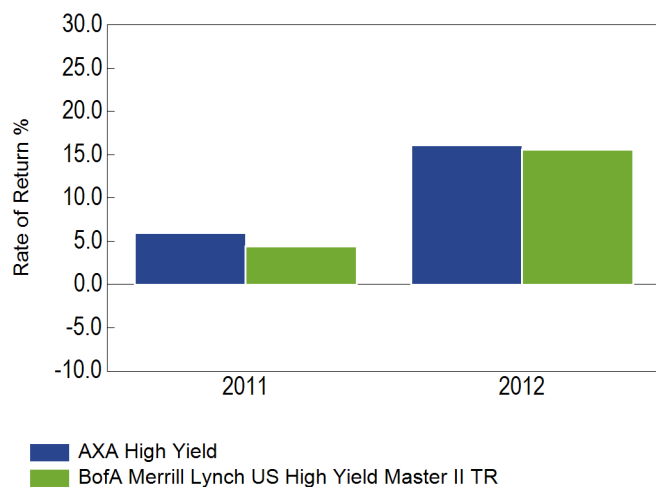


### Top Holdings

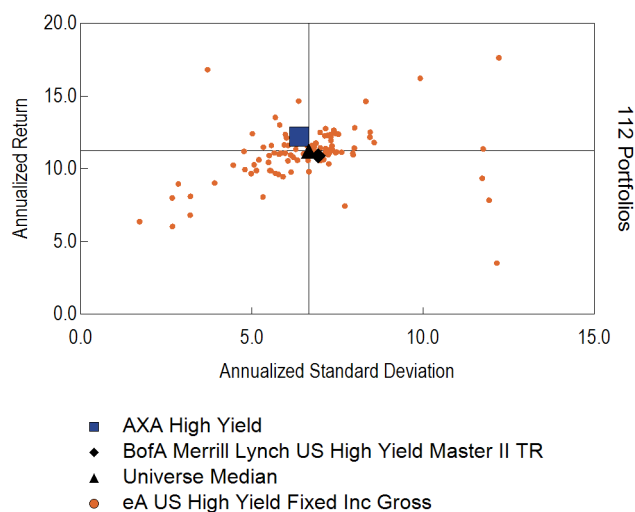
EB TEMPORARY INVESTMENT FD II	3.78%
FMG RESOURCES (AUGUST 2006) PTY LTD	1.31%
HD SUPPLY INC	1.02%
AMC ENTERTAINMENT INC	1.01%
DYNCORP INTERNATIONAL INC	0.97%
ACE CASH EXPRESS INC	0.97%
WSTCR 11.000 10/15/16 '11	0.88%
SITFN 11.500 04/01/18 '14	0.83%
INTELSAT LUXEMBOURG SA	0.83%
SEQUA CORP	0.78%
<b>Total</b>	<b>12.38%</b>

Portfolio Characteristics	AXA	ML HY Master II
Eff Duration (Yrs.)	3.1	3.7
Wtd Avg. Yield (%)	8.0	7.4
Wtd Avg. Coupon (%)	8.5	7.7
Maturity	6.2	6.8
Quality	B2	B1
Sector	AXA	ML HY II
Corporate	100.0 %	100.0 %
Government	0.0	0.0
Mortgage	0.0	0.0
Foreign	0.0	0.0
CMBS	0.0	0.0
Cash	0.0	0.0
Quality	AXA	ML HY II
Govt/Agency	0.0 %	0.0 %
AAA	0.0	0.0
AA	0.0	0.0
A	0.0	0.0
BBB	1.6	2.5
BB	23.4	41.6
Less than BB	71.4	55.7
Not Rated	0.6	0.0
Cash	2.8	0.0

### Return Summary Ending March 31, 2013



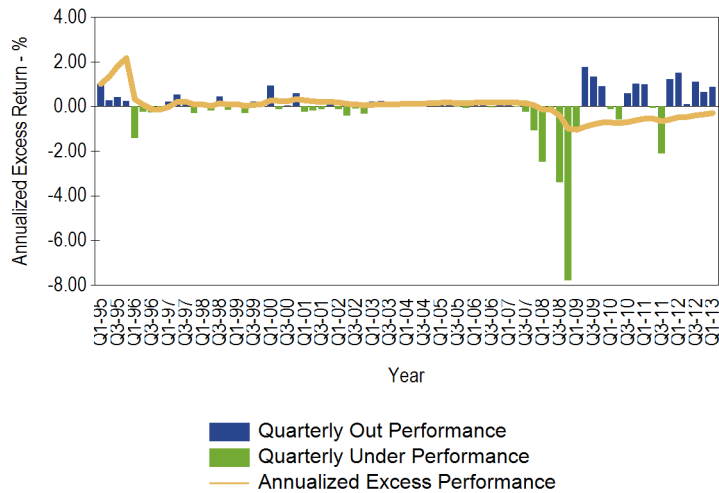
### Annualized Return vs. Annualized Standard Deviation 3 Years Ending March 31, 2013



																			Inception		
	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since	
AXA High Yield	4.0%	13	12.2%	23	14.5%	16	10.7%	12	12.2%	18	--	--	--	--	--	--	--	--	12.2%	Apr-10	
BofA Merrill Lynch US High Yield Master II TR	2.9%	52	11.1%	47	13.1%	42	9.3%	63	10.9%	69	21.0%	22	11.3%	41	9.1%	50	9.9%	49	10.9%	Apr-10	
eA US High Yield Fixed Inc Gross Median	2.9%		10.9%		12.7%		9.5%		11.2%		19.0%		10.9%		9.1%		9.9%		11.2%	Apr-10	
									2012	Rank			2011	Rank							
AXA High Yield										16.1%	36			6.0%	30						
BofA Merrill Lynch US High Yield Master II TR										15.6%	47			4.4%	60						
eA US High Yield Fixed Inc Gross Median										15.5%				4.9%							



### Annualized Excess Performance

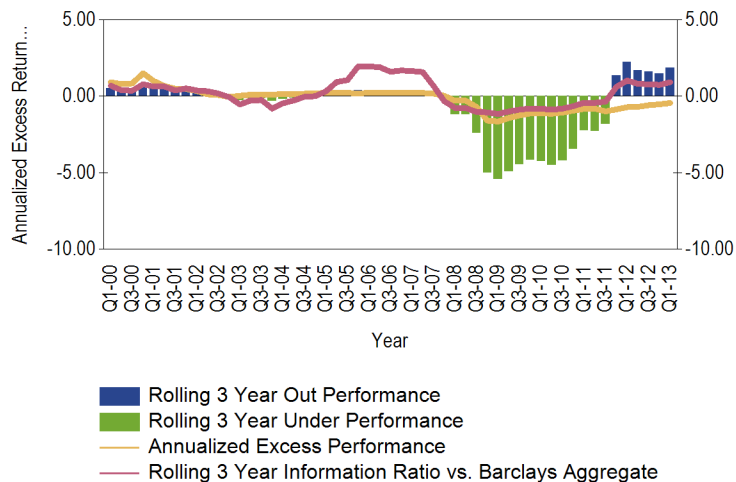


### Top Holdings

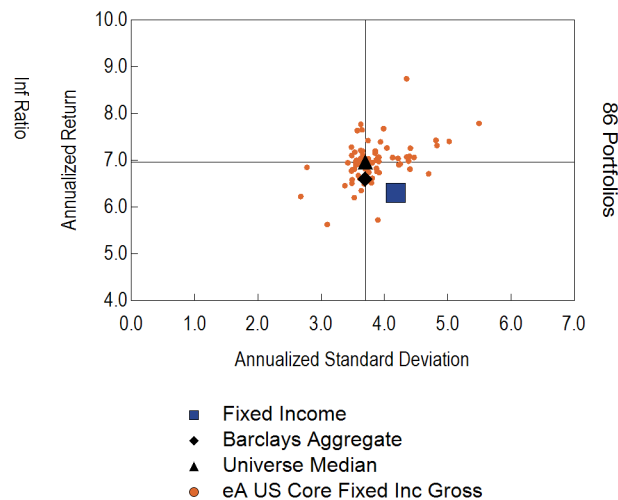
UNITED STATES TREASURY	22.84%
FN 30yr	4.26%
EB TEMPORARY INVESTMENT FD II	2.27%
FH 30yr GOLD	1.89%
FN AC3278	1.41%
FG G05753	1.38%
UST 2.375 01/15/17	1.18%
FN AH3373	1.10%
FN 995024	0.94%
BEAR STEARNS CO LLC	0.92%
<b>Total</b>	<b>38.19%</b>

