

02/05/13
OVERVIEW:
PERMANENT
FUND
CORPORATION

<TARGET><BILL></BILL><SUBJECT>02-05-13 OVERVIEW
PERMANENT FUND
CORPORATION</SUBJECT><COMM>HFIN28</COMM></TARGET>

2/5/13

Alaska Permanent Fund

Designed for Sustainability



Alaska Permanent Fund Corporation

Renewable resource

**\$16.5
billion**

**deposited
in Fund to
date**

**\$19.8
billion**

**dividends
paid to date**

**\$45
billion**

**current
value**



FY2013 to-date

Total return

7.3%

Benchmark return

7.4%

Ending balance

\$43.7 billion

Change from FY12

\$3.4 billion



FY2012 performance

Total return	-0.01%
Benchmark return	-0.2%
Ending balance	\$40.3 billion
Change from FY11	\$193 million
Dividend	\$605 million



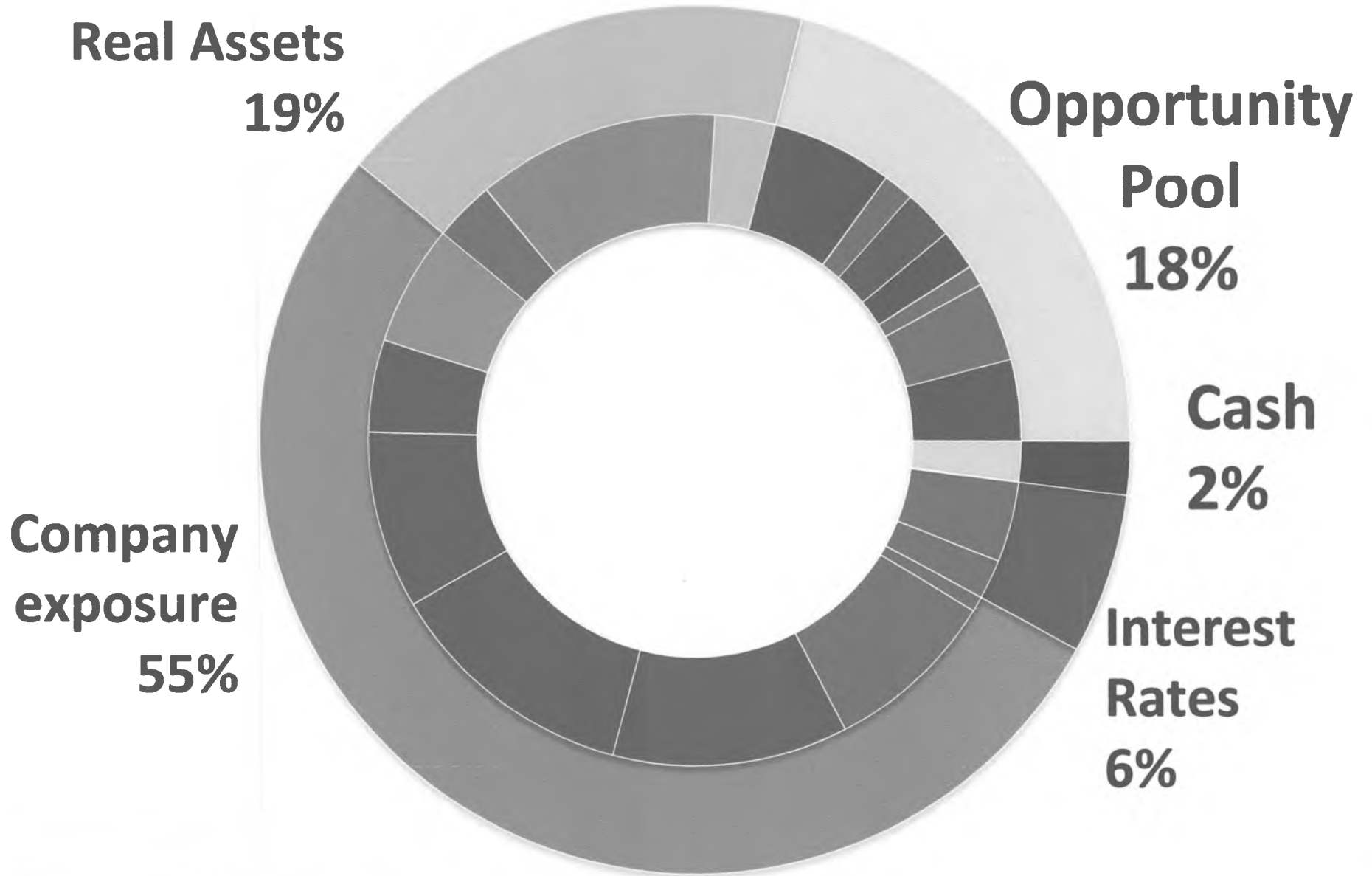
Performance over time

	1 Year	3 Years	5 Years	10 Years	28.5 Years
Permanent Fund	0.0%	10.4%	1.2%	6.2%	8.8%
Benchmarks	-0.2%	10.4%	1.5%	6.3%	9.3%
Median Public Fund	1.2%	11.7%	1.9%	6.3%	9.3%

