

PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY
 THE UNIVERSITY OF NORTH CAROLINA
 FOR THE PERIOD ENDING 9.30.14

INVESTMENT NAME	PROVIDER	Q3 '14	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*	Exp Ratio
MONEY MARKET							
American Century Premium Money Market Inv	VALIC	0.00%	0.01%	0.01%	0.02%	1.63%	0.46
Vanguard Prime Money Market Inv	Lincoln	0.00%	0.01%	0.02%	0.04%	1.67%	0.17
Fidelity Retirement Money Market	Fidelity	0.00%	0.01%	0.01%	0.02%	1.67%	0.42
CREF Money Market	TIAA-CREF	0.00%	0.00%	0.00%	0.00%	1.53%	0.40
BofA Merrill Lynch 3-month U.S. T-Bill	Benchmark	0.01%	0.05%	0.07%	0.10%	1.59%	
STABLE VALUE							
VALIC Fixed Interest	VALIC	0.56%	2.25%	2.45%	2.86%	3.31%	-
Lincoln Stable Value (B03)	Lincoln	0.74%	3.00%	3.00%	3.01%	3.28%	1.20
Fidelity Managed Income Portfolio	Fidelity	0.26%	0.94%	1.10%	1.18%	2.41%	0.77
Principal Fixed Annuity**	Fidelity	-	-	-	-	-	-
TIAA Traditional Annuity	TIAA-CREF	0.87%	3.75%	3.48%	4.09%	4.29%	-
Hueler Stable Value Index (gross)	Peer Group	0.42%	1.68%	1.99%	2.39%	3.40%	
BofA Merrill Lynch 3-month U.S. T-Bill	Benchmark	0.01%	0.05%	0.07%	0.10%	1.59%	
INFLATION PROTECTED BOND							
AmCent Infi-Adjusted Bond A	VALIC	-2.25%	0.65%	0.57%	3.71%	4.01%	0.72
BlackRock Inflation Protected Bond Inst	Lincoln	-2.36%	1.19%	1.37%	4.24%	4.91%	0.44
Morningstar Inflation Protected Bond Universe	Peer Group	-2.15%	0.88%	0.88%	3.68%	4.01%	
Barclays US Treasury US TIPS TR USD	Benchmark	-2.04%	1.59%	1.34%	4.48%	4.63%	
SHORT TERM BOND							
Vanguard Short Term Bond Index Adm	Fidelity/TIAA-CREF	-0.07%	1.04%	1.19%	2.09%	3.29%	0.10
Morningstar Short Term Bond Universe	Peer Group	-0.27%	2.76%	3.52%	2.88%	3.48%	
Barclays Government/Credit 1-3 Yr	Benchmark	0.04%	0.77%	0.92%	1.45%	2.85%	
INTERMEDIATE TERM BOND							
Dreyfus Bond Market Index Inv	VALIC	0.11%	3.54%	1.94%	3.60%	4.15%	0.40
PIMCO Total Return P	Lincoln	-0.39%	3.19%	4.46%	4.96%	5.89%	0.56
JPMorgan Core Bond R5	Fidelity	0.25%	3.66%	2.73%	4.54%	5.00%	0.53
Vanguard Total Bond Market Index Inst	TIAA-CREF/Fidelity	0.18%	3.91%	2.34%	4.06%	4.64%	0.07
PIMCO Total Ret Inst	TIAA-CREF/Fidelity	-0.36%	3.29%	4.57%	5.07%	5.99%	0.46
JPMorgan Core Bond R6	TIAA-CREF	0.26%	3.69%	2.82%	4.61%	5.08%	0.40
Morningstar Intermediate Term Bond Universe	Peer Group	-0.09%	4.34%	3.47%	4.86%	4.49%	
Barclays Aggregate Bond Index	Benchmark	0.17%	3.96%	2.43%	4.12%	4.62%	
MODERATE ALLOCATION							
American Funds American Balanced R4	VALIC	0.59%	13.24%	16.50%	12.49%	7.23%	0.65
Fidelity Balanced K	Fidelity	0.80%	14.94%	15.80%	11.95%	8.12%	0.47
Morningstar Moderate Allocation Universe	Peer Group	-1.28%	9.80%	13.25%	9.77%	6.40%	
60% S&P 500 40% BC Agg	Benchmark	0.75%	13.28%	14.51%	11.19%	6.99%	

Shading highlights performance at or above median for peer group if available, otherwise at or above benchmark.

