



West Virginia Investment Management Board

Monthly Performance Report

December 30, 2011

STRATEGIC INVESTMENT SOLUTIONS, INC.

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West Virginia Investment Management Board
 Participant Plans Allocation & Performance Net of Fees
 As of December 31, 2011

| | 6/30/2011 | | 12/31/2011 | | Performance % | | | | | | |
|--|-------------------|--------------|-------------------|--------------|---------------|---------|------|--------|--------|--------|---------|
| | Asset (\$000) | % | Asset (\$000) | % | 1 Month | 3 Month | FYTD | 1 Year | 3 Year | 5 Year | 10 Year |
| WVIMB Fund Assets | 12,849,850 | 100.0 | 12,436,737 | 100.0 | | | | | | | |
| Pension Assets | 10,191,097 | 79.3 | 9,676,596 | 77.8 | | | | | | | |
| Public Employees' Retirement System | 4,359,025 | 33.8 | 4,146,155 | 33.3 | 0.5 | 4.8 | -4.0 | 1.4 | 14.1 | 2.5 | 5.9 |
| Teachers' Retirement System | 5,010,212 | 38.9 | 4,721,680 | 38.0 | 0.4 | 4.8 | -4.0 | 1.3 | 13.5 | 2.0 | 5.6 |
| Teachers' Employers Cont. Collection A/C | - | 0.0 | 30,953 | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | | |
| EMS Retirement System | 31,963 | 0.3 | 31,837 | 0.2 | 0.5 | 4.7 | -4.1 | 1.1 | 13.9 | | |
| Public Safety Retirement System | 482,005 | 3.8 | 447,271 | 3.6 | 0.5 | 4.7 | -4.0 | 1.3 | 14.1 | 2.5 | 6.0 |
| Judges' Retirement System | 124,587 | 1.0 | 118,829 | 1.0 | 0.5 | 4.8 | -4.0 | 1.3 | 14.0 | 2.4 | 5.9 |
| State Police Retirement System | 70,756 | 0.6 | 70,721 | 0.6 | 0.5 | 4.6 | -4.0 | 1.2 | 13.9 | 2.5 | 5.9 |
| Deputy Sheriffs' Retirement System | 112,488 | 0.9 | 109,048 | 0.9 | 0.5 | 4.8 | -4.0 | 1.3 | 14.0 | 2.5 | 5.9 |
| Municipal Police & Firefighter Retirement System | 61 | 0.0 | 102 | 0.0 | 0.5 | -1.0 | -1.0 | -1.0 | | | |
| Insurance Assets | 1,968,581 | 15.3 | 1,916,300 | 15.4 | | | | | | | |
| Workers' Compensation Old Fund | 933,073 | 7.3 | 906,615 | 7.3 | 0.7 | 2.5 | -0.3 | 3.3 | 11.3 | 3.0 | |
| Workers' Comp. Self-Insured Guaranty Risk Pool | 9,627 | 0.1 | 10,041 | 0.1 | 0.5 | 2.5 | -1.0 | 2.7 | 1.8 | 2.7 | |
| Workers' Comp. Uninsured Employers Fund | 8,911 | 0.1 | 8,820 | 0.1 | 0.5 | 2.5 | -1.0 | 2.6 | 1.3 | 2.3 | |
| Pneumoconiosis | 261,558 | 1.9 | 253,310 | 2.0 | 0.5 | 2.4 | -1.0 | 2.6 | 11.6 | 3.6 | |
| Board of Risk & Insurance Mgmt. | 140,522 | 1.1 | 133,194 | 1.1 | 0.5 | 2.6 | -0.8 | 2.8 | 12.2 | 4.6 | |
| Public Employees' Insurance Agency | 175,171 | 1.4 | 176,743 | 1.4 | 0.6 | 1.9 | 0.9 | 4.4 | 11.9 | 4.1 | |
| WV Retiree Health Benefit Trust Fund | 437,457 | 3.4 | 425,219 | 3.4 | 0.4 | 3.5 | -2.8 | 1.4 | 11.8 | | |
| AccessWV | 2,262 | 0.0 | 2,358 | 0.0 | 0.6 | 1.9 | 4.3 | 8.7 | | | |
| Endowment Assets | 690,172 | 5.4 | 843,841 | 6.8 | | | | | | | |
| Wildlife Fund | 40,380 | 0.3 | 37,739 | 0.3 | 0.5 | 4.8 | -4.0 | 1.3 | 14.0 | 2.5 | 6.1 |
| Prepaid Tuition Trust | 84,791 | 0.7 | 76,507 | 0.6 | 0.7 | 4.9 | -2.6 | 2.5 | 15.2 | 3.4 | 6.5 |
| Revenue Shortfall Reserve Fund | 242,748 | 1.9 | 407,220 | 3.3 | 0.5 | 2.0 | 4.6 | 9.1 | 12.7 | 1.7 | |
| Revenue Shortfall Reserve Fund - Part B | 315,738 | 2.4 | 316,175 | 2.5 | 0.7 | 2.7 | 0.1 | 4.3 | 12.7 | 1.5 | |
| WV DEP Trust | 6,515 | 0.1 | 6,200 | 0.1 | 0.4 | 6.0 | -5.3 | | | | |

