

Alaska Permanent Fund

February 16, 2015



Alaska Permanent Fund Corporation

Renewable resource

**\$18.1
billion**

**deposited
in Fund to
date**

**\$21.6
billion**

**dividends
paid to date**

**\$52.5
billion**

**current
value**



FY2014 performance

Total return

15.5%

Benchmark return

15.7%

Ending balance

\$51.2 billion

Change from FY13

\$6.3 billion

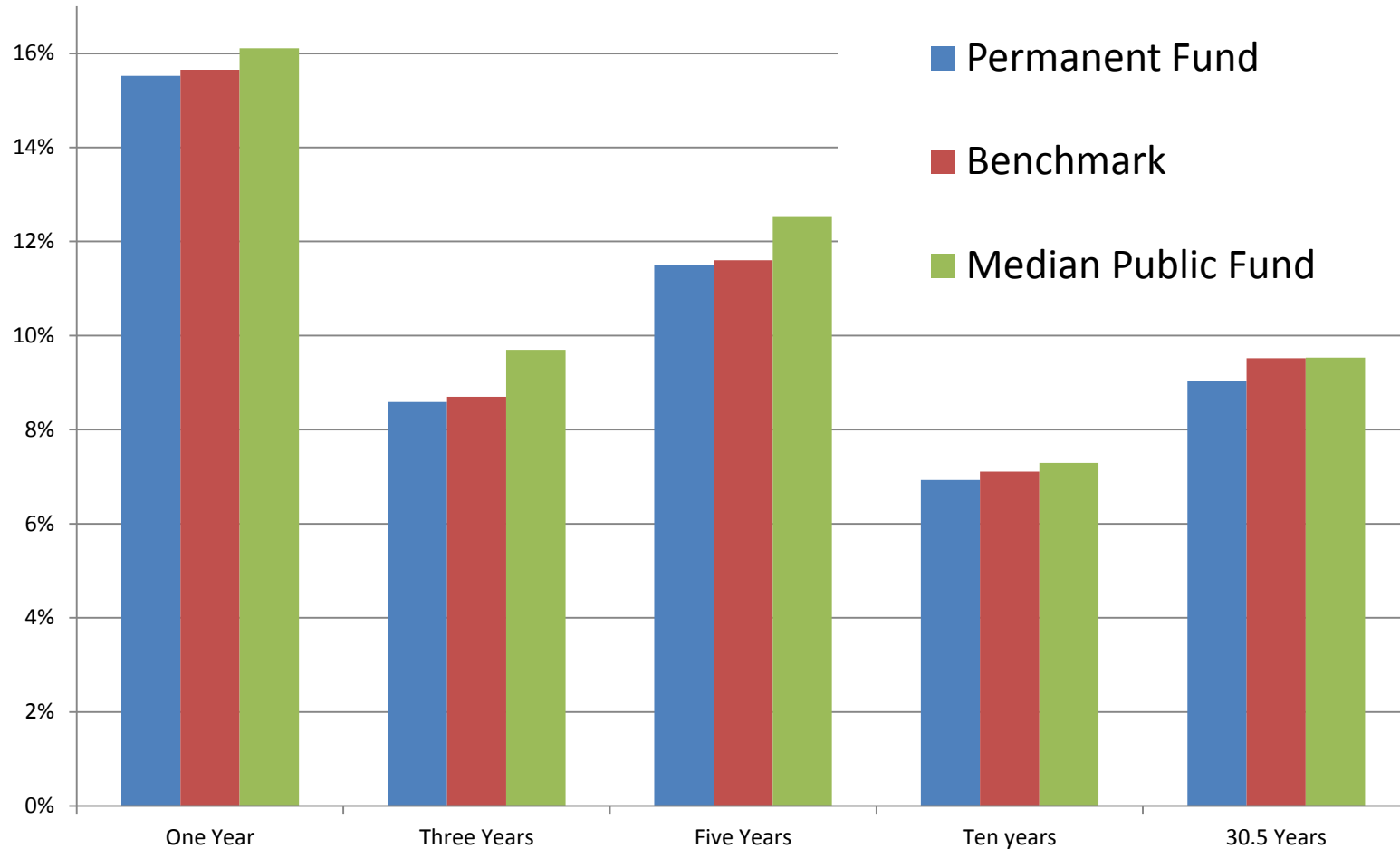
Dividend

\$1.2 billion



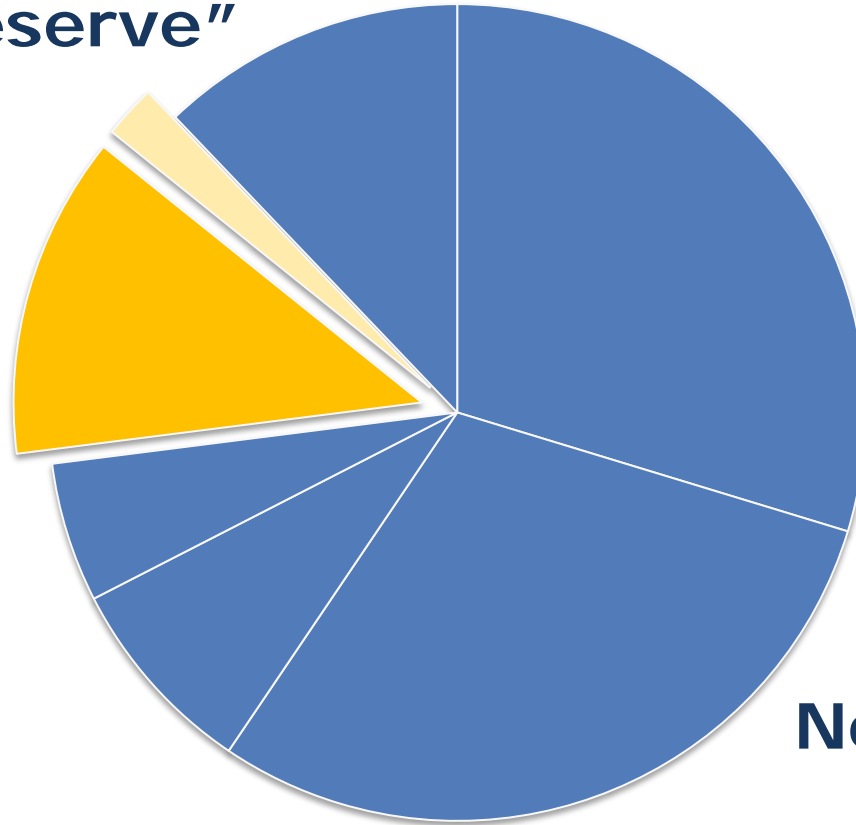
Fund Performance

for periods ending June 30, 2014



\$52.4 billion as of 12/31/14

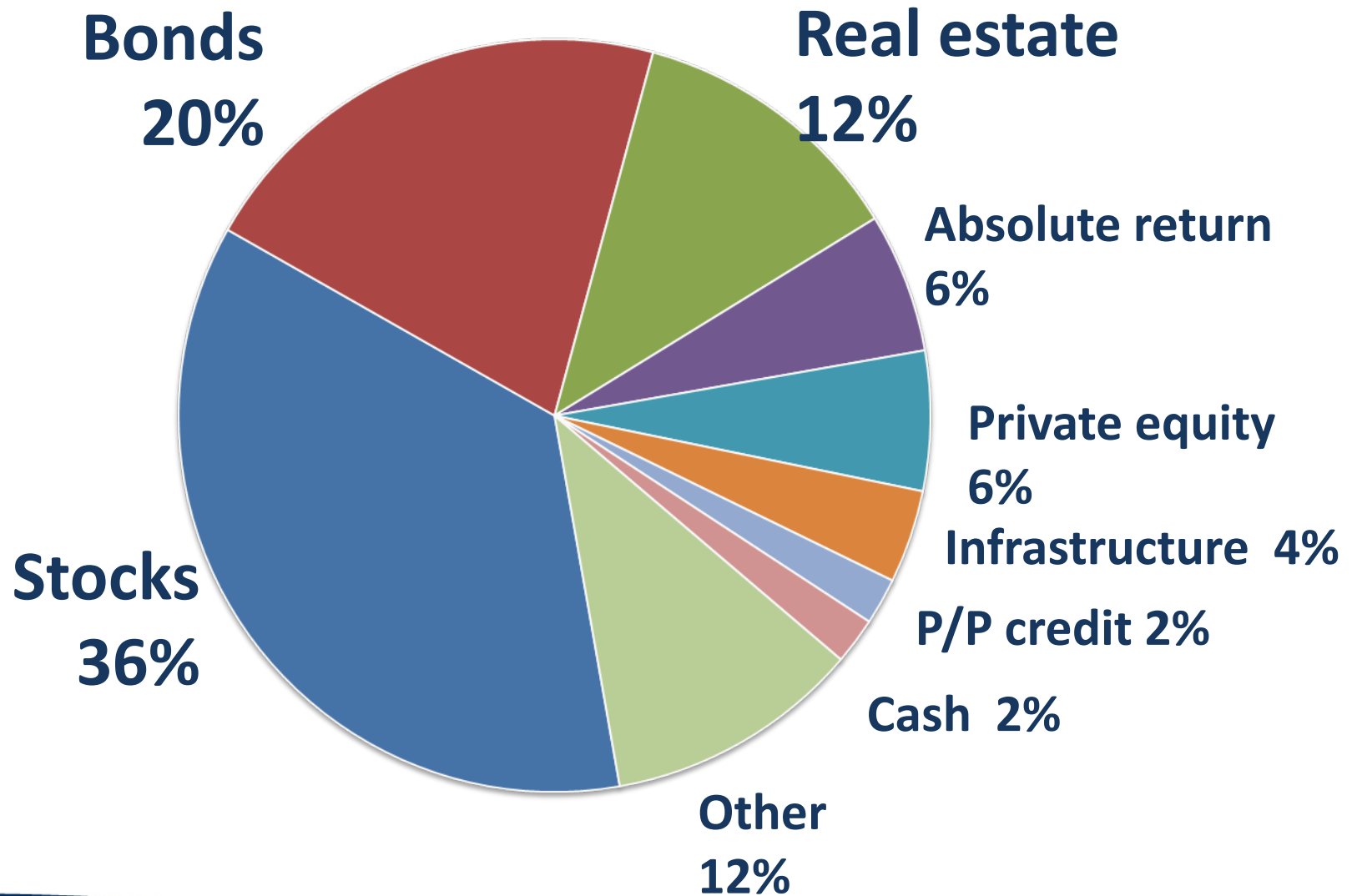
**Assigned
"Earnings Reserve"
\$7.8 billion**



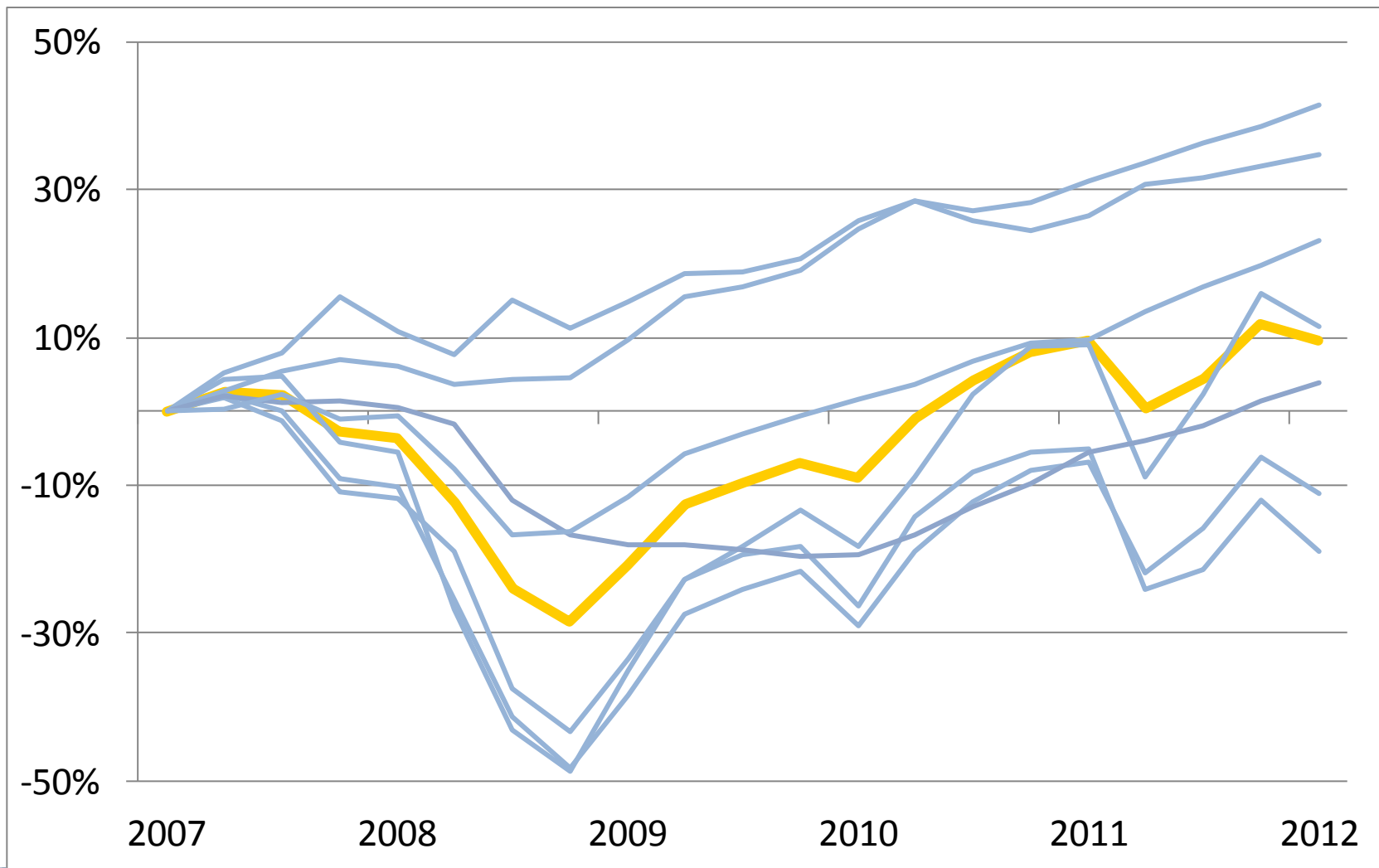
**Nonspendable
"Principal"
\$44.6 billion**



