

INVESTMENT HIGHLIGHTS

	Market Value (\$)	% of Portfolio	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Fund Composite	9,053,845,033	100.0	9.5	1.1	1.1	5.2	5.9	8.7
<i>Total Fund Custom Index Non-Lagged</i>			12.5	4.8	4.8	6.7	6.9	9.3
Total Domestic Equity	2,516,357,200	27.8	21.7	0.4	0.4	6.8	7.8	12.3
<i>US Equity Index</i>			20.5	7.5	7.5	10.7	10.7	14.1
Total Non US Equity	1,617,507,737	17.9	17.4	-4.9	-4.9	1.6	3.0	5.7
<i>Total Non-US Equity Index</i>			16.1	-4.8	-4.8	1.1	2.3	5.0
Total Fixed Income	2,104,820,024	23.2	6.8	6.5	6.5	4.3	4.2	4.5
<i>Total Fixed Income Benchmark</i>			3.8	7.9	7.9	5.2	4.4	4.1
Total Cash	123,201,488	1.4	0.3	1.8	1.8	1.9	1.3	0.7
<i>91 Day T-Bills</i>			0.0	1.3	1.3	1.7	1.1	0.6
Total Real Estate	967,354,495	10.7	-0.7	3.5	3.5	7.0	8.7	11.1
<i>Real Estate Blended Benchmark Non Lagged</i>			-1.8	1.3	1.3	4.7	6.3	9.8
Total Alternative Assets	1,724,604,090	19.0	-1.8	0.5	0.5	6.0	6.5	6.9
<i>Alternative Assets Blended Benchmark Non Lagged</i>			16.4	7.1	7.1	8.4	8.2	12.1

* In a dynamic market, strategies and objectives evolve over time. Consequently, these benchmarks are blended due to historical investment strategy decisions. Detailed descriptions of the benchmarks above are available by contacting NHRS.

Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
- NEPC's source for portfolio pricing, calculation of accruals, and transaction information is the plan's custodian bank. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
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Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC generally reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of return are annualized when the time period is longer than a year. Performance is presented gross and/or net of manager fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.