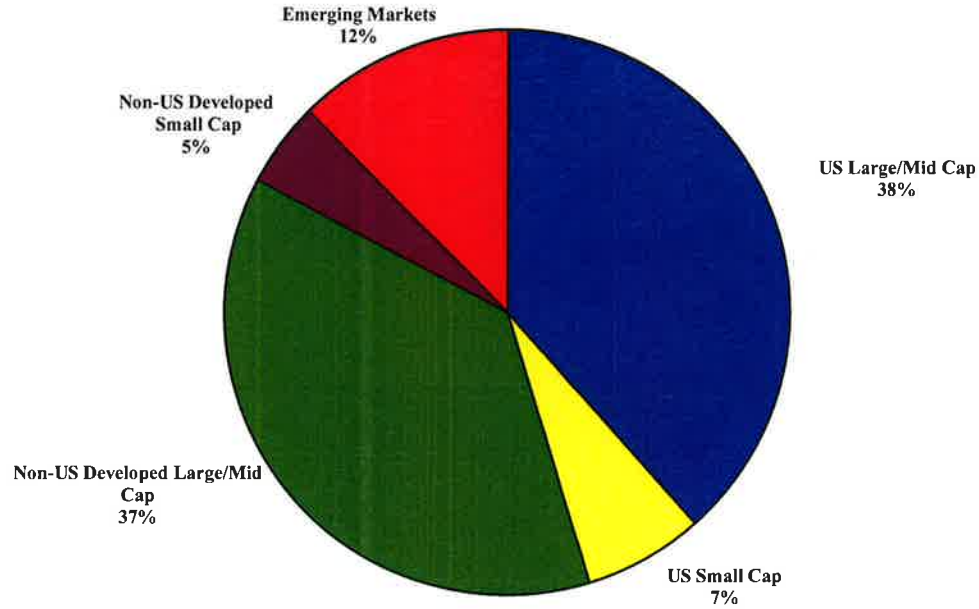


# State of Oregon

## Public Equity Regional Allocation

### As of September 30, 2011



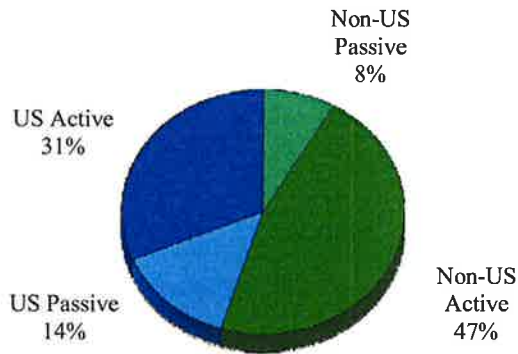
<u>Target</u>	
US Large/Mid:	39%
US Small:	6%
Non-US Developed Large/Mid:	37%
Non-US Developed Small:	5%
Emerging Markets:	13%

\* Based on SIS's analysis of historical manager holdings for market capitalization and style characteristics.

# State of Oregon

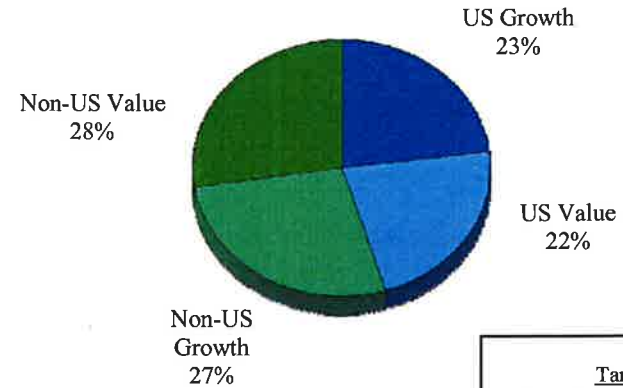
## Public Sector Manager Allocation as of September 30, 2011