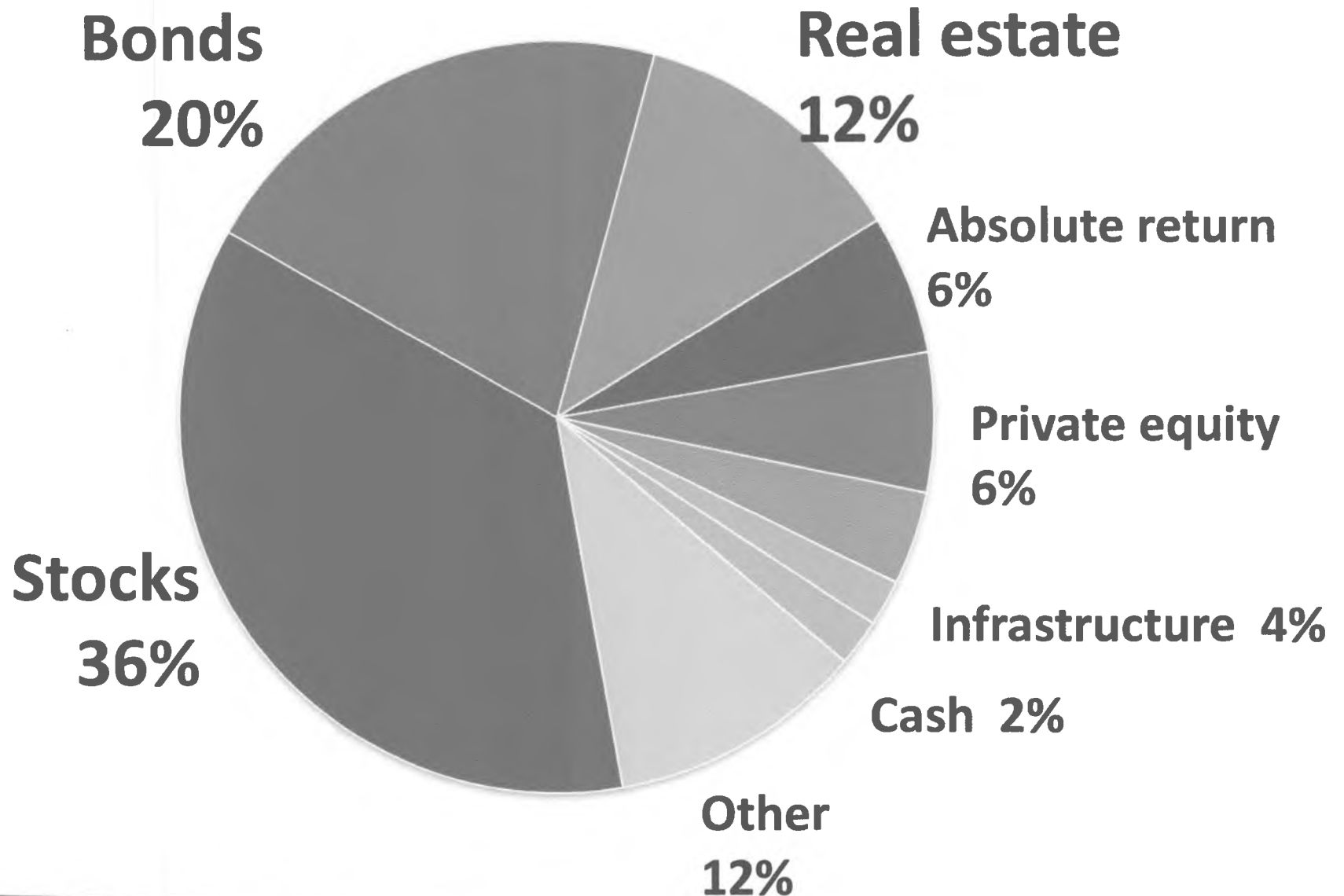
As of June 30, 2012



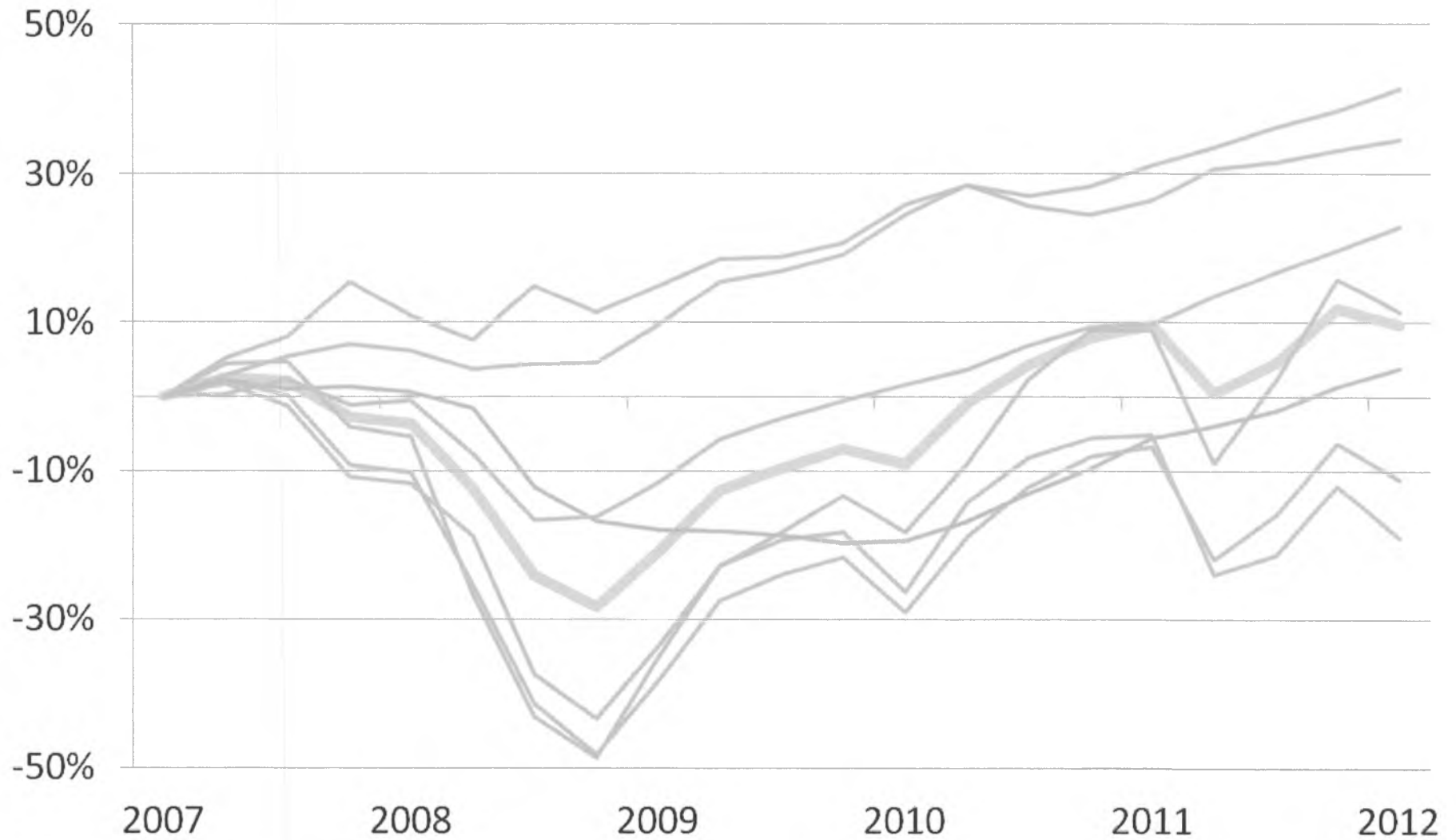
Asset Allocation



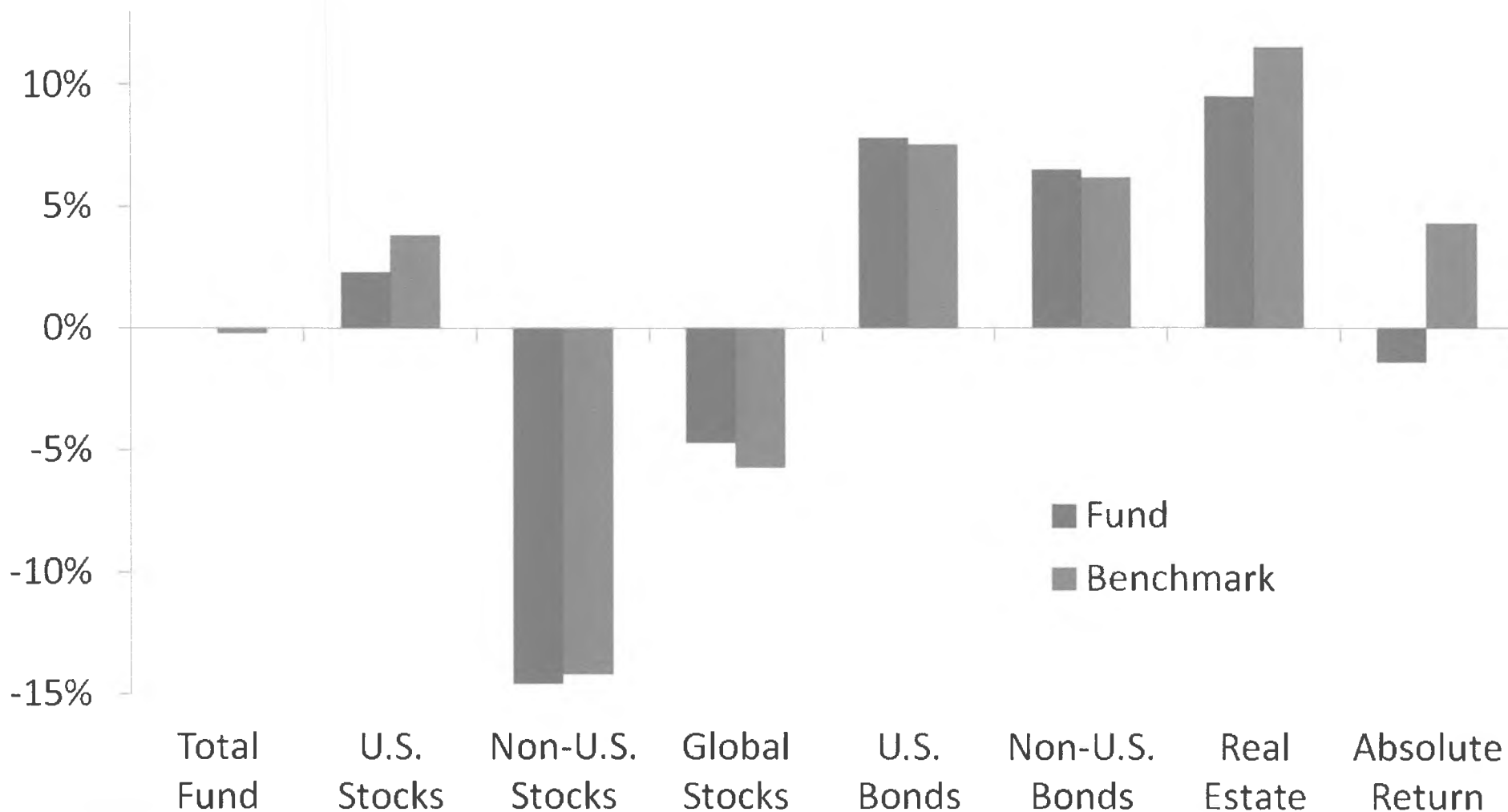
