

**NC State Investment Fund, Inc.**  
**Portfolio Performance and Allocation**  
**December 31, 2015**

| Performance Summary                         | MTD                   | QTD              | FYTD         | 1 Year       | 3 Year          | 5 Year | 10 Year |
|---|-----------------------|------------------|--------------|--------------|-----------------|--------|---------|
| <b>NC State Investment Fund, Inc.</b>       | -0.69%                | 1.94%            | -0.15%       | 5.46%        | 10.19%          | 8.72%  | 4.84%   |
| <i>Policy Benchmark</i>                     | -1.11%                | 1.02%            | -1.58%       | 0.56%        | 6.91%           | 7.72%  | 5.94%   |
| <i>UNC Investment Fund, Inc.</i>            | -0.64%                | 1.89%            | -0.23%       | 5.73%        | 10.25%          | 8.58%  | 7.38%   |
| <i>NC State Private Equity</i>              | 0.45%                 | 1.44%            | 6.57%        | 12.38%       | 15.66%          | 15.33% | 6.45%   |
| <i>BlackRock LPP</i>                        | -1.98%                | 3.10%            | -3.24%       | -1.06%       | 7.04%           | n/a    | n/a     |
| <i>Global Index (1)</i>                     | -1.36%                | 3.38%            | -3.13%       | -1.31%       | 5.91%           | 5.43%  | 5.00%   |
| Asset Class/Style                           | Market Value*         | Asset Allocation |              |              |                 |        |         |
|   |                       | Actual *         | Over(Under)* |              | Tactical Range  |        |         |
| <b>Total NC State Investment Fund, Inc.</b> | <b>\$ 687,119,609</b> | <b>100.0%</b>    |              |              |                 |        |         |
| <b>Long Biased Equity</b>                   | <b>191,462,297</b>    | <b>27.9%</b>     |              | <b>0.9%</b>  | <b>20 - 35%</b> |        |         |
| Domestic Equity                             | 81,285,397            | 11.8%            |              |              |                 |        |         |
| International Equity                        | 50,190,203            | 7.3%             |              |              |                 |        |         |
| Emerging Market Equity                      | 26,344,945            | 3.8%             |              |              |                 |        |         |
| Global Equity                               | 33,641,751            | 4.9%             |              |              |                 |        |         |
| <b>Long/Short Equity</b>                    | <b>119,027,530</b>    | <b>17.3%</b>     |              | <b>-0.7%</b> | <b>12 - 24%</b> |        |         |
| Hedged Equity                               | 53,003,177            | 7.7%             |              |              |                 |        |         |
| Low Beta Equity                             | 66,024,353            | 9.6%             |              |              |                 |        |         |
| <b>Global Equity Strategies Total</b>       | <b>310,489,827</b>    | <b>45.2%</b>     |              | <b>0.2%</b>  |                 |        |         |
| Core Fixed Income                           | 18,609,450            | 2.7%             |              |              |                 |        |         |
| Opportunistic                               | 30,311,644            | 4.4%             |              |              |                 |        |         |
| Private Credit                              | 13,959,739            | 2.0%             |              |              |                 |        |         |
| <b>Fixed Income Strategies Total</b>        | <b>62,880,833</b>     | <b>9.2%</b>      |              | <b>-0.8%</b> | <b>5 - 18%</b>  |        |         |
| <b>Cash Total (2)</b>                       | <b>45,414,064</b>     | <b>6.6%</b>      |              | <b>6.6%</b>  | <b>0%</b>       |        |         |
| Multi-Strategy                              | 28,907,752            | 4.2%             |              |              |                 |        |         |
| Credit Long/Short                           | 7,596,252             | 1.1%             |              |              |                 |        |         |
| Macro-Commodity                             | 6,785,974             | 1.0%             |              |              |                 |        |         |
| <b>Diversifying Strategies Total</b>        | <b>43,289,979</b>     | <b>6.3%</b>      |              | <b>-5.7%</b> | <b>8 - 16%</b>  |        |         |
| Private Equity                              | 152,823,037           | 22.2%            |              | <b>4.2%</b>  | <b>14 - 22%</b> |        |         |
| Real Estate                                 | 40,309,889            | 5.9%             |              | <b>-2.1%</b> | <b>5 - 12%</b>  |        |         |
| Energy and Natural Resources                | 31,911,980            | 4.7%             |              | <b>-2.3%</b> | <b>5 - 10%</b>  |        |         |
| <b>Private Strategies Total</b>             | <b>225,044,906</b>    | <b>32.8%</b>     |              | <b>-0.2%</b> |                 |        |         |

\* Totals may vary due to rounding

Note 1: Global Index of 70% ACWI and 30% Barclay's Aggregate

Note 2: Includes Liquidating Managers

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Note: This Monthly Performance Report is based on information available at the time of distribution. The financial information comprising this report has not been audited and is subject to change.