**403(b) Plan only; the Principal Fixed Annuity is currently crediting 3.00% for 2014

CONTINUED

PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

INVESTMENT NAME	PROVIDER	Q3 '14	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*	Exp Ratio
WORLD ALLOCATION							
CREF Social Choice Account	TIAA-CREF	-0.90%	9.92%	13.05%	9.89%	6.45%	0.41
Morningstar World Allocation Universe	Peer Group	-2.90%	6.52%	10.31%	8.02%	6.81%	
60% MSCI World 40% BC Agg Index	Benchmark	-1.16%	9.28%	12.05%	8.77%	6.81%	
LARGE COMPANY VALUE							
BlackRock Large Cap Value Inv A	VALIC	1.21%	17.66%	21.34%	11.97%	6.74%	1.26
American Beacon Lg Cap Value Y	Lincoln	-0.50%	17.80%	24.51%	15.24%	8.41%	0.67
JHancock Disciplined Value R5	TIAA-CREF/Fidelity	0.32%	16.47%	24.94%	15.23%	9.53%	0.79
Morningstar Large Value Universe	Peer Group	-0.54%	16.38%	21.45%	13.78%	7.36%	
Russell 1000 Value	Benchmark	-0.19%	18.89%	23.93%	15.26%	7.84%	
LARGE COMPANY BLEND							
Davis NY Venture A	VALIC	-1.86%	14.27%	20.19%	12.23%	6.77%	0.88
Dreyfus S&P 500 Index	VALIC/Lincoln	1.02%	19.16%	22.41%	15.17%	7.62%	0.50
Neuberger Berman Soc Resp Inv	Lincoln	0.05%	14.86%	21.22%	15.10%	8.46%	0.87
Vanguard Instl Index Fund	Fidelity	1.12%	19.69%	22.96%	15.67%	8.11%	0.04
CREF Stock Account	TIAA-CREF	-1.82%	13.11%	19.53%	12.47%	7.52%	0.46
Vanguard Instl Index Fund	TIAA-CREF	1.12%	19.69%	22.96%	15.67%	8.11%	0.04
Morningstar Large Blend Universe	Peer Group	-0.07%	16.81%	21.54%	14.12%	7.58%	
S&P 500 Index	Benchmark	1.13%	19.73%	22.99%	15.70%	8.11%	
LARGE COMPANY GROWTH							
American Funds Growth Fund of Amer R4	VALIC	0.42%	16.39%	23.04%	14.17%	8.75%	0.68
Calvert Equity A	VALIC	1.62%	17.63%	18.86%	13.60%	7.90%	1.23
American Funds Growth Fund of Amer R6	Lincoln	0.50%	16.77%	23.46%	14.57%	8.96%	0.34
Vanguard FTSE Social Index Inv	Fidelity	1.29%	19.71%	24.15%	15.84%	6.89%	0.28
Fidelity Contrafund K	Fidelity	1.80%	17.55%	21.65%	15.88%	10.37%	0.56
T Rowe Price Instl Large Cap Growth	TIAA-CREF/Fidelity	0.60%	17.05%	24.59%	17.01%	9.81%	0.56
Morningstar Large Growth Universe	Peer Group	0.68%	16.28%	21.29%	14.66%	8.31%	
Russell 1000 Growth	Benchmark	1.49%	19.15%	22.45%	16.50%	8.94%	
MEDIUM COMPANY VALUE							
Ridgeworth Mid Cap Value Equity A	VALIC	-3.71%	14.32%	24.65%	15.67%	11.29%	1.40
Columbia Mid Cap Value Z	Lincoln	-2.28%	20.29%	24.92%	16.52%	9.90%	0.92
MFS Mid Cap Value R4	Fidelity	-4.12%	13.61%	23.91%	17.57%	9.18%	0.97
MFS Mid Cap Value R5	TIAA-CREF	-4.06%	13.78%	23.81%	17.40%	8.96%	0.89
Morningstar Mid Value Universe	Peer Group	-3.42%	13.59%	22.86%	15.08%	8.83%	
Russell MidCap Value	Benchmark	-2.65%	17.46%	24.72%	17.24%	10.17%	
MEDIUM COMPANY BLEND							
Dreyfus MidCap Index	VALIC/Lincoln	-4.06%	11.40%	21.84%	15.82%	9.82%	0.50
Dreyfus Structured Midcap I	Lincoln	-0.86%	17.53%	25.37%	18.18%	9.58%	1.00
Vanguard Ext Mkt Idx Inst	TIAA-CREF/Fidelity	-4.79%	9.72%	23.47%	16.48%	10.03%	0.08
Morningstar Mid Blend Universe	Peer Group	-3.30%	12.19%	21.90%	14.90%	8.75%	
Russell MidCap	Benchmark	-1.66%	15.83%	23.79%	17.19%	10.34%	

Shading highlights performance at or above median for peer group if available, otherwise at or above benchmark.