**Active vs. Passive**



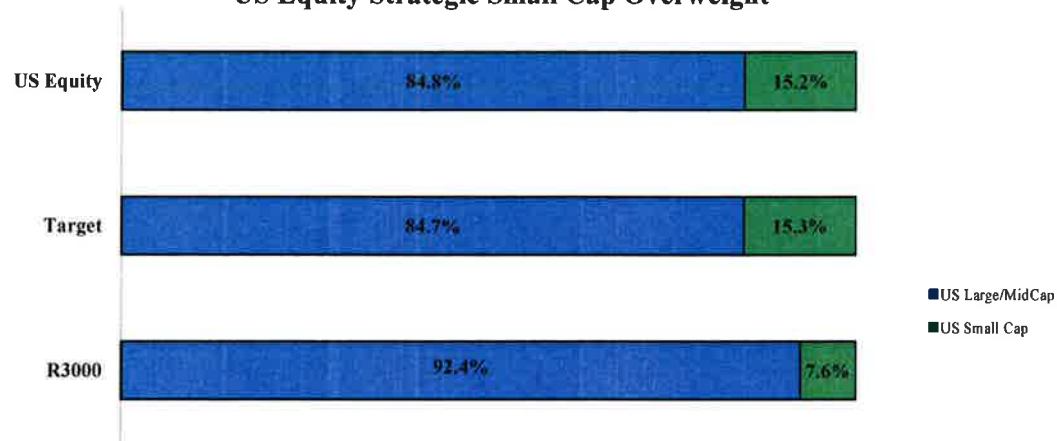
Target	
Active:	75%
Passive:	25%

**Value vs. Growth**



Target	
Growth:	50%
Value:	50%

**US Equity Strategic Small Cap Overweight**



Target: 100% Overweight of Russell 2000 as a Percent of Russell 3000

Figures May not sum to 100% due to rounding.

**Total Public Equity**  
**Individual Manager Allocations**  
**As of September 30, 2011**

Manager	Market Value (\$M)	Current % of Equities
<b>Total Domestic Equity</b>		
<b>U.S. Large Cap:</b>	<b>6,627,294</b>	<b>35.1%</b>
Aletheia Research	296,570	1.6%
Aronson+Johnson+Ortiz	696,318	3.7%
Blackrock Russell 1000 Growth	819,176	4.3%
Blackrock Russell 1000 Value	822,852	4.4%
Delaware	387,271	2.1%
MFS	686,346	3.6%
Northern Trust	669,805	3.5%
PIMCO	407,282	2.2%
Pyramis US Core	312,259	1.7%
S&P 400 Index	139,852	0.7%
S&P 500 Index	727,349	3.9%
Wells Capital Select	662,214	3.5%

<b>U.S. Small and SMID Cap:</b>	<b>1,585,159</b>	<b>8.4%</b>
AQR	139,081	0.7%
Boston Company	144,933	0.8%
Eudaimonia	76,396	0.4%
Next Century Micro	92,231	0.5%
Next Century Small	98,155	0.5%
R2000 Synthetic	102,479	0.5%
Wanger	647,729	3.4%
Wellington	284,155	1.5%

<b>Passive</b>	<b>4,169,452</b>	<b>22.1%</b>
<b>Active</b>	<b>14,699,289</b>	<b>77.9%</b>

<b>Total Equities*</b>	<b>18,869,422</b>	<b>100.0%</b>
------------------------	-------------------	---------------

Manager	Market Value (\$M)	Current % of Equities
<b>Total Non-US Equity</b>		
<b>Non-U.S. Large Cap:</b>	<b>7,769,875</b>	<b>41.2%</b>
Acadian	633,814	3.4%
AQR (Non-US LC)	737,692	3.9%
Arrowstreet	944,395	5.0%
Brandes	622,719	3.3%
Lazard	679,233	3.6%
Northern Trust (Non-US)	192,145	1.0%
Pyramis Global Advisors	814,351	4.3%
SSgA	1,557,745	8.3%
TT International	532,506	2.8%
UBS	421,547	2.2%
Walter Scott	633,726	3.4%

<b>Non-U.S. Small Cap:</b>	<b>740,377</b>	<b>3.9%</b>
DFA	162,324	0.9%
Harris	178,249	0.9%
Pyramis Select (Non-US Smcap)	244,453	1.3%
Victory	155,351	0.8%

<b>Emerging Markets:</b>	<b>1,401,083</b>	<b>7.4%</b>
Arrowstreet (EM)	350,957	1.9%
Blackrock TEMs	187,233	1.0%
DFA SC	94,908	0.5%
Genesis	506,147	2.7%
Pictet	166,248	0.9%
Westwood	95,590	0.5%

<b>Global:</b>	<b>744,953</b>	<b>3.9%</b>
AllianceBernstein GSV	744,953	3.9%

\* Includes \$680 in other Equity assets not listed above, but does not include \$736 in Transition Account and \$78,540 in Shott Capital