Portfolio Characteristics	Total Fixed Income	Barclays Aggregate
Mkt Value	159,416,399	
Eff Duration (Yrs.)	4.6	3.6
Wtd Avg. Yield (%)	4.5	1.7
Wtd Avg. Coupon (%)	4.8	3.6
Maturity	6.1	7.0
Quality	AA	AA1/AA2
<b>Sector</b>		
Corporate	64.0	21.5
Government	7.8	46.7
Mortgage	23.6	29.6
Foreign	0.0	0.0
ABS/CMBS	3.0	2.2
Cash	1.6	0.0
<b>Quality</b>		
Govt/Agency	31.4	0.0
AAA	5.0	73.1
AA	6.7	5.0
A	20.4	11.0
BBB	8.8	10.8
BB	13.6	0.0
Less than BB	13.4	0.0
Not Rated	0.1	0.0
Cash	0.5	0.0
	100.0	

### Annualized Excess Performance and Information Ratio



### Annualized Return vs. Annualized Standard Deviation 18 Years 3 Months Ending March 31, 2013

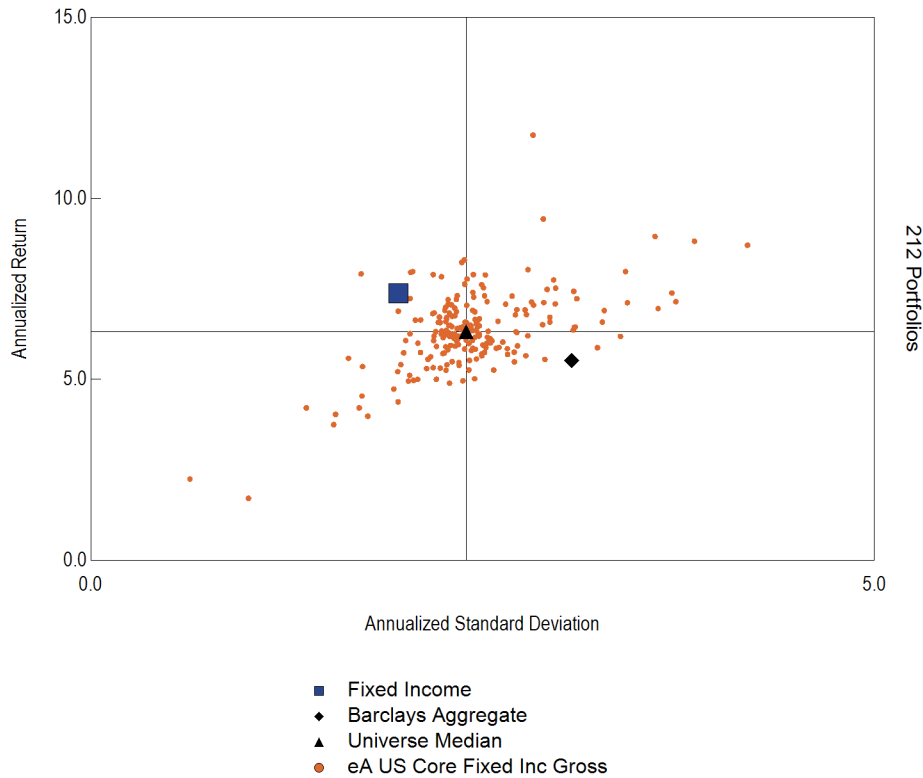


# Fixed Income

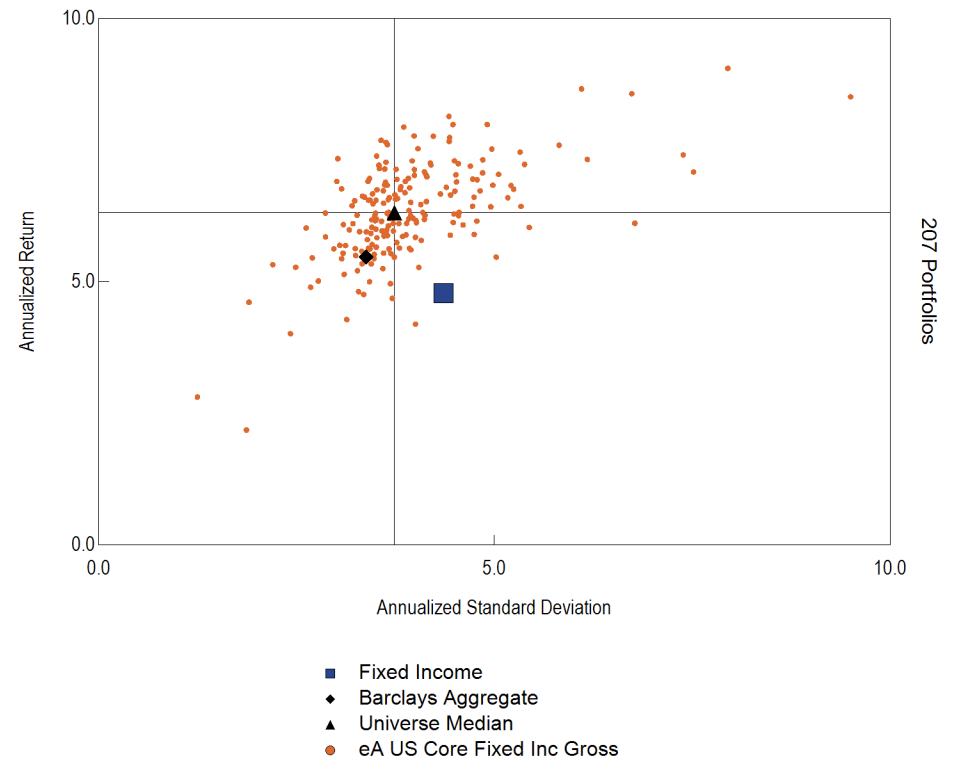
\$159.6 Million and 28.5% of Fund

	Ending March 31, 2013																		Inception	
	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
<b>Fixed Income</b>	<b>0.8%</b>	<b>7</b>	<b>4.3%</b>	<b>12</b>	<b>6.6%</b>	<b>13</b>	<b>7.4%</b>	<b>16</b>	<b>7.4%</b>	<b>13</b>	<b>8.5%</b>	<b>29</b>	<b>4.8%</b>	<b>97</b>	<b>4.9%</b>	<b>98</b>	<b>4.4%</b>	<b>97</b>	<b>6.3%</b>	<b>Jan-95</b>
Barclays Aggregate	-0.1%	91	1.7%	89	3.8%	90	5.7%	86	5.5%	85	6.1%	85	5.5%	88	5.9%	83	5.0%	87	6.6%	Jan-95
eA US Core Fixed Inc Gross Median	0.1%		2.8%		4.9%		6.6%		6.3%		7.5%		6.3%		6.5%		5.5%		7.0%	Jan-95
	2012	Rank	2011	Rank	2010	Rank	2009	Rank	2008	Rank	2007	Rank	2006	Rank	2005	Rank	2004	Rank	2003	Rank
<b>Fixed Income</b>	<b>7.7%</b>	<b>14</b>	<b>7.9%</b>	<b>42</b>	<b>7.5%</b>	<b>44</b>	<b>9.1%</b>	<b>49</b>	<b>-8.3%</b>	<b>96</b>	<b>5.7%</b>	<b>84</b>	<b>4.7%</b>	<b>30</b>	<b>2.6%</b>	<b>58</b>	<b>4.8%</b>	<b>24</b>	<b>4.7%</b>	<b>42</b>
Barclays Aggregate	4.2%	90	7.8%	46	6.5%	76	5.9%	80	5.2%	37	7.0%	47	4.3%	69	2.4%	78	4.3%	60	4.1%	66
eA US Core Fixed Inc Gross Median	5.9%		7.7%		7.3%		8.9%		4.1%		6.9%		4.5%		2.7%		4.5%		4.5%	

