



PORTFOLIO  
ADVISORS LLC

Third Quarter 2013  
Performance Update

April 2014



*PRIVATE & CONFIDENTIAL*



# Agenda

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- ◆ Aggregate Portfolio Summary
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- ◆ Comparative Returns
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  - Disclosure Statement

*\* Unless otherwise noted, all values in this presentation are as September 30, 2013*



# Highlights

## ◆ Portfolio

- Aggregate Portfolio is comprised of \$2,793.0 million of commitments to 171 partnerships managed by 92 different sponsors since inception
  - \$321 million of commitments to 12 new partnerships were added to the Aggregate Portfolio from October 1, 2012 through September 30, 2013. This compares to \$190 million of commitments to 8 new partnerships added during the same period the prior year
  - Increase in commitment pace reflects the increase in the Private Equity Exposure Target to 12% from 9%

## ◆ Performance

- Aggregate Portfolio, led by the performance of the Core Portfolio, was generating a net IRR of 11.1%<sup>1</sup> and a 1.48x total return multiple on invested capital
- Aggregate Portfolio compared favorably to the Russell 3000 + 300 bps benchmark 10 year and ITD<sup>2</sup> performance, however, as a result of the strong stock market performance over the last few years, fell short of the benchmark on a 1, 3 and 5 year basis
- LACERS' Specialized Portfolio net IRR of 2.77%<sup>1</sup> was up 54 bps year over year

## ◆ Diversification

- Aggregate Portfolio is well diversified across geographies, sectors and vintage years and has exposure to multiple industries and over 2,000 companies

## ◆ Cash Flows

- 2013 marked the third consecutive year in which the Aggregate Portfolio's distributions outpaced contributions (positive net cash flow) which suggests that it has reached "self-funded" status

1) Net IRR Since Inception

2) "I-T-D": Inception to Date



# Aggregate Portfolio Summary

- During 2012, LACERS increased its exposure target to 12% from 9%. As of September 30, 2013, reported value <sup>1</sup> was \$1,248.2 million, approximately 9.7% of total Plan assets

Aggregate Portfolio Private Equity Exposure Summary	
\$'s in millions	
Total Fund Market Value	\$12,847.6
Private Equity Exposure Target (%):	12% ± 3%
Private Equity Exposure Target (\$):	\$1,541.7
Current Private Equity Exposure (%):	9.7%
Reported Value <sup>1</sup> :	\$1,248.2

1) Reported Value: Represents reported value as most recently reported by the General Partners



## Aggregate Portfolio Summary (continued)

- ◆ LACERS has committed \$2,793.0 million to 171 partnerships managed by 92 sponsors since the inception of its private equity program in 1995
- ◆ Contributions to and distributions from the Portfolio since inception totaled \$2,053.8 million and \$1,794.9 million, respectively
- ◆ Net IRR of 11.12% <sup>4</sup> was up 40 bps year over year
- ◆ Portfolio generated year over year positive net cash flow of \$184.4 million

Aggregate Portfolio Snapshot			
\$'s in millions			
Portfolio Since Inception	9/30/2012	9/30/2013	Net Change
<b>Partnerships</b>	159	171	12
<b>Sponsors</b>	87	92	5
<b>Commitments</b>	\$2,470.3	\$2,793.0	\$322.7 <sup>5</sup>
<b>Contributions</b>	\$1,895.4	\$2,053.8	\$158.4
<b>Remaining Commitments</b>	\$604.2	\$770.5	\$166.3
<b>Distributions</b>	\$1,452.1	\$1,794.9	\$342.8
<b>Reported Value <sup>1</sup></b>	\$1,246.3	\$1,248.2	\$1.9
<b>Total Value <sup>2</sup></b>	\$2,698.4	\$3,043.1	\$344.7
<b>Return Multiple <sup>3</sup></b>	1.42 x	1.48 x	0.06 x
<b>Net IRR Since Inception <sup>4</sup></b>	10.72%	11.12%	0.40%

1) *Reported Value: Represents reported value as most recently reported by the General Partners*

2) *Total Value: Cumulative Distributions + Reported Value*

3) *Return Multiple: (Cumulative Distributions + Reported Value) / Cumulative Contributions (including fees outside of commitment)*

4) *Net IRR Since Inception*

5) *\$321 million in commitments were added year over year, but due to foreign currency fluctuations the net increase was \$322.7 million*



## Core & Specialized Portfolio Summaries

- ◆ Core Portfolio accounts for 93% of the total commitments and 90% of total market value in the Aggregate Portfolio
- ◆ Core and Specialized Portfolios showed improved performance year over year
  - Core Portfolio was up 42 bps; Specialized Portfolio was up 54 bps
- ◆ Distributions outpaced contributions across both portfolios

Core Portfolio Snapshot \$'s in millions				Specialized Portfolio Snapshot \$'s in millions			
Portfolio Since Inception	9/30/12	9/30/13	Net Change	Portfolio Since Inception	9/30/12	9/30/13	Net Change
Partnerships	136	148	12	Partnerships	23	23	0
Sponsors	68	73	5	Sponsors	19	19	0
Commitments	\$2,272.1	\$2,594.8	\$322.7 <sup>5</sup>	Commitments	\$198.2	\$198.2	\$0.0
Contributions	\$1,739.8	\$1,887.5	\$147.6	Contributions	\$155.6	\$166.4	\$10.8
Remaining Commitments	\$561.1	\$738.2	\$177.1	Remaining Commitments	\$43.1	\$32.3	(\$10.8)
Distributions	\$1,414.0	\$1,731.7	\$317.7	Distributions	\$38.1	\$63.2	\$25.1
Reported Value <sup>1</sup>	\$1,116.9	\$1,126.6	\$9.7	Reported Value <sup>1</sup>	\$129.4	\$121.6	(\$7.8)
Total Value <sup>2</sup>	\$2,530.9	\$2,858.3	\$327.4	Total Value <sup>2</sup>	\$167.5	\$184.8	\$17.3
Return Multiple <sup>3</sup>	1.46 x	1.52 x	0.06 x	Return Multiple <sup>3</sup>	1.08 x	1.11 x	0.03 x
Net IRR Since Inception <sup>4</sup>	11.19%	11.61%	0.42%	Net IRR Since Inception <sup>4</sup>	2.23%	2.77%	0.54%

1) Reported Value: Represents reported value as most recently reported by the General Partners

2) Total Value: Cumulative Distributions + Reported Value

3) Return Multiple: (Cumulative Distributions + Reported Value) / Cumulative Contributions (including fees outside of commitment)

4) Net IRR Since Inception

5) \$321 million in commitments were added year over year, but due to foreign currency fluctuations the net increase was \$322.7 million



## Commitments

- From October 1, 2012 through September 30, 2013, LACERS added \$321 million of commitments to 12 new partnerships to its Aggregate Portfolio (all commitments were made from the Core Portfolio)