CONTINUED

PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

INVESTMENT NAME	PROVIDER	Q3 '14	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*	Exp Ratio
MEDIUM COMPANY GROWTH							
Munder Mid Cap Core Growth A	VALIC	-0.96%	12.79%	21.12%	15.98%	9.67%	1.40
Wells Fargo Advantage Discovery Instl	Lincoln	-3.35%	3.51%	22.00%	18.40%	11.37%	0.85
Morgan Stanley Inst Mid Cap Growth I	TIAA-CREF/Fidelity	-1.48%	7.25%	15.62%	14.11%	11.01%	0.71
Morningstar Mid Growth Universe	Peer Group	-2.29%	10.02%	20.11%	14.86%	9.20%	
Russell MidCap Growth	Benchmark	-0.73%	14.43%	22.74%	17.12%	10.24%	
WORLD STOCK							
Oppenheimer Global Y	VALIC	-2.01%	10.29%	18.90%	11.95%	8.72%	0.90
American Funds Capital World G/I R6	Lincoln	-1.87%	12.43%	18.67%	10.29%	9.10%	0.45
Morningstar World Stock Universe	Peer Group	-3.26%	9.78%	16.66%	10.48%	7.40%	
MSCI The World Index USD	Benchmark	-2.05%	12.80%	18.60%	11.47%	7.71%	
FOREIGN LARGE VALUE							
MFS International Value R4	Fidelity	-4.12%	6.29%	16.00%	10.19%	9.40%	0.84
Morningstar Foreign Large Value Universe	Peer Group	-5.95%	4.56%	12.99%	5.84%	5.95%	
MSCI EAFE	Benchmark	-5.83%	4.70%	14.16%	7.04%	6.80%	
FOREIGN LARGE BLEND							
Amer Funds EuroPac R6	Lincoln/TIAA-CREF	-4.21%	6.98%	14.44%	7.13%	8.47%	0.49
Amer Funds EuroPac R4	Fidelity	-4.29%	6.62%	14.04%	6.75%	8.25%	0.84
Vanguard Total Intl Stock Index Inst	TIAA-CREF/Fidelity	-5.51%	4.92%	12.39%	5.95%	6.82%	0.12
MFS International Value R5	TIAA-CREF	-4.12%	6.38%	16.06%	10.18%	9.46%	0.74
Morningstar Foreign Large Blend Universe	Peer Group	-5.62%	3.80%	13.05%	6.26%	6.25%	
MSCI EAFE	Benchmark	-5.83%	4.70%	14.16%	7.04%	6.80%	
FOREIGN LARGE GROWTH							
Janus Overseas S	VALIC	-8.76%	2.71%	6.21%	-0.17%	8.72%	0.93
Morningstar Foreign Large Growth Universe	Peer Group	-5.29%	3.18%	13.18%	7.43%	6.60%	
MSCI EAFE	Benchmark	-5.83%	4.70%	14.16%	7.04%	6.80%	
FOREIGN SMALL/MID GROWTH							
Columbia Acorn International Y	TIAA-CREF/Fidelity	-7.24%	4.36%	14.32%	10.00%	10.96%	0.86
Columbia Acorn International Z	Lincoln	-7.29%	4.26%	14.25%	9.97%	10.94%	0.94
Morningstar Foreign Small/Mid Growth Universe	Peer Group	-6.86%	3.18%	15.26%	11.09%	9.51%	
MSCI EAFE	Benchmark	-5.83%	4.70%	14.16%	7.04%	6.80%	
SMALL COMPANY VALUE							
Heartland Value Plus Inst	VALIC	-10.32%	5.55%	18.27%	12.92%	9.01%	0.84
Allianz NFJ Small Cap Value Inst	Lincoln	-5.74%	8.85%	18.45%	14.88%	10.59%	0.86
Goldman Sachs Small Value Inst	TIAA-CREF/Fidelity	-6.19%	9.15%	23.96%	16.70%	9.37%	1.02
Morningstar Small Value Universe	Peer Group	-7.13%	6.22%	21.07%	13.60%	8.13%	
Russell 2000 Value	Benchmark	-8.58%	4.12%	20.61%	13.02%	7.25%	
SMALL COMPANY BLEND							
Dreyfus Small Cap Stock Index	VALIC/Lincoln	-6.88%	5.34%	22.48%	15.90%	9.07%	0.50
Morningstar Small Blend Universe	Peer Group	-6.75%	5.65%	21.01%	14.22%	8.04%	
Russell 2000	Benchmark	-7.36%	3.93%	21.26%	14.29%	8.19%	

Shading highlights performance at or above median for peer group if available, otherwise at or above benchmark.

