



NEPC, LLC

YOU DEMAND MORE. So do we.<sup>SM</sup>



NEW MEXICO  
EDUCATIONAL  
RETIREMENT  
BOARD

## New Mexico Educational Retirement Board

### Fourth Quarter 2012 Private Markets Review

May 2013

Allan Martin, Partner  
Kevin Tatlow, Senior Consultant, CAIA

One Main Street, Cambridge, MA 02142  
TEL: 617.374.1300 | FAX: 617.374.1313 | [www.nepc.com](http://www.nepc.com)

CAMBRIDGE | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | SAN FRANCISCO

<b>Table of Contents</b>	<b>Page</b>
Summary Letter	1
Trailing Period Performance	7
Total Private Markets Portfolio	8
Portfolio by Lifecycle	9
Portfolio by Vintage Year	11
Portfolio by Investment Strategy	13
Venture Economics Data	15
Portfolio vs S&P 500 Index	16

Note: Lexington VI-B and VII data is preliminary as of 12/31/2012

#### **Information Disclosure**

- NEPC, LLC uses, as its data source, the plan's fund manager and custodian bank or fund service company, and NEPC, LLC relies on those sources for all transactions, including capital calls, distributions, income/expense and reported values. While NEPC, LLC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- The Investment Performance Analysis is provided as a management aid for the client's internal use only. Portfolio performance reported in the Investment Performance Analysis does not constitute a recommendation by NEPC, LLC.
- Information in this report on market indices and security characteristics is received from sources external to NEPC, LLC. While efforts are made to ensure that this external data is accurate, NEPC, LLC cannot accept responsibility for errors that may occur.



NEPC, LLC

May 2013

Trustees

**New Mexico Educational Retirement Board**

6201 Uptown Blvd.

Suite 204

Albuquerque, NM 87110

**RE:** Private Equity Strategy – 4<sup>th</sup> Quarter 2012

Dear Trustees,

We are pleased to present the December 31, 2012 Private Equity Report for the New Mexico ERB, (ERB). The report provides a variety of performance analyses for the overall portfolio. The reports include trailing performance, performance by investment stage, performance by strategy, and vintage year performance.

The ERB experienced a positive quarter, earning a nominal IRR of 3.15 % and a one year IRR of 16.84%. The annualized IRR of the private equity portfolio since inception was 9.74% at quarter end. Since inception, the Total Value to Paid In multiple (current valuation plus cumulative distributions, divided by total capital calls) was 1.23.

The following table presents the status of the ERB private markets portfolio as of December 31, 2012:

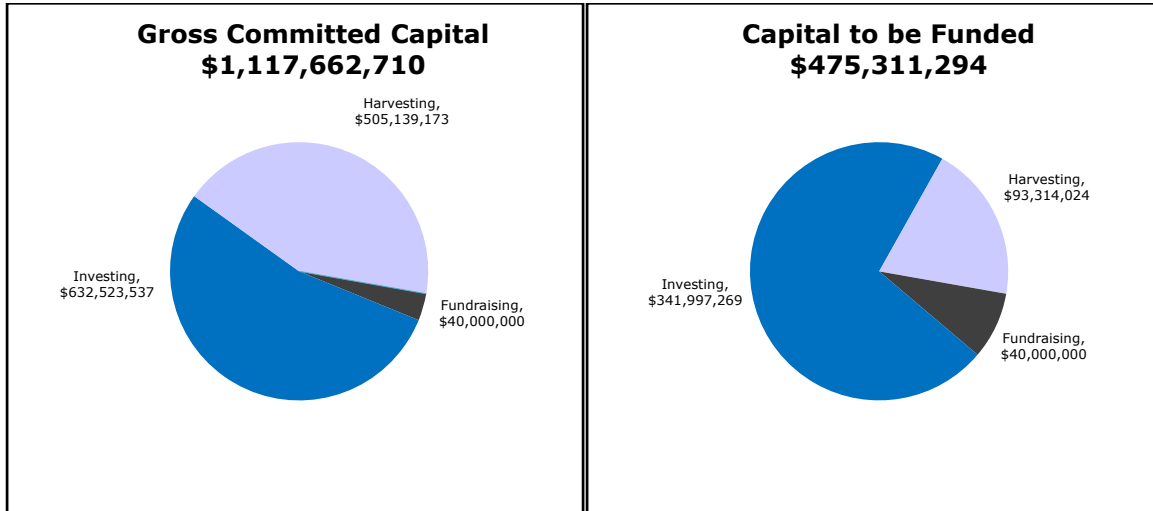
<b>Commitment</b>	<b>Terminated Commitments</b>	<b>Amount Funded</b>	<b>Amount Distributed</b>	<b>Reported Value</b>	<b>Call Ratio</b>	<b>Distribution Ratio</b>
\$1,177,662,710	\$1,069,842	\$702,351,416	\$217,202,926	\$654,405,663	60%	31%

<b>Unfunded Commitment</b>	<b>Market Exposure (Reported Value + Unfunded Commitment)</b>	<b>Total Fund Composite as of 12/31/2012</b>	<b>Private Markets Target</b>	<b>Reported Value of Total Fund</b>	<b>Market Exposure as a % Total Fund</b>
\$475,311,294	\$1,129,716,957	\$9,909,203,429	10%	6.60%	11.40%

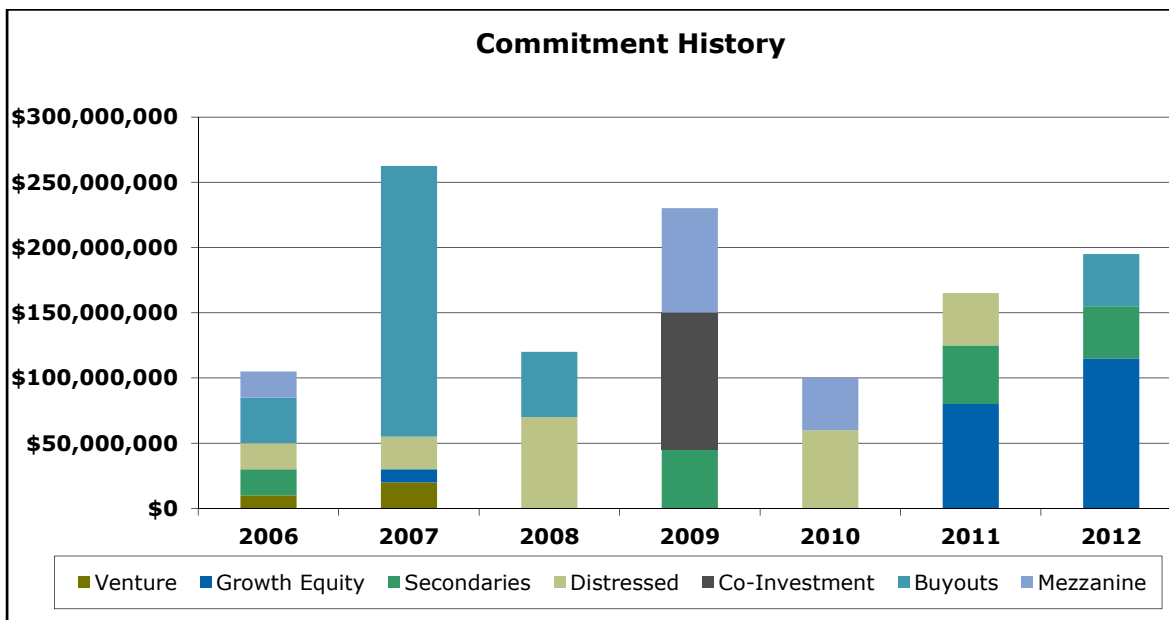
<b>Total Value (Reported Value + Distributions)</b>	<b>Total Value To Capital Call Ratio</b>	<b>Internal Rate of Return IRR, Since Inception (June 2006 funding)</b>
\$871,608,589	1.23	9.74%



At quarter end, the ERB had commitments totaling \$1.18 billion to 36 private equity funds. Of the 36 funds, 1 fund is in the fundraising stage, 17 funds are in the investing stage and 18 funds are in the harvesting stage. The following charts illustrate the program's current life cycle.

