
Investment Committee Quarterly Activity Report

| 8. PRIVATE EQUITY

CALSTRS INVESTMENT COMMITTEE QUARTERLY ACTIVITY REPORT

PRIVATE EQUITY PROGRAM SUMMARY

Market Value* (in 000's)	Market Value + Unfunded Commitments* (in 000's)
\$ 17,272,023	\$ 27,509,865

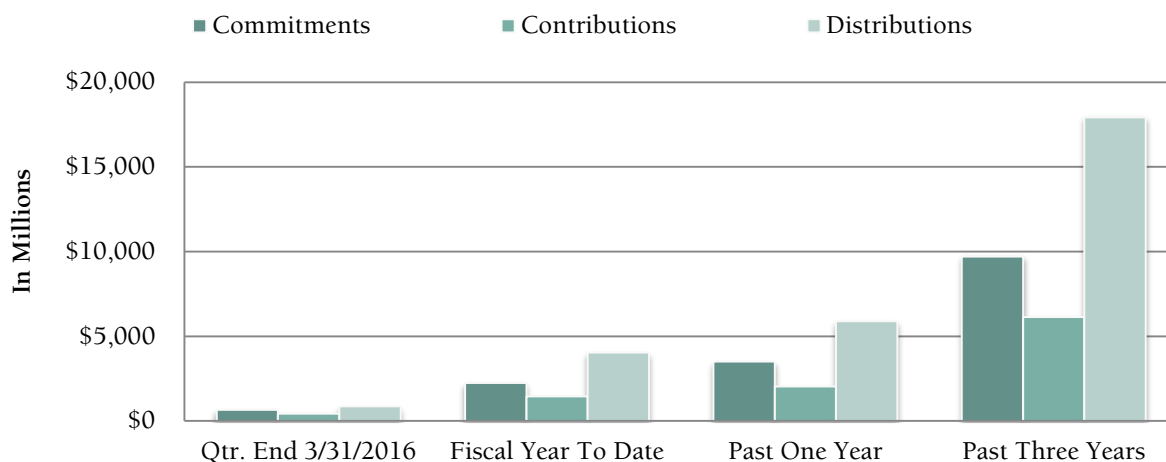
* Market value is actual as of December 31, 2015, adjusted for cash flows through March 31, 2016.

Table 1 below describes Private Equity's investment activity for the period starting January 1, 2016 through March 31, 2016 and historical information for selected time periods.

Table 1

As of March 31, 2016

	Quarter End 3/31/2016	Fiscal Year To Date	Past One Year	Past Three Years
Commitments	\$670,000,000	\$2,255,541,932	\$3,513,134,805	\$9,716,903,868
Contributions	\$450,184,998	\$1,465,687,593	\$2,056,906,147	\$6,153,837,873
Distributions	\$872,198,576	\$4,052,225,910	\$5,895,629,429	\$17,926,051,012



CALSTRS INVESTMENT COMMITTEE QUARTERLY ACTIVITY REPORT

Figure 1 shows the vintage year diversification of Private Equity Contributions and Unfunded Commitments.

