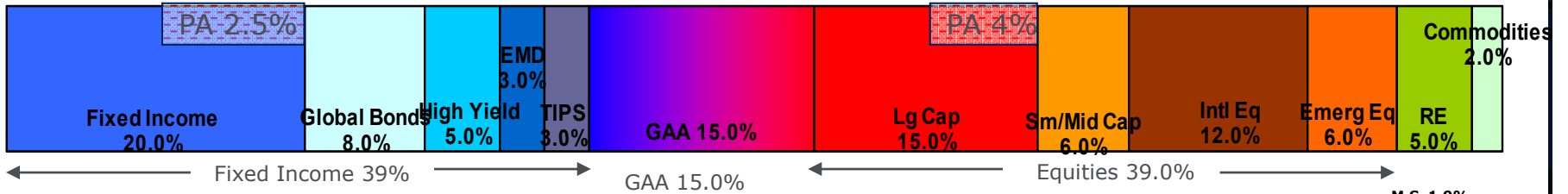




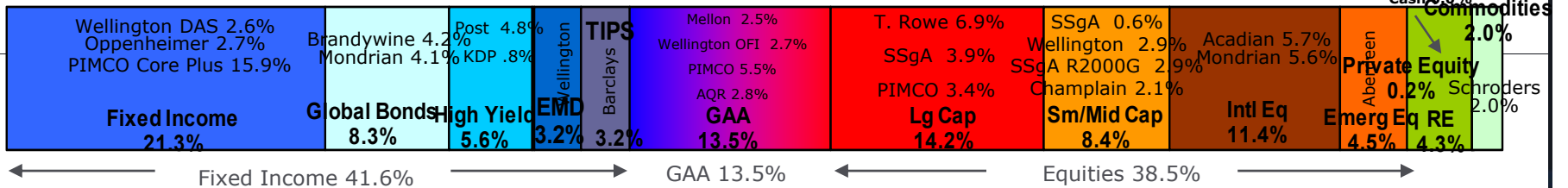
State Teachers' Retirement System of Vermont

Total Plan Asset Allocation

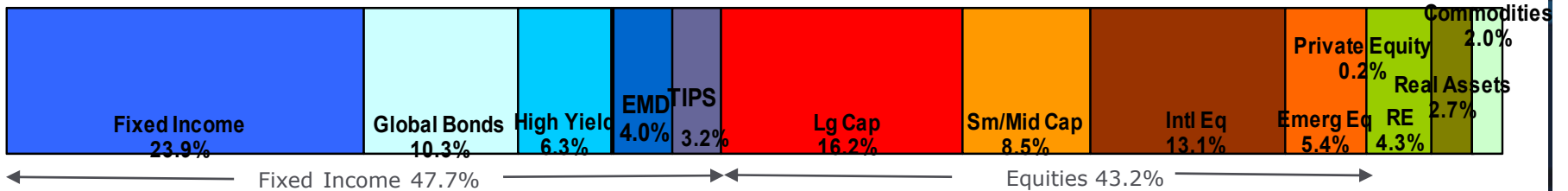
Target Asset Allocation



Current Asset Allocation by Manager



Current Asset Allocation by Asset Class

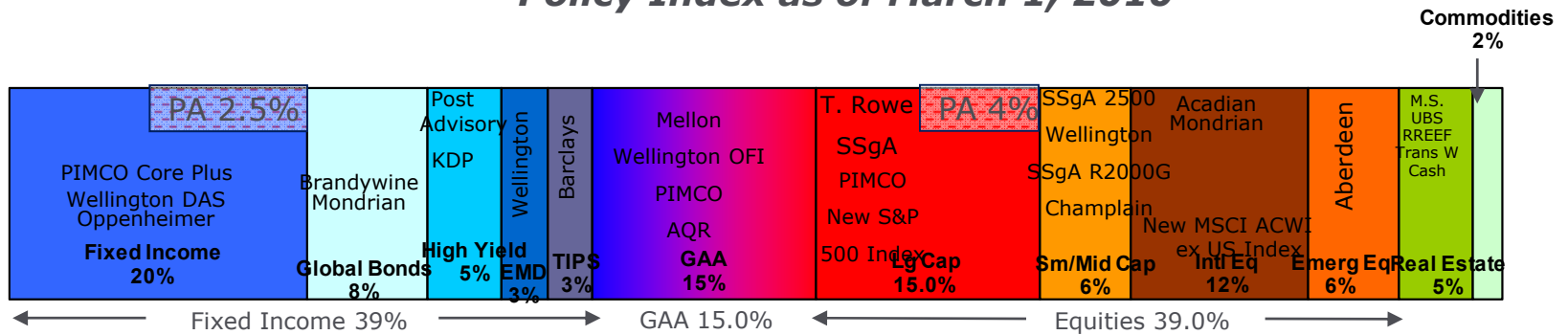


Numbers may not add up to 100% due to rounding.