**State of Oregon**  
**Total Active Domestic Equity Characteristics Summary**  
**Third Quarter 2011**

Top 10 Holdings

	Mkt. Value (\$M)	% of Portfolio
APPLE INC	128,340	2.6
CHEVRON CORP	61,770	1.3
GOOGLE INC	58,140	1.2
ORACLE CORP	57,800	1.2
MASTERCARD INC	56,980	1.2
EXXON MOBIL CORP	56,430	1.1
QUALCOMM INC	53,670	1.1
JPMORGAN CHASE + CO	49,970	1.0
PFIZER INC	49,560	1.0
DIRECTV INC	49,040	1.0

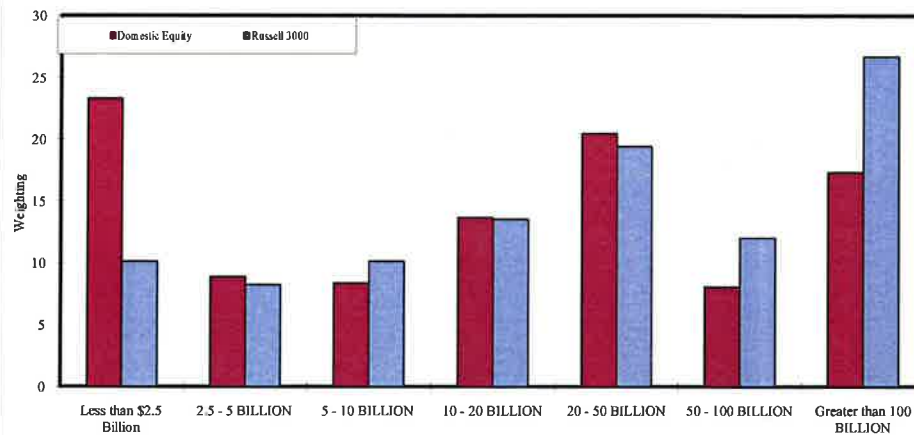
Characteristics

	Domestic Equity	Russell 3000
P/E Ratio	19.0	16.8
P/B Ratio	3.2	3.0
5 Year EPS Growth (%)	10.9	7.1
Market Cap - cap wtd (\$MM)	49.2	71.4
Dividend Yield (%)	1.6	2.1

Risk Statistics

	3 Year	5 Year
Portfolio Return	1.92	-1.23
Benchmark Return	1.45	-0.92
Portfolio Standard Deviation	23.32	20.11
Benchmark Standard Deviation	22.14	19.02
Tracking Error	2.55	2.37
Historic Beta	1.05	1.05
R-Squared	0.99	0.99
Jensen's Alpha	0.41	-0.17
Sharpe Ratio	0.07	-0.15
Information Ratio	0.18	-0.13

