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*Board of Regents – State of Iowa  
Executive Summary of Investment Performance  
Quarter Ending September 30, 2012*

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## Operating Portfolios

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## Short-Term Fixed Income Portfolio

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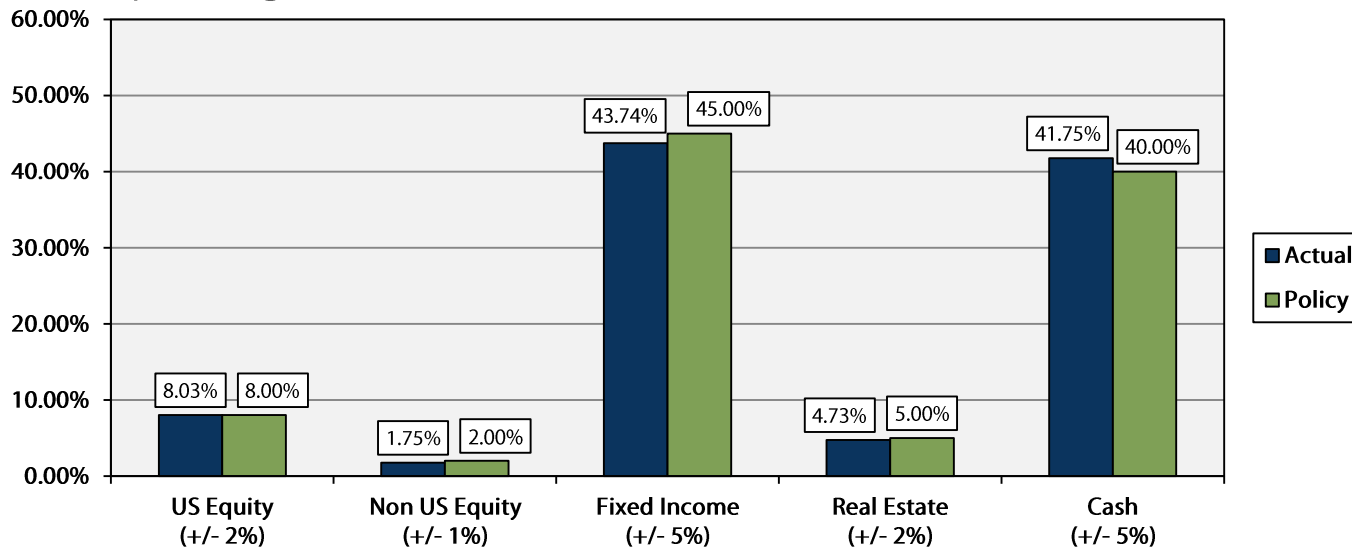
*Section 1*  
*Operating Portfolios*

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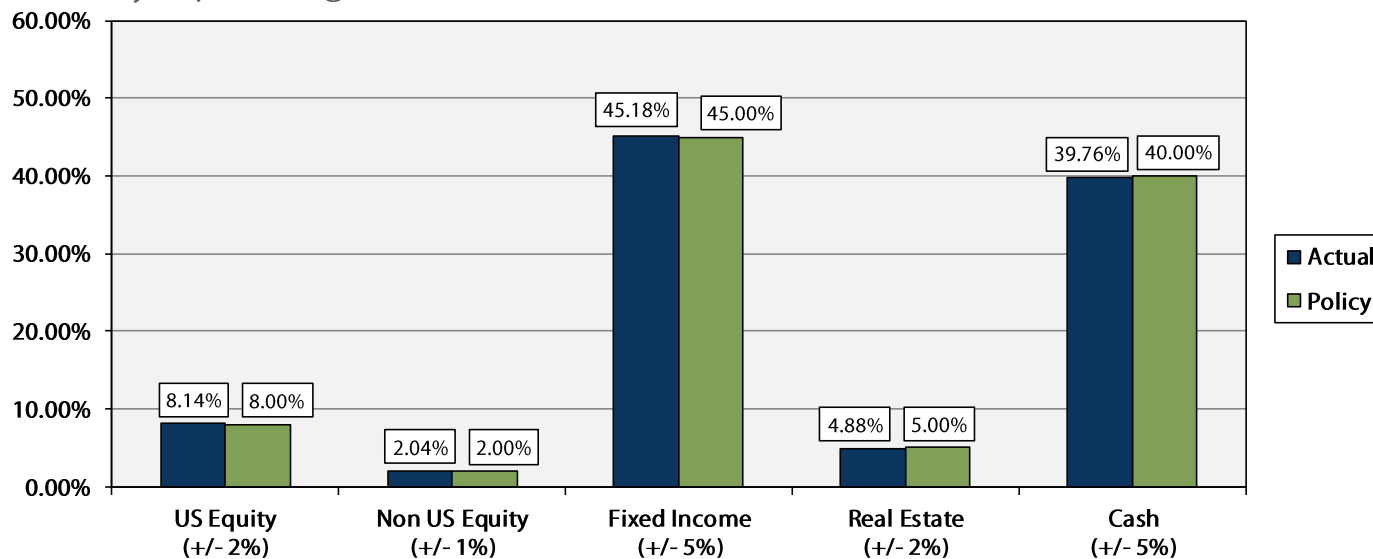
# Asset Allocation

Quarter Ending September 30, 2012

## University of Iowa Operating Portfolio



## Iowa State University Operating Portfolio





# Asset Allocation



Quarter Ending September 30, 2012

## University of Iowa Operating Portfolio

Manager / Asset Class	Market Value (000's)	Asset Allocation		
		Total Fund		Structure
		Actual	Policy	Actual
Vanguard Total Stock Market	\$85,720	8.03%		100.00%
<b>TOTAL US EQUITY</b>	<b>\$85,720</b>	<b>8.03%</b>	<b>8.00%</b>	<b>100.00%</b>
Vanguard AW Ex-US Index	\$18,729	1.75%		100.00%
<b>TOTAL NON-US EQUITY</b>	<b>\$18,729</b>	<b>1.75%</b>	<b>2.00%</b>	<b>100.00%</b>
Vanguard High Yield	\$53,678	5.02%	5.00%	11.48%
Vanguard Inflation Protected	\$104,621	9.79%	10.00%	22.37%
Vanguard Total Bond Market	\$309,283	28.93%	30.00%	66.15%
<b>TOTAL FIXED INCOME</b>	<b>\$467,582</b>	<b>43.74%</b>	<b>45.00%</b>	<b>100.00%</b>
Vanguard REIT	\$50,605	4.73%		100.00%
<b>TOTAL REAL ESTATE</b>	<b>\$50,605</b>	<b>4.73%</b>	<b>5.00%</b>	<b>100.00%</b>
<b>TOTAL CASH<sup>1</sup></b>	<b>\$446,289</b>	<b>41.75%</b>	<b>40.00%</b>	<b>100.00%</b>
<b>TOTAL FUND</b>	<b>\$1,068,925</b>	<b>100.00%</b>	<b>100.00%</b>	<b>--</b>

## Iowa State University Operating Portfolio

Manager / Asset Class	Market Value (000's)	Asset Allocation		
		Total Fund		Structure
		Actual	Policy	Actual
Vanguard Total Stock Market	\$18,361	8.14%		100.00%
<b>TOTAL US EQUITY</b>	<b>\$18,361</b>	<b>8.14%</b>	<b>8.00%</b>	<b>100.00%</b>
Vanguard AW Ex-US Index	\$4,604	2.04%		100.00%
<b>TOTAL NON-US EQUITY</b>	<b>\$4,604</b>	<b>2.04%</b>	<b>2.00%</b>	<b>100.00%</b>
Vanguard High Yield	\$11,378	5.04%	5.00%	11.16%
Vanguard Inflation Protected	\$22,665	10.04%	10.00%	22.23%
Vanguard Total Bond Market	\$67,932	30.10%	30.00%	66.62%
<b>TOTAL FIXED INCOME</b>	<b>\$101,975</b>	<b>45.18%</b>	<b>45.00%</b>	<b>100.00%</b>
Vanguard REIT	\$11,019	4.88%		100.00%
<b>TOTAL REAL ESTATE</b>	<b>\$11,019</b>	<b>4.88%</b>	<b>5.00%</b>	<b>100.00%</b>
<b>TOTAL CASH<sup>2</sup></b>	<b>\$89,720</b>	<b>39.76%</b>	<b>40.00%</b>	<b>100.00%</b>
<b>TOTAL FUND</b>	<b>\$225,679</b>	<b>100.00%</b>	<b>100.00%</b>	<b>--</b>

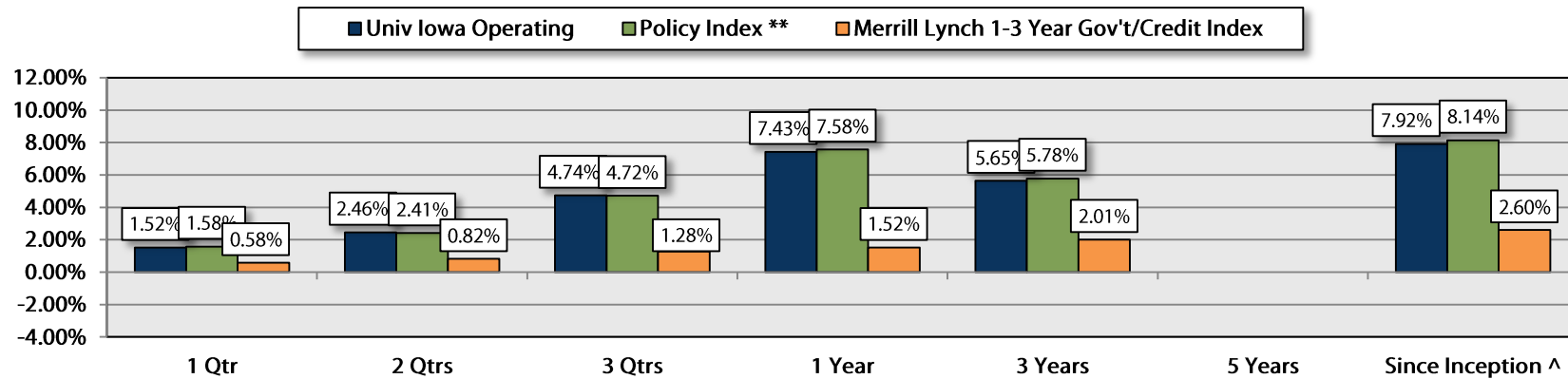
<sup>1</sup>Total Cash is comprised of four cash accounts: Vanguard Prime Money Market, BlackRock Money Market, Federated Prime Value Obligations Money Market, and SSGA Liquid Reserves Money Market.

<sup>2</sup>Total Cash is comprised of two cash accounts: Vanguard Prime Money Market and Great Western Bank Money Market.

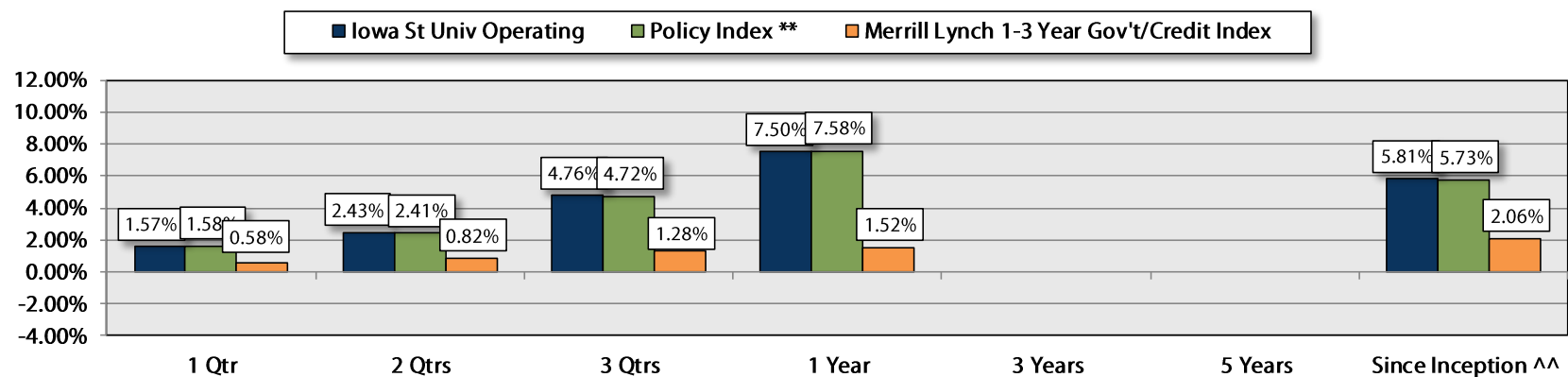
# Investment Performance – Total Fund \*

Quarter Ending September 30, 2012

## University of Iowa Operating Portfolio



## Iowa State University Operating Portfolio



\* Net of Fees

\*\* 8.0% MSCI US Broad Market, 2.0% FTSE All World Ex-US, 30.0% Barclays US Aggregate, 10.0% Barclays US TIPS, 5.0% Barclays High Yield, 5.0% MSCI US REIT, 40% 91-Day US Treasury Bill

^ University of Iowa Operating Inception 03/31/2009

^^ Iowa State Operating Inception 12/31/2009

# Investment Performance – US Equity \*



Quarter Ending September 30, 2012

Manager	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>UNIVERSITY OF IOWA OPERATING PORTFOLIO</b>									
Vanguard Total Stock Market Fund	6.24%	2.86%	16.18%	30.24%	13.38%			21.67%	03/31/09
MSCI US Broad Market Index	6.24%	2.88%	16.20%	30.28%	13.40%			21.67%	
Value Added	+0.00%	-0.02%	-0.02%	-0.04%	-0.02%			+0.00%	
<b>IOWA STATE UNIVERSITY OPERATING PORTFOLIO</b>									
Vanguard Total Stock Market Fund	6.24%	2.86%	16.18%	30.24%				12.33%	12/31/09
MSCI US Broad Market Index	6.24%	2.88%	16.20%	30.28%				12.36%	
Value Added	+0.00%	-0.02%	-0.02%	-0.04%				-0.03%	

