



NEWSOUTH CAPITAL MANAGEMENT, INC.

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM LEADING EDGE

Performance Summary

	Month-to-Date <u>1/1/16-1/31/16</u>	Last 12 Months <u>2/1/15-1/31/16</u>	Annualized Two Years <u>2/1/14-1/31/16</u>	Annualized Three Years <u>2/1/13-1/31/16</u>	Annualized Five Years <u>2/1/11-1/31/16</u>	Annualized Inception-to-Date <u>12/1/10-1/31/16</u>
Beginning Market Value	43,950,500	42,185,130	37,158,473	42,789,645	36,400,230	33,990,029
Net Contributions/(Withdrawals)	0	0	0	-13,153,358	-14,142,409	-14,217,358
Adjusted Beginning Market Value	43,950,500	42,185,130	37,158,473	29,636,287	22,257,822	19,772,671
Ending Market Value	42,682,240	42,682,240	42,682,240	42,682,240	42,682,240	42,682,240
Return From Investment	-1,268,259	497,110	5,523,767	13,045,953	20,424,419	22,909,569
Total Portfolio Rate of Return	-2.89%	1.18%	7.18%	12.66%	11.53%	12.67%
Russell Midcap Value w/div.	-5.53%	-8.74%	2.47%	8.65%	9.51%	10.78%
Russell Midcap w/div.	-6.55%	-7.39%	2.60%	9.19%	9.48%	10.58%
S&P Midcap w/div.	-5.69%	-6.70%	1.72%	8.03%	8.95%	9.98%

Performance results are gross of fees.



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Net Contributions/(Withdrawals)	0	0	0	-13,153,358	-14,142,409	-14,217,358
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Ending Market Value	42,682,240	42,682,240	42,682,240	42,682,240	42,682,240	42,682,240
Return From Investment	-1,268,259	497,110	5,523,767	13,045,953	20,424,419	22,909,569
Total Portfolio Rate of Return	-2.89%	0.83%	6.81%	12.26%	11.15%	12.29%
Russell Midcap Value w/div.	-5.53%	-8.74%	2.47%	8.65%	9.51%	10.78%
Russell Midcap w/div.	-6.55%	-7.39%	2.60%	9.19%	9.48%	10.58%
S&P Midcap w/div.	-5.69%	-6.70%	1.72%	8.03%	8.95%	9.98%

Performance results are net of fees.



NEWSOUTH CAPITAL MANAGEMENT, INC.

PORTFOLIO APPRAISAL
NEW YORK STATE TEACHERS' RETIREMENT SYSTEM
LEADING EDGE
January 31, 2016

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Cur. Yield
Cash & Equivalents							
	Cash & Equivalents		1,861,205		1,861,205	4.4	0.3
			1,861,205		1,861,205	4.4	0.3
Common Stocks							
Technology							
29,800	Amdocs LTD	35.26	1,050,836	54.74	1,631,252	3.8	1.2
49,100	CGI Group Inc - Class A	33.70	1,654,641	42.90	2,106,390	4.9	0.0
48,500	Open Text Corp	30.95	1,501,117	48.86	2,369,710	5.6	1.6
			4,206,594		6,107,352	14.3	1.0
Health Care							
8,400	Teleflex Inc	82.37	691,921	135.69	1,139,796	2.7	1.0
15,900	Thermo Fisher Scientific Inc.	52.05	827,548	132.06	2,099,754	4.9	0.5
			1,519,469		3,239,550	7.6	0.6
Consumer Discretionary & Services							
2,850	Autozone Inc.	265.69	757,223	767.39	2,187,062	5.1	0.0
50,700	Discovery Comm Cl A	32.49	1,646,991	27.59	1,398,813	3.3	0.0
36,650	Gannett Inc.	4.91	180,095	14.84	543,886	1.3	4.3
32,700	Jarden Corp.	39.09	1,278,167	53.05	1,734,735	4.1	0.0
57,100	Liberty Interactive Corp	11.94	681,889	26.06	1,488,026	3.5	0.0
	QVC Group Series A						
14,817	Liberty Ventures Series A	12.36	183,177	39.33	582,753	1.4	0.0
15,300	Scripps Networks Interactive Class A	50.81	777,397	60.97	932,841	2.2	1.5
63,000	Service Corp International	8.23	518,477	24.19	1,523,970	3.6	2.0
480,500	Sirius XM Holdings Inc.	1.77	852,871	3.70	1,777,850	4.2	0.0
88,700	TEGNA Inc	14.28	1,266,394	24.01	2,129,687	5.0	2.3



NEWSOUTH CAPITAL MANAGEMENT, INC.