Market Capitalization

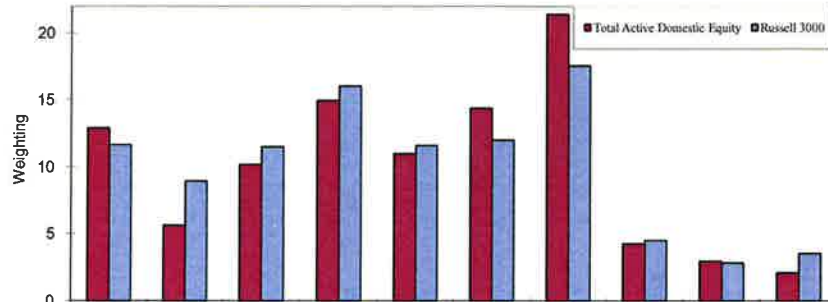


Market Capitalization

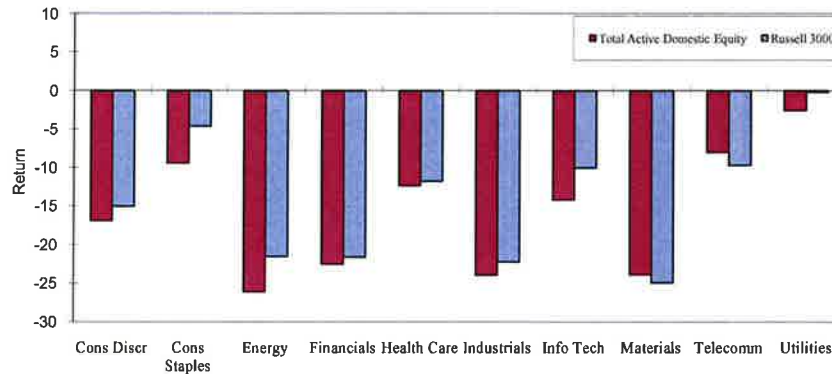
	Domestic Equity	Russell 3000
Less than \$2.5 Billion	23.3	10.1
2.5 - 5 BILLION	8.9	8.2
5 - 10 BILLION	8.4	10.1
10 - 20 BILLION	13.6	13.5
20 - 50 BILLION	20.5	19.4
50 - 100 BILLION	8.0	12.0
Greater than 100 BILLION	17.3	26.7

**State of Oregon**  
**Total Active Domestic Equity Sector Attribution**  
**Third Quarter 2011**

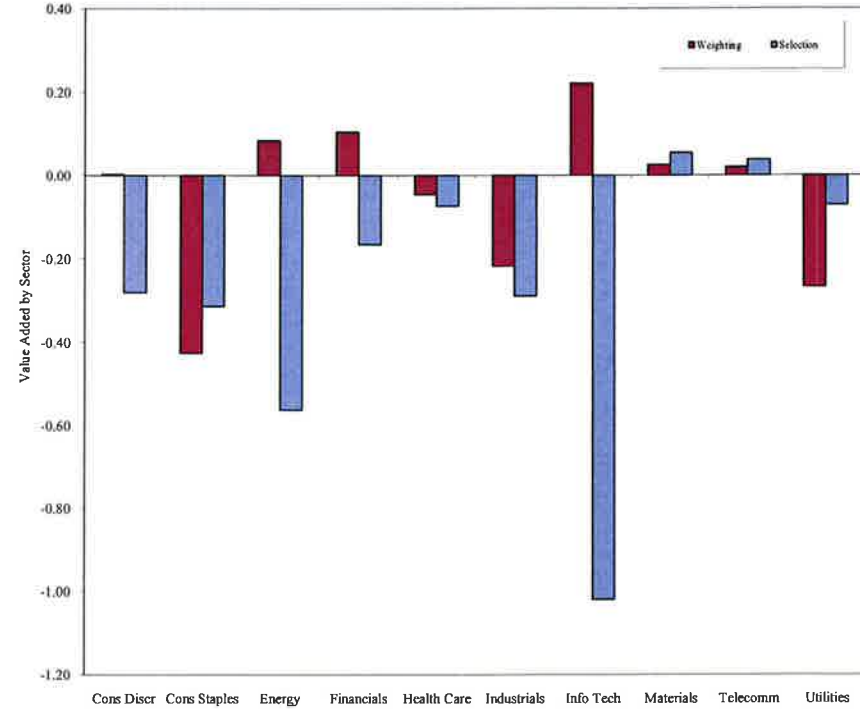
Weighting



Return



Value Added



	BEGINNING WEIGHTS			RETURNS			VALUE ADDED		
	Total Active Dom Equity*	Russell 3000	Difference	Total Active Dom Equity	Russell 3000	Difference	Allocation	Selection	Timing
Consumer Discretionary	12.9	11.7	1.3	-16.9	-15.1	-2.2	0.0	-0.3	
Consumer Staples	5.6	8.9	-3.3	-9.4	-4.6	-5.1	-0.4	-0.3	
Energy	10.2	11.5	-1.3	-26.1	-21.5	-5.8	0.1	-0.6	
Financials	14.9	16.0	-1.1	-22.5	-21.6	-1.1	0.1	-0.2	
Health Care	11.0	11.6	-0.6	-12.4	-11.8	-0.7	0.0	-0.1	
Industrials	14.4	12.0	2.4	-23.9	-22.3	-2.1	-0.2	-0.3	
Info Technology	21.4	17.5	3.8	-14.2	-10.0	-4.7	0.2	-1.0	
Materials	4.2	4.5	-0.2	-23.9	-24.9	1.4	0.0	0.1	
Telecommunication	3.0	2.8	0.1	-8.0	-9.7	1.9	0.0	0.0	
Utilities	2.1	3.5	-1.4	-2.6	-0.3	-2.3	-0.3	-0.1	
<b>Total Fund</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>	<b>-18.0</b>	<b>-15.3</b>	<b>-3.2</b>	<b>-0.3</b>	<b>-2.9</b>	<b>0.0</b>

Note: Attribution is based on the invested portfolio's gross performance returns at the security level. Weighting is based on beginning of period holdings.