\* Net of Fees

# Investment Performance – Non-US Equity \*



Quarter Ending September 30, 2012

Manager	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>UNIVERSITY OF IOWA OPERATING PORTFOLIO</b>									
Vanguard AW Ex-US Index Fund	6.94%	-0.99%	10.81%	15.85%	3.15%			16.10%	03/31/09
FTSE All World Ex-US Index	7.64%	-0.44%	11.03%	15.12%	3.65%			16.72%	
<b>Value Added</b>	<b>-0.70%</b>	<b>-0.55%</b>	<b>-0.22%</b>	<b>+0.73%</b>	<b>-0.50%</b>			<b>-0.62%</b>	
<b>IOWA STATE UNIVERSITY OPERATING PORTFOLIO</b>									
Vanguard AW Ex-US Index Fund	6.90%	-1.08%	10.68%	15.60%				2.10%	12/31/09
FTSE All World Ex-US Index	7.64%	-0.44%	11.03%	15.12%				2.62%	
<b>Value Added</b>	<b>-0.74%</b>	<b>-0.64%</b>	<b>-0.35%</b>	<b>+0.48%</b>				<b>-0.52%</b>	

\* Net of Fees

# Investment Performance – Fixed Income \*



Quarter Ending September 30, 2012

Manager	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>UNIVERSITY OF IOWA OPERATING PORTFOLIO</b>									
<b>Vanguard High Yield Fund</b>	4.18%	6.43%	11.06%	17.82%	12.09%			17.95%	03/31/09
Barclays High Yield Index	4.53%	6.45%	12.12%	19.37%	12.90%			22.30%	
<b>Value Added</b>	<b>-0.35%</b>	<b>-0.02%</b>	<b>-1.06%</b>	<b>-1.55%</b>	<b>-0.81%</b>			<b>-4.35%</b>	
<b>Vanguard Inflation Protected Sec Fund</b>	2.17%	5.49%	6.26%	9.06%	9.29%			8.95%	03/31/09
Barclays US TIPS Index	2.12%	5.34%	6.25%	9.10%	9.29%			9.05%	
<b>Value Added</b>	<b>+0.05%</b>	<b>+0.15%</b>	<b>+0.01%</b>	<b>-0.04%</b>	<b>+0.00%</b>			<b>-0.10%</b>	
<b>Vanguard Total Bond Market Fund</b>	1.57%	3.78%	4.07%	5.08%	6.16%			6.90%	03/31/09
Barclays Aggregate Index	1.59%	3.68%	4.00%	5.16%	6.19%			6.93%	
<b>Value Added</b>	<b>-0.02%</b>	<b>+0.10%</b>	<b>+0.07%</b>	<b>-0.08%</b>	<b>-0.03%</b>			<b>-0.03%</b>	
<b>IOWA STATE UNIVERSITY OPERATING PORTFOLIO</b>									
<b>Vanguard High Yield Fund</b>	4.18%	6.41%	11.04%	17.80%				11.39%	12/31/09
Barclays High Yield Index	4.53%	6.45%	12.12%	19.37%				11.68%	
<b>Value Added</b>	<b>-0.35%</b>	<b>-0.04%</b>	<b>-1.08%</b>	<b>-1.57%</b>				<b>-0.29%</b>	
<b>Vanguard Inflation Protected Sec Fund</b>	2.17%	5.49%	6.26%	9.06%				9.43%	12/31/09
Barclays US TIPS Index	2.12%	5.34%	6.25%	9.10%				9.47%	
<b>Value Added</b>	<b>+0.05%</b>	<b>+0.15%</b>	<b>+0.01%</b>	<b>-0.04%</b>				<b>-0.04%</b>	
<b>Vanguard Total Bond Market Fund</b>	1.56%	3.77%	4.05%	5.06%				6.68%	12/31/09
Barclays Aggregate Index	1.59%	3.68%	4.00%	5.16%				6.69%	
<b>Value Added</b>	<b>-0.03%</b>	<b>+0.09%</b>	<b>+0.05%</b>	<b>-0.10%</b>				<b>-0.01%</b>	

\* Net of Fees

# Investment Performance – Real Estate \*



Quarter Ending September 30, 2012

Manager	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>UNIVERSITY OF IOWA OPERATING PORTFOLIO</b>									
Vanguard REIT Index Fund	-0.04%	3.75%	14.87%	32.39%	20.54%			37.71%	03/31/09
MSCI US REIT Index	0.01%	3.76%	14.90%	32.45%	20.52%			37.74%	
<b>Value Added</b>	<b>-0.05%</b>	<b>-0.01%</b>	<b>-0.03%</b>	<b>-0.06%</b>	<b>+0.02%</b>			<b>-0.03%</b>	
<b>IOWA STATE UNIVERSITY OPERATING PORTFOLIO</b>									
Vanguard REIT Index Fund	-0.04%	3.75%	14.87%	32.39%				18.75%	12/31/09
MSCI US REIT Index	0.01%	3.76%	14.90%	32.45%				18.76%	
<b>Value Added</b>	<b>-0.05%</b>	<b>-0.01%</b>	<b>-0.03%</b>	<b>-0.06%</b>				<b>-0.01%</b>	

\* Net of Fees

# Investment Performance – Cash \*



Quarter Ending September 30, 2012

Manager	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>UNIVERSITY OF IOWA OPERATING PORTFOLIO</b>									
<b>Vanguard Prime Money Market Fund</b>	0.03%	0.05%	0.08%	0.11%	0.16%			0.21%	03/31/09
91-Day Treasury Bill	0.03%	0.06%	0.07%	0.07%	0.11%			0.13%	
<b>Value Added</b>	+0.00%	-0.01%	+0.01%	+0.04%	+0.05%			+0.08%	
<b>BlackRock Money Market</b>	0.03%	0.08%	0.11%	0.14%				0.15%	03/31/10
91-Day Treasury Bill	0.03%	0.06%	0.07%	0.07%				0.11%	
<b>Value Added</b>	+0.00%	+0.02%	+0.04%	+0.07%				+0.04%	
<b>Federated Prime Value Obligations</b>	0.05%	0.10%	0.16%	0.21%				0.19%	03/31/10
91-Day Treasury Bill	0.03%	0.06%	0.07%	0.07%				0.11%	
<b>Value Added</b>	+0.02%	+0.04%	+0.09%	+0.14%				+0.08%	
<b>SSGA Liquid Reserves</b>	0.05%	0.10%	0.15%	0.19%				0.19%	09/30/11
91-Day Treasury Bill	0.03%	0.06%	0.07%	0.07%				0.07%	
<b>Value Added</b>	+0.02%	+0.04%	+0.08%	+0.12%				+0.12%	
<b>IOWA STATE UNIVERSITY OPERATING PORTFOLIO</b>									
<b>Great Western Bank Money Market</b>	0.10%	0.20%	0.31%	0.39%				0.40%	12/31/09
91-Day Treasury Bill	0.03%	0.06%	0.07%	0.07%				0.11%	
<b>Value Added</b>	+0.07%	+0.14%	+0.24%	+0.32%				+0.29%	
<b>Vanguard Prime Money Market Fund</b>	0.03%	0.05%	0.08%	0.11%				0.11%	09/30/11
91-Day Treasury Bill	0.03%	0.06%	0.07%	0.07%				0.07%	
<b>Value Added</b>	+0.00%	-0.01%	+0.01%	+0.04%				+0.04%	

\* Net of Fees

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# *Section 2*

## *Short-Term Fixed Income Portfolio*

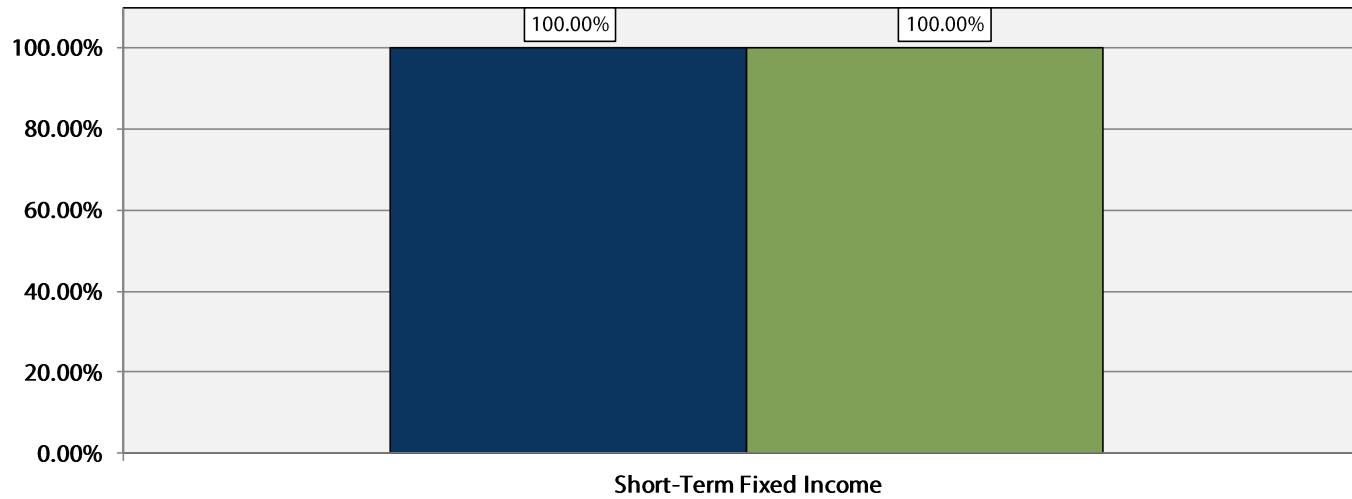
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# Asset Allocation

Quarter Ending September 30, 2012

University of Iowa Short-Term Fixed Income Portfolio



# Asset Allocation

Quarter Ending September 30, 2012

University of Iowa Short-Term Fixed Income Portfolio

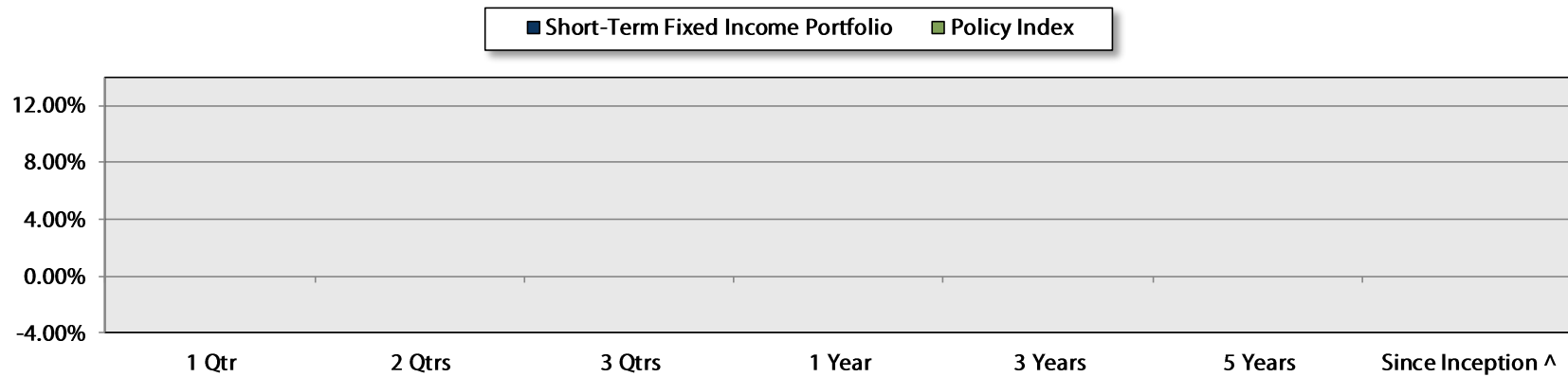
Manager / Asset Class	Market Value (000's)	Asset Allocation		
		Total Fund		Structure
		Actual	Policy	Actual
PIMCO Low Duration Fund II	\$5,018	20.03%		20.03%
Vanguard Short-Term Investment Grade Fund	\$5,022	20.05%		20.05%
DFA One-Year Fixed Income Portfolio	\$15,007	59.92%		59.92%
<b>TOTAL SHORT-TERM FIXED INCOME</b>	<b>\$25,047</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<b>TOTAL FUND</b>	<b>\$25,047</b>	<b>100.00%</b>	<b>100.00%</b>	<b>--</b>

# Investment Performance – Total Fund \*



Quarter Ending September 30, 2012

University of Iowa Short-Term Fixed Income Portfolio



# Investment Performance – Fixed Income \*



Quarter Ending September 30, 2012

Manager / Composite	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>Intermediate Term Portfolio</b>									
<b>PIMCO Low Duration Fund II</b> BOA Merrill Lynch 1-3 Year U.S. Treasury Index <b>Value Added</b>									09/30/12
<b>Vanguard Short-Term Investment Grade Fund</b> Barclays U.S. 1-5 Year Credit Index <b>Value Added</b>									09/30/12
<b>DFA One-Year Fixed Income Portfolio</b> BOA Merrill Lynch 1 Year Treasury Note Index <b>Value Added</b>									09/30/12
<b>Short-Term Fixed Income Composite</b> Policy Index <b>Value Added</b>									09/30/12

\* Net of Fees

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# *Section 2*

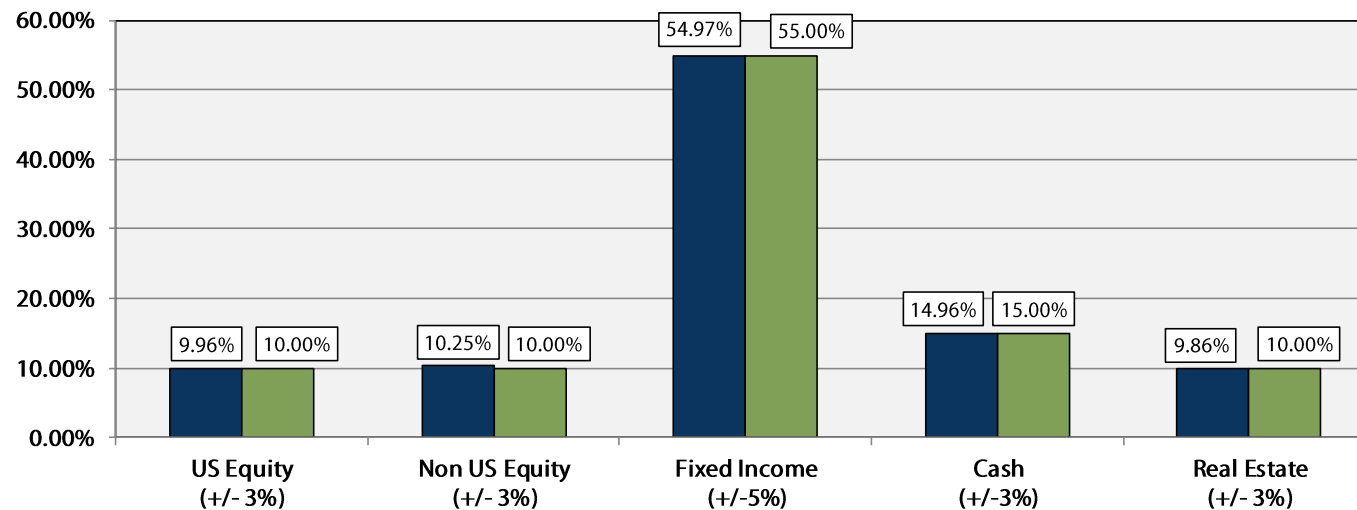
## *Intermediate Term Portfolios*

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# Asset Allocation

Quarter Ending September 30, 2012

University of Iowa Intermediate Term Portfolio



A new policy asset allocation was approved by the Board of Regents on 2/2/2011 reflecting the intermediate term investment horizon for the Quasi-Endowment portfolio. Upon implementation the asset allocation policy will be as followed commencing on June 30, 2011: 10% Dow Jones U.S. Total Stock Market Index, 10% MSCI ACWI ex-US Index, Dow Jones U.S. Select REIT Index, 40% Barclays U.S. Aggregate Bond Index, 5% Barclays U.S. High Yield Index, 10% Barclays U.S. TIPS Index, and 15% 91-Day T-Bill Index.