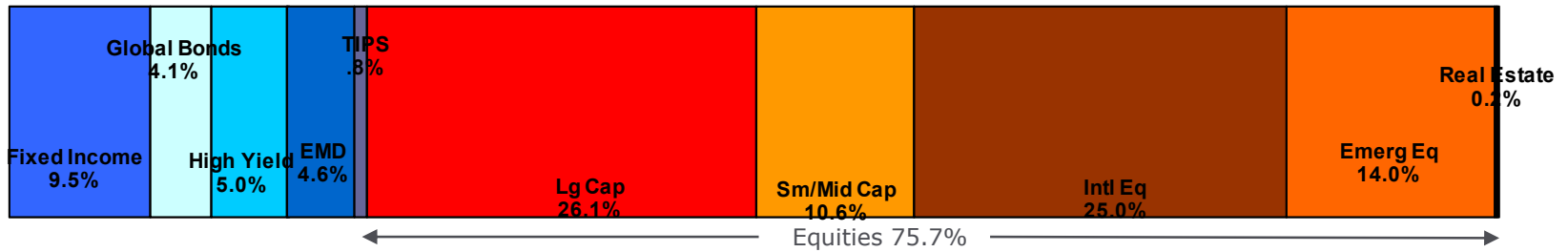


Policy Asset Allocation and Risk Budgeting

Policy Index as of March 1, 2010



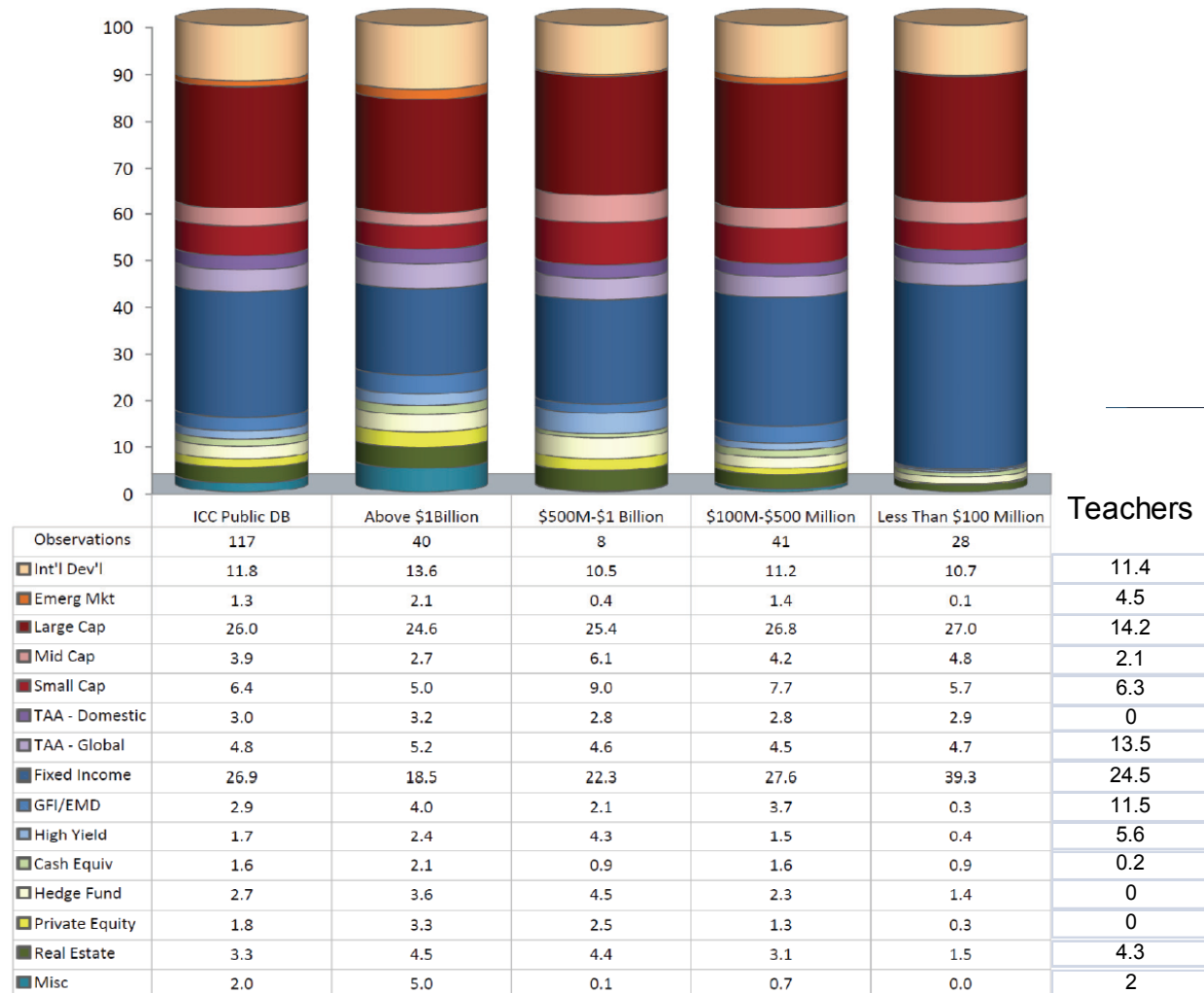
2010 NEPC Risk Budgeting Risk Allocation



Numbers may not add up to 100% due to rounding.



