

Board of Trustees

Monthly Performance Report - December 31, 2011



Returns are unaudited, preliminary, and include some estimates

Consolidated Assets - APF assets equal 99% of total assets. Slight differences are due to rounding.
 Market values shown are unaudited, and returns for periods greater than one year are annualized.
 Direct real estate, Fund benchmark and total Fund returns are preliminary and are calculated internally based on most recent Callan quarterly data.
 All other returns are provided by Callan Associates, Inc. and are shown gross of fees (before fees) except as noted.

| | 12/31/2011 Market Value (\$ in millions) | Returns as of 12/31/2011 | | | | | | |
|---|---|--------------------------|------------------|-----------------|-------------------|-------------------|-----------------|-----------------|
| | | Current Month | Last 3 Months | Fiscal Y-T-D | Calendar Y-T-D | Last 12 Months | Last 3 Years | Last 5 Years |
| RETURNS BY ASSET CLASS | | | | | | | | |
| Domestic Fixed Income | \$ 8,062.8 | 1.24% | 1.99% | 3.84% | 7.22% | 7.22% | 8.63% | 6.21% |
| Non-Domestic Fixed Income | 883.6 | 1.66% | 0.69% | 4.04% | 4.72% | 4.72% | 4.08% | 5.27% |
| Domestic Equities | 6,028.8 | 0.19% | 12.25% | -6.15% | -0.18% | -0.18% | 15.51% | 0.68% |
| Non-Domestic Equities | 6,716.7 | -1.49% | 3.52% | -17.00% | -14.31% | -14.31% | 10.94% | -2.54% |
| Global Equities | 4,603.5 | -0.07% | 7.66% | -9.77% | -4.28% | -4.28% | 11.62% | |
| Real Estate | 4,142.3 | 0.60% | 3.05% | 4.74% | 13.65% | 13.65% | 4.39% | 1.53% |
| Private Equity ¹ | 1,518.2 | N/M | -3.01% | 0.18% | 13.66% | 13.66% | 7.34% | N/M |
| Absolute Return | 3,377.4 | 0.19% | 0.52% | -3.02% | -0.37% | -0.37% | 7.67% | 2.02% |
| Infrastructure ¹ | 821.7 | N/M | 0.38% | 0.82% | 9.65% | 9.65% | N/M | N/M |
| External CIO/Real Return Mandate | 2,827.2 | 0.37% | 3.21% | 1.21% | 6.15% | 6.15% | | |
| | \$ 38,982.3 | | | | | | | |
| RETURNS BY RISK CLASS | | | | | | | | |
| Company Exposure | 22,902.8 | -0.07% | 5.95% | -8.87% | -3.95% | -3.95% | | |
| Interest Rates | 2,540.1 | 1.09% | 0.77% | 3.98% | 5.76% | 5.76% | | |
| Real Assets | 6,118.6 | 0.61% | 2.85% | 5.09% | 13.39% | 13.39% | | |
