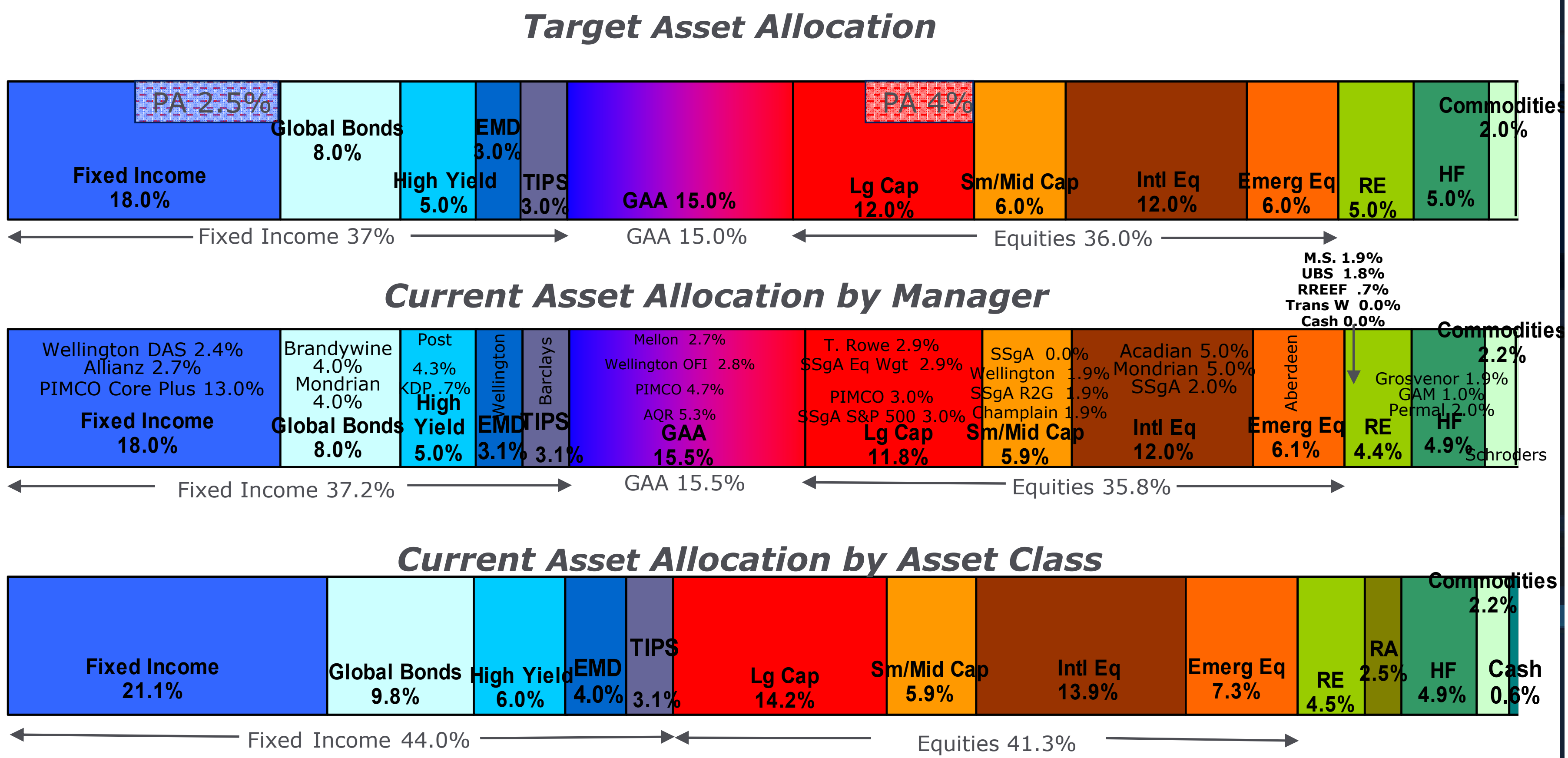
State Teachers' Retirement System of Vermont