Target asset allocation



The effect of diversification



Fund advantages

Size

- Access to investments
- Ability to negotiate fee savings

Time Horizon

- No set liability



Fund Challenges

Location

- Business travel to financial centers
- Recruitment from financial centers

Flexibility

- New resources often arrive long after needed due to lengthy budget process

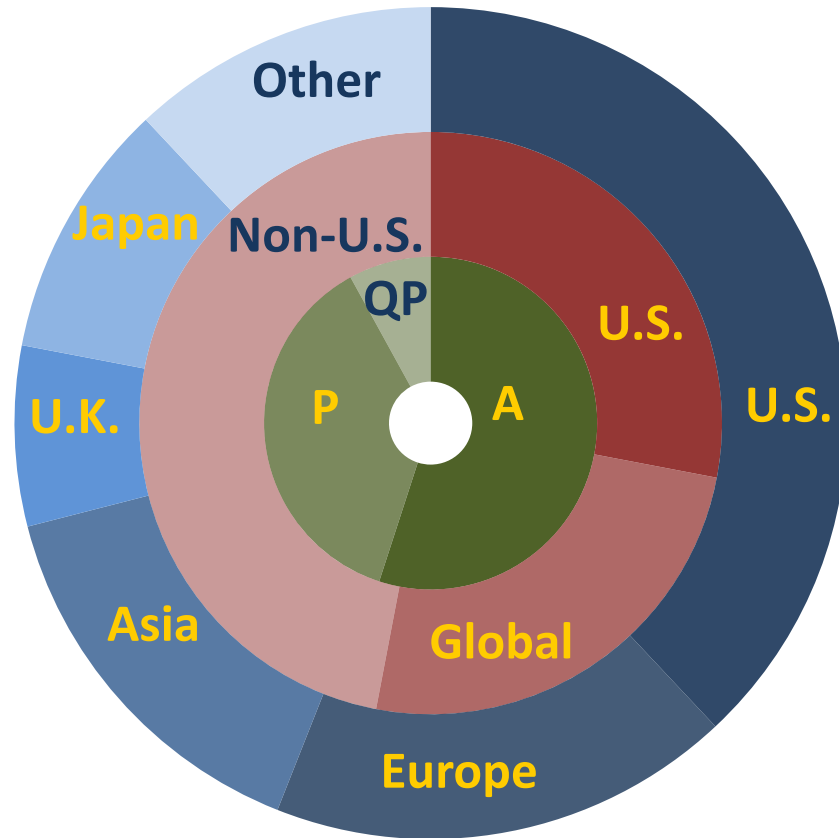
Staff size

- Small staff limits bench strength, creates gaps during travel and vacancies



Stock portfolio

**\$20.4 billion as of
06/30/2014**



- By country or region
- By mandate:
U.S., Global, Non-U.S.
- By management:
Active, Passive,
Quasi-passive