# Asset Allocation

Quarter Ending September 30, 2012

University of Iowa Intermediate Term Portfolio

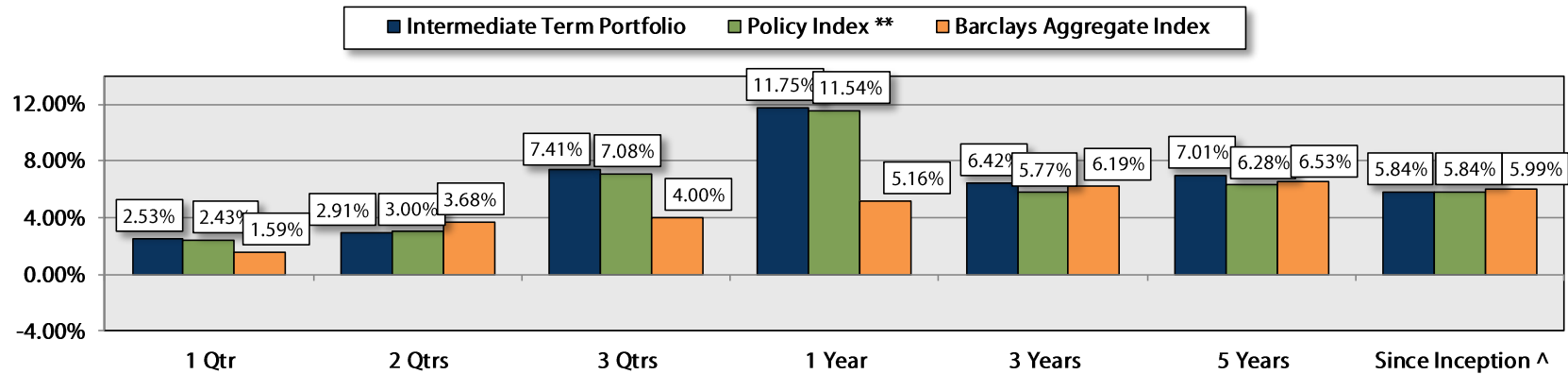
Manager / Asset Class	Market Value (000's)	Asset Allocation		
		Total Fund		Structure
		Actual	Policy	Actual
SSGA U.S. Total Market Index	\$18,963	9.96%		100.00%
<b>TOTAL US EQUITY</b>	<b>\$18,963</b>	<b>9.96%</b>	<b>10.00%</b>	<b>100.00%</b>
SSGA MSCI ACWI ex-U.S. Index	\$19,510	10.25%		100.00%
<b>TOTAL NON-US EQUITY</b>	<b>\$19,510</b>	<b>10.25%</b>	<b>10.00%</b>	<b>100.00%</b>
SSGA U.S. High Yield Bond Index	\$9,448	4.96%	5.00%	9.03%
SSGA U.S. TIPS Index	\$19,008	9.99%	10.00%	18.17%
SSGA U.S. Aggregate Bond Index	\$38,120	20.03%	20.00%	36.43%
Dodge & Cox Income	\$38,053	19.99%	20.00%	36.37%
<b>TOTAL FIXED INCOME</b>	<b>\$104,629</b>	<b>54.97%</b>	<b>55.00%</b>	<b>100.00%</b>
SSGA U.S. REIT Index	\$18,769	9.86%		100.00%
<b>TOTAL REAL ESTATE</b>	<b>\$18,769</b>	<b>9.86%</b>	<b>10.00%</b>	<b>100.00%</b>
<b>TOTAL CASH</b>	<b>\$28,463</b>	<b>14.96%</b>	<b>15.00%</b>	<b>100.00%</b>
<b>TOTAL FUND</b>	<b>\$190,334</b>	<b>100.00%</b>	<b>100.00%</b>	<b>--</b>

# Investment Performance – Total Fund \*



Quarter Ending September 30, 2012

University of Iowa Intermediate Term Portfolio



\* Net of Fees

\*\* 10% Dow Jones U.S. Total Stock Market Index, 10% MSCI ACWI ex-US Index, 10% Dow Jones U.S. Select REIT Index, 40% Barclays U.S. Aggregate Bond Index, 5% Barclays U.S. High Yield Index, 10% Barclays U.S. TIPS Index, and 15% 91-Day T-Bill Index from June 30, 2011 till Present; 100.0% Barclays Aggregate from June, 30. 2001 until March 31, 2011; 100% Barclays Gov't / Credit Index from Inception until June 30, 2001

^ Quasi / Intermediate Term Pool Inception 06/30/1998



# Investment Performance – US Equity \*



Quarter Ending September 30, 2012

Manager / Composite	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<i>Intermediate Term Portfolio</i>									
SSGA U.S. Total Market Index	6.13%	2.79%	16.06%	30.08%				8.13%	06/30/11
Wilshire 5000 Index	6.15%	2.83%	15.95%	29.89%				8.20%	
<b>Value Added</b>	<b>-0.02%</b>	<b>-0.04%</b>	<b>+0.11%</b>	<b>+0.19%</b>				<b>-0.07%</b>	

\* Net of Fees

# Investment Performance – Non-US Equity \*



Quarter Ending September 30, 2012

Manager / Composite	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>Intermediate Term Portfolio</b>									
SSGA MSCI ACWI ex-U.S. Index	7.36%	-0.84%	10.19%	14.28%				-6.77%	06/30/11
MSCI ACW Ex-US Index	7.49%	-0.44%	10.85%	15.04%				-6.22%	
<b>Value Added</b>	<b>-0.13%</b>	<b>-0.40%</b>	<b>-0.66%</b>	<b>-0.76%</b>				<b>-0.55%</b>	

\* Net of Fees

# Investment Performance – Fixed Income \*



Quarter Ending September 30, 2012

Manager / Composite	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>Intermediate Term Portfolio</b>									
<b>Dodge &amp; Cox</b>	2.37%	3.59%	6.53%	7.87%	6.50%	6.83%		5.46%	03/31/04
Barclays Aggregate Index	1.59%	3.68%	4.00%	5.16%	6.19%	6.53%		5.27%	
<b>Value Added</b>	<b>+0.78%</b>	<b>-0.09%</b>	<b>+2.53%</b>	<b>+2.71%</b>	<b>+0.31%</b>	<b>+0.30%</b>		<b>+0.19%</b>	
<b>SSGA U.S. Aggregate Bond Index</b>	1.56%	3.64%	3.91%	5.06%				7.16%	06/30/11
Barclays Aggregate Index	1.59%	3.68%	4.00%	5.16%				7.28%	
<b>Value Added</b>	<b>-0.03%</b>	<b>-0.04%</b>	<b>-0.09%</b>	<b>-0.10%</b>				<b>-0.12%</b>	
<b>SSGA U.S. TIPS Index</b>	2.11%	5.32%	6.19%	9.03%				11.03%	06/30/11
Barclays U.S. TIPS	2.12%	5.34%	6.25%	9.10%				11.07%	
<b>Value Added</b>	<b>-0.01%</b>	<b>-0.02%</b>	<b>-0.06%</b>	<b>-0.07%</b>				<b>-0.04%</b>	
<b>SSGA U.S. High Yield Bond Index</b>	3.99%	5.84%	10.06%	16.50%				9.63%	06/30/11
Barclays U.S. High Yield 2% Iss. Cap Index	4.38%	6.42%	11.41%	18.13%				10.06%	
<b>Value Added</b>	<b>-0.39%</b>	<b>-0.58%</b>	<b>-1.35%</b>	<b>-1.63%</b>				<b>-0.43%</b>	
<b>Fixed Income Composite</b>	2.18%	4.12%	5.82%	7.81%	6.97%	7.34%	5.91%	6.12%	03/31/01
Policy Index	1.99%	4.29%	5.25%	7.32%	6.66%	6.82%	5.47%	5.93%	
<b>Value Added</b>	<b>+0.19%</b>	<b>-0.17%</b>	<b>+0.57%</b>	<b>+0.49%</b>	<b>+0.31%</b>	<b>+0.52%</b>	<b>+0.44%</b>	<b>+0.19%</b>	

\* Net of Fees

# Investment Performance – Real Estate \*



Quarter Ending September 30, 2012

Manager / Composite	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>Intermediate Term Portfolio</b>									
SSGA U.S. REIT Index	-0.40%	3.28%	14.27%	31.73%				9.98%	06/30/11
Wilshire REIT Index	-0.15%	3.56%	14.74%	32.43%				10.30%	
<b>Value Added</b>	<b>-0.25%</b>	<b>-0.28%</b>	<b>-0.47%</b>	<b>-0.70%</b>				<b>-0.32%</b>	

\* Net of Fees

# Investment Performance – Cash \*



Quarter Ending September 30, 2012

Manager / Composite	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<i>Intermediate Term Portfolio</i>									
<b>SSGA Liquid Reserves Fund</b>	0.05%	0.10%	0.13%	0.17%				0.17%	06/30/11
91-Day Treasury Bill	0.03%	0.06%	0.07%	0.07%				0.07%	
<b>Value Added</b>	<b>+0.02%</b>	<b>+0.04%</b>	<b>+0.06%</b>	<b>+0.10%</b>				<b>+0.10%</b>	

\* Net of Fees

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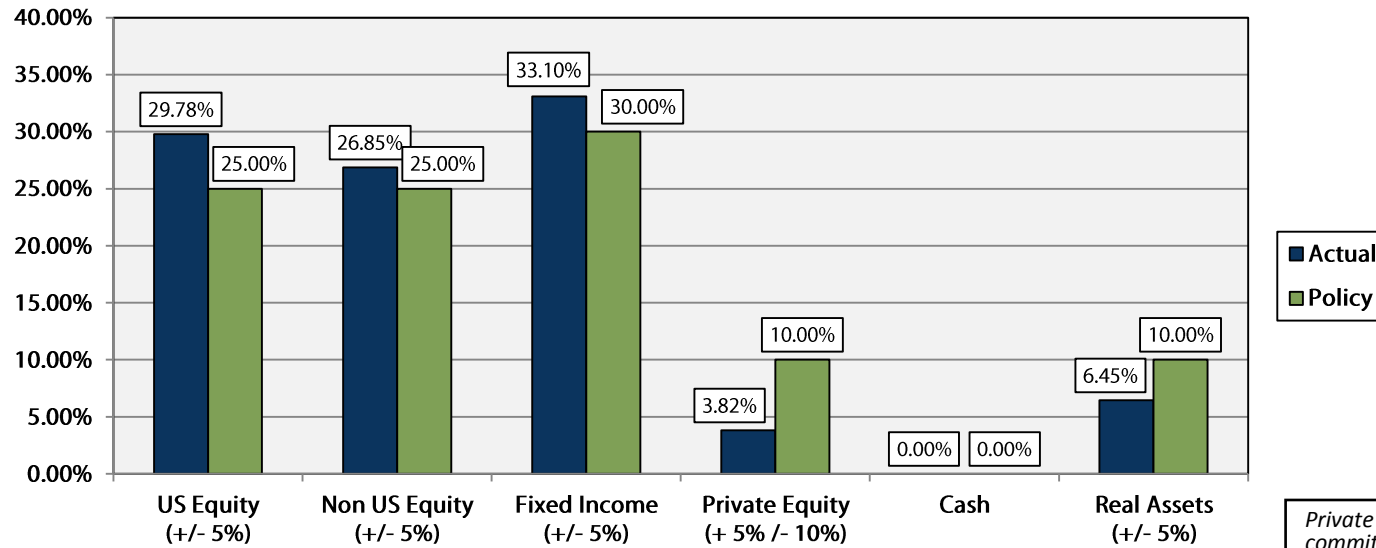
*Section 3*  
*Endowment Portfolios*

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# Asset Allocation

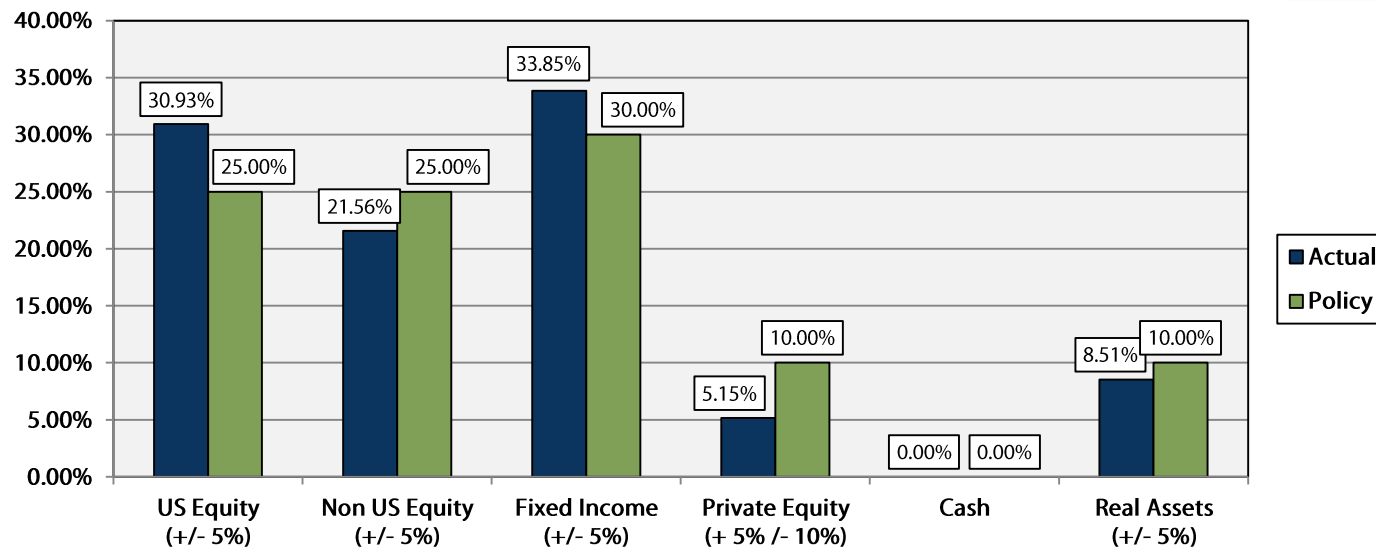
Quarter Ending September 30, 2012

## University of Iowa Endowment



*Private equity and real assets commitments are not fully called by investment managers; therefore, allocations to other asset classes may be temporarily outside policy ranges.*