Target asset allocation



The effect of diversification



2012 performance by asset class



Stock portfolio

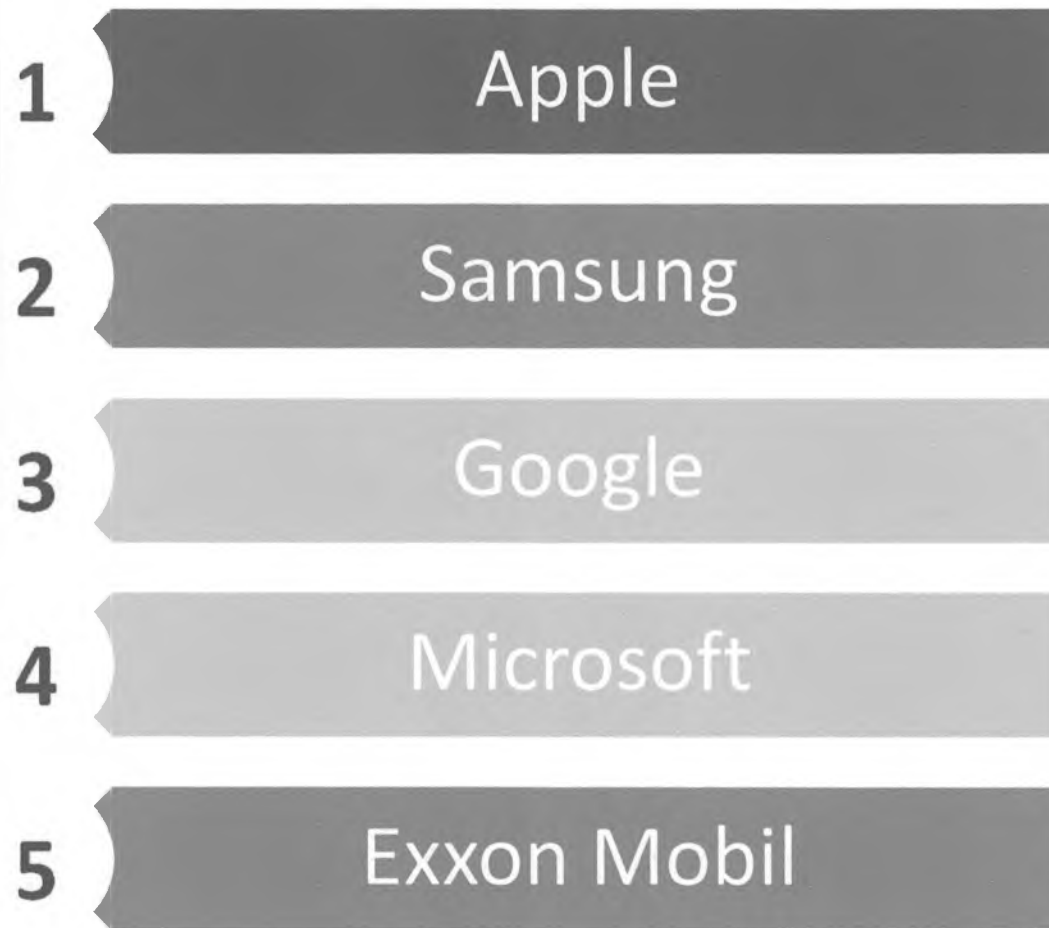
**\$19.3 billion as of
12/31/2012**