Annualized Return vs. Annualized Standard Deviation  
3 Years Ending March 31, 2013



Annualized Return vs. Annualized Standard Deviation  
5 Years Ending March 31, 2013



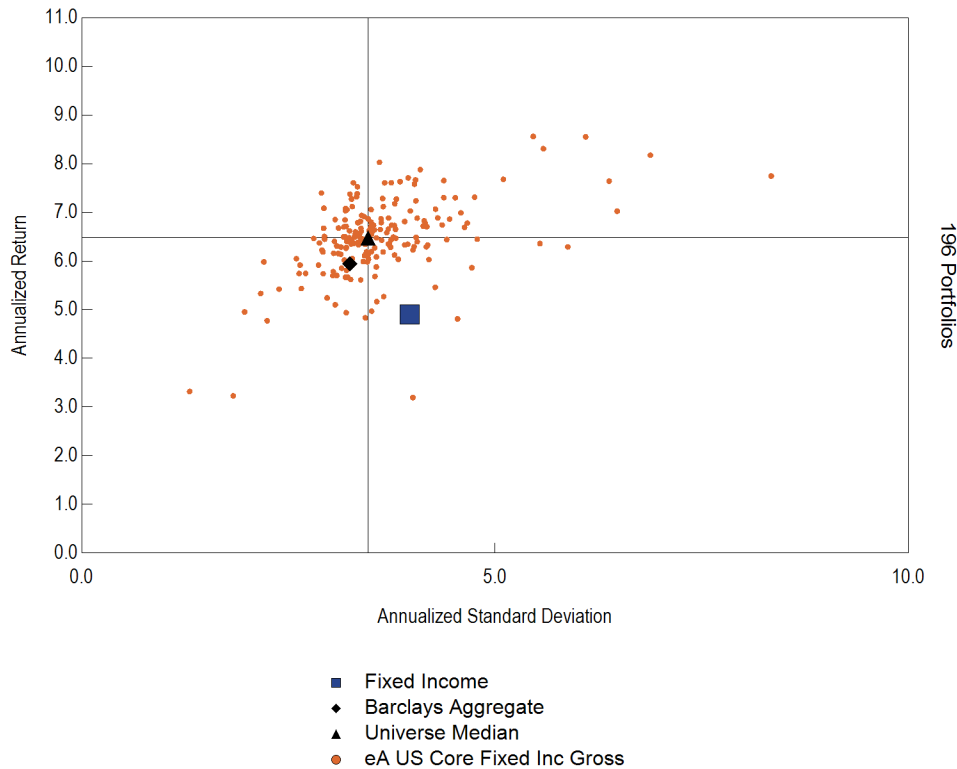
Risk vs. Return for 3 Years Ending March 31, 2013

Rank within eA US Core Fixed Inc Gross (USD) (manager)	Annualized Return	Percentile Rank	Standard Deviation
Fixed Income	7.4%	13	2.0%
Barclays Aggregate	5.5%	85	3.1%
Median for this Universe	6.3%		2.4%

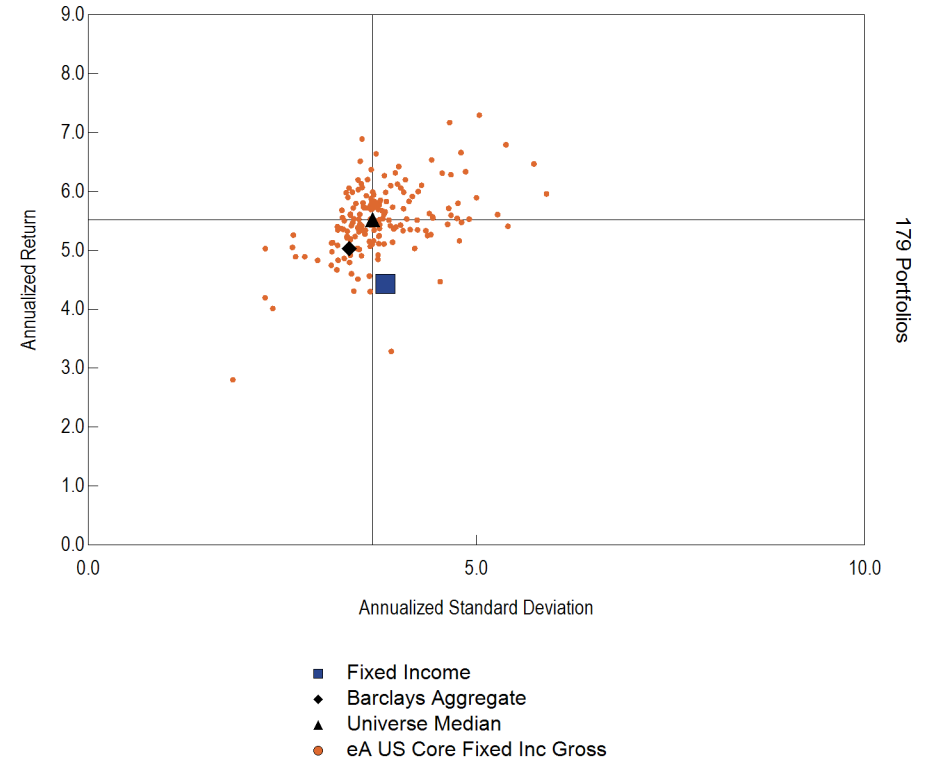
Risk vs. Return for 5 Years Ending March 31, 2013

Rank within eA US Core Fixed Inc Gross (USD) (manager)	Annualized Return	Percentile Rank	Standard Deviation
Fixed Income	4.8%	97	4.4%
Barclays Aggregate	5.5%	88	3.4%
Median for this Universe	6.3%		3.7%

Annualized Return vs. Annualized Standard Deviation  
7 Years Ending March 31, 2013



Annualized Return vs. Annualized Standard Deviation  
10 Years Ending March 31, 2013



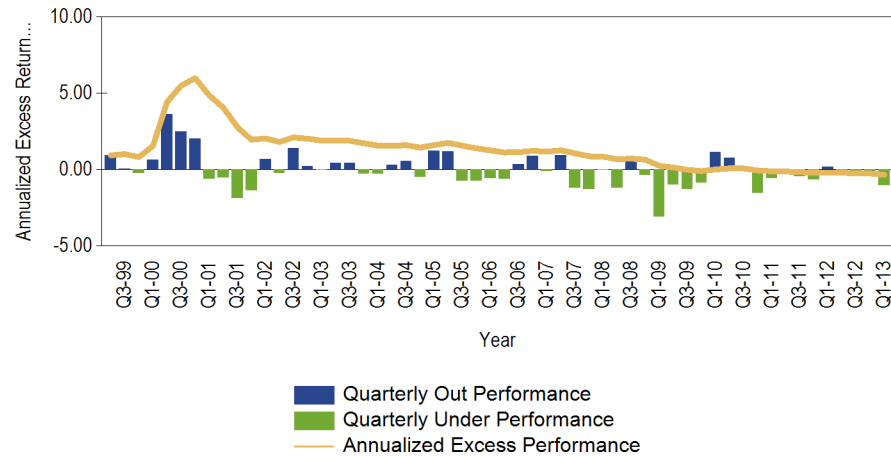
Risk vs. Return for 7 Years Ending March 31, 2013