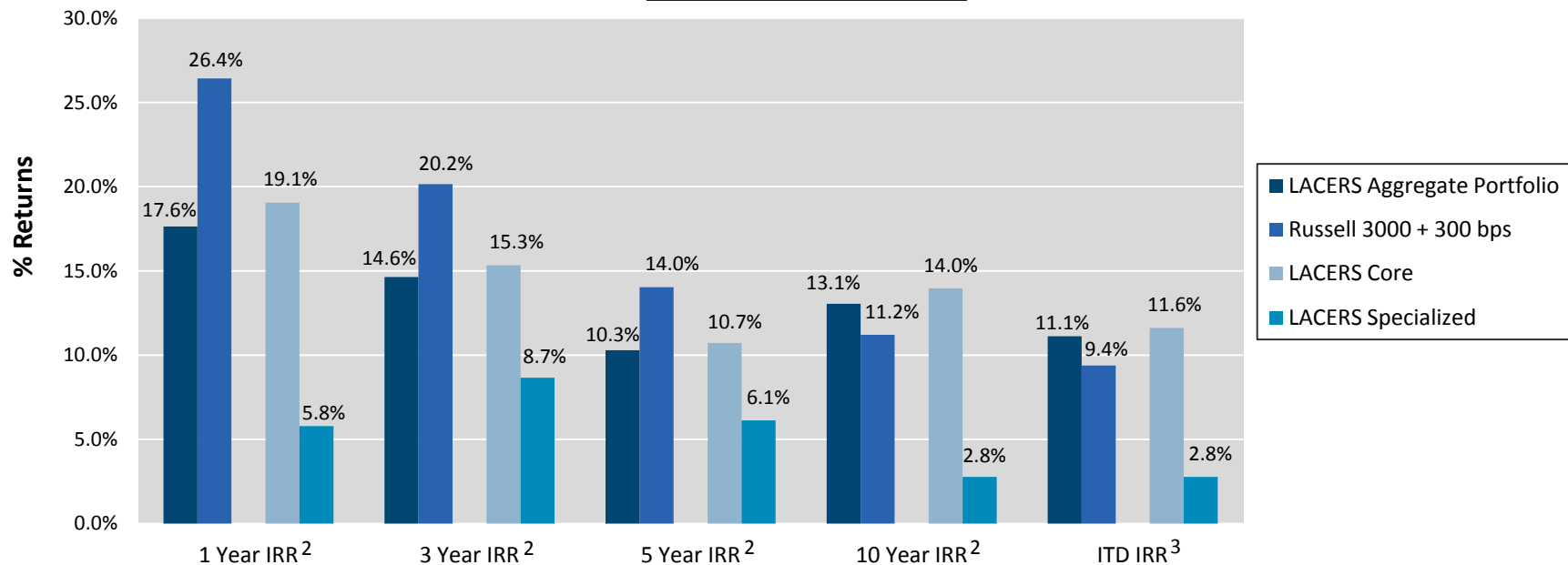
Commitments – 10/1/2012 – 9/30/2013				
Closing Date	Partnership	New or Existing Relationship	Investment Strategy	Commitment Amount
Core Portfolio				\$'s in millions
10/26/2012	SSG Capital Partners II, L.P.	New	Distressed Debt	\$16
12/19/2012	EnCap Energy Capital Fund IX, L.P.	Existing	Special Situations	\$30
1/22/2013	TCV VIII, L.P.	Existing	Growth Equity	\$30
4/11/2013	Insight Venture Partners VIII, L.P.	New	Growth Equity	\$20
4/12/2013	KPS Special Situations IV, L.P.	New	Buyout – Mid	\$25
5/10/2013	ACON Equity Partners III, L.P.	Existing	Buyout – Mid	\$20
5/15/2013	Levine Leichtman V, L.P.	Existing	Buyout – Mid	\$30
6/07/2013	American Securities Opportunities Fund III, L.P.	Existing	Distressed Debt	\$30
7/24/2013	Providence Debt Fund III, L.P.	Existing	Distressed Debt	\$30
7/31/2013	High Road Capital Partners II, L.P.	New	Buyout – Small	\$25
8/28/2013	Apollo Investment Fund VIII, L.P.	Existing	Buyout – Mega	\$40
9/20/2013	EIG Energy Fund XVI, L.P.	New	Special Situations	\$25
				<b>\$321</b>



# Comparative Returns

- From a 1, 3 and 5 year perspective, LACERS' Aggregate Portfolio lagged the Russell 3000 + 300 bps benchmark. However, the 10-year and ITD net IRRs, which are more relevant, have out performed the benchmark by 184 bps and 174 bps, respectively

Comparative Returns as of September 30, 2013  
Cash Flow-Weighted Index<sup>1</sup>



1) With the exception of the hypothetical final cash flow, the cash weighted return for the Russell 3000 + 300 bps index assumes the same inception to date net cash flow stream that was used in calculating the returns for the Aggregate Portfolio. The hypothetical final cash flow/valuation at 9/30/2013 reflects the amount of appreciation or depreciation that the index experienced from inception to date

2) 1, 3, 5 and 10 year IRRs ("Across Period" returns) are calculated using the previous periods ending value as the calculations initial cash inflow. The across period IRR represents the implied discount rate that will make the net present value of the stream of cash flows sum to zero

3) "ITD IRR": Inception to Date Internal Rate of Return





## Sector Performance

- ◆ Aggregate Portfolio's performance continues to be driven by the Buyout Sector, which represents almost two-thirds of the Portfolio
- ◆ Venture Capital Sector, which represents the Portfolio's second largest exposure at 14%, was generating a return of 5.9%
- ◆ Distressed debt, the Portfolio's fourth largest exposure, was generating a return of 12.1%

Sector	Commitments	% of Total Commitments	Reported Value <sup>1</sup>	% of Total Reported Value	Return Multiple <sup>2</sup>	Net IRR <sup>3</sup>
\$'s in millions						
<b>Buyout</b>	\$1,742.0	62%	\$808.9	65%	1.60 x	13.1%
<b>Distressed Debt</b>	\$274.5	10%	\$90.2	7%	1.42 x	12.1%
<b>Growth Equity</b>	\$196.0	7%	\$94.0	8%	1.14 x	2.9%
<b>Mezzanine</b>	\$25.0	1%	\$13.5	1%	1.28 x	7.3%
<b>Secondaries</b>	\$25.0	1%	\$8.6	1%	1.37 x	36.8%
<b>Special Situations</b>	\$180.0	6%	\$63.0	5%	1.22 x	8.3%
<b>Venture Capital</b>	\$350.4	13%	\$170.0	14%	1.26 x	5.9%
<b>Total Portfolio</b>	<b>\$2,793.0</b>	<b>100%</b>	<b>\$1,248.2</b>	<b>100%</b>	<b>1.48 x</b>	<b>11.1%</b>

1) *Reported Value: Represents reported value as most recently reported by the General Partners*

2) *Return Multiple: (Cumulative Distributions + Reported Value) / Cumulative Contributions (including fees outside of commitment)*

3) *Net IRR Since Inception*



## Vintage Year Performance

- Aggregate Portfolio performance exceeded the *Thomson ONE* Benchmark median returns for 17 of the 18 reported vintage years, with 11 years exceeding the median benchmark by more than 500 basis points

