



Kentucky Retirement Systems
Quarterly Investment Update

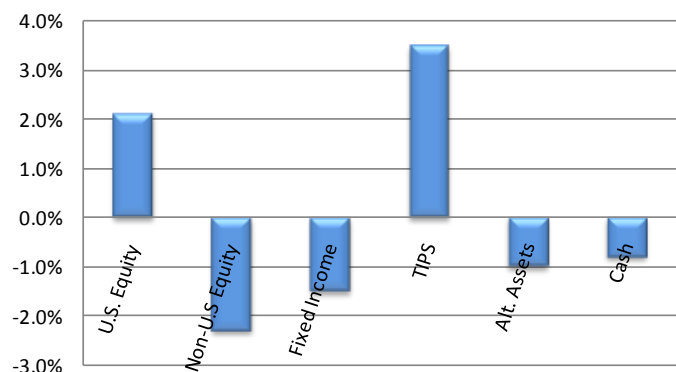
Pension Fund
September 30, 2008

PENSION	QTD	Fiscal Y-T-D	1 Yr Ended	3 Yrs Ended	5 Yrs Ended	10 Yrs Ended
Total Fund						
KRS	-7.70%	-7.70%	-13.46%	2.63%	6.10%	5.47%
Blended Index	-8.07%	-8.07%	-13.45%	2.11%	5.78%	5.22%
Equities						
Domestic Equities	-6.48%	-6.48%	-19.37%	1.37%	5.96%	4.60%
Performance Benchmark	-7.37%	-7.37%	-20.49%	0.78%	6.07%	4.30%
Non-U.S. Equities	-19.94%	-19.94%	-28.81%	1.22%	9.32%	-0.08%
Performance Benchmark	-21.15%	-21.15%	-30.78%	1.27%	9.91%	0.82%
Total Equities	-11.66%	-11.66%	-23.00%	1.06%	6.69%	4.60%
Performance Benchmark	-13.05%	-13.05%	-24.64%	0.47%	6.81%	4.28%
Fixed Income						
Core Fixed Income	-2.34%	-2.34%	-0.36%	2.79%	2.96%	4.75%
Performance Benchmark	-0.48%	-0.48%	3.66%	4.06%	3.68%	5.15%
TIPS	-3.52%	-3.52%	6.41%	4.47%	5.24%	6.88%
Performance Benchmark	-3.54%	-3.54%	6.19%	4.32%	5.15%	6.87%
Total Fixed Income	-2.78%	-2.78%	1.76%	3.36%	3.66%	5.21%
Performance Benchmark	-1.36%	-1.36%	4.41%	4.19%	4.11%	5.52%
Alternatives						
KRS	-0.92%	-0.92%	-4.66%	9.41%	15.36%	14.71%
Performance Benchmark	-8.53%	-8.53%	-17.31%	0.74%	5.21%	5.81%
Cash						
KRS	0.60%	0.60%	4.11%	4.94%	4.25%	4.71%
Performance Benchmark	0.43%	0.43%	2.56%	3.99%	3.10%	3.40%

Note: Year Ended data, or since inception date, whichever is less.

Actual V. Target Deviation
Pension as of 09/30/2008

	\$'s (millions)	Actual %	Target %
U.S. Equity	\$3,757	32.1%	30.0%
Non-U.S. Equity	2,069	17.7%	20.0%
Fixed Income	2,747	23.5%	25.0%
TIPS	1,578	13.5%	10.0%
Alt. Assets	1,292	11.0%	12.0%
Cash	257	2.2%	3.0%
Total	\$11,700	100.0%	100.0%



INSURANCE	QTD	Fiscal Y-T-D	1 Yr Ended	3 Yrs Ended	5 Yrs Ended	10 Yrs Ended
Total Fund						
KRS	-10.56%	-10.56%	-19.60%	1.78%	6.89%	5.13%
Blended Index	-11.48%	-11.48%	-20.25%	1.07%	6.27%	4.57%
Equities						
Domestic Equities	-7.82%	-7.82%	-20.89%	0.54%	5.76%	4.34%
Performance Benchmark	-8.29%	-8.29%	-21.22%	0.47%	5.67%	3.58%
Non-U.S. Equities	-19.66%	-19.66%	-27.96%	2.61%	10.58%	0.64%
Performance Benchmark	-21.15%	-21.15%	-30.78%	1.27%	9.91%	-0.11%
Total Equities	-12.34%	-12.34%	-23.61%	0.81%	6.88%	4.65%
Performance Benchmark	-13.96%	-13.96%	-25.36%	0.00%	6.20%	4.05%
Fixed Income						
TIPS	-3.34%	-3.34%	6.65%	4.51%	5.26%	6.26%
Performance Benchmark	-3.54%	-3.54%	6.19%	4.32%	5.15%	6.27%
Alternatives						
KRS	-4.87%	-4.87%	-8.49%	4.75%	9.56%	6.90%
Performance Benchmark	-8.41%	-8.41%	-19.28%	0.61%	5.45%	2.64%
Cash						
KRS	0.61%	0.61%	3.47%	4.94%	3.92%	3.93%
Performance Benchmark	0.43%	0.43%	2.56%	3.99%	3.10%	3.40%

Note: Year Ended data, or since inception date, whichever is less.

Actual V. Target Deviation Insurance as of 09/30/2008

	\$'s (millions)	Actual %	Target %
U.S. Equity	\$1,074	45.6%	40.0%
Non-U.S. Equity	556	23.6%	30.0%
TIPS	319	13.5%	12.0%
Alt. Assets	180	7.6%	15.0%
Cash	227	9.6%	3.0%
Total	\$2,356	100.0%	100.0%