West Virginia Investment Management Board
Composite Asset Allocation & Performance Net of Fees
As of December 31, 2011

| | Asset (\$000) | % | Performance % | | | | | | |
|---|---------------|--------|---------------|--------------|---------------|---------------|--------------|--------------|-------------|
| | | | 1 Month | 3 Month | FYTD | 1 Year | 3 Year | 5 Year | 10 Year |
| Investment Pools Composite | 12,441,585 | 100.00 | | | | | | | |
| Total Equity Composite | 5,378,328 | 43.24 | 0.19 | 8.16 | -10.59 | -4.53 | 15.02 | -0.15 | 5.31 |
| <i>Total Equity Policy Index</i> | | | <i>-0.14</i> | <i>7.91</i> | <i>-11.02</i> | <i>-6.35</i> | <i>13.13</i> | <i>-1.76</i> | <i>4.46</i> |
| Excess Return | | | 0.33 | 0.25 | 0.43 | 1.82 | 1.89 | 1.61 | 0.85 |
| US Equity Composite | 2,818,410 | 22.66 | 0.79 | 12.95 | -5.22 | 2.83 | 15.15 | 0.23 | 4.43 |
| <i>Russell 3000 Index</i> | | | <i>0.82</i> | <i>12.12</i> | <i>-5.01</i> | <i>1.03</i> | <i>14.88</i> | <i>-0.01</i> | <i>3.51</i> |
| Excess Return | | | -0.03 | 0.83 | -0.21 | 1.80 | 0.27 | 0.24 | 0.92 |
| Large Cap Composite | 2,093,746 | 16.84 | 0.98 | 12.26 | -3.51 | 3.36 | 14.50 | -0.08 | 2.87 |
| <i>S&P 500 Index</i> | | | <i>1.02</i> | <i>11.82</i> | <i>-3.69</i> | <i>2.11</i> | <i>14.11</i> | <i>-0.25</i> | <i>2.92</i> |
| Excess Return | | | -0.04 | 0.44 | 0.18 | 1.25 | 0.39 | 0.17 | -0.05 |
| Non-Large Cap Composite | 724,664 | 5.82 | 0.26 | 15.29 | -9.99 | 1.26 | 18.69 | 1.92 | 7.37 |
| <i>Russell 2500 Index</i> | | | <i>0.23</i> | <i>14.52</i> | <i>-9.78</i> | <i>-2.51</i> | <i>18.41</i> | <i>1.24</i> | <i>6.57</i> |
| Excess Return | | | 0.03 | 0.77 | -0.21 | 3.77 | 0.28 | 0.68 | 0.80 |
| International Equity Composite | 2,559,918 | 20.58 | -0.47 | 3.12 | -16.08 | -11.81 | 14.33 | -0.29 | 7.65 |
| <i>MSCI AC World ex US Index</i> | | | <i>-1.10</i> | <i>3.77</i> | <i>-16.75</i> | <i>-13.33</i> | <i>11.20</i> | <i>-2.48</i> | <i>6.76</i> |
| Excess Return | | | 0.63 | -0.65 | 0.67 | 1.52 | 3.13 | 2.19 | 0.89 |
| Fixed Income Composite | 3,440,436 | 27.65 | 1.05 | 1.24 | 1.78 | 4.75 | 12.25 | 5.28 | 6.03 |
| <i>Fixed Income Policy</i> | | | <i>1.17</i> | <i>1.45</i> | <i>4.36</i> | <i>7.40</i> | <i>7.72</i> | <i>6.59</i> | <i>5.82</i> |
| Excess Return | | | -0.12 | -0.21 | -2.58 | -2.65 | 4.53 | -1.31 | 0.21 |
| Core Fixed Income | 1,189,457 | 9.56 | 1.01 | 1.19 | 4.75 | 8.00 | | | |
| <i>Barclays Capital Aggregate</i> | | | <i>1.10</i> | <i>1.12</i> | <i>4.98</i> | <i>7.84</i> | | | |
| Excess Return | | | -0.09 | 0.07 | -0.23 | 0.16 | | | |
| Total Return Fixed Income | 2,250,979 | 18.09 | 1.07 | 1.28 | 0.27 | 3.08 | 12.98 | 5.44 | 6.59 |
| <i>Barclays Capital US Universal</i> | | | <i>1.17</i> | <i>1.45</i> | <i>4.36</i> | <i>7.40</i> | <i>7.72</i> | <i>6.39</i> | <i>6.01</i> |
| Excess Return | | | -0.10 | -0.17 | -4.09 | -4.32 | 5.26 | -0.95 | 0.58 |
| TIPS Composite | 947,785 | 7.62 | 0.04 | 2.68 | 7.34 | 13.55 | | | |
| <i>Barclays Capital U.S.TIPS</i> | | | <i>0.04</i> | <i>2.69</i> | <i>7.32</i> | <i>13.56</i> | | | |
| Excess Return | | | 0.00 | -0.01 | 0.02 | -0.01 | | | |
| TRS Annuity | 106,180 | 0.85 | 0.37 | 1.12 | 2.24 | 4.49 | 4.47 | | |
| Cash Composite | 173,965 | 1.40 | 0.00 | 0.01 | 0.02 | 0.08 | 0.19 | 1.64 | 2.06 |
| <i>Citigroup 90 Day T-Bill + 15 bps</i> | | | <i>0.01</i> | <i>0.04</i> | <i>0.10</i> | <i>0.25</i> | <i>0.29</i> | <i>1.63</i> | <i>2.10</i> |
| Excess Return | | | -0.01 | -0.03 | -0.08 | -0.17 | -0.10 | 0.01 | -0.04 |
| Private Equity Composite | 989,323 | 7.95 | 1.47 | 3.06 | 6.92 | 16.07 | 13.61 | | |
| Real Estate Composite | 310,305 | 2.49 | 0.29 | 2.54 | 0.63 | 6.29 | 6.69 | | |
| Hedge Funds Composite | 1,095,263 | 8.80 | -0.19 | 0.77 | -2.29 | -0.20 | 8.59 | | |
| <i>LIBOR + 400 bps</i> | | | <i>0.37</i> | <i>1.10</i> | <i>2.19</i> | <i>4.35</i> | <i>4.45</i> | | |
| Excess Return | | | -0.56 | -0.33 | -4.48 | -4.55 | 4.14 | | |