## Iowa State University Endowment



# Asset Allocation



Quarter Ending September 30, 2012

## University of Iowa Endowment

Manager / Asset Class	Market Value (000's)	Asset Allocation		
		Total Fund		Structure
		Actual	Policy	Actual
Vanguard S&P 500	\$73,947	23.82%		79.99%
Delaware Investments	\$18,493	5.96%		20.01%
<b>TOTAL US EQUITY</b>	<b>\$92,440</b>	<b>29.78%</b>	<b>25.00%</b>	<b>100.00%</b>
GMO Foreign Fund	\$40,339	13.00%		48.40%
SSgA ACW Ex-US Index	\$43,007	13.85%		51.60%
<b>TOTAL NON-US EQUITY</b>	<b>\$83,346</b>	<b>26.85%</b>	<b>25.00%</b>	<b>100.00%</b>
Neuberger Berman High Yield	\$16,755	5.41%	5.00%	16.31%
Chicago Equity Partners	\$42,283	13.62%		41.16%
Reams Asset Management	\$43,679	14.07%		42.52%
<b>TOTAL FIXED INCOME</b>	<b>\$102,717</b>	<b>33.10%</b>	<b>30.00%</b>	<b>100.00%</b>
<b>TOTAL PRIVATE EQUITY</b>	<b>\$11,853</b>	<b>3.82%</b>	<b>10.00%</b>	<b>100.00%</b>
<b>TOTAL REAL ASSETS</b>	<b>\$20,007</b>	<b>6.45%</b>	<b>10.00%</b>	<b>100.00%</b>
<b>TOTAL CASH</b>	<b>\$0</b>	<b>0.00%</b>	<b>0.00%</b>	<b>--</b>
<b>TOTAL FUND</b>	<b>\$310,363</b>	<b>100.00%</b>	<b>100.00%</b>	<b>--</b>

## Iowa State University Endowment

Manager / Asset Class	Market Value (000's)	Asset Allocation		
		Total Fund		Structure
		Actual	Policy	Actual
Vanguard S&P 500	\$35,070	24.85%		80.35%
Delaware Investments	\$8,579	6.08%		19.65%
<b>TOTAL US EQUITY</b>	<b>\$43,649</b>	<b>30.93%</b>	<b>25.00%</b>	<b>100.00%</b>
GMO Foreign Fund	\$15,515	10.99%		50.98%
SSgA ACW Ex-US Index	\$14,920	10.57%		49.02%
<b>TOTAL NON-US EQUITY</b>	<b>\$30,435</b>	<b>21.56%</b>	<b>25.00%</b>	<b>100.00%</b>
Neuberger Berman High Yield	\$10,350	7.33%	5.00%	21.67%
Chicago Equity Partners	\$18,533	13.13%		38.80%
Reams Asset Management	\$18,886	13.38%		39.54%
<b>TOTAL FIXED INCOME</b>	<b>\$47,769</b>	<b>33.85%</b>	<b>30.00%</b>	<b>100.00%</b>
<b>TOTAL PRIVATE EQUITY</b>	<b>\$7,274</b>	<b>5.15%</b>	<b>10.00%</b>	<b>100.00%</b>
<b>TOTAL REAL ASSETS</b>	<b>\$12,010</b>	<b>8.51%</b>	<b>10.00%</b>	<b>100.00%</b>
<b>TOTAL CASH</b>	<b>\$0</b>	<b>0.00%</b>	<b>0.00%</b>	<b>--</b>
<b>TOTAL FUND</b>	<b>\$141,137</b>	<b>100.00%</b>	<b>100.00%</b>	<b>--</b>

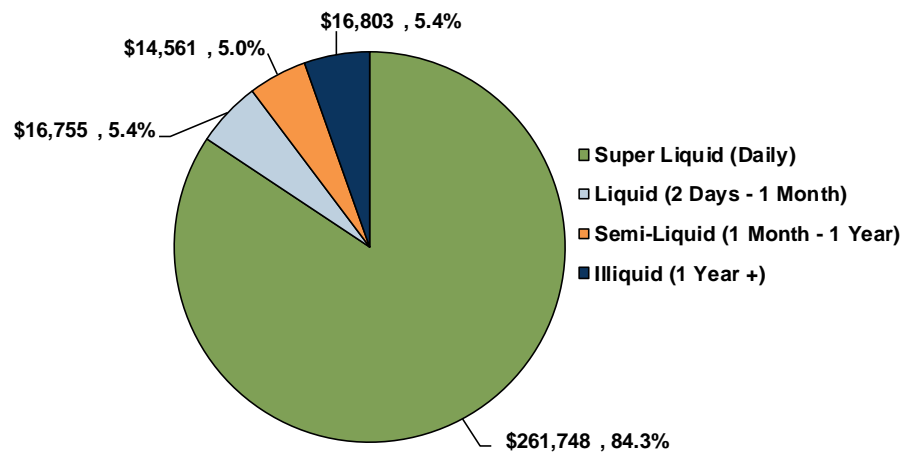


# Liquidity Chart

Quarter Ending September 30, 2012

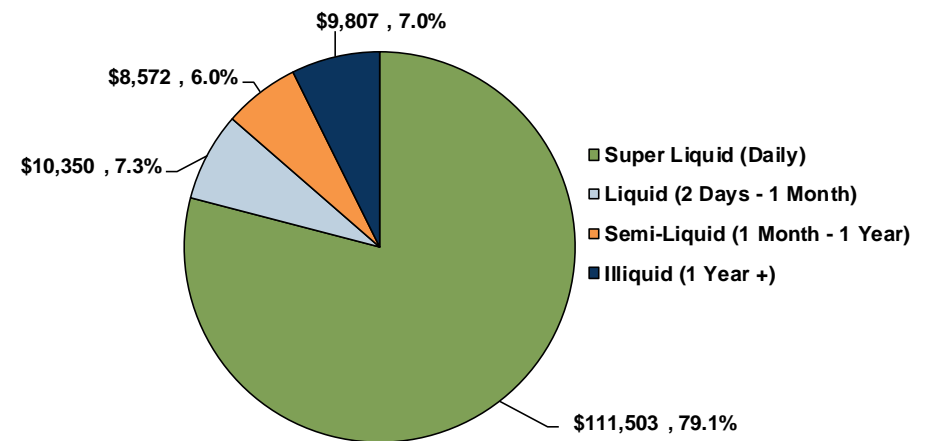
University of Iowa Endowment

Portfolio Liquidity Assessment (Under Normal Environments)



Iowa State University Endowment

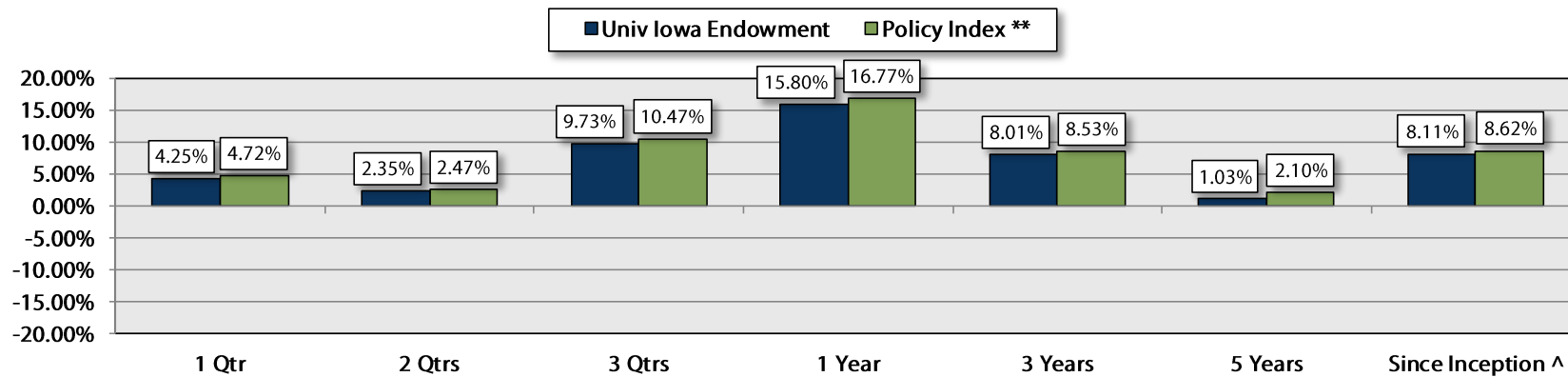
Portfolio Liquidity Assessment (Under Normal Environments)



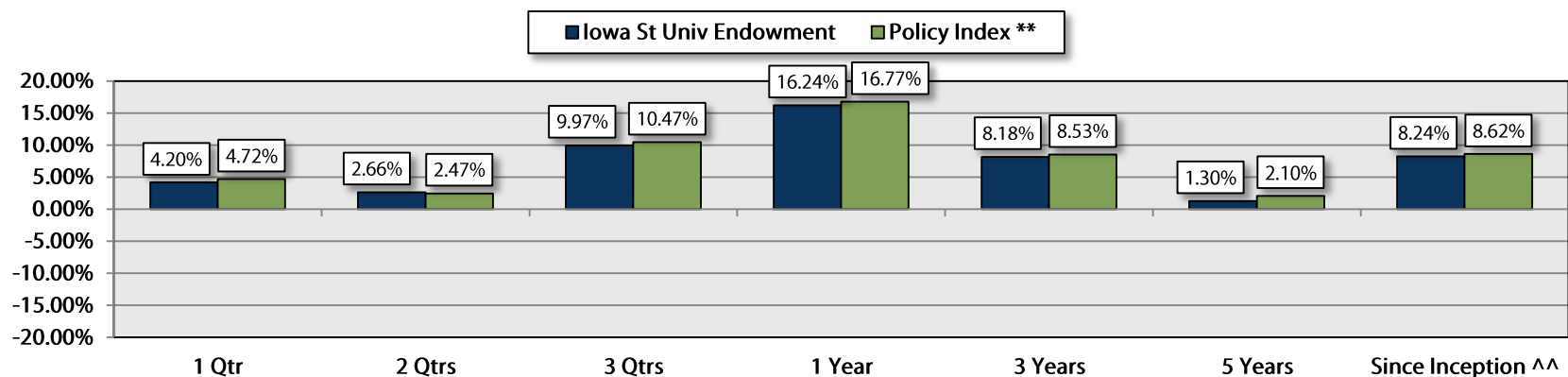
# Investment Performance – Total Fund \*

Quarter Ending September 30, 2012

## University of Iowa Endowment



## Iowa State University Endowment



\* Net of Fees

\*\* 25.0% Wilshire 5000, 25.0% MSCI EAFE (N), 25.0% Barclays Aggregate, 5.0% ML High Yield II Total Return, 10.0% CPI +5% (Annualized), 10% Private Equity Benchmark (Wilshire 5000 Index)

^ University of Iowa Endowment Inception 03/31/1989

^^ Iowa State Endowment Inception 03/31/1989

# Investment Performance – US Equity \*



Quarter Ending September 30, 2012

Manager / Composite	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>UNIVERSITY OF IOWA ENDOWMENT</b>									
<b>Vanguard S&amp;P 500 Index Fund</b>	6.34%	3.38%	16.40%	30.11%	13.11%			4.19%	03/31/08
S&P 500 Index	6.35%	3.42%	16.43%	30.18%	13.20%			4.20%	
<b>Value Added</b>	<b>-0.01%</b>	<b>-0.04%</b>	<b>-0.03%</b>	<b>-0.07%</b>	<b>-0.09%</b>			<b>-0.01%</b>	
<b>Delaware Investments</b>	<b>5.18%</b>	<b>2.00%</b>	<b>15.20%</b>	<b>35.76%</b>	<b>16.00%</b>			<b>24.93%</b>	<b>03/31/09</b>
Russell 2000 Index	5.25%	1.59%	14.23%	31.91%	12.99%			23.21%	
<b>Value Added</b>	<b>-0.07%</b>	<b>+0.41%</b>	<b>+0.97%</b>	<b>+3.85%</b>	<b>+3.01%</b>			<b>+1.72%</b>	
<b>US Equity Composite</b>	<b>6.11%</b>	<b>3.11%</b>	<b>16.16%</b>	<b>31.19%</b>	<b>13.47%</b>	<b>0.75%</b>	<b>7.69%</b>	<b>9.13%</b>	<b>03/31/89</b>
Wilshire 5000 Index	6.15%	2.83%	15.95%	29.89%	13.21%	1.35%	8.66%	9.32%	
<b>Value Added</b>	<b>-0.04%</b>	<b>+0.28%</b>	<b>+0.21%</b>	<b>+1.30%</b>	<b>+0.26%</b>	<b>-0.60%</b>	<b>-0.97%</b>	<b>-0.19%</b>	
<b>IOWA STATE UNIVERSITY ENDOWMENT</b>									
<b>Vanguard S&amp;P 500 Index Fund</b>	6.34%	3.39%	16.38%	30.10%	13.11%			4.19%	03/31/08
S&P 500 Index	6.35%	3.42%	16.43%	30.18%	13.20%			4.20%	
<b>Value Added</b>	<b>-0.01%</b>	<b>-0.03%</b>	<b>-0.05%</b>	<b>-0.08%</b>	<b>-0.09%</b>			<b>-0.01%</b>	
<b>Delaware Investments</b>	<b>5.17%</b>	<b>2.02%</b>	<b>15.12%</b>	<b>35.12%</b>	<b>16.02%</b>			<b>24.99%</b>	<b>03/31/09</b>
Russell 2000 Index	5.25%	1.59%	14.23%	31.91%	12.99%			23.21%	
<b>Value Added</b>	<b>-0.08%</b>	<b>+0.43%</b>	<b>+0.89%</b>	<b>+3.21%</b>	<b>+3.03%</b>			<b>+1.78%</b>	
<b>US Equity Composite</b>	<b>6.15%</b>	<b>3.17%</b>	<b>16.18%</b>	<b>31.10%</b>	<b>13.39%</b>	<b>0.70%</b>	<b>7.58%</b>	<b>8.92%</b>	<b>03/31/89</b>
Wilshire 5000 Index	6.15%	2.83%	15.95%	29.89%	13.21%	1.35%	8.66%	9.32%	
<b>Value Added</b>	<b>+0.00%</b>	<b>+0.34%</b>	<b>+0.23%</b>	<b>+1.21%</b>	<b>+0.18%</b>	<b>-0.65%</b>	<b>-1.08%</b>	<b>-0.40%</b>	

