

*Teachers' Retirement System of the State of Kentucky
Health Insurance Trust
Quarterly Investment Performance
Net of Management Fees Returns
For the Period Ended September 30, 2018*

FINAL

	<u>Market Value</u>	<u>Last Qtr</u>	<u>FYTD</u>	<u>1-Year</u>	<u>3-Year*</u>	<u>5-Year*</u>
TOTAL PLAN	\$ 1,133,943,298.56	3.27	3.27	7.97	10.52	6.94
<i>Policy Benchmark</i>		3.08	3.08	7.68	11.04	-
Total Equity	\$ 632,051,683.08	4.11	4.11	10.23	13.73	9.01
All Cap Equities	\$ 37,687,626.26	6.25	6.25	14.47	-	-
<i>Russell 3000</i>		7.12	7.12	17.58		-
Fort Washington Focused Equity	\$ 37,687,626.26	6.25	6.25	14.47	-	-
Global Equities	\$ 594,364,056.82	3.97	3.97	9.97	13.86	9.09
<i>MSCI AC World IMI (Net)</i>		3.88	3.88	9.63	13.47	8.69
BlackRock Fund B	\$ 594,364,056.82	3.97	3.97	9.97	13.86	9.09
Fixed Income	\$ 91,972,873.16	0.18	0.18	-0.93	1.29	1.24
<i>Barclays Government Credit</i>		0.06	0.06	-1.37	1.45	2.23
Internal Bond Fund	\$ 91,972,873.16	0.18	0.18	-0.93	1.29	1.24
Real Estate:						
Core Real Estate	\$ 29,067,902.00	3.46	3.46	8.93	6.77	-
<i>NCREIF ODCE (VW)</i>		2.09	2.09	8.68		-
Prudential Real Estate	\$ 12,122,547.72	1.77	1.77	7.84	6.63	-
Carlyle Property Investors	\$ 11,074,458.24	2.70	2.70	8.20	-	-
TA Realty Core Property Fund	\$ 5,870,896.04	8.70	8.70			
Non-Core Real Estate	\$ 36,165,475.88	3.08	3.08	11.46	12.91	-
<i>NCREIF Property Index</i>		1.67	1.67	7.16	7.75	-
Carlyle Realty Partners VII	\$ 6,182,119.00	6.21	6.21	16.34	14.47	-
Landmark Real Estate Partners VII	\$ 6,195,307.00	1.45	1.45	7.66	16.19	-
Blackstone Partners VIII	\$ 6,506,997.00	2.83	2.83	12.61	12.62	-
The Realty Associates Fund XI	\$ 10,324,869.00	2.56	2.56	8.28	-	-
Rockwood Capital Real Estate X	\$ 4,677,979.88	6.32	6.32	10.44	-	-
Landmark Real Estate Partners VIII	\$ 1,730,329.00	-10.26	-10.26	19.30	-	-
Carlyle Realty Partners VIII	\$ 547,875.00	-31.62	-31.62	-	-	-

*Teachers' Retirement System of the State of Kentucky
Health Insurance Trust
Quarterly Investment Performance
Net of Management Fees Returns
For the Period Ended September 30, 2018*