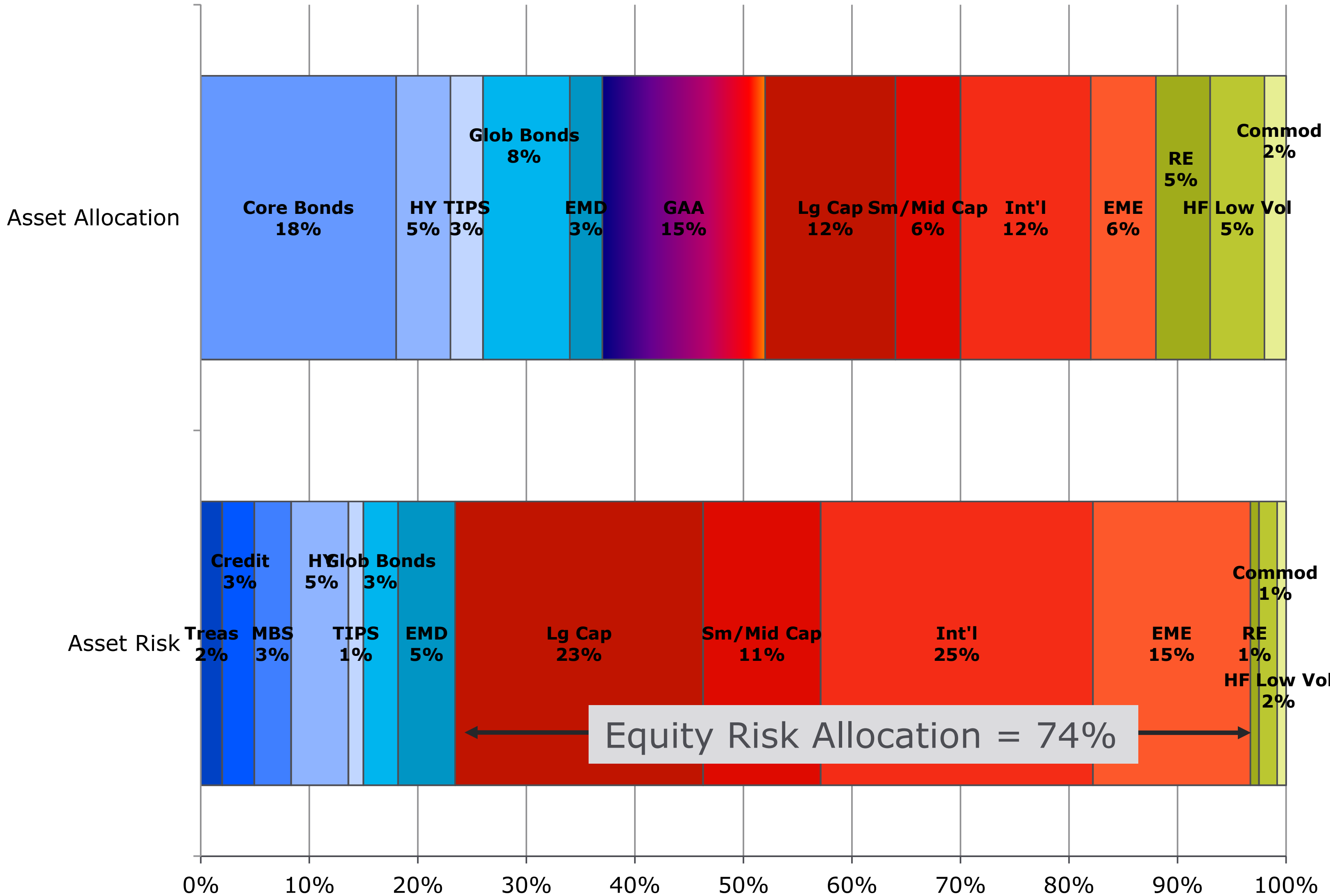
Total Plan Asset Allocation



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

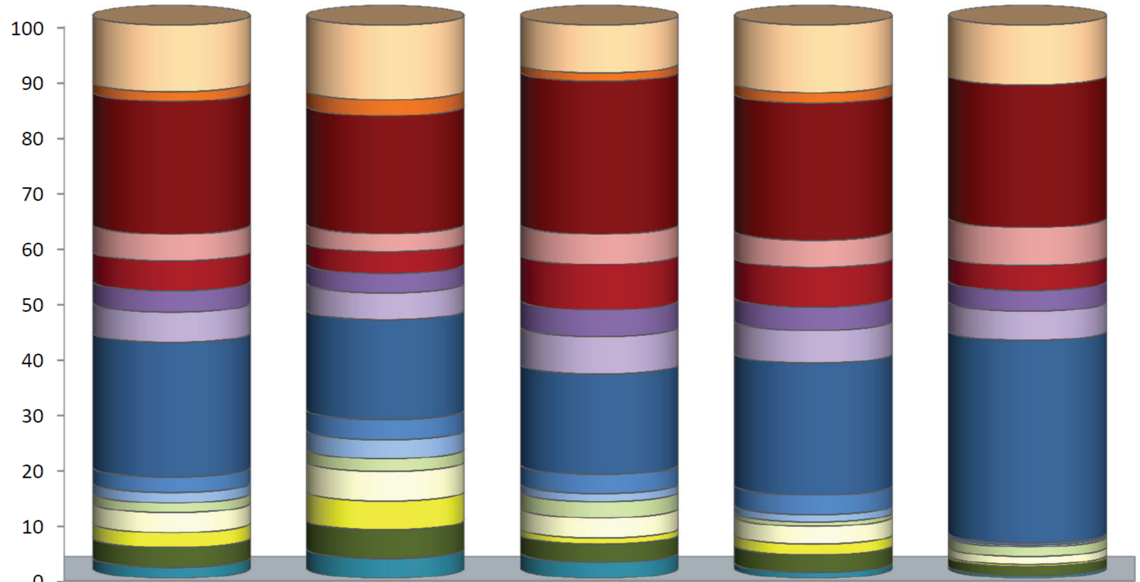
6/30/2011

Policy Asset Allocation and Risk Budgeting



6/30/2011

ICC Public DB Plans – Average Asset Allocation



	ICC Public DB	Above $1Billion	$500M-$1 Billion	$100M-$500 Million	Less Than $100 Million	Teachers
Observations	113	42	10	33	28	
Int'l Dev'l	12.1	13.6	8.7	12.3	10.9	12.0
Emerg Mkt	1.8	2.9	1.5	1.9	0.0	6.1
Large Cap	24.0	21.3	27.6	24.7	25.8	11.8
Mid Cap	4.9	3.3	5.5	4.9	6.9	1.9
Small Cap	5.4	3.9	8.2	7.2	4.5	4.0
TAA - Domestic	3.9	3.5	4.8	4.2	3.7	0.0
TAA - Global	5.4	4.9	6.8	5.9	5.3	15.5
Fixed Income	24.3	18.0	18.1	23.8	36.6	21.1
GFI/EMD	2.8	3.7	3.4	3.5	0.4	11.1
High Yield	1.9	3.4	1.5	1.3	0.3	5.0
Cash Equiv	1.8	2.3	2.9	0.8	1.8	0.0
Hedge Fund	3.6	5.4	3.6	3.2	1.4	4.9
Private Equity	2.7	5.2	1.1	2.0	0.4	0.0
Real Estate	3.6	5.2	3.3	3.2	1.7	4.4
Misc	2.0	3.6	2.9	1.1	0.5	2.2

Disclosure:

Allocations may not add to 100% due to rounding. Average asset allocations shown include all portfolios submitted to the ICC universe as of 6/29/11 for periods ending 3/31/11. 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 not providing an asset allocation.