ICC Public DB Plans – Average Asset Allocation



Disclosure:

Allocations may not add to 100% due to rounding. Average asset allocations shown include all portfolios submitted to the ICC universe as of 6/26/10 for periods ending 3/31/10. Portfolios included correspond with the ICC universe requirements and exclude portfolios meeting the following criteria: 1) An allocation greater than 95% to one asset class and 2) Portfolios without an asset allocation.

Teachers' allocation is as of 6/30/2010



Asset Breakdown

	Domestic Large Core	Domestic Smid	Domestic Small Core	Domestic Small Value	Domestic Small Growth	Core Fixed	High Yield	TIPS	Int'l Equity	EMD	Global Bonds	Real Estate	GAA	Other	Cash	Total
Composite	\$184,898	\$26,850	\$7,736	\$37,057	\$37,430	\$275,946	\$72,251	\$41,148	\$206,292	\$41,450	\$107,308	\$55,935	\$174,920	\$26,550	\$2,378	\$1,298,149
T. Rowe	88,987	0	0	0	0	0	0	0	0	0	0	0	0	0	0	\$88,987
PIMCO	44,771	0	0	0	0	0	0	0	0	0	0	0	0	0	0	\$44,771
SSgA Equal Wgt	51,140	0	0	0	0	0	0	0	0	0	0	0	0	0	0	\$51,140
Champlain	0	26,850	0	0	0	0	0	0	0	0	0	0	0	0	0	\$26,850
SSgA R-2500	0	0	7,736	0	0	0	0	0	0	0	0	0	0	0	0	\$7,736
Wellington	0	0	0	37,057	0	0	0	0	0	0	0	0	0	0	0	\$37,057
SSgA R-2000 Growth	0	0	0	0	37,430	0	0	0	0	0	0	0	0	0	0	\$37,430
Acadian	0	0	0	0	0	0	0	0	74,485	0	0	0	0	0	0	\$74,485
Mondrian	0	0	0	0	0	0	0	0	72,898	0	0	0	0	0	0	\$72,898
Aberdeen	0	0	0	0	0	0	0	0	58,909	0	0	0	0	0	0	\$58,909
Oppenheimer	0	0	0	0	0	35,155	0	0	0	0	0	0	0	0	0	\$35,155
Wellington DAS	0	0	0	0	0	34,221	0	0	0	0	0	0	0	0	0	\$34,221
PIMCO Core Plus	0	0	0	0	0	206,570	0	0	0	0	0	0	0	0	0	\$206,570
Post Advisory	0	0	0	0	0	0	62,035	0	0	0	0	0	0	0	0	\$62,035
KDP	0	0	0	0	0	0	10,216	0	0	0	0	0	0	0	0	\$10,216
Wellington EMD	0	0	0	0	0	0	0	0	0	41,450	0	0	0	0	0	\$41,450
Barclays	0	0	0	0	0	0	0	41,148	0	0	0	0	0	0	0	\$41,148
Mondrian	0	0	0	0	0	0	0	0	0	0	52,457	0	0	0	0	\$52,457
Brandywine	0	0	0	0	0	0	0	0	0	0	54,851	0	0	0	0	\$54,851
Morgan Stanley	0	0	0	0	0	0	0	0	0	0	0	24,698	0	0	0	\$24,698
UBS Realty	0	0	0	0	0	0	0	0	0	0	0	23,939	0	0	0	\$23,939
RREEF	0	0	0	0	0	0	0	0	0	0	0	6,934	0	0	0	\$6,934
Transwestern	0	0	0	0	0	0	0	0	0	0	0	345	0	0	0	\$345
Real Estate Cash	0	0	0	0	0	0	0	0	0	0	0	19	0	0	0	\$19
Mellon GA 1	0	0	0	0	0	0	0	0	0	0	0	0	32,618	0	0	\$32,618
PIMCO AA	0	0	0	0	0	0	0	0	0	0	0	0	71,025	0	0	\$71,025
Wellington OIF	0	0	0	0	0	0	0	0	0	0	0	0	34,898	0	0	\$34,898
AQR	0	0	0	0	0	0	0	0	0	0	0	0	36,379	0	0	\$36,379
Pru & VVC	0	0	0	0	0	0	0	0	0	0	0	0	0	450	0	\$450
Schroders	0	0	0	0	0	0	0	0	0	0	0	0	0	26,100	0	\$26,100
Vermont Cash	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,378	\$2,378