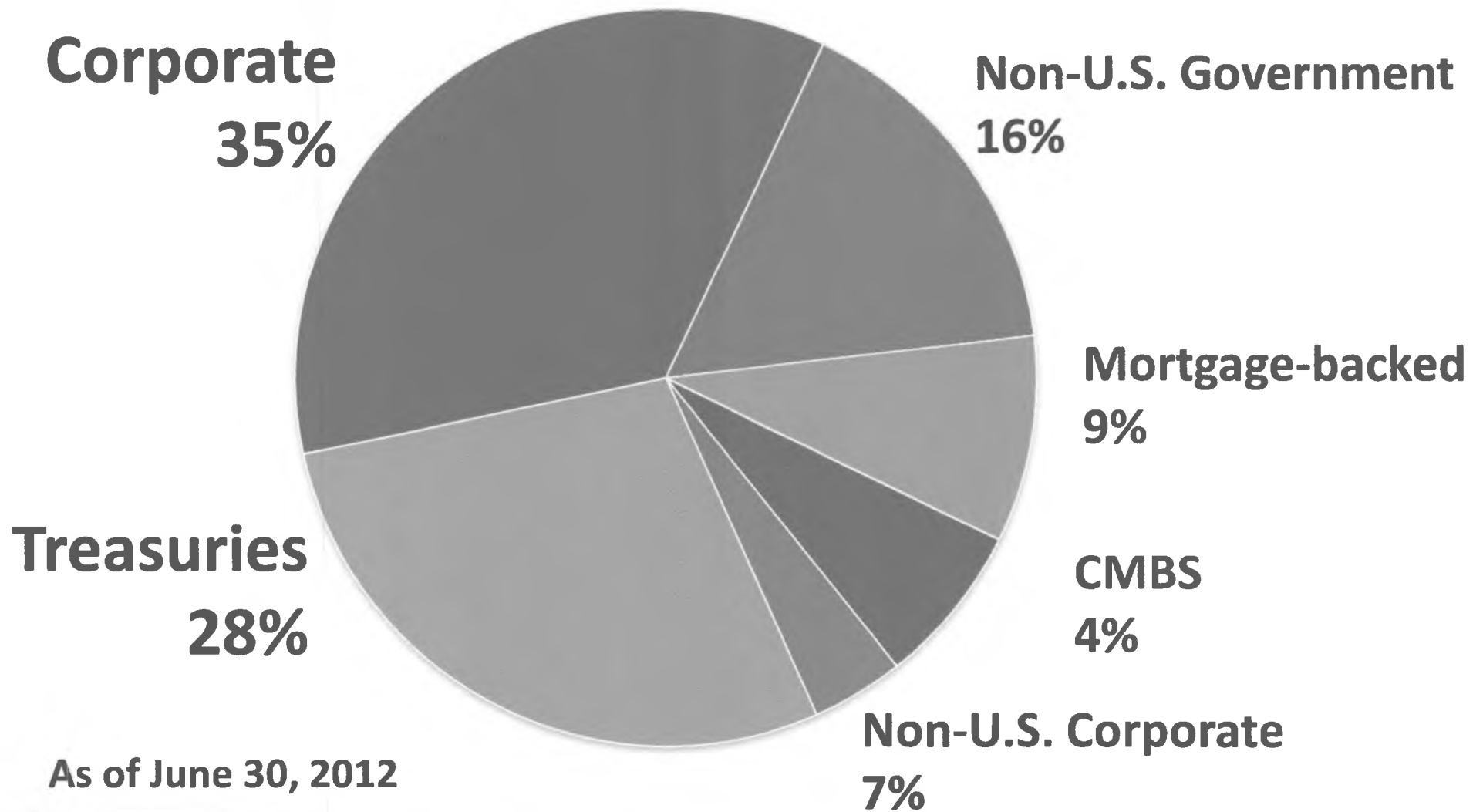
- By country or region
- By mandate:
U.S., Global, Non-U.S.
- By management:
Active, Passive,
Quasi-passive