Vintage Year	Commitments	% of Total	Reported Value <sup>1</sup>	% of Total	Return Multiple <sup>2</sup>	Net IRR <sup>3</sup>	Median Benchmark <sup>4</sup>
\$'s in millions							
1995	\$15.0	1%	\$0.0	0%	2.18 x	17.7%	10.1%
1996	\$59.7	2%	\$0.1	0%	1.96 x	15.8%	6.6%
1997	\$26.0	1%	\$0.0	0%	2.25 x	25.3%	8.1%
1998	\$60.3	2%	\$2.5	0%	1.37 x	5.7%	2.9%
1999	\$200.4	7%	\$20.5	2%	1.23 x	4.1%	(1.0%)
2000	\$155.4	6%	\$30.1	2%	1.73 x	13.5%	0.0%
2001	\$53.3	2%	\$10.6	1%	1.74 x	16.4%	5.5%
2002	\$28.0	1%	\$7.4	1%	1.62 x	9.3%	1.7%
2003	\$99.3	4%	\$50.2	4%	1.88 x	19.3%	7.0%
2004	\$154.7	6%	\$73.1	6%	1.80 x	15.7%	4.5%
2005	\$189.4	7%	\$123.0	10%	1.55 x	9.6%	7.2%
2006	\$311.1	11%	\$223.5	18%	1.23 x	4.9%	5.4%
2007	\$250.0	9%	\$191.2	15%	1.47 x	12.4%	10.2%
2008	\$262.6	9%	\$220.4	18%	1.49 x	15.5%	11.9%
2009	\$53.8	2%	\$48.5	4%	1.44 x	19.7%	13.1%
2010	\$185.0	7%	\$97.6	8%	1.21 x	10.9%	10.5%
2011	\$223.1	8%	\$89.9	7%	1.14 x	12.4%	8.0%
2012	\$210.9	8%	\$54.1	4%	1.09 x	11.0%	(6.9%)
2013	\$255.0	9%	\$5.6	0%	NM	NM	NM
<b>Total Portfolio</b>	<b>\$2,793.0</b>	<b>100%</b>	<b>\$1,248.2</b>	<b>100%</b>	<b>1.48 x</b>	<b>11.1%</b>	<b>5.0%</b>

1) Reported Value: Represents reported value as most recently reported by the General Partners

2) Return Multiple: (Cumulative Distributions + Reported Value) / Cumulative Contributions (including fees outside of commitment)

3) Net IRR Since Inception

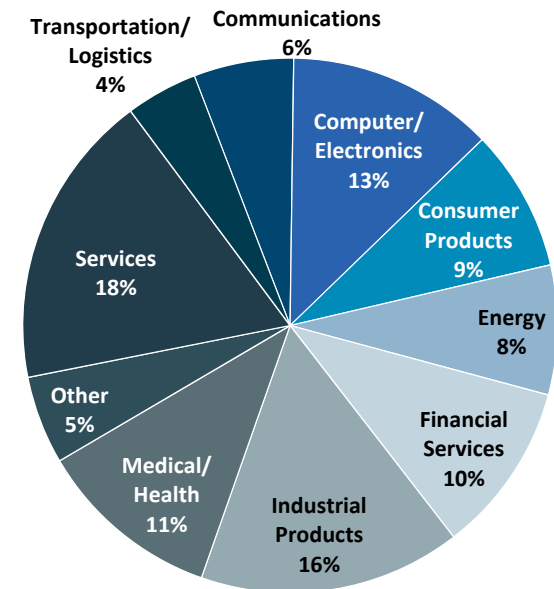
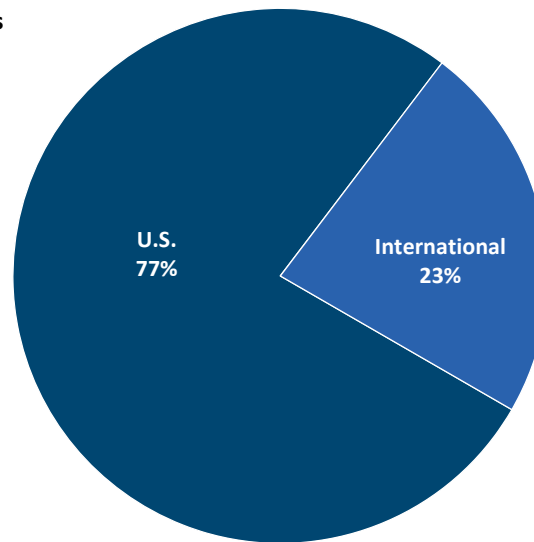
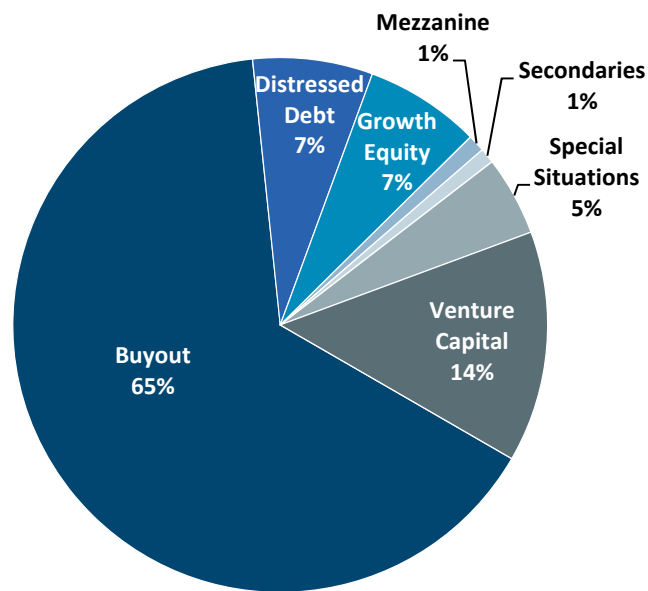
4) ThomsonOne All Private Equity US median benchmark



# Portfolio Diversification

- ◆ Aggregate Portfolio is well diversified across geographies, sectors and vintage years and has exposure to multiple industries and over 2,000 companies

All Charts are based on Reported Value <sup>1</sup>  
As of September 30, 2013



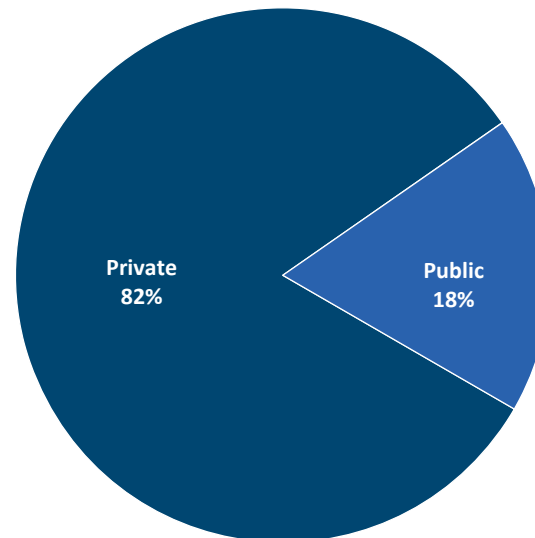
1) Reported Value: Represents reported value as most recently reported by the General Partners



## Portfolio Diversification (continued)

- ◆ Aggregate Portfolio has 82% exposure to private companies with the balance in public companies

**Public/Private based on Reported Value <sup>1</sup>**  
*As of September 30, 2013*



*1) Reported Value: Represents reported value as most recently reported by the General Partners*



## Five Largest Sponsors by Total Exposure

- ◆ Top five sponsors by total exposure account for 17% of the Aggregate Portfolio's total commitments and 22% of the total exposure <sup>1</sup>