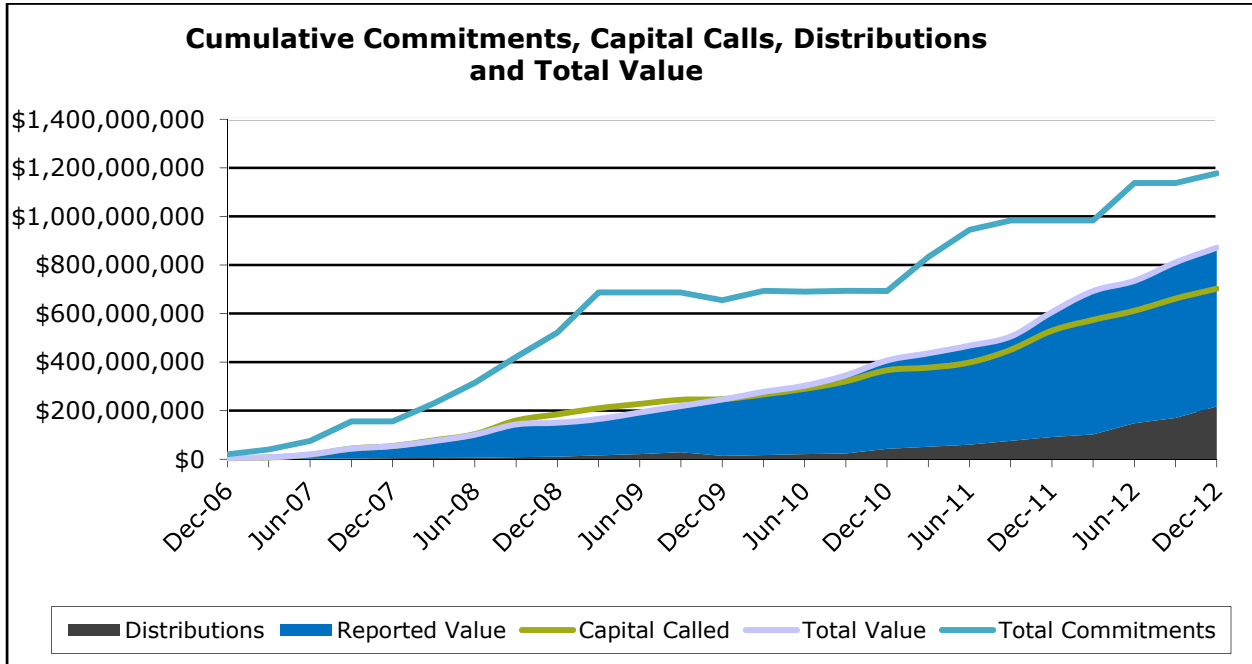


The following chart illustrates the commitment history of the private markets program through the quarter end:

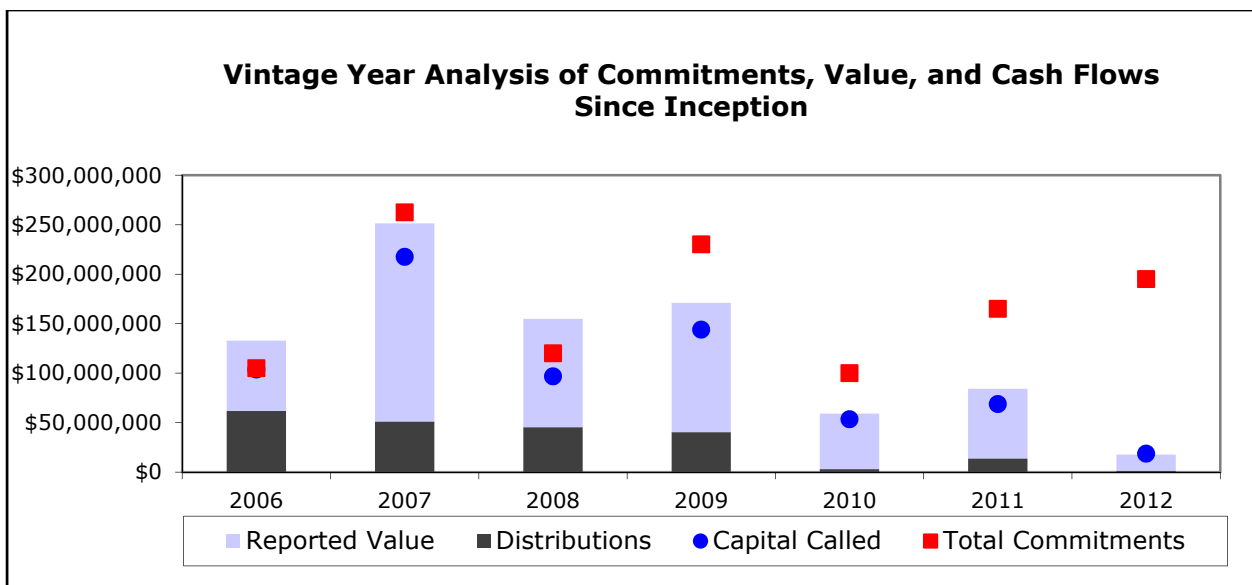




The following chart illustrates the cumulative commitment history, cumulative capital calls, cumulative distributions and reported value:



The following chart provides an analysis of the vintage year performance comparing the capital calls to the distributions and reported value.

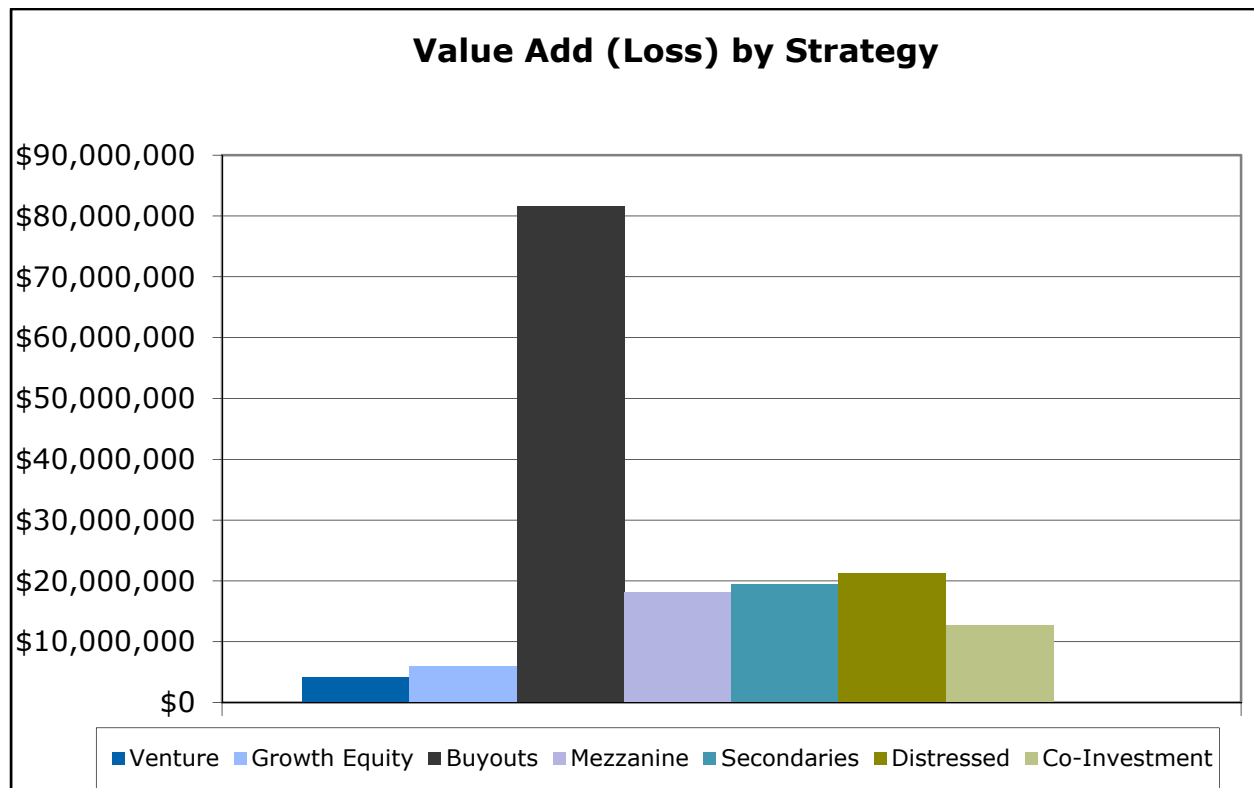




During the quarter-ended December 31, 2012 the ERB private markets portfolio funded 23 investments and received distributions from 20 funds. The summary of the cash flows is as follows:

Amount Funded for the Quarter	Number of Funds Calling Capital	Distributions for the Quarter	Number of Funds Making Distributions	Net Cash/Stock Flows for the Quarter
\$39,450,262	23	\$46,333,558	20	\$6,883,296

Since inception, the private markets program has gained \$163.17 million in value. The investment strategies adding value are Distressed, \$21.3 million; Mezzanine, \$18.2 million; Buyouts, \$81.6 million; Co-Investment, \$12.7 million; Secondaries, \$19.6 million; Growth Equity, \$6.0 million and Venture, \$4.2 million.

