



# Wyoming State Treasurer's Office

## Alternative Investment Supplemental Disclosure

Period Ended: June 30, 2016



# TABLE OF CONTENTS

|   | <b>Page</b> |
|---|-------------|
| Executive Summary                         | 1           |
| Composite Performance & Cash Flow Summary | 4           |
| Asset Composite Report                    | 5           |
| Vintage Year Composite Report             | 6           |
| Fund Performance Report                   | 7           |
| Reconciliation with Traditional Report    | 8           |

General Comments

- Through this reporting period, Wyoming State Treasurer's Office has committed a total of \$1,601,905,520 to 13 non-marketable alternative investments.
- The average age of active investments (based upon vintage year and weighted by commitment) was 5.06 years.
- A total of \$1,517,696,596 has been called or otherwise contributed to date.
- Distributions have totaled \$805,536,859 since plan inception.
- The residual estimated value of interests in these partnerships/investments is \$1,128,033,533.
- Since inception net performance for the investments are as follows:
  - Annualized since-inception estimated Internal Rate of Return (IRR) of 10.70%.
  - Were an investment into the benchmark index (S&P 500 Index (Cap Wtd)) ("Index IRR") made with the identical cash-flow pattern, the resulting return would be equal to 8.71% indicating roughly 198 basis points of annualized out-performance.
  - For every \$1 paid into the portfolio, \$1.27 has been returned as a distribution or is held in residual value (multiple on invested capital = 1.27x).

### Hedge Funds - Opportunistic

- Hedge Funds - Opportunistic funds account for 28.09% of commitments, 29.65% of contributed funds, 24.80% of distributed funds, and 28.31% of reported residual value.
- Pooled portfolio since inception performance is as follows:
  - Annualized since-inception IRR of 8.33%
  - S&P 500 Index (Cap Wtd) IRR of 11.09%
  - A multiple on invested capital of 1.15x.

### Private Equity - Multi-Stage

- Private Equity - Multi-Stage funds account for 41.07% of commitments, 49.12% of contributed funds, 61.63% of distributed funds, and 47.00% of reported residual value.
- Pooled portfolio since inception performance is as follows:
  - Annualized since-inception IRR of 12.55%
  - S&P 500 Index (Cap Wtd) IRR of 6.76%
  - A multiple on invested capital of 1.38x.

### Private Equity - Venture

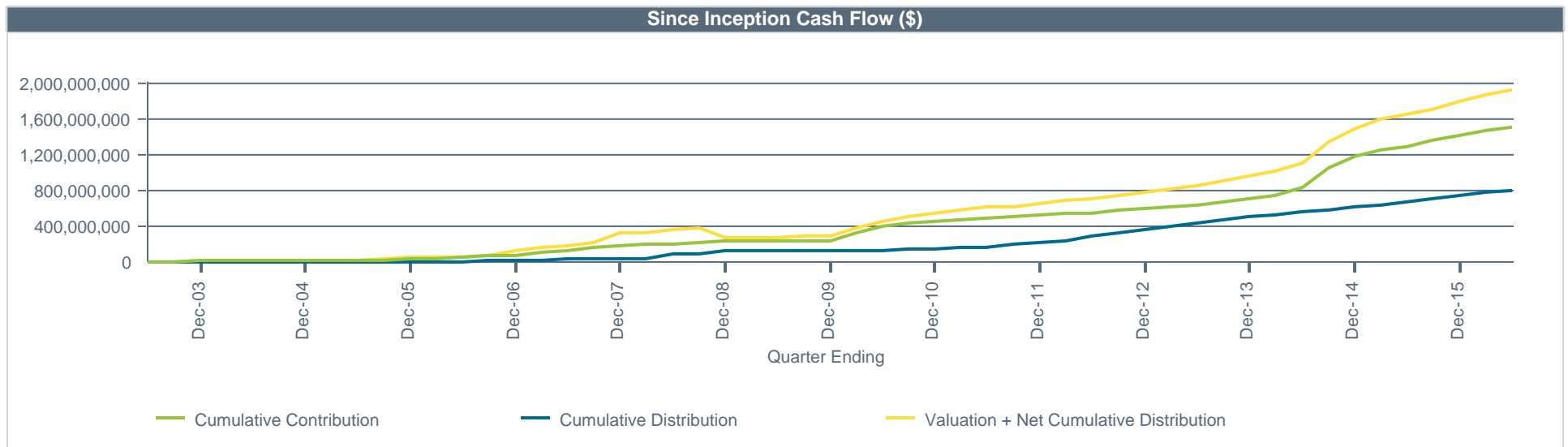
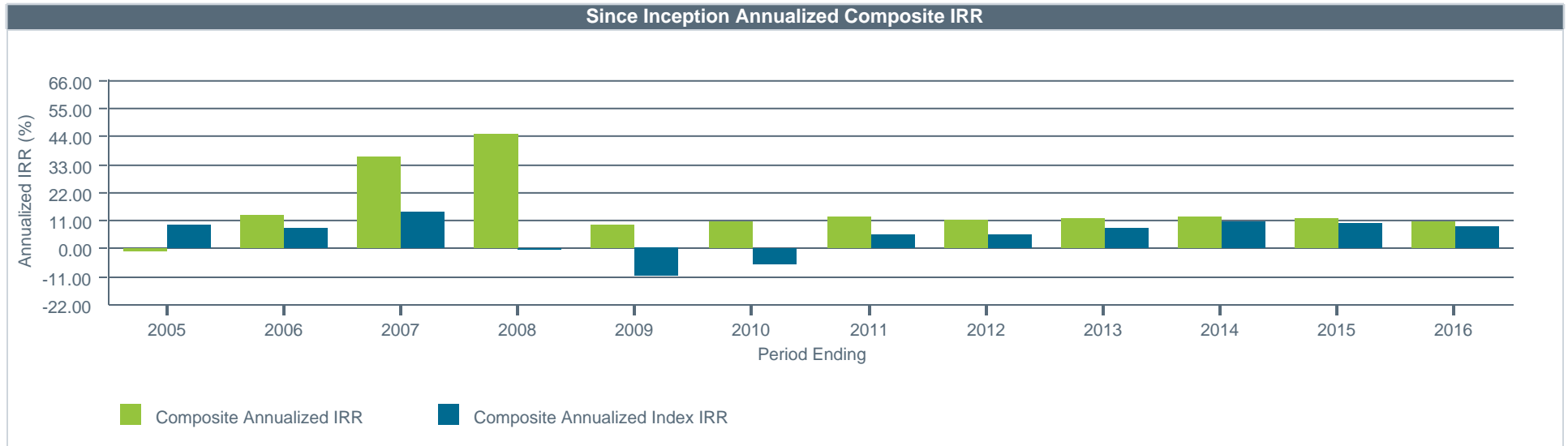
- Private Equity - Venture funds account for 0.62% of commitments, 0.66% of contributed funds, 0.34% of distributed funds, and 1.43% of reported residual value.
- Pooled portfolio since inception performance is as follows:
  - Annualized since-inception IRR of 12.57%
  - S&P 500 Index (Cap Wtd) IRR of 12.72%
  - A multiple on invested capital of 1.88x.

### Real Estate - Opportunistic

- Real Estate - Opportunistic funds account for 9.36% of commitments, 6.86% of contributed funds, 1.29% of distributed funds, and 10.16% of reported residual value.
- Pooled portfolio since inception performance is as follows:
  - Annualized since-inception IRR of 12.11%
  - S&P 500 Index (Cap Wtd) IRR of 6.87%
  - A multiple on invested capital of 1.20x.

Real Estate - Value Added

- Real Estate - Value Added funds account for 20.85% of commitments, 13.71% of contributed funds, 11.94% of distributed funds, and 13.10% of reported residual value.
- Pooled portfolio since inception performance is as follows:
  - Annualized since-inception IRR of 5.74%
  - S&P 500 Index (Cap Wtd) IRR of 11.25%
  - A multiple on invested capital of 1.17x.



Index IRR represents the dollar-weighted returns calculated using the S&P 500 Index (Cap Wtd) assuming an index investment with the same cash flow timing. This report may contain valuations for investments that are preliminary estimates of valuation as of the date of reporting which reflect the estimated impact of subsequent net cash contributions/distributions. These figures may be used in calculations contained in this report. IRRs are shown only for investments with one year or more of cash flows and for which an accurate IRR could be calculated.



## Alternative Investment Asset Class Composite Performance

| Asset Class                  | Commitment (\$)      | Paid In Capital (\$) | Distributions (\$) | Valuation (\$)       | Asset Class IRR (%) | Index IRR (%) | Asset Class Multiple |
|------------------------------|----------------------|----------------------|--------------------|----------------------|---------------------|---------------|----------------------|
| Hedge Funds - Opportunistic  | 450,000,000          | 450,000,000          | 199,748,121        | 319,292,351          | 8.33                | 11.09         | 1.15                 |
| Private Equity - Multi-Stage | 657,950,000          | 745,514,156          | 496,440,114        | 530,184,029          | 12.55               | 6.76          | 1.38                 |
| Private Equity - Venture     | 10,000,000           | 10,000,000           | 2,736,080          | 16,106,456           | 12.57               | 12.72         | 1.88                 |
| Real Estate - Opportunistic  | 150,000,000          | 104,160,978          | 10,415,043         | 114,627,906          | 12.11               | 6.87          | 1.20                 |
| Real Estate - Value Added    | 333,955,520          | 208,021,462          | 96,197,501         | 147,822,791          | 5.74                | 11.25         | 1.17                 |
|                              | <b>1,601,905,520</b> | <b>1,517,696,596</b> | <b>805,536,859</b> | <b>1,128,033,533</b> | <b>10.70</b>        | <b>8.71</b>   | <b>1.27</b>          |

Index IRR represents the dollar-weighted returns calculated using the S&P 500 Index (Cap Wtd) assuming an index investment with the same cash flow timing. IRRs are shown only for investments with one year or more of cash flows and for which an accurate IRR could be calculated. Applicable IRRs are marked with 'N/M' for not material. Asset Class IRR is the annualized since-inception net internal rate for the indicated fund or composite. This report may contain valuations for investments that are preliminary estimates of valuation as of the date of reporting which reflect the estimated impact of subsequent net cash contributions/distributions. These figures may be used in calculations contained in this report. Asset Class Multiple is the since inception sum of distributions and valuation divided by paid in capital.

Average Commitment-weighted Active Investment Age (in years): 5.06

| Vintage Year | Commitment (\$)      | Paid In Capital (\$) | Distributions (\$) | Valuation (\$)       | Vintage Year IRR (%) | Index IRR (%) | Vintage Year Multiple | Cumulative Multiple |
|--------------|----------------------|----------------------|--------------------|----------------------|----------------------|---------------|-----------------------|---------------------|
| 2003         | 257,950,000          | 534,163,426          | 461,289,247        | 330,414,518          | 12.84                | 6.73          | 1.48                  | 1.48                |
| 2006         | 25,000,000           | 25,000,000           | 8,302,138          | 24,707,134           | 4.17                 | 8.91          | 1.32                  | 1.47                |
| 2007         | 10,000,000           | 9,647,233            | 11,690,834         | 2,389,956            | 8.61                 | 11.20         | 1.46                  | 1.47                |
| 2009         | 150,000,000          | 150,000,000          | 199,748,121        | 0                    | 12.54                | 14.33         | 1.33                  | 1.44                |
| 2010         | 102,225,000          | 87,930,692           | 68,201,854         | 57,828,578           | 9.96                 | 13.51         | 1.43                  | 1.44                |
| 2013         | 656,730,520          | 410,955,245          | 56,304,665         | 393,400,996          | 7.52                 | 6.99          | 1.09                  | 1.33                |
| 2014         | 300,000,000          | 300,000,000          | 0                  | 319,292,351          | 3.82                 | 5.65          | 1.06                  | 1.27                |
| 2016         | 100,000,000          | 0                    | 0                  | 0                    | N/M                  | N/M           |                       | 1.27                |
| <b>TOTAL</b> | <b>1,601,905,520</b> | <b>1,517,696,596</b> | <b>805,536,859</b> | <b>1,128,033,533</b> | <b>10.70</b>         | <b>8.71</b>   |                       | <b>1.27</b>         |

Index IRR represents the dollar-weighted returns calculated using the S&P 500 Index (Cap Wtd) assuming an index investment with the same cash flow timing. IRRs are shown only for investments with one year or more of cash flows and for which an accurate IRR could be calculated. Applicable IRRs are marked with 'N/M' for not material. Vintage Year IRR is the annualized since-inception net internal rate for the indicated fund or composite. This report may contain valuations for investments that are preliminary estimates of valuation as of the date of reporting which reflect the estimated impact of subsequent net cash contributions/distributions. These figures may be used in calculations contained in this report. Vintage Year Multiple is the since inception sum of distributions and valuation divided by paid in capital. Cumulative Multiple is the since inception sum of distributions and valuation divided by paid in capital for all investments through the indicated vintage year.





Wyoming State Treasurer's Office  
Alternative Investment Fund Performance Listing

As of June 30, 2016

| Fund Name                                  | Vintage | Asset Class                  | Commitment             | Paid In Capital        | Distributions - Total | Distributions - Gain/Income | Distributions - ROC  | Valuation              | Fund IRR (%) | Quartile | Index IRR (%) | Fund Multiple |
|--|---------|------------------------------|------------------------|------------------------|-----------------------|-----------------------------|----------------------|------------------------|--------------|----------|---------------|---------------|
| Access Venture Partners II, LP             | 2006    | Private Equity - Venture     | \$10,000,000           | \$10,000,000           | \$2,736,080           | \$2,736,080                 | \$0                  | \$16,106,456           | 12.57        | 1st      | 12.72         | 1.88          |
| Cheyenne Capital Fund, LP                  | 2003    | Private Equity - Multi-Stage | \$257,950,000          | \$534,163,426          | \$461,289,247         | \$21,318,865                | \$439,970,382        | \$330,414,518          | 12.84        | 3rd      | 6.73          | 1.48          |
| Hamilton Lane Wyoming Nowood Fund, LP      | 2013    | Private Equity - Multi-Stage | \$200,000,000          | \$108,150,730          | \$30,950,867          | \$2,266,172                 | \$28,684,695         | \$79,401,224           | 2.11         | 4th      | 7.54          | 1.02          |
| Neuberger Berman Sauger Fund, LP           | 2013    | Private Equity - Multi-Stage | \$200,000,000          | \$103,200,000          | \$4,200,000           | \$0                         | \$4,200,000          | \$120,368,287          | 13.62        | 2nd      | 6.70          | 1.21          |
| Cornerstone Core Mortgage Fund I           | 2010    | Real Estate - Value Added    | \$27,225,000           | \$25,235,654           | \$22,885,837          | \$18,093,468                | \$4,792,369          | \$10,355,259           | 7.02         | N/A      | 13.89         | 1.32          |
| Heitman Value Partners II                  | 2007    | Real Estate - Value Added    | \$10,000,000           | \$9,647,233            | \$11,690,834          | \$5,369,704                 | \$6,321,129          | \$2,389,956            | 8.61         | N/A      | 11.20         | 1.46          |
| M&G Real Estate Debt Fund III              | 2013    | Real Estate - Value Added    | \$106,730,520          | \$95,443,537           | \$10,738,755          | \$5,947,831                 | \$4,790,924          | \$79,003,579           | -6.76        | N/A      | 7.04          | 0.94          |
| Northwood Real Estate Partners (Series IV) | 2013    | Real Estate - Opportunistic  | \$150,000,000          | \$104,160,978          | \$10,415,043          | \$3,096,269                 | \$7,318,774          | \$114,627,906          | 12.11        | N/A      | 6.87          | 1.20          |
| SC Core Fund                               | 2016    | Real Estate - Value Added    | \$100,000,000          | \$0                    | \$0                   | \$0                         | \$0                  | \$0                    | N/A          | N/A      | N/A           | N/A           |
| TA Realty VIII                             | 2006    | Real Estate - Value Added    | \$15,000,000           | \$15,000,000           | \$5,566,058           | \$1,384,134                 | \$4,181,924          | \$8,600,678            | -0.74        | N/A      | 7.41          | 0.94          |
| WestRiver RE Finance Fund                  | 2010    | Real Estate - Value Added    | \$75,000,000           | \$62,695,038           | \$45,316,017          | \$20,107,018                | \$25,208,999         | \$47,473,319           | 11.32        | N/A      | 13.3          | 1.48          |
| Grosvenor Silvery Lupine Fund, LLC         | 2014    | Hedge Funds - Opportunistic  | \$300,000,000          | \$300,000,000          | \$0                   | \$0                         | \$0                  | \$319,292,351          | 3.82         | N/A      | 5.65          | 1.06          |
| Grosvenor Global Recovery Fund, Ltd.       | 2009    | Hedge Funds - Opportunistic  | \$150,000,000          | \$150,000,000          | \$199,748,121         | \$47,985,542                | \$151,762,578        | \$0                    | 12.54        | N/A      | 14.33         | 1.33          |
| <b>TOTAL</b>                               |         |                              | <b>\$1,601,905,520</b> | <b>\$1,517,696,596</b> | <b>\$805,536,859</b>  | <b>\$128,305,084</b>        | <b>\$677,231,775</b> | <b>\$1,128,033,533</b> | <b>10.70</b> |          | <b>8.71</b>   | <b>1.27</b>   |

M&G commitment is converted using the noon New York City Federal exchange rate as of the report date. Index IRR represents the dollar-weighted returns calculated using the S&P 500 Index (Cap Wtd) assuming an index investment with the same cash flow timing. IRRs are shown only for investments with one year or more of cash flows and for which an accurate IRR could be calculated. Applicable IRRs are marked with 'N/M' for not material. Fund IRR is the annualized since-inception net internal rate for the indicated fund or composite. Fund Multiple is the since inception sum of distributions and valuation divided by paid in capital. Quartile data is based on information provided by Thomson Reuters.

Cheyenne Capital Fund valuations set forth herein could be materially different once underlying investments are realized. Market conditions at the time of exit could be substantially different than at the reporting period, resulting in valuations different than those represented above. Fund valuations shown above may differ from the traditional investment performance report due to the exclusion of assets held in cash. Valuation shown for Grosvenor Silvery Lupine Fund will differ from the traditional investment performance report, as the valuation reflected therein is not on a one-quarter lag due to the nature of this particular investment. Non-recallable return of capital distributions are included in Distribution - Gain/Income as they do not reduce the remaining fund commitment. Paid In Capital is adjusted for closing true-ups and closing fee remittances. Grosvenor Global Recovery Fund paid its final distribution in June 2015.



Wyoming State Treasurer's Office  
Alternative Investment Fund Performance Listing

As of September 30, 2016

| Fund Name                                  | Vintage | Asset Class                  | Commitment             | As of 06/30/2016       |                       |                        | Quarter To Date Ending 09/30/2016 |                       |                        |
|--|---------|------------------------------|------------------------|------------------------|-----------------------|------------------------|-----------------------------------|-----------------------|------------------------|
|  |         |                              |                        | Paid In Capital        | Distributions - Total | Valuation              | Paid In Capital                   | Distributions - Total | Valuation              |
| Access Venture Partners II, LP             | 2006    | Private Equity - Venture     | \$10,000,000           | \$10,000,000           | \$2,736,080           | \$16,106,456           | \$0                               | \$0                   | \$16,061,261           |
| Cheyenne Capital Fund, LP                  | 2003    | Private Equity - Multi-Stage | \$257,950,000          | \$534,163,426          | \$461,289,247         | \$330,414,518          | \$15,114,849                      | \$17,709,375          | \$327,819,992 *        |
| Hamilton Lane Wyoming Nowood Fund, LP      | 2013    | Private Equity - Multi-Stage | \$200,000,000          | \$108,150,730          | \$30,950,867          | \$79,401,224           | \$2,405,029                       | \$1,806,911           | \$82,527,333 *         |
| Neuberger Berman Sauger Fund, LP           | 2013    | Private Equity - Multi-Stage | \$200,000,000          | \$103,200,000          | \$4,200,000           | \$120,368,287          | \$2,000,000                       | \$800,000             | \$123,168,292 *        |
| Cornerstone Core Mortgage Fund I           | 2010    | Real Estate - Value Added    | \$27,225,000           | \$25,235,654           | \$22,885,837          | \$10,355,259           | \$0                               | \$185,486             | \$10,256,198           |
| Heitman Value Partners II                  | 2007    | Real Estate - Value Added    | \$10,000,000           | \$9,647,233            | \$11,690,834          | \$2,389,956            | \$0                               | \$916,250             | \$1,536,196            |
| M&G Real Estate Debt Fund III              | 2013    | Real Estate - Value Added    | \$106,730,520          | \$95,443,537           | \$10,738,755          | \$79,003,579           | \$2,980,228                       | \$1,757,826           | \$80,192,761           |
| Northwood Real Estate Partners (Series IV) | 2013    | Real Estate - Opportunistic  | \$150,000,000          | \$104,160,978          | \$10,415,043          | \$114,627,906          | \$4,089,811                       | \$29,103,509          | \$93,483,760           |
| SC Core Fund                               | 2016    | Real Estate - Value Added    | \$100,000,000          | \$0                    | \$0                   | \$0                    | \$18,800,984                      | \$0                   | \$19,631,220           |
| TA Realty VIII                             | 2006    | Real Estate - Value Added    | \$15,000,000           | \$15,000,000           | \$5,566,058           | \$8,600,678            | \$0                               | \$430,476             | \$8,402,693            |
| WestRiver RE Finance Fund                  | 2010    | Real Estate - Value Added    | \$75,000,000           | \$62,695,038           | \$45,316,017          | \$47,473,319           | \$0                               | \$479,388             | \$48,315,111           |
| Grosvenor Silvery Lupine Fund, LLC         | 2014    | Hedge Funds - Opportunistic  | \$300,000,000          | \$300,000,000          | \$0                   | \$319,292,351          | \$0                               | \$0                   | \$330,342,339          |
| Grosvenor Global Recovery Fund, Ltd.       | 2009    | Hedge Funds - Opportunistic  | \$150,000,000          | \$150,000,000          | \$199,748,121         | \$0                    | \$0                               | \$0                   | \$0                    |
| <b>TOTAL</b>                               |         |                              | <b>\$1,601,905,520</b> | <b>\$1,517,696,596</b> | <b>\$805,536,859</b>  | <b>\$1,128,033,533</b> | <b>\$45,390,900</b>               | <b>\$53,189,221</b>   | <b>\$1,141,737,157</b> |

M&G commitment is converted using the noon New York City Federal exchange rate on the date of the report, while M&G cash flows are converted on the date of the flow. Valuation shown for Neuberger Berman Sauger as of the current quarter-end includes a distribution payable in the month following quarter-end.

Cheyenne Capital Fund valuations set forth herein could be materially different once underlying investments are realized. Market conditions at the time of exit could be substantially different than at the reporting period, resulting in valuations different than those represented above. Fund valuations as of June 30, 2016 shown above may differ from the traditional investment performance report due to the exclusion of assets held in cash. Paid In Capital is adjusted for closing true-ups and closing fee remittances. Expense Contributions included in Paid In Capital and Income/Gain Distributions included in Distributions - Total are not reflected in preliminary valuations. All valuations shown for fiscal year-end are finalized and include unrealized appreciation. Grosvenor Global Recovery Fund paid its final distribution in June 2015.

PORTLAND

CHICAGO

NEW YORK

**Disclaimer of Warranties and Limitation of Liability** - This document was prepared by RVK, Inc. (RVK) and may include information and data from some or all of the following sources: client staff; custodian banks; investment managers; specialty investment consultants; actuaries; plan administrators/record-keepers; index providers; as well as other third-party sources as directed by the client or as we believe necessary or appropriate. RVK has taken reasonable care to ensure the accuracy of the information or data, but makes no warranties and disclaims responsibility for the accuracy or completeness of information or data provided or methodologies employed by any external source. This document is provided for the client's internal use only and does not constitute a recommendation by RVK or an offer of, or a solicitation for, any particular security and it is not intended to convey any guarantees as to the future performance of the investment products, asset classes, or capital markets.