Top 5 stocks as of 12/31/2012



Bond portfolio composition



Bonds portfolio



06/30/2012
\$7.6 billion



12/31/2012
\$8.7 billion

- By country or region
- By manager: APFC or External

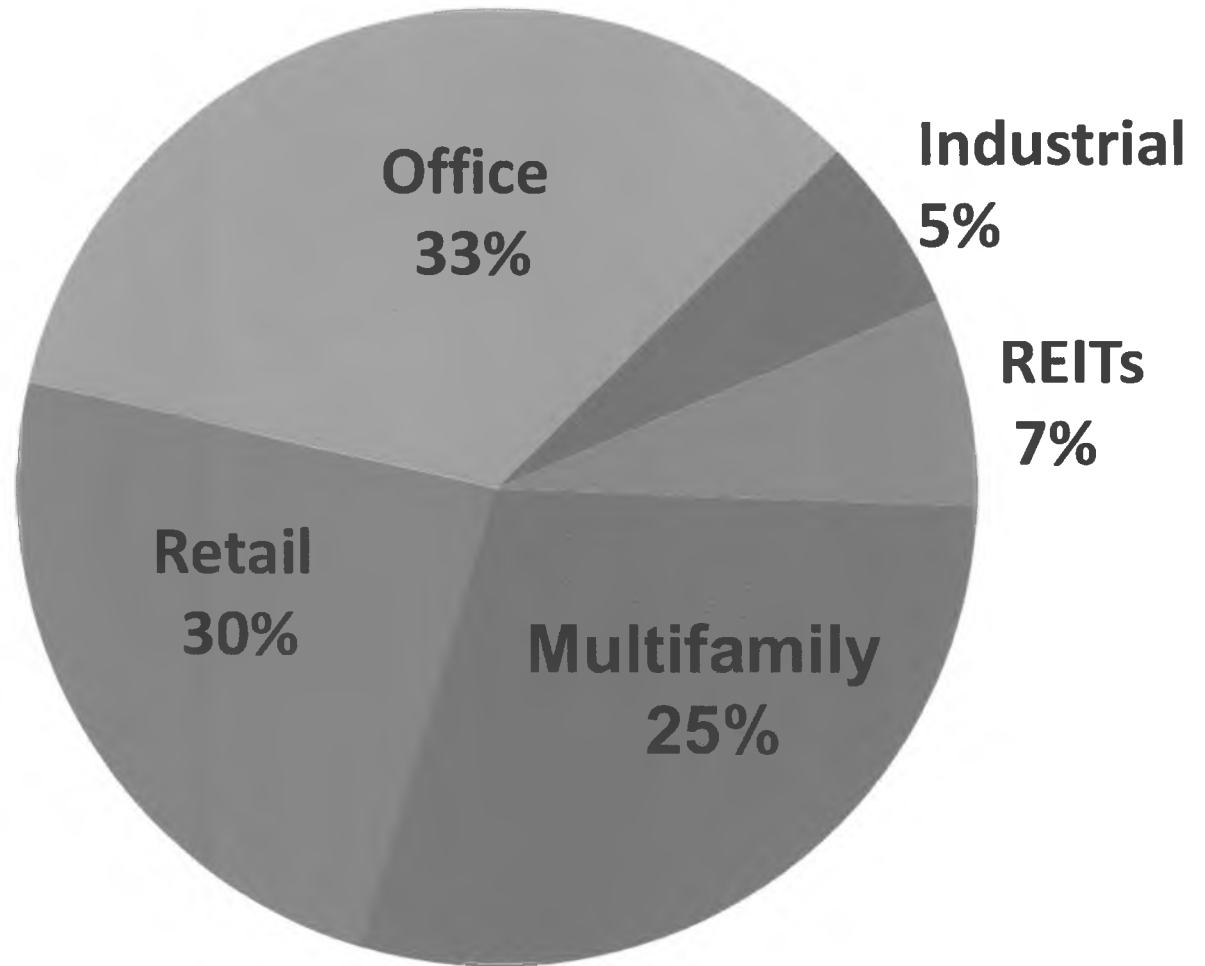


Real estate

**\$4.5 billion as of
12/31/2012**

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

1 REIT manager



As of June 30, 2012



Tysons Corner Center



Washington, DC

Partner: Macerich

2 million square feet developed

1.4 million square feet entitled

Apartment, office, hotel

Train access to DC and Dulles

\$1.3 billion total property value



299 Park Avenue



New York, NY

Partner: Fisher Brothers

Office

1.1 million square feet

\$1.2 billion total property value



CityCentre II, III & IV



Houston, TX

Office & Retail

400,000 square feet total

\$50 million property
value



Parc Huron



Chicago, IL

Residential

221 units

\$56 million value



Simpson Housing LLLP

50/50 partners with State of Michigan

16,000+ apartments

5 year plan to expand and update properties



Private assets

	Value as of 12/31/2012
Private equity	\$1.93 billion
Infrastructure	\$782 million
American Homes 4 Rent	\$600 million
Private Credit	\$232 million
	\$3.54 billion