Rank within eA US Core Fixed Inc Gross (USD) (manager)	Annualized Return	Percentile Rank	Standard Deviation
Fixed Income	4.9%	98	4.0%
Barclays Aggregate	5.9%	83	3.2%
Median for this Universe	6.5%		3.5%

Risk vs. Return for 10 Years Ending March 31, 2013

Rank within eA US Core Fixed Inc Gross (USD) (manager)	Annualized Return	Percentile Rank	Standard Deviation
Fixed Income	4.4%	97	3.8%
Barclays Aggregate	5.0%	87	3.4%
Median for this Universe	5.5%		3.7%

Annualized Excess Performance



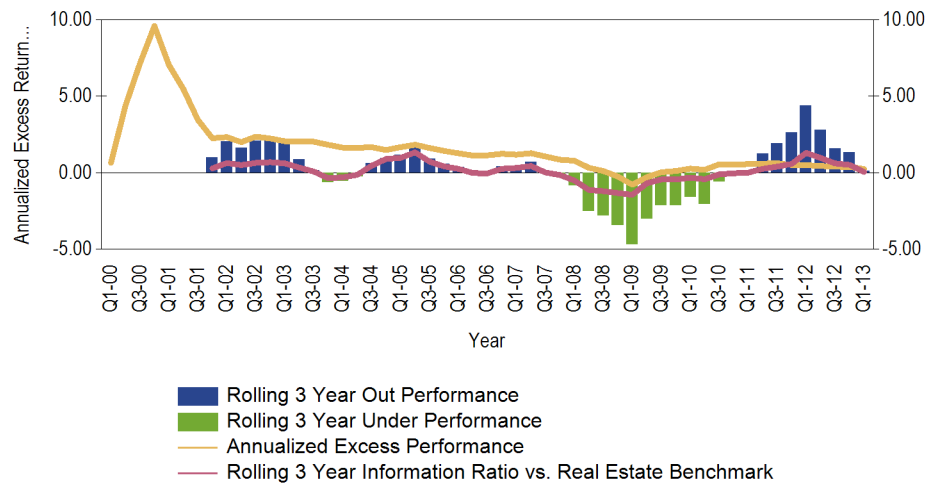
**Portfolio Distribution  
By Type**

	Percent of Total
Apartments	32.4 %
Retail	19.2
Office	33.2
Industrial	9.3
Hotel	6.0

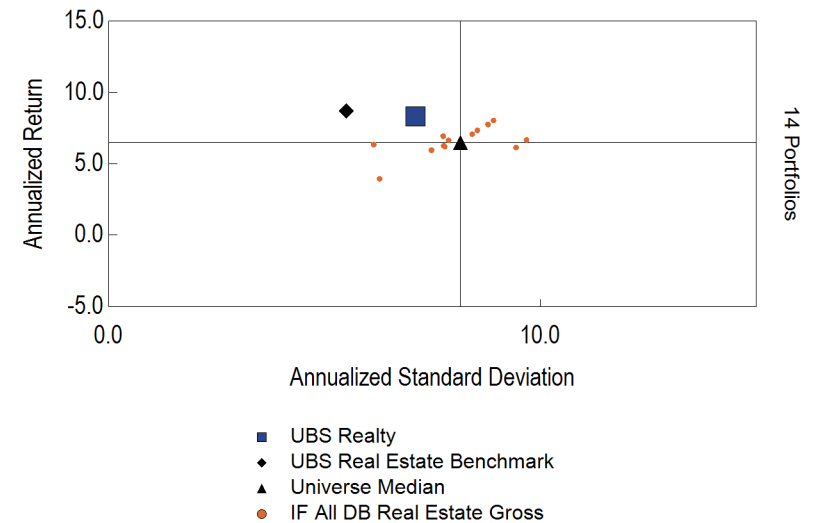
**Portfolio Distribution  
By Geographic Region**

	Percent of Total
West	28.4 %
Midwest	11.1
East	43.2
South	17.4

Annualized Excess Performance and Information Ratio

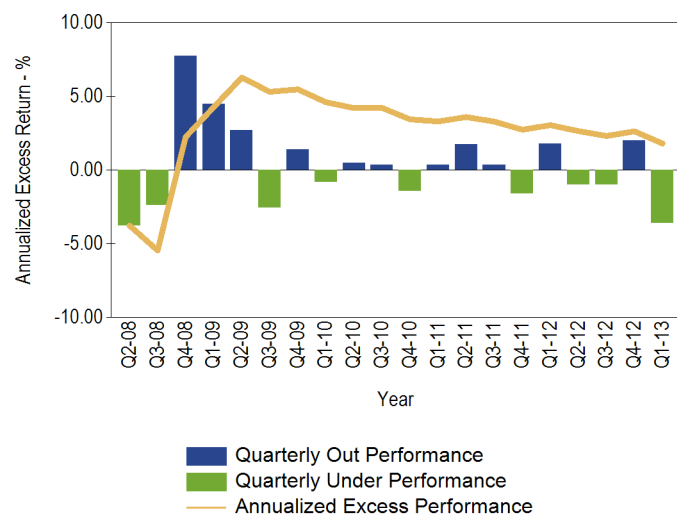


Annualized Return vs. Annualized Standard Deviation  
14 Years Ending March 31, 2013



	Ending March 31, 2013																		Inception							
	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since						
UBS Realty	1.7%	75	6.3%	68	8.7%	72	10.7%	76	13.2%	67	6.4%	32	0.9%	21	4.6%	14	7.8%	13	8.4%	Apr-99						
UBS Real Estate Benchmark	2.7%	36	8.0%	44	10.8%	46	12.4%	52	14.9%	49	8.2%	17	3.2%	11	6.5%	3	9.0%	10	8.7%	Apr-99						
NCREIF (ODCE) Index	2.7%	36	8.0%	44	10.8%	46	12.7%	44	15.1%	46	5.8%	42	-0.8%	43	3.4%	33	6.8%	29	7.5%	Apr-99						
IF All DB Real Estate Gross Median	2.5%		7.8%		10.7%		12.5%		14.5%		5.6%		-0.9%		2.8%		5.9%		6.5%	Apr-99						
	2012	Rank		2011	Rank		2010	Rank		2009	Rank		2008	Rank		2007	Rank		2006	Rank		2005	Rank		2004	Rank
UBS Realty	10.1%	56		13.2%	69		16.8%	27		-22.3%	13		-7.5%	34		13.9%	74		16.7%	30		21.1%	23		14.5%	23
UBS Real Estate Benchmark	10.9%	46		15.3%	38		16.4%	29		-16.9%	11		-6.5%	28		15.8%	34		16.6%	32		20.1%	32		14.5%	23
NCREIF (ODCE) Index	10.9%	46		16.0%	33		16.4%	29		-29.8%	57		-10.0%	59		16.0%	32		16.3%	39		21.4%	22		13.1%	30
IF All DB Real Estate Gross Median	10.7%			14.6%			15.1%			-29.5%			-9.0%			15.4%			15.6%			18.6%			11.9%	

### Annualized Excess Performance



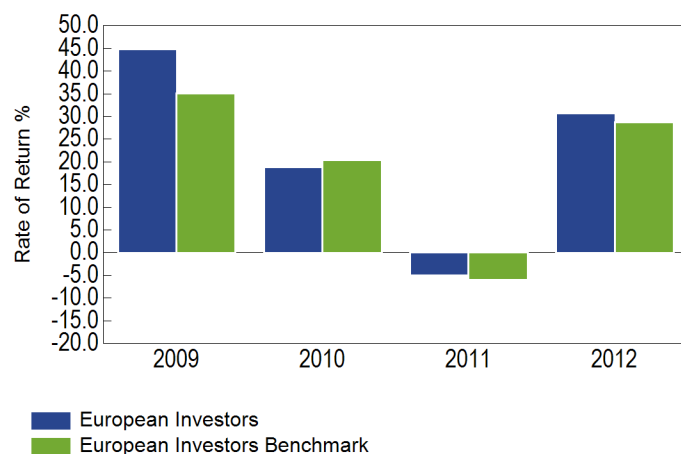
### Top Holdings as of 12/31/2012

SIMON PROPERTY GROUP INC	6.10%
EQUITY RESIDENTIAL	3.49%
HEALTH CARE REIT, INC.	3.23%
BOSTON PROPERTIES INC	3.10%
ESSEX PROPERTY TRUST	2.98%
RIOCAN REAL ESTATE INVESTMENT TRUST	2.90%
PUBLIC STORAGE	2.64%
PROLOGIS INC	2.53%
HYSAN DEVELOPMENT CO., LTD.	2.46%
MITSUI FUDOSAN CO., LTD.	2.46%