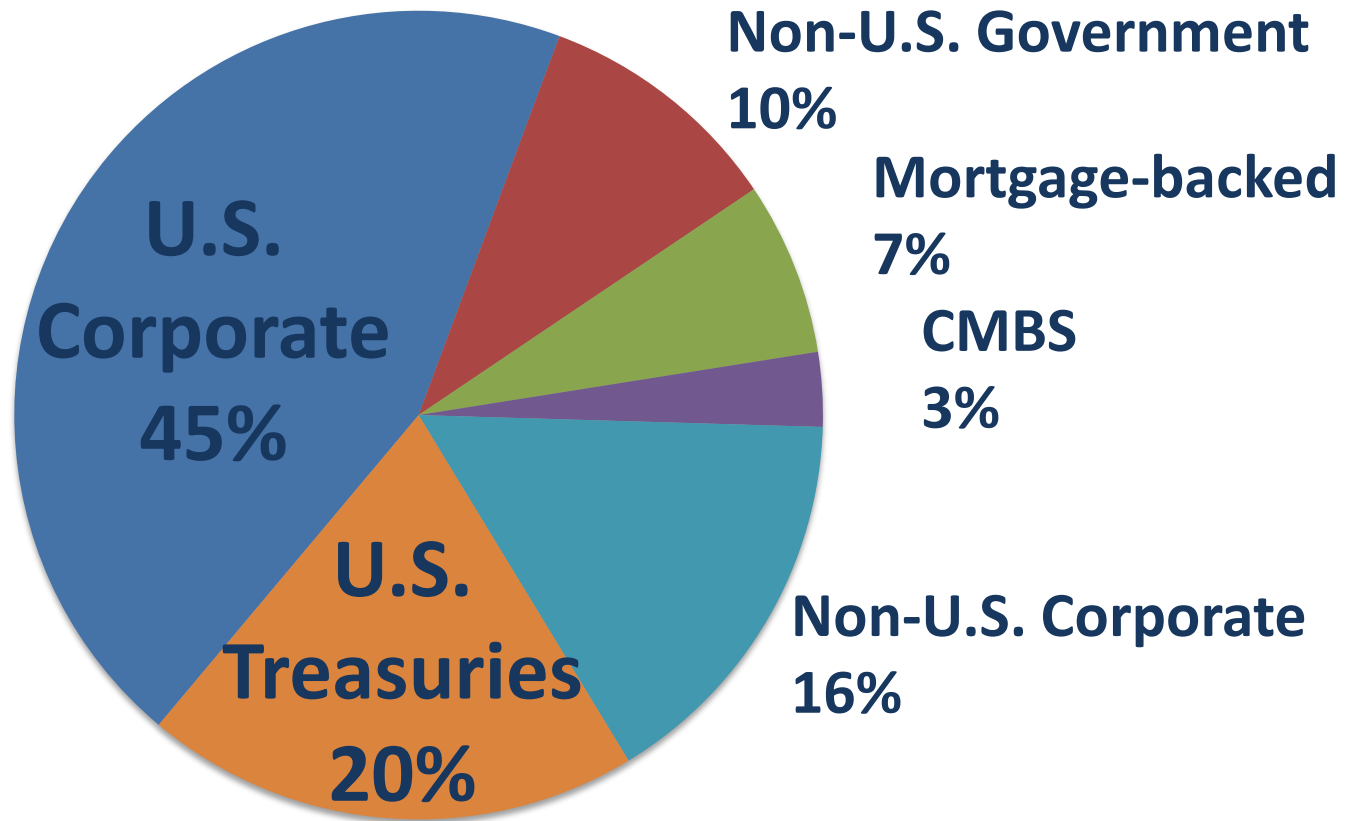
Top 5 stocks as of 12/31/2014

Apple	\$195 million
Microsoft	\$126 million
Exxon Mobil	\$117 million
Hewlett-Packard	\$110 million
JPMorgan Chase	\$95.4 million