\*Excludes 1.3% in Cash Equivalent, Commingled Funds, Private Placement, Real Estate, & Rights/Warrants investments.

## State of Oregon

### International Equity Attribution Summary

#### Third Quarter 2011

#### Top Ten Holdings

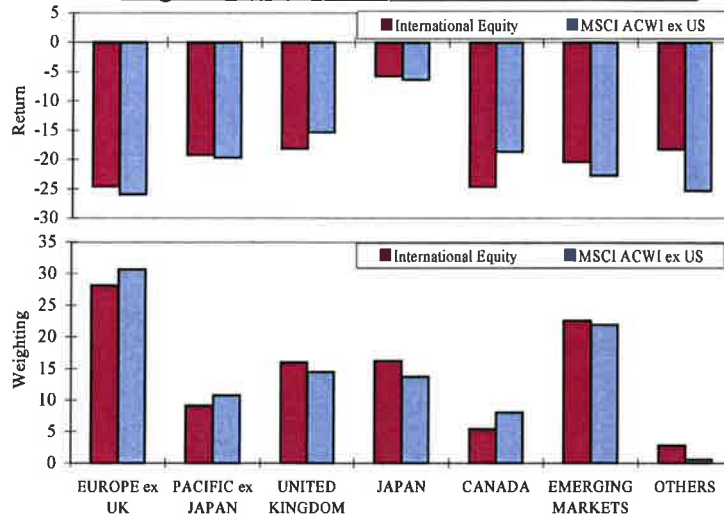
	Mkt. Value (\$M)	% of Portfolio
CHINA MOBILE LTD	76,960	0.8
NOVARTIS AG REG	72,290	0.8
VODAFONE GROUP PLC	71,780	0.8
GLAXOSMITHKLINE PLC	66,380	0.7
NIPPON TEL+TEL CP	66,310	0.7
ASTRAZENECA PLC	61,640	0.6
SANOFI AVENTIS	54,870	0.6
NESTLE SA	52,710	0.6
DAITO TRUST CONSTRUCT LTD	49,700	0.5
CANON INC	49,640	0.5

\*Excludes holdings of funds or ETF's

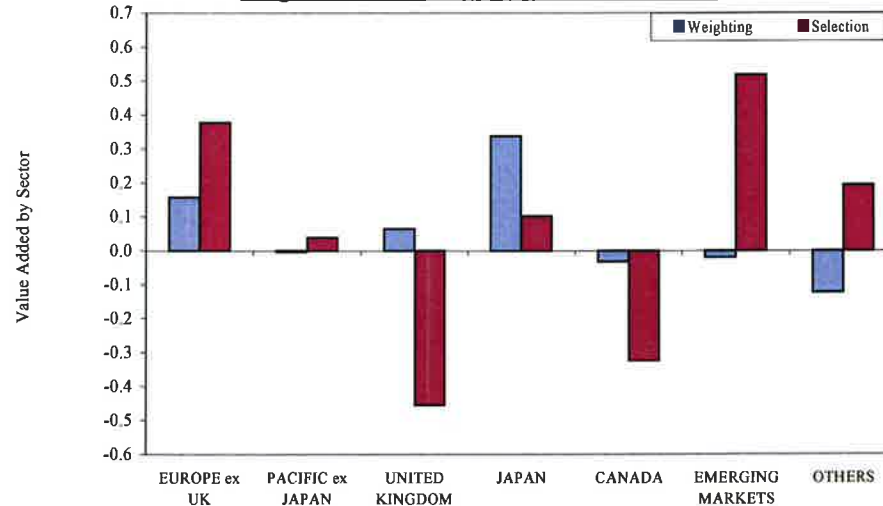
#### Market Capitalization

	International Equity	MSCI AC WORLD ex US
Less than 2.5 BILLION	19.5	3.2
2.5 - 5 BILLION	9.4	9.3
5 - 10 BILLION	14.2	15.6
10 - 20 BILLION	13.0	18.0
20 - 50 BILLION	23.1	27.8
50 - 100 BILLION	11.7	14.4
Greater than 100 BILLION	9.1	11.7