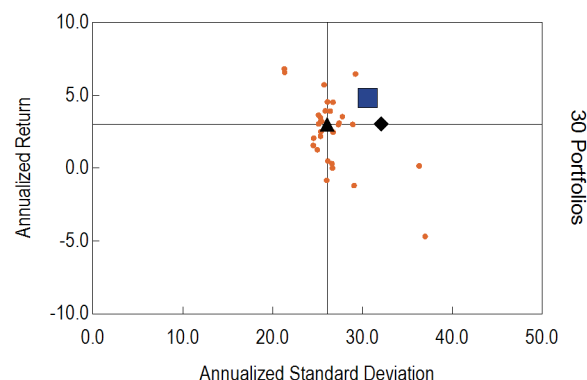
### Top Countries as of 12/31/2012

United States	41.95%
Hong Kong	14.17%
Japan	8.94%
United Kingdom	6.77%
Canada	4.86%
France	4.71%
Singapore	4.71%
Australia	2.94%
China	2.72%
Thailand	1.85%

### Return Summary Ending March 31, 2013



### Annualized Return vs. Annualized Standard Deviation 5 Years Ending March 31, 2013



### Top Regions as of 12/31/2012

UNITED STATES	41.95%
ASIA DEVELOPED	18.88%
JAPAN	8.94%
UNITED KINGDOM	6.77%
EUROZONE	5.76%

# European Investors

\$8.5 Million and 1.5% of Fund

	Ending March 31, 2013																		Inception	
	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	4 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	Return	Since
European Investors	2.7%	92	15.6%	81	17.0%	82	11.1%	35	13.7%	28	28.7%	12	4.8%	13	--	--	--	--	4.8%	Apr-08
European Investors Benchmark	6.3%	12	18.6%	57	21.1%	47	11.8%	15	14.3%	21	29.0%	11	3.0%	50	--	--	--	--	3.0%	Apr-08
Global Real Estate MStar MF Rank	92		81		82		35		28		12		13		--		--		13	Apr-08
							2012	Rank	2011	Rank	2010	Rank	2009	Rank						
European Investors							30.7%	47	-4.9%	13	18.8%	34	44.8%	13						
European Investors Benchmark							28.7%	64	-5.8%	35	20.4%	12	35.1%	74						
Global Real Estate MStar MF Rank							47		13		34		13							



## **V - Appendix**

### **Description of Managers' Investment Philosophy, Process & Style**

#### **AXA Investment Managers**

AXA believes that the key to superior long-term returns in the high yield bond market is compounding high current income and avoiding principal losses through detailed fundamental credit analysis. They invest in non-investment grade bonds of U.S. companies which have improving fundamentals and a high probability of out-performance due to their price stability or total return potential. To add incremental value and reduce risk, they actively manage interest rate risk and sector risk.

The AXA Core High Yield strategy is a total return investment strategy with a goal of generating high total returns by investing in the full maturity spectrum of non-investment grade debt of U.S. companies. Fundamental credit analysis and risk valuing, coupled with portfolio positioning using their Market Segmentation Tools, allows them to balance risk and extract alpha for their clients' portfolios.

#### **Barrow, Hanley, Mewhinney & Strauss, Inc.**

Core Fixed Income portfolios are invested in undervalued bond sectors and securities, which provide a high yield to maturity. If the yield to maturity premium of a bond sector or security is high relative to its historical range, then it will be evaluated for credit quality and supply/demand characteristics. Given that a bond meets certain fundamental requirements, it is evaluated by the firm's relative return model. The purpose of this analysis is to determine if the bond's yield to maturity premium can be converted into a total return premium. In rising interest rate environments, the process emphasizes high current yield, high quality and a conservative maturity structure.

The firm is a value manager, investing in a duration-neutral, bottom-up fashion, with individual security valuation and selection as the primary focus. BHMS believes the global fixed income markets are fragmented, producing temporary inefficiencies that provide opportunities for active management employing a research-driven selection process.

BHMS's credit research provides its clients with a unique advantage in corporate bonds. Its record of identifying companies that earn credit rating upgrades while minimizing exposure to those experiencing rating downgrades, converts yield advantage into total return advantage, regardless of the direction of interest rates.

The firm's TIPS portfolio philosophy is that an inflation-hedged portfolio should be actively managed and should consist primarily of Treasury Inflation Protected Securities (TIPS). Barrow Hanley compares the current breakeven / implied inflation rate to a long-term average CPI inflation rate to choose a duration position. The implied inflation rate is a reflection of economic conditions and their impact on future inflation factors, such as payroll expense, commodity prices, currencies, fiscal policy, and Federal Reserve monetary policy.

The firm will calculate the short-term CPI carry to determine whether it will be over- or underweighted in shorter maturities. Pressures of the new-issue calendar impact the maturity distribution of the portfolio. When the "Real Yield" is higher than that implied in the Treasury coupon market, valuations suggest an opportunity to overweight longer maturity TIPS holdings versus shorter maturities. In such instances, BHMS may consider positioning the TIPS portfolio duration marginally longer than that of the Index. When the "Real Yield" is below that implied in the Treasury coupon market, valuations suggest a strategy to overweight shorter maturity issues. In such instances, BHMS may position the TIPS portfolio duration marginally shorter than that of the Index.

Barrow Hanley utilizes its quantitative model to calculate the yield of every issue relative to a fitted yield curve for the TIPS market, which allows us to take advantage of inefficiencies. The "Yield Beta" (volatility of yield) is lower for TIPS versus the Treasury coupon market, creates the basis for arbitrage opportunities among various TIPS issues. BHMS utilizes its "value" disciplines to exploit these opportunities through active management and individual security selection decisions to add incremental total return.

### **Mellon Capital - Russell 1000 Growth, Value, Mid Cap Indexes and Tangent Added**

Mellon's indexing approach is disciplined and structured, with the singular objective of duplicating the fundamental characteristics and performance of the index by using common stock shares. The firm seeks to minimize risk (deviation from the benchmark) through implementing full index replication, and attempts to match the index's allocation to securities and sector weightings. During large index changes, such as the Russell rebalance, tracking error in the portfolio may widen, as portfolio managers and traders implement strategic trading methods which have added value to the funds. Mellon pursues a more cost-effective method of rebalancing that incorporates monitoring the risk of mistracking the index. Prior to an index rebalance, the firm begins to direct contributions and reinvestments to the stocks being added to the new index. If Mellon needs to raise cash for withdrawals, it sells those stocks dropping out of the index. As the rebalance date approaches, the firm pursues more substantial rebalance trading on the open market and through external crossing networks. Mellon Capital's approach of full replication has a low tolerance for index, sector, and name weights. The firm uses proprietary trading techniques and tightly controls trading orders to ensure best execution. After identifying and selecting stocks that Mellon Capital believes qualify as bargains based on these fundamental and conceptual considerations, the firm's objective is to be a patient investor. Mellon Capital believes that this is the proven long-term method for creating wealth in the stock market.