(Dollars in 000's)



Total Fund Asset Growth Summary

VERMONT STATE TEACHERS
 TEACHERS' RETIREMENT SYSTEM
 Periods Ending June 30, 2010

Total Fund Asset Growth Summary (\$000)

	One Quarter	Year to Date	One Year	Since Inception
TRS COMPOSITE				
Beginning Market Value	1,368,781	1,330,497	1,139,265	0
Net External Growth	-20,709	-30,452	-51,294	-324,772
Return on Investment	-49,923	1,943	214,017	1,626,760
Income Received	45	66	391	141,867
Gain/Loss	-49,968	1,877	213,625	1,484,893
Ending Market Value	1,298,149	1,298,149	1,298,149	1,298,149

Return

-3.5% 0.2% 18.0%



Fund Performance vs. Benchmark

VERMONT STATE TEACHERS

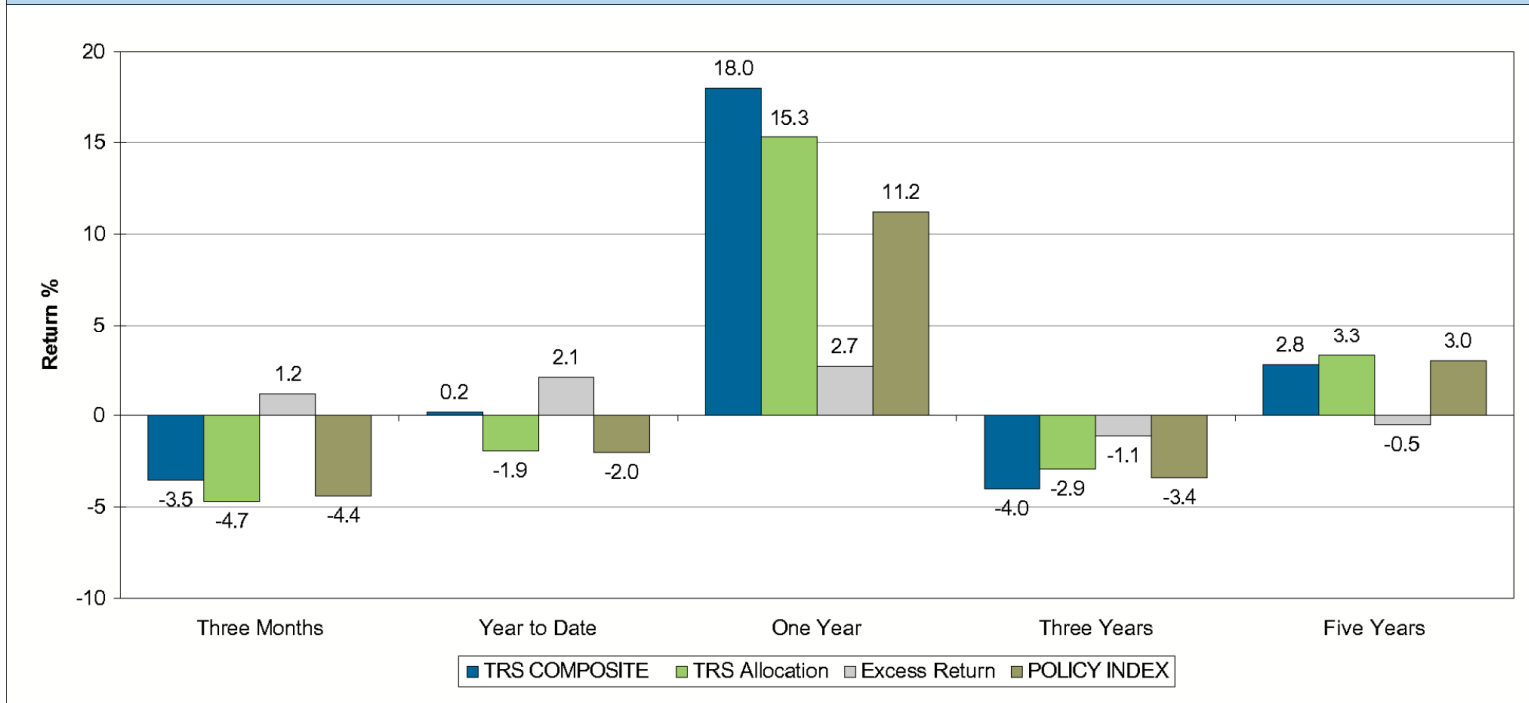
POLICY INDEX

Benchmark:

Periods Ending June 30, 2010

Fund Performance vs. Benchmark

TRS COMPOSITE



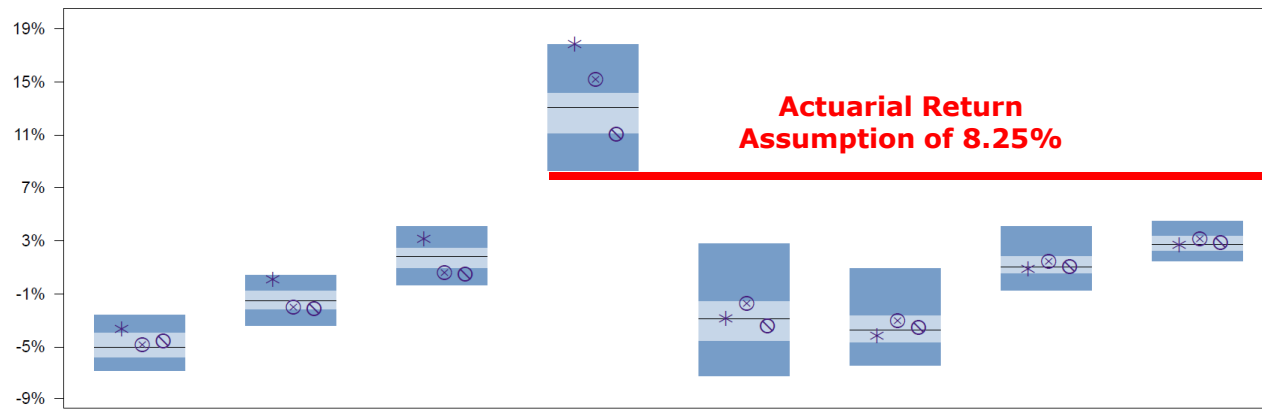
Total Public Funds Performance

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Periods Ending June 30, 2010

Total Fund Performance - Trailing Periods



	One Quarter	Two Quarters	Three Quarters	One Year	Two Years	Three Years	Four Years	Five Years
* TRS COMPOSITE	-3.5 16	0.2 6	3.3 13	18.0 4	-2.7 45	-4.0 57	1.0 52	2.8 45
⊗ TRS Allocation	-4.7 40	-1.9 64	0.7 81	15.3 19	-1.6 28	-2.9 28	1.6 31	3.3 33
⊖ POLICY INDEX	-4.4 33	-2.0 68	0.6 84	11.2 73	-3.3 56	-3.4 42	1.2 45	3.0 39
5th Percentile	-2.6	0.4	4.1	17.8	2.8	0.9	4.1	4.5
25th Percentile	-3.9	-0.7	2.5	14.2	-1.5	-2.6	1.9	3.4
50th Percentile	-5.0	-1.5	1.8	13.1	-2.9	-3.7	1.0	2.7
75th Percentile	-5.8	-2.2	0.9	11.1	-4.6	-4.7	0.5	2.2
95th Percentile	-6.8	-3.4	-0.3	8.3	-7.2	-6.4	-0.7	1.5

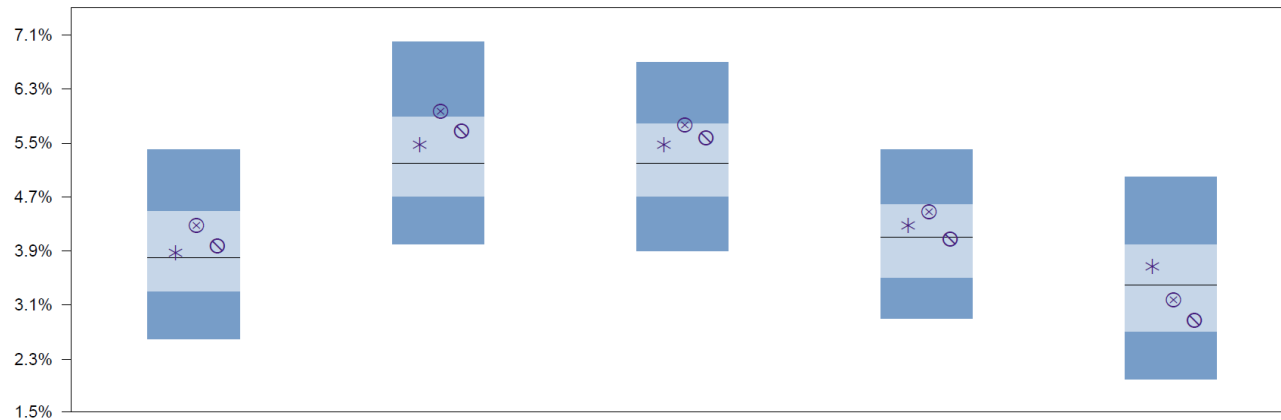
Total Public Funds Performance

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Periods Ending June 30, 2010