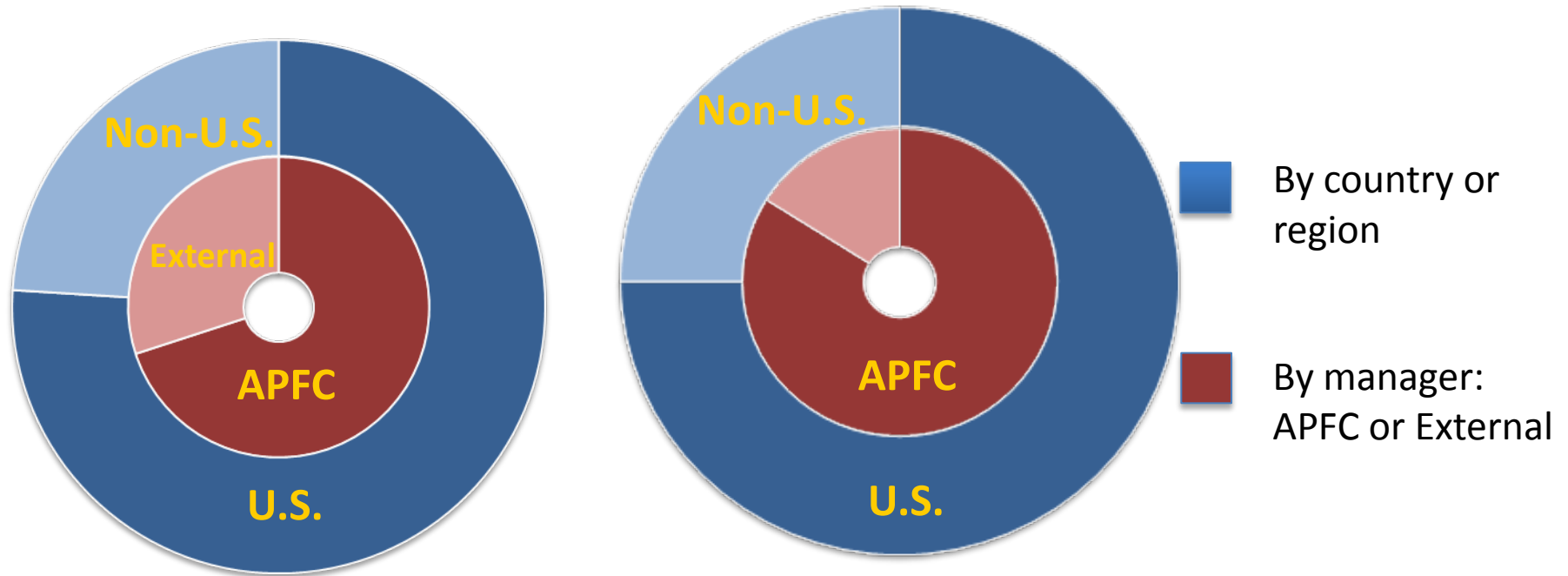


Bond portfolio composition

**\$12.0 billion as of
06/30/2014**



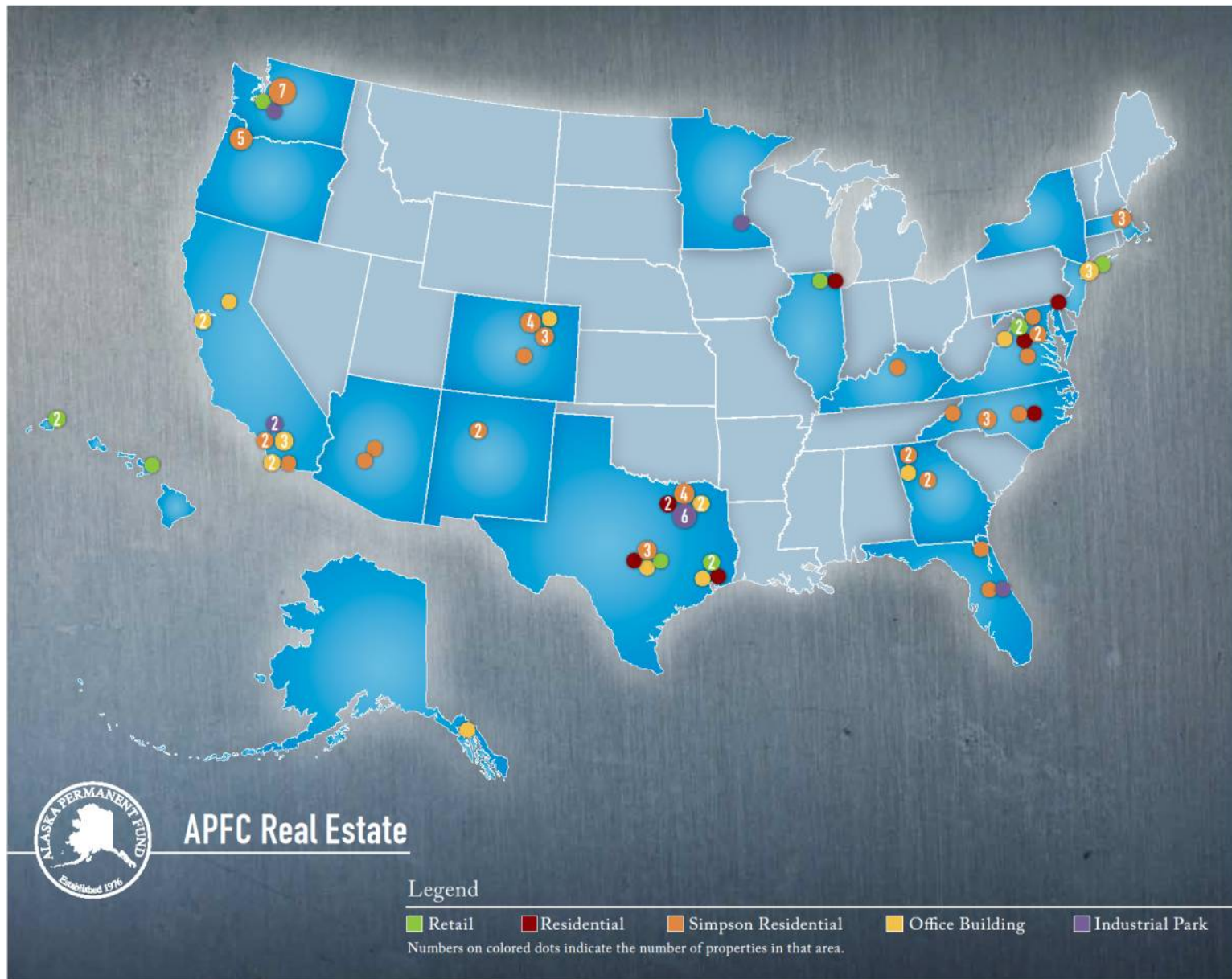
Bond portfolio management



06/30/2012
\$7.6 billion

06/30/2014
\$12.0 billion



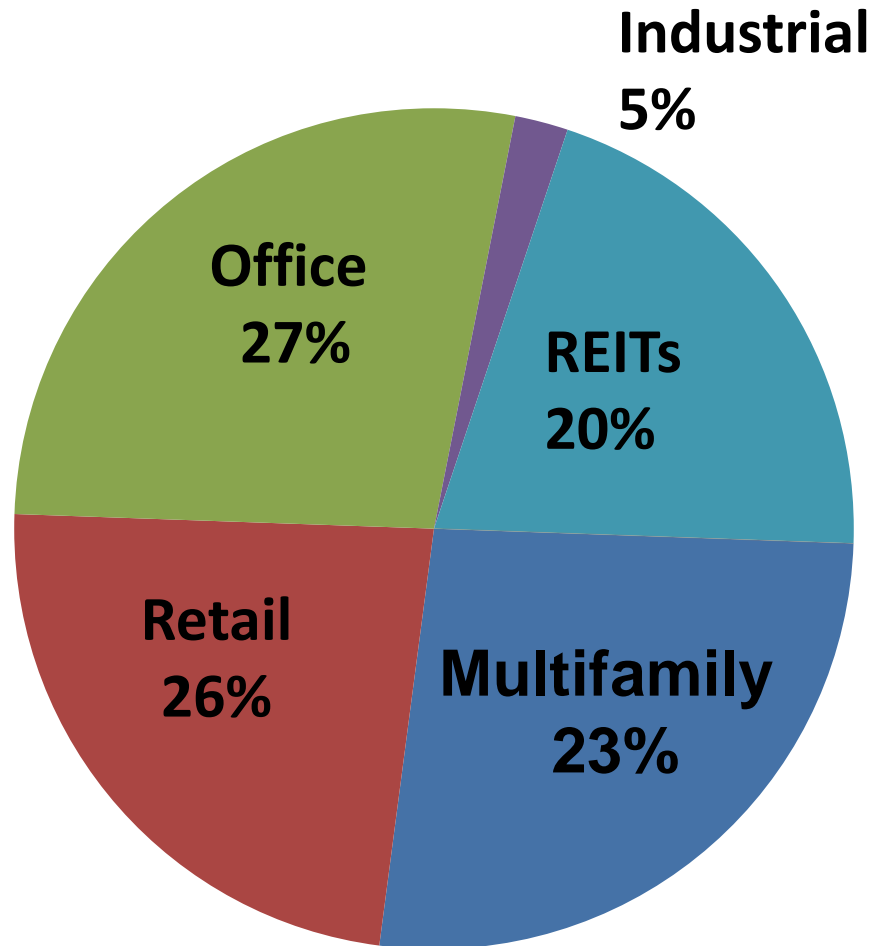


Real estate

**\$5.9 billion as of
06/30/2014**

**5 U.S. direct
equity managers**

1 REIT manager



Tysons Corner Center



Simpson Housing LLLP

50/50 partners with State of Michigan

20,000+ apartments

APFC's share valued at \$992 million as of 06/30/2014.



Simpson Housing LLLP



Simpson Housing LLLP



American Homes 4 Rent

\$625 million invested, present value of share is \$797 million as of 06/30/2014.

