

P&F 4th Q 2006

San Jose Police and Fire Retirement System

Performance Summary

Period Ending December 31, 2006

	Market Value	% of Total Fund	Quarter	Annualized				Inception to Date			
				1 Year	3 Years	5 Years					
Total Fund											
Rank vs. Total Funds Billion Dollar - Public	\$ 2,571.8	100.0 %	7.1 %	5	15.4 %	39	12.2 %	57	10.6 %	29	9.9 %
Total Funds Billion Dollar - Public Med			5.9		14.5		12.4		9.9		--
Total Fund Benchmark			6.3		16.2		12.2		9.9		--
TUCS Public Fund Universe Med			5.6		13.3		10.6		8.5		--
Percentile Ranking				0	19		19		10		
TUCS Master Trust Universe Med			5.5	10	13.0	18	10.4	20	8.3	11	--
Percentile Ranking											
Total Domestic Equity Fund											
Rank vs. Mercer US Equity Combined Universe	976.6	38.0	7.3	48	14.7	52	11.3	67	7.9	63	12.0
Mercer US Equity Combined Universe Med			7.3		15.0		12.9		9.4		--
S&P 500 - Total Return Index			6.7		15.8		10.4		6.2		12.5
Index Equity											
Rhumbline Advisers - Large Cap Index Equity	218.6	8.5	6.7		15.7		10.4		6.3		11.3
Rhumbline Advisers - Large Cap Index Equity-Net			6.7		15.7		10.3		6.2		11.3
Rank vs. Mercer US Equity Combined Universe			7.3		15.0		12.9		9.4		--
Mercer US Equity Combined Universe Med			6.7		15.8		10.4		6.2		11.0
S&P 500 - Total Return Index											
Growth Equity											
GLOBALT, Inc. - Large Cap Growth Equity	42.5	1.7	4.5	78	3.3	86	6.7	77	3.2	69	(0.6)
GLOBALT, Inc. - Large Cap Growth Equity-Net			4.4		2.8		6.2		2.7		(1.1)
Rank vs. Mercer US Equity Large Cap Growth Universe			5.6		8.2		8.6		4.6		--
Mercer US Equity Large Cap Growth Universe Med			5.9		9.1		6.9		2.7		0.9
Russell 1000 Growth Index			6.1		9.9		7.8		3.7		1.9
Russell 1000 Growth + 1%											
INTECH - Large Cap Growth Equity											
INTECH - Large Cap Growth Equity-Net	46.4	1.8	5.7	49	7.8	56	10.0	33	--		12.6
Rank vs. Mercer US Equity Large Cap Growth Universe			5.5		7.2		9.4		--		11.9
Mercer US Equity Large Cap Growth Universe Med			5.6		8.2		8.6		4.6		--
Russell 1000 Growth Index			5.9		9.1		6.9		2.7		9.6
Russell 1000 Growth + 1%			6.1		9.9		7.8		3.7		10.6
New Amsterdam Partners - Large Cap Growth Equity											
New Amsterdam Partners - Large Cap Growth Equity-Net	154.6	6.0	6.4	29	9.8	37	10.8	25	8.1	12	13.9
Rank vs. Mercer US Equity Large Cap Growth Universe			6.3		9.5		10.5		7.8		13.5
Mercer US Equity Large Cap Growth Universe Med			5.6		8.2		8.6		4.6		--
S&P 500 - Total Return Index			6.7		15.8		10.4		6.2		11.8
S&P 500 + 1%			6.9		16.8		11.4		7.2		12.8