\* Net of Fees

# Investment Performance – Non-US Equity \*



Quarter Ending September 30, 2012

Manager / Composite	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>UNIVERSITY OF IOWA ENDOWMENT</b>									
<b>GMO Foreign Fund</b>	5.17%	-1.93%	8.37%	12.33%	0.10%	-6.56%		3.54%	03/31/04
MSCI EAFE Index (N)	6.92%	-0.70%	10.08%	13.75%	2.12%	-5.24%		4.29%	
<b>Value Added</b>	<b>-1.75%</b>	<b>-1.23%</b>	<b>-1.71%</b>	<b>-1.42%</b>	<b>-2.02%</b>	<b>-1.32%</b>		<b>-0.75%</b>	
<b>SSgA ACW Ex-US Index Fund</b>	7.34%	-0.85%	10.19%	14.27%	2.98%			8.55%	06/30/09
MSCI ACW Ex-US Index	7.49%	-0.44%	10.85%	15.04%	3.63%			9.24%	
<b>Value Added</b>	<b>-0.15%</b>	<b>-0.41%</b>	<b>-0.66%</b>	<b>-0.77%</b>	<b>-0.65%</b>			<b>-0.69%</b>	
<b>Non-US Equity Composite</b>	6.26%	-1.37%	9.31%	13.32%	1.55%	-5.69%	8.70%	4.80%	09/30/04
MSCI EAFE Index (N)	6.92%	-0.70%	10.08%	13.75%	2.12%	-5.24%	8.20%	4.26%	
<b>Value Added</b>	<b>-0.66%</b>	<b>-0.67%</b>	<b>-0.77%</b>	<b>-0.43%</b>	<b>-0.57%</b>	<b>-0.45%</b>	<b>+0.50%</b>	<b>+0.54%</b>	
<b>IOWA STATE UNIVERSITY ENDOWMENT</b>									
<b>GMO Foreign Fund</b>	5.17%	-1.93%	8.38%	12.35%	0.13%	-6.57%		3.52%	03/31/04
MSCI EAFE Index (N)	6.92%	-0.70%	10.08%	13.75%	2.12%	-5.24%		4.29%	
<b>Value Added</b>	<b>-1.75%</b>	<b>-1.23%</b>	<b>-1.70%</b>	<b>-1.40%</b>	<b>-1.99%</b>	<b>-1.33%</b>		<b>-0.77%</b>	
<b>SSgA ACW Ex-US Index Fund</b>	7.36%	-0.84%	10.21%	14.28%	2.98%			8.55%	06/30/09
MSCI ACW Ex-US Index	7.49%	-0.44%	10.85%	15.04%	3.63%			9.24%	
<b>Value Added</b>	<b>-0.13%</b>	<b>-0.40%</b>	<b>-0.64%</b>	<b>-0.76%</b>	<b>-0.65%</b>			<b>-0.69%</b>	
<b>Non-US Equity Composite</b>	6.23%	-1.40%	9.27%	13.29%	1.65%	-5.66%	8.50%	4.65%	09/30/04
MSCI EAFE Index (N)	6.92%	-0.70%	10.08%	13.75%	2.12%	-5.24%	8.20%	4.26%	
<b>Value Added</b>	<b>-0.69%</b>	<b>-0.70%</b>	<b>-0.81%</b>	<b>-0.46%</b>	<b>-0.47%</b>	<b>-0.42%</b>	<b>+0.30%</b>	<b>+0.39%</b>	

\* Net of Fees

# Investment Performance – Fixed Income \*



Quarter Ending September 30, 2012

Manager / Composite	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>UNIVERSITY OF IOWA ENDOWMENT</b>									
<b>Chicago Equity Partners</b>	1.01%	3.64%	2.95%	3.99%				7.85%	03/31/11
Barclays Aggregate Index	1.59%	3.68%	4.00%	5.16%				7.64%	
<b>Value Added</b>	<b>-0.58%</b>	<b>-0.04%</b>	<b>-1.05%</b>	<b>-1.17%</b>				<b>+0.21%</b>	
<b>Reams</b>	1.98%	3.86%	5.70%	7.70%	6.96%	7.34%	5.78%	5.78%	09/30/02
Barclays Aggregate Index	1.59%	3.68%	4.00%	5.16%	6.19%	6.53%	5.33%	5.33%	
<b>Value Added</b>	<b>+0.39%</b>	<b>+0.18%</b>	<b>+1.70%</b>	<b>+2.54%</b>	<b>+0.77%</b>	<b>+0.81%</b>	<b>+0.45%</b>	<b>+0.45%</b>	
<b>Neuberger Berman High Yield</b>	4.26%	6.23%	11.68%	19.62%				19.62%	09/30/11
ML High Yield II Total Return Index	4.61%	6.53%	12.02%	18.94%				18.94%	
<b>Value Added</b>	<b>-0.35%</b>	<b>-0.30%</b>	<b>-0.34%</b>	<b>+0.68%</b>				<b>+0.68%</b>	
<b>Fixed Income Composite</b>	1.94%	4.15%	5.45%	7.83%	8.15%	7.67%	5.93%	7.46%	03/31/89
Policy Index	1.59%	3.68%	4.00%	5.16%	6.19%	6.53%	5.33%	7.29%	01/07/00
<b>Value Added</b>	<b>+0.35%</b>	<b>+0.47%</b>	<b>+1.45%</b>	<b>+2.67%</b>	<b>+1.96%</b>	<b>+1.14%</b>	<b>+0.60%</b>	<b>+0.17%</b>	
<b>IOWA STATE UNIVERSITY ENDOWMENT</b>									
<b>Chicago Equity Partners</b>	0.93%	3.55%	2.79%	3.85%				7.78%	03/31/11
Barclays Aggregate Index	1.59%	3.68%	4.00%	5.16%				7.64%	
<b>Value Added</b>	<b>-0.66%</b>	<b>-0.13%</b>	<b>-1.21%</b>	<b>-1.31%</b>				<b>+0.14%</b>	
<b>Reams</b>	1.99%	3.83%	5.77%	7.74%	7.23%	7.76%	6.01%	6.01%	09/30/02
Barclays Aggregate Index	1.59%	3.68%	4.00%	5.16%	6.19%	6.53%	5.33%	5.33%	
<b>Value Added</b>	<b>+0.40%</b>	<b>+0.15%</b>	<b>+1.77%</b>	<b>+2.58%</b>	<b>+1.04%</b>	<b>+1.23%</b>	<b>+0.68%</b>	<b>+0.68%</b>	
<b>Neuberger Berman High Yield</b>	4.26%	6.38%	11.68%	19.59%				19.59%	09/30/11
ML High Yield II Total Return Index	4.61%	6.53%	12.02%	18.94%				18.94%	
<b>Value Added</b>	<b>-0.35%</b>	<b>-0.15%</b>	<b>-0.34%</b>	<b>+0.65%</b>				<b>+0.65%</b>	
<b>Fixed Income Composite</b>	2.06%	4.26%	5.77%	8.41%	8.52%	8.01%	6.11%	7.08%	03/31/89
Policy Index	1.59%	3.68%	4.00%	5.16%	6.19%	6.53%	5.33%	7.29%	
<b>Value Added</b>	<b>+0.47%</b>	<b>+0.58%</b>	<b>+1.77%</b>	<b>+3.25%</b>	<b>+2.33%</b>	<b>+1.48%</b>	<b>+0.78%</b>	<b>-0.21%</b>	

\* Net of Fees

# Private Market Allocation Summary



Quarter Ending September 30, 2012

	<b>UNIVERSITY OF IOWA ENDOWMENT</b>		<b>IOWA STATE UNIVERSITY ENDOWMENT</b>	
	Thousands (\$)	Allocation (%)	Thousands (\$)	Allocation (%)
Total Portfolio Assets	\$310,363	100.0%	\$141,137	100.0%
<b>Private Equity Target Allocation</b>	\$31,036	10.0%	\$14,114	10.0%
Private Equity Market Value	\$11,853	3.8%	\$7,274	5.2%
Unfunded Commitments	\$20,090	6.5%	\$10,188	7.2%
Market Value + Unfunded	\$31,943	10.3%	\$17,462	12.4%
Remaining Allocation	-\$907	-0.3%	-\$3,348	-2.4%
<b>Private Real Assets Target Allocation</b>	\$31,036	10.0%	\$14,114	10.0%
Private Real Assets Market Value	\$20,007	6.4%	\$12,010	8.5%
Unfunded Commitments	\$25,825	8.3%	\$11,718	8.3%
Market Value + Unfunded	\$45,832	14.8%	\$23,728	16.8%
Remaining Allocation	-\$14,795	-4.8%	-\$9,614	-6.8%

For reporting purposes, Private Equity and Private Real Asset manager valuations are displayed on a one quarter lag, but reflect current quarter cash flows.

# Investment Performance – Private Equity\*



## Quarter Ending September 30, 2012

Manager / Composite	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>UNIVERSITY OF IOWA ENDOWMENT</b>									
NB Crossroads XVIII	0.22%	4.75%	7.86%	5.37%	11.26%	3.26%		3.81%	12/31/06
CF Int'l Partners VI	-1.32%	5.03%	6.18%	-3.40%	4.64%	13.30%		-13.55%	03/31/07
CF Private Equity VII	-0.47%	4.28%	9.05%	7.69%	3.20%	4.91%		-35.95%	03/31/07
CF Venture Partners VIII	0.23%	3.38%	3.91%	5.07%	8.11%	-23.05%		-22.08%	06/30/07
Landmark Equity Partners XIV	3.27%	2.70%	4.18%	6.60%				22.15%	03/31/10
Adams Street 2010 U.S. Fund	-0.72%	3.77%	8.25%	9.14%				13.36%	06/30/10
Adams Street 2010 Non-U.S. Developed Fund	-2.56%	1.99%	8.24%	1.33%				-14.79%	06/30/10
Adams Street 2010 Emerging Markets	-4.00%	-8.60%	-15.18%	-20.68%				-16.33%	03/31/11
Adams Street 2012 U.S. Fund	-4.25%	-23.63%						-23.63%	03/31/12
Adams Street 2012 Non-U.S. Developed Fund	-8.27%	-32.45%						-32.45%	03/31/12
Adams Street 2012 Emerging Markets	-11.72%							-11.72%	06/30/12
<b>Private Equity Composite</b>	<b>0.28%</b>	<b>3.62%</b>	<b>6.38%</b>	<b>4.70%</b>	<b>10.34%</b>	<b>3.23%</b>		<b>3.00%</b>	<b>12/31/06</b>
Wilshire 5000 Index	6.15%	2.83%	15.95%	29.89%	13.21%	1.35%		2.72%	
<b>Value Added</b>	<b>-5.87%</b>	<b>+0.79%</b>	<b>-9.57%</b>	<b>-25.19%</b>	<b>-2.87%</b>	<b>+1.88%</b>		<b>+0.28%</b>	
<b>IOWA STATE UNIVERSITY ENDOWMENT</b>									
NB Crossroads XVIII	0.22%	4.75%	7.86%	5.37%	11.26%	3.26%		3.81%	12/31/06
CF Int'l Partners VI	-1.32%	5.03%	6.18%	-3.40%	4.64%	13.30%		-13.55%	03/31/07
CF Private Equity VII	-0.47%	4.28%	9.05%	7.69%	3.20%	4.91%		-35.95%	03/31/07
CF Venture Partners VIII	0.23%	3.38%	3.91%	5.07%	8.08%	-23.06%		-22.08%	06/30/07
Landmark Equity Partners XIV	3.27%	2.70%	4.18%	6.60%				22.15%	03/31/10
Adams Street 2010 U.S. Fund	-0.72%	3.77%	8.25%	9.14%				13.36%	06/30/10
Adams Street 2010 Non-U.S. Developed Fund	-2.56%	1.99%	8.24%	1.33%				-14.79%	06/30/10
Adams Street 2010 Emerging Markets	-4.00%	-8.60%	-15.18%	-20.68%				-16.15%	03/31/11
Adams Street 2012 U.S. Fund	-4.25%	-23.63%						-23.63%	03/31/12
Adams Street 2012 Non-U.S. Developed Fund	-8.28%	-32.45%						-32.45%	03/31/12
Adams Street 2012 Emerging Markets	-11.72%							-11.72%	06/30/12
<b>Private Equity Composite</b>	<b>0.30%</b>	<b>3.77%</b>	<b>6.57%</b>	<b>4.80%</b>	<b>10.28%</b>	<b>3.23%</b>		<b>2.95%</b>	<b>12/31/06</b>
Wilshire 5000 Index	6.15%	2.83%	15.95%	29.89%	13.21%	1.35%		2.72%	
<b>Value Added</b>	<b>-5.85%</b>	<b>+0.94%</b>	<b>-9.38%</b>	<b>-25.09%</b>	<b>-2.93%</b>	<b>+1.88%</b>		<b>+0.23%</b>	