The Mid Cap Stock Index Fund fully replicates all of the holdings in the S&P Mid Cap 400 Index. Custody fees for the Fund are paid by Mellon Capital and not charged to Fund participants. The Fund has an annual audit and the cost of the audit is paid by the participants of the Fund. The senior members of the mid cap index investment team have been working together for at least 11 years. The firm's mid cap index commingled fund employs a strategic trading approach to minimize transaction costs. The tracking error for the EB DV Mid Cap Stock Index Fund is 5 basis points. When trading the Mid Cap Stock Index Fund, portfolio managers may be able to take advantage of internal crossing opportunities, which could lead to reduced transaction costs.

The Domestic Tangent Added Strategy seeks to outperform the S&P 500, while keeping a risk level similar to that of the overall equity market. Asset classes held by the strategy are the domestic stock market (S&P 500), domestic bond market (US Treasury Bonds) and cash equivalents (91 day TBills). Through the firm's proprietary asset allocation model, the identify the market's current anticipation of expected return and over/under-weight the respective asset classes versus historic (equilibrium) valuation levels. The strategy may over or under-weight an asset class (stocks, bonds or cash) by 50%.

### **WHV Investment Management Small Cap Equity Portfolio**

WHV invests in a portfolio of diversified, GARP-style (Growth at a Reasonable Price) small capitalization equity securities targeted to outperform the Russell 2000 Index over periods of five years or more. The firm employs a multiple manager structure with four portfolio managers. Three portfolio managers of the WHV small cap equity team focus on bottom-up fundamental analysis to select securities, while one member of the strategy utilizes a top-down sector rotation strategy supported by fundamental research. The combined portfolio of approximately 100 stocks is composed of companies with market capitalizations within a \$100 million to \$2.5 billion range. The portfolio may hold securities up to a \$4 billion level. In relation to the Russell 2000 Index the portfolio is expected to have a lower P/E level, a greater earnings per share growth rate, and a consistent median market capitalization exposure. Annual turnover is approximately 50%.

## **GMO**

The GMO International Equity Asset Allocation Strategy seeks to outperform its benchmark by 3%-4% per annum with low risk relative to the MSCI EAFE Index. The International Equity Asset Allocation Strategy's investment approach encompasses the best investment ideas at GMO and GMO's ability to add alpha on two levels: asset allocation decisions and asset class implementation decisions. The Strategy allocates to multiple international equity asset classes, including value and growth, small cap and large cap, and developed and emerging asset classes. The alpha from both the asset allocation and the stock selection is uncorrelated and represents excellent diversification within the overall portfolio. Furthermore, GMO believes in the power of mean reversion at all investment levels - both in the asset allocation process and the stock selection process. By using a disciplined approach to both, GMO believes the International Equity Asset Allocation Strategy can outperform the market taking less absolute risk than the benchmark.

## **UBS (International Small Capitalization Growth Equity)**

The Fund is a collective investment fund of the UBS (US) Group Trust. The Fund is maintained by UBS Global Asset Management Trust Company, which has retained its affiliate, UBS Global Asset Management (Americas) Inc., to act as investment subadviser (UBS Global AM). The Fund is operated and maintained as a total return fund exclusively for the collective investment and reinvestment of the assets of its participants. This Fund consists of an actively managed portfolio investing in small capitalization growth companies in developed and emerging markets outside the United States that UBS Global AM believes possess dominant market positions or franchises, a major technological edge, or a unique competitive advantage. To this end, UBS Global AM considers earnings revision trends, expected earnings growth rates, sales acceleration, price earnings multiples and positive stock price momentum, when selecting securities. UBS Global AM believes that these companies can sustain an above average return on invested capital at a higher level, over given current market prices.

## **Earnest Partners - International Equity Portfolio**

The Earnest Partners International Equity Portfolio seeks to outperform the benchmark while controlling volatility and risk. Earnest Partners implements this philosophy using a screen developed in-house called Return Pattern Recognition®, thorough fundamental analysis, and risk management that minimize the likelihood of meaningfully underperforming the benchmark.

Companies are unique and Earnest Partners considers the differences in selecting companies that make good investments. The first step in their investment process is to screen the relevant universe to identify stocks that are likely to outperform based on their financial characteristics and the current environment. The characteristics include valuation measures, market trends, operating trends, growth measures, profitability measures, and macroeconomics. Stocks that pass their initial screen are further filtered to confirm that their country of origin provides the economic and political backdrop that will allow for attractive investment returns.

The approximately 150 best companies that pass the aforementioned screens are put through a third more rigorous review. In this step, they develop an investment thesis for each company. This thesis must be tested. The test generally includes conversations with the company's management team and industry specialists, review of the company's financial reports, analysis of industry and company-specific studies, and independent field research. The firm seeks companies in attractive industries with developed strategies, talented and honest management teams, sufficient funding, and strong financial results.

The final step in their investment process is to construct a portfolio that includes those stocks the firm expects to have the best performance and that blend together well. Their clients are primarily concerned about the risk of meaningfully underperforming the assigned benchmark. Hence, they focus their attention on reducing this possibility. The firm uses a statistical approach called downside deviation to measure and then constrain the likelihood of significantly underperforming the benchmark. Using this information, the firm selects investments that blend together to manage downside risk. The result is a client portfolio of approximately 50 stocks with high expected excess returns and limited risk of meaningful underperformance.

### **Wells Capital/Berkeley Street Emerging Markets Equity**

The firm offers its Berkeley Street Emerging Markets Equity strategy through segregated accounts, a U.S.-domiciled mutual fund (Wells Fargo Advantage Emerging Markets Equity Fund, a Luxembourg-domiciled UCITS fund and a commingled (3c1) fund.

The Berkeley Street Emerging Markets Equity team seeks to invest in quality companies at compelling prices. Quality companies are defined as those that are able to sustain high profitability over a long period of time. Such companies not only create value for investors from profitable investment of retained earnings and dividend payout, but also preserve value and protect investors from the risk of permanent capital loss. Companies must have a strong competitive position, demonstrable financial strength and profitability, quality management dedicated to public shareholders' interest, and a favorable growth prospect supported by major long-term trends. The firm also places an equal emphasis on understanding each company's intrinsic value and will only invest in a company's stock when it is at a meaningful discount to intrinsic value.

Formal allocations to regions, countries or sectors are a residual of the process, but stock decisions take account of the firm's top-down views. Among the top-down factors considered are macroeconomic forecasts, real economic growth prospects, fiscal and monetary policy, currency issues, and demographic and political risks. In the "Quality Pool Maintenance" stage of the process, analysts use a variety of tools, including quantitative and qualitative screens, company discussions, and other valued sources of reliable information, research trips and attendance at conferences. This screening work is to ensure that the analysts' in-depth research focus is on stocks that satisfy the firm's quality emphasis. The balance of the process is centered upon in-depth fundamental research.

The Berkeley Street Emerging Markets strategy is core-oriented with exposure to both growth and value securities. Within the strategy, the firm pursues a measured participation approach in styles: 50% to 70% growth, 20% to 30% cyclical, and 10% to 20% moderate growth. Each style has its own investment thesis and expectations.

The firm creates a pool of approximately 300 companies that are high quality - known as their "Quality Pool". These companies are identified through a process of screening the overall universe of stocks and may involve a lengthy process of gaining a deep understanding of these companies. This pool of stocks is the source for portfolio construction decisions where the trigger for inclusion is valuation. By using this approach, the firm is able to concentrate on companies that have strong underlying attributes, such as competitive advantage, financial condition and management, and avoid being distracted by price movements of lower quality stocks and by market momentum. This pool is relatively stable with less than a 5% annual turnover.

### **UBS Realty**

The Real Estate Separate Account is an actively managed core portfolio of equity real estate. The Trumbull Property Fund seeks to provide attractive returns while limiting downside risk. The investment objective of the account is to provide at least a 5% annual real rate of return (i.e., return adjusted for inflation) over any three- to five-year period.