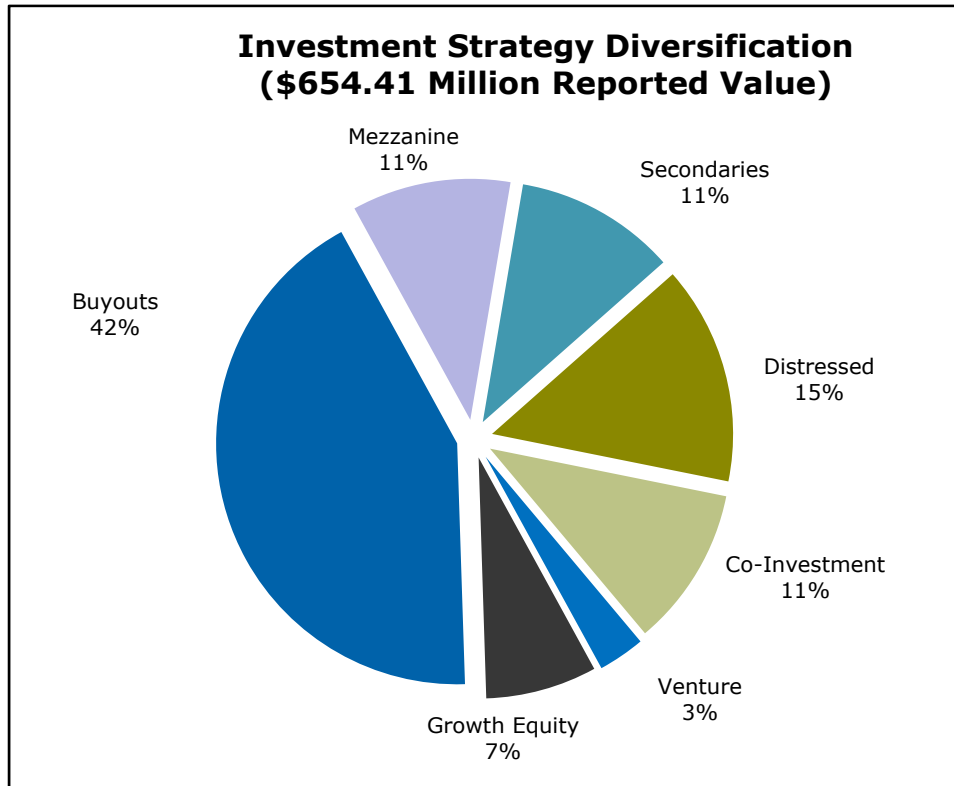




The program compared to typical long-term target allocations among the various private equity strategies is as follows:

Investment Strategy	Target	Min.	Max.	Reported Value	Unfunded Commitment	Total Exposure
<b>Private Equity</b>	<b>100.0%</b>	-	<b>100.0%</b>	<b>57.9%</b>	<b>42.1%</b>	<b>100.0%</b>
<i>Venture</i>	10.0%	-	25.0%	1.8%	0.6%	2.5%
<i>Growth Equity</i>	20.0%	-	30.0%	4.3%	14.2%	18.5%
<i>Buyouts</i>	20.0%	-	50.0%	24.6%	5.0%	29.6%
<i>Mezzanine</i>	20.0%	-	30.0%	6.2%	4.3%	10.5%
<i>Secondaries</i>	10.0%	-	30.0%	6.3%	6.5%	12.8%
<i>Distressed</i>	15.0%	-	30.0%	8.5%	8.3%	16.8%
<i>Co-Investment</i>	5.0%	-	10.0%	6.2%	3.1%	9.3%
<b>Totals</b>	100.0%			<b>57.9%</b>	<b>42.1%</b>	<b>100.0%</b>
<i>Variance due to rounding</i>						

At the quarter end, the private markets portfolio was diversified by investment strategy. The private markets valuation by strategy follows:





We thank you for the opportunity to work with New Mexico Educational Retirement Board and look forward to continued success in the future.

Best regards,

Allan Martin  
Partner

Kevin Tatlow  
Senior Consultant, CAIA



**New Mexico ERB**  
**Executive Summary IRR Performance Report**

12/31/2012

Investment	Vintage Year	Commitment	Qtr TD	YTD	1 Year	3 Year	5 Year	Inception
Apollo Investment Fund VII, L.P.	2008	40,000,000	6.46	36.50	36.50	24.89	N/A	23.16
Ares Corporate Opportunities Fund	2012	40,000,000	N/A	N/A	N/A	N/A	N/A	-8.67
Ares Special Situations III, LP	2010	30,000,000	5.10	20.34	20.34	N/A	N/A	5.60
Ares Special Situations, LP	2008	30,000,000	5.35	21.30	21.30	14.41	N/A	11.58
Audax Private Equity Fund IV	2012	40,000,000	N/A	N/A	N/A	N/A	N/A	N/A
BDCM Opportunity Fund III, LP	2011	40,000,000	5.47	10.45	10.45	N/A	N/A	8.62
BR Co-Investment (Transfer)	2009	5,139,173	2.09	6.63	6.63	12.39	N/A	7.73
BR/ERB Co-Investment Fund I (BlackRock)	2009	100,000,000	-2.42	19.99	19.99	12.97	N/A	11.71
Bridgepoint Europe IV D	2007	26,830,931	10.80	18.91	18.91	13.02	N/A	9.58
Clayton, Dubilier, and Rice Fund VIII, LP	2007	40,000,000	9.24	25.26	25.26	18.50	N/A	17.58
ComVest Investment Partners III, LP	2007	25,000,000	-10.46	-18.91	-18.91	-2.15	N/A	2.30
DRI II, L.P.	2009	40,000,000	-1.20	8.27	8.27	N/A	N/A	6.32
EIG XV	2010	40,000,000	3.50	16.27	16.27	N/A	N/A	22.03
Edison Venture Fund VII, L.P.	2011	40,000,000	8.40	23.69	23.69	N/A	N/A	33.59
Fletcher Spaght Ventures II	2007	20,000,000	3.73	34.12	34.12	11.05	N/A	2.85
GF Capital Private Equity Fund, LP	2007	15,000,000	16.71	42.61	42.61	20.70	19.70	17.03
Goode Partners Consumer Fund I, L.P.	2007	20,000,000	-11.55	1.70	1.70	15.70	7.14	6.62
HM Sector Performance Fund, L.P.	2006	20,000,000	-10.44	20.35	20.35	7.89	-1.73	-2.39
Industrial Opportunity Partners, L.P.	2006	15,000,000	12.80	60.17	60.17	48.30	26.82	25.11
Industry Ventures Fund VI	2011	45,000,000	0.22	33.88	33.88	N/A	N/A	45.32
Leeds Equity Partners V, LP	2007	20,000,000	2.03	7.14	7.14	8.19	N/A	8.42
Levine Leichtman Deep Value Fund	2006	20,000,000	-6.76	0.32	0.32	9.49	5.99	2.53
Levine Leichtman IV	2008	50,000,000	4.99	29.17	29.17	31.42	N/A	26.95
Lexington Capital Partners VI-B	2006	20,000,000	0.00	7.46	7.46	10.98	4.14	5.32
Lexington Capital Partners VII	2009	45,000,000	0.00	13.56	13.56	N/A	N/A	17.62
Lightyear Capital III	2011	40,000,000	9.59	N/A	N/A	N/A	N/A	17.42
Lion Capital Fund II	2007	40,692,606	0.97	2.86	2.86	-7.93	N/A	-4.17
Newstone Capital Partners I, LP	2006	20,000,000	5.22	11.75	11.75	8.78	8.19	8.00
Perseus Partners VII, LP	2007	15,000,000	-17.13	-56.77	-56.77	-24.92	-18.38	-18.19
Platinum Equity Partners II, LP	2007	30,000,000	15.40	13.08	13.08	27.65	N/A	16.95
Psilos Group Partners III LP	2006	10,000,000	4.86	41.79	41.79	16.90	11.66	8.72
TPG Growth II, L.P.	2012	75,000,000	-6.03	N/A	N/A	N/A	N/A	-25.63
Tenex Capital Partners	2010	30,000,000	19.98	5.01	5.01	N/A	N/A	-14.68
VSS Structured Capital Partners II	2009	40,000,000	10.57	23.93	23.93	19.04	N/A	14.70
Vicente Capital fka/K H Growth Equity Fund	2007	10,000,000	55.19	52.39	52.39	28.34	N/A	12.80
W Capital Partners III	2012	40,000,000	-3.84	N/A	N/A	N/A	N/A	21.48
<b>Total: New Mexico Educational Retirement Boa</b>		<b>1,177,662,710</b>	<b>3.15</b>	<b>16.84</b>	<b>16.84</b>	<b>13.71</b>	<b>10.18</b>	<b>9.74</b>

Composite IRRs include all flows of the selected investments regardless of the start date of the investment.  
"N/A" will be displayed if the investment has insufficient cash flows for the period