\* Net of Fees

# Commitment Schedule – Private Equity \*



Quarter Ending September 30, 2012

Manager / Composite	Inception Date	Current Market Value	Commitment Value	Capital Called	% Called	Distributed Capital <sup>1</sup>	TVPI (Total Value / Paid-In) <sup>2</sup>	IRR Since Inception
<b>UNIVERSITY OF IOWA ENDOWMENT</b>								
NB Crossroads XVIII	11/15/2006	\$4,819,356	\$6,000,000	\$4,980,000	83%	\$1,118,290	1.19	4.6%
CF Int'l Partners VI	4/15/2007	\$800,866	\$1,200,000	\$810,000	68%	\$59,434	1.06	2.6%
CF Private Equity VII	4/15/2007	\$1,394,316	\$2,400,000	\$1,352,400	56%	\$114,977	1.12	5.3%
CF Venture Partners VIII	9/15/2007	\$870,396	\$1,000,000	\$740,000	74%	\$34,543	1.22	9.4%
Landmark Equity Partners XIV	4/15/2010	\$2,353,545	\$4,400,000	\$2,558,114	58%	\$691,848	1.19	21.5%
Adams Street 2010 U.S. Fund	6/15/2010	\$750,622	\$2,440,000	\$651,480	27%	\$0	1.15	11.9%
Adams Street 2010 Non-U.S. Developed Fund	6/15/2010	\$332,547	\$1,470,000	\$332,220	23%	\$0	1.00	0.1%
Adams Street 2010 Emerging Markets	6/15/2011	\$74,872	\$490,000	\$87,220	18%	\$0	0.86	-25.3%
Adams Street 2012 U.S. Fund	3/30/2012	\$330,263	\$7,050,000	\$352,500	5%	\$0	--	--
Adams Street 2012 Non-U.S. Developed Fund	2/6/2012	\$58,264	\$4,240,000	\$72,080	2%	\$0	--	--
Adams Street 2012 Emerging Markets	6/15/2012	\$67,633	\$1,410,000	\$74,025	5%	\$0	--	--
<b>Private Equity Composite</b>	<b>11/15/2006</b>	<b>\$11,852,680</b>	<b>\$32,100,000</b>	<b>\$12,010,039</b>	<b>37%</b>	<b>\$2,019,092</b>	<b>1.16</b>	<b>5.9%</b>
<b>IOWA STATE UNIVERSITY ENDOWMENT</b>								
NB Crossroads XVIII	11/15/2006	\$3,012,100	\$3,750,000	\$3,112,500	83%	\$698,931	1.19	4.6%
CF Int'l Partners VI	4/15/2007	\$533,916	\$800,000	\$540,000	68%	\$39,624	1.06	2.6%
CF Private Equity VII	4/15/2007	\$929,540	\$1,600,000	\$901,600	56%	\$76,652	1.12	5.3%
CF Venture Partners VIII	9/15/2007	\$522,237	\$600,000	\$444,000	74%	\$20,726	1.22	9.4%
Landmark Equity Partners XIV	4/15/2010	\$1,390,730	\$2,600,000	\$1,511,613	58%	\$408,820	1.19	21.5%
Adams Street 2010 U.S. Fund	6/15/2010	\$443,605	\$1,442,000	\$385,014	27%	\$0	1.15	11.9%
Adams Street 2010 Non-U.S. Developed Fund	6/15/2010	\$196,586	\$869,000	\$196,395	23%	\$0	1.00	0.1%
Adams Street 2010 Emerging Markets	6/15/2011	\$44,158	\$289,000	\$51,442	18%	\$0	0.86	-25.3%
Adams Street 2012 U.S. Fund	3/30/2012	\$145,222	\$3,110,000	\$155,000	5%	\$0	--	--
Adams Street 2012 Non-U.S. Developed Fund	2/6/2012	\$25,696	\$1,870,000	\$31,790	2%	\$0	--	--
Adams Street 2012 Emerging Markets	6/15/2012	\$30,218	\$620,000	\$33,075	5%	\$0	--	--
<b>Private Equity Composite</b>	<b>11/15/2006</b>	<b>\$7,274,008</b>	<b>\$17,550,000</b>	<b>\$7,362,429</b>	<b>42%</b>	<b>\$1,244,753</b>	<b>1.16</b>	<b>6.2%</b>

<sup>1</sup>Distributions less expenses and investment fees

<sup>2</sup>Sum of current market value and distributed capital, divided by capital called



# Investment Performance – Private Real Assets \*



## Quarter Ending September 30, 2012

Manager / Composite	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	5 Years	10 Years	Since Inception	
								Return	Date
<b>UNIVERSITY OF IOWA ENDOWMENT</b>									
Principal Enhanced Property <sup>1</sup>	3.41%	6.83%	9.36%	14.85%	4.50%	-6.85%		-1.61%	03/31/06
NCREIF Property Index (Lagged)	2.68%	5.34%	8.46%	12.04%	8.81%	2.50%		5.66%	
Value Added	+0.73%	+1.49%	+0.90%	+2.81%	-4.31%	-9.35%		-7.27%	
CF Natural Resource Partners VIII	-2.51%	-0.99%	3.43%	0.10%	14.19%			11.72%	09/30/08
CPI +5%	2.07%	3.37%	6.39%	7.12%	7.50%			6.57%	
Value Added	-4.58%	-4.36%	-2.96%	-7.02%	+6.69%			+5.15%	
MREP Global III	-1.13%	-1.15%	0.84%	-0.57%				-49.23%	03/31/10
NCREIF Property Index (Lagged)	2.68%	5.34%	8.46%	12.04%				13.13%	
Value Added	-3.81%	-6.49%	-7.62%	-12.61%				-62.36%	
CF Natural Resource Partners IX									
CPI +5%									
Value Added									
MREP Global VI								0.00%	06/30/12
NCREIF Property Index (Lagged)									
Value Added									
Real Assets Composite	2.12%	4.92%	7.65%	11.42%	3.58%	-7.13%		-1.84%	03/31/06
Policy Index	2.07%	3.37%	6.39%	7.12%	7.50%	3.14%		6.16%	
Value Added	+0.05%	+1.55%	+1.26%	+4.30%	-3.92%	-10.27%		-8.00%	
<b>IOWA STATE UNIVERSITY ENDOWMENT</b>									
Principal Enhanced Property <sup>1</sup>	3.41%	6.83%	9.37%	14.86%	4.47%	-6.87%		-1.63%	03/31/06
NCREIF Property Index (Lagged)	2.68%	5.34%	8.46%	12.04%	8.81%	2.50%		5.66%	
Value Added	+0.73%	+1.49%	+0.91%	+2.82%	-4.34%	-9.37%		-7.29%	
CF Natural Resource Partners VIII	-2.51%	-0.99%	3.43%	0.10%	14.20%			11.72%	09/30/08
CPI +5%	2.07%	3.37%	6.39%	7.12%	7.50%			6.57%	
Value Added	-4.58%	-4.36%	-2.96%	-7.02%	+6.70%			+5.15%	
MREP Global III	-1.13%	-1.15%	0.84%	-0.57%				-49.23%	03/31/10
NCREIF Property Index (Lagged)	2.68%	5.34%	8.46%	12.04%				13.13%	
Value Added	-3.81%	-6.49%	-7.62%	-12.61%				-62.36%	
CF Natural Resource Partners IX									06/30/12
CPI +5%									
Value Added									
MREP Global VI									06/30/12
NCREIF Property Index (Lagged)									
Value Added									
Real Assets Composite	2.03%	4.81%	7.56%	11.21%	3.60%	-7.13%		-1.83%	03/31/06
Policy Index	2.07%	3.37%	6.39%	7.12%	7.50%	3.14%		6.16%	
Value Added	-0.04%	+1.44%	+1.17%	+4.09%	-3.90%	-10.27%		-7.99%	

<sup>1</sup>Principal Enhanced Property Fund's valuations and cash flows are lagged one quarter due to the availability of manager's data on a quarterly basis.

# Commitment Schedule – Private Real Assets \*



Quarter Ending September 30, 2012

Manager / Composite	Inception Date	Current Market Value	Commitment Value	Capital Called	% Called	Distributed Capital <sup>1</sup>	TVPI (Total Value / Paid-In) <sup>2</sup>	IRR Since Inception
<b>UNIVERSITY OF IOWA ENDOWMENT</b>								
Principal Enhanced Property <sup>3,4</sup>	6/15/2006	\$15,057,315	--	--	--	--	--	--
CF NR Partners VIII	12/15/2008	\$2,889,512	\$6,000,000	\$2,910,000	49%	\$504,946	1.17	12.0%
Metropolitan Real Estate Partners Global III	3/15/2010	\$1,951,950	\$5,000,000	\$2,157,500	43%	\$80,000	0.94	-5.1%
CF NR Partners IX	--	--	\$11,000,000	--	--	--	--	--
Metropolitan Real Estate Partners Global VI	6/30/2012	\$108,000	\$9,000,000	\$108,000	1%	\$0	--	--
<b>Private Real Assets Composite</b>	<b>6/15/2006</b>	<b>\$20,006,777</b>	<b>\$31,000,000</b>	<b>\$5,175,500</b>	<b>17%</b>	<b>\$584,946</b>	<b>1.07</b>	<b>-0.37%</b>
<b>IOWA STATE UNIVERSITY ENDOWMENT</b>								
Principal Enhanced Property <sup>3,4</sup>	6/15/2006	\$8,864,019	--	--	--	--	--	--
CF NR Partners VIII	12/15/2008	\$1,926,341	\$4,000,000	\$1,940,000	49%	\$336,632	1.17	12.0%
Metropolitan Real Estate Partners Global III	3/15/2010	\$1,171,170	\$3,000,000	\$1,294,500	43%	\$48,000	0.94	-5.1%
CF NR Partners IX	--	--	\$4,000,000	--	--	--	--	--
Metropolitan Real Estate Partners Global VI	6/30/2012	\$48,000	\$4,000,000	\$48,000	1%	\$0	--	--
<b>Private Real Assets Composite</b>	<b>6/15/2006</b>	<b>\$12,009,530</b>	<b>\$15,000,000</b>	<b>\$3,282,500</b>	<b>22%</b>	<b>\$384,632</b>	<b>1.08</b>	<b>-0.48%</b>

<sup>1</sup>Distributions less expenses and investment fees

<sup>2</sup>Sum of current market value and distributed capital, divided by capital called

<sup>3</sup>Certain statistics are not applicable because Principal Enhanced Property strategy is an open-ended fund.

<sup>4</sup>Principal Enhanced Property Fund's valuation is lagged one quarter.

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*Section 4*  
*Capital Market Update*

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## U.S. Equity

The U.S. stock market rallied 6.2% in the third quarter, posting gains across each month. The market has now risen in four consecutive months, up 10.3% during that period, and has recouped all losses from the previous high on October 9, 2007. As was the case in the previous quarter, returns during the third quarter were comparable across size and style segments.

The market's third quarter rally was broad based, with all economic sectors advancing. Utilities, the worst performing sector, posted a 0.5% total return while Energy was the best performer, up 10.0%. The Telecom Services sector was a strong performer during the quarter, up 7.9%, and leads other segments in 2012 with a 25.7% return year-to-date.

The U.S. monetary base has expanded dramatically since the beginning of the global financial crisis in 2008, and is continuing to do so. The first round of quantitative easing (QE1) began in 2008 while QE2 was announced in 2010. The Fed's recently announced QE3, which commits to purchasing \$40 billion per month of agency MBS, representing nearly half a trillion in stimulus over the course of a year, is likely to push the monetary base over \$3 trillion by the end of 2013.

## Non-U.S. Equity

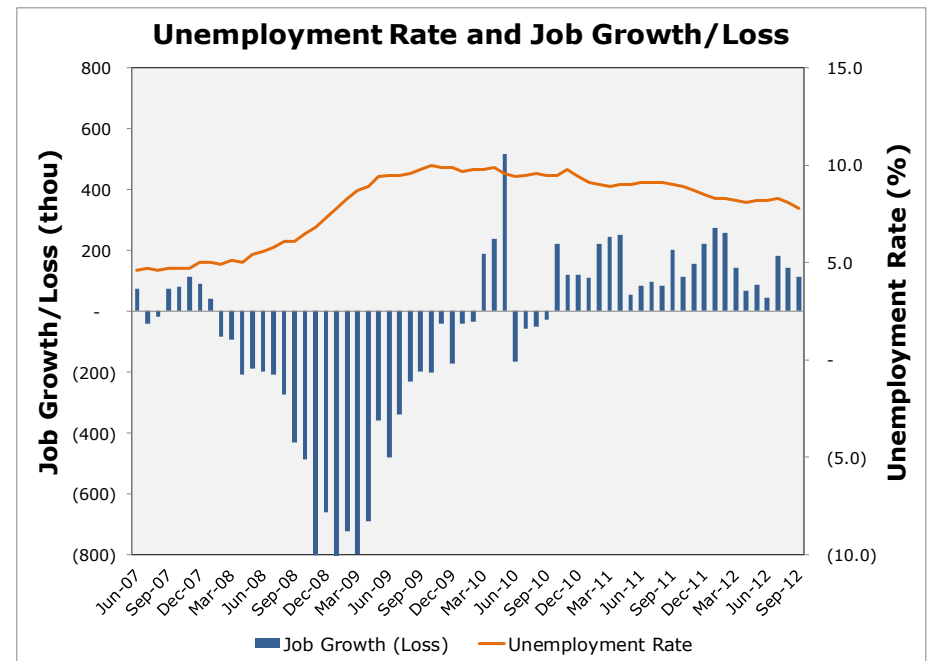
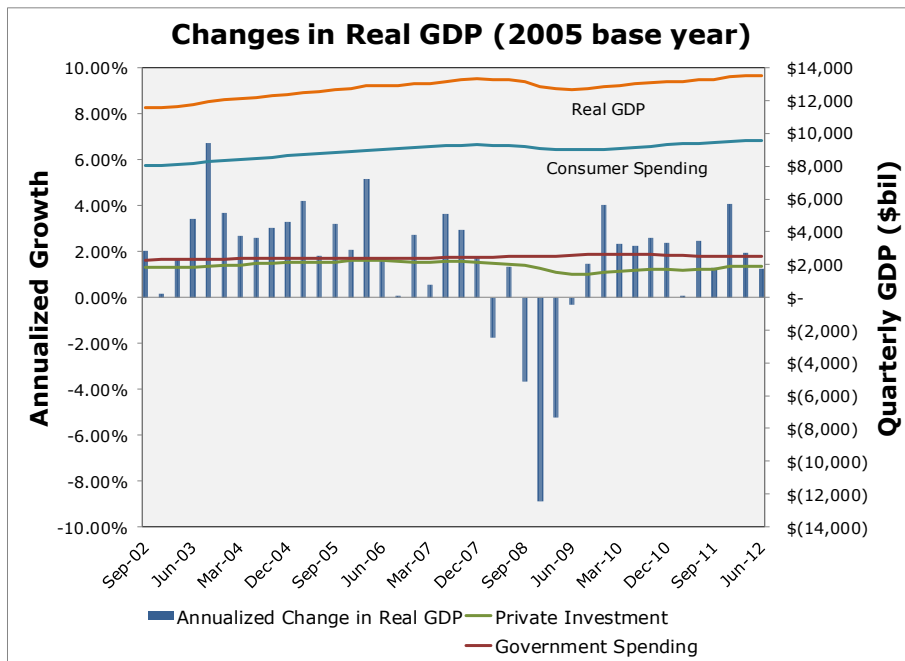
Most global equity markets rallied in the third quarter, with surprising resilience in the European exchanges. The European Central Bank's actions to shore up the euro, and record low yields on the safest European sovereign debt, gave investors confidence to buy local-market stocks, even in the face of public unrest in Spain and Greece late in the quarter. The Asia-Pacific region's performance experienced headwinds from Japan, but still managed positive returns. Emerging markets sprinted to stellar performance in the third quarter, despite continued signs of an economic slowdown in China.