Private company to public company in June, 2013

25,900 houses in 16 states



CityCentre II, III & IV



Houston, TX

Office & Retail

400,000 square feet
total



Parc Huron



Chicago, IL

Residential

221 units



The Shops at North Bridge



Non-U.S. real estate

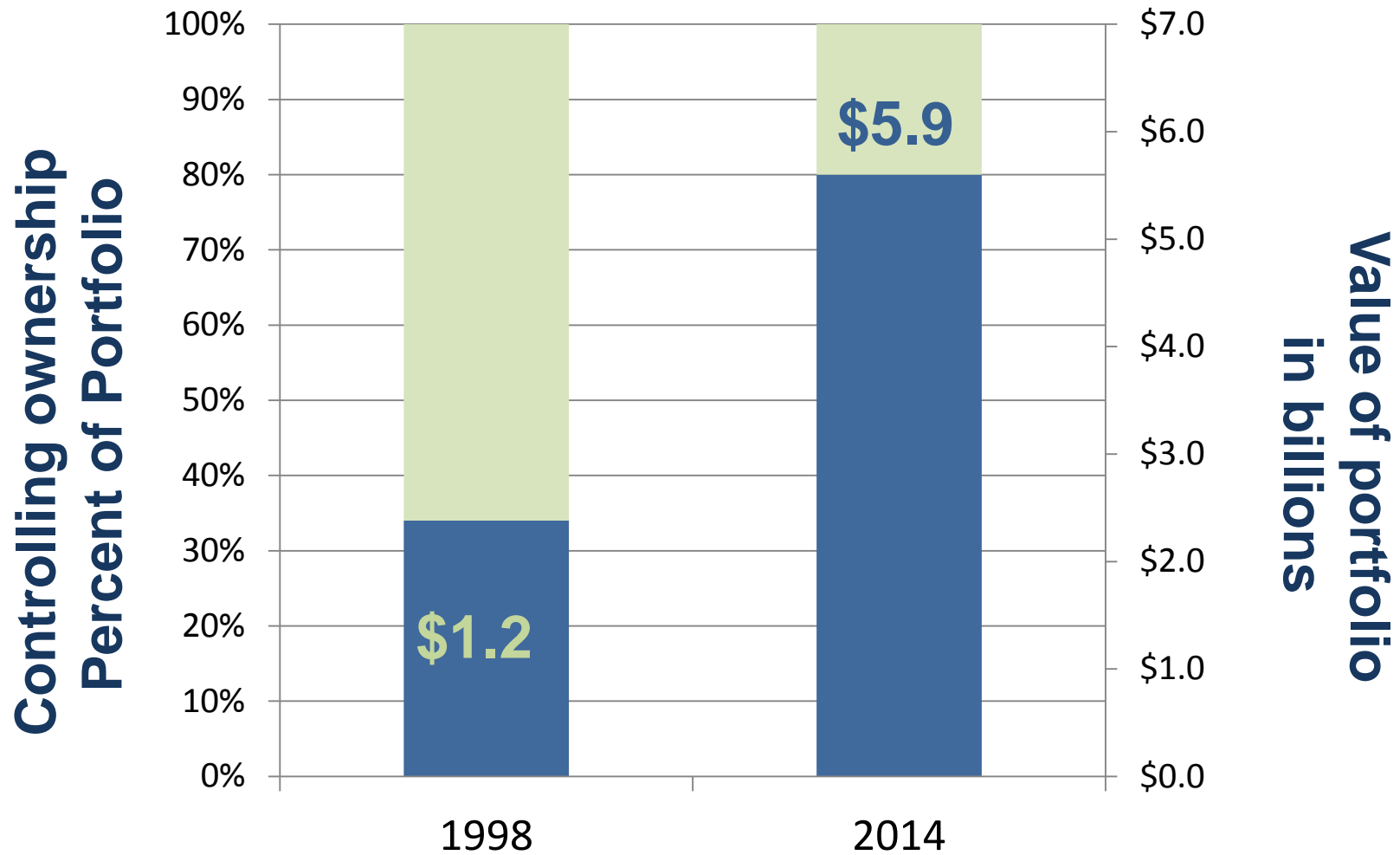


**Golden Square
Shopping Centre
Warrington, UK**

**Zenia Boulevard
Shopping Centre
Alicante, Spain**



Real estate management



Absolute return

\$2.8 billion as of 06/30/2014

3 gatekeepers