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	$178,653	$29,425	$622	$29,419	$29,023	$273,932	$75,631	$46,308	$272,937	$46,719	$121,017	$66,620	$234,000	$107,669	$363	$1,512,338
T. Rowe	44,587	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$44,587
PIMCO	45,109	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$45,109
SSgA Equal Wgt	44,115	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$44,115
SSgA S&P 500	44,842	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$44,842
Champlain	0	29,425	0	0	0	0	0	0	0	0	0	0	0	0	0	$29,425
SSgA R-2500	0	0	622	0	0	0	0	0	0	0	0	0	0	0	0	$622
Wellington	0	0	0	29,419	0	0	0	0	0	0	0	0	0	0	0	$29,419
SSgA R-2000 Growth	0	0	0	0	29,023	0	0	0	0	0	0	0	0	0	0	$29,023
Acadian	0	0	0	0	0	0	0	0	75,621	0	0	0	0	0	0	$75,621
Mondrian	0	0	0	0	0	0	0	0	75,787	0	0	0	0	0	0	$75,787
SSgA ACWI ex US	0	0	0	0	0	0	0	0	29,877	0	0	0	0	0	0	$29,877
Aberdeen	0	0	0	0	0	0	0	0	91,652	0	0	0	0	0	0	$91,652
Allianz	0	0	0	0	0	41,185	0	0	0	0	0	0	0	0	0	$41,185
Wellington DAS	0	0	0	0	0	36,109	0	0	0	0	0	0	0	0	0	$36,109
PIMCO Core Plus	0	0	0	0	0	196,638	0	0	0	0	0	0	0	0	0	$196,638
Post Advisory	0	0	0	0	0	0	64,432	0	0	0	0	0	0	0	0	$64,432
KDP	0	0	0	0	0	0	11,199	0	0	0	0	0	0	0	0	$11,199
Welligton EMD	0	0	0	0	0	0	0	0	0	46,719	0	0	0	0	0	$46,719
Barclays	0	0	0	0	0	0	0	46,308	0	0	0	0	0	0	0	$46,308
Mondrian	0	0	0	0	0	0	0	0	0	0	60,610	0	0	0	0	$60,610
Brandywine	0	0	0	0	0	0	0	0	0	0	60,407	0	0	0	0	$60,407
Morgan Stanely	0	0	0	0	0	0	0	0	0	0	0	28,215	0	0	0	$28,215
UBS Realty	0	0	0	0	0	0	0	0	0	0	0	27,063	0	0	0	$27,063
RREEF	0	0	0	0	0	0	0	0	0	0	0	10,938	0	0	0	$10,938
Transwestern	0	0	0	0	0	0	0	0	0	0	0	404	0	0	0	$404
Real Estate Cash	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
Mellon GA 1	0	0	0	0	0	0	0	0	0	0	0	0	40,805	0	0	$40,805
PIMCO AA	0	0	0	0	0	0	0	0	0	0	0	0	70,542	0	0	$70,542
Wellington OIF	0	0	0	0	0	0	0	0	0	0	0	0	42,354	0	0	$42,354
AQR	0	0	0	0	0	0	0	0	0	0	0	0	80,299	0	0	$80,299
Grosvenor	0	0	0	0	0	0	0	0	0	0	0	0	0	29,479	0	$29,479
GAM	0	0	0	0	0	0	0	0	0	0	0	0	0	14,768	0	$14,768
Permal	0	0	0	0	0	0	0	0	0	0	0	0	0	29,827	0	$29,827
Schroders	0	0	0	0	0	0	0	0	0	0	0	0	0	33,595	0	$33,595
Vermont Cash	0	0	0	0	0	0	0	0	0	0	0	0	0	0	363	$363

(Dollars in 000's)

Total Fund Asset Growth Summary

VERMONT STATE TEACHERS

TEACHERS' RETIREMENT SYSTEM CO

Periods Ending June 30, 2011

Total Fund Asset Growth Summary ($000)	One Quarter	Year to Date	One Year
TRS COMPOSITE			
Beginning Market Value	1,501,589	1,477,108	1,298,311
Net External Growth	-17,090	-41,831	-53,368
Return on Investment	27,840	77,063	267,395
Income Received	10	11	93
Gain/Loss	27,829	77,052	267,302
Ending Market Value	1,512,339	1,512,339	1,512,339