Figure 1

Private Equity Contributions and Unfunded Commitments by Vintage Year

As of December 31, 2015

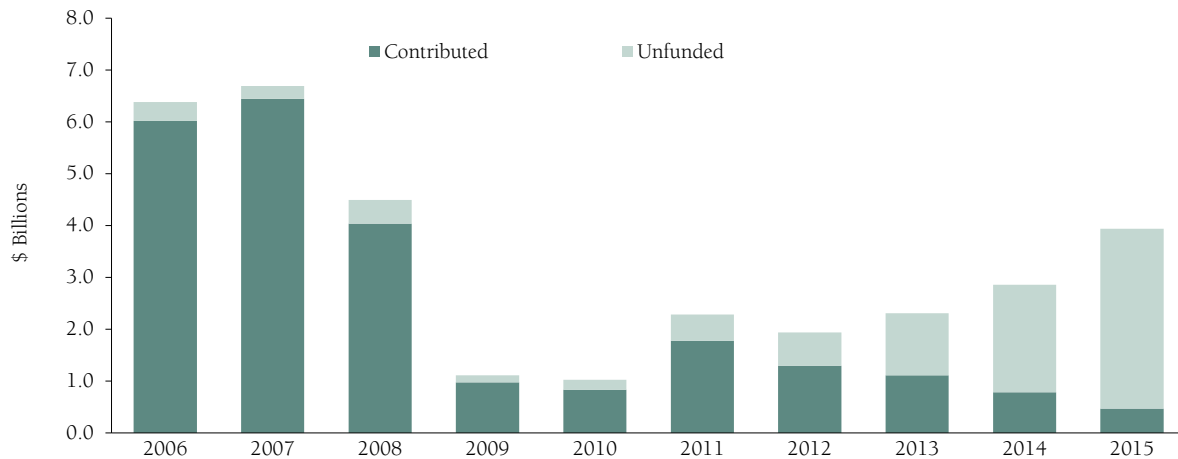
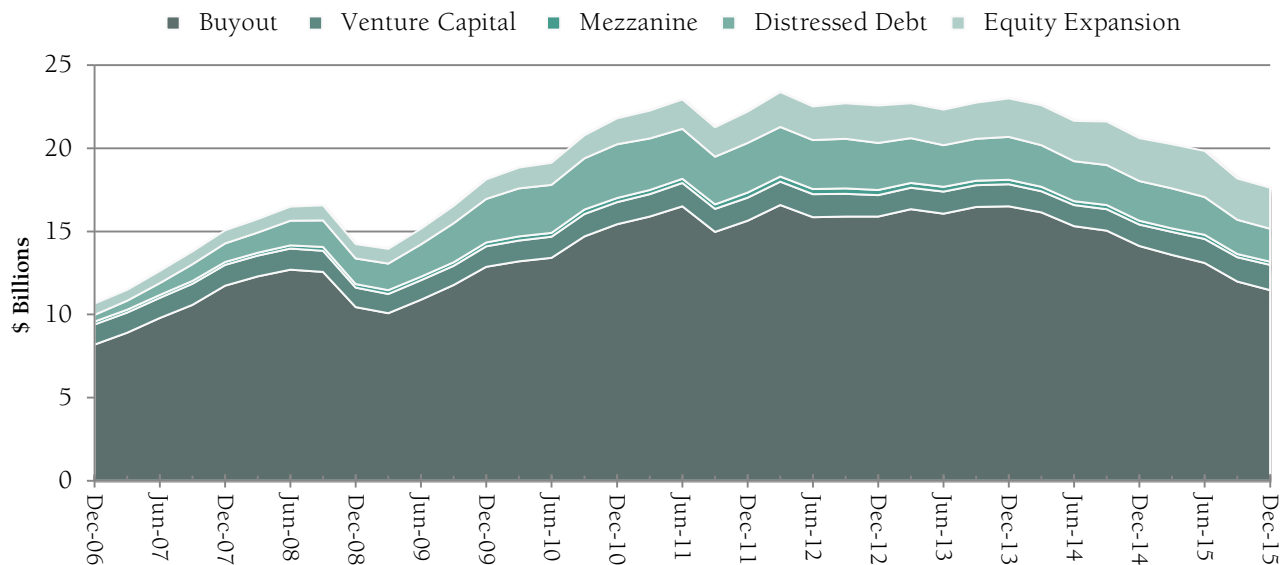


Figure 2 shows ten years of market value growth for each Private Equity sub-asset class.

Figure 2

Based on GP Reported Market Values

As of December 31, 2015



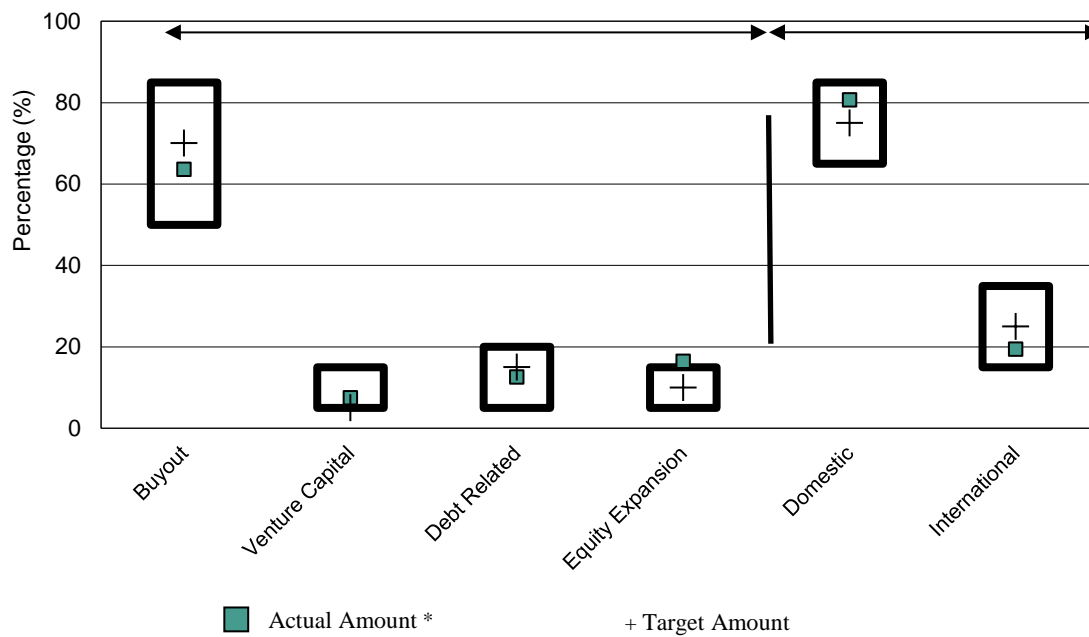
CALSTRS INVESTMENT COMMITTEE QUARTERLY ACTIVITY REPORT

Figure 3 shows how the Private Equity Investments Portfolio is diversified by sub-asset class. Allocation ranges, targets and actual values are shown.