| Opportunity Pool | 6,801.3 | 0.02% | 1.51% | -2.30% | 1.42% | 1.42% | | |
| Cash | 619.6 | 0.02% | 0.07% | 0.15% | 0.25% | 0.25% | | |
| Total Fund | \$ 38,982.3 | 0.13% | 4.22% | -4.54% | 0.33% | 0.33% | 10.20% | 1.61% |
| <i>Total Fund Return Objective</i> | | <i>0.17%</i> | <i>0.71%</i> | <i>2.48%</i> | <i>7.96%</i> | <i>7.96%</i> | <i>7.39%</i> | <i>7.26%</i> |
| <i>Total Fund Risk Benchmark</i> | | <i>0.62%</i> | <i>5.57%</i> | <i>-4.60%</i> | <i>-0.35%</i> | <i>-0.35%</i> | <i>8.70%</i> | <i>0.90%</i> |
| COMPANY EXPOSURE | | | | | | | | |
| <i>Passive Large-Cap Domestic Equity Managers</i> | | | | | | | | |
| Mellon S&P 500 | \$ 1,822.5 | 1.02% | 11.80% | -3.68% | 2.12% | 2.12% | 14.44% | 0.04% |
| Mellon FTSE RAFI US Large Cap | \$ 1,145.1 | 1.58% | 12.38% | -5.34% | 0.10% | 0.10% | | |
| <i>S&P 500 Index</i> | | <i>1.02%</i> | <i>11.82%</i> | <i>-3.69%</i> | <i>2.11%</i> | <i>2.11%</i> | <i>14.11%</i> | <i>-0.25%</i> |
| <i>FTSE RAFI US 1000 Index</i> | | <i>1.59%</i> | <i>12.40%</i> | <i>-5.37%</i> | <i>0.07%</i> | <i>0.07%</i> | | |
| <i>Large-Cap Growth Domestic Equity Managers</i> | | | | | | | | |
| RCM - Large Cap | \$ 1,415.4 | -1.36% | 11.86% | -7.86% | -2.46% | -2.46% | 16.59% | 2.63% |
| GE Asset Mgmt | \$ 555.7 | -0.07% | 10.80% | -6.01% | 1.38% | 1.38% | 16.90% | 1.72% |
| <i>Russell 1000 Index</i> | | <i>0.84%</i> | <i>11.84%</i> | <i>-4.58%</i> | <i>1.50%</i> | <i>1.50%</i> | <i>14.81%</i> | <i>-0.02%</i> |
| <i>Russell 1000 Growth</i> | | <i>-0.32%</i> | <i>10.61%</i> | <i>-3.92%</i> | <i>2.64%</i> | <i>2.64%</i> | <i>18.02%</i> | <i>2.50%</i> |
| <i>Passive Small-Cap Domestic Equity Manager</i> | | | | | | | | |
| Mellon S&P 400 | \$ 230.5 | -0.37% | 12.98% | -9.40% | -1.62% | -1.62% | 19.61% | 3.36% |
| <i>S&P 400</i> | | <i>-0.37%</i> | <i>12.98%</i> | <i>-9.48%</i> | <i>-1.73%</i> | <i>-1.73%</i> | <i>19.57%</i> | <i>3.32%</i> |
| <i>Small-Cap Core Manager</i> | | | | | | | | |
| Jennison Associates LLC | \$ 170.6 | -1.55% | 15.26% | -8.52% | -0.36% | -0.36% | 20.91% | 3.60% |
| <i>Russell 2000 Index</i> | | <i>0.66%</i> | <i>15.47%</i> | <i>-9.77%</i> | <i>-4.18%</i> | <i>-4.18%</i> | <i>15.63%</i> | <i>0.15%</i> |