Five Largest Sponsors by Total Exposure \$'s in millions							
Sponsor	# of Funds	Total Commitments	% of Total	Total Exposure <sup>1</sup>	% of Total	Return Multiple <sup>2</sup>	Net IRR <sup>3</sup>
Texas Pacific Group	7	\$162.5	6%	\$130.9	6%	1.61 x	16.1%
Providence Equity Partners	4	\$98.0	4%	\$92.7	5%	1.24 x	5.4%
Apollo Capital Management	4	\$80.0	3%	\$74.7	4%	1.80 x	13.0%
Blackstone Group	3	\$65.0	2%	\$71.9	4%	1.37 x	8.4%
Levine Leichtman Capital Partners	3	\$70.0	3%	\$65.2	3%	1.51 x	13.2%
	<b>21</b>	<b>\$475.5</b>	<b>17%</b>	<b>\$435.4</b>	<b>22%</b>		

1) Total Exposure is equal to the reported value as most recently reported by the General Partners plus remaining commitment

2) Return Multiple: (Cumulative Distributions + Reported Value) / Cumulative Contributions (including fees outside of commitment)

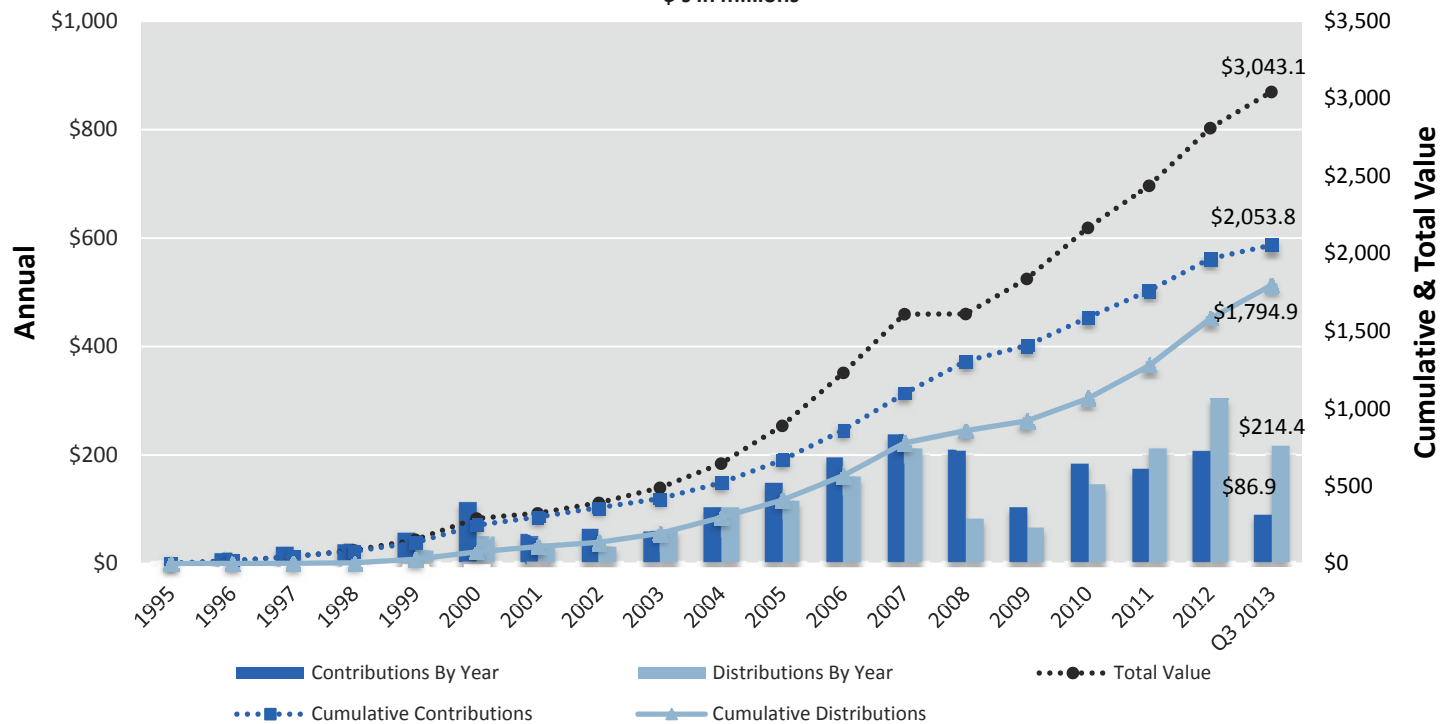
3) Net IRR Since Inception



# Aggregate Portfolio Cash Flow Summary

- ◆ Cumulative Contributions and Distributions totaled \$2,053.8 million and \$1,794.9 million, respectively
- ◆ Portfolio's Total Value was \$3,043.1 million

Portfolio - Cash Flow Activity and Total Value  
Inception (1995) – September 30, 2013  
\$'s in millions





## Annual Net Cash Flow Summary

- ◆ 2013 marked the third consecutive year in which the Aggregate Portfolio’s distributions outpaced contributions (positive net cash flow) which suggests that it has reached “self-funded” status
  - Self-funded status (distributions exceeding contributions) is an ideal situation for a Private Equity Plan
- ◆ Positive net cash flow increased from \$38.1 million in 2011 to \$127.5 million

	Contributions	Distributions	Net Cash Flow
\$'s in millions			
1995	(\$1.5)	\$0.0	(\$1.5)
1996	(\$15.8)	\$0.1	(\$15.8)
1997	(\$28.3)	\$0.9	(\$27.3)
1998	(\$33.6)	\$3.3	(\$30.3)
1999	(\$55.9)	\$22.7	(\$33.2)
2000	(\$111.8)	\$47.3	(\$64.5)
2001	(\$52.8)	\$34.2	(\$18.6)
2002	(\$61.2)	\$28.0	(\$33.2)
2003	(\$57.7)	\$58.4	\$0.8
2004	(\$101.8)	\$101.4	(\$0.4)
2005	(\$147.1)	\$112.6	(\$34.6)
2006	(\$193.4)	\$158.1	(\$35.4)
2007	(\$236.3)	\$210.7	(\$25.6)
2008	(\$208.5)	\$79.6	(\$128.9)
2009	(\$100.8)	\$63.3	(\$37.5)
2010	(\$181.2)	\$144.9	(\$36.3)
2011	(\$173.3)	\$211.4	\$38.1
2012	(\$206.0)	\$303.8	\$97.7
<b>Q3 2013</b>	<b>(\$86.9)</b>	<b>\$214.4</b>	<b>\$127.5</b>
<b>Total Portfolio</b>	<b>(\$2,053.8)</b>	<b>\$1,794.9</b>	<b>(\$259.0)</b>