Infrastructure investments



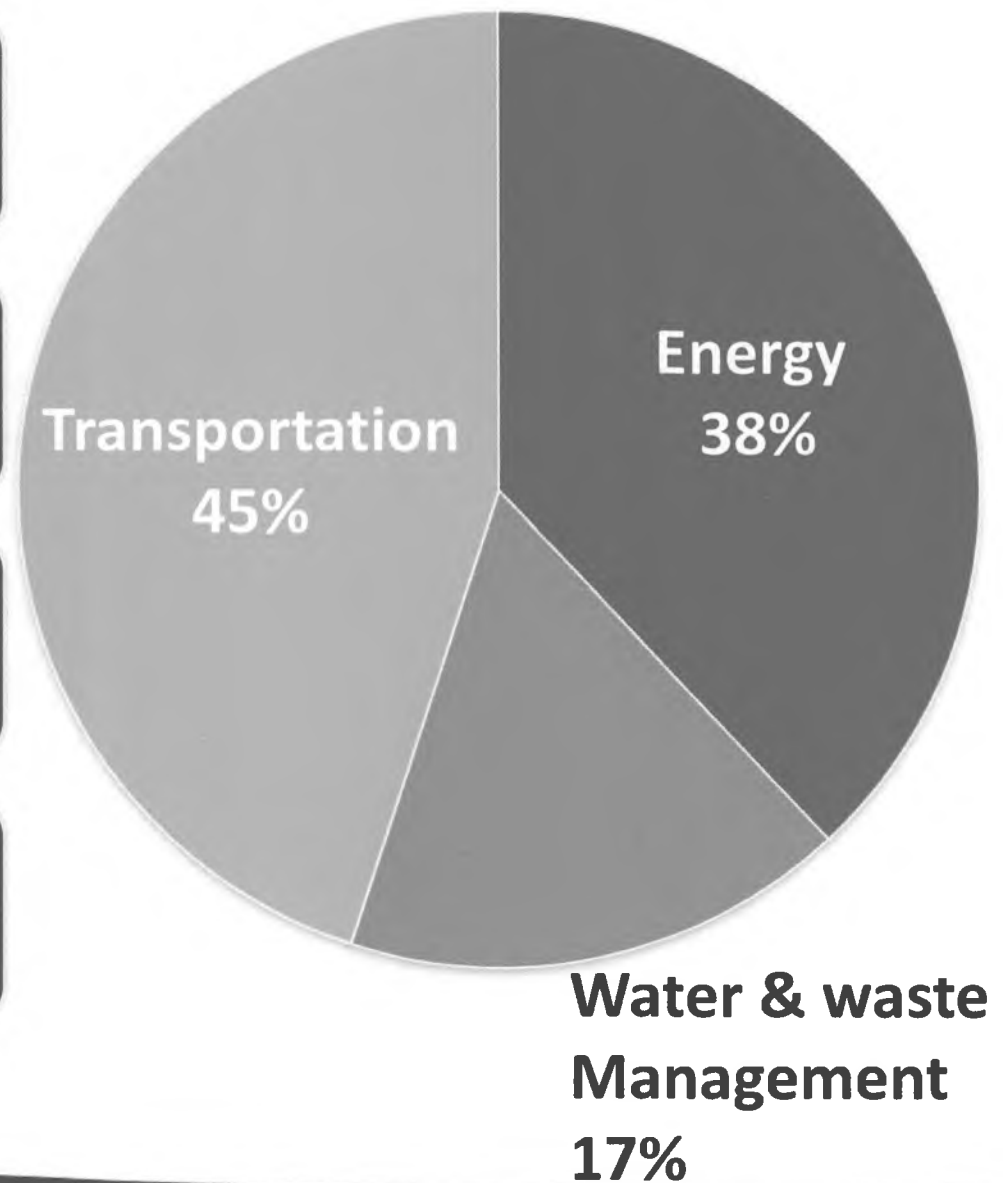
Infrastructure holdings

\$783 million as of
12/31/2012

3 managers invest in pooled
funds

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

New APFC co-investment
staff hired in FY2013



American Homes 4 Rent

80/20 partnership with operator

\$600 million committed to date

4,700 houses in 16 states



Multi-asset strategies

	Value as of 12/31/2012
External CIO/Real return	\$3.13 billion
Absolute Return	\$2.73 billion
Emerging market multi-asset	\$887 million
Public Credit	\$788 million
	\$7.54 billion



Absolute return

\$2.7 billion as of 12/31/2012

3 gatekeepers

**157 underlying investments, 6
owned by more than one manager**

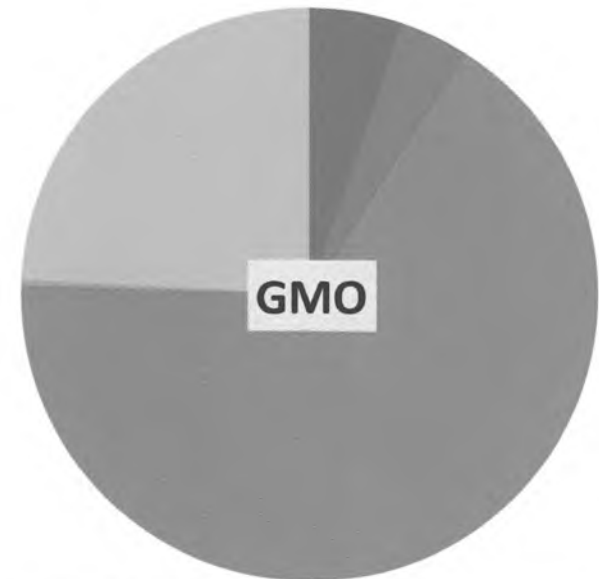


External CIO program

\$3.1 billion as of
12/31/2012

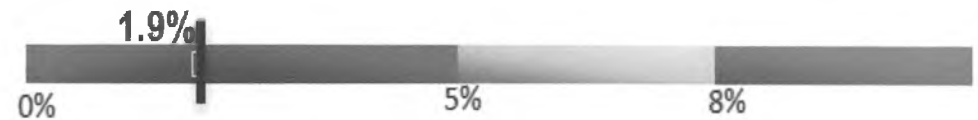
5 managers

May invest in any asset class
allowed for the Permanent
Fund

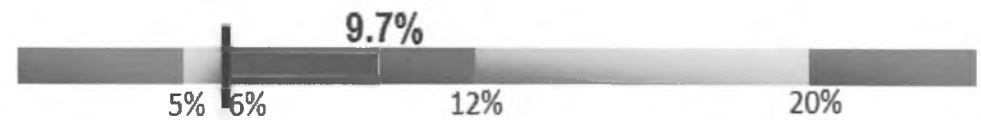


Risk Dashboard: Dollar Allocation Limits

Cash (2%)



Interest Rates (6%)



Company Exposure (53%)