FINAL

	<u>Market Value</u>	<u>Last Qtr</u>	<u>FYTD</u>	<u>1-Year</u>	<u>3-Year*</u>	<u>5-Year*</u>
<u>Alternative Investments</u>						
<u>Private Equity</u>	\$ 85,451,995.58	3.53	3.53	14.21	13.28	13.85
<u>Mature Private Equity</u>	\$ 8,225,143.00	9.43	9.43	18.40	15.23	14.73
<i>S&P 500 plus 3%</i>		8.51	8.51	21.45	20.83	17.37
Fort Washington Fund VII	\$ 4,019,528.00	3.13	3.13	19.98	15.75	15.03
Actis Global Fund IV	\$ 4,205,615.00	15.95	15.95	15.52	4.03	11.71
<u>Private Equity < 5 Years</u>	\$ 77,226,852.58	3.32	3.32	14.81	13.82	14.18
Landmark Equity Partners XV	\$ 2,154,461.00	4.96	4.96	21.96	12.06	-
Fort Washington Fund VIII	\$ 7,487,671.00	2.70	2.70	13.43	13.66	-
Fort Washington PE Opportunities Fund III	\$ 4,617,376.00	0.30	0.30	19.62	21.25	-
NGP Natural Resources Fund XI	\$ 10,381,172.00	6.78	6.78	18.02	14.61	-
KKR European Fund IV	\$ 7,895,162.00	2.42	2.42	26.73	2.72	-
Carlyle Europe Partners IV	\$ 9,139,228.00	-1.42	-1.42	25.84	14.41	-
Audax PE Fund V	\$ 5,909,984.58	0.00	0.00	0.51	-	-
Fort Washington Fund IX	\$ 2,600,467.00	4.62	4.62	4.14	-	-
Fort Washington Fund IX-K	\$ 3,198,785.00	6.56	6.56	4.51	-	-
Riverstone E&P Fund VI	\$ 7,667,503.00	1.64	1.64	10.78	-	-
APAX IX	\$ 4,787,308.00	4.43	4.43	14.64	-	-
Oaktree European Principal IV	\$ 6,451,647.00	6.79	6.79	6.53	-	-
KKR Americas XII	\$ 1,417,927.00	5.49	5.49	-46.05	-	-
NGP Natural Resources Fund XII	\$ 2,060,788.00	10.17	10.17	-	-	-
Carlyle Global Financial Services III	\$ 1,457,372.00	2.02	2.02			
APAX Digital	\$ 1.00					
<u>Additional Categories:</u>	\$ 193,501,801.15	2.63	2.63	3.59	6.01	4.30
<i>B of A Merrill Lynch High Yield Master II</i>		2.44	2.44	2.94	8.19	5.54
<u>Evergreen Funds:</u>						
Fort Washington High Yield Bond Fund	\$ 46,040,500.66	2.17	2.17	2.01	6.86	4.70
Shenkman Capital Management	\$ 42,592,339.49	2.33	2.33	5.15	4.88	4.16
Marathon/TRS Credit Fund	\$ 42,871,718.98	3.22	3.22	3.05	5.60	-
Columbia High Yield Bond Fund	\$ 46,000,133.12	2.87	2.87	1.27	-	-
<u>Non-Evergreen Funds:</u>						
Highbridge Principal Strategies III	\$ 2,084,957.74	2.20	2.20	5.50	5.02	6.72
Marathon European Credit Opportunities Fund II	\$ 2,952,029.50	4.39	4.39	20.74	11.59	-
Oaktree European Capital Solutions Fund	\$ 3,546,645.00	-1.15	-1.15	9.00	-	-
Marathon European Credit Opportunities Fund III	\$ 6,914,662.66	4.19	4.19	11.98	-	-
Oaktree Opportunities Fund X(b)	\$ 498,814.00	-0.47	-0.47			
<u>Short Term:</u>						
Cash (Unallocated)	\$ 65,731,567.71	0.53	0.53	1.68	0.88	0.57
<i>90 Day T-Bill</i>		0.49	0.49	1.59	0.80	0.50

*Returns are annualized for periods longer than one year

*Teachers' Retirement System of the State of Kentucky
Health Insurance Trust
Quarterly Investment Performance
Net of Management Fees Returns
For the Period Ended September 30, 2018*

FINAL

Market Value Last Qtr FYTD 1-Year 3-Year* 5-Year*

** Prior to July 1, 2015, TRS did not benchmark overall fund performance. Effective July 1, 2015, the Board of Trustees approved a Policy Index that represents the returns of appropriate benchmarks for the various asset classes weighted by the mid point of the strategic range for the current fiscal year.