## **European Investors**

The firm's objective in managing global real estate securities portfolios is to achieve total returns consistent with global real estate while providing liquidity and flexibility of public markets. Their investment management philosophy centers around the belief that superior risk adjusted returns can best be achieved by investing in a portfolio of high quality real estate companies capable of sustainable and predictable long-term cash flow growth. In assessing the merits of potential investments, they place a high priority on the quality of management, depth of the team, their vision for the company and competitive advantages. They strive to invest in companies that are managed by real estate professionals who understand the importance of asset rotation. The best property companies, (or REITs), are managed by professionals who combine effective real estate decision-making skills with understanding the need to create value for shareholders.

They believe that global property markets are inefficient relative to other markets, and seek to take advantage of pricing anomalies that are discovered through their research and fundamental approach to valuing companies. Companies are evaluated based on financial models (DDM, DCF and NAV), management visits and property tours. The strategy has a total return target of 10-12% over a market cycle.

Given their extensive experience in the real estate industry, they are comfortable investing in companies that generate additional value through development - and a significant portion of the universe of international property companies have a development component to their business. The stock market tends to misprice this aspect of real estate companies so they spend a significant amount of time and energy researching the upside potential for each company.

## **Adams Street Partners**

Adam Street Partners believe the most critical aspect of investing is manager selection. Adams Street Partners focuses its investments with fund managers who have experience in making, managing and exiting investments. Adam believes that, while investors may be compensated for investing with an experienced manager executing a high-risk strategy, they are less likely to be compensated for investing with inexperienced managers. Adam aims to avoid partnerships that historically have had a high loss rate in portfolio companies.

A private equity transaction usually involves the purchase of (or investment in) a company or asset, an ensuing holding period in which value can be created organically, through acquisition or by restructuring, and a successful sale of the business. Numerous opportunities arise for the best managers with competitive advantages to excel in one or more stages of the private equity value chain. Adams Street Partners' knowledge of private equity has assisted in identifying a set of characteristics required by a manager to outperform. These advantages can be in Origination, Due Diligence, Negotiation and Structuring. Private equity markets are becoming more efficient, with the volume of auctioned transactions increasing in more mature market segments such as large buyouts in the U.S. or U.K. Investment banks are increasingly appointed by the (usually corporate) vendors in an effort to maximize proceeds, making it important for private equity firms to have distinctive plans for value creation. In other environments, the ability to source, analyze and complete a transaction is a crucial step in the private equity value chain.

## **Invesco Partnership**

IPC believes that private equity offers the potential for above average returns to those investors who understand the long-term nature and risks of the asset class and whose investment profile allows for illiquid holdings and interim volatility. A well-diversified portfolio of private equity investments has the potential to contribute to greater absolute portfolio returns while dampening risk. This belief is grounded in two decades of alternative asset investing across various market and economic cycles.

### **Pantheon Ventures and Pantheon Ventures II**

All potential investments are evaluated within the context of each client's investment objectives (i.e., either funds-of-funds or separate accounts). When assessing prospective private equity investments, Pantheon focuses on the appropriateness of the investment for the client, the experience of the management team, their investment process and past performance results. Pantheon incorporates both a top-down and bottom-up analysis into its investment process. The process is designed to maximize the probability that the best investments will be included in the portfolio, while ensuring adequate diversification and risk management. Pantheon Ventures II is invested in Europe, the US, and Asia.

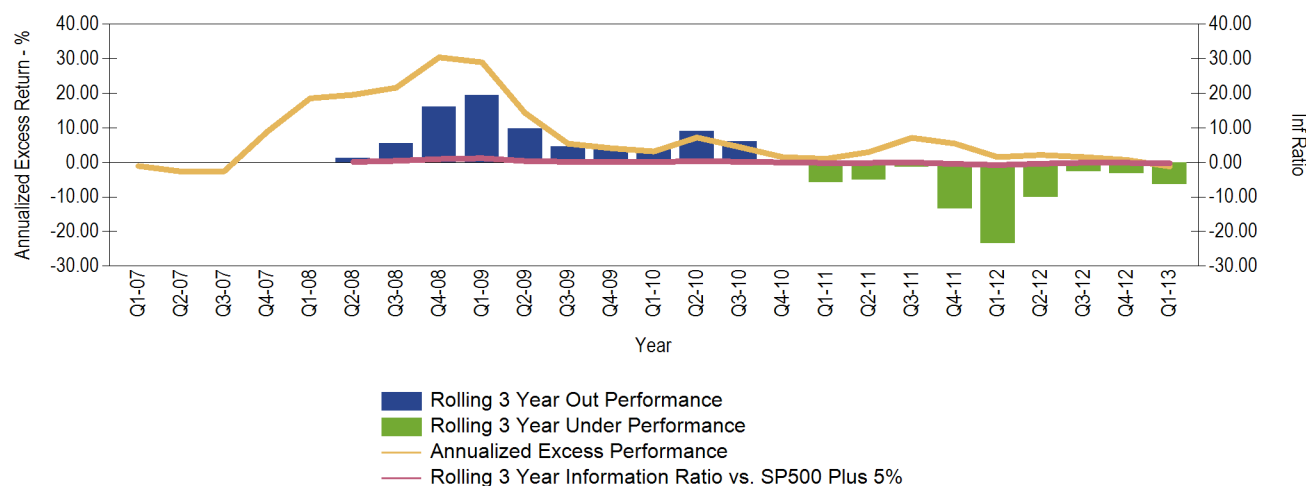
### **Pantheon Ventures - Secondary Fund**

Pantheon's core investment strategy is to create a diversified portfolio of appropriately priced, high quality private equity assets. Pantheon takes a strategic and global approach to origination across the full range of transaction opportunities including:

- secondary fund portfolios
- secondary direct and co-investment portfolios or single co-investments
- hybrid/mixed secondary fund and direct portfolios
- hybrid/mixed secondary fund and primary fund portfolios
- single fund secondaries, subject to allocation
- other secondary assets with private equity return characteristics.

Pantheon may consider young secondaries (i.e, funds in which less than 40% of committed capital is drawn down) that are part of a portfolio.

Annualized Excess Performance and Information Ratio



	Since Inception Gross of Fees		Since Inception Net of Fees		
	<u>Time-Weighted</u>	<u>IRR</u>	<u>Time-Weighted</u>	<u>IRR</u>	<u>Inception</u>
PRIVATE EQUITY INVESTMENTS					
Adams Street Partners	8.4%	7.8%	1.8%	4.7%	02/11/05
Invesco	9.2%	1.5%	<i>n/a</i> *	<i>n/a</i> *	06/14/04
Pantheon Ventures	3.3%	0.9%	1.3%	0.7%	06/15/05
Pantheon Ventures - Secondary	7.4%	18.8%	4.9%	6.4%	10/25/06
Pantheon Ventures II	-0.5%	-1.1%	-3.6%	-4.1%	05/24/11

The Retirement Association funded three additional Pantheon accounts with the following inception dates: Asia Fund VI (6/30/11), European Fund VII (4/12/11), and USA Fund IX (6/20/11). These accounts been included in the Pantheon Ventures II composite. Adams Street added four funds to their line-up: 2011 Direct, Emerging Markets, Non-US Developed, and US Fund. Additional investments will be reflected in the Invesco accounts.

\*Historically, due to the management fees being paid from another account other than the fund itself, the net of fee performance returns are not available. As of the first quarter 2012, Milliman will be reporting net of fee returns for the Invesco account in the performance tables at the beginning of the report.