Return	1.9%	5.3%	20.5%

Fund Performance vs. Benchmark

VERMONT STATE TEACHERS

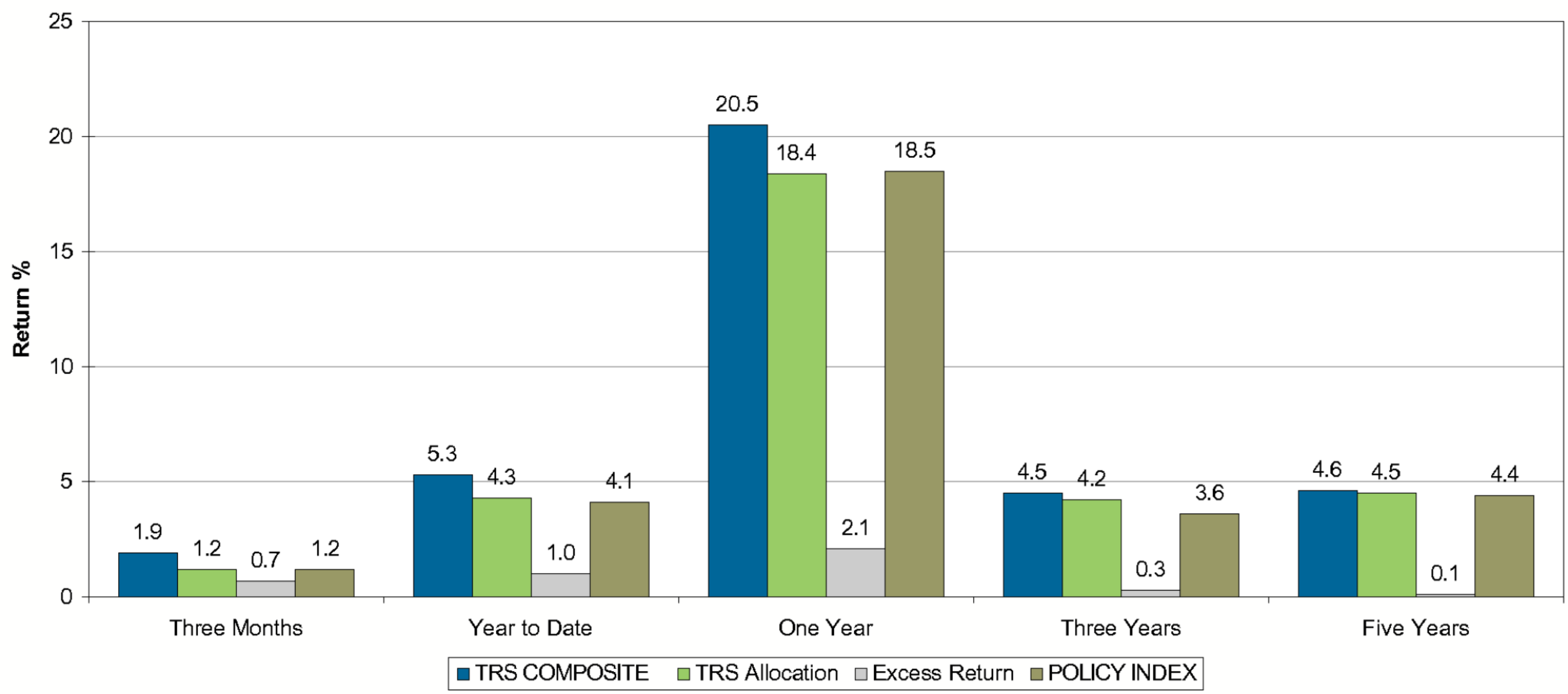
POLICY INDEX

Benchmark:

Periods Ending June 30, 2011

Fund Performance vs. Benchmark

TRS COMPOSITE



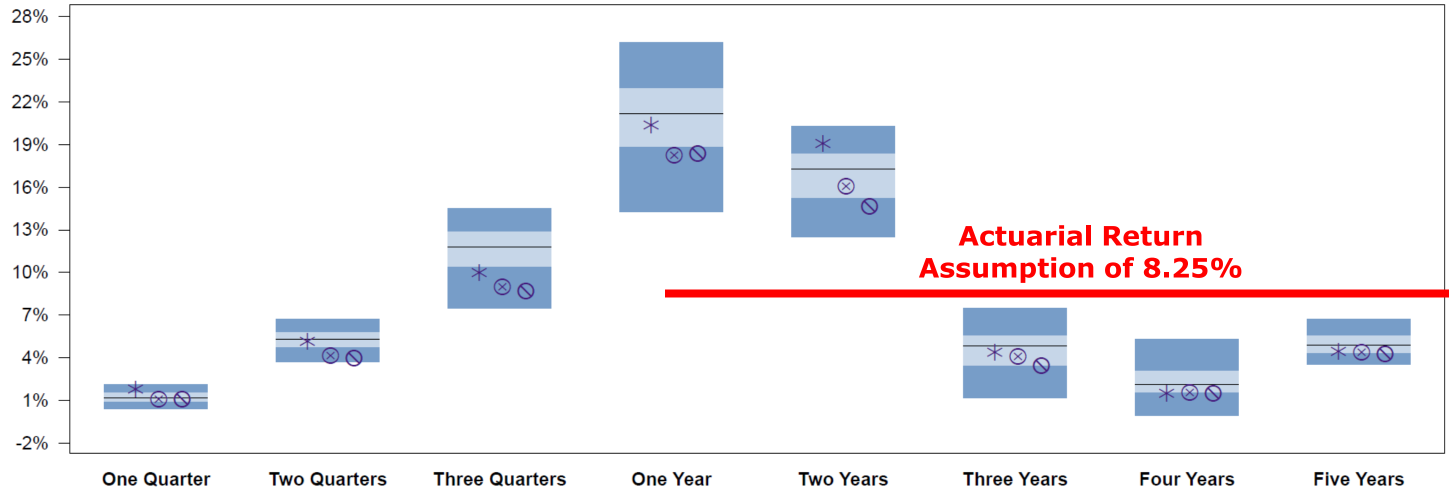
Total Public Funds Performance

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Periods Ending June 30, 2011