¹ Time-Weighted Returns (TWR) are shown for commitment based assets as they are used to calculate the Total Fund return. Internal Rate of Return (IRR) calculations are more meaningful for such investments and are shown on page 5 of this report. Shorter time periods (< 3 months) and periods of new investment (first 3 - 5 years) are not meaningful.

| COMPANY EXPOSURE (continued) | 12/31/2011 | Returns as of 12/31/2011 | | | | | | |
|---|----------------------------------|--------------------------|---------------|--------------|----------------|----------------|--------------|--------------|
| | Market Value (\$ in millions) | Current Month | Last 3 Months | Fiscal Y-T-D | Calendar Y-T-D | Last 12 Months | Last 3 Years | Last 5 Years |
| Small-Cap Growth Managers | | | | | | | | |
| RBC Asset Mgmt | \$ 182.0 | -0.48% | 11.38% | -5.85% | 5.18% | 5.18% | 21.53% | 5.11% |
| Eagle Asset Mgmt | \$ 168.2 | -1.20% | 11.65% | -14.38% | -2.31% | -2.31% | 22.31% | |
| <i>Russell 2000 Growth Index</i> | | -0.22% | 14.99% | -10.59% | -2.91% | -2.91% | 19.00% | 2.09% |
| Small-Cap Value Managers | | | | | | | | |
| T Rowe Price | \$ 175.8 | 0.40% | 16.95% | -5.61% | -0.20% | -0.20% | 17.13% | 2.08% |
| Pzena Investment Mgmt | \$ 162.8 | 0.68% | 17.25% | -6.10% | -9.10% | -9.10% | 20.73% | |
| <i>Russell 2000 Value Index</i> | | 1.57% | 15.97% | -8.94% | -5.50% | -5.50% | 12.36% | -1.87% |
| International Passive/Quasi-Passive Managers | | | | | | | | |
| Mellon MSCI World ex-USA | \$ 1,976.0 | -1.09% | 3.49% | -15.89% | -11.74% | -11.74% | 7.36% | -4.41% |
| DFA International Large Cap | \$ 1,037.4 | -1.01% | 3.10% | -17.59% | -14.08% | -14.08% | | |
| <i>MSCI World ex-USA/MSCI EAFE¹</i> | | -1.09% | 3.51% | -16.16% | -12.21% | -12.21% | 7.70% | -4.69% |
| International Active Managers | | | | | | | | |
| GE Asset Mgmt | \$ 680.9 | -2.47% | 3.65% | -18.84% | -15.85% | -15.85% | 4.56% | |
| Acadian Asset Mgmt | \$ 481.9 | 0.73% | 2.73% | -7.98% | -2.55% | -2.55% | 5.60% | |
| <i>MSCI World ex-USA/MSCI EAFE²</i> | | -1.09% | 3.51% | -16.16% | -12.38% | -12.38% | 7.55% | |
| International Small-Cap Managers | | | | | | | | |
| DFA International Small Company | \$ 207.2 | -2.91% | 1.21% | -18.54% | -15.35% | -15.35% | | |
| DFA International Small Cap Value | \$ 194.7 | -2.66% | 1.36% | -20.65% | -17.46% | -17.46% | | |
| SSgA World ex-USA Small Cap | \$ 208.4 | -1.75% | 0.92% | -17.80% | -14.93% | -14.93% | | |
| <i>MSCI World ex-USA Small Cap</i> | | -1.95% | 0.69% | -18.36% | -15.81% | -15.81% | | |
| Emerging Markets Managers | | | | | | | | |
| Capital Guardian EMGF | \$ 1,037.1 | -3.31% | 3.96% | -22.01% | -21.53% | -21.53% | 17.68% | 2.67% |
| Mondrian Investment Partners | \$ 659.8 | -0.32% | 6.11% | -12.16% | -10.97% | -10.97% | 21.53% | 5.31% |
| SSgA MSCI Emerging Markets | \$ 233.2 | -1.21% | 4.42% | -18.62% | -17.78% | -17.78% | | |
| <i>MSCI Emg Mkts Index</i> | | -1.20% | 4.45% | -19.01% | -18.17% | -18.17% | 20.42% | 2.70% |