# Appendix





## Core Portfolio Summary as of 9/30/13

Investment Name	Vintage Year	Investment Strategy	Capital Commitment	Paid-In Capital	Capital Distributions	Reported Value <sup>1</sup>	Net IRR <sup>2</sup>
ACON Equity Partners III, LP	2012	Buyout - Mid	\$20,000,000	\$6,765,357	\$24,019	\$5,677,924	(71.92%)
ACON-Bastion Partners II, LP	2006	Buyout - Small	\$5,000,000	\$4,463,754	\$4,143,602	\$3,007,720	11.91%
Advent International Global Private Equity VII-B LP	2012	Buyout - Large	\$30,000,000	\$6,975,000	\$0	\$8,636,795	33.16%
Advent International GPE VI-A, L.P.	2008	Buyout - Large	\$20,000,000	\$18,980,000	\$8,280,000	\$22,193,336	19.42%
AION Capital Partners Ltd.	2012	Special Situations	\$20,000,000	\$1,751,335	\$0	\$1,140,374	(99.42%)
Alchemy Investment Plan	1999	Buyout - Small	\$38,194,245	\$40,141,950	\$41,488,926	\$8,015,968	5.75%
American Securities Opportunities Fund II, L.P.	2010	Distressed Debt - Control	\$20,000,000	\$14,029,208	\$4,586,223	\$13,557,647	13.22%
American Securities Opportunities Fund III, L.P.	2013	Distressed Debt - Multi	\$30,000,000	\$0	\$0	\$0	0.00%
Apollo Investment Fund IV, LP	1998	Buyout - Large	\$5,000,000	\$4,989,241	\$8,306,350	\$51,833	8.52%
Apollo Investment Fund VI, LP	2005	Buyout - Mega	\$15,000,000	\$13,747,028	\$10,772,251	\$13,442,535	11.30%
Apollo Investment Fund VII, LP	2008	Buyout - Mega	\$20,000,000	\$15,190,277	\$13,474,829	\$15,141,939	25.08%
Apollo Investment Fund VIII, LP	2014	Buyout - Mega	\$40,000,000	\$0	\$0	\$0	0.00%
Austin Ventures VII, LP	1999	Venture Capital - Multi	\$17,000,000	\$17,000,000	\$10,562,561	\$3,032,401	(3.04%)
Austin Ventures VIII, LP	2001	Venture Capital - Multi	\$8,300,000	\$8,300,000	\$8,358,586	\$3,776,881	5.58%
Avenue Europe Special Situations Fund II, L.P.	2011	Dist. Debt - Non-Control	\$28,338,842	\$21,609,606	\$0	\$24,173,271	11.39%
Avenue Special Situations IV, LP	2006	Dist. Debt - Non-Control	\$10,000,000	\$10,000,000	\$13,700,352	\$211,248	8.42%
Avenue Special Situations V, LP	2007	Dist. Debt - Non-Control	\$10,000,000	\$10,000,000	\$13,148,738	\$141,854	11.26%
BC European Capital IX, LP	2011	Buyout - Mega	\$19,754,575	\$8,355,938	\$151,989	\$9,811,491	20.37%
Blackstone Capital Partners V, LP	2006	Buyout - Mega	\$20,000,000	\$18,943,954	\$5,557,856	\$19,277,877	5.33%
Blackstone Capital Partners VI, LP	2011	Buyout - Mega	\$20,000,000	\$5,308,443	\$160,260	\$5,718,448	8.23%
Blackstone Energy Partners	2011	Buyout - Mid	\$25,000,000	\$6,224,386	\$283,026	\$10,845,092	47.44%
Cardinal Health III, LP	2006	Venture Capital - Early	\$15,000,000	\$11,766,954	\$33,348	\$12,731,934	2.73%
Carlyle Partners IV, LP	2005	Buyout - Mega	\$20,000,000	\$19,330,025	\$25,466,494	\$12,105,086	12.97%
Carlyle Partners V, LP	2007	Buyout - Mega	\$30,000,000	\$26,128,869	\$11,340,057	\$26,575,738	12.88%
CGW Southeast Partners III, LP	1996	Buyout - Small	\$8,680,144	\$8,680,144	\$14,736,448	\$0	9.18%

1) Reported Value: Represents reported value as most recently reported by the General Partners

2) Net IRR Since Inception



## Core Portfolio Summary as of 9/30/13

Investment Name	Vintage Year	Investment Strategy	Capital Commitment	Paid-In Capital	Capital Distributions	Reported Value <sup>1</sup>	Net IRR <sup>2</sup>
CGW Southeast Partners IV, LP	1999	Buyout - Small	\$10,000,000	\$8,707,914	\$13,134,247	\$185,327	8.21%
Charterhouse Capital IX, L.P.	2009	Buyout - Large	\$18,824,024	\$11,465,661	\$2,305,436	\$11,627,278	10.20%
Charterhouse Capital Partners VIII, L.P.	2006	Buyout - Large	\$21,992,714	\$19,220,035	\$9,662,870	\$8,731,414	(0.79%)
Chisholm Partners IV, LP	1999	Buyout - Small	\$9,000,000	\$8,841,055	\$9,205,542	\$143,846	0.68%
CHS Private Equity V, LP	2005	Buyout - Mid	\$20,000,000	\$19,999,376	\$16,230,193	\$14,037,796	8.80%
Coller International Partners VI, LP	2011	Secondaries	\$25,000,000	\$6,365,477	\$111,000	\$8,598,935	36.76%
CVC European Equity Partners I, LP	1996	Buyout - Mid	\$10,000,000	\$9,687,206	\$24,309,668	\$75,672	23.38%
CVC European Equity Partners II, L.P.	1998	Buyout - Large	\$10,000,000	\$9,212,371	\$20,500,852	\$1,359,989	19.06%
CVC European Equity Partners III, LP	2001	Buyout - Large	\$15,000,000	\$14,324,324	\$39,866,129	\$1,818,491	41.47%
CVC European Equity Partners IV, L.P. (EUR)	2005	Buyout - Mega	\$26,358,681	\$23,186,674	\$34,017,580	\$9,895,187	17.18%
CVC European Equity Partners V, LP (EUR)	2008	Buyout - Mega	\$19,123,599	\$13,964,077	\$5,640,608	\$12,406,112	10.01%
EIG Energy Fund XVI	2013	Special Situations	\$25,000,000	\$0	\$0	\$0	0.00%
EnCap Energy Capital Fund VIII, LP	2010	Special Situations	\$15,000,000	\$7,856,493	\$687,446	\$8,394,899	13.48%
EnCap Energy IX	2012	Special Situations	\$30,000,000	\$2,758,260	\$0	\$2,391,653	(44.76%)
Energy Capital Partners II-A, LP	2009	Special Situations	\$20,000,000	\$14,666,429	\$224,221	\$20,890,468	22.55%
Enhanced Equity Fund II, L.P.	2010	Buyout - Small	\$10,000,000	\$4,988,252	\$1,559,982	\$3,432,360	0.05%
Enhanced Equity Fund, L.P.	2006	Buyout - Small	\$10,000,000	\$9,865,370	\$4,561,390	\$8,533,064	5.74%
Essex Woodlands Health Ventures IV, LP	1998	Venture Capital - Early	\$4,000,000	\$4,000,000	\$4,918,637	\$546,580	7.38%
Essex Woodlands Health Ventures V, LP	2000	Venture Capital - Multi	\$10,000,000	\$10,000,000	\$10,396,425	\$3,471,160	6.90%
Essex Woodlands Health Ventures VI, LP	2004	Venture Capital - Multi	\$15,000,000	\$14,362,500	\$6,317,748	\$8,125,332	0.10%
FIMI Opportunity V	2012	Buyout - Small	\$20,000,000	\$2,832,882	\$0	\$2,589,000	(16.24%)
First Reserve Fund X, LP	2004	Buyout - Mid	\$20,000,000	\$20,000,000	\$32,598,661	\$4,563,792	31.34%
First Reserve Fund XI, LP	2006	Buyout - Mega	\$30,000,000	\$29,865,819	\$14,319,535	\$23,298,928	5.97%
First Reserve Fund XII, LP	2008	Buyout - Mega	\$25,000,000	\$20,364,751	\$3,524,570	\$20,986,914	6.10%
Golder, Thoma, Cressey, Rauner Fund V LP	1997	Buyout - Mid	\$10,000,000	\$10,000,000	\$18,226,074	\$0	11.03%