## Fixed Income

With the Federal Reserve holding fast on low interest rates and buying mortgage-backed paper to spur the job market, bond investors accelerated their move into riskier asset space, snapping up higher-yielding corporate paper whether investment-grade or "junk." The yields on long-dated Treasuries rose slightly during the third quarter, while short-term yields actually ticked downward. Despite the considerable turmoil in continental European fixed income markets, the quest for yield kept global investors buying bonds in developed and emerging economies.

September 30, 2012	Key Economic Indicators			
<b>CPI (all items)</b> Seasonally adjusted	Monthly Change		Cumulative Change	
	Sep-12	0.6	3-Month	1.2
	Aug-12	0.6	12-Month	2.0
	Jul-12	0.0	10-Yr Annual	2.5
Breakeven Inflation	10-Year	2.5		
<b>Consumer Sentiment</b> Unv. of Michigan Survey	Sep-12	78.3		
	Aug-12	74.3		
	1-Yr Ago	59.5	10-Yr Avg	79.1
<b>Manufacturing</b> Inst. for Supply Mgmt Purchasing Mngrs' Idx	Sep-12	51.5	Change in Manufacturing Sector	
	Aug-12	49.6	>50	Expansion
	1-Yr Avg	52.2	<50	Contraction

Note: Seasonally adjusted CPI data is utilized to better reflect short-term pricing activity.

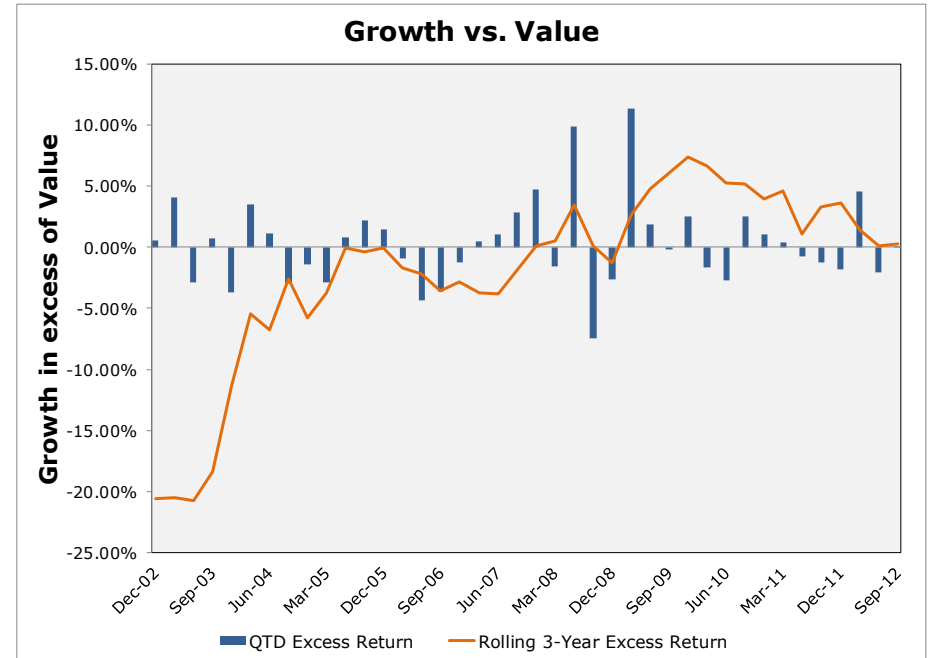
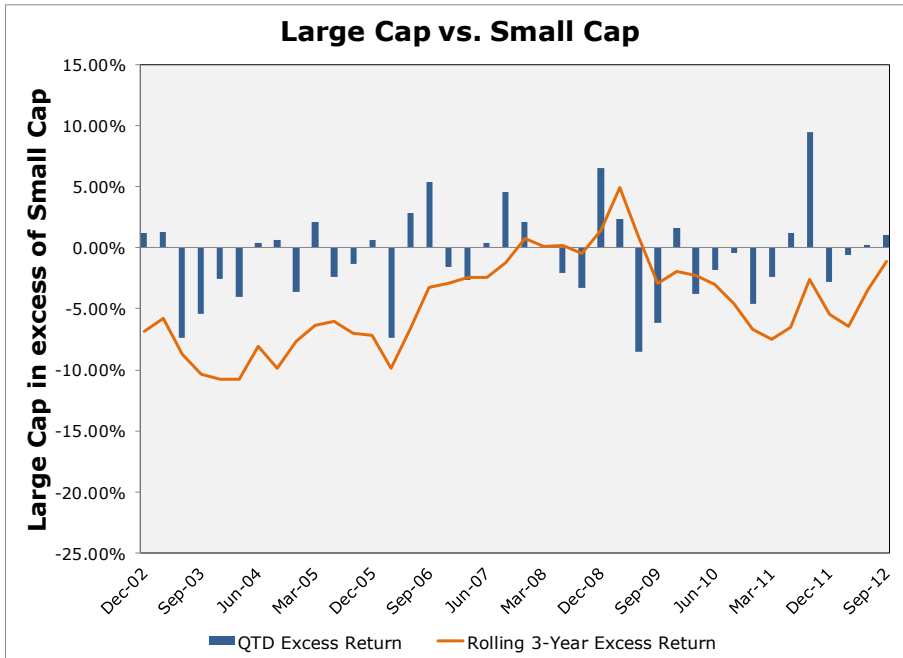
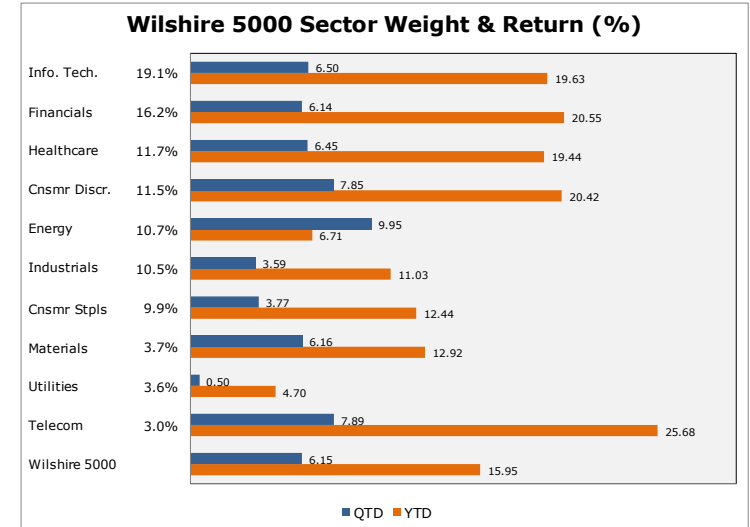


Data sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Federal Reserve Bank of St. Louis, Barclays Capital

# U.S. Capital Markets: Equity



September 30, 2012	Qtr	Ytd	1 Yr	3 Yr	5 Yr	10 Yr
Wilshire 5000	6.2	15.9	29.9	13.2	1.3	8.7
Wilshire U.S. Large Cap	6.3	16.0	29.6	13.1	1.1	8.3
Wilshire U.S. Small Cap	5.2	15.2	32.4	14.4	3.8	11.9
Wilshire U.S. Large Growth	6.3	17.8	30.4	13.1	2.7	8.5
Wilshire U.S. Large Value	6.2	14.2	28.7	13.0	-0.6	7.9
Wilshire U.S. Small Growth	5.2	13.7	29.2	15.1	4.0	12.7
Wilshire U.S. Small Value	5.1	16.5	35.3	13.6	3.5	11.0
Wilshire REIT Index	-0.2	14.7	32.4	20.7	1.7	11.4
MSCI USA Minimum Volatility Index	3.2	12.3	23.9	14.5	3.3	7.6
FTSE RAFI U.S. 1000 Index	6.5	14.7	28.9	11.7	2.3	n.a.

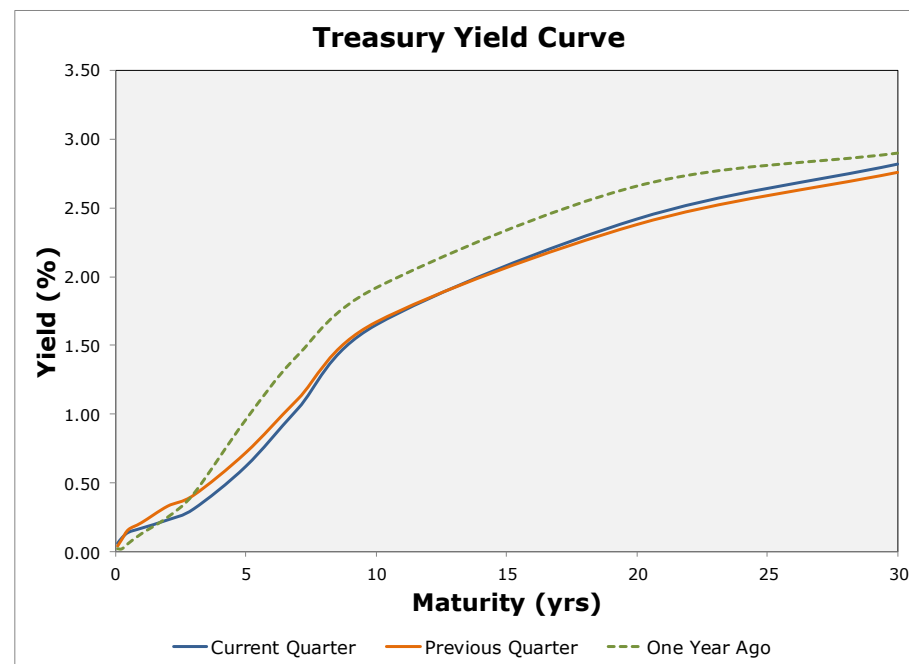
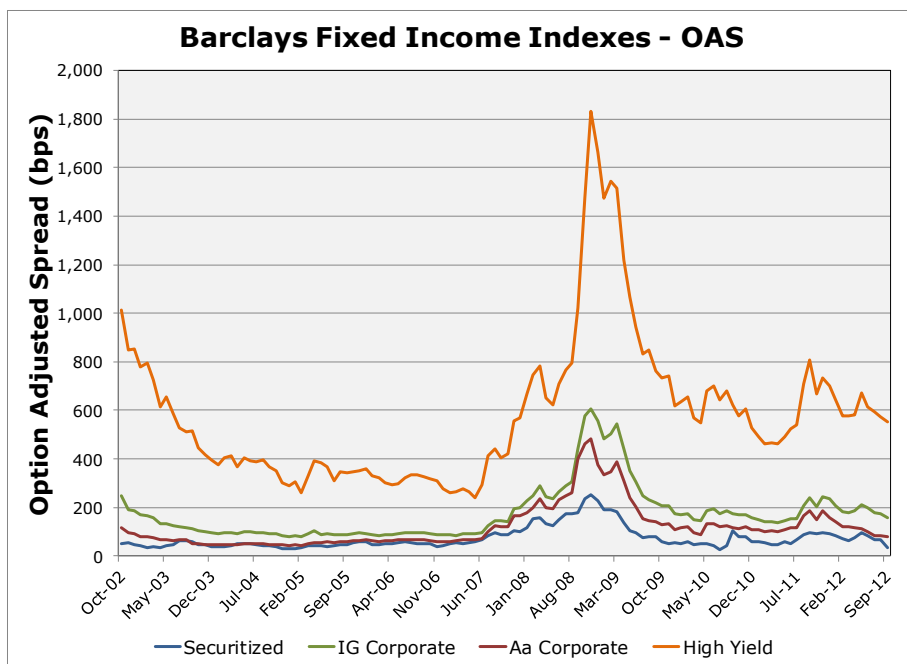


Data sources: Wilshire Compass, Wilshire Atlas

# U.S. Capital Markets: Fixed Income



September 30, 2012	Qtr	Ytd	1 Yr	3 Yr	5 Yr	10 Yr
Barclays Aggregate Bond Index	1.6	4.0	5.1	6.2	6.5	5.3
Barclays Treasury Index	0.6	2.1	3.0	5.4	6.2	4.8
Barclays Govt-Related Index	1.6	4.3	5.1	5.3	6.1	5.0
Barclays Securitized Index	1.3	3.1	4.2	5.6	6.2	5.2
Barclays Corporate IG Index	3.8	8.7	10.8	9.1	8.1	6.6
Barclays LT Govt/Credit Index	3.1	8.3	11.1	12.5	10.9	8.1
Barclays Long-Term Treasury Index	0.2	4.4	6.3	12.0	11.1	7.7
Barclays U.S. TIPS Index	2.1	6.2	9.1	9.3	7.9	6.6
Barclays High Yield Index	4.5	12.1	19.4	12.9	9.3	11.0
Treasury Bills	0.0	0.1	0.1	0.1	0.7	1.8

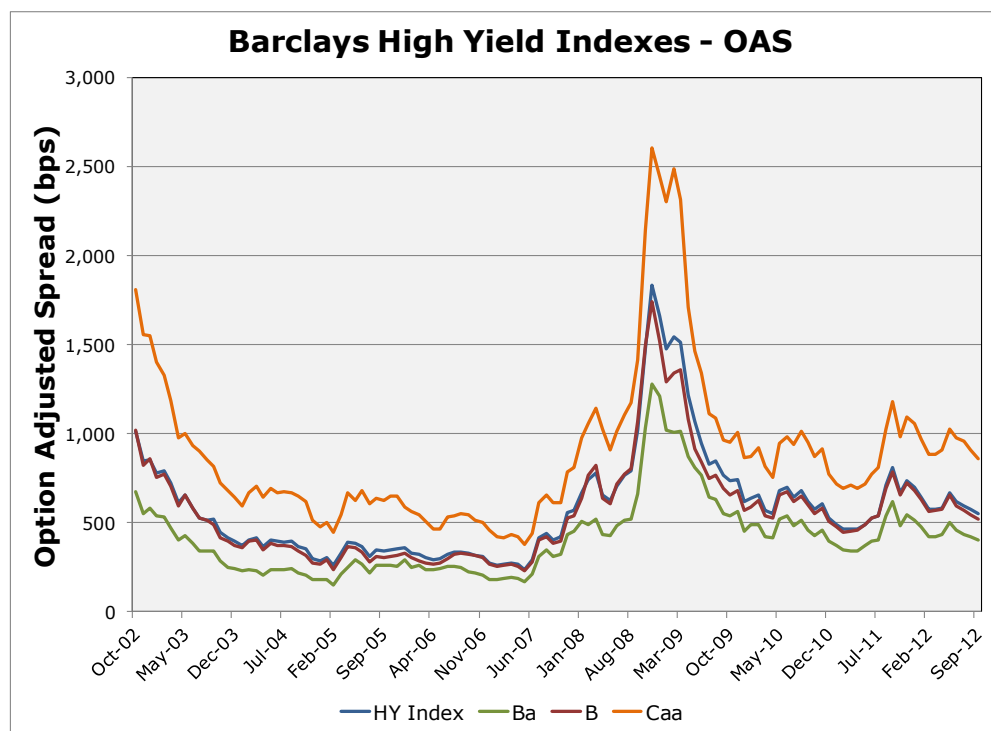


Data sources: Wilshire Compass, Barclays Capital, U.S. Treasury

# High Yield by Quality



September 30, 2012	Weight	Qtr	Ytd	1 Yr	3 Yr
Barclays High Yield Index	100%	4.5	12.1	19.4	12.9
Quality Distribution					
Ba U.S. High Yield	38.5%	4.4	11.5	17.7	12.6
B U.S. High Yield	43.7%	4.4	11.5	18.7	11.9
Caa U.S. High Yield	16.1%	4.8	14.5	24.2	13.6
Ca to D U.S. High Yield	1.4%	9.3	21.3	34.0	17.0
Non-Rated U.S. High Yield	0.3%	8.5	20.1	31.0	15.3



Data sources: Barclays Capital

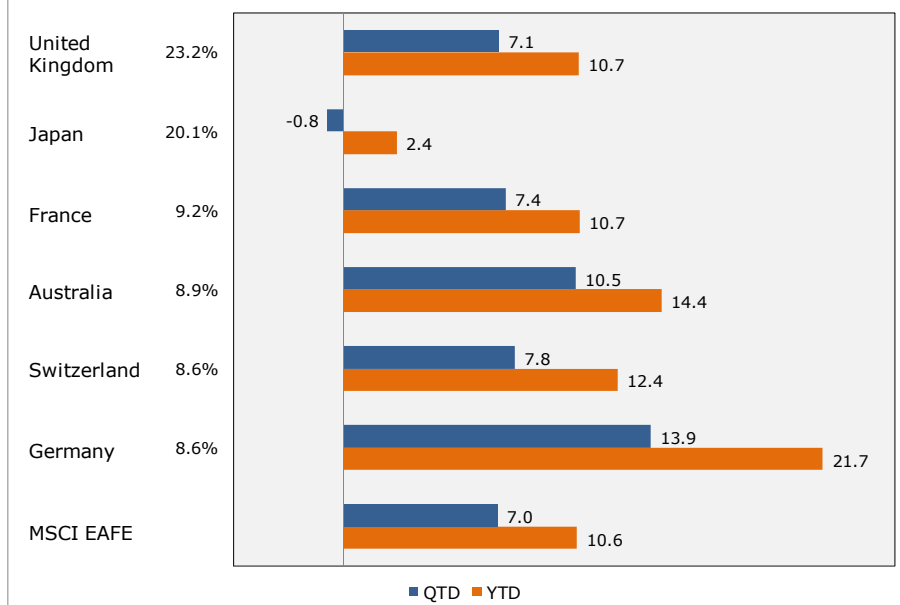


# Non-U.S. Capital Markets

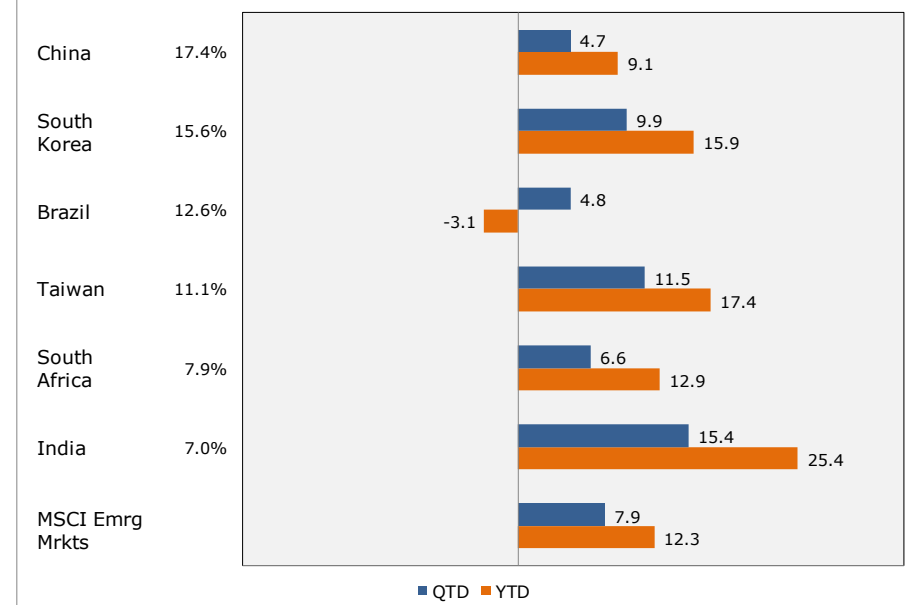


September 30, 2012	Qtr	Ytd	1 Yr	3 Yr	5 Yr	10 Yr
MSCI ACWI ex-US (\$g)	7.5	10.8	15.0	3.6	-3.7	10.3
MSCI EAFE (\$g)	7.0	10.6	14.3	2.6	-4.8	8.7
MSCI Emerging Markets (\$g)	7.9	12.3	17.3	6.0	-1.0	17.4
MSCI Frontier Markets (\$g)	7.4	6.0	4.0	-1.0	-9.2	9.5
MSCI EAFE Minimum Volatility Idx	7.2	11.6	13.5	6.9	0.8	11.4
FTSE RAFI Developed ex-US Index	7.4	7.9	10.9	-0.9	-4.5	n.a.
JPM Non US Global Bond	4.0	3.7	3.5	4.7	7.1	7.5
JPM Non US Global Bond Hedged	1.8	4.4	5.2	4.7	5.2	4.6
JPM EMBI Global	6.8	14.7	20.6	12.3	10.3	12.5
Euro vs. Dollar	1.4	-0.9	-4.1	-4.2	-2.0	2.6
Yen vs. Dollar	2.6	-1.1	-0.9	4.8	8.1	4.6
Pound vs. Dollar	3.0	3.9	3.7	0.3	-4.5	0.2

**MSCI EAFE: Largest Countries and Return**



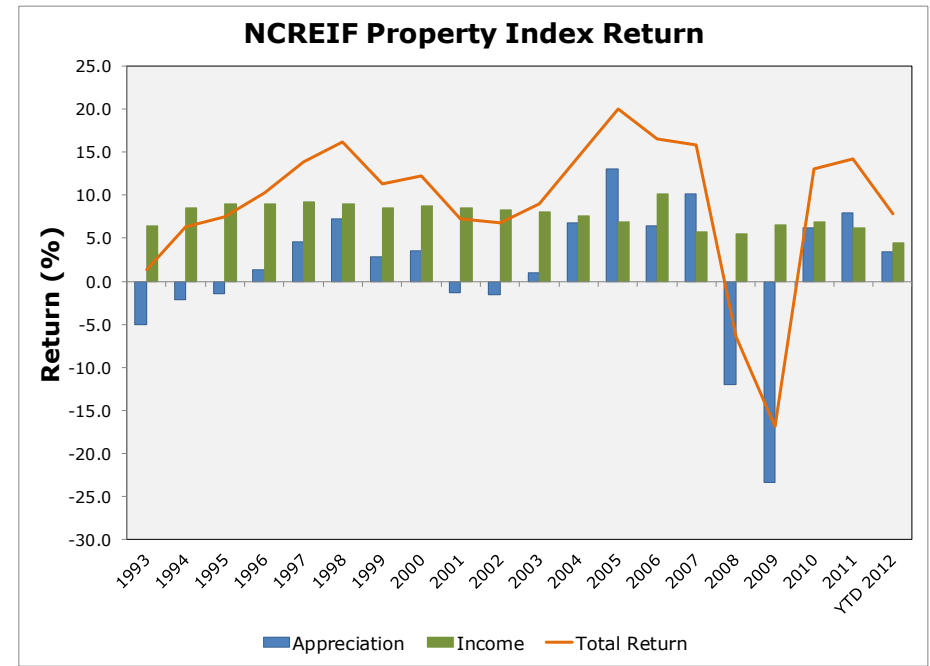
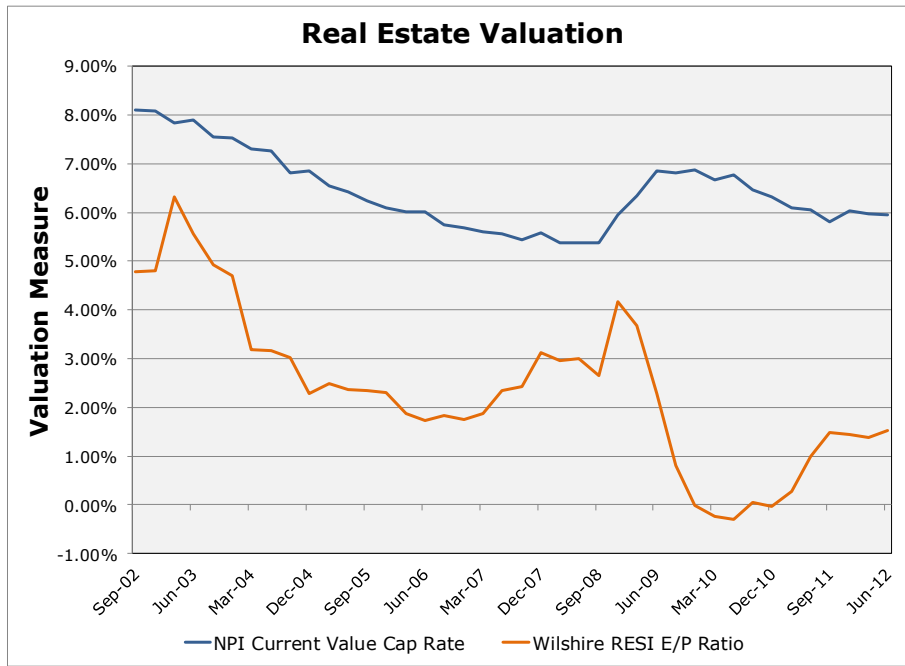
**MSCI EM: Largest Countries and Return**



Data sources: Wilshire Compass, MSCI Barra

September 30, 2012	Qtr	Ytd	1 Yr	3 Yr	5 Yr	10 Yr
Barclays U.S. TIPS Index	2.1	6.2	9.1	9.3	7.9	6.6
Dow Jones UBS Commodity Index	9.7	5.6	6.0	5.3	-3.0	5.2
Global Public Real Estate*	3.3	18.9	30.5	17.4	0.2	12.4
NCREIF Property Index	2.3	7.8	11.0	10.9	2.3	8.3
NCREIF Timberland Index	0.8	1.7	2.2	-0.5	3.3	7.6
Alerian MLP Index (Oil & Gas)	8.9	8.5	26.2	25.1	14.0	17.3

\* Wilshire Global Real Estate Securities from June 2002 to December, 2004. Wilshire Global REITs from 2004 to present.



Data sources: Wilshire Compass, National Council of Real Estate Investment Fiduciaries

# Asset Class Performance



**Annual Asset Class Returns - Best to Worst**

2007	2008	2009	2010	2011	YTD 2012
Emrg Mrkts 39.8%	Core Bond 5.2%	Emrg Mrkts 79.0%	REITs 28.6%	U.S. TIPS 13.6%	U.S. Equity 15.9%
Commodities 16.2%	T-Bills 2.0%	High Yield 58.2%	Emrg Mrkts 19.2%	REITs 9.2%	REITs 14.7%
U.S. TIPS 11.6%	U.S. TIPS -2.3%	Developed 32.5%	U.S. Equity 17.2%	Core Bond 7.8%	Emrg Mrkts 12.3%
Developed 11.6%	High Yield -26.2%	REITs 28.6%	Commodities 16.8%	High Yield 5.0%	High Yield 12.1%
Core Bond 7.0%	Commodities -35.6%	U.S. Equity 28.3%	High Yield 15.1%	U.S. Equity 1.0%	Developed 10.6%
U.S. Equity 5.6%	U.S. Equity -37.2%	Commodities 18.9%	Developed 8.2%	T-Bills 0.1%	U.S. TIPS 6.2%
T-Bills 5.0%	REITs -39.2%	U.S. TIPS 11.4%	Core Bond 6.5%	Developed -11.7%	Commodities 5.6%
High Yield 1.9%	Developed -43.1%	Core Bond 5.9%	U.S. TIPS 6.3%	Commodities -13.3%	Core Bond 4.0%
REITs -17.5%	Emrg Mrkts -53.2%	T-Bills 0.2%	T-Bills 0.1%	Emrg Mrkts -18.2%	T-Bills 0.1%

Annualized  
5-Year

2007-2011
U.S. TIPS 8.0%
High Yield 7.5%
Core Bond 6.5%
Emrg Mrkts 2.7%
T-Bills 1.5%
U.S. Equity 0.1%
REITs -2.0%
Commodities -2.1%
Developed -4.3%

Data sources: Wilshire Compass

Note: Developed asset class is developed markets ex-U.S., ex-Canada.