



NEWSOUTH CAPITAL MANAGEMENT, INC.

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM LEADING EDGE

Performance Summary

	<u>Month-to-Date</u> <u>12/1/16-12/31/16</u>	<u>Quarter-to Date</u> <u>10/1/16-12/31/16</u>	<u>Last 12 Months</u> <u>1/1/16-12/31/16</u>	<u>Annualized</u> <u>Two Years</u> <u>1/1/15-12/31/16</u>	<u>Annualized</u> <u>Three Years</u> <u>1/1/14-12/31/16</u>	<u>Annualized</u> <u>Five Years</u> <u>1/1/12-12/31/16</u>	<u>Annualized</u> <u>Inception-to-Date</u> <u>12/1/10-12/31/16</u>
Beginning Market Value	49,481,735	48,841,912	43,950,500	43,356,545	38,228,888	35,500,286	33,990,029
Net Contributions/(Withdrawals)	0	0	0	0	0	-13,789,305	-14,217,358
Adjusted Beginning Market Value	49,481,735	48,841,912	43,950,500	43,356,545	38,228,888	21,710,982	19,772,671
Ending Market Value	49,716,046	49,716,046	49,716,046	49,716,046	49,716,046	49,716,046	49,716,046
Return From Investment	234,311	874,134	5,765,547	6,359,501	11,487,158	28,005,064	29,943,375
Total Portfolio Rate of Return	0.47%	1.79%	13.12%	7.08%	9.15%	15.34%	13.48%
Russell Midcap Value w/div.	1.78%	5.52%	20.00%	6.89%	9.45%	15.70%	13.46%
Russell Midcap w/div.	1.14%	3.21%	13.80%	5.37%	7.92%	14.72%	12.50%
Russell Midcap Growth w/div.	0.35%	0.46%	7.33%	3.50%	6.23%	13.51%	11.37%
S&P Midcap w/div.	2.19%	7.42%	20.74%	8.68%	9.04%	15.33%	12.91%

Performance results are gross of fees.



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Adjusted Beginning Market Value	49,481,735	48,841,912	43,950,500	43,356,545	38,228,888	21,710,982	19,772,671
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Return From Investment	234,311	874,134	5,765,547	6,359,501	11,487,158	28,005,064	29,943,375
Total Portfolio Rate of Return	0.47%	1.70%	12.73%	6.71%	8.78%	14.93%	13.09%
Russell Midcap Value w/div.	1.78%	5.52%	20.00%	6.89%	9.45%	15.70%	13.46%
Russell Midcap w/div.	1.14%	3.21%	13.80%	5.37%	7.92%	14.72%	12.50%
Russell Midcap Growth w/div.	0.35%	0.46%	7.33%	3.50%	6.23%	13.51%	11.37%
S&P Midcap w/div.	2.19%	7.42%	20.74%	8.68%	9.04%	15.33%	12.91%

Performance results are net of fees.



NEWSOUTH CAPITAL MANAGEMENT, INC.

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

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Cur. Yield
Cash & Equivalents							
	Cash & Equivalents		1,677,971		1,677,971	3.4	0.5
	Dividends Receivable		38,470		38,470	0.1	0.0
			1,716,440		1,716,440	3.5	0.5
Common Stocks							
Technology							
29,800	Amdocs LTD	35.26	1,050,836	58.25	1,735,850	3.5	1.3
49,100	CGI Group Inc - Class A	33.70	1,654,641	48.03	2,358,273	4.7	0.0
48,500	Open Text Corp	30.95	1,501,117	61.81	2,997,785	6.0	1.5
			4,206,594		7,091,908	14.3	1.0
Health Care							
14,700	MEDNAX Inc	65.23	958,824	66.66	979,902	2.0	0.0
8,400	Teleflex Inc	82.37	691,921	161.15	1,353,660	2.7	0.8
15,900	Thermo Fisher Scientific Inc.	52.05	827,548	141.10	2,243,490	4.5	0.4
			2,478,293		4,577,052	9.2	0.5
Consumer Discretionary & Services							
2,850	Autozone Inc.	265.69	757,223	789.79	2,250,902	4.5	0.0
62,000	Discovery Comm Cl A	31.09	1,927,449	27.41	1,699,420	3.4	0.0
21,400	Dish Network Corp Class A	47.05	1,006,860	57.93	1,239,702	2.5	0.0
81,200	Liberty Interactive Corp QVC Group Series A	14.84	1,205,124	19.98	1,622,376	3.3	0.0
20,500	Scripps Networks Interactive Class A	53.97	1,106,440	71.37	1,463,085	2.9	1.4
63,000	Service Corp International	8.23	518,477	28.40	1,789,200	3.6	1.8
464,700	Sirius XM Holdings Inc.	1.77	824,827	4.45	2,067,915	4.2	0.9
90,000	TEGNA Inc	14.72	1,324,558	21.39	1,925,100	3.9	2.6



NEWSOUTH CAPITAL MANAGEMENT, INC.