Total Fund Performance - Trailing Periods



	Six Years	Seven Years	Eight Years	Nine Years	Ten Years
* TRS COMPOSITE	3.9 47	5.5 41	5.5 35	4.3 37	3.7 34
⊗ TRS Allocation	4.3 32	6.0 23	5.8 22	4.5 27	3.2 55
⊙ POLICY INDEX	4.0 41	5.7 29	5.6 31	4.1 46	2.9 71
5th Percentile	5.4	7.0	6.7	5.4	5.0
25th Percentile	4.5	5.9	5.8	4.6	4.0
50th Percentile	3.8	5.2	5.2	4.1	3.4
75th Percentile	3.3	4.7	4.7	3.5	2.7
95th Percentile	2.6	4.0	3.9	2.9	2.0

Total Public Funds Performance

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Period Ending December 31, 2009

Total Fund Performance - One Year Time Periods



	2009	7	2008	95	2007	6.3	85	2006	15.7	9	2005	5.6	81	2004	12.4	22	2003	23.8	24	2002	-7.5	36	2001	-4.1	62	2000	3.4	33
* TRS COMPOSITE	26.5	7	-30.1	95	6.3	85	15.7	9	5.6	81	12.4	22	23.8	24	-7.5	36	-4.1	62	3.4	33								
⊗ TRS Allocation	24.5	14	-25.2	48	6.5	83	14.8	25	5.1	87	12.6	18	24.4	19	-8.0	43	-5.7	82	-3.1	93								
⊙ POLICY INDEX	19.5	45	-24.5	40	7.9	56	14.6	29	6.6	67	12.2	27	23.7	25	-9.1	55	-6.0	84	-2.5	91								
5th Percentile	27.5		-13.1		11.2		16.2		10.4		14.2		27.3		-0.3		3.2		9.3									
25th Percentile	22.1		-23.3		9.6		14.8		8.3		12.3		23.6		-6.7		-0.9		4.5									
50th Percentile	18.5		-25.6		8.2		13.7		7.2		11.1		21.7		-8.8		-2.9		1.9									
75th Percentile	15.7		-27.6		6.8		12.2		6.0		9.8		19.2		-10.4		-5.1		-0.5									
95th Percentile	10.1		-30.3		5.3		9.2		4.3		8.0		14.5		-12.3		-9.6		-3.4									

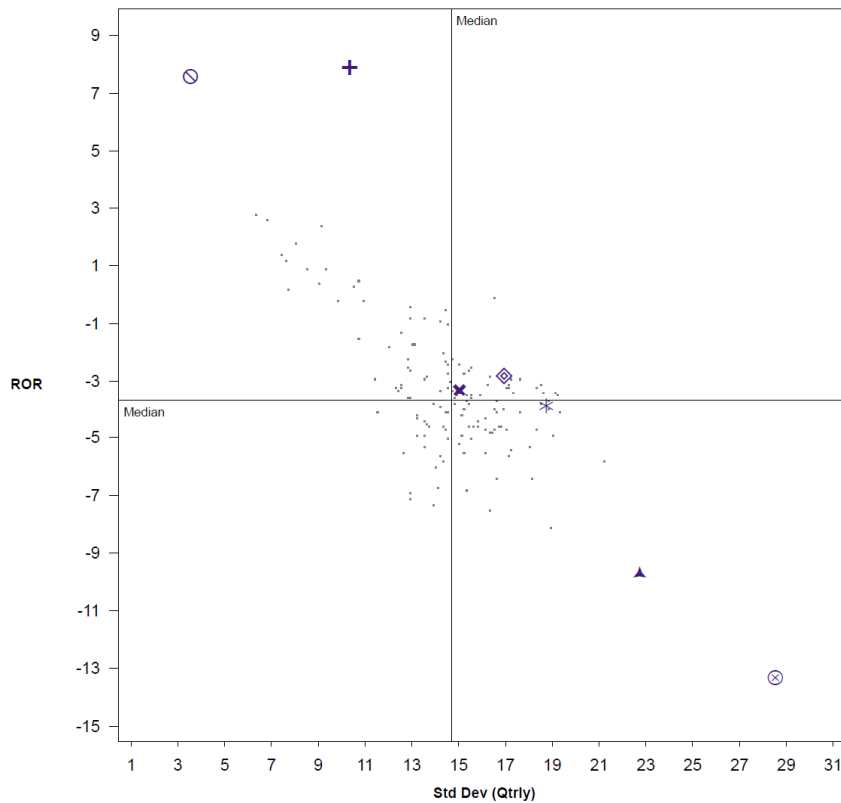
Risk vs. Return Analysis – 3 Years

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Period Ending June 30, 2010

Risk vs. Return - 3 Year



NAME	Return	Standard Deviation	Sharpe Ratio
* TRS COMPOSITE	-4.0 57	18.8 95	-0.3 43
◇ TRS Allocation	-2.9 28	17.0 84	-0.3 27
✕ POLICY INDEX	-3.4 42	15.1 57	-0.3 52
▲ S&P 500	-9.8 100	22.8 100	-0.5 94
⊙ BC AGGREGATE	7.5 1	3.6 1	1.7 1
⊗ MSCI EAFE (NET)	-13.4 100	28.6 100	-0.5 95
+ Citigroup WGBI (All maturities)	7.8 1	10.4 9	0.6 1
Median	-3.7	14.7	-0.3