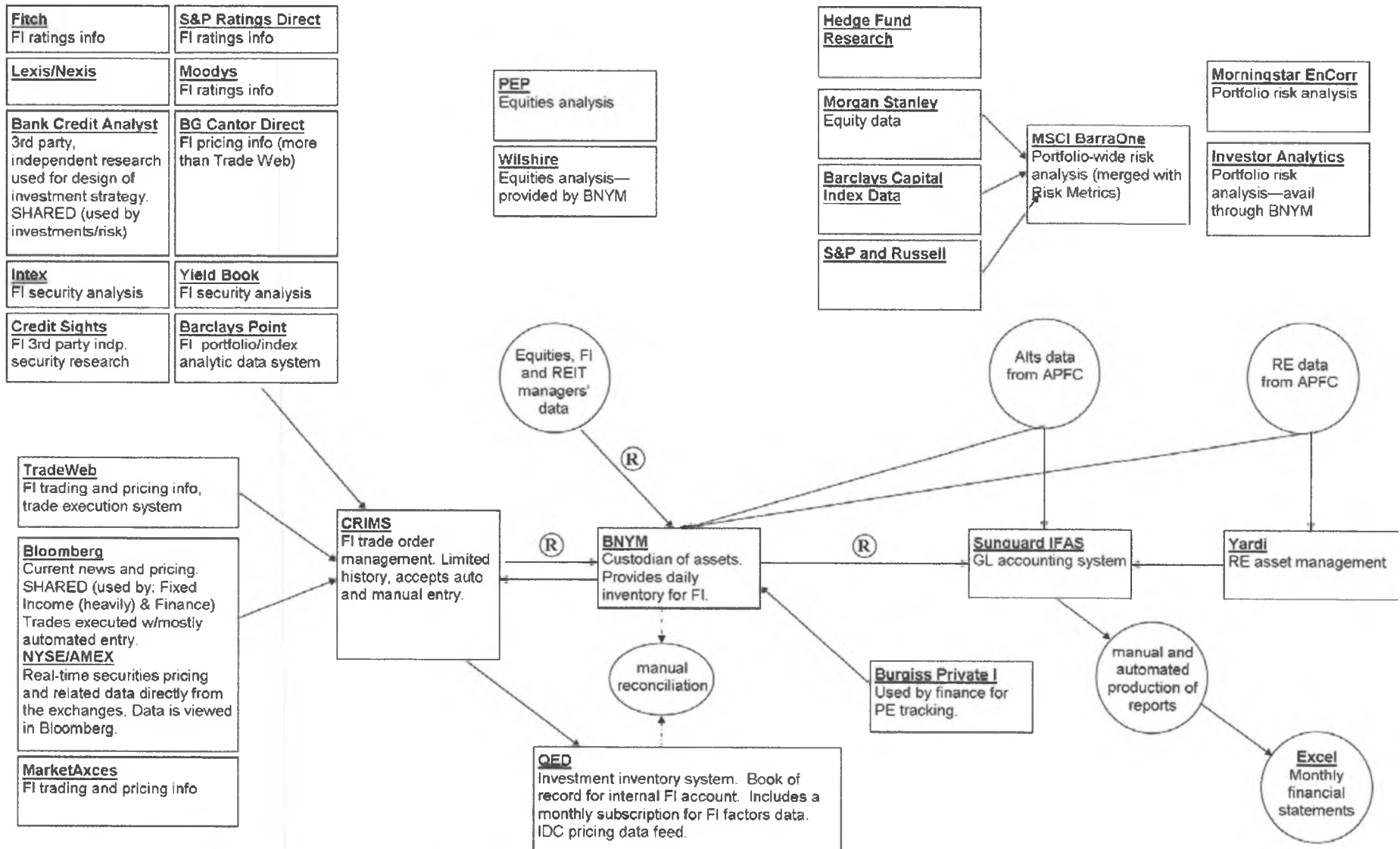
Real Assets (18%)



Special Opportunities (21%)



Financial networks



Dividend calculation

Fiscal Year	Statutory net income
2008	\$2.9 billion
2009	(\$2.5 billion)
2010	\$1.6 billion
2011	\$2.1 billion
2012	\$1.6 billion
Sum	\$5.7 billion



Dividend Calculation

\$5.8 billion x .21%

\$1.2 billion divided in half

Send \$605 to PFDD

After adjustments, divide by 650,000

2012 individual PFDD = \$878



Oil prices and the dividend

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

	FY2010	FY2011	FY2012
Fund ending value	\$33.2	\$40.1	\$40.3
Oil deposits	\$0.7	\$0.9	\$ 0.9

values in billions



Peer recognition

- aiCIO Industry Innovation Award
- Public and private fund managers
 - Singapore Government Investment Corp
 - Norway Government Pension Fund
 - Mitsubishi UFJ Trust & Banking
 - Massachusetts PRIM
 - California STRS
 - University of California