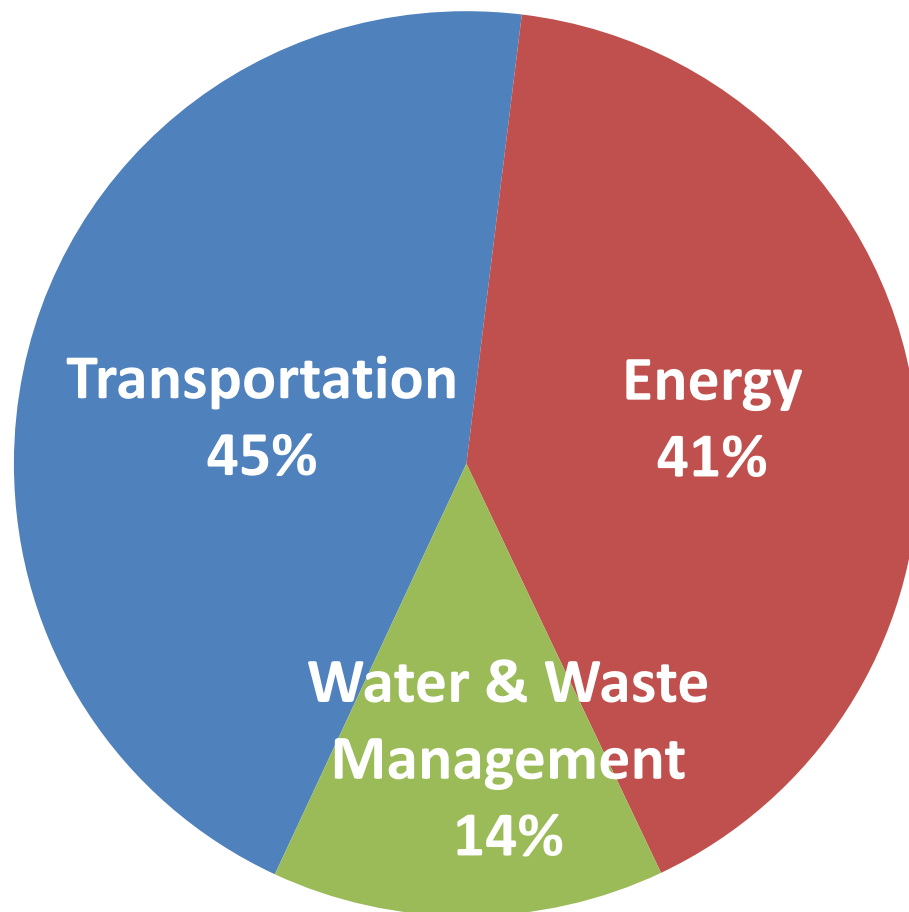


Infrastructure holdings

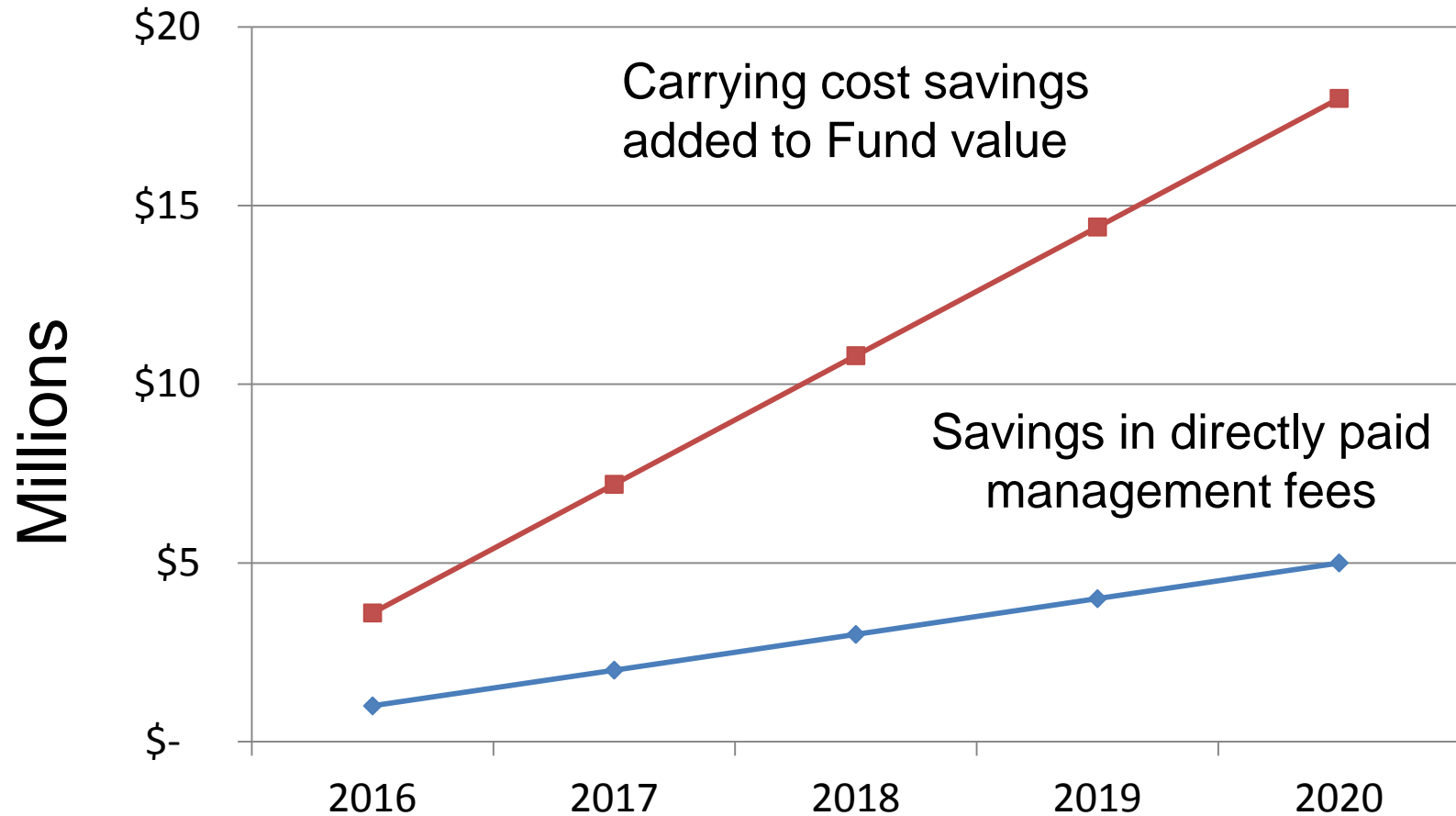
\$1.1 billion as of
06/30/2014

Properties in the U.S., U.K.,
India, Argentina and Canada

Co-investment program
implemented in FY14



Savings from 3 deals/year

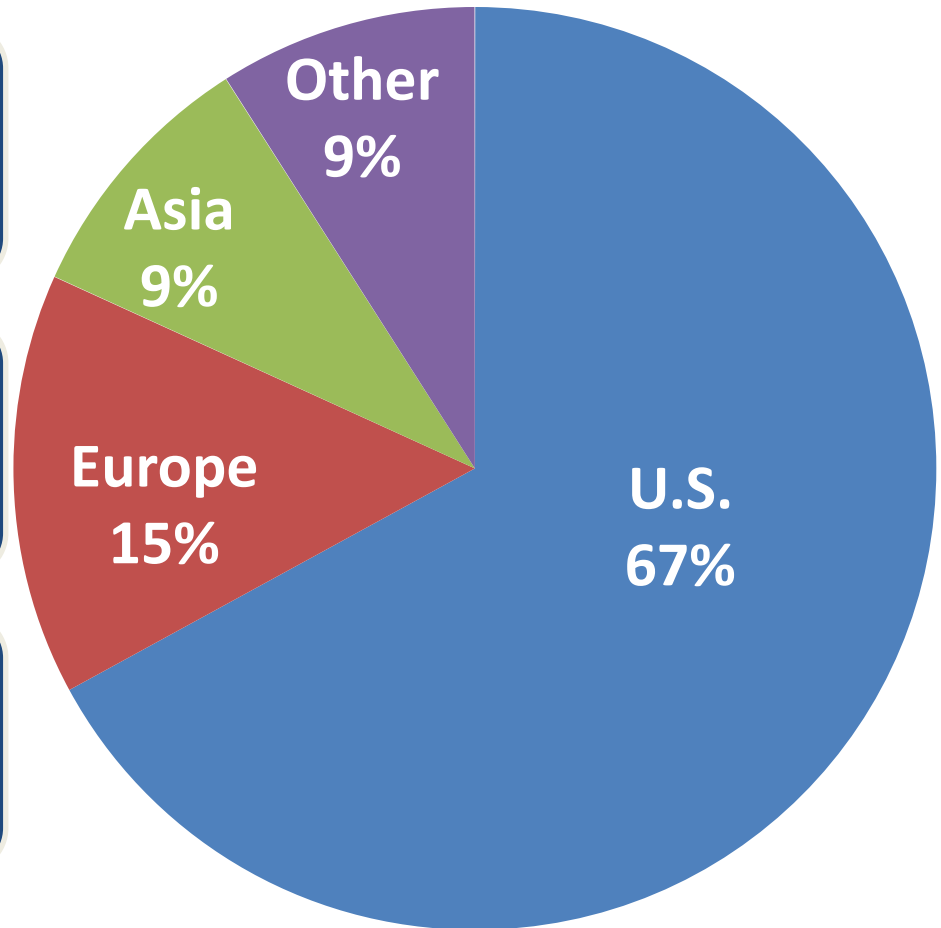


Private equity

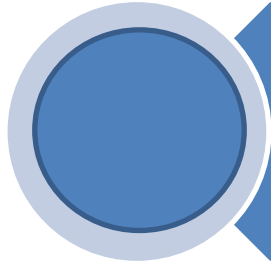
\$2.6 billion as of 06/30/2014

2,800 underlying companies

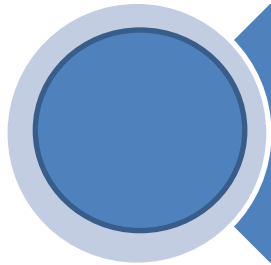
Co-investment program
implemented in FY2014