Funded status as of Fiscal Year 2009 = 65%



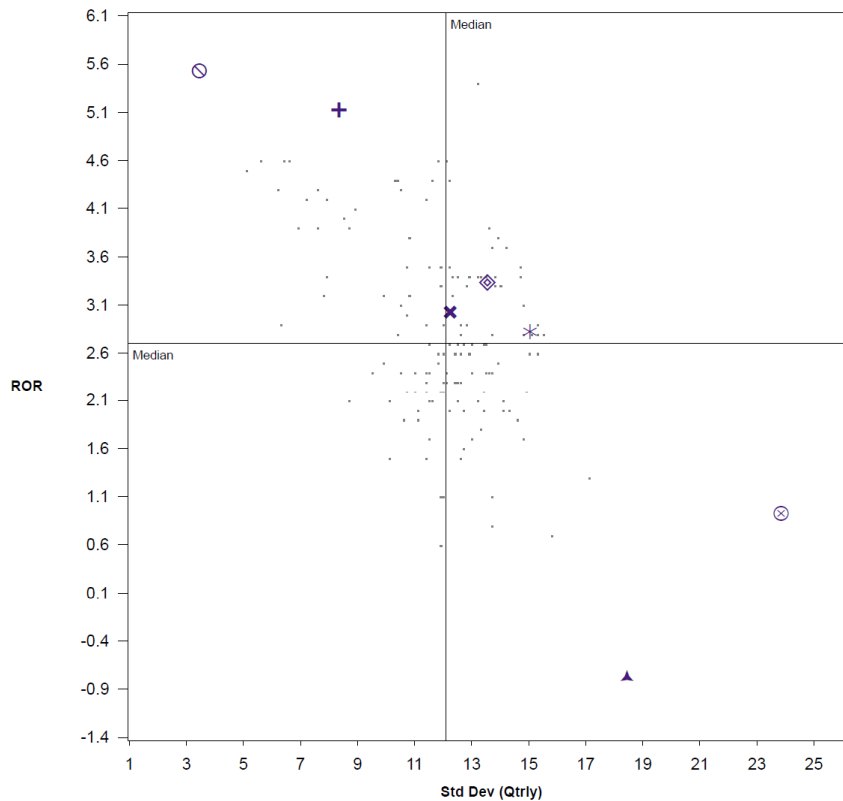
Risk vs. Return Analysis – 5 Years

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Period Ending June 30, 2010

Risk vs. Return - 5 Year



NAME	Return	Standard Deviation	Sharpe Ratio
* TRS COMPOSITE	2.8 45	15.1 95	0.0 50
◇ TRS Allocation	3.3 33	13.6 79	0.0 41
✕ POLICY INDEX	3.0 39	12.3 54	0.0 45
▲ S&P 500	-0.8 100	18.5 100	-0.2 100
⊖ BC AGGREGATE	5.5 1	3.5 1	0.8 1
⊗ MSCI EAFE (NET)	0.9 98	23.9 100	-0.1 89
+ Citigroup WGBI (All maturities)	5.1 2	8.4 9	0.3 2
Median	2.7	12.1	-0.0