**New Mexico ERB  
Performance Analysis**

12/31/2012

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
1 Apollo Investment Fund VII, L.P.	2008	40,000,000	28,279,872	11,720,128	6,524	15,723,772	31,576,540	47,300,312	19,013,916	71 %	0.56	1.67	23.16 %
2 Ares Corporate Opportunities Fund	2012	40,000,000	1,358,830	38,641,170	0	0	1,241,055	1,241,055	-117,775	3 %	0.00	0.91	-8.67 %
3 Ares Special Situations III, LP	2010	30,000,000	17,806,611	12,193,389	279,745	567,142	19,129,907	19,697,049	1,610,693	59 %	0.03	1.09	5.60 %
4 Ares Special Situations, LP	2008	30,000,000	30,000,000	0	513,990	21,297,567	25,440,070	46,737,637	16,223,648	100 %	0.71	1.53	11.58 %
5 Audax Private Equity Fund IV	2012	40,000,000	0	40,000,000	0	0	0	0	0	0 %	0.00	N/A	N/A
6 BDCM Opportunity Fund III, LP	2011	40,000,000	17,187,667	22,812,333	-1,270	6,501,527	11,935,393	18,436,920	1,250,523	43 %	0.38	1.07	8.62 %
7 BR Co-Investment (Transfer)	2009	5,139,173	4,975,125	164,048	164,048	3,264,132	3,296,754	6,560,886	1,421,713	97 %	0.66	1.28	7.73 %
8 BR/ERB Co-Investment Fund I (Blackf	2009	100,000,000	65,402,260	34,597,740	0	9,810,546	66,895,232	76,705,778	11,303,518	65 %	0.15	1.17	11.71 %
9 Bridgepoint Europe IV D	2007	26,830,931	17,053,120	9,777,811	0	0	20,475,537	20,475,537	3,422,417	64 %	0.00	1.20	9.58 %
10 Clayton, Dubilier, and Rice Fund VIII, I	2007	40,000,000	30,785,061	9,214,939	6,468	7,409,198	34,043,929	41,453,127	10,661,598	77 %	0.24	1.35	17.58 %
11 ComVest Investment Partners III, LP	2007	25,000,000	22,466,146	2,533,854	431,428	9,371,667	14,948,883	24,320,550	1,422,976	90 %	0.42	1.06	2.30 %
12 DRI II, L.P.	2009	40,000,000	21,368,867	18,631,133	147,896	11,837,282	10,905,894	22,743,176	1,226,413	53 %	0.55	1.06	6.32 %
13 EIG XV	2010	40,000,000	23,364,567	16,635,433	0	2,369,780	25,882,699	28,252,479	4,887,912	58 %	0.10	1.21	22.03 %
14 Edison Venture Fund VII, L.P.	2011	40,000,000	11,400,000	28,600,000	454,315	0	15,666,785	15,666,785	3,812,470	28 %	0.00	1.32	33.59 %
15 Fletcher Spaght Ventures II	2007	20,000,000	13,900,001	6,100,000	103,079	1,720,201	13,150,870	14,871,071	867,991	70 %	0.12	1.06	2.85 %
16 GF Capital Private Equity Fund, LP	2007	15,000,000	14,275,299	724,701	105,889	8,174,107	13,502,815	21,676,922	7,295,734	95 %	0.57	1.51	17.03 %
17 Goode Partners Consumer Fund I, L.P.	2007	20,000,000	21,323,782	-1,323,782	129,530	6,142,249	20,769,332	26,911,581	5,458,270	107 %	0.29	1.25	6.62 %
18 HM Sector Performance Fund, L.P.	2006	20,000,000	20,833,000	-833,000	-127,485	2,173,852	16,870,114	19,043,966	-1,661,549	104 %	0.10	0.92	-2.39 %
19 Industrial Opportunity Partners, L.P.	2006	15,000,000	13,912,116	1,087,884	114,029	13,476,776	13,679,205	27,155,981	13,129,836	93 %	0.97	1.94	25.11 %
20 Industry Ventures Fund VI	2011	45,000,000	23,850,000	21,150,000	0	4,985,423	26,879,404	31,864,827	8,014,827	53 %	0.21	1.34	45.32 %
21 Leeds Equity Partners V, LP	2007	20,000,000	12,056,407	7,943,593	-333,456	1,369,782	11,898,283	13,268,065	1,545,114	60 %	0.11	1.13	8.42 %
22 Levine Leichtman Deep Value Fund	2006	20,000,000	20,000,000	0	2,698,401	12,487,367	12,242,565	24,729,932	2,031,531	100 %	0.62	1.09	2.53 %
23 Levine Leichtman IV	2008	50,000,000	38,377,277	11,622,723	-9,116	8,277,863	52,611,695	60,889,558	22,521,397	77 %	0.22	1.59	26.95 %
24 Lexington Capital Partners VI-B	2006	20,000,000	20,258,375	-258,375	10,079	11,518,064	12,572,724	24,090,788	3,822,334	101 %	0.57	1.19	5.32 %
25 Lexington Capital Partners VII	2009	45,000,000	25,311,970	19,688,030	-114,241	6,798,813	24,947,672	31,746,485	6,548,756	56 %	0.27	1.26	17.62 %
26 Lightyear Capital III	2011	40,000,000	16,286,313	23,713,687	0	2,375,943	15,887,964	18,263,907	1,977,594	41 %	0.15	1.12	17.42 %
27 Lion Capital Fund II	2007	40,692,606	36,797,830	3,894,776	274,962	1,903,696	29,419,096	31,322,792	-5,750,000	90 %	0.05	0.84	-4.17 %
28 Newstone Capital Partners I, LP	2006	20,000,000	19,809,845	190,155	242,554	17,322,484	8,242,083	25,564,567	5,512,168	99 %	0.87	1.27	8.00 %
29 Perseus Partners VII, LP	2007	15,000,000	14,967,354	32,646	114,277	992,997	7,071,218	8,064,215	-7,017,416	100 %	0.07	0.53	-18.19 %
30 Platinum Equity Partners II, LP	2007	30,000,000	27,513,282	2,486,718	377,257	14,381,051	26,461,650	40,842,701	12,952,162	92 %	0.52	1.46	16.95 %
31 Psilos Group Partners III LP	2006	10,000,000	8,850,000	1,150,000	26,981	4,845,456	7,356,115	12,201,571	3,324,590	89 %	0.55	1.37	8.72 %
32 TPG Growth II, L.P.	2012	75,000,000	10,582,559	64,417,441	0	0	8,704,993	8,704,993	-1,877,566	14 %	0.00	0.82	-25.63 %
33 Tenex Capital Partners	2010	30,000,000	12,134,212	17,865,788	91,443	13,740	11,104,591	11,118,331	-1,107,325	40 %	0.00	0.91	-14.68 %
34 VSS Structured Capital Partners II	2009	40,000,000	26,804,765	13,195,235	-9,464	8,651,744	24,669,388	33,321,132	6,525,831	67 %	0.32	1.24	14.70 %
35 Vicente Capital fka/K H Growth Equity	2007	10,000,000	6,458,905	3,541,095	46,258	34,348	8,559,733	8,594,081	2,088,918	65 %	0.01	1.32	12.80 %
36 W Capital Partners III	2012	40,000,000	6,600,000	33,400,000	0	1,404,357	6,365,474	7,769,831	1,169,831	17 %	0.21	1.18	21.48 %
<b>36 Total Partnerships</b>		<b>1,177,662,710</b>	<b>702,351,416</b>	<b>475,311,294</b>	<b>5,744,121</b>	<b>217,202,926</b>	<b>654,405,663</b>	<b>871,608,588</b>	<b>163,513,051</b>	<b>60 %</b>	<b>0.31</b>	<b>1.23</b>	<b>9.74 %</b>

**New Mexico ERB**  
**Lifecycle Performance Analysis**

12/31/2012

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
<b>1 Fundraising</b>													
1 Audax Private Equity Fund IV	2012	40,000,000	0	40,000,000	0	0	0	0	0	0 %	0.00	N/A	N/A
<b>1 Fundraising Subtotal</b>		<b>40,000,000</b>	<b>0</b>	<b>40,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0 %</b>	<b>0.00</b>	<b>N/A</b>	<b>N/A</b>
<b>2 Investing</b>													
2 Ares Corporate Opportunities Fund	2012	40,000,000	1,358,830	38,641,170	0	0	1,241,055	1,241,055	-117,775	3 %	0.00	0.91	-8.67 %
3 Ares Special Situations III, LP	2010	30,000,000	17,806,611	12,193,389	279,745	567,142	19,129,907	19,697,049	1,610,693	59 %	0.03	1.09	5.60 %
4 BDCM Opportunity Fund III, LP	2011	40,000,000	17,187,667	22,812,333	-1,270	6,501,527	11,935,393	18,436,920	1,250,523	43 %	0.38	1.07	8.62 %
5 Bridgepoint Europe IV D	2007	26,830,931	17,053,120	9,777,811	0	0	20,475,537	20,475,537	3,422,417	64 %	0.00	1.20	9.58 %
6 EIG XV	2010	40,000,000	23,364,567	16,635,433	0	2,369,780	25,882,699	28,252,479	4,887,912	58 %	0.10	1.21	22.03 %
7 Edison Venture Fund VII, L.P.	2011	40,000,000	11,400,000	28,600,000	454,315	0	15,666,785	15,666,785	3,812,470	28 %	0.00	1.32	33.59 %
8 Fletcher Spaght Ventures II	2007	20,000,000	13,900,001	6,100,000	103,079	1,720,201	13,150,870	14,871,071	867,991	70 %	0.12	1.06	2.85 %
9 Industry Ventures Fund VI	2011	45,000,000	23,850,000	21,150,000	0	4,985,423	26,879,404	31,864,827	8,014,827	53 %	0.21	1.34	45.32 %
10 Leeds Equity Partners V, LP	2007	20,000,000	12,056,407	7,943,593	-333,456	1,369,782	11,898,283	13,268,065	1,545,114	60 %	0.11	1.13	8.42 %
11 Levine Leichtman IV	2008	50,000,000	38,377,277	11,622,723	-9,116	8,277,863	52,611,695	60,889,558	22,521,397	77 %	0.22	1.59	26.95 %
12 Lexington Capital Partners VII	2009	45,000,000	25,311,970	19,688,030	-114,241	6,798,813	24,947,672	31,746,485	6,548,756	56 %	0.27	1.26	17.62 %
13 Lightyear Capital III	2011	40,000,000	16,286,313	23,713,687	0	2,375,943	15,887,964	18,263,907	1,977,594	41 %	0.15	1.12	17.42 %
14 Lion Capital Fund II	2007	40,692,606	36,797,830	3,894,776	274,962	1,903,696	29,419,096	31,322,792	-5,750,000	90 %	0.05	0.84	-4.17 %
15 TPG Growth II, L.P.	2012	75,000,000	10,582,559	64,417,441	0	0	8,704,993	8,704,993	-1,877,566	14 %	0.00	0.82	-25.63 %
16 Tenex Capital Partners	2010	30,000,000	12,134,212	17,865,788	91,443	13,740	11,104,591	11,118,331	-1,107,325	40 %	0.00	0.91	-14.68 %
17 Vicente Capital fka/K H Growth Equity	2007	10,000,000	6,458,905	3,541,095	46,258	34,348	8,559,733	8,594,081	2,088,918	65 %	0.01	1.32	12.80 %
18 W Capital Partners III	2012	40,000,000	6,600,000	33,400,000	0	1,404,357	6,365,474	7,769,831	1,169,831	17 %	0.21	1.18	21.48 %
<b>2 Investing Subtotal</b>		<b>632,523,537</b>	<b>290,526,268</b>	<b>341,997,269</b>	<b>791,720</b>	<b>38,322,615</b>	<b>303,861,152</b>	<b>342,183,767</b>	<b>50,865,779</b>	<b>46 %</b>	<b>0.13</b>	<b>1.17</b>	<b>10.06 %</b>