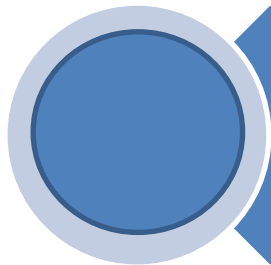
Special opportunities



Direct investments in private companies



Direct investments in specialized funds



Multi-asset mandates



Direct fund investment

\$1 billion

	Industry	APFC
Terms	1.5/20 over five years	\$500 million @ 1.5/20 \$500 million free 5% total revenue share
Fees	\$75 million management fees \$200 million carry	\$37.5 million direct management fees \$100 million carry
GP revenue sharing	- 0 -	\$150 million Based on total fund, not APFC share
Gross profit	\$1 billion	\$1 billion
Net profit	\$725 million	\$1.0 billion



Private assets, one year:

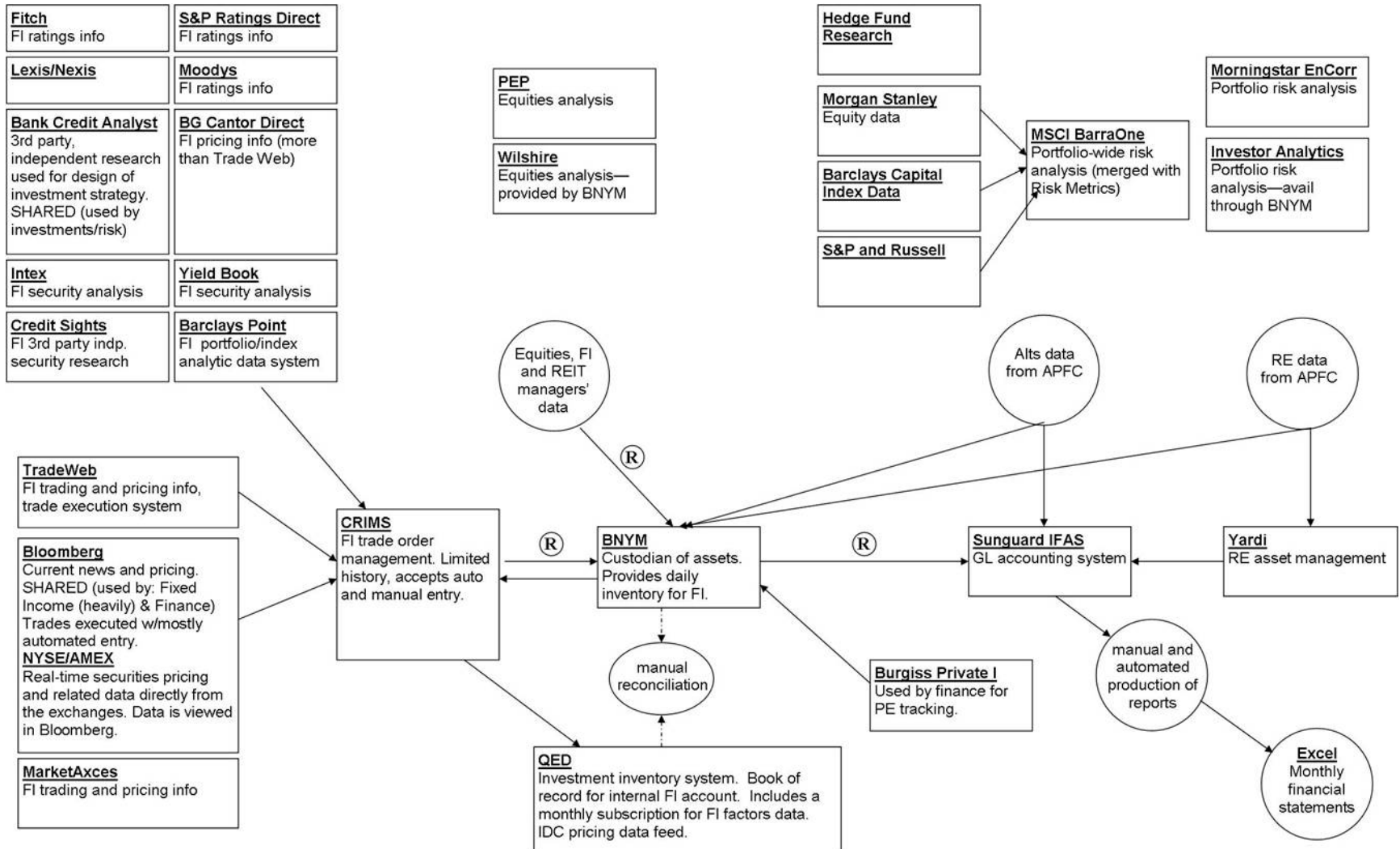
60 deals screened

12 reviewed

6
closed



Financial networks



Dividend calculation

Fiscal Year	Statutory net income
2009	(\$2.5 billion)
2010	\$1.6 billion
2011	\$2.1 billion
2012	\$1.6 billion
2013	\$2.9 billion
2014	\$3.5 billion
Sum	\$11.7 billion



Dividend calculation

\$11.7 billion x .21%



\$2.5 billion divided in half



Send \$1.25 billion to PFDD



After adjustments, divide by 641,489



2014 individual PFDD = \$1,884



Oil prices and the dividend

**Oil royalties are not part
of the dividend calculation!**

	FY2012	FY2013	FY2014
Fund ending value	\$40.3	\$44.9	\$51.2
Oil deposits	\$ 0.9	\$ 0.8	\$ 0.8

values in billions

