
Investment Committee Semi-Annual Activity Report

| 8. PRIVATE EQUITY

Fast Facts

Assets: \$19.7 billion (as of 12/31/2018)

PE Allocation as Percent of Total Portfolio as of December 31, 2018:

- Current: 9.2%
- Short-term target: 8.0%
- Long-term target: 13.0%

Benchmark:

- Long-term: Russell 3000 + 300 bps
- Short-term: CalSTRS Custom Private Equity Index

New Commitments six months ending December 31, 2018:

- Partnerships (19): \$3.6 billion
- Co-Investments (9): \$402 million

Special Projects:

- PE Policy Revision
- Cost Project
- Benchmark

PE Risk Factors:

- High Asset Prices
- Rising Dry Powder
- Interest Rates

Program Consultant and Advisors

Board Consultant, PE:

Meketa Investment Group (MIG).

Key contacts: Steve Hartt and John Haggerty

Advisors:

Cambridge Associates is the program advisor for the Americas and Asia/Pacific.

Key contacts: Jennifer Urdan and Lindsay Van Voorhis.

calstrsteam@cambridgeassociates.com

Pavilion Alternative Group is the program advisor for Europe, Middle East and Africa.

Key contact: Rhonda Ryan

funds@pavilioncorp.com

Since Inception (1988) Performance*

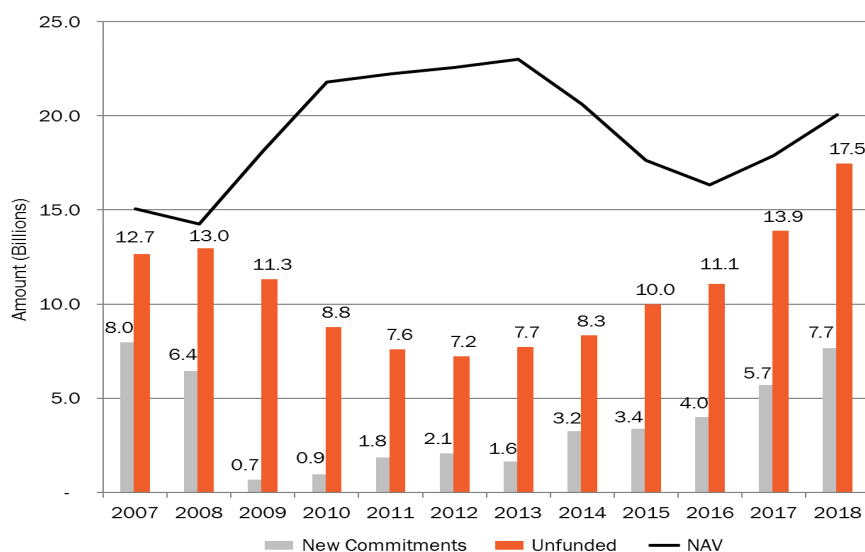
Commitments	\$68.9
Distributions	\$60.7
Contributions	\$51.1
Total Realized Gain	\$29.7
Internal Rate of Return (IRR)	13.1%
Total Value-to-Paid In (TVPI)	1.58x
Distributed-to-Paid In (DPI)	1.19x

*Data as of 09/30/2018 and in billions unless otherwise stated.

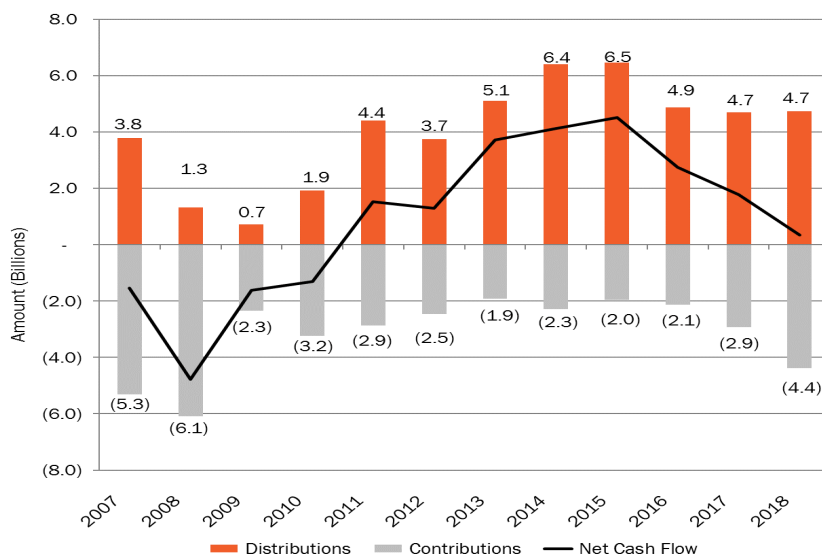
Private Equity Portfolio Metrics*

Net Asset Value	\$20.1
Number of Active Partnerships	373
Number of Managers	132
Number of Unique Portfolio Holdings	5,144
Number of Countries Invested	66
Number of Active Co-Investments	48
Number of PE Staff	21

New Commitments, Unfunded & NAV (LTM 09/30/18)



Distributions, Contributions & Net Cash Flow (LTM 09/30/18)



Commitments made six months ending in December 31, 2018 (in millions):