CONTINUED

PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

INVESTMENT NAME	PROVIDER	Q3 '14	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*	Exp Ratio
SMALL COMPANY GROWTH							
Columbia Acorn USA Z	Lincoln	-6.35%	2.73%	19.35%	13.51%	8.26%	1.07
Eagle Small Cap Growth R5	Fidelity	-3.14%	4.59%	19.09%	16.49%	9.68%	0.77
Eagle Small Cap Growth R6	TIAA-CREF	-3.09%	4.73%	19.24%	16.39%	9.50%	0.68
Morningstar Small Growth Universe	Peer Group	-5.82%	2.77%	20.07%	14.87%	8.77%	
Russell 2000 Growth	Benchmark	-6.13%	3.79%	21.91%	15.51%	9.03%	
SPECIALTY-REAL ESTATE							
Nuveen Real Estate Secs A	VALIC	-2.90%	13.85%	16.34%	15.99%	9.93%	1.25
Nuveen Real Estate Secs I	Lincoln	-2.84%	14.10%	16.63%	16.29%	10.21%	1.00
Cohen & Steers Realty Shares	Fidelity	-3.23%	13.38%	15.71%	14.77%	9.05%	0.97
Cohen & Steers Instl Realty Shares	TIAA-CREF	-3.11%	13.62%	15.95%	15.00%	9.25%	0.75
TIAA-CREF Real Estate Account	TIAA-CREF	2.32%	9.94%	10.22%	9.68%	4.74%	0.87
Morningstar Specialty-Real Estate Universe	Peer Group	-3.01%	12.77%	15.84%	14.89%	7.69%	
Dow Jones US Select REIT	Benchmark	-3.00%	13.44%	16.19%	15.77%	8.21%	
TARGET DATE (VALIC/Lincoln)							
T Rowe Price Retirement Inc Adv	VALIC/Lincoln	-1.36%	6.60%	8.98%	7.07%	5.67%	0.82
Retirement Income Aggressive	Peer Group	-1.33%	7.05%	9.25%	7.80%	5.64%	
Morningstar Lifetime Aggressive Income Index	Benchmark	-1.60%	7.26%	9.90%	8.34%	6.78%	
T Rowe Price Retirement 2010 Adv	VALIC/Lincoln	-1.34%	8.24%	11.36%	8.73%	6.49%	0.85
2000-2010 Aggressive	Peer Group	-2.15%	6.33%	8.30%	6.92%	-	
Morningstar Lifetime Aggressive 2010 Index	Benchmark	-1.76%	8.88%	12.28%	9.78%	7.63%	
T Rowe Price Retirement 2020 Adv	VALIC/Lincoln	-1.59%	10.03%	14.76%	10.62%	7.21%	0.94
2016-2020 Aggressive	Peer Group	-2.52%	8.28%	12.82%	9.12%	6.12%	
Morningstar Lifetime Aggressive 2020 Index	Benchmark	-2.06%	10.60%	15.27%	11.28%	8.18%	
T Rowe Price Retirement 2030 Adv	VALIC/Lincoln	-1.77%	11.44%	17.39%	11.95%	7.76%	1.00
2026-2030 Moderate	Peer Group	-1.94%	9.90%	15.68%	10.63%	6.54%	
Morningstar Lifetime Moderate 2030 Index	Benchmark	-2.27%	10.70%	15.57%	11.36%	8.34%	
T Rowe Price Retirement 2040 Adv	VALIC/Lincoln	-1.87%	12.14%	18.68%	12.54%	7.91%	1.03
2036-2040 Moderate	Peer Group	-1.93%	10.88%	17.47%	11.56%	6.77%	
Morningstar Lifetime Moderate 2040 Index	Benchmark	-2.69%	11.29%	17.06%	11.92%	8.62%	
TARGET DATE (TIAA-CREF/Fidelity)							
Vanguard Target Retirement Income Inv	TIAA-CREF/Fidelity	-0.39%	6.47%	7.40%	6.96%	5.52%	0.16
Retirement Income Moderate	Peer Group	-1.25%	6.06%	7.69%	6.52%	4.72%	
Morningstar Lifetime Moderate Income Index	Benchmark	-1.55%	5.73%	7.61%	7.05%	6.19%	
Vanguard Target Retirement 2010 Inv	TIAA-CREF/Fidelity	-0.52%	7.55%	9.63%	8.24%	-	0.16
2000-2010 Moderate	Peer Group	-1.39%	6.93%	9.56%	7.75%	5.07%	
Morningstar Lifetime Moderate 2010 Index	Benchmark	-1.63%	7.21%	9.51%	8.32%	7.08%	
Vanguard Target Retirement 2015 Inv	TIAA-CREF/Fidelity	-0.71%	9.07%	11.74%	9.23%	6.32%	0.16
2011-2015 Moderate	Peer Group	-1.43%	7.36%	10.53%	8.12%	5.28%	
Morningstar Lifetime Moderate 2015 Index	Benchmark	-1.71%	7.98%	10.65%	8.97%	7.45%	