West Virginia Investment Management Board

Participant Plans Allocation vs. Targets

As of December 31, 2011

| | Domestic Equity | | Int'l Equity | | Fixed Income | | Private Equity | | Real Estate | | Hedge Funds | | Cash | |
|--|-----------------|----------|--------------|----------|--------------|----------|----------------|----------|-------------|----------|-------------|----------|----------|----------|
| | Actual % | Target % | Actual % | Target % | Actual % | Target % | Actual % | Target % | Actual % | Target % | Actual % | Target % | Actual % | Target % |

Pension Assets

| | | | | | | | | | | | | | | |
|--|------|------|------|------|------|------|------|------|-----|-----|-----|------|-------|-------|
| Public Employees' Retirement System | 26.2 | 25.0 | 23.8 | 25.0 | 26.9 | 27.0 | 10.2 | 10.0 | 3.2 | 3.0 | 9.5 | 10.0 | 0.2 | 0.0 |
| Teachers' Retirement System | 26.1 | 25.0 | 23.9 | 25.0 | 26.9 | 27.0 | 10.2 | 10.0 | 3.2 | 3.0 | 9.4 | 10.0 | 0.3 | 0.0 |
| Teachers' Employers Cont. Collection A/C | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 100.0 |
| EMS Retirement System | 26.1 | 25.0 | 23.6 | 25.0 | 27.2 | 27.0 | 10.2 | 10.0 | 3.2 | 3.0 | 9.7 | 10.0 | 0.0 | 0.0 |
| Public Safety Retirement System | 26.3 | 25.0 | 24.0 | 25.0 | 26.6 | 27.0 | 10.2 | 10.0 | 3.2 | 3.0 | 9.7 | 10.0 | 0.0 | 0.0 |
| Judges' Retirement System | 26.3 | 25.0 | 23.9 | 25.0 | 26.5 | 27.0 | 10.2 | 10.0 | 3.2 | 3.0 | 9.7 | 10.0 | 0.2 | 0.0 |
| State Police Retirement System | 26.0 | 25.0 | 23.5 | 25.0 | 27.2 | 27.0 | 10.2 | 10.0 | 3.2 | 3.0 | 9.6 | 10.0 | 0.3 | 0.0 |
| Deputy Sheriffs' Retirement System | 26.0 | 25.0 | 23.7 | 25.0 | 26.8 | 27.0 | 10.2 | 10.0 | 3.2 | 3.0 | 9.7 | 10.0 | 0.4 | 0.0 |
| Municipal Police & Firefighter Retirement System | 23.7 | 0.0 | 21.9 | 0.0 | 28.5 | 0.0 | 9.9 | 0.0 | 2.9 | 0.0 | 9.0 | 0.0 | 4.1 | 100.0 |