Total Fund Performance - Trailing Periods



	One Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
TRS COMPOSITE	**1.9**	**9**	**5.3**	**51**	**10.1**	**80**	**20.5**	**62**	**19.2**	**18**	**4.5**	**56**	**1.6**	**71**	**4.6**	**68**
TRS Allocation	1.2	50	4.3	84	9.1	90	18.4	82	16.2	62	4.2	63	1.7	65	4.5	72
POLICY INDEX	**1.2**	**43**	**4.1**	**90**	**8.8**	**91**	**18.5**	**81**	**14.8**	**80**	**3.6**	**72**	**1.6**	**70**	**4.4**	**72**
5th Percentile	2.1		6.7		14.5		26.2		20.3		7.5		5.3		6.7	
25th Percentile	1.6		5.8		12.9		23.0		18.4		5.6		3.1		5.6	
50th Percentile	1.2		5.3		11.8		21.2		17.3		4.8		2.1		4.9	
75th Percentile	0.9		4.7		10.4		18.8		15.2		3.4		1.5		4.3	
95th Percentile	0.4		3.7		7.5		14.3		12.5		1.2		-0.1		3.5	

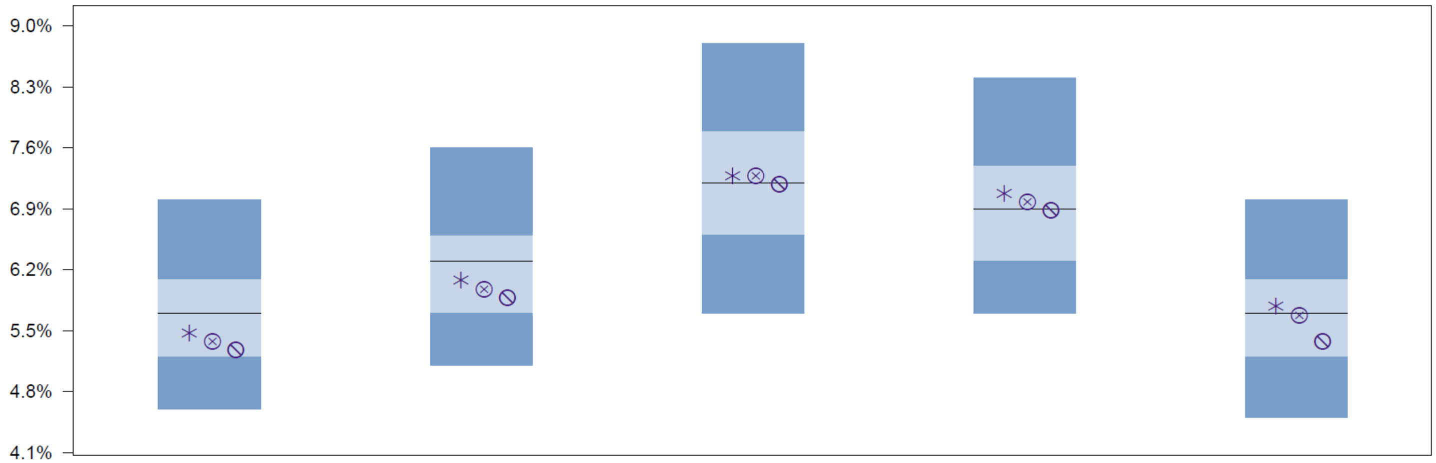
Total Public Funds Performance

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Periods Ending June 30, 2011

Total Fund Performance - Trailing Periods



	Six Years		Seven Years		Eight Years		Nine Years		Ten Years	
TRS COMPOSITE	**5.5**	**59**	**6.1**	**57**	**7.3**	**47**	**7.1**	**39**	**5.8**	**35**
TRS Allocation	5.4	64	6.0	63	7.3	46	7.0	44	5.7	48
POLICY INDEX	**5.3**	**68**	**5.9**	**63**	**7.2**	**49**	**6.9**	**49**	**5.4**	**61**
5th Percentile	7.0		7.6		8.8		8.4		7.0	
25th Percentile	6.1		6.6		7.8		7.4		6.1	
50th Percentile	5.7		6.3		7.2		6.9		5.7	
75th Percentile	5.2		5.7		6.6		6.3		5.2	
95th Percentile	4.6		5.1		5.7		5.7		4.5	

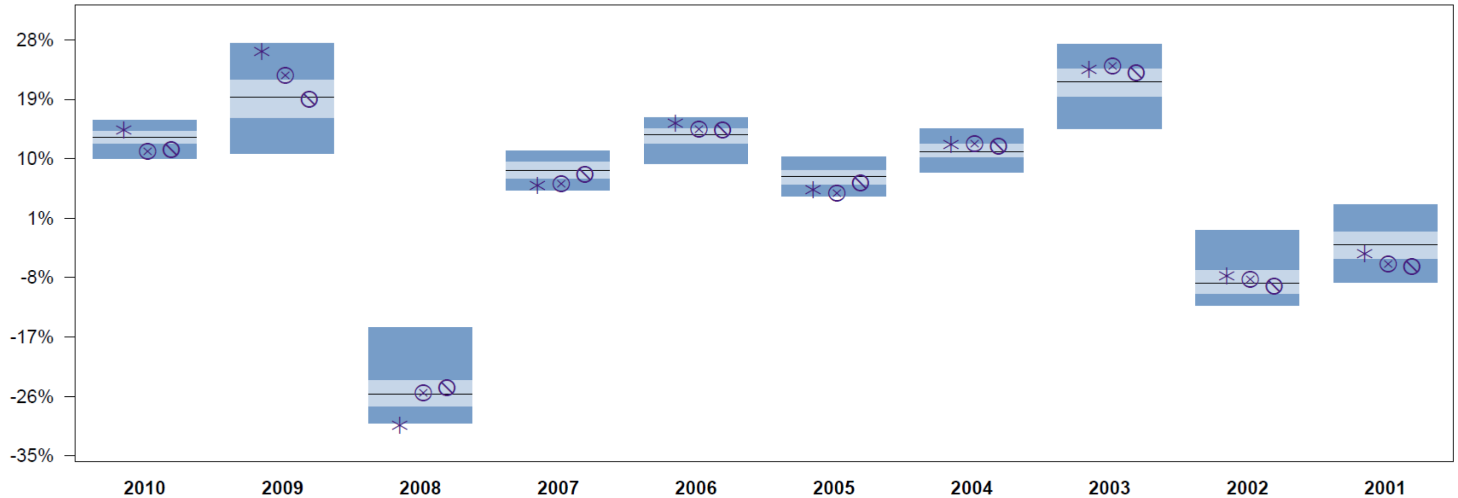
Total Public Funds Performance

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Period Ending December 31, 2010