1) Reported Value: Represents reported value as most recently reported by the General Partners

2) Net IRR Since Inception



## Core Portfolio Summary as of 9/30/13

Investment Name	Vintage Year	Investment Strategy	Capital Commitment	Paid-In Capital	Capital Distributions	Reported Value <sup>1</sup>	Net IRR <sup>2</sup>
Green Equity Investors V, LP	2007	Buyout - Large	\$20,000,000	\$18,268,906	\$13,216,440	\$17,595,741	20.47%
Green Equity Investors VI, LP	2012	Buyout - Large	\$20,000,000	\$3,175,418	\$50,826	\$2,902,462	(13.19%)
GTCR Fund IX, LP	2006	Buyout - Mid	\$15,000,000	\$13,907,987	\$8,338,245	\$12,778,439	12.59%
GTCR Fund VI, LP	1998	Buyout - Mid	\$10,000,000	\$10,000,000	\$8,645,950	\$260,630	(3.89%)
GTCR Fund VII, LP	2000	Buyout - Mid	\$18,750,000	\$18,609,375	\$43,796,231	\$77,900	21.97%
GTCR Fund VII/A, LP	2000	Buyout - Mid	\$6,250,000	\$4,140,625	\$11,541,145	\$24,688	78.85%
GTCR Fund VIII, LP	2003	Buyout - Mid	\$20,000,000	\$18,504,960	\$26,945,978	\$4,214,485	23.32%
Halifax Capital Partners II, LP	2005	Buyout - Small	\$10,000,000	\$9,229,004	\$6,506,432	\$8,529,470	15.99%
Hellman & Friedman Capital Partners V, LP	2004	Buyout - Large	\$11,000,000	\$9,899,495	\$21,487,781	\$4,444,701	27.93%
Hellman & Friedman Capital Partners VI, LP	2007	Buyout - Mega	\$20,000,000	\$19,096,757	\$13,449,112	\$13,070,116	8.60%
Hellman & Friedman Capital Partners VII, LP	2011	Buyout - Mega	\$20,000,000	\$6,482,430	\$954,266	\$5,807,009	2.81%
High Road Capital Partners II	2013	Buyout - Small	\$25,000,000	\$1,286,000	\$0	\$1,252,503	(27.15%)
Highbridge Principal Strategies Senior Loan Fund II	2010	Special Situations	\$50,000,000	\$40,833,938	\$32,153,974	\$15,215,340	8.16%
Hony Capital Fund V, L.P.	2011	Buyout - Mid	\$25,000,000	\$4,251,551	\$0	\$3,996,933	(6.50%)
Insight Venture Partners VIII, LP	2013	Growth Equity	\$20,000,000	\$2,880,000	\$0	\$2,737,505	(28.38%)
InterWest Partners VI, LLC	1996	Venture Capital - Early	\$5,000,000	\$5,000,000	\$14,858,749	\$0	48.93%
J.H. Whitney IV, LP	1999	Growth Equity	\$22,448,463	\$22,448,463	\$8,713,071	\$790,783	(11.38%)
J.H. Whitney VI, LP	2005	Buyout - Small	\$15,000,000	\$14,906,729	\$6,558,034	\$13,556,511	6.91%
J.H. Whitney VII, LP	2010	Buyout - Small	\$25,000,000	\$10,945,358	\$1,197,909	\$10,784,395	5.65%
Kelso Investment Associates VI, LP	1998	Buyout - Mid	\$4,309,418	\$4,309,418	\$5,982,794	\$0	9.27%
Kelso Investment Associates VII, LP	2004	Buyout - Mid	\$18,000,000	\$17,105,368	\$21,164,175	\$9,281,268	13.60%
Kelso Investment Associates VIII, LP	2007	Buyout - Large	\$20,000,000	\$15,750,004	\$1,878,630	\$15,397,153	4.48%
Khosla Ventures IV, L.P.	2011	Venture Capital - Early	\$20,000,000	\$8,300,000	\$1,017,964	\$8,175,175	9.46%
KKR 1996 Fund LP	1996	Buyout - Mega	\$25,000,000	\$26,194,438	\$46,838,314	\$0	13.23%
KKR 2006 Fund, LP	2006	Buyout - Mega	\$30,000,000	\$28,948,133	\$17,646,213	\$23,112,563	7.83%

1) Reported Value: Represents reported value as most recently reported by the General Partners

2) Net IRR Since Inception



## Core Portfolio Summary as of 9/30/13

Investment Name	Vintage Year	Investment Strategy	Capital Commitment	Paid-In Capital	Capital Distributions	Reported Value <sup>1</sup>	Net IRR <sup>2</sup>
KKR European Fund II	2005	Buyout - Large	\$15,000,000	\$15,662,400	\$8,639,932	\$11,311,501	4.36%
KPS Special Situations IV	2013	Buyout – Mid	\$25,000,000	\$0	\$0	\$0	0.00%
Levine Leichtman Capital Partners III, LP	2003	Buyout – Small	\$20,000,000	\$21,392,254	\$18,727,469	\$10,973,807	9.48%
Levine Leichtman Capital Partners IV, LP	2008	Buyout – Mid	\$20,000,000	\$14,920,644	\$7,557,933	\$18,061,449	22.94%
Levine Leichtman V	2013	Buyout – Mid	\$30,000,000	\$844,860	\$0	\$630,925	(99.82%)
Lindsay Goldberg & Bessemer II, LP	2006	Buyout - Large	\$20,000,000	\$18,366,973	\$11,561,992	\$15,898,721	8.94%
Lindsay Goldberg III, LP	2008	Buyout - Large	\$20,000,000	\$13,266,076	\$1,698,936	\$13,545,414	7.65%
Madison Dearborn Capital Partners III, LP	1999	Buyout - Large	\$16,000,000	\$16,000,000	\$24,394,658	\$2,056	8.57%
Madison Dearborn Capital Partners IV, LP	2000	Buyout - Large	\$25,000,000	\$25,174,337	\$41,277,480	\$6,355,591	14.51%
Menlo Ventures IX, LP	2001	Venture Capital - Multi	\$20,000,000	\$20,000,000	\$16,291,004	\$4,980,779	1.14%
Menlo Ventures VII, LP	1997	Venture Capital - Multi	\$5,000,000	\$5,000,000	\$23,552,033	\$0	136.03%
Menlo Ventures VIII, LP	1999	Venture Capital - Early	\$18,000,000	\$18,000,000	\$6,279,994	\$1,666,546	(12.72%)
Nautic Partners V, LP	2000	Buyout - Mid	\$15,000,000	\$14,485,360	\$27,679,959	\$2,474,384	17.31%
New Enterprise Associates XIII, LP	2009	Venture Capital - Multi	\$15,000,000	\$12,750,000	\$4,706,862	\$15,984,385	24.63%
New Mountain Partners III, LP	2007	Buyout - Large	\$20,000,000	\$18,007,628	\$4,311,615	\$18,362,791	8.97%
Newbridge Asia IV, LP	2005	Growth Equity	\$10,000,000	\$9,991,442	\$12,963,938	\$9,071,878	18.43%
Nordic Capital V, L.P.	2004	Buyout - Mid	\$14,082,197	\$14,585,930	\$37,329,388	\$7,303,476	21.89%
Oak Investment Partners XII, LP	2006	Growth Equity	\$15,000,000	\$15,000,000	\$4,501,887	\$12,784,515	3.51%
OCM Opportunities Fund II, LP	1997	Dist. Debt - Non-Control	\$11,000,000	\$11,000,000	\$16,619,202	\$2,375	8.46%
OCM Opportunities Fund III, LP	1999	Dist. Debt - Non-Control	\$10,000,000	\$10,000,000	\$14,866,380	\$127,120	11.90%
OCM Opportunities Fund V, LP	2004	Dist. Debt - Non-Control	\$7,100,000	\$7,100,000	\$10,804,107	\$846,760	14.29%
OCM Opportunities Fund VII, LP	2007	Dist. Debt - Non-Control	\$10,000,000	\$10,000,000	\$11,435,479	\$2,447,147	8.29%
OCM Opportunities Fund VIIb, LP	2008	Dist. Debt - Non-Control	\$10,000,000	\$9,000,000	\$13,115,880	\$2,662,700	18.31%
OCM Opportunities Fund, LP	1996	Dist. Debt - Non-Control	\$11,000,000	\$10,972,896	\$18,030,431	\$0	10.34%
OCM Opportunities IV, LP	2001	Dist. Debt - Non-Control	\$10,000,000	\$10,000,000	\$16,463,298	\$28,761	28.59%