PORTFOLIO APPRAISAL NEW YORK STATE TEACHERS' RETIREMENT SYSTEM LEADING EDGE January 31, 2016

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Cur. Yield
30,800	Tribune Media Co	64.13	1,975,113	32.95	1,014,860	2.4	3.0
			10,117,795		15,314,482	35.9	1.0
Materials & Processing							
22,800	FMC Corp.	41.61	948,603	35.72	814,416	1.9	1.8
			948,603		814,416	1.9	1.8
Producer Durables							
7,500	FedEx Corp.	89.86	673,948	132.88	996,600	2.3	0.8
29,200	Flowserve Corp	35.15	1,026,278	38.64	1,128,288	2.6	1.9
22,200	MSC Industrial Direct Co-A	65.23	1,448,168	64.81	1,438,782	3.4	2.7
12,200	Stanley Black & Decker	61.13	745,804	94.34	1,150,948	2.7	2.3
36,700	Xylem Inc	24.37	894,375	35.95	1,319,365	3.1	1.6
25,800	Zebra Technologies Corp Cl A	87.28	2,251,934	60.40	1,558,320	3.7	0.0
			7,040,506		7,592,303	17.8	1.5
Financial Services							
45,150	Brookfield Asset Mgmt Inc. Class A	19.98	902,061	29.96	1,352,694	3.2	1.6
14,300	Dun & Bradstreet Corp	83.78	1,198,031	98.42	1,407,406	3.3	1.9
28,500	Fiserv Inc	29.21	832,348	94.56	2,694,960	6.3	0.0
41,100	Western Union Co	17.98	739,134	17.84	733,224	1.7	3.5
11,174	Willis Towers Watson PLC	88.50	988,885	114.47	1,279,088	3.0	2.9
			4,660,458		7,467,372	17.5	1.5
Common Stocks Total			28,493,424		40,535,475	95.0	1.2



NEWSOUTH CAPITAL MANAGEMENT, INC.

PORTFOLIO APPRAISAL
NEW YORK STATE TEACHERS' RETIREMENT SYSTEM
LEADING EDGE
January 31, 2016

<u>Quantity</u>	<u>Security</u>	<u>Adj Unit Cost</u>	<u>Total Adjusted Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Pct. Assets</u>	<u>Cur. Yield</u>
Mutual Funds - Equity							
Other							
4,400.000	iShares - Russell Midcap Value	72.34	318,300	64.90	285,560	0.7	2.3
			<u>318,300</u>		<u>285,560</u>	<u>0.7</u>	<u>2.3</u>
	Mutual Funds - Equity Total		<u>318,300</u>		<u>285,560</u>	<u>0.7</u>	<u>2.3</u>
TOTAL PORTFOLIO			30,672,930		42,682,240	100.0	1.1



NEWSOUTH CAPITAL MANAGEMENT, INC.

CONTRIBUTIONS/WITHDRAWALS NEW YORK STATE TEACHERS' RETIREMENT SYSTEM LEADING EDGE

From 01-01-2016 To 01-31-2016

<u>Tran Code</u>	<u>Trade Date</u>	<u>Settle Date</u>	<u>Security</u>	<u>Amount</u>	<u>Quantity</u>	<u>Broker Code</u>	<u>Commission</u>
CONTRIBUTIONS				0			
WITHDRAWALS				0			
EXPENSE ACCOUNTS				0			
AFTER FEE PERFORMANCE EXPENSE ACCOUNTS				0			
PORTFOLIO NET TOTAL				0			
EXPENSE ACCOUNTS PAID BY CLIENT				0			
AFTER FEE PERFORMANCE EXPENSE ACCOUNTS PAID BY CLIENT				0			
GRAND TOTAL				0			



NEWSOUTH CAPITAL MANAGEMENT, INC.

PURCHASE AND SALE NEW YORK STATE TEACHERS' RETIREMENT SYSTEM LEADING EDGE

From 01-01-2016 To 01-31-2016

Trade Date	Settle Date	Quantity	Security	Unit Price	Amount
SALES					
01-25-2016	01-25-2016	0	Willis Towers Watson PLC	109.18	<u>3</u>
					3



NEWSOUTH CAPITAL MANAGEMENT, INC.

COMMISSIONS BY PORTFOLIO NEW YORK STATE TEACHERS' RETIREMENT SYSTEM LEADING EDGE

From 01-01-16 To 01-31-16

Date	Tran Code	Security	Quantity	Dollar Amount	Commission	Commiss. Per Shr	As % of Trade	Broker
TOTAL			0.00	0.00	0.00	0.00	0.00%	
GRAND TOTAL			0	0.00	0.00	0.00	0.00%	

Attribution Summary
NEW YORK STATE TEACHERS' RETIREMENT SYSTEM vs. Russell Midcap Value w/div.
Net of Fees
From 12-31-15 to 01-31-16

Summary	
Portfolio Return	-2.89
Benchmark Return	-5.53
Active Return	2.64
Allocation Effect	-0.95
Selection Effect	3.59
Total Effect	2.64

Largest Weights			
Security	Avg Wgt	Return	Contrib
Fiserv Inc	6.13	3.39	0.22
Open Text Corp	5.41	1.94	0.12
Thermo Fisher Scientific Inc.	5.15	-6.90	-0.36
TEGNA Inc	5.08	-5.92	-0.31
Autozone Inc.	4.97	3.43	0.18
Total	26.74	-0.17	-0.17