Funded status as of Fiscal Year 2009 = 65%



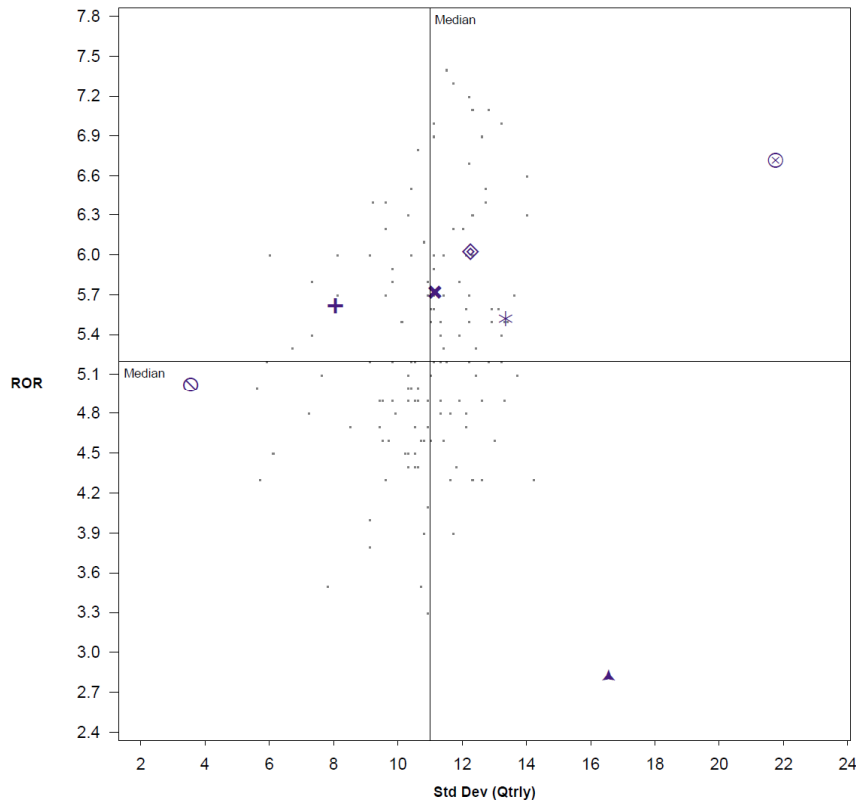
Risk vs. Return Analysis – 7 Years

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Period Ending June 30, 2010

Risk vs. Return - 7 Year



NAME	Return	Standard Deviation	Sharpe Ratio
* TRS COMPOSITE	5.5 41	13.4 96	0.2 69
◇ TRS Allocation	6.0 23	12.3 82	0.3 42
* POLICY INDEX	5.7 29	11.2 56	0.3 39
▲ S&P 500	2.8 100	16.6 100	0.0 100
○ BC AGGREGATE	5.0 61	3.6 1	0.7 1
⊗ MSCI EAFE (NET)	6.7 9	21.8 100	0.2 83
+ Citigroup WGBI (All maturities)	5.6 38	8.1 10	0.4 16
Median	5.2	11.0	0.3

Funded status as of Fiscal Year 2009 = 65%



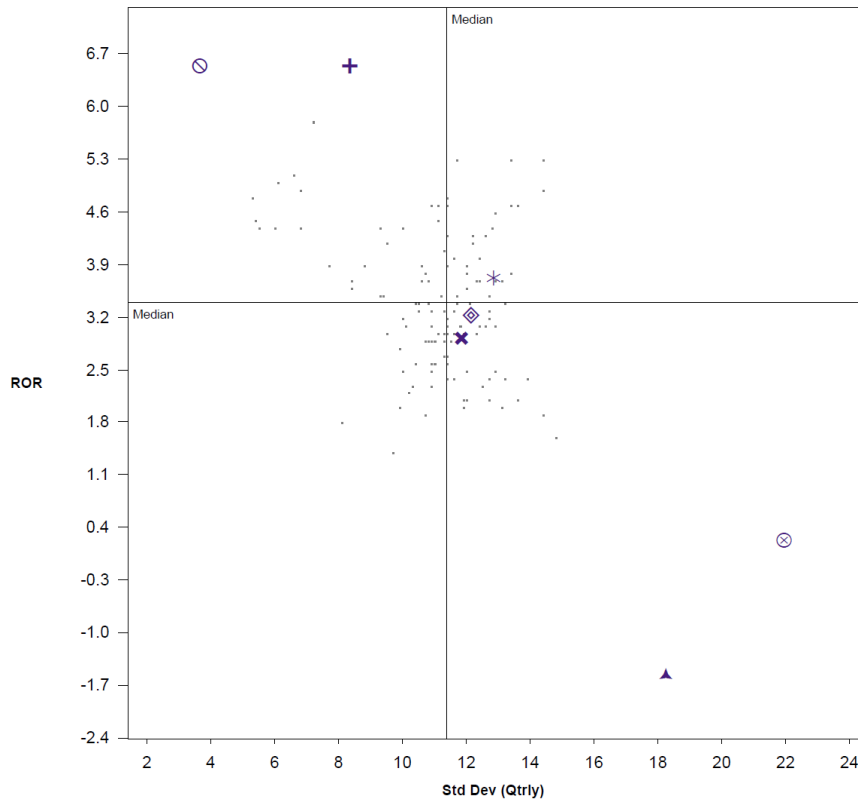
Risk vs. Return Analysis – 10 Years

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Period Ending June 30, 2010

Risk vs. Return - 10 Year



NAME	Return	Standard Deviation	Sharpe Ratio
* TRS COMPOSITE	3.7 34	12.9 87	0.1 43
◇ TRS Allocation	3.2 55	12.2 73	0.0 60
* POLICY INDEX	2.9 71	11.9 65	0.0 71
▲ S&P 500	-1.6 100	18.3 100	-0.2 100
⊙ BC AGGREGATE	6.5 1	3.7 1	1.0 1
⊗ MSCI EAFE (NET)	0.2 100	22.0 100	-0.1 99
+ Citigroup WGBI (All maturities)	6.5 1	8.4 10	0.5 2
Median	3.4	11.4	0.1

Funded status as of Fiscal Year 2009 = 65%