Shading highlights performance at or above median for peer group if available, otherwise at or above benchmark.

CONTINUED

PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

INVESTMENT NAME	PROVIDER	Q3 '14	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*	Exp Ratio
Vanguard Target Retirement 2020 Inv 2016-2020 Moderate Morningstar Lifetime Moderate 2020 Index	TIAA-CREF/Fidelity Peer Group Benchmark	-0.80% -1.50% -1.84%	10.13% 8.86% 8.86%	13.32% 13.02% 12.13%	9.99% 9.40% 9.76%	- 5.41% 7.80%	0.16
Vanguard Target Retirement 2025 Inv 2021-2025 Moderate Morningstar Lifetime Moderate 2025 Index	TIAA-CREF/Fidelity Peer Group Benchmark	-1.02% -1.72% -2.03%	10.80% 9.21% 9.85%	14.61% 14.39% 13.91%	10.62% 10.09% 10.62%	6.67% 6.85% 8.10%	0.17
Vanguard Target Retirement 2030 Inv 2026-2030 Moderate Morningstar Lifetime Moderate 2030 Index	TIAA-CREF/Fidelity Peer Group Benchmark	-1.19% -1.94% -2.27%	11.51% 9.90% 10.70%	15.92% 15.68% 15.57%	11.23% 10.63% 11.36%	- 6.54% 8.34%	0.17
Vanguard Target Retirement 2035 Inv 2031-2035 Moderate Morningstar Lifetime Moderate 2035 Index	TIAA-CREF/Fidelity Peer Group Benchmark	-1.39% -2.24% -2.50%	12.20% 10.24% 11.19%	17.23% 16.82% 16.65%	11.82% 11.05% 11.79%	7.20% 7.65% 8.52%	0.18
Vanguard Target Retirement 2040 Inv 2036-2040 Moderate Morningstar Lifetime Moderate 2040 Index	TIAA-CREF/Fidelity Peer Group Benchmark	-1.53% -1.93% -2.69%	12.66% 10.88% 11.29%	17.87% 17.47% 17.06%	12.11% 11.56% 11.92%	- 6.77% 8.62%	0.18
Vanguard Target Retirement 2045 Inv 2041-2045 Moderate Morningstar Lifetime Moderate 2045 Index	TIAA-CREF/Fidelity Peer Group Benchmark	-1.48% -2.28% -2.82%	12.73% 10.01% 11.15%	17.89% 16.85% 17.03%	12.14% 11.27% 11.84%	7.61% 7.61% 8.66%	0.18
Vanguard Target Retirement 2050 Inv	TIAA-CREF/Fidelity	-1.50%	12.69%	17.88%	12.12%	-	0.18
Vanguard Target Retirement 2055 Inv	TIAA-CREF/Fidelity	-1.52%	12.68%	17.91%	-	-	0.18
Vanguard Target Retirement 2060 Inv 2050+ Moderate Morningstar Lifetime Moderate 2050 Index	TIAA-CREF/Fidelity Peer Group Benchmark	-1.51% -2.28% -2.93%	12.72% 10.46% 10.95%	- 17.21% 16.91%	- 11.48% 11.73%	- 6.52% 8.68%	0.18

Shading highlights performance at or above median for peer group if available, otherwise at or above benchmark