#### Regional Attribution vs. MSCI ACWI ex US



#### Regional Attribution vs. MSCI ACWI ex US



Note: Attribution is based on the invested portfolio's gross performance returns at the security level. Weighting is based on beginning of period holding

## State of Oregon International Equity Attribution Summary Third Quarter 2011

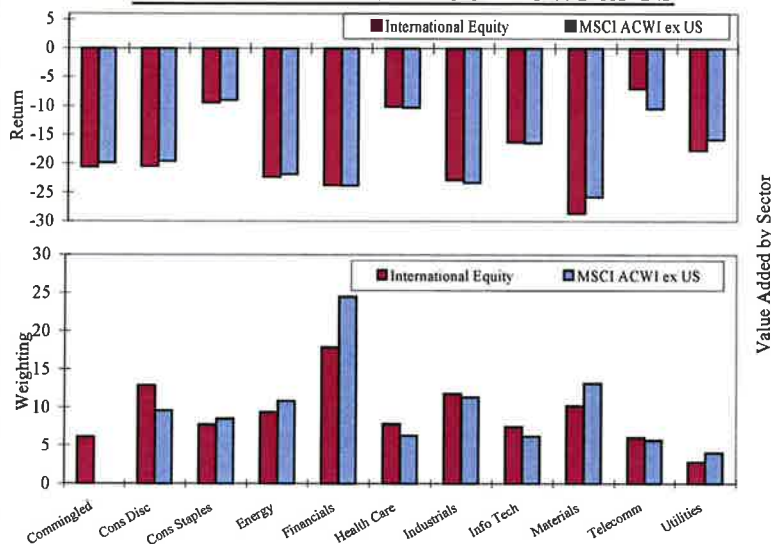
### Risk Statistics

	3 Year	5 Year
Portfolio Return	2.41	-0.26
Benchmark Return	1.33	-1.04
Portfolio Standard Deviation	25.52	22.67
Benchmark Standard Deviation	26.40	23.44
Tracking Error	1.74	1.52
Historic Beta	0.96	0.97
R-Squared	1.00	1.00
Jensen's Alpha	1.12	0.68
Sharpe Ratio	0.09	-0.09
Information Ratio	0.62	0.51

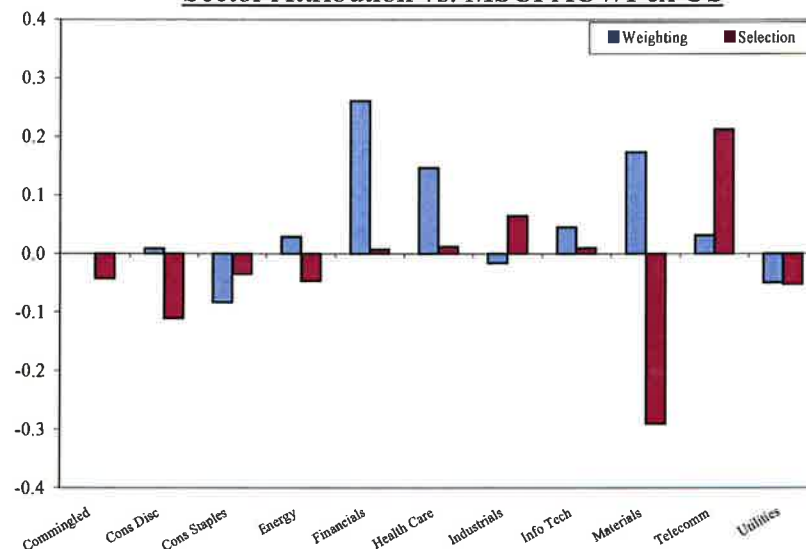
### Characteristics

	International Equity	MSCI AC WORLD ex US
P/E Ratio	12.8	12.6
P/B Ratio	2.2	2.2
5 Year EPS Growth (%)	5.3	2.6
Market Cap - cap weighted (\$B)	32.4	39.0
Dividend Yield (%)	3.4	3.7

### Sector Attribution vs. MSCI ACWI ex US



### Sector Attribution vs. MSCI ACWI ex US



Note: All risk statistics are based on net performance returns and attribution is based on gross performance returns at the security level. Weighting is based on beginning of period holding