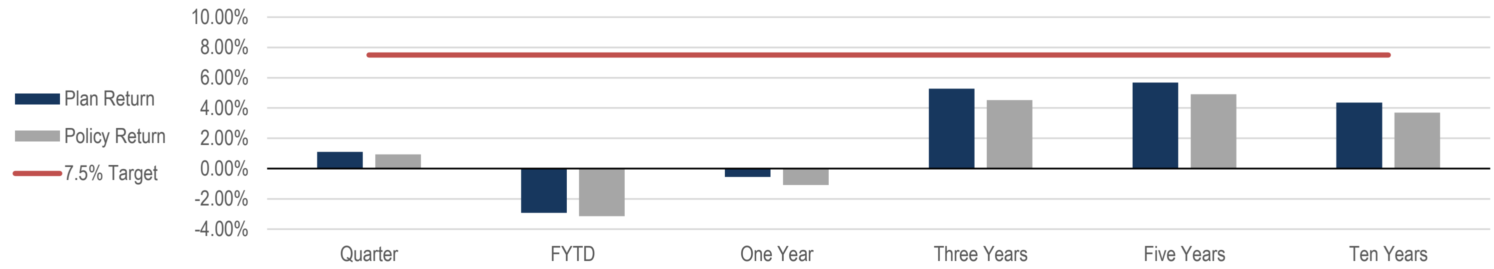
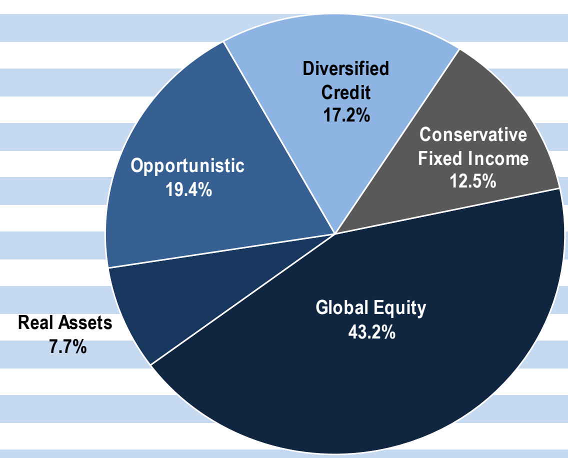
Net of Fee Returns by Time Period[1,2]



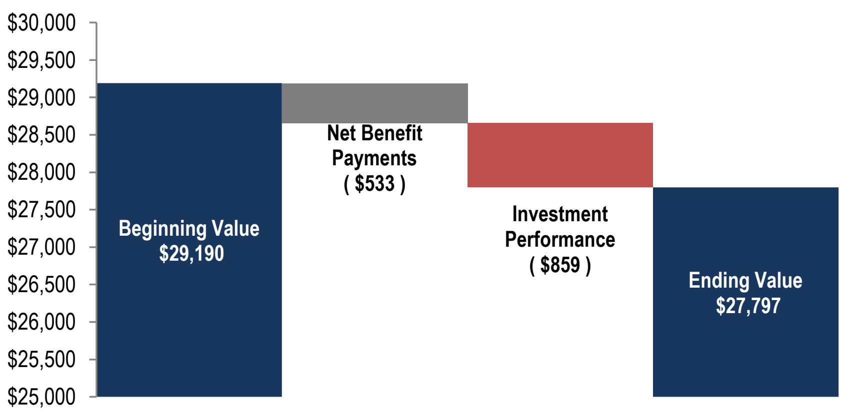
Executive Summary	Market Value (millions)	Quarter	FYTD	One Year	Three Years	Five years	Ten Years
Total Plan	**$27,797**	**1.11%**	**-2.93%**	**-0.56%**	**5.27%**	**5.68%**	**4.35%**
Policy Benchmark		0.94%	-3.14%	-1.08%	4.53%	4.90%	3.70%
Net Benefit Payments ($ millions)		(212)	(533)	(1,091)	(3,135)	(5,117)	(9,478)

Allocation / Exposure	Portfolio Exposure[3]	Policy Target[3]	Variance
Global Equity	**43.2%**	**43.0%**	**0.2%**
Global Public Equity	33.5%	34.0%	-0.5%
Private Equity	9.7%	9.0%	0.7%
Real Assets	**7.7%**	**8.0%**	**-0.3%**
Real Estate	4.9%	5.0%	-0.1%
Commodities	2.8%	3.0%	-0.2%
Opportunistic	**19.4%**	**20.0%**	**-0.6%**
GTAA	9.7%	10.0%	-0.3%
HF (Low Beta)	9.7%	10.0%	-0.3%
Diversified Credit	**17.2%**	**17.0%**	**0.2%**
Mixed Credit	6.4%	5.0%	1.4%
Emerging Markets Debt	5.0%	5.0%	0.0%
Private Debt	5.9%	7.0%	-1.1%
Conservative Fixed Income	**12.5%**	**12.0%**	**0.5%**
Core Fixed Income	10.1%	10.0%	0.1%
Global Fixed Income	0.0%	0.0%	0.0%
Cash and Short Duration (Net)	2.5%	2.0%	0.5%
Total Plan	**100.0%**		

RSIC Portfolio Exposure[3]



FYTD Contributions to Plan Value[4]



Key Developments During the Quarter

- Amended Statement of Investment Objectives and Policies (SIOP) in November 2015 to increase global public equity by 3 percentage points to 43 percent of portfolio and reduce cash and short duration by 3 percentage points to 2 percent of the portfolio, effective 12/31/15.

Pursuant to S.C. Code Ann. §9-16-90 (A)

[1]All returns are from Bank of New York Mellon (BNYM) and are time-weighted, total return calculations, net of fees and expenses. All returns are expressed in U.S. dollars. Periods greater than one year are annualized. Fiscal Year ends June 30th. Policy benchmark is the blend of the asset class policy benchmarks using policy weights. Asset class benchmarks and policy weights are reviewed annually by the Commission's consultant and adopted by the Commission and have changed over time. The policy benchmark return history represents a blend of these past policies.

[2]Effective October 1, 2005, the State Retirement System Preservation and Investment Reform Act ("Act 153") established the Commission and devolved fiduciary responsibility for investment and management of the assets of the South Carolina Retirement Systems upon RSIC. The actuarial assumed rate of return is 7.50 percent starting with the assumed rate of returns after July 1, 2011, and is composed of an assumed 2.75 percent inflation rate and an assumed 4.75 percent real rate of return, net of investment and administrative expenses.

[3]Portfolio Exposure reflects adjusted notional exposure of each asset class on a plan level. Policy targets are adopted by the Commission in the Annual Investment Plan. Sub-asset class percentages may not add up to asset class percentages and allocation percentages may not add up to 100% due to rounding. Policy target allocations reflects amendments made to the SIOP in November 2015 to increase global public equity by 3% and decrease cash and short duration to 2% of the portfolio, effective 12/31/15.

[4]Values are in millions. Ending Value may differ slightly from Beginning Value plus Net Benefit Payments and Investment Performance due to rounding.