Partnership Investment Name	Strategy	Geography	Commitment Size	
1 Littlejohn Fund VI Middle market fund focused on traditional buyout and distressed securities. Fund size: \$2.5 billion - closed July 2018. Re-up.	Buyout	U.S.	\$125	
2 Alpinvest Co-Investment Fund Strategic separate managed account that provides a platform for intermingled co-investments sourced by Alpinvest. Fund size: \$250 million - closed July 2018. Re-up.	Buyout	Global	\$150	
3 JMI IX Buyout fund making growth-oriented minority and majority investments in software and technology service companies. Fund size: \$1.1 billion - closed July 2018. Re-up.	Venture Capital	U.S.	\$120	
4 WCAS XIII Upper-middle market buyout fund focused on the technology and healthcare industries. Fund size: \$3.75 billion - closed July 2018. Re-up.	Buyout	North America	\$250	
5 Palladium V Middle market buyout fund focusing on both family-owned businesses and the U.S. Hispanic market. Fund size: \$1.5 billion - closed August 2018. Re-up.	Special Mandate	North America	\$100	
6 TOPS IV Opportunistic private equity fund focusing on distressed debt investments in the U.S., Europe, and Asia. Fund size: \$3 billion - closed August 2018. Re-up.	Multi-Strategy	Global	\$150	
7 Blackstone Energy Partners III Buyout fund focused on the following sub-sectors: global upstream oil and gas, midstream energy, oilfield services, conventional power, and greenfield renewable projects. Fund size: \$4.5 billion - closed August 2018. Re-up.	Buyout	North America	\$100	
8 GGV VII/GGV VII Plus Venture capital fund investing in a range of technology sectors in both the U.S. and China. Fund size: \$800 million (GGV VII); \$200 million (GGV VII Plus) - closed August 2018. Re-up.	Venture Capital	Asia	\$60	
9 GGV Discovery II Venture capital fund primarily invested in seed and Series A rounds of companies in GGV's core sectors. Fund size: \$350 million - closed August 2018. New product with existing manager.	Venture Capital	Asia	\$20	
10 Vivo Capital IX Venture capital fund focused exclusively on the healthcare sector within the U.S. and China. Fund size: \$1.2 billion - closed August 2018. Re-up.	Venture Capital	North America	\$100	
11 Blackstone Tactical Opportunities II Opportunistic fund targeting senior living in developed Asia, cybersecurity, specialty finance, and European housing. Fund size: \$5 billion - closed August 2018. Re-up.	Multi-Strategy	Global	\$500	
12 Hellman & Friedman IX Buyout fund focused on a variety of sectors in the U.S. and Europe. Fund size: \$15 billion - closed September 2018. Re-up.	Buyout	North America	\$450	
13 Ardian Fund VIII Buyout fund dedicated to global, mature secondary co-investments. Fund size: \$12 billion - closed September 2018. Re-up.	Buyout	Europe	\$500	
14 M2 Private Equity Fund-of-Funds III Fund-of-funds (FOF) vehicle actively considering women and minority-owned funds. Fund size: \$250 million - closed November 2018. Re-up.	Special Mandate	North America	\$250	
15 PAG III Buyout and structured transaction fund targeting five industry sectors: consumer and retail, business products and services, financial services, technology, media and entertainment, and healthcare. Fund size: \$4.5 billion - closed November 2018. Re-up.	Buyout	Asia	\$250	
16 Triton V Middle market buyout fund focusing on underperforming or capital constrained companies in the business services, industrials, consumer, and healthcare sectors. Fund size: \$4 billion - closed November 2018. Re-up.	Buyout	Europe	€100 (\$113)	
17 TPG Asia VII Growth-oriented buyout fund focusing on financial services, healthcare, and consumer industries in the Asia-Pacific region. Fund size: \$4 billion - closed November 2018. Re-up.	Buyout	Asia	\$150	
18 TSSP Capital Solutions Fund focused on debt and structured equity for growing middle market companies. Fund size: \$1.5 billion - closed December 2018. Re-up.	Debt Related	U.S.	\$100	
19 Siris IV Middle market buyout fund focused on mature, technology companies facing transitions. Fund size: \$3 billion - closed December 2018. New manager for CalSTRS.	Buyout	U.S.	\$100	
Co-Investment Name	Sponsor	Sector	Geography	Size
1 Vertex Aggregator LP	Francisco Partners	Information Technology	North America	\$75
2 Chill Opportunity LP	GI Partners	Life Sciences	U.S.	\$40
3 Coyote 2018, LP	Jordan	Transportation & Logistics	U.S.	\$55
4 KKR Enterprise Co-Invest LP	KKR	Healthcare Services	U.S.	\$50
5 Berner Holdings LLC	Peak Rock	Food & Beverage Manufacturing	U.S.	\$27
6 Wrigley Co-Invest, LP	Francisco Partners	Information Technology	U.S.	\$25
7 PAGAC GALILEO HOLDING I LP	PAG	Industrial Gases	Asia	\$30
8 Netsmart LLC	TA & GI	Healthcare IT	U.S.	\$50
9 SP Homewood Investors LP	Strategic Partners	Diversified	Global	\$50