1) Reported Value: Represents reported value as most recently reported by the General Partners

2) Net IRR Since Inception



## Core Portfolio Summary as of 9/30/13

Investment Name	Vintage Year	Investment Strategy	Capital Commitment	Paid-In Capital	Capital Distributions	Reported Value <sup>1</sup>	Net IRR <sup>2</sup>
Olympus Growth Fund IV, LP	2003	Buyout - Small	\$7,700,000	\$7,497,433	\$7,319,546	\$4,378,053	9.38%
Onex Partners, LP	2003	Buyout - Mid	\$20,000,000	\$18,937,476	\$42,052,218	\$12,259,152	38.98%
Permira Europe III (EUR), LP	2004	Buyout - Large	\$21,553,071	\$21,224,254	\$29,872,852	\$6,667,954	27.14%
Permira Europe IV (EUR), LP	2006	Buyout - Mega	\$15,084,592	\$14,132,361	\$5,426,992	\$14,216,385	7.88%
Pharos Capital Partners II-A, LP	2005	Buyout - Small	\$5,000,000	\$4,950,000	\$2,528,670	\$5,232,435	10.29%
Platinum Equity Capital Partners III, LP	2012	Distressed Debt - Control	\$25,000,000	\$4,899,702	\$2,584,016	\$4,933,556	41.97%
Polaris Venture Partners V, LP	2006	Venture Capital - Multi	\$15,000,000	\$13,800,000	\$6,585,161	\$13,493,282	10.10%
Polaris Venture Partners VI, LP	2010	Venture Capital - Multi	\$15,000,000	\$4,125,000	\$0	\$6,328,829	52.07%
Providence Debt Fund III, LP	2013	Dist. Debt - Non-Control	\$30,000,000	\$767,586	\$0	\$976,867	0.00%
Providence Equity Partners V, LP	2005	Buyout - Large	\$18,000,000	\$16,448,315	\$12,612,097	\$8,327,504	4.00%
Providence Equity Partners VI, LP	2007	Buyout - Mega	\$30,000,000	\$26,597,015	\$5,698,480	\$25,749,587	4.06%
Providence TMT Debt Opportunity Fund II, LP	2010	Distressed Debt - Control	\$20,000,000	\$19,505,425	\$2,077,690	\$22,945,086	13.34%
Richland Ventures III, LP	1999	Venture Capital - Late	\$18,000,000	\$18,000,000	\$15,247,211	\$14,669	(3.02%)
Spark Capital I, LP	2005	Venture Capital - Early	\$9,000,000	\$8,730,000	\$10,980,481	\$1,375,808	8.93%
Spark Capital II, LP	2008	Venture Capital - Early	\$9,750,000	\$9,194,250	\$9,313,340	\$13,973,782	43.34%
Spark Capital III, LP	2011	Venture Capital - Early	\$10,000,000	\$6,075,000	\$0	\$5,514,699	(7.31%)
SSG Capital Partners II, LP	2012	Distressed Debt - Multi	\$15,914,286	\$8,889,754	\$200,554	\$9,668,865	17.10%
TA X, LP	2006	Growth Equity	\$6,000,000	\$6,186,689	\$3,831,689	\$3,588,512	4.53%
TA XI, LP	2010	Growth Equity	\$20,000,000	\$11,250,000	\$1,300,000	\$13,110,610	15.09%
TCV VIII, LP	2014	Growth Equity	\$30,000,000	\$0	\$0	\$0	0.00%
TCW/Crescent Mezzanine Partners IV, LP	2006	Mezzanine	\$10,000,000	\$8,684,235	\$7,360,264	\$4,042,776	5.98%
TCW/Crescent Mezzanine Partners V, LP	2008	Mezzanine	\$10,000,000	\$9,046,162	\$5,703,739	\$5,926,287	11.10%
Technology Crossover Ventures V, LP	2004	Venture Capital - Multi	\$19,500,000	\$19,283,550	\$23,335,857	\$10,494,145	11.61%
Technology Crossover Ventures VII, LP	2008	Growth Equity	\$20,000,000	\$18,398,000	\$8,807,597	\$19,288,915	19.26%
The Resolute Fund, LP	2002	Buyout - Mid	\$20,000,000	\$18,922,378	\$36,195,723	\$7,401,416	16.53%

1) Reported Value: Represents reported value as most recently reported by the General Partners