per Investment Consulting

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Value Equity								
UBS Global Asset Management - Large Cap Value Equity	\$ 133.4	5.2 %	7.0 % 68	15.2 % 85	13.4 % 61	10.1 % 54		12.3 %
UBS Global Asset Management - Large Cap Value Equity-Net			6.9	14.9	13.0	9.7		11.9
Rank vs. Mercer US Equity Large Cap Value Universe								
Mercer US Equity Large Cap Value Universe Med			7.6	18.8	14.1	10.3		--
Russell 3000 Index			7.1	15.7	11.2	7.2		10.7
Russell 3000 + 1%			7.3	16.7	12.2	8.2		11.7
Small Cap Growth								
Boston Partners Asset Mgmt. - Large Cap Value Equity	142.0	5.5	8.8 11	20.0 36	16.2 18	10.0 54		11.9
Boston Partners Asset Mgmt. - Large Cap Value Equity-Net			8.7	19.6	15.9	9.7		11.5
Rank vs. Mercer US Equity Large Cap Value Universe								
Mercer US Equity Large Cap Value Universe Med			7.6	18.8	14.1	10.3		--
Russell 1000 Value Index			8.0	22.2	15.1	10.9		11.8
Russell 1000 Value + 1%			8.2	23.2	16.1	11.9		12.8
Small Cap Growth								
Provident Investment Counsel - Small Cap Growth Equity	68.2	2.7	9.0 30	13.2 40	8.7 80	6.3 79		8.2
Provident Investment Counsel - Small Cap Growth Equity-Net			8.8	12.1	7.6	5.2		7.1
Rank vs. Mercer US Equity Small Cap Growth Universe								
Mercer US Equity Small Cap Growth Universe Med			7.9	11.6	11.3	8.6		--
Russell 2000 Growth Index			8.8	13.3	10.5	6.9		4.0
Russell 2000 Growth + 2%			9.3	15.3	12.5	9.0		6.0
Small Cap Core								
Rhumbline Advisers	101.4	3.9	8.9	18.3	--	--		12.7
Rhumbline Advisers-Net			8.9	18.3	--	--		12.6
Rank vs. Mercer US Equity Small Cap Core Universe								
Mercer US Equity Small Cap Core Universe Med			8.1	15.7	14.4	13.3		--
Russell 2000 Index			8.9	18.4	13.6	11.4		12.3
Small Cap Value								
TCW Group - Small Cap Value Equity	69.5	2.7	8.5 59	19.1 40	8.1 99	9.6 98		11.9
TCW Group - Small Cap Value Equity-Net			8.3	18.2	7.2	8.7		10.9
Rank vs. Mercer US Equity Small Cap Value Universe								
Mercer US Equity Small Cap Value Universe Med			8.9	18.1	16.5	15.6		--
Russell 2000 Index			8.9	18.4	13.6	11.4		13.9
Russell 2000 + 2%			9.4	20.4	15.6	13.4		15.9

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	Market Value	% of Total Fund	Quarter	Annualized				Inception to Date
				1 Year	3 Years	5 Years		
Total Intl Equity - Established Markets	\$ 610.8	23.8 %	11.2 % 38	26.8 % 46	21.2 % 48	16.3 % 53		11.9 %
Rank vs. Mercer Intl Equity Universe								--
Mercer Intl Equity Universe Med			10.7	26.3	21.0	16.6		7.7
MSCI EAFE Net Dividend Index			10.4	26.3	19.9	15.0		
AQR Capital Management, LLC International Equity	110.4	4.3	11.9 22	--	--	--		16.8
AQR Capital Management, LLC International Equity-Net	110.4	4.3	11.7	--	--	--		16.5
Rank vs. Mercer Intl Equity Universe								--
Mercer Intl Equity Universe Med			10.7	26.3	21.0	16.6		14.7
MSCI EAFE Net Dividend Index			10.4	26.3	19.9	15.0		16.2
MSCI EAFE NET +1.5%			10.4	27.8	21.4	16.5		
Brandes Investment Partners - International Equity	252.2	9.8	9.9 71	28.1 36	22.2 36	18.2 31		16.0
Brandes Investment Partners - International Equity-Net	252.2	9.8	9.8	27.5	21.6	17.6		15.3
Rank vs. Mercer Intl Equity Universe								--
Mercer Intl Equity Universe Med			10.7	26.3	21.0	16.6		7.7
MSCI EAFE Net Dividend Index			10.4	26.3	19.9	15.0		9.2
MSCI EAFE NET +1.5%			10.8	27.8	21.4	16.5		
William Blair & Company - International Equity	248.1	9.6	12.2 17	25.3 64	22.6 31	--		19.0
William Blair & Company - International Equity-Net	248.1	9.6	12.1	24.6	21.9	--		18.1
Rank vs. Mercer Intl Equity Universe								--
Mercer Intl Equity Universe Med			10.7	26.3	21.0	16.6		17.9
MSCI All Country World Ex United States Net Index			11.2	26.7	21.3	16.4		19.4
MSCI AC World x US Net + 1.5%			11.6	28.2	22.8	17.9		
Total Intl Equity - Emerging Markets	156.6	6.1	16.5 84	29.9 92	30.3 77	28.6 56		28.1
Alliance Capital Mgmt Emerging Markets Equity	78.7	3.1	17.4 60	31.0 82	32.0 56	29.2 48		29.1
Alliance Capital Mgmt Emerging Markets Equity-Net			17.2	29.8	30.8	27.9		27.8
Boston Company Asset Mgmt. Emerging Markets Equity	77.9	3.0	15.5 92	28.8 96	28.5 90	27.9 69		27.5
Boston Company Asset Mgmt. Emerging Markets Equity-Net			15.0	27.3	27.2	26.6		26.1
Rank vs. Mercer Emerging Markets Equity Universe								--
Mercer Emerging Markets Equity Universe Med			17.9	34.3	32.6	29.2		26.7
MSCI Emerging Markets Index			17.6	32.6	31.0	27.0		28.7
MSCI Emerging Markets + 2%			18.1	34.6	33.0	29.0		