Insurance Assets

| | | | | | | | | | | | | | | |
|--|------|------|------|------|-------|-------|-----|-----|-----|-----|------|------|-----|------|
| Workers' Compensation Old Fund | 10.4 | 10.0 | 9.5 | 10.0 | 70.2 | 70.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 9.9 | 10.0 |
| Workers' Comp. Self-Insured Guaranty Risk Pool | 10.3 | 10.0 | 9.5 | 10.0 | 56.2 | 55.0 | 0.0 | 0.0 | 0.0 | 0.0 | 19.0 | 20.0 | 5.0 | 5.0 |
| Workers' Comp. Uninsured Employers Fund | 10.4 | 10.0 | 9.5 | 10.0 | 55.3 | 55.0 | 0.0 | 0.0 | 0.0 | 0.0 | 19.7 | 20.0 | 5.1 | 5.0 |
| Pneumoconiosis | 10.4 | 10.0 | 9.5 | 10.0 | 55.6 | 55.0 | 0.0 | 0.0 | 0.0 | 0.0 | 19.8 | 20.0 | 4.7 | 5.0 |
| Board of Risk & Insurance Mgmt. | 10.5 | 10.0 | 9.5 | 10.0 | 55.3 | 55.0 | 0.0 | 0.0 | 0.0 | 0.0 | 19.7 | 20.0 | 5.0 | 5.0 |
| Public Employees' Insurance Agency | 5.2 | 5.0 | 4.6 | 5.0 | 75.7 | 75.0 | 0.0 | 0.0 | 0.0 | 0.0 | 9.5 | 10.0 | 5.0 | 5.0 |
| WV Retiree Health Benefit Trust Fund | 18.3 | 17.5 | 16.5 | 17.5 | 45.7 | 45.0 | 0.0 | 0.0 | 0.0 | 0.0 | 19.4 | 20.0 | 0.1 | 0.0 |
| AccessWV | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Endowment Assets

| | | | | | | | | | | | | | | |
|---|------|------|------|------|-------|-------|------|------|-----|-----|-----|------|-----|-----|
| Wildlife Fund | 26.4 | 25.0 | 23.9 | 25.0 | 26.6 | 27.0 | 10.2 | 10.0 | 2.8 | 3.0 | 9.9 | 10.0 | 0.2 | 0.0 |
| Prepaid Tuition Trust | 32.0 | 32.9 | 16.3 | 16.1 | 50.3 | 51.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.4 | 0.0 |
| Revenue Shortfall Reserve Fund | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Revenue Shortfall Reserve Fund - Part B | 10.3 | 10.0 | 9.3 | 10.0 | 80.4 | 80.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| WV DEP Trust | 36.5 | 35.0 | 27.9 | 30.0 | 35.6 | 35.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Statutory Limitations

- Public Equity - 75%
- International Proportions of Equity, Fixed Income, and Real Estate - 30%
- Real Estate - 25%
- Private Equity and Hedge Funds - 20% in aggregate

West Virginia Investment Management Board

Footnotes

As of December 31, 2011

PERS Policy is 30% Russell 3000, 30% MSCI ACW ex USA, and 40% Barclays Capital Universal as of 4/1/08. Prior periods, 42% Russell 3000, 18% MSCI ACW ex USA, and 40% Barclays Capital Agggregate.

Total Equity Policy is 50% Russell 3000 and 50% MSCI ACW ex USA as of April 2008. Prior periods were 40% S&P 500, 30% Russell 2500, and 30% MSCI ACW ex USA.

Fixed Income Policy is 100% Barclays Capital Universal as of April 2008. Prior periods were the Barclays Capital Aggregate.

Western Policy Index is 100% Barclays Capital Universal as of April 2008. Prior periods were a custom index.

Returns are net of management fees. Returns shorter than one year are unannualized.