Total Fund Performance - One Year Time Periods

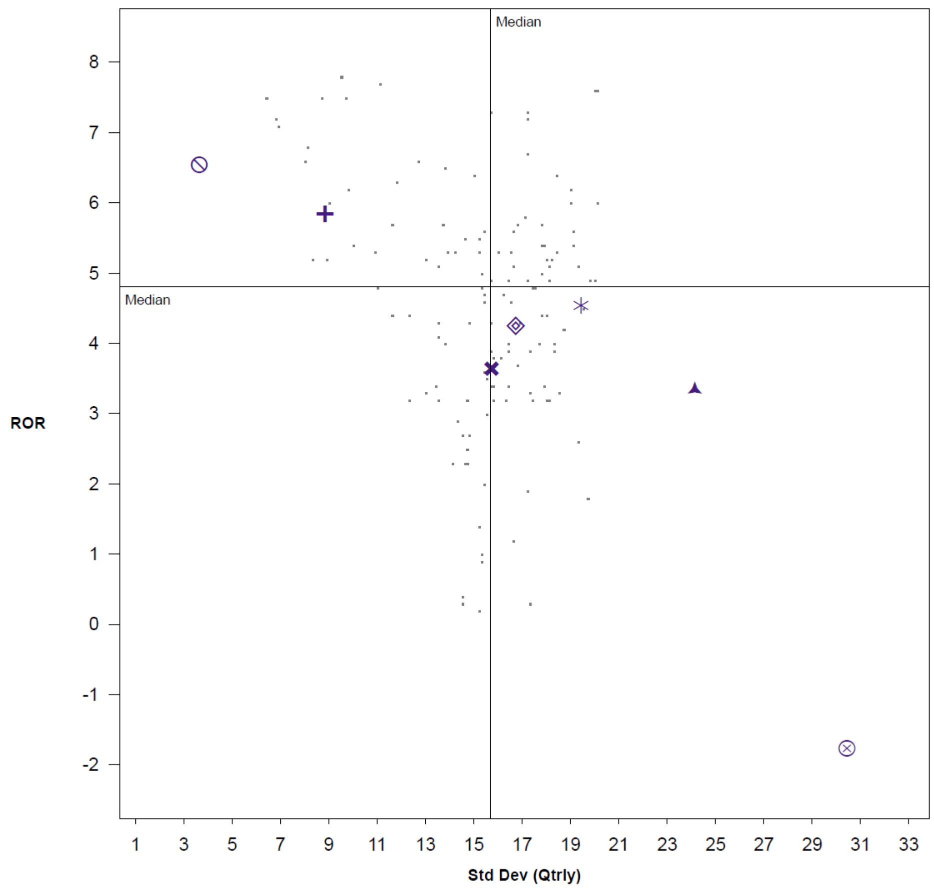


	2010		2009		2008		2007		2006		2005		2004		2003		2002		2001	
TRS COMPOSITE	**14.7**	**21**	**26.5**	**7**	**-30.1**	**95**	**6.3**	**86**	**15.7**	**8**	**5.6**	**82**	**12.4**	**22**	**23.8**	**25**	**-7.5**	**37**	**-4.1**	**62**
TRS Allocation	11.4	85	22.9	22	-25.2	48	6.5	83	14.8	24	5.1	88	12.6	18	24.4	19	-8.0	44	-5.7	82
POLICY INDEX	**11.7**	**82**	**19.3**	**51**	**-24.4**	**39**	**7.9**	**56**	**14.6**	**28**	**6.6**	**68**	**12.2**	**28**	**23.3**	**30**	**-9.0**	**53**	**-6.0**	**84**
5th Percentile	15.9		27.5		-15.6		11.2		16.2		10.3		14.5		27.3		-0.8		3.1	
25th Percentile	14.3		22.0		-23.4		9.6		14.7		8.3		12.4		23.7		-6.8		-0.9	
50th Percentile	13.2		19.4		-25.6		8.2		13.6		7.3		11.1		21.7		-8.8		-3.0	
75th Percentile	12.2		16.1		-27.6		6.9		12.2		6.0		10.1		19.4		-10.5		-5.2	
95th Percentile	10.0		10.8		-30.1		5.3		9.2		4.3		8.0		14.5		-12.2		-8.7	

Risk vs. Return Analysis – 3 Years

VERMONT STATE TEACHERS
Total Fund - Universe: Public Funds (DB)
Period Ending June 30, 2011

Risk vs. Return - 3 Year



NAME	Return		Standard Deviation		Sharpe Ratio	
TRS COMPOSITE	**4.5**	**56**	**19.5**	**95**	**0.2**	**74**
TRS Allocation	4.2	63	16.8	66	0.2	66
POLICY INDEX	3.6	72	15.8	53	0.2	78
S&P 500	*3.3*	*76*	*24.2*	*100*	*0.1*	*90*
BC AGGREGATE	*6.5*	*14*	*3.7*	*1*	*1.7*	*1*
MSCI EAFE (NET)	*-1.8*	*100*	*30.5*	*100*	*-0.1*	*100*
Citigroup WGBI (All Maturities)	*5.8*	*20*	*8.9*	*6*	*0.6*	*9*
Median	4.8		15.7		0.3	