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	Market Value	% of Total Fund	Quarter	Annualized				Inception to Date
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Total Domestic Core Fixed Income Fund	\$ 492.4	19.1 %	1.5 % 25	4.9 % 32	4.9 % 8	5.9 % 22		8.8 %
Rank vs. Mercer US Fixed Core Universe				4.7	4.1	5.5		--
Mercer US Fixed Core Universe Med			1.3	4.3	3.7	5.1		--
Lehman Brothers Aggregate Bond			1.2					
Seix Investment Advisors, Inc - Fixed Income	241.9	9.4	1.4 36	4.3 83	4.1 53	5.4 55		6.3
Rank vs. Mercer US Fixed Core Universe			1.4	4.1	3.9	5.2		6.1
Seix Investment Advisors, Inc - Fixed Income-Net								
Rank vs. Mercer US Fixed Core Universe			1.3	4.7	4.1	5.5		--
Mercer US Fixed Core Universe Med			1.2	4.3	3.7	5.1		6.2
Lehman Brothers Aggregate Bond			1.4	4.8	4.2	5.6		6.7
LB Aggregate + 0.5%								
Western Asset Management Company	250.4	9.7	1.6 20	5.5 12	5.4 5	--		7.3
Rank vs. Mercer US Fixed Core Universe			1.6	5.2	5.1	--		7.1
Western Asset Management Company-Net								
Rank vs. Mercer US Fixed Core Universe			1.3	4.7	4.1	5.5		--
Mercer US Fixed Core Universe Med			1.2	4.3	3.7	5.1		4.6
Lehman Brothers Aggregate Bond			1.4	4.8	4.2	5.6		5.1
LB Aggregate + 0.5%								
Long Duration Fixed Income	95.5	3.7	1.3 19	3.0 61	--	--		3.6
Rank vs. Mercer US Fixed Core Universe			1.3	3.0	--	--		3.6
Income Research & Mgmt., Inc. Long Duration-Net	95.5	3.7	1.3	2.8	--	--		3.3
Rank vs. Mercer US Fixed Long Duration Universe								
Income Research & Mgmt., Inc. Long Duration-Net			1.3					
Rank vs. Mercer US Fixed Long Duration Universe			1.0	3.3	5.9	7.7		--
Mercer US Fixed Long Duration Universe Med			1.0	2.7	5.5	7.4		4.0
Lehman Brothers U.S. Govt/Credit-Long Term			1.1	3.2	6.0	7.9		4.5
Lehman Brothers U.S. Govt/Credit-Long Term +0.5%								