**New Mexico ERB**  
**Lifecycle Performance Analysis**

12/31/2012

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
<b>3 Harvesting</b>													
19 Apollo Investment Fund VII, L.P.	2008	40,000,000	28,279,872	11,720,128	6,524	15,723,772	31,576,540	47,300,312	19,013,916	71 %	0.56	1.67	23.16 %
20 Ares Special Situations, LP	2008	30,000,000	30,000,000	0	513,990	21,297,567	25,440,070	46,737,637	16,223,648	100 %	0.71	1.53	11.58 %
21 BR Co-Investment (Transfer)	2009	5,139,173	4,975,125	164,048	164,048	3,264,132	3,296,754	6,560,886	1,421,713	97 %	0.66	1.28	7.73 %
22 BR/ERB Co-Investment Fund I (Blackf	2009	100,000,000	65,402,260	34,597,740	0	9,810,546	66,895,232	76,705,778	11,303,518	65 %	0.15	1.17	11.71 %
23 Clayton, Dubilier, and Rice Fund VIII, I	2007	40,000,000	30,785,061	9,214,939	6,468	7,409,198	34,043,929	41,453,127	10,661,598	77 %	0.24	1.35	17.58 %
24 ComVest Investment Partners III, LP	2007	25,000,000	22,466,146	2,533,854	431,428	9,371,667	14,948,883	24,320,550	1,422,976	90 %	0.42	1.06	2.30 %
25 DRI II, L.P.	2009	40,000,000	21,368,867	18,631,133	147,896	11,837,282	10,905,894	22,743,176	1,226,413	53 %	0.55	1.06	6.32 %
26 GF Capital Private Equity Fund, LP	2007	15,000,000	14,275,299	724,701	105,889	8,174,107	13,502,815	21,676,922	7,295,734	95 %	0.57	1.51	17.03 %
27 Goode Partners Consumer Fund I, L.P.	2007	20,000,000	21,323,782	-1,323,782	129,530	6,142,249	20,769,332	26,911,581	5,458,270	107 %	0.29	1.25	6.62 %
28 HM Sector Performance Fund, L.P.	2006	20,000,000	20,833,000	-833,000	-127,485	2,173,852	16,870,114	19,043,966	-1,661,549	104 %	0.10	0.92	-2.39 %
29 Industrial Opportunity Partners, L.P.	2006	15,000,000	13,912,116	1,087,884	114,029	13,476,776	13,679,205	27,155,981	13,129,836	93 %	0.97	1.94	25.11 %
30 Levine Leichtman Deep Value Fund	2006	20,000,000	20,000,000	0	2,698,401	12,487,367	12,242,565	24,729,932	2,031,531	100 %	0.62	1.09	2.53 %
31 Lexington Capital Partners VI-B	2006	20,000,000	20,258,375	-258,375	10,079	11,518,064	12,572,724	24,090,788	3,822,334	101 %	0.57	1.19	5.32 %
32 Newstone Capital Partners I, LP	2006	20,000,000	19,809,845	190,155	242,554	17,322,484	8,242,083	25,564,567	5,512,168	99 %	0.87	1.27	8.00 %
33 Perseus Partners VII, LP	2007	15,000,000	14,967,354	32,646	114,277	992,997	7,071,218	8,064,215	-7,017,416	100 %	0.07	0.53	-18.19 %
34 Platinum Equity Partners II, LP	2007	30,000,000	27,513,282	2,486,718	377,257	14,381,051	26,461,650	40,842,701	12,952,162	92 %	0.52	1.46	16.95 %
35 Psilos Group Partners III LP	2006	10,000,000	8,850,000	1,150,000	26,981	4,845,456	7,356,115	12,201,571	3,324,590	89 %	0.55	1.37	8.72 %
36 VSS Structured Capital Partners II	2009	40,000,000	26,804,765	13,195,235	-9,464	8,651,744	24,669,388	33,321,132	6,525,831	67 %	0.32	1.24	14.70 %
<b>3 Harvesting Subtotal</b>		<b>505,139,173</b>	<b>411,825,149</b>	<b>93,314,024</b>	<b>4,952,401</b>	<b>178,880,311</b>	<b>350,544,511</b>	<b>529,424,822</b>	<b>112,647,272</b>	<b>82 %</b>	<b>0.43</b>	<b>1.27</b>	<b>9.62 %</b>
36 Total Partnerships		<b>1,177,662,710</b>	<b>702,351,416</b>	<b>475,311,294</b>	<b>5,744,121</b>	<b>217,202,926</b>	<b>654,405,663</b>	<b>871,608,588</b>	<b>163,513,051</b>	<b>60 %</b>	<b>0.31</b>	<b>1.23</b>	<b>9.74 %</b>

**New Mexico ERB**  
**Vintage Year Performance Analysis**

12/31/2012

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
<b>2006</b>													
1 HM Sector Performance Fund, L.P.	2006	20,000,000	20,833,000	-833,000	-127,485	2,173,852	16,870,114	19,043,966	-1,661,549	104 %	0.10	0.92	-2.39 %
2 Industrial Opportunity Partners, L.P.	2006	15,000,000	13,912,116	1,087,884	114,029	13,476,776	13,679,205	27,155,981	13,129,836	93 %	0.97	1.94	25.11 %
3 Levine Leichtman Deep Value Fund	2006	20,000,000	20,000,000	0	2,698,401	12,487,367	12,242,565	24,729,932	2,031,531	100 %	0.62	1.09	2.53 %
4 Lexington Capital Partners VI-B	2006	20,000,000	20,258,375	-258,375	10,079	11,518,064	12,572,724	24,090,788	3,822,334	101 %	0.57	1.19	5.32 %
5 Newstone Capital Partners I, LP	2006	20,000,000	19,809,845	190,155	242,554	17,322,484	8,242,083	25,564,567	5,512,168	99 %	0.87	1.27	8.00 %
6 Psilos Group Partners III LP	2006	10,000,000	8,850,000	1,150,000	26,981	4,845,456	7,356,115	12,201,571	3,324,590	89 %	0.55	1.37	8.72 %
<b>2006 Subtotal</b>		<b>105,000,000</b>	<b>103,663,336</b>	<b>1,336,664</b>	<b>2,964,559</b>	<b>61,823,998</b>	<b>70,962,806</b>	<b>132,786,804</b>	<b>26,158,910</b>	<b>99 %</b>	<b>0.60</b>	<b>1.25</b>	<b>6.76 %</b>
<b>2007</b>													
7 Bridgepoint Europe IV D	2007	26,830,931	17,053,120	9,777,811	0	0	20,475,537	20,475,537	3,422,417	64 %	0.00	1.20	9.58 %
8 Clayton, Dubilier, and Rice Fund VIII, I	2007	40,000,000	30,785,061	9,214,939	6,468	7,409,198	34,043,929	41,453,127	10,661,598	77 %	0.24	1.35	17.58 %
9 ComVest Investment Partners III, LP	2007	25,000,000	22,466,146	2,533,854	431,428	9,371,667	14,948,883	24,320,550	1,422,976	90 %	0.42	1.06	2.30 %
10 Fletcher Spaght Ventures II	2007	20,000,000	13,900,001	6,100,000	103,079	1,720,201	13,150,870	14,871,071	867,991	70 %	0.12	1.06	2.85 %
11 GF Capital Private Equity Fund, LP	2007	15,000,000	14,275,299	724,701	105,889	8,174,107	13,502,815	21,676,922	7,295,734	95 %	0.57	1.51	17.03 %
12 Goode Partners Consumer Fund I, L.P.	2007	20,000,000	21,323,782	-1,323,782	129,530	6,142,249	20,769,332	26,911,581	5,458,270	107 %	0.29	1.25	6.62 %
13 Leeds Equity Partners V, LP	2007	20,000,000	12,056,407	7,943,593	-333,456	1,369,782	11,898,283	13,268,065	1,545,114	60 %	0.11	1.13	8.42 %
14 Lion Capital Fund II	2007	40,692,606	36,797,830	3,894,776	274,962	1,903,696	29,419,096	31,322,792	-5,750,000	90 %	0.05	0.84	-4.17 %
15 Perseus Partners VII, LP	2007	15,000,000	14,967,354	32,646	114,277	992,997	7,071,218	8,064,215	-7,017,416	100 %	0.07	0.53	-18.19 %
16 Platinum Equity Partners II, LP	2007	30,000,000	27,513,282	2,486,718	377,257	14,381,051	26,461,650	40,842,701	12,952,162	92 %	0.52	1.46	16.95 %
17 Vicente Capital fka/K H Growth Equity	2007	10,000,000	6,458,905	3,541,095	46,258	34,348	8,559,733	8,594,081	2,088,918	65 %	0.01	1.32	12.80 %
<b>2007 Subtotal</b>		<b>262,523,537</b>	<b>217,597,185</b>	<b>44,926,352</b>	<b>1,255,692</b>	<b>51,499,296</b>	<b>200,301,346</b>	<b>251,800,642</b>	<b>32,947,765</b>	<b>83 %</b>	<b>0.24</b>	<b>1.15</b>	<b>5.33 %</b>
<b>2008</b>													
18 Apollo Investment Fund VII, L.P.	2008	40,000,000	28,279,872	11,720,128	6,524	15,723,772	31,576,540	47,300,312	19,013,916	71 %	0.56	1.67	23.16 %
19 Ares Special Situations, LP	2008	30,000,000	30,000,000	0	513,990	21,297,567	25,440,070	46,737,637	16,223,648	100 %	0.71	1.53	11.58 %
20 Levine Leichtman IV	2008	50,000,000	38,377,277	11,622,723	-9,116	8,277,863	52,611,695	60,889,558	22,521,397	77 %	0.22	1.59	26.95 %
<b>2008 Subtotal</b>		<b>120,000,000</b>	<b>96,657,148</b>	<b>23,342,852</b>	<b>511,398</b>	<b>45,299,202</b>	<b>109,628,305</b>	<b>154,927,507</b>	<b>57,758,961</b>	<b>81 %</b>	<b>0.47</b>	<b>1.59</b>	<b>18.54 %</b>
<b>2009</b>													
21 BR Co-Investment (Transfer)	2009	5,139,173	4,975,125	164,048	164,048	3,264,132	3,296,754	6,560,886	1,421,713	97 %	0.66	1.28	7.73 %
22 BR/ERB Co-Investment Fund I (Blackf	2009	100,000,000	65,402,260	34,597,740	0	9,810,546	66,895,232	76,705,778	11,303,518	65 %	0.15	1.17	11.71 %
23 DRI II, L.P.	2009	40,000,000	21,368,867	18,631,133	147,896	11,837,282	10,905,894	22,743,176	1,226,413	53 %	0.55	1.06	6.32 %
24 Lexington Capital Partners VII	2009	45,000,000	25,311,970	19,688,030	-114,241	6,798,813	24,947,672	31,746,485	6,548,756	56 %	0.27	1.26	17.62 %
25 VSS Structured Capital Partners II	2009	40,000,000	26,804,765	13,195,235	-9,464	8,651,744	24,669,388	33,321,132	6,525,831	67 %	0.32	1.24	14.70 %
<b>2009 Subtotal</b>		<b>230,139,173</b>	<b>143,862,987</b>	<b>86,276,186</b>	<b>188,239</b>	<b>40,362,517</b>	<b>130,714,940</b>	<b>171,077,457</b>	<b>27,026,231</b>	<b>63 %</b>	<b>0.28</b>	<b>1.19</b>	<b>12.47 %</b>