Funded status as of Fiscal Year 2010 = 66.5%

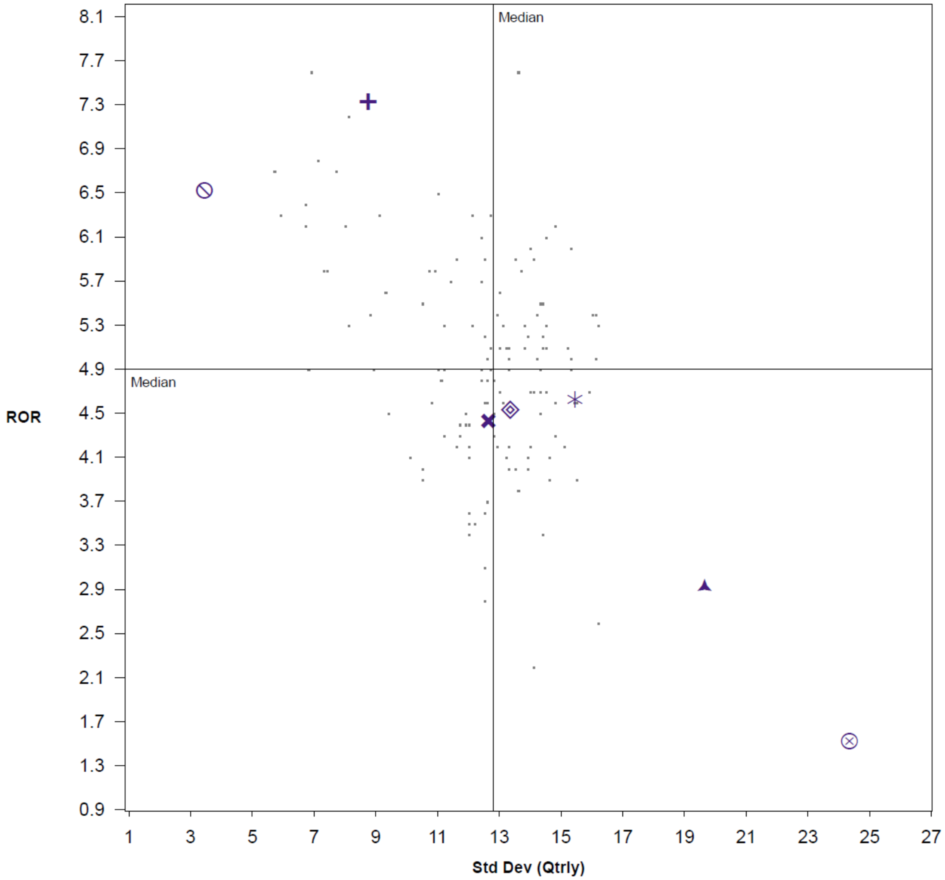
Risk vs. Return Analysis – 5 Years

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Period Ending June 30, 2011

Risk vs. Return - 5 Year



NAME	Return		Standard Deviation		Sharpe Ratio	
TRS COMPOSITE	**4.6**	**68**	**15.5**	**95**	**0.2**	**83**
TRS Allocation	4.5	72	13.4	63	0.2	74
POLICY INDEX	4.4	72	12.7	48	0.2	73
S&P 500	*2.9*	*98*	*19.7*	*100*	*0.0*	*97*
BC AGGREGATE	*6.5*	*6*	*3.5*	*1*	*1.3*	*1*
MSCI EAFE (NET)	*1.5*	*100*	*24.4*	*100*	*-0.0*	*99*
Citigroup WGBI (All Maturities)	*7.3*	*3*	*8.8*	*10*	*0.6*	*5*
Median	4.9		12.8		0.2	