Figure 3

Asset Allocation Ranges

Cash Adjusted Market Value as of March 31, 2016



Note: In the event of a sub-asset allocation being off target, it is not possible to quickly rebalance a portfolio of private equity funds as may be done to a portfolio of marketable assets. This is due to the illiquidity of the securities and the intermittent availability of appropriate investments. Also, especially with regards to Venture Capital (VC), there is sometimes a long-term shortage of investment opportunities that meet our risk/return requirements that CalSTRS would have access to.

**Actual amount represents cash adjusted market value plus unfunded commitment.*

CALSTRS INVESTMENT COMMITTEE QUARTERLY ACTIVITY REPORT

The Attribution Analysis below compares the performance of each sub-asset class on an absolute basis. Figure 4 compares the Market Value to Outstanding Commitments by sub-asset class. This data provides the Cash

Flows, Fair Market Value, Gain, IRR, Multiple, and Average Age for each sub-asset class based on market value.

Figure 4

Attribution Analysis - Cash Adjusted Market Values

as of March 31, 2016 (dollars in thousands)

Private Equity Sub-Category	Capital Distributed	Fair Market Value	Capital Contributed	Since Inception Total Gain/Loss*	Weighted Average Age	Investment Multiple	Since Inception Net IRR	Contribution to IRR
Total	\$48,858,440	\$17,272,023	\$42,562,453	\$23,542,612	9.18	1.55x	12.96%	12.96%
Buyout	\$34,675,329	\$11,081,503	\$29,259,678	\$16,488,400	9.60	1.56x	11.79%	9.08%
Venture Capital	\$3,426,729	\$1,505,201	\$3,214,557	\$1,716,458	10.73	1.53x	16.39%	0.94%
Expansion Capital	\$5,189,395	\$2,495,720	\$4,648,071	\$3,036,656	7.93	1.65x	21.13%	1.67%
Distressed Debt	\$4,585,535	\$2,002,340	\$4,688,638	\$1,888,957	6.71	1.41x	9.21%	1.04%
Mezzanine	\$981,452	\$187,259	\$751,508	\$412,141	12.05	1.56x	13.02%	0.23%

* Total Gain = Capital Distributed + Fair Market Value - Capital Contributed - Late Entry Fee

CALSTRS INVESTMENT COMMITTEE QUARTERLY ACTIVITY REPORT

Private Equity Commitments Quarter Ending 3/31/2016

Partnership Investments

Investment Name	New / Existing Relationship	Industry Focus	Category	Fund Size (millions)	CalSTRS Commitment (millions)	Advisor Recommendation
Ares Corporate Opportunities Fund V, L.P.	Existing	Large Cap	Buyout	\$6,500	\$300	Cambridge
Investment Thesis: Hybrid rescue/distressed situations and growth buyout transactions						
Advent International GPE VIII-D Limited Partnership	Existing	Large Cap	Buyout	\$12,000	\$150	Altius
Investment Thesis: Upper middle market and large cap companies located in North America, Europe and opportunistically in Asia.						
ACON Equity Partners IV, L.P.	Existing	Mid Cap	Buyout	\$850	\$50	BAML CAF
Investment Thesis: Undermanaged and Value-driven lower middle market companies in the U.S.						
GGV Capital VI L.P.	Existing	Growth	Venture Cap	\$660	\$45	Cambridge
Investment Thesis: U.S. and China venture capital						
GGV Capital VI Plus L.P.	Existing	Growth	Venture Cap	\$220	\$15	Cambridge
Investment Thesis: U.S. and China venture capital						

CALSTRS INVESTMENT COMMITTEE QUARTERLY ACTIVITY REPORT

Tenex Capital Partners II, L.P.	New	Mid Cap	Buyout	\$790	\$75	Cambridge
Investment Thesis: Lower middle market buyout / operational turnaround in the U.S. and Canada						

Co-Investments

Investment Name	Sponsor(s)	Industry	CalSTRS Commitment (millions)	Advisor Recommendation
BC Euro Cap Suddenlink Co-Inv 6 LP (Altice)	BC European Capital	Media	\$35Mil	N/A