¹ MSCI EAFE through 5/26/10, then MSCI World ex-USA

² MSCI EAFE through 2/28/11, then MSCI World ex-USA

| | 12/31/2011 Market Value (\$ in millions) | Returns as of 12/31/2011 | | | | | | |
|---|---|--------------------------|------------------|-----------------|-------------------|-------------------|-----------------|-----------------|
| | | Current Month | Last 3 Months | Fiscal Y-T-D | Calendar Y-T-D | Last 12 Months | Last 3 Years | Last 5 Years |
| COMPANY EXPOSURE (continued) | | | | | | | | |
| <i>Global Equity Managers</i> | | | | | | | | |
| AQR Global Equity | \$ 867.9 | 0.99% | 9.75% | -11.75% | -5.42% | -5.42% | 12.77% | |
| SSgA Russell Fundamental Developed Lrg Co | \$ 793.3 | 0.07% | 8.14% | -11.01% | | | | |
| <i>MSCI World Index</i> | | -0.06% | 7.59% | -10.29% | -5.54% | -5.54% | 11.13% | |
| <i>Russell Fundamental Dvlpd Lrg Co Index</i> | | 0.09% | 8.14% | -10.97% | | | | |
| Lazard Asset Management ¹ | \$ 1,186.2 | -0.37% | 8.27% | -9.27% | -5.04% | -5.04% | 10.84% | -1.28% |
| McKinley Capital Mgmt | \$ 612.7 | -1.32% | 5.06% | -13.76% | -8.77% | -8.77% | 10.80% | -1.24% |
| GMO Global Equity ¹ | \$ 1,143.3 | 0.04% | 6.59% | -7.69% | -1.58% | -1.58% | 11.28% | |
| <i>MSCI All-Country World Index²</i> | | -0.20% | 7.18% | -11.49% | -7.35% | -7.35% | 10.34% | -2.78% |
| Private Equity Managers ³ | \$ 1,518.2 | N/M | -3.01% | 0.18% | 13.66% | 13.66% | 7.34% | N/M |
| <i>Private equity custom index⁴</i> | | | 8.61% | -9.61% | -4.35% | -4.35% | 12.04% | |
| <i>Fixed Income Managers</i> | | | | | | | | |
| In House Corporate Bonds | \$ 2,655.8 | 2.09% | 1.80% | 3.80% | 7.53% | 7.53% | | |
| <i>Barclay's Capital U.S. Corporate Index</i> | | 2.14% | 1.93% | 4.83% | 8.15% | 8.15% | | |
| Capital Guardian High Yield | \$ 204.2 | 1.59% | 4.85% | -0.72% | 4.21% | 4.21% | 17.89% | |
| Oaktree High Yield | \$ 370.0 | 2.70% | 6.97% | 1.81% | 7.80% | 7.80% | | |
| <i>BC Global High Yield Corporate (Hedged)</i> | | 2.66% | 6.05% | -1.57% | 3.17% | 3.17% | 24.53% | |
| <i>Public/Private Credit</i> | | | | | | | | |
| Crestline Credit Opportunities Fund | \$ 706.4 | 2.40% | 5.82% | 1.01% | 7.94% | 7.94% | 22.90% | |
| Oaktree III Mezzanine Debt ⁵ | \$ 76.4 | N/M | N/M | N/M | N/M | N/M | | |
| Audax III Mezzanine Debt ⁵ | \$ 22.8 | N/M | N/M | N/M | | | | |
| INTEREST RATES | | | | | | | | |
| In House MBS/TBA Cash Combined | \$ 601.9 | 0.77% | 1.05% | 3.32% | 6.36% | 6.36% | | |
| <i>Barclay's Capital U.S. MBS Index</i> | | 0.70% | 0.88% | 3.26% | 6.23% | 6.23% | | |
| In House Government Bonds | \$ 1,054.5 | 0.79% | 0.68% | 4.32% | 6.13% | 6.13% | | |
| <i>Barclay's Capital U.S. Treasury Index</i> | | 0.97% | 0.89% | 7.43% | 9.81% | 9.81% | | |
| <i>Non-domestic Fixed Income Managers</i> | | | | | | | | |
| GAM International Mgmt | \$ 411.6 | 1.44% | 0.50% | 3.36% | 3.96% | 3.96% | 3.32% | 4.72% |
| Rogge Global Partners | \$ 472.0 | 1.85% | 0.85% | 4.64% | 5.39% | 5.39% | 4.77% | 5.79% |
| <i>BC Global Treasury ex-US Index (Hedged)</i> | | 1.87% | 0.64% | 3.66% | 4.17% | 4.17% | 3.10% | 4.43% |
| CASH | | | | | | | | |
| Alaska CD | \$ 220.7 | 0.06% | 0.17% | 0.34% | 0.71% | 0.71% | 0.89% | 1.93% |
| Internal Cash | \$ 398.9 | 0.01% | 0.01% | 0.02% | 0.03% | 0.03% | | |
| <i>Three-month T-Bill Rate</i> | | 0.00% | 0.00% | 0.02% | 0.10% | 0.10% | 0.14% | 1.48% |

¹ Lazard and GMO global equity accounts' annual fees do not include fees paid on imbedded mutual fund positions. As of 11/30/11, 21.79% of Lazard's investments and 17.82% of GMO's investments are in mutual funds.

² MSCI World through 9/30/10, then MSCI All Country World (net), thereafter.

³ Time-Weighted Returns (TWR) are shown for commitment based assets as they are used to calculate the Total Fund return. Internal Rate of Return (IRR) calculations are more meaningful for such investments and are shown on page 5 of this report. Shorter time periods (< 3 months) and periods of new investment (first 3 - 5 years) are not meaningful.

⁴ As of July 1, 2009, the private equity custom index is 60% Russell 3000 and 40% MSCI EAFE.

⁵ Oaktree and Audax returns are calculated as internal rates of return and are not meaningful here.

| | | 12/31/2011 | Returns as of 12/31/2011 | | | | | | |
|---|---|-------------------|--------------------------|---------------|--------------|----------------|----------------|---------------|--------------|
| | | Market Value | Current Month | Last 3 Months | Fiscal Y-T-D | Calendar Y-T-D | Last 12 Months | Last 3 Years | Last 5 Years |
| | | (\$ in millions) | | | | | | | |
| REAL ASSETS | | | | | | | | | |
| <i>Real Estate Investment Trusts (REITs)</i> | | | | | | | | | |
| | AEW Global RE Securities | \$ 278.4 | 1.15% | 8.76% | -8.43% | 1.24% | 1.24% | 19.73% | -3.80% |
| | <i>MSCI US REIT Index</i> | | 4.67% | 15.28% | -1.47% | 8.69% | 8.69% | 21.55% | -1.51% |
| | <i>UBS Global Real Estate Investors Index</i> | | 1.52% | 8.66% | -9.26% | -0.03% | -0.03% | 18.77% | -4.74% |
| Direct Real Estate - Net of Fees as of 9/30/2011 | | | | | | | | | |
| <i>Direct Real Estate</i> ¹ | | | | | | | | | |
| | CB Richard Ellis | \$ 764.5 | | 1.56% | | | 14.07% | 0.24% | 2.80% |
| | L&B Realty Advisors | 1,219.8 | | 2.44% | | | 10.02% | 0.42% | 4.37% |
| | LaSalle Investment Mgmt | 954.6 | | 3.82% | | | 23.56% | 3.35% | 6.21% |
| | Sentinel Real Estate | 286.3 | | 4.28% | | | 16.87% | 3.18% | 5.66% |
| | Simpson Housing (SHLP) REOC ² | 638.6 | | 4.91% | | | 16.24% | -3.87% | 0.54% |
| | Total Direct Real Estate | \$ 3,863.9 | | 2.72% | | | 16.88% | 1.72% | 4.55% |
| | <i>NCREIF Property Index</i> | | | 3.30% | | | 16.10% | -1.45% | 3.40% |
| | Total Real Estate ³ | | | 1.64% | | | 15.45% | -0.50% | 1.90% |
| Returns as of 12/31/2011 | | | | | | | | | |
| | In House TIPS | \$ 578.9 | 0.06% | 2.69% | 7.31% | 13.44% | 13.44% | | |
| | Alaska Permanent Capital Mgmt | \$ 575.7 | 0.03% | 2.57% | 6.91% | 13.04% | 13.04% | | |
| | <i>Barclay's Capital U.S. TIPS Index</i> | | 0.04% | 2.69% | 7.32% | 13.56% | 13.56% | | |
| | Infrastructure ⁴ | \$ 821.7 | N/M | 0.38% | 0.82% | 9.65% | 9.65% | N/M | N/M |
| OPPORTUNITY POOL | | | | | | | | | |
| | In House CMBS | \$ 364.5 | 0.96% | 2.11% | 3.03% | 6.43% | 6.43% | | |
| | <i>BC U.S. CMBS ERISA Eligible Aaa Index</i> | | 0.89% | 2.17% | 2.45% | 5.74% | 5.74% | | |
| | Capital Guardian HY Emerging Markets Gov't | \$ 411.5 | 0.45% | 3.76% | -5.33% | -0.81% | -0.81% | | |
| | PIMCO EMAX | \$ 343.8 | -1.56% | 1.73% | -12.83% | | | | |
| | Capital Guardian ETOP | \$ 183.3 | 0.72% | 4.10% | -8.71% | | | | |
| | <i>External CIO/Real Return Mandate</i> | | | | | | | | |
| | Bridgewater ECIO/Real Return | \$ 585.4 | 1.79% | 4.08% | 10.58% | 19.90% | 19.90% | | |
| | AQR ECIO/Real Return | \$ 541.0 | 1.33% | 4.71% | -0.45% | 5.14% | 5.14% | | |
| | GMO ECIO/Real Return | \$ 570.6 | 0.78% | -0.60% | 1.13% | 2.68% | 2.68% | | |
| | Goldman Sachs ECIO/Real Return | \$ 564.2 | -0.17% | 5.73% | -0.70% | 4.09% | 4.09% | | |
| | PIMCO ECIO/Real Return | \$ 566.1 | -1.79% | 2.55% | -5.68% | -0.90% | -0.90% | | |
| | <i>CPI + 5%</i> ⁵ | | 0.17% | 0.71% | 2.48% | 7.96% | 7.96% | | |
| | <i>Absolute Return and Distressed Debt</i> ⁶ | | | | | | | | |
| | Crestline Investors | \$ 976.6 | -0.12% | -0.01% | -2.72% | -0.76% | -0.76% | 7.07% | 1.33% |
| | Lazard Alternatives | \$ 356.5 | -0.55% | -0.43% | -4.46% | -3.35% | -3.35% | 4.71% | 1.86% |
| | Mariner II | \$ 1,087.0 | -0.68% | -0.37% | -4.43% | -2.48% | -2.48% | 5.79% | 0.51% |
| | Oaktree Opportunities Fund VIII ^{4,6} | \$ 250.9 | N/M | N/M | N/M | N/M | N/M | | |
| | <i>One-month USD LIBOR plus 4%</i> | | 0.36% | 1.06% | 2.12% | 4.23% | 4.23% | 4.29% | 5.85% |
| | <i>One-month USD LIBOR plus 6%</i> | | 0.52% | 1.56% | 3.12% | 6.23% | 6.23% | 6.29% | 7.85% |

¹ Direct real estate returns are net of fees (after fees) and are subject to change in the future.

² Performance reporting for the SHLP REOC is produced quarterly and is generally lagged two months beyond quarter-end.

³ Total real estate returns include REIT returns for the corresponding period.

⁴ Time-Weighted Returns (TWR) are shown for commitment based assets as they are used to calculate the Total Fund return. Internal Rate of Return (IRR) calculations are more meaningful for such investments and are shown on page 5 of this report. Shorter time periods (< 3 months) and periods of new investment (first 3 - 5 years) are not meaningful.

⁵ CPI means the Consumer Price Index (All Urban Consumers, U.S. City Average, All Items, Unadjusted Index)

⁶ Return values are preliminary and subject to adjustments. The benchmark for the absolute return strategy manager is LIBOR + 4%, and the benchmark for the distressed debt managers is LIBOR + 6%.

Since Inception - Internal Rates of Return

Portfolio reports as seen on pages 1 - 4 of this report employ Time-Weighted Return (TWR) calculations. TWRs reflect the compound growth rate of one dollar over various time periods, which provides for simplified comparability between different managers and/or asset classes. This form of calculation assumes that APFC has control over the timing of contributions and distributions. With commitment based investments, the manager calls capital and returns funds at their discretion. Timing of cash flows reflects manager skill and can have a significant impact on performance. Also, TWRs do not take into account that APFC may have very different amounts invested (due to cash flows) during the performance period.

The investments shown below are all commitment based investments. Since Inception Internal Rates of Return (SI-IRR) uniquely reflect APFC's actual cash flows and only rely on the most recent market value. SI-IRR's are dollar-weighted rather than time-weighted.

Due to the J-curve effect of these types of investments, SI-IRRs are not meaningful (and are thus not provided) until at least 36 months have passed.

| COMPANY EXPOSURE | Market Value (\$ in millions) | SI-IRR | Benchmarks | | Cash-on-cash Multiples ^{2,3} | | Inception Date |
|---------------------------------|----------------------------------|----------------|--|-------|--|-------------|-------------------|
| COMPANY EXPOSURE | | | | | | | |
| Private Equity | <i>(as of Dec. 31, 2010)</i> | <u>Account</u> | <u>Custom Blend¹</u> <u>S&P 500</u> | | <u>DPI</u> | <u>TVPI</u> | |
| Pathway Capital Management | \$ 1,171.5 | 4.39% | 2.23% | 3.74% | 13.27% | 111.14% | July 2004 |
| HarbourVest | \$ 26.9 | | <i>Returns are not meaningful until November 2012.</i> | | | | Nov. 2009 |
| Mezzanine Debt | <i>(as of Dec. 31, 2010)</i> | <u>Account</u> | <u>Benchmark</u> | | <u>DPI</u> | <u>TVPI</u> | |
| Audax Mezzanine Fund III | \$ - | | <i>Returns are not meaningful until February 2014.</i> | | | | Feb. 2011 |
| Oaktree Mezzanine Fund III | \$ 42.6 | | <i>Returns are not meaningful until March 2013.</i> | | | | Mar. 2010 |
| REAL ASSETS | | | | | | | |
| Infrastructure | <i>(as of Sep. 30, 2011)</i> | <u>Account</u> | <u>CPI-U + 5.5%</u> | | <u>DPI</u> | <u>TVPI</u> | |
| Consolidated Infrastructure | \$ 834.2 | 5.36% | 7.64% | | 16.82% | 111.22% | Nov. 2007 |
| OPPORTUNITY POOL | | | | | | | |
| Distressed Debt | <i>(as of Dec. 31, 2010)</i> | <u>Account</u> | <u>Benchmark</u> | | <u>DPI</u> | <u>TVPI</u> | |
| Oaktree Opportunities Fund VIII | \$ 127.9 | | <i>Returns are not meaningful until October 2012.</i> | | | | Oct. 2009 |

¹ The private equity custom blend is 60% Russell 3000 and 40% MSCI EAFE.

Definition and use of Cash-on-Cash Multiples:

² DPI: Distributions over Paid-in Capital, sometimes called the Realization Multiple, expresses how much has been distributed as a percent of what has been invested to date.

³ TVPI: Total Value over Paid-in Capital, sometimes called the Investment Multiple, expresses how much total value is attributable to this investment (current market value plus distributions received) as a percentage of what has been invested to date.



Board of Trustees Monthly Performance Report - December 31, 2011

Consolidated Assets - APF assets equal 99% of total assets. Slight differences are due to rounding.
Values shown are unaudited. \$ in millions.

Unrealized Gain(Loss) Analysis

| | Cost | Market | Unrealized Gain(Loss) |
|-----------------------------------|--------------------|--------------------|--------------------------|
| COMPANY EXPOSURE | | | |
| Corporate Debt | | | |
| In House Corporate Bonds | \$ 2,532.1 | \$ 2,655.8 | \$ 123.7 |
| Capital Guardian High Yield | 203.4 | 204.2 | 0.8 |
| Oaktree High Yield | 379.2 | 370.0 | (9.3) |
| Domestic Equities | | | |
| Mellon S&P 500 | 1,435.9 | 1,822.5 | 386.6 |
| Mellon FTSE RAFI US Large Cap | 981.5 | 1,145.1 | 163.7 |
| RCM - Large Cap | 1,244.3 | 1,415.4 | 171.1 |
| GE Asset Mgmt | 483.2 | 555.7 | 72.5 |
| Mellon S&P 400 (prev 1000) | 218.0 | 230.5 | 12.4 |
| T Rowe Price | 132.4 | 175.8 | 43.5 |
| Jennison Associates LLC | 153.9 | 170.6 | 16.8 |
| RBC Asset Mgmt | 151.6 | 182.0 | 30.4 |
| Eagle Asset Mgmt | 146.9 | 168.2 | 21.4 |
| Pzena Investment Mgmt | 170.2 | 162.8 | (7.4) |
| Non-domestic Equities | | | |
| Mellon MSCI World-ex-USA | 1,903.8 | 1,976.0 | 72.2 |
| GE Asset Mgmt | 734.0 | 680.9 | (53.2) |
| Artio EAFE | 0.2 | 0.2 | (0.0) |
| Acadian Asset Mgmt | 472.5 | 481.9 | 9.4 |
| Capital Guardian EMGF | 1,347.5 | 1,037.1 | (310.4) |
| Mondrian Investment Partners | 664.7 | 659.8 | (4.9) |
| SSgA MSCI Emerging Markets | 228.3 | 233.2 | 4.9 |
| SSgA World ex-USA Small Cap | 219.5 | 208.4 | (11.1) |
| DFA International Large Cap | 1,075.5 | 1,037.4 | (38.1) |
| DFA International Small Company | 215.9 | 207.2 | (8.8) |
| DFA International Small Cap Value | 216.5 | 194.7 | (21.8) |
| Global Equities | | | |
| Lazard Asset Mgmt | 1,156.6 | 1,186.2 | 29.7 |
| McKinley Capital Mgmt | 584.2 | 612.7 | 28.5 |
| GMO Global | 1,150.1 | 1,143.3 | (6.8) |
| AQR Capital Mgmt | 845.8 | 867.9 | 22.1 |
| State Street MSCI World | 724.8 | 793.3 | 68.5 |
| Private Equity | | | |
| Pathway | 1,316.4 | 1,392.7 | 76.3 |
| HarbourVest | 125.2 | 125.5 | 0.3 |
| Public/Private Credit | | | |
| Crestline Credit Opportunities | 662.7 | 706.4 | 43.7 |
| Oaktree III Mezzanine Debt | 84.0 | 76.4 | (7.6) |
| Audax III Mezzanine Debt | 21.4 | 22.8 | 1.4 |
| Total Company Exposure | \$ 21,982.3 | \$ 22,902.8 | \$ 920.5 |

| | Cost | Market | Unrealized Gain(Loss) |
|--|--------------------|--------------------|--------------------------|
| REAL ASSETS | | | |
| Real Estate | | | |
| RE Direct Equity | \$ 3,323.2 | \$ 3,863.9 | \$ 540.6 |
| AEW Global RE Securities | 242.9 | 278.4 | 35.5 |
| TIPS | | | |
| In House TIPS | 529.7 | 578.9 | 49.1 |
| Alaska Permanent Capital Mgmt | 494.7 | 575.7 | 81.0 |
| Infrastructure | | | |
| | 682.0 | 821.7 | 139.8 |
| Total Real Assets | \$ 5,272.5 | \$ 6,118.6 | \$ 846.1 |
| OPPORTUNITY POOL | | | |
| CMBS and High Yield Debt | | | |
| In House CMBS | \$ 341.9 | \$ 364.5 | \$ 22.6 |
| Cap Guardian High Yield Emerging Markets Gov't | 417.0 | 411.5 | (5.5) |
| Emerging Markets Total Opportunities | | | |
| PIMCO EMAF | 405.0 | 343.8 | (61.2) |
| Capital Guardian ETOP | 200.3 | 183.3 | (17.1) |
| Absolute Return | | | |
| Lazard Alternatives | 305.9 | 356.5 | 50.6 |
| Mariner Investment Group | 1,000.9 | 1,087.0 | 86.1 |
| Crestline Investors | 886.1 | 976.6 | 90.5 |
| Credit Opportunities | | | |
| Oaktree Opportunities Fund VIII | 250.6 | 250.9 | 0.3 |
| External CIO/Real Return Mandate | | | |
| Bridgewater ECIO | 404.8 | 585.4 | 180.5 |
| AQR ECIO | 516.6 | 541.0 | 24.4 |
| GMO ECIO | 594.6 | 570.6 | (24.1) |
| Goldman Sachs ECIO | 529.7 | 564.2 | 34.5 |
| PIMCO ECIO | 538.5 | 566.1 | 27.6 |
| Total Opportunity Pool | \$ 6,392.0 | \$ 6,801.3 | \$ 409.3 |
| INTEREST RATES | | | |
| Domestic Government | | | |
| In House MBS | 284.9 | 303.2 | 18.3 |
| In House TBA Cash | 298.8 | 298.8 | 0.0 |
| In House Government Securities | 1,022.4 | 1,054.5 | 32.2 |
| International Government | | | |
| GAM International Mgmt | 395.3 | 411.6 | 16.3 |
| Rogge Global Partners | 440.9 | 472.0 | 31.1 |
| Total Interest Rates | \$ 2,442.3 | \$ 2,540.1 | \$ 97.8 |
| CASH | | | |
| Alaska CD Program | \$ 220.0 | \$ 220.7 | \$ 0.7 |
| Internal Cash | 398.9 | 398.9 | 0.0 |
| Total Cash | \$ 618.9 | \$ 619.6 | \$ 0.7 |
| TOTAL FUND | \$ 36,708.0 | \$ 38,982.3 | \$ 2,274.4 |