# Merced County Employees' Retirement Association

## Equity Portfolio Profile

		As Of 3/31/13				
	Earnest Partners	Russell 1000	Mellon Large Value	Russell 1000 Value	Mellon Large Growth	Russell 1000 Growth
<b>Characteristics</b>						
Wtg. Avg. Market Cap. (Bil)	--	92.52	91.45	92.74	91.49	92.29
Median Market Cap (Bil)	--	6.45	5.77	5.70	7.15	7.10
P/E Ratio	--	19.05	17.43	17.11	21.82	21.03
Yield	--	2.05	2.37	2.36	1.74	1.73
EPS Growth - 5 Yrs.	--	6.66	0.55	0.33	13.42	13.26
Price to Book	--	3.23	2.04	2.02	5.49	5.21
Beta (holdings; domestic)	--	1.08	1.17	1.16	0.98	0.98
<b>Sector Distribution</b>						
Energy	--	10.31	15.83	15.92	4.21	4.24
Materials	--	3.73	3.60	3.59	3.89	3.89
Industrials	--	10.91	9.11	9.05	12.95	12.92
Consumer Discretionary	--	12.43	8.31	8.30	16.82	16.90
Consumer Staples	--	10.04	7.41	7.39	12.97	12.91
Health Care	--	12.22	11.80	11.73	12.85	12.75
Financials	--	16.68	27.59	27.59	4.89	4.86
Information Technology	--	17.39	6.65	6.65	28.92	29.03
Telecommunications Services	--	2.79	3.09	3.25	2.30	2.31
Utilities	--	3.50	6.61	6.53	0.20	0.20
<b>Cap. Quintile - Russell 1000</b>						
1 Above 195.08	0.00	19.83	22.80	23.21	15.99	16.19
2 68.50 - 195.08	0.00	19.90	14.80	14.98	25.14	25.22
3 30.58 - 68.50	0.00	20.22	17.96	17.74	23.19	22.90
4 11.67 - 30.58	0.00	19.98	22.58	22.47	17.33	17.30
5 0.00 - 11.67	0.00	20.06	21.85	21.62	18.35	18.38
<b>Cap. Quintile - Russell 1000 Value</b>						
1 Above 207.38	0.00	17.36	18.20	18.44	15.99	16.19
2 64.15 - 207.38	0.00	24.73	20.71	21.01	28.84	28.75
3 25.81 - 64.15	0.00	21.27	20.73	20.51	22.15	22.09
4 10.87 - 25.81	0.00	18.15	20.14	20.02	16.17	16.12
5 0.00 - 10.87	0.00	18.49	20.22	20.01	16.85	16.85
<b>Cap. Quintile - Russell 1000 Growth</b>						
1 Above 152.30	0.00	22.85	24.97	25.52	19.64	19.97
2 73.44 - 152.30	0.00	15.56	11.61	11.55	19.96	19.88
3 34.82 - 73.44	0.00	17.57	15.42	15.30	20.24	20.03
4 12.31 - 34.82	0.00	22.83	25.48	25.36	20.11	20.09
5 0.00 - 12.31	0.00	21.19	22.52	22.27	20.04	20.03



# Merced County Employees' Retirement Association

## Equity Portfolio Profile

	As Of 3/31/13			
	Mellon Mid Cap	S&P 400 MidCap	WHV	Russell 2000
<b>Characteristics</b>				
Wtg. Avg. Market Cap. (Bil)	4.71	4.71	1.58	1.53
Median Market Cap (Bil)	3.11	3.12	1.17	0.56
P/E Ratio	23.92	23.62	16.06	17.20
Yield	1.42	1.42	0.61	1.10
EPS Growth - 5 Yrs.	7.10	6.25	7.98	3.86
Price to Book	3.46	2.92	2.26	2.59
Beta (holdings; domestic)	1.25	1.25	1.56	1.38
<b>Sector Distribution</b>				
Energy	6.00	5.99	15.83	6.18
Materials	6.78	6.78	4.72	5.31
Industrials	17.44	17.45	18.36	15.41
Consumer Discretionary	12.48	12.48	8.55	13.82
Consumer Staples	3.68	3.68	1.66	3.50
Health Care	9.66	9.65	12.78	12.20
Financials	23.29	23.30	8.67	23.30
Information Technology	15.10	15.13	25.67	16.37
Telecommunications Services	0.44	0.44	0.00	0.63
Utilities	5.12	5.11	1.16	3.29
<b>Cap. Quintile - Russell MidCap</b>				
1 Above 14.50	1.00	1.00	0.00	0.00
2 10.38 - 14.50	4.15	4.15	0.00	0.00
3 7.12 - 10.38	9.13	9.13	0.00	0.00
4 4.26 - 7.12	36.53	36.48	0.00	2.18
5 0.00 - 4.26	49.19	49.23	100.00	97.82
<b>Cap. Quintile - Russell 2000</b>				
1 Above 2.36	83.47	83.47	20.19	19.98
2 1.62 - 2.36	12.08	12.10	25.52	19.92
3 1.11 - 1.62	3.13	3.12	14.17	20.10
4 0.64 - 1.11	1.16	1.16	21.51	19.97
5 0.00 - 0.64	0.16	0.15	18.61	20.03

# Merced County Employees' Retirement Association

## Calculated vs. Manager Produced Performance

	As Calculated <u>By Milliman</u>	As Calculated <u>By Manager</u>
<b>Equity Portfolios</b>		
Mellon Capital - Tangent Add	13.4	13.4
Mellon Capital - Large Growth	9.5	9.5
Mellon Capital - Large Value	12.3	12.3
Mellon Capital - Mid Cap	13.5	13.5
WHV	11.7	11.7
<b>International Equity Portfolio</b>		
UBS	7.8	7.8
GMO	4.2	4.2
Earnest Partners	3.1	2.9
Wells Capital	-0.8	
<b>Fixed Income Portfolio</b>		
Barrow Hanley	0.0	0.3
Axa	4.0	3.2
<b>Real Estate Portfolio</b>		
UBS Realty	1.7	1.7
European Investors *	2.4	2.4

\*Net of fees

## Definitions

**Coupon** - Bond instruments typically pay interest in the form of semi-annual coupon payments. If the annual coupon payment value is divided by the par value of the bond, the coupon rate is derived.

**Duration** - The bond portfolio duration most commonly referred to is the Macaulay duration. This is a weighted average maturity, expressed in years. All coupon and principal payments are weighted by the present value term for the expected time of payment.

**Investment Gain/Loss** - The difference in the total dollar value of the portfolio over the past quarter. Changes impacting the dollar value of the portfolio include realized and unrealized capital gains and all cash flows. Cash flows, either contributions or withdrawals, which are made by the plan sponsor are excluded from this calculation.

**Income Yield** - As referred to in this report, the income yield is calculated on common stock holdings, and is the ratio of the last twelve months dividend payments as a percentage of the most recent quarter-ending stock market value.

**Market Capitalization** - A security's quarter-ending market value, or closing price times the number of common stock shares outstanding.

**Maturity** - The maturity for an individual bond is calculated as the number of years till principal payment. For a portfolio of bonds, the maturity is a weighted average maturity, where the weighting factors are the individual security's percentage of total portfolio market capitalization.

**Percentile** - For a range of investment manager performance results, from highest to lowest, a percentile is the performance range spanning one percent of the total range.

**Price/Book Value** - For an individual common stock, this is the stock's price divided by book value per share. Book value per share is the company's common stockholders equity divided by the number of common shares outstanding.

**Price/Earnings Ratio** - The ratio of a common stock's price divided by earnings per share. The ratio is used as a valuation technique employed by investment managers.

**Net Contributions** - The sum of contributions to and withdrawals from a portfolio, exclusive of regular interest and dividend payments, and miscellaneous expenses.

**Portfolio Beta** - A common stock's beta, market risk, is the sensitivity of the stock's price in relation to a 1% change in the price of the market benchmark, the S&P 500. A portfolio beta simply weights the individual issues by their percentage of total portfolio market capitalization.

**Return On Equity** - For a common stock, this is the annual net, after-tax earnings divided by total common stockholders equity.

**Risk/Reward (Sharpe) Ratio** - This is the difference in a portfolio's annualized return, for the past five years, and the annualized return for 90-day Treasury Bills, divided by the annualized standard deviation for the same time period. The statistic is a risk-adjusted return. The higher the value, the better.

**Standard Deviation** - The degree of variability of a time series, such as quarterly returns, relative to the average. Standard deviation measures the volatility of the time series.