**New Mexico ERB**  
**Vintage Year Performance Analysis**

12/31/2012

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
<b>2010</b>													
26 Ares Special Situations III, LP	2010	30,000,000	17,806,611	12,193,389	279,745	567,142	19,129,907	19,697,049	1,610,693	59 %	0.03	1.09	5.60 %
27 EIG XV	2010	40,000,000	23,364,567	16,635,433	0	2,369,780	25,882,699	28,252,479	4,887,912	58 %	0.10	1.21	22.03 %
28 Tenex Capital Partners	2010	30,000,000	12,134,212	17,865,788	91,443	13,740	11,104,591	11,118,331	-1,107,325	40 %	0.00	0.91	-14.68 %
<b>2010 Subtotal</b>		<b>100,000,000</b>	<b>53,305,390</b>	<b>46,694,610</b>	<b>371,188</b>	<b>2,950,662</b>	<b>56,117,197</b>	<b>59,067,859</b>	<b>5,391,281</b>	<b>53 %</b>	<b>0.06</b>	<b>1.10</b>	<b>9.21 %</b>
<b>2011</b>													
29 BDCM Opportunity Fund III, LP	2011	40,000,000	17,187,667	22,812,333	-1,270	6,501,527	11,935,393	18,436,920	1,250,523	43 %	0.38	1.07	8.62 %
30 Edison Venture Fund VII, L.P.	2011	40,000,000	11,400,000	28,600,000	454,315	0	15,666,785	15,666,785	3,812,470	28 %	0.00	1.32	33.59 %
31 Industry Ventures Fund VI	2011	45,000,000	23,850,000	21,150,000	0	4,985,423	26,879,404	31,864,827	8,014,827	53 %	0.21	1.34	45.32 %
32 Lightyear Capital III	2011	40,000,000	16,286,313	23,713,687	0	2,375,943	15,887,964	18,263,907	1,977,594	41 %	0.15	1.12	17.42 %
<b>2011 Subtotal</b>		<b>165,000,000</b>	<b>68,723,980</b>	<b>96,276,020</b>	<b>453,045</b>	<b>13,862,894</b>	<b>70,369,546</b>	<b>84,232,440</b>	<b>15,055,414</b>	<b>42 %</b>	<b>0.20</b>	<b>1.22</b>	<b>28.94 %</b>
<b>2012</b>													
33 Ares Corporate Opportunities Fund	2012	40,000,000	1,358,830	38,641,170	0	0	1,241,055	1,241,055	-117,775	3 %	0.00	0.91	-8.67 %
34 Audax Private Equity Fund IV	2012	40,000,000	0	40,000,000	0	0	0	0	0	0 %	0.00	N/A	N/A
35 TPG Growth II, L.P.	2012	75,000,000	10,582,559	64,417,441	0	0	8,704,993	8,704,993	-1,877,566	14 %	0.00	0.82	-25.63 %
36 W Capital Partners III	2012	40,000,000	6,600,000	33,400,000	0	1,404,357	6,365,474	7,769,831	1,169,831	17 %	0.21	1.18	21.48 %
<b>2012 Subtotal</b>		<b>195,000,000</b>	<b>18,541,389</b>	<b>176,458,611</b>	<b>0</b>	<b>1,404,357</b>	<b>16,311,522</b>	<b>17,715,879</b>	<b>-825,510</b>	<b>10 %</b>	<b>0.08</b>	<b>0.95</b>	<b>-7.07 %</b>
<b>36 Total Partnerships</b>		<b>1,177,662,710</b>	<b>702,351,416</b>	<b>475,311,294</b>	<b>5,744,121</b>	<b>217,202,926</b>	<b>654,405,663</b>	<b>871,608,588</b>	<b>163,513,051</b>	<b>60 %</b>	<b>0.31</b>	<b>1.23</b>	<b>9.74 %</b>

