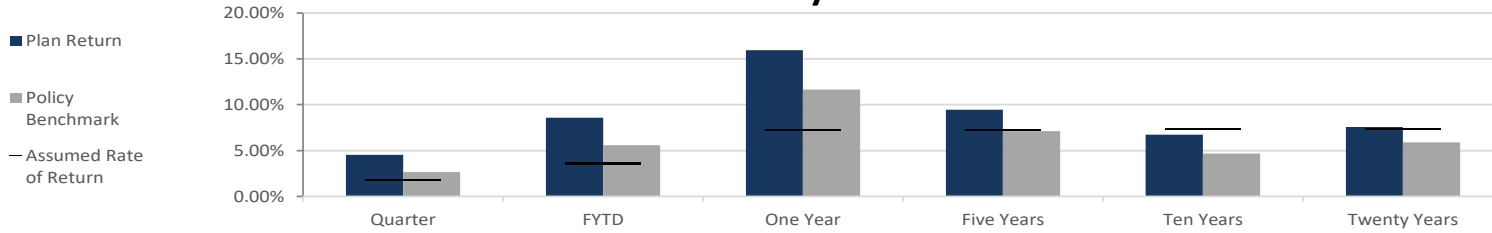




"The goal of LAGERS' investment portfolio is to achieve the assumed rate of return over the long-term, while maintaining reasonable risk. If the portfolio meets this goal, we can assure that future benefits of LAGERS' members are safe and secure." - LAGERS' Investment Team

Net of Fee Returns By Time Period¹



Executive Summary	Market Value (millions)	Quarter	FYTD ²	One Year	Five Years	Ten Years	Twenty Years
Total Plan	\$7,497,714,592	4.51%	8.59%	15.95%	9.45%	6.74%	7.57%
Policy Benchmark		2.64%	5.59%	11.66%	7.12%	4.66%	5.88%
Excess Return		1.87%	3.00%	4.29%	2.33%	2.08%	1.69%

Estimated Allocation / Exposure	Portfolio Exposure	Policy Target	Variance	LAGERS Portfolio Exposure
Equity	47.13%	43.00%	4.13%	
Private Equity	8.74%			
Public Equity	38.39%			
Fixed Income	24.38%	26.00%	-1.62%	
Private Fixed Income	11.46%			
Public Fixed Income	12.92%			
Real Assets/Real Return	22.98%	21.00%	1.98%	
Private Real Assets	16.32%			
Public Real Assets	6.66%			
Strategic	5.51%	10.00%	-4.49%	
Private Strategic	2.27%			
Public Strategic	3.24%			

FYTD Contributions to Plan Value		
Beginning Value	(as of 06/30/17)	\$6,958,592,384
Payment to Retirees		-\$151,263,469
Contributions Received		\$111,141,502
Investment Gain/Loss & Expenses		\$579,244,175
Ending Value	(as of 12/31/17)	\$7,497,714,592

Key Developments During the Quarter

Notable activity includes the hiring of a new mining manager, Resource Capital Funds, with a commitment of \$100 million to Resource Capital Fund VII. LAGERS also committed £45 million to Alchemy Special Opportunities Fund IV and \$60 million to Eagle Private Capital's Fund IV. Another \$60 million commitment was made across Noble Hospitality's Value Add Fund IV and Income Fund IV.

¹LAGERS' assumed rate of return is 7.25%

²LAGERS' fiscal year is June 30

This report was compiled by LAGERS' staff utilizing data primarily from LAGERS' Custodian.

No information contained in this report should be used to calculate returns or compare multiple funds, including private equity funds.

The information in this report has not been reviewed, approved or verified by the external investment managers.