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	Market Value	% of Total Fund	Quarter	Annualized				Inception to Date
				1 Year	3 Years	5 Years		
Total Real Estate Fund								
Rank vs. Mercer US Real Estate Open End Universe	\$ 208.8	8.1 %	4.6 % 10	11.1 % 100	12.1 % 100	8.1 % 100		7.4 %
Mercer US Real Estate Open End Universe Med			4.1	16.7	15.3	12.8		--
NCREIF Property (1 Qtr in Arrears)			3.5	17.6	16.4	12.4		8.3
MIG Realty Advisors - Real Estate								
Rank vs. Mercer US Real Estate Open End Universe	48.5	1.9	2.5 94	6.5 100	10.8 100	10.4 100		8.1
Mercer US Real Estate Open End Universe Med			2.4	6.1	10.2	9.9		7.2
NCREIF Property (1 Qtr in Arrears)			4.1	16.7	15.3	12.8		--
NCREIF (1 QTR IN ARREARS) + 1.5%			3.5	17.6	16.4	12.4		8.3
Kennedy Associate Real Estate - Real Estate								
Rank vs. Mercer US Real Estate Open End Universe	107.0	4.2	6.6 0	13.6 98	12.7 100	--		12.5
Mercer US Real Estate Open End Universe Med			6.4	12.9	12.0	--		11.8
NCREIF Property (1 Qtr in Arrears)			4.1	16.7	15.3	12.8		--
NCREIF (1 QTR IN ARREARS) + 1.5%			3.5	17.6	16.4	12.4		15.7
Multi-Employer Property Trust								
Rank vs. Mercer US Real Estate Open End Universe	53.3	2.1	2.9 90	--	--	--		6.8
Mercer US Real Estate Open End Universe Med			2.7	--	--	--		6.3
NCREIF Property (1 Qtr in Arrears)			4.1	16.7	15.3	12.8		--
NCREIF (1 QTR IN ARREARS) + 1.5%			3.5	17.6	16.4	12.4		15.7
Multi-Employer Property Trust-Net								
Rank vs. Mercer US Real Estate Open End Universe			3.8	19.1	17.9	13.9		17.2
Mercer US Real Estate Open End Universe Med			4.1	16.7	15.3	12.8		--
NCREIF Property (1 Qtr in Arrears)			3.5	17.6	16.4	12.4		15.7
NCREIF (1 QTR IN ARREARS) + 1.5%			3.8	19.1	17.9	13.9		17.2
Total Private Equity								
Rank vs. Mercer US Real Estate Open End Universe	24.2	0.9	2.9 90	--	--	--		6.8
Mercer US Real Estate Open End Universe Med			2.7	--	--	--		6.3
NCREIF Property (1 Qtr in Arrears)			4.1	16.7	15.3	12.8		--
NCREIF (1 QTR IN ARREARS) + 1.5%			3.5	17.6	16.4	12.4		8.9
Pantheon Ventures								
Rank vs. Mercer US Real Estate Open End Universe	8.9	0.3	3.8	19.1	17.9	13.9		10.4
Mercer US Real Estate Open End Universe Med			4.1	16.7	15.3	12.8		--
NCREIF Property (1 Qtr in Arrears)			3.5	17.6	16.4	12.4		8.9
NCREIF (1 QTR IN ARREARS) + 1.5%			3.8	19.1	17.9	13.9		10.4
Portfolio Advisors								
Rank vs. Mercer US Real Estate Open End Universe	10.7	0.4						
Mercer US Real Estate Open End Universe Med								
NCREIF Property (1 Qtr in Arrears)								
NCREIF (1 QTR IN ARREARS) + 1.5%								
HarbourVest Partners, LLC								
Rank vs. Mercer US Real Estate Open End Universe	4.6	0.2						
Mercer US Real Estate Open End Universe Med								
NCREIF Property (1 Qtr in Arrears)								
NCREIF (1 QTR IN ARREARS) + 1.5%								