**New Mexico ERB**  
**Investment Strategy Performance Analysis**

12/31/2012

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
<b>100 Venture</b>													
1 Fletcher Spaght Ventures II	2007	20,000,000	13,900,001	6,100,000	103,079	1,720,201	13,150,870	14,871,071	867,991	70 %	0.12	1.06	2.85 %
2 Psilos Group Partners III LP	2006	10,000,000	8,850,000	1,150,000	26,981	4,845,456	7,356,115	12,201,571	3,324,590	89 %	0.55	1.37	8.72 %
<b>100 Venture Subtotal</b>		<b>30,000,000</b>	<b>22,750,001</b>	<b>7,250,000</b>	<b>130,060</b>	<b>6,565,657</b>	<b>20,506,985</b>	<b>27,072,642</b>	<b>4,192,581</b>	<b>76 %</b>	<b>0.29</b>	<b>1.18</b>	<b>6.16 %</b>
<b>110 Growth Equity</b>													
1 Audax Private Equity Fund IV	2012	40,000,000	0	40,000,000	0	0	0	0	0	0 %	0.00	N/A	N/A
2 Edison Venture Fund VII, L.P.	2011	40,000,000	11,400,000	28,600,000	454,315	0	15,666,785	15,666,785	3,812,470	28 %	0.00	1.32	33.59 %
3 Lightyear Capital III	2011	40,000,000	16,286,313	23,713,687	0	2,375,943	15,887,964	18,263,907	1,977,594	41 %	0.15	1.12	17.42 %
4 TPG Growth II, L.P.	2012	75,000,000	10,582,559	64,417,441	0	0	8,704,993	8,704,993	-1,877,566	14 %	0.00	0.82	-25.63 %
5 Vicente Capital fka/K H Growth Equity	2007	10,000,000	6,458,905	3,541,095	46,258	34,348	8,559,733	8,594,081	2,088,918	65 %	0.01	1.32	12.80 %
<b>110 Growth Equity Subtotal</b>		<b>205,000,000</b>	<b>44,727,777</b>	<b>160,272,223</b>	<b>500,573</b>	<b>2,410,291</b>	<b>48,819,475</b>	<b>51,229,766</b>	<b>6,001,416</b>	<b>22 %</b>	<b>0.05</b>	<b>1.13</b>	<b>14.78 %</b>
<b>120 Buyouts</b>													
1 Apollo Investment Fund VII, L.P.	2008	40,000,000	28,279,872	11,720,128	6,524	15,723,772	31,576,540	47,300,312	19,013,916	71 %	0.56	1.67	23.16 %
2 Bridgepoint Europe IV D	2007	26,830,931	17,053,120	9,777,811	0	0	20,475,537	20,475,537	3,422,417	64 %	0.00	1.20	9.58 %
3 Clayton, Dubilier, and Rice Fund VIII, I	2007	40,000,000	30,785,061	9,214,939	6,468	7,409,198	34,043,929	41,453,127	10,661,598	77 %	0.24	1.35	17.58 %
4 GF Capital Private Equity Fund, LP	2007	15,000,000	14,275,299	724,701	105,889	8,174,107	13,502,815	21,676,922	7,295,734	95 %	0.57	1.51	17.03 %
5 Goode Partners Consumer Fund I, L.P.	2007	20,000,000	21,323,782	-1,323,782	129,530	6,142,249	20,769,332	26,911,581	5,458,270	107 %	0.29	1.25	6.62 %
6 HM Sector Performance Fund, L.P.	2006	20,000,000	20,833,000	-833,000	-127,485	2,173,852	16,870,114	19,043,966	-1,661,549	104 %	0.10	0.92	-2.39 %
7 Industrial Opportunity Partners, L.P.	2006	15,000,000	13,912,116	1,087,884	114,029	13,476,776	13,679,205	27,155,981	13,129,836	93 %	0.97	1.94	25.11 %
8 Leeds Equity Partners V, LP	2007	20,000,000	12,056,407	7,943,593	-333,456	1,369,782	11,898,283	13,268,065	1,545,114	60 %	0.11	1.13	8.42 %
9 Levine Leichtman IV	2008	50,000,000	38,377,277	11,622,723	-9,116	8,277,863	52,611,695	60,889,558	22,521,397	77 %	0.22	1.59	26.95 %
10 Lion Capital Fund II	2007	40,692,606	36,797,830	3,894,776	274,962	1,903,696	29,419,096	31,322,792	-5,750,000	90 %	0.05	0.84	-4.17 %
11 Perseus Partners VII, LP	2007	15,000,000	14,967,354	32,646	114,277	992,997	7,071,218	8,064,215	-7,017,416	100 %	0.07	0.53	-18.19 %
12 Platinum Equity Partners II, LP	2007	30,000,000	27,513,282	2,486,718	377,257	14,381,051	26,461,650	40,842,701	12,952,162	92 %	0.52	1.46	16.95 %
<b>120 Buyouts Subtotal</b>		<b>332,523,537</b>	<b>276,174,398</b>	<b>56,349,138</b>	<b>658,880</b>	<b>80,025,343</b>	<b>278,379,414</b>	<b>358,404,758</b>	<b>81,571,479</b>	<b>83 %</b>	<b>0.29</b>	<b>1.29</b>	<b>10.05 %</b>
<b>130 Mezzanine</b>													
1 DRI II, L.P.	2009	40,000,000	21,368,867	18,631,133	147,896	11,837,282	10,905,894	22,743,176	1,226,413	53 %	0.55	1.06	6.32 %
2 EIG XV	2010	40,000,000	23,364,567	16,635,433	0	2,369,780	25,882,699	28,252,479	4,887,912	58 %	0.10	1.21	22.03 %
3 Newstone Capital Partners I, LP	2006	20,000,000	19,809,845	190,155	242,554	17,322,484	8,242,083	25,564,567	5,512,168	99 %	0.87	1.27	8.00 %
4 VSS Structured Capital Partners II	2009	40,000,000	26,804,765	13,195,235	-9,464	8,651,744	24,669,388	33,321,132	6,525,831	67 %	0.32	1.24	14.70 %
<b>130 Mezzanine Subtotal</b>		<b>140,000,000</b>	<b>91,348,044</b>	<b>48,651,956</b>	<b>380,986</b>	<b>40,181,290</b>	<b>69,700,064</b>	<b>109,881,354</b>	<b>18,152,324</b>	<b>65 %</b>	<b>0.44</b>	<b>1.20</b>	<b>11.34 %</b>

**New Mexico ERB**  
**Investment Strategy Performance Analysis**

12/31/2012

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
<b>140 Secondaries</b>													
1 Industry Ventures Fund VI	2011	45,000,000	23,850,000	21,150,000	0	4,985,423	26,879,404	31,864,827	8,014,827	53 %	0.21	1.34	45.32 %
2 Lexington Capital Partners VI-B	2006	20,000,000	20,258,375	-258,375	10,079	11,518,064	12,572,724	24,090,788	3,822,334	101 %	0.57	1.19	5.32 %
3 Lexington Capital Partners VII	2009	45,000,000	25,311,970	19,688,030	-114,241	6,798,813	24,947,672	31,746,485	6,548,756	56 %	0.27	1.26	17.62 %
4 W Capital Partners III	2012	40,000,000	6,600,000	33,400,000	0	1,404,357	6,365,474	7,769,831	1,169,831	17 %	0.21	1.18	21.48 %
<b>140 Secondaries Subtotal</b>		<b>150,000,000</b>	<b>76,020,345</b>	<b>73,979,655</b>	<b>-104,162</b>	<b>24,706,657</b>	<b>70,765,274</b>	<b>95,471,931</b>	<b>19,555,748</b>	<b>51 %</b>	<b>0.33</b>	<b>1.26</b>	<b>13.62 %</b>
<b>150 Distressed</b>													
1 Ares Corporate Opportunities Fund	2012	40,000,000	1,358,830	38,641,170	0	0	1,241,055	1,241,055	-117,775	3 %	0.00	0.91	-8.67 %
2 Ares Special Situations III, LP	2010	30,000,000	17,806,611	12,193,389	279,745	567,142	19,129,907	19,697,049	1,610,693	59 %	0.03	1.09	5.60 %
3 Ares Special Situations, LP	2008	30,000,000	30,000,000	0	513,990	21,297,567	25,440,070	46,737,637	16,223,648	100 %	0.71	1.53	11.58 %
4 BDCM Opportunity Fund III, LP	2011	40,000,000	17,187,667	22,812,333	-1,270	6,501,527	11,935,393	18,436,920	1,250,523	43 %	0.38	1.07	8.62 %
5 ComVest Investment Partners III, LP	2007	25,000,000	22,466,146	2,533,854	431,428	9,371,667	14,948,883	24,320,550	1,422,976	90 %	0.42	1.06	2.30 %
6 Levine Leichtman Deep Value Fund	2006	20,000,000	20,000,000	0	2,698,401	12,487,367	12,242,565	24,729,932	2,031,531	100 %	0.62	1.09	2.53 %
7 Tenex Capital Partners	2010	30,000,000	12,134,212	17,865,788	91,443	13,740	11,104,591	11,118,331	-1,107,325	40 %	0.00	0.91	-14.68 %
<b>150 Distressed Subtotal</b>		<b>215,000,000</b>	<b>120,953,467</b>	<b>94,046,533</b>	<b>4,013,737</b>	<b>50,239,010</b>	<b>96,042,464</b>	<b>146,281,474</b>	<b>21,314,271</b>	<b>56 %</b>	<b>0.42</b>	<b>1.17</b>	<b>6.39 %</b>
<b>200 Co-Investment</b>													
1 BR Co-Investment (Transfer)	2009	5,139,173	4,975,125	164,048	164,048	3,264,132	3,296,754	6,560,886	1,421,713	97 %	0.66	1.28	7.73 %
2 BR/ERB Co-Investment Fund I (Blackf	2009	100,000,000	65,402,260	34,597,740	0	9,810,546	66,895,232	76,705,778	11,303,518	65 %	0.15	1.17	11.71 %
<b>200 Co-Investment Subtotal</b>		<b>105,139,173</b>	<b>70,377,385</b>	<b>34,761,788</b>	<b>164,048</b>	<b>13,074,678</b>	<b>70,191,986</b>	<b>83,266,664</b>	<b>12,725,231</b>	<b>67 %</b>	<b>0.19</b>	<b>1.18</b>	<b>11.01 %</b>
<b>36 Total Partnerships</b>		<b>1,177,662,710</b>	<b>702,351,416</b>	<b>475,311,294</b>	<b>5,744,121</b>	<b>217,202,926</b>	<b>654,405,663</b>	<b>871,608,588</b>	<b>163,513,051</b>	<b>60 %</b>	<b>0.31</b>	<b>1.23</b>	<b>9.74 %</b>



**New Mexico ERB**

Vintage Year Performance Benchmarking

12/31/2012\*

	Commitment	Paid In Capital	Capital To Be Funded	Call Ratio	DPI Ratio	TVPI Ratio	IRR
<b>2006 Vintage Total</b>	<b>105,000,000</b>	<b>103,663,336</b>	<b>1,336,664</b>	<b>99%</b>	<b>0.60</b>	<b>1.25</b>	<b>6.8%</b>
<b>2006 Venture Economics All PE</b>							
1st Quartile					0.56	1.36	9.0%
Median					0.28	1.16	4.3%
Pooled Average					0.38	1.22	4.0%
3rd Quartile					0.13	0.93	-1.9%
<b>2007 Vintage Total</b>	<b>261,838,338</b>	<b>217,597,185</b>	<b>44,241,153</b>	<b>83%</b>	<b>0.24</b>	<b>1.15</b>	<b>5.3%</b>
<b>2007 Venture Economics All PE</b>							
1st Quartile					0.63	1.48	16.0%
Median					0.39	1.31	8.2%
Pooled Average					0.44	1.28	8.2%
3rd Quartile					0.13	1.08	2.8%
<b>2008 Vintage Total</b>	<b>120,000,000</b>	<b>96,657,148</b>	<b>23,342,852</b>	<b>81%</b>	<b>0.47</b>	<b>1.59</b>	<b>18.5%</b>
<b>2008 Venture Economics All PE</b>							
1st Quartile					0.39	1.45	16.4%
Median					0.16	1.21	10.3%
Pooled Average					0.28	1.28	10.8%
3rd Quartile					0.03	1.09	4.1%
<b>2009 Vintage Total</b>	<b>230,139,173</b>	<b>143,862,987</b>	<b>86,276,186</b>	<b>63%</b>	<b>0.28</b>	<b>1.19</b>	<b>12.5%</b>
<b>2009 Venture Economics All PE</b>							
1st Quartile					0.22	1.41	17.4%
Median					0.08	1.19	11.1%
Pooled Average					0.17	1.30	14.6%
3rd Quartile					0.01	1.09	5.2%
<b>2010 Vintage Total</b>	<b>100,000,000</b>	<b>53,305,390</b>	<b>46,694,610</b>	<b>53%</b>	<b>0.06</b>	<b>1.10</b>	<b>9.2%</b>
<b>2010 Venture Economics All PE</b>							
1st Quartile					0.23	1.22	19.0%
Median					0.06	1.11	8.3%
Pooled Average					0.14	1.14	11.2%
3rd Quartile					0.00	0.97	-3.3%
<b>2011 Vintage Total</b>	<b>165,000,000</b>	<b>68,723,980</b>	<b>96,276,020</b>	<b>42%</b>	<b>0.20</b>	<b>1.22</b>	<b>28.9%</b>
<b>2011 Venture Economics All PE</b>							
1st Quartile					0.01	1.10	10.9%
Median					0.00	0.97	-2.8%
Pooled Average					0.04	1.00	-0.3%
3rd Quartile					0.00	0.89	-12.8%
<b>2012 Vintage Total</b>	<b>245,000,000</b>	<b>18,541,389</b>	<b>226,458,611</b>	<b>8%</b>	<b>0.08</b>	<b>0.95</b>	<b>-7.1%</b>
<b>2012 Venture Economics All PE</b>							
1st Quartile					n.m	n.m	n.m
Median					n.m	n.m	n.m
Pooled Average					n.m	n.m	n.m
3rd Quartile					n.m	n.m	n.m

\*Thomson One numbers are as of 12/31/12 for All PE  
n.m- benchmarking of very recent years not meaningful.

## ICM Adjusted Ending Value

12/31/2012

New Mexico ERB Private Equity

Investment	Index Set Name	Cumulative Contributions	Cumulative Distributions	Adjusted Valuation	Valuation <sub>ICM</sub>	Valuation Spread	IRR	IRR <sub>ICM</sub> <sup>1</sup>	IRR Spread
<b>New Mexico Educational Retirement Board</b>									
Apollo Investment Fund VII, L.P.	S&P 500	28,286,396	15,723,772	31,576,540	19,259,733	12,316,807	23.16	9.77	13.39
Ares Corporate Opportunities Fund	S&P 500	1,358,830	0	1,241,055	1,373,916	-132,861	-8.67	1.11	-9.78
Ares Special Situations III, LP	S&P 500	18,086,356	567,142	19,129,907	21,037,501	-1,907,594	5.60	12.06	-6.46
Ares Special Situations, LP	S&P 500	30,513,990	21,297,567	25,440,070	18,668,321	6,771,749	11.58	7.25	4.33
Audax Private Equity Fund IV	S&P 500	0	0	0	0	0	N/A	N/A	N/A
BDCM Opportunity Fund III, LP	S&P 500	17,186,397	6,501,527	11,935,393	12,338,613	-403,220	8.62	11.37	-2.76
BR Co-Investment (Transfer)	S&P 500	5,139,173	3,264,132	3,296,754	5,576,233	-2,279,479	7.73	17.17	-9.44
BR/ERB Co-Investment Fund I (BlackRock)	S&P 500	65,402,260	9,810,546	66,895,232	68,316,812	-1,421,580	11.71	13.08	-1.37
Bridgepoint Europe IV D	MSCI EAFE	17,053,120	0	20,475,537	18,526,051	1,949,486	9.58	4.28	5.30
Clayton, Dubilier, and Rice Fund VIII, LP	S&P 500	30,791,529	7,409,198	34,043,929	30,296,169	3,747,760	17.58	11.95	5.63
ComVest Investment Partners III, LP	S&P 500	22,897,574	9,371,667	14,948,883	19,589,911	-4,641,028	2.30	8.79	-6.49
DRI II, L.P.	S&P 500	21,516,763	11,837,282	10,905,894	12,556,680	-1,650,786	6.32	14.07	-7.75
EIG XV	S&P 500	23,364,567	2,369,780	25,882,699	23,712,341	2,170,358	22.03	12.36	9.67
Edison Venture Fund VII, L.P.	S&P 500	11,854,315	0	15,666,785	14,036,792	1,629,993	33.59	19.30	14.29
Fletcher Spaght Ventures II	S&P 500	14,003,079	1,720,201	13,150,870	15,089,410	-1,938,540	2.85	8.53	-5.68
GF Capital Private Equity Fund, LP	S&P 500	14,381,188	8,174,107	13,502,815	9,930,241	3,572,574	17.03	9.66	7.37
Goode Partners Consumer Fund I, L.P.	S&P 500	21,453,311	6,142,249	20,769,332	20,430,409	338,923	6.62	6.25	0.37
HM Sector Performance Fund, L.P.	S&P 500	20,705,515	2,173,852	16,870,114	23,354,267	-6,484,153	-2.39	5.98	-8.38
Industrial Opportunity Partners, L.P.	S&P 500	14,026,145	13,476,776	13,679,205	4,265,376	9,413,829	25.11	9.18	15.93
Industry Ventures Fund VI	S&P 500	23,850,000	4,985,423	26,879,404	21,324,655	5,554,749	45.32	13.94	31.38
Leeds Equity Partners V, LP	S&P 500	11,722,951	1,369,782	11,898,283	12,951,687	-1,053,404	8.42	13.51	-5.09
Levine Leichtman Deep Value Fund	S&P 500	22,698,401	12,487,367	12,242,565	12,755,179	-512,614	2.53	3.13	-0.60
Levine Leichtman IV	S&P 500	38,368,161	8,277,863	52,611,695	37,734,703	14,876,992	26.95	10.65	16.29
Lexington Capital Partners VI-B	S&P 500	20,268,454	11,518,064	12,572,724	11,941,311	631,413	5.32	4.52	0.80
Lexington Capital Partners VII	S&P 500	25,197,729	6,798,813	24,947,672	22,724,582	2,223,090	17.62	12.00	5.62
Lightyear Capital III	S&P 500	16,286,313	2,375,943	15,887,964	14,318,314	1,569,650	17.42	3.58	13.84
Lion Capital Fund II	MSCI EAFE	37,072,792	1,903,696	29,419,096	34,657,143	-5,238,046	-4.17	-0.35	-3.82
Newstone Capital Partners I, LP	S&P 500	20,052,399	17,322,484	8,242,083	1,906,890	6,335,193	8.00	-1.53	9.52
Perseus Partners VII, LP	S&P 500	15,081,631	992,997	7,071,218	19,570,621	-12,499,403	-18.19	9.32	-27.51
Platinum Equity Partners II, LP	S&P 500	27,890,539	14,381,051	26,461,650	18,513,449	7,948,201	16.95	7.57	9.39
Psilos Group Partners III LP	S&P 500	8,876,981	4,845,456	7,356,115	5,660,327	1,695,788	8.72	4.63	4.10
TPG Growth II, L.P.	S&P 500	10,582,559	0	8,704,993	10,989,319	-2,284,326	-25.63	5.70	-31.33
Tenex Capital Partners	S&P 500	12,225,656	13,740	11,104,591	13,455,785	-2,351,194	-14.68	16.28	-30.96
VSS Structured Capital Partners II	S&P 500	26,795,301	8,651,744	24,669,388	23,507,911	1,161,477	14.70	12.35	2.35
Vicente Capital fka/K H Growth Equity Fund	S&P 500	6,505,162	34,348	8,559,733	8,093,722	466,011	12.80	10.27	2.53
W Capital Partners III	S&P 500	6,600,000	1,404,357	6,365,474	5,491,562	873,912	21.48	5.39	16.09
<b>Total: New Mexico Educational Retirement Board</b>		<b>708,095,537</b>	<b>217,202,926</b>	<b>654,405,663</b>	<b>613,955,937</b>	<b>40,352,994</b>	<b>9.74</b>	<b>7.57</b>	<b>2.17</b>

16-May-2013 13:13:49

<sup>1</sup> If Valuation ICM is negative and IRR ICM is incalculable. -100 will be displayed

## ICM Adjusted Ending Value

12/31/2012

New Mexico ERB Private Equity

Investment	Index Set Name	Cumulative Contributions	Cumulative Distributions	Adjusted Valuation	Valuation <sub>ICM</sub>	Valuation Spread	IRR	IRR <sup>1</sup> <sub>ICM</sub>	IRR Spread
Total Investments: 36		708.095.537	217.202.926	654.405.663	613.955.937	40.352.994	9.74	7.57	2.17

<sup>1</sup> If Valuation ICM is negative and IRR ICM is incalculable. -100 will be displayed