2) Net IRR Since Inception



## Core Portfolio Summary as of 9/30/13

Investment Name	Vintage Year	Investment Strategy	Capital Commitment	Paid-In Capital	Capital Distributions	Reported Value <sup>1</sup>	Net IRR <sup>2</sup>
Thoma Cressey Fund VI, LP	1998	Buyout - Small	\$5,000,000	\$4,845,000	\$4,803,584	\$214,026	0.42%
Thomas H. Lee Equity Fund V, LP	2000	Buyout - Large	\$15,000,000	\$15,253,628	\$23,794,496	\$1,722,094	13.89%
Tibbar Holdings, LLC (FKA TH Lee IV)	1998	Buyout - Large	\$7,000,000	\$6,314,197	\$5,484,109	\$0	(2.60%)
TPG Growth II, LP	2011	Buyout - Mid	\$30,000,000	\$8,365,541	\$76,331	\$7,257,260	(16.90%)
TPG Partners III, LP	1999	Buyout - Large	\$25,000,000	\$22,442,286	\$52,499,554	\$3,829,263	24.60%
TPG Partners IV, LP	2003	Buyout - Large	\$25,000,000	\$27,436,973	\$35,805,900	\$15,881,881	16.01%
TPG Partners V, LP	2006	Buyout - Mega	\$30,000,000	\$31,366,115	\$11,059,229	\$21,992,318	1.19%
TPG Partners VI, LP	2008	Buyout - Mega	\$22,500,000	\$19,454,365	\$5,788,297	\$17,622,690	8.63%
TPG Star, LP	2007	Buyout - Mid	\$20,000,000	\$18,785,759	\$11,772,328	\$15,747,967	12.15%
Trident Capital Fund V, LP (LACERS Secondary)	2003	Venture Capital - Multi	\$3,781,680	\$3,374,683	\$3,305,352	\$2,250,143	11.34%
Trident Capital Fund VI, LP	2004	Venture Capital - Multi	\$8,500,000	\$8,500,000	\$2,516,365	\$5,843,439	(0.32%)
Trident Capital Fund-V, LP	2000	Venture Capital - Multi	\$10,587,999	\$10,627,045	\$10,097,229	\$6,299,996	7.75%
VantagePoint Venture Partners IV (Q), LP	2000	Venture Capital - Multi	\$15,000,000	\$15,000,000	\$10,366,937	\$5,357,139	0.71%
Vestar Capital Partners IV, LP	1999	Buyout - Mid	\$16,806,233	\$16,591,947	\$26,542,322	\$2,651,615	13.52%
Vista Equity Fund IV	2012	Buyout - Mid	\$30,000,000	\$15,544,446	\$999,092	\$16,109,885	8.95%
Vista Equity Partners Fund III, LP	2007	Buyout - Mid	\$25,000,000	\$24,527,731	\$36,904,954	\$27,437,991	31.54%
Welsh, Carson, Anderson & Stowe IX, LP	2000	Buyout - Large	\$15,000,000	\$14,850,000	\$20,765,728	\$2,794,826	10.77%
Welsh, Carson, Anderson & Stowe VII, LP	1995	Buyout - Large	\$15,000,000	\$15,000,000	\$32,633,357	\$0	17.69%
Welsh, Carson, Anderson & Stowe VIII, LP	1998	Buyout - Large	\$15,000,000	\$15,000,000	\$19,275,133	\$41,781	3.12%
Weston Presidio Capital IV, LP	2000	Growth Equity	\$14,764,721	\$14,764,721	\$15,604,131	\$1,292,738	2.56%
Weston Presidio Capital IV, LP (LACERS Secondary)	2003	Growth Equity	\$2,826,000	\$2,772,810	\$3,164,283	\$262,029	4.82%
Whitney V, LP	2000	Buyout - Mid	\$10,000,000	\$11,558,159	\$22,172,401	\$203,355	23.11%
Yucaipa American Alliance Fund II, LP	2008	Buyout - Mid	\$20,000,000	\$18,337,328	\$4,616,433	\$26,974,138	17.51%
<b>Total Portfolio</b>			<b>\$2,594,775,484</b>	<b>\$1,887,468,869</b>	<b>\$1,731,728,539</b>	<b>\$1,126,596,188</b>	<b>11.61%</b>

1) Reported Value: Represents reported value as most recently reported by the General Partners

2) Net IRR Since Inception



## Specialized Portfolio Summary as of 9/30/13

Investment Name	Vintage Year	Investment Strategy	Focus	Capital Commitment	Paid-In Capital	Capital Distributions	Reported Value <sup>1</sup>	Net IRR <sup>2</sup>
Angeleno Investors III, LP	2010	Venture Capital	Energy/Clean Tech	\$10,000,000	\$3,469,271	\$0	\$3,846,106	6.02%
Ares Special Situations Fund, LP	2008	Distressed Debt	Distressed Debt	\$10,000,000	\$10,171,330	\$13,499,578	\$3,382,531	12.98%
Carpenter Community BancFund-A, LP	2008	Growth Equity	Community Banks	\$10,000,000	\$9,361,694	\$0	\$12,087,309	7.61%
Craton Equity Investors I, L.P.	2006	Growth Equity	Clean Tech	\$10,000,000	\$9,877,518	\$0	\$6,725,702	(10.72%)
DFJ Element, L.P.	2006	Venture Capital	Clean Tech	\$8,000,000	\$7,462,106	\$56,371	\$4,321,507	(9.88%)
DFJ Frontier Fund II, L.P.	2007	Venture Capital	Clean Tech	\$5,000,000	\$4,252,783	\$381,786	\$5,681,243	11.43%
Element Partners II, LP	2008	Venture Capital	Underserved California	\$10,000,000	\$5,959,707	\$29,761	\$6,503,523	3.38%
NGEN II	2005	Venture Capital	Clean Tech: Materials	\$8,000,000	\$7,750,702	\$395,974	\$241,835	(62.99%)
NGEN III	2008	Venture Capital	Clean Tech: Materials	\$10,000,000	\$7,004,736	\$147,415	\$5,555,521	(7.96%)
Nogales Investors Fund II, LP	2006	Buyout	Lower Middle Market	\$10,000,000	\$3,496,603	\$0	\$3,777,884	1.82%
Palladium Equity Partners III, LP	2004	Buyout	Hispanic-oriented	\$10,000,000	\$9,374,373	\$7,493,168	\$9,371,651	13.92%
Reliant Equity Partners	2002	Buyout	Minority Focused	\$8,025,696	\$8,113,728	\$266,330	\$0	(100.00%)
Rustic Canyon/Fontis Partners, LP	2006	Growth Equity	Underserved Markets	\$5,000,000	\$3,624,952	\$782,621	\$2,241,594	(4.17%)
Saybrook Corporate Opportunity Fund, LP	2008	Distressed Debt	Distressed Debt	\$6,192,813	\$5,903,892	\$4,155,561	\$4,135,544	16.78%
Sector Performance Fund, LP	2007	Buyout	Energy, Food & Media	\$10,000,000	\$9,502,443	\$8,232,800	\$239,364	(2.86%)
Spire Capital Partners II, LP	2007	Buyout	BIMC Sectors	\$10,000,000	\$8,185,663	\$5,809,753	\$6,623,576	12.51%
St. Cloud Capital Partners II, LP	2007	Mezzanine	Lower Middle Market	\$5,000,000	\$4,656,543	\$1,912,204	\$3,500,094	5.65%
Starvest Partners II, LP	2007	Venture Capital	Later Stage	\$5,000,000	\$3,809,486	\$0	\$2,573,243	(14.82%)
StepStone Pioneer Capital I, LP	2004	Special Situations	Small end of market	\$10,000,000	\$9,637,278	\$6,224,327	\$6,200,643	5.73%
StepStone Pioneer Capital II, LP	2006	Special Situations	Small end of market	\$10,000,000	\$8,846,727	\$1,996,284	\$8,763,401	4.52%
Sterling Venture Partners II, LP	2005	Venture Capital	Expansion Stage	\$8,000,000	\$8,006,256	\$5,898,184	\$7,825,516	11.22%
Vicente Capital Partners Growth Equity Fund, LP (FKA KH Growth Equity)	2007	Growth Equity	Later Stage	\$10,000,000	\$7,908,346	\$27,387	\$10,040,969	9.58%
Yucaipa American Alliance Fund I, LP	2005	Buyout	Upper-Middle Market	\$10,000,000	\$10,000,000	\$5,847,295	\$8,009,649	8.22%
<b>Total Portfolio</b>				<b>\$198,218,508</b>	<b>\$166,376,137</b>	<b>\$63,156,798</b>	<b>\$121,648,405</b>	<b>2.77%</b>

1) Reported Value: Represents reported value as most recently reported by the General Partners

2) Net IRR Since Inception



# Disclosure Statement

## **GENERAL DISCLAIMER**

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## **GENERAL DISCLOSURE**

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## Disclosure Statement (continued)

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