

Virginia Retirement System
Performance Summary
As of June 30, 2012

TOTAL FUND PERFORMANCE

(Expressed in Percentages)

| | 10 Yr | 5 Yr | 3 Yr | 1 Yr | Qtr | Month | Fiscal YTD | Calendar YTD |
|---|--------------|-------------|-------------|-------------|-------------|--------------|-------------------|---------------------|
| Total Public Equity | 6.0 | -2.1 | 11.7 | -4.6 | -5.0 | 3.9 | -4.6 | 6.1 |
| <i>Benchmark ¹</i> | 6.0 | -1.9 | 11.4 | -5.2 | -5.2 | 4.5 | -5.2 | 6.3 |
| Total Investment-Grade Fixed Income | 6.2 | 7.7 | 9.3 | 7.9 | 1.9 | 0.5 | 7.9 | 3.4 |
| <i>Benchmark ²</i> | 5.8 | 7.1 | 6.8 | 7.7 | 2.2 | 0.7 | 7.7 | 3.0 |
| Total Credit Strategies | n/a | 4.5 | 12.4 | 1.4 | -0.3 | 1.6 | 1.4 | 5.9 |
| <i>Benchmark ³</i> | n/a | 4.8 | 13.8 | 3.8 | 0.3 | 2.0 | 3.8 | 6.5 |
| Total Real Assets | 9.2 | 0.9 | 11.8 | 11.9 | 3.1 | 3.9 | 11.9 | 7.7 |
| <i>Benchmark ⁴</i> | 8.9 | 2.3 | 9.4 | 11.7 | 2.5 | 1.6 | 11.7 | 7.0 |
| Total Private Equity | 12.5 | 6.7 | 15.2 | 10.9 | 5.6 | 5.6 | 10.9 | 10.2 |
| <i>Benchmark ⁵</i> | 7.3 | 4.8 | 26.8 | 9.7 | 13.6 | 3.2 | 9.7 | 28.0 |
| Total Fund | 6.6 | 0.8 | 11.3 | 1.4 | -1.3 | 2.8 | 1.4 | 5.8 |
| <i>Total Fund Benchmark - Intermediate ⁶</i> | 6.4 | 1.1 | 11.7 | 1.2 | -0.7 | 2.7 | 1.2 | 7.3 |

Notes:

1. Effective April 2010, the Public Equity Custom Benchmark is based on the market-value weights of the MSCI ACWI IMI Index.
2. Effective April 2011, the Investment-Grade Fixed Income Custom Benchmark is a weighted average of the Citigroup BIG Index and the Emerging Market Fixed Income Custom Benchmark.
3. Effective December 2008, the Credit Strategies Custom Benchmark is the weighted average of the Bank of America Merrill Lynch U.S. High Yield BB-B Constrained Index and the Bank of America Merrill Lynch All Convertibles Index.
4. Effective April 2009, the Real Assets Custom Benchmark is the weighted average of the NCREIF Property Index (private real estate), the Dow Jones US Select REIT Index (domestic public real estate) and the FTSE/EPRA/NAREIT Developed Index (global public real estate). The Private Real Estate benchmark is lagged one quarter.
5. Effective January 1995, the Private Equity Custom Benchmark is the Russell 3000 Index lagged by 3 months plus 250 basis points per annum.
6. The Total Fund Benchmark - Intermediate is the weighted average of the VRS asset-class program benchmarks.

Source: Bank of New York Mellon

Virginia Retirement System Asset Allocation as of June 30, 2012

(Dollar amounts in Billions / Percent of Total Fund)

Total Fund market value = \$53.1 billion