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

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Cur. Yield
28,600	Tribune Media Co	64.13	1,834,034	34.98	1,000,428	2.0	2.9
			10,504,992		15,058,128	30.3	1.0
Materials & Processing							
22,800	FMC Corp	41.61	948,603	56.56	1,289,568	2.6	1.2
			948,603		1,289,568	2.6	1.2
Producer Durables							
7,500	FedEx Corp.	89.86	673,948	186.20	1,396,500	2.8	0.9
29,200	Flowserve Corp	35.15	1,026,278	48.05	1,403,060	2.8	1.6
22,200	MSC Industrial Direct Co-A	65.23	1,448,168	92.39	2,051,058	4.1	1.9
12,200	Stanley Black & Decker	61.13	745,804	114.69	1,399,218	2.8	2.0
36,700	Xylem Inc	24.37	894,375	49.52	1,817,384	3.7	1.3
25,800	Zebra Technologies Corp Cl A	87.28	2,251,934	85.76	2,212,608	4.5	0.0
			7,040,506		10,279,828	20.7	1.2
Financial Services							
45,150	Brookfield Asset Mgmt Inc. Class A	19.98	902,061	33.01	1,490,402	3.0	1.6
14,300	Dun & Bradstreet Corp	83.78	1,198,031	121.32	1,734,876	3.5	1.6
17,900	Fiserv Inc	29.21	522,773	106.28	1,902,412	3.8	0.0
41,100	Western Union Co	17.98	739,134	21.72	892,692	1.8	2.9
11,174	Willis Towers Watson PLC	88.50	988,885	122.28	1,366,357	2.7	1.6
			4,350,883		7,386,738	14.9	1.3
	Common Stocks Total		29,529,871		45,683,222	91.9	1.0



NEWSOUTH CAPITAL MANAGEMENT, INC.

PORTFOLIO APPRAISAL
NEW YORK STATE TEACHERS' RETIREMENT SYSTEM
LEADING EDGE
December 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							
28,800.000	iShares - Russell Midcap Value	73.77	2,124,436	80.43	2,316,384	4.7	2.0
			2,124,436		2,316,384	4.7	2.0
	Mutual Funds - Equity Total		2,124,436		2,316,384	4.7	2.0
TOTAL PORTFOLIO			33,370,747		49,716,046	100.0	1.1



NEWSOUTH CAPITAL MANAGEMENT, INC.

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

From 12-01-2016 To 12-31-2016

<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 12-01-2016 To 12-31-2016

Trade Date	Settle Date	Quantity	Security	Unit Price	Amount
SALES					
12-12-2016	12-15-2016	6,100	Gannett Inc.	10.07	61,442
					61,442



NEWSOUTH CAPITAL MANAGEMENT, INC.

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

From 12-01-16 To 12-31-16

Date	Tran Code	Security	Quantity	Dollar Amount	Commission	Commiss. Per Shr	As % of Trade	Broker
12-12-16	sl	Gannett Inc.	6,100	61,441.51	61.00	0.01	0.10%	BNY ConvergeEX
TOTAL			6,100.00	61,441.51	61.00	0.01	0.10%	
GRAND TOTAL			6,100	61,441.51	61.00	0.01	0.10%	

LEADING EDGE INVESTMENT ADVISORS, LLC
Brokerage / Commission Report

Manager Name:

NewSouth Capital Management, Inc.

For the Period Ending: December 31, 2016
Length of Period: Monthly

									Soft Dollar Commissions Only!						
Client Name	Executing Broker	Total Commissions	Shares	Soft Dollars Yes or No	Recapture Yes or No	Minority Yes or No	Client Directed Yes or No	Cents per Share	Purpose*	Vendor**	Product	Hard Dollar Cost of Service	Soft Dollar Equivalent	28(e) Compliant Yes or No	
New York State Teachers' F		61.00	6,100	No	No	No	No	0.01							
BNY ConvergeEX															
TOTAL CLIENT		\$ 61.00	6,100						0.01						

*Note - Research or Administrative
**Note - If other than the broker executing the trade.

Attribution Summary
NEW YORK STATE TEACHERS' RETIREMENT SYSTEM vs. Russell Midcap Value w/div.
Net of Fees
From 11-30-16 to 12-31-16

Summary	
Portfolio Return	0.47
Benchmark Return	1.78
Active Return	-1.30
Allocation Effect	-1.59
Selection Effect	0.29
Total Effect	-1.30

Largest Weights			
Security	Avg Wgt	Return	Contrib
Open Text Corp	5.98	-2.75	-0.17
iShares - Russell Midcap Value	4.68	1.76	0.08
CGI Group Inc - Class A	4.66	1.39	0.06
Autozone Inc.	4.54	0.84	0.04
Thermo Fisher Scientific Inc.	4.53	0.81	0.04
Total	24.38	0.05	0.05

Industry Sector							
Top Attribution Effects	Allocation	Selection	Total	Bottom Attribution Effects	Allocation	Selection	Total
Energy	0.24	0.00	0.24	Financial Services	-0.42	-0.54	-0.96
Health Care	-0.06	0.25	0.19	Technology	0.03	-0.43	-0.41
Materials & Processing	0.08	0.03	0.12	Utilities	-0.28	0.00	-0.28
Producer Durables	-0.19	0.30	0.12	Consumer Discretionary & Services	-0.83	0.58	-0.25
Other	-0.08	0.08	0.00	Cash & Equivalents	-0.05	0.00	-0.05
Total	-0.01	0.67	0.66	Total	-1.56	-0.39	-1.95

Top Contributors	Avg Wgt	Return	Contrib
Health Care	9.13	3.31	0.30
Producer Durables	20.86	1.00	0.21
Other	4.68	1.76	0.08
Financial Services	14.80	0.38	0.06
Materials & Processing	2.61	1.07	0.03
Total	52.08	0.67	0.67

Bottom Contributors	Avg Wgt	Return	Contrib
Technology	14.18	-0.95	-0.14
Consumer Discretionary & Services	30.44	-0.19	-0.06
Cash & Equivalents	3.31	0.04	0.00
Materials & Processing	2.61	1.07	0.03
Financial Services	14.80	0.38	0.06
Total	65.33	-0.12	-0.12

Security							
Top Attribution Effects	Allocation	Selection	Total	Bottom Attribution Effects	Allocation	Selection	Total
Zebra Technