September 20, 2010

Michael E. Marshall  
Secretary of the Senate  
State Capitol Building  
Des Moines IA 50319

Mark Brandsgard  
Chief Clerk of the House  
State Capitol Building  
Des Moines IA 50319

Re: Annual Report – Sudan Divestment

Dear Members of the Iowa General Assembly:

Enclosed is the Board of Regents' report for the fiscal year ended June 30, 2010, on divestment activities related to companies doing business in the Sudan. This annual report is required by section 12F.5 of the Code of Iowa.

Sincerely,

Robert Donley
Board of Regents, State of Iowa

A. Total Universe of Companies Per Conflict Resolution Network
   (formerly Sudan Divestment Task Force)

B. Summary of all written notices sent

C. Total Positions Divested

As of: June 30, 2010
<table>
<thead>
<tr>
<th>COMPANY</th>
<th>CATEGORY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  Alstom (FRANCE)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>2  AREF Investment Group Co (KUWAIT)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>3  AviChina Industry &amp; Technology Co Ltd (CHINA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>4  China Hydraulic &amp; Hydroelectric Construction Group aka Sinohydro (CHINA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>5  China National Petroleum Corp-CNPC (CHINA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>6  China North Industries Group Corp aka CNGC/NORINCO (CHINA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>7  China Petrochemical Corporation aka Sinopec Group (CHINA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>8  Dongfeng Automobile Co, Ltd. (CHINA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>9  Egypt Kuwait Holding Co (KUWAIT)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>10 Electricity Generating Company - EGCO (THAILAND)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>11 Glencore International AG (SWITZERLAND)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>12 Indian Oil Corp Ltd (INDIA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>13 Jiangxi Hongdu Aviation Industry Co. Ltd. (CHINA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>14 JX Holdings Inc (JAPAN)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>15 Managem (Morocco)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>16 Mercator Lines (INDIA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>17 Oil &amp; Natural Gas Corp LTD aka ONGC (INDIA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>18 Oil India Limited (INDIA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>19 Petrolim Nasional Berhad (Petronas) (MALAYSIA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>20 PTT Public Company Ltd. (THAILAND)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>21 Ranhill Berhad (MALAYSIA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>22 Scomi Group Berhad (MALAYSIA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>23 Seadrill Ltd (BERMUDA)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>24 Trafigura Beheer B.V. (NETHERLANDS)</td>
<td>Highest Offender</td>
</tr>
<tr>
<td>25 Andritz AG (Austria)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>26 Atlas Copco AB (SWEDEN)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>27 Bharat Electronics Limited (INDIA)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>28 Bharat Heavy Electricals Ltd (INDIA)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>29 China Poly Group Corporation (CHINA)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>30 Citadel Capital (EGYPT)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>31 Essar Oil (India)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>32 GAZ Group (Russia)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>33 Harbin Power Equipment Limited (China)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>34 Kamaz (RUSSIA)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>35 MAN SE (GERMANY)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>36 Saras S.p.A (ITALY)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>37 Shanghai Electric Group Co. Ltd (CHINA)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>38 Wartsila Oy (Finland)</td>
<td>Ongoing Engagement</td>
</tr>
<tr>
<td>39 La Mancha Resources (Canada)</td>
<td>Substantial Action (sub-category of Ongoing)</td>
</tr>
<tr>
<td>40 Schlumberger (Texas, USA)</td>
<td>Substantial Action (sub-category of Ongoing)</td>
</tr>
<tr>
<td>41 Petrofac (UK)</td>
<td>Substantial Action (sub-category of Ongoing)</td>
</tr>
<tr>
<td>42 Total SA (FRANCE)</td>
<td>Inactive (sub-category of Ongoing)</td>
</tr>
</tbody>
</table>
B. Summary of all written notices

Each Quarter

Board of Regents notified Regent Institutions of Sudan Divestment Task Force document valid for the quarter ended that lists scrutinized companies. Institutions asked to identify any of these companies within their investment holdings. Institutions responded.

The following chart summarizes the number of companies contacted in fiscal year 2010 pursuant of chapter 12F

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 30, 2009</td>
<td>8</td>
</tr>
<tr>
<td>December 31, 2009</td>
<td>0</td>
</tr>
<tr>
<td>March 31, 2010</td>
<td>2</td>
</tr>
<tr>
<td>June 30, 2010</td>
<td>0</td>
</tr>
</tbody>
</table>

October 1, 2010

File annual report
Post notice on Regents website that Sudan Divestment annual report has been filed and is available upon request.

List of Board of Regents "Scrutinized Companies"

As of June 30, 2010

<table>
<thead>
<tr>
<th>Company</th>
<th>Letters Mailed</th>
<th>Category</th>
<th>Direct Holding</th>
<th>Indirect Holding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alstom (France)</td>
<td>1st Qtr</td>
<td>Highest Offender</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>China Petrochemical Corporation</td>
<td>1st Qtr</td>
<td>Highest Offender</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Dongfeng Motor Group (China)</td>
<td>1st Qtr</td>
<td>Highest Offender</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>China National Petroleum Corp</td>
<td>1st Qtr</td>
<td>Highest Offender</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Egypt Kuwait Holding Co</td>
<td>1st Qtr</td>
<td>Highest Offender</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Petrolim Nasional (Malaysia)</td>
<td>1st Qtr</td>
<td>Highest Offender</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>PTT Public Co Ltd (Thailand)</td>
<td>1st Qtr</td>
<td>Highest Offender</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Seadrill Ltd (Bermuda)</td>
<td>1st Qtr</td>
<td>Highest Offender</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>JX Holding Inc.</td>
<td>3rd Qtr</td>
<td>Highest Offender</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Manager</td>
<td>3rd Qtr</td>
<td>Highest Offender</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

Companies deemed “Inactive” by the Sudan Divestment Task Force are not subject to divestment. Letters are sent annually.
C. Total Positions Divested

<table>
<thead>
<tr>
<th>Company</th>
<th>Security</th>
<th>Manager</th>
<th>Category</th>
<th>Active/Inactive</th>
<th>Shares</th>
<th>Book Cost</th>
<th>Principal Rec'd</th>
<th>Gain/Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Average Cost of the shares
Proceeds
Difference between Cost of shares and Sale of shares:

No funds required divestment