Industry Sector							
Top Attribution Effects	Allocation	Selection	Total	Bottom Attribution Effects	Allocation	Selection	Total
Technology	-0.13	1.53	1.40	Utilities	-1.17	0.00	-1.17
Financial Services	0.32	0.76	1.08	Consumer Staples	-0.18	0.00	-0.18
Consumer Discretionary & Services	-0.17	0.89	0.72	Other	0.04	-0.04	0.00
Health Care	-0.03	0.32	0.29	Energy	0.04	0.00	0.04
Cash & Equivalents	0.24	0.00	0.24	Producer Durables	-0.06	0.12	0.06
Total	0.23	3.50	3.73	Total	-1.33	0.08	-1.25

Top Contributors	Avg Wgt	Return	Contrib
Technology	13.78	3.23	0.47
Cash & Equivalents	4.46	0.02	0.00
Other	0.68	-5.48	-0.04
Materials & Processing	1.96	-8.71	-0.18
Health Care	7.80	-3.57	-0.28
Total	28.67	-0.02	-0.02

Bottom Contributors	Avg Wgt	Return	Contrib
Consumer Discretionary & Services	36.13	-3.71	-1.36
Producer Durables	17.80	-5.38	-1.01
Financial Services	17.40	-2.90	-0.49
Health Care	7.80	-3.57	-0.28
Materials & Processing	1.96	-8.71	-0.18
Total	81.09	-3.32	-3.32

Security							
Top Attribution Effects	Allocation	Selection	Total	Bottom Attribution Effects	Allocation	Selection	Total
MSC Industrial Direct Co-A	0.63	0.00	0.63	Willis Group Holdings Public Ltd	0.01	-0.63	-0.62
CGI Group Inc - Class A	0.22	0.38	0.60	Zebra Technologies Corp CI A	0.21	-0.47	-0.26
Fiserv Inc	0.31	0.24	0.55	Stanley Black & Decker	-0.16	0.00	-0.16
Autozone Inc.	0.29	0.15	0.43	Sirius XM Holdings Inc.	0.24	-0.36	-0.12
Open Text Corp	0.30	0.10	0.40	Willis Towers Watson PLC	0.17	-0.27	-0.10
Total	1.75	0.86	2.61	Total	0.46	-1.73	-1.27

Top Contributors	Avg Wgt	Return	Contrib
MSC Industrial Direct Co-A	3.16	16.00	0.46
CGI Group Inc - Class A	4.57	7.17	0.34
Fiserv Inc	6.13	3.39	0.22
Scripps Networks Interactive Class A	2.06	10.43	0.22
Autozone Inc.	4.97	3.43	0.18
Total	20.89	1.42	1.42

Bottom Contributors	Avg Wgt	Return	Contrib
Zebra Technologies Corp CI A	3.69	-13.28	-0.55
Sirius XM Holdings Inc.	4.34	-9.09	-0.41
Thermo Fisher Scientific Inc.	5.15	-6.90	-0.36
Stanley Black & Decker	2.85	-11.61	-0.35
TEGNA Inc	5.08	-5.92	-0.31
Total	21.12	-2.00	-2.00

Attribution by Industry Sector
NEW YORK STATE TEACHERS' RETIREMENT SYSTEM vs. Russell Midcap Value w/div.
Net of Fees
From 12-31-15 to 01-31-16

Industry Sector	Portfolio			Benchmark			Difference			Attribution Effects		
	Avg Wgt	Return	Contrib	Avg Wgt	Return	Contrib	Avg Wgt	Return	Contrib	Alloc	Select	Total
Cash & Equivalents	4.46	0.02	0.00	0.00	0.00	0.00	4.46	0.02	0.00	0.24	0.00	0.24
Technology	13.78	3.23	0.47	8.31	-8.11	-0.69	5.47	11.34	1.16	-0.13	1.53	1.40
Health Care	7.80	-3.57	-0.28	6.24	-7.55	-0.48	1.56	3.98	0.20	-0.03	0.32	0.29
Consumer Discretionary & Services	36.13	-3.71	-1.36	8.93	-6.17	-0.55	27.20	2.45	-0.81	-0.17	0.89	0.72
Consumer Staples	0.00	0.00	0.00	4.22	-1.17	-0.04	-4.22	1.17	0.04	-0.18	0.00	-0.18
Energy	0.00	0.00	0.00	8.03	-6.07	-0.48	-8.03	6.07	0.48	0.04	0.00	0.04
Materials & Processing	1.96	-8.71	-0.18	6.19	-9.04	-0.58	-4.23	0.33	0.40	0.16	0.01	0.16
Producer Durables	17.80	-5.38	-1.01	8.72	-6.05	-0.53	9.08	0.67	-0.48	-0.06	0.12	0.06
Financial Services	17.40	-2.90	-0.49	35.27	-7.28	-2.63	-17.87	4.39	2.14	0.32	0.76	1.08
Utilities	0.00	0.00	0.00	14.09	3.18	0.46	-14.09	-3.18	-0.46	-1.17	0.00	-1.17
Other	0.68	-5.48	-0.04	0.00	0.00	0.00	0.68	-5.48	-0.04	0.04	-0.04	0.00
Total	100.00	-2.89	-2.89	100.00	-5.53	-5.53	0.00	2.64	2.64	-0.95	3.59	2.64

