

Arizona PSPRS Trust - Performance as of 8/31/2010 (Gross of Fees)

Description	Asset Allocation		7/1/2010		Performance %						
	Market Values (\$)	%	Target (%)	Range (%)	Month Ending	3 Month Ending	Fiscal YTD	Calendar YTD	1 Year	3 Years	5 Years
Arizona PSPRS Trust - Total Fund	\$6,117,440,762	100.00%			-0.68%	1.80%	3.37%	1.22%	8.28%	-3.51%	1.66%
<i>Target Fund Benchmark</i>					<i>-1.36%</i>	<i>0.51%</i>	<i>2.47%</i>	<i>-0.21%</i>	<i>6.32%</i>	<i>-4.87%</i>	<i>0.07%</i>
Total Equity	\$2,272,973,484	37.16%	35%	25-50%	-3.51%	-0.12%	3.83%	-3.77%	5.57%	-6.52%	0.27%
<i>Target Equity Benchmark</i>					<i>-3.87%</i>	<i>-0.44%</i>	<i>3.67%</i>	<i>-4.66%</i>	<i>4.72%</i>	<i>-7.86%</i>	<i>-0.56%</i>
U.S. Equity	\$1,313,987,520	21.48%	20%	15-30%	-4.03%	-3.26%	2.15%	-2.64%	7.65%	N/A	N/A
<i>Russell 3000</i>					<i>-4.71%</i>	<i>-3.95%</i>	<i>1.91%</i>	<i>-4.26%</i>	<i>5.64%</i>	<i>-8.27%</i>	<i>-0.71%</i>
Non-U.S. Equity	\$958,985,964	15.68%	15%	10-20%	-2.75%	4.83%	6.32%	-5.78%	2.12%	N/A	N/A
<i>MSCI ACWI Ex-US Net</i>					<i>-2.75%</i>	<i>4.67%</i>	<i>6.03%</i>	<i>-5.70%</i>	<i>2.85%</i>	<i>-8.36%</i>	<i>3.33%</i>
GTAA	\$523,636,805	8.56%	8%	5-11%	0.53%	6.05%	3.43%	N/A	N/A	N/A	N/A
<i>3-Month LIBOR + 300 bps</i>					<i>0.28%</i>	<i>0.86%</i>	<i>0.57%</i>	<i>2.27%</i>	<i>3.36%</i>	<i>4.80%</i>	<i>6.15%</i>
Fixed Income	\$1,272,163,596	20.80%	20%	15-25%	1.67%	4.24%	2.68%	8.73%	12.38%	5.39%	4.81%
<i>BC Aggregate</i>					<i>1.29%</i>	<i>3.97%</i>	<i>2.37%</i>	<i>7.83%</i>	<i>9.18%</i>	<i>7.65%</i>	<i>5.96%</i>
Absolute Return	\$0	0.00%	4%	0-8%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>91-Day T-Bill + 200 bps</i>					<i>0.18%</i>	<i>0.54%</i>	<i>0.36%</i>	<i>1.41%</i>	<i>2.15%</i>	<i>3.28%</i>	<i>4.73%</i>
Credit Opportunities	\$633,961,208	10.36%	9%	2-12%	1.35%	4.98%	5.34%	14.21%	27.67%	N/A	N/A
<i>ML US High Yield BB-B Constrained</i>					<i>0.56%</i>	<i>5.44%</i>	<i>3.94%</i>	<i>8.65%</i>	<i>18.99%</i>	<i>7.42%</i>	<i>6.59%</i>
Private Equity	\$428,312,658	7.00%	8%	4-12%	-0.19%	-0.97%	2.27%	8.36%	10.91%	-3.05%	N/A
<i>Russell 3000 + 100 bps</i>					<i>-4.58%</i>	<i>-3.65%</i>	<i>2.10%</i>	<i>-3.54%</i>	<i>6.64%</i>	<i>-7.27%</i>	<i>0.29%</i>
Real Assets	\$274,134,636	4.48%	6%	2-10%	1.75%	5.83%	2.36%	5.30%	8.29%	N/A	N/A
<i>CPI + 200 bps</i>					<i>0.42%</i>	<i>0.93%</i>	<i>0.89%</i>	<i>1.76%</i>	<i>3.02%</i>	<i>3.63%</i>	<i>4.13%</i>
Real Estate	\$604,056,458	9.87%	8%	4-12%	1.04%	-0.14%	1.19%	-9.88%	-9.44%	-1.37%	N/A
<i>NCREIF NPI *</i>					<i>N/A</i>	<i>1.09%</i>	<i>N/A</i>	<i>4.10%</i>	<i>0.76%</i>	<i>-5.45%</i>	<i>3.18%</i>
Short Term Investments	\$108,201,917	1.77%	2%	0-5%	0.03%	0.07%	0.05%	0.16%	0.25%	1.60%	3.00%
<i>ML Treasury 91 day Actual</i>					<i>0.01%</i>	<i>0.04%</i>	<i>0.03%</i>	<i>0.08%</i>	<i>0.14%</i>	<i>1.26%</i>	<i>2.66%</i>

Target Fund Benchmarks (Effective Dates)

July 1, 2010 - Present: 20% Russell 3000, 15% MSCI World Ex-US Net, 8% 3-Month LIBOR + 300 bps, 20% BC Aggregate, 4% 91-Day T-Bill + 200 bps, 9% ML US High Yield BB-B Constrained, 8% Russell 3000 + 100 bps, 6% CPI + 200 bps, 8% NCREIF NPI and 2% 91-Day T-Bill.

April 1, 2009 - June 30, 2010: 30% Russell 3000, 20% MSCI World Ex-US Net, 20% BC Aggregate, 8% NCREIF NPI, 8% Russell 3000 + 100 bps, 8% ML US High Yield BB-B Constrained, 5% CPI + 200 bps and 1% 91-Day T-Bill

July 1, 2007 - March 31, 2009: 46% Wilshire 5000, 21% MSCI World Ex-US Net, 20% BC Gov/Cred, 6% NCREIF NPI, 6% Wilshire 5000 +300 bps and 1% 91-Day T-Bill

July 1, 2006 - June 30, 2007: 50% S&P 500, 10% S&P 400, 5% S&P 600, 20% BC Gov/Cred, 10% Expected Annual Return for Real Estate of 8.00% and 5% 91-Day T-Bill

July 1, 2002 - June 30, 2006: 45% S&P 500, 45% BC Gov/Cred and 10% 91-Day T-Bill

* The NCREIF NPI index return is published on a quarterly basis approximately six weeks after the end of the quarter and will be updated as soon as it is available. The monthly returns shown above are based on geometric smoothing of the quarterly data.

Target Equity Benchmarks (Effective Dates)

July 1, 2010 - Present: 57.14% Russell 3000 and 42.86% MSCI World Ex-US Net

April 1, 2009 - June 30, 2010: 60% Russell 3000 and 40% MSCI World Ex-US Net

July 1, 2007 - March 31, 2009: 67.69% Wilshire 5000 and 32.31% MSCI World Ex-US Net

July 1, 2006 - June 30, 2007: 76.92% S&P 500, 15.39% S&P 400 and 7.69% S&P 600

July 1, 2002 - June 30, 2006: 100% S&P 500