Funded status as of Fiscal Year 2010 = 66.5%

6/30/2011

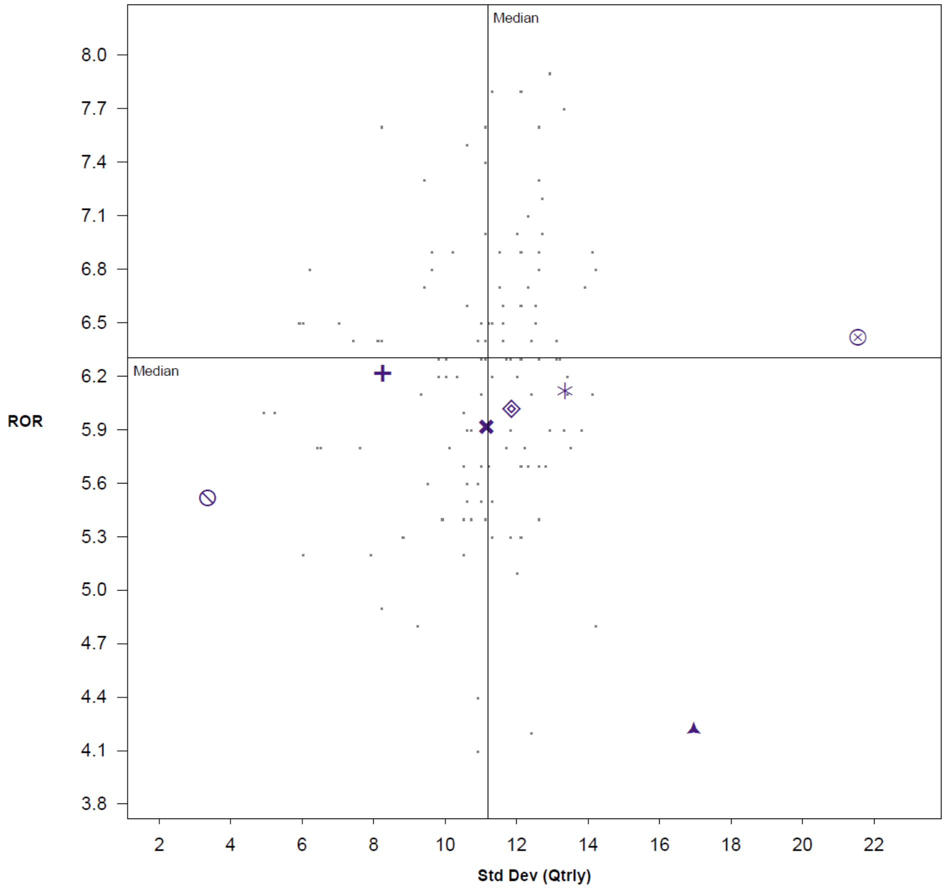
Risk vs. Return Analysis – 7 Years

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Period Ending June 30, 2011

Risk vs. Return - 7 Year



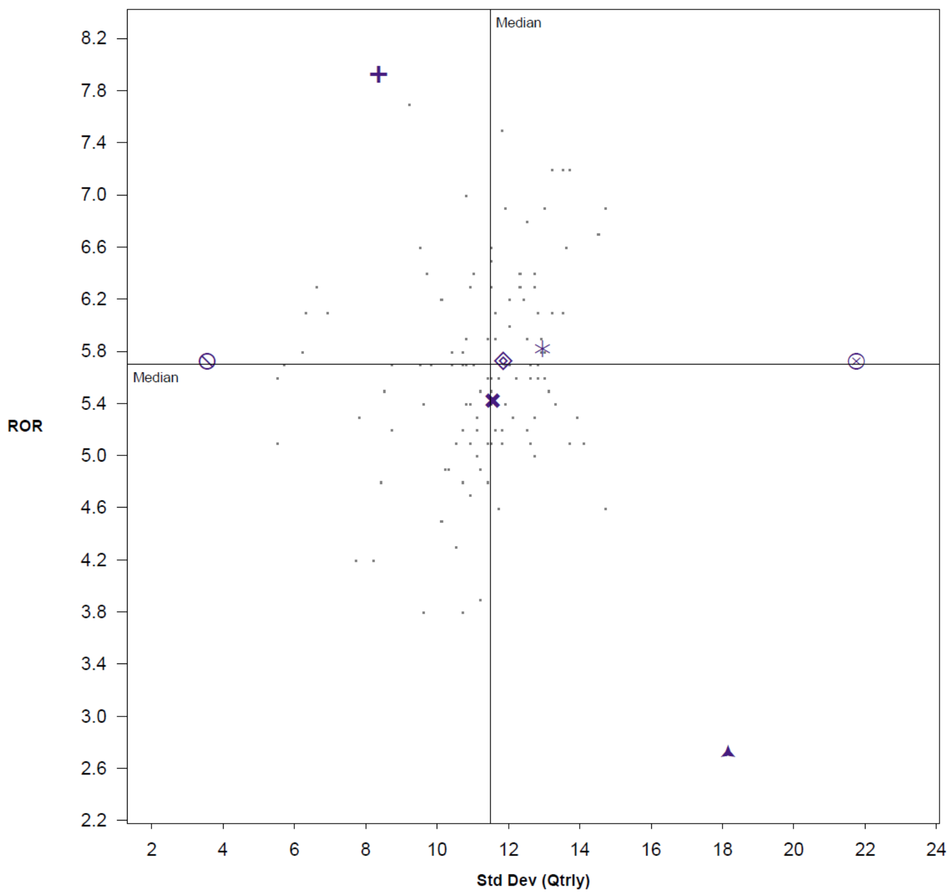
NAME	Return		Standard Deviation		Sharpe Ratio	
TRS COMPOSITE	**6.1**	**57**	**13.4**	**94**	**0.3**	**83**
TRS Allocation	6.0	63	11.9	63	0.3	70
POLICY INDEX	5.9	63	11.2	49	0.3	65
S&P 500	*4.2*	*100*	*17.0*	*100*	*0.1*	*99*
BC AGGREGATE	*5.5*	*84*	*3.4*	*1*	*0.9*	*1*
MSCI EAFE (NET)	*6.4*	*36*	*21.6*	*100*	*0.2*	*97*
Citigroup WGBI (All Maturities)	*6.2*	*52*	*8.3*	*13*	*0.5*	*18*
Median	6.3		11.2		0.4	

Funded status as of Fiscal Year 2010 = 66.5%

Risk vs. Return Analysis – 10 Years

VERMONT STATE TEACHERS
Total Fund - Universe: Public Funds (DB)
Period Ending June 30, 2011

Risk vs. Return - 10 Year



NAME	Return		Standard Deviation		Sharpe Ratio	
TRS COMPOSITE	**5.8**	**35**	**13.0**	**86**	**0.3**	**68**
TRS Allocation	5.7	48	11.9	61	0.3	59
POLICY INDEX	5.4	61	11.6	56	0.3	69
S&P 500	*2.7*	*100*	*18.2*	*100*	*0.0*	*99*
BC AGGREGATE	*5.7*	*39*	*3.6*	*1*	*1.0*	*2*
MSCI EAFE (NET)	*5.7*	*48*	*21.8*	*100*	*0.2*	*99*
Citigroup WGBI (All Maturities)	*7.9*	*1*	*8.4*	*9*	*0.7*	*2*
Median	5.7		11.5		0.3	

Funded status as of Fiscal Year 2010 = 66.5%