Interest Rates	Equities				Fixed Income				Real Estate				
	Weight	MTD Return	YTD		Weight	MTD Return	YTD		Weight	MTD Return	YTD		
					In House Government Bonds	3.01%	-0.09%	-0.91%					
					In House MBS	1.99%	0.04%	-0.35%					
					Rogge Global Partners	0.64%	-0.03%	-0.55%					
					<i>Subtotal</i>	<i>5.64%</i>	<i>-0.04%</i>	<i>-0.67%</i>					
Company Exposure					Oaktree High Yield Fixed Income	0.94%	-0.02%	1.16%					
					Cap Guardian HY Fixed Income	0.52%	0.11%	1.55%					
					Mellon Capital Mgmt S&P 500	1.68%	1.01%	6.24%					
					RCM - Large Cap	3.73%	0.92%	6.39%					
					Mellon FTSE RAFI US Large	3.18%	1.10%	7.33%					
					GE Asset Management	1.60%	1.21%	6.87%					
					Mellon S&P 400 (prev 1000)	0.52%	0.75%	8.02%					
					Eagle Asset Management, Inc.	0.47%	1.11%	6.93%					
					T. Rowe Price - Value Small Cap	0.50%	0.87%	6.76%					
					Jennison Associates LLC	0.46%	0.92%	7.59%					
					RBC Asset Mgmt Inc	0.52%	1.08%	6.34%					
					Pzena Investment Management, LLC	0.47%	1.05%	8.47%					
					Mellon - MSCI World ex-US	4.87%	0.60%	5.57%					
					Cap Guardian - EMGF	2.67%	0.48%	2.21%					
					DFA International Large Cap	2.84%	0.58%	5.67%					
					Mondrian Investment Partners	1.85%	0.68%	3.45%					
					GE Asset Management - EAFE	1.88%	0.74%	4.52%					
					Acadian Asset Mgmt Non-US - EAFE	1.24%	-0.11%	4.51%					
					DFA International Small Company	0.57%	0.84%	5.27%					
					SSGA World Small Cap Index	0.57%	0.83%	5.63%					
					DFA International Small Cap Value	0.56%	0.83%	6.01%					
					SSGA Emerging Markets Index	2.56%	0.35%	1.54%					
					Lazard Global Equity	3.27%	1.08%	5.08%					
					GMO Global	3.03%	0.64%	5.03%					
					State Street Russell Fundamental LC	2.17%	0.80%	6.60%					
					AQR Capital Mgmt Global	2.46%	0.92%	7.34%					
					McKinley Global	1.65%	0.95%	4.58%					
					Pathway Capital Management	3.54%	0.83%	6.28%					
					HarbourVest	0.80%	0.83%	6.28%					
						<i>Subtotal</i>	<i>49.65%</i>	<i>0.78%</i>	<i>5.48%</i>				
	Real Assets					In House CMBS	0.78%	0.02%	-0.25%				
						Oaktree III Mez Debt	0.32%	-0.02%	1.16%				
						Audax III Mez Debt	0.22%	-0.02%	1.16%				
						In House Corporate Bonds	6.39%	-0.15%	-1.12%				
						Crestline Credit Opportunities	1.78%	-0.02%	1.16%				
					<i>Subtotal</i>	<i>10.95%</i>	<i>-0.09%</i>	<i>-0.25%</i>					
					Global Infrastructure Partners	0.57%	0.02%	3.57%					
					Global Infrastructure Partners II	0.15%	0.02%	3.45%					
					Citi Infrastructure Partners	0.64%	0.02%	3.57%					
					GS Infrastructure Partners	0.45%	0.02%	3.57%					
					EQT Infrastructure II	0.005%	0.90%	0.00%					
					In House TIPS	1.37%	-0.28%	-0.90%					
					AK Permanent Capital Mgmt	1.35%	-0.30%	-1.01%					
					<i>Subtotal</i>	<i>4.53%</i>	<i>-0.16%</i>	<i>0.85%</i>					
					RE LaSalle	2.06%	0.30%	2.17%					
				RE CB Richard Ellis	1.76%	0.30%	2.17%						
				RE L&B Realty Advisors	3.32%	0.30%	2.17%						
				RE SHLP Reoc	1.68%	0.30%	2.17%						
				RE Sentinel	0.70%	0.30%	2.17%						
				AEW Global RE Securities	0.79%	0.45%	3.59%						
				<i>Subtotal</i>	<i>10.31%</i>	<i>0.31%</i>	<i>2.28%</i>						
Special Opportunities					Internal Cash	1.23%	0.00%	0.33%					
					Other	0.00%	0.00%	0.00%					
					Cap Guardian HY EM Mrkt Debt	1.09%	0.34%	0.90%					
					Alaska CD	0.00%	0.00%	0.00%					
					Oaktree Opportunities Fund VIII	0.61%	-0.02%	1.16%					
					Pimco EAMF	1.01%	0.22%	1.64%					
					Cap Guardian ETOP	1.00%	0.36%	1.72%					
					Bridgewater External CIO/Real Return	1.45%	0.46%	0.70%					
					AQR External CIO/Real Return	1.37%	0.46%	1.90%					
					Pimco External CIO/Real Return	1.41%	0.00%	1.47%					
					GS External CIO/Real Return	1.46%	0.20%	1.15%					
					GMO External CIO/Real Return	1.37%	-0.05%	1.52%					
					Mariner	2.48%	-0.14%	1.74%					
					Crestline Investors, Inc.	2.28%	-0.14%	1.74%					
					Lazard Alternatives, LLC	0.84%	-0.14%	1.74%					
				<i>Subtotal</i>	<i>7.93%</i>	<i>-0.05%</i>	<i>1.40%</i>						
				American Home 4 Rent	1.32%	0.00%	0.00%						
				<i>Subtotal</i>	<i>1.32%</i>	<i>0.00%</i>	<i>0.00%</i>						

Fund	Benchmark	weight
5.64%	6.00%	return MTD
-0.04%	-0.10%	contribution MTD
0.00%	-0.01%	return YTD
-0.67%	-1.01%	contribution YTD
-0.04%	-0.06%	

Notes:
 1) External CIOs mapped to 60%/30%/10%
 2) Mezzanine Debt mapped to Global High Yield (Hedged)
 3) Direct Real Estate Mapped to 50% MSCI Reits
 4) Distressed Debt mapped to Global High Yield (Hedged)
 5) Public/Private Credit mapped to Global High Yield (Hedged)
 6) Absolute Return mapped to HFRX Global Hedge Fund Index
 7) Private Equity is mapped to 60% Russell 3000/ 40% MSCI EAFE
 8) Global and Citi Infrastructure are mapped to MSCI Infrastructure Index

Company Exposure
 20% BC Global Corporate Index (Hedged)
 80% MSCI All-Country World Index IMI

Interest Rates
 100% BC Global Government Index (Hedged)

Special Oops
 40% BC Global Corporate Index (Hedged)
 60% MSCI All-Country World Index IMI

Fund	Benchmark	weight
60.59%	55.00%	return MTD
0.62%	0.59%	contribution MTD
0.38%	0.33%	return YTD
4.45%	4.23%	contribution YTD
2.69%	2.33%	

Real Assets
 37.5% MSCI US REIT Index
 37.5% 3 Month T-Bill
 25% BC U.S. TIPS Index

Our portfolio	Equities		Bonds		Real Estate	
	MTD	YTD	MTD	YTD	MTD	YTD
weight	59.32%	59.32%	29.04%	29.04%	11.64%	11.64%
return	0.69%	4.82%	-0.08%	0.29%	0.28%	2.02%
contribution	0.41%	2.86%	-0.02%	0.08%	0.03%	0.24%
Benchmark	MSCI ACWI		BC Global Aggregate		NCREIF NPI	
	MTD	YTD	MTD	YTD	MTD	YTD
weight	60.00%	60.00%	30.00%	30.00%	10.00%	10.00%
return	0.76%	5.51%	-0.10%	-1.01%	0.30%	2.17%
contribution	0.46%	3.31%	-0.03%	-0.30%	0.03%	0.22%

Fund	MTD	YTD
0.42%	3.18%	
0.46%	3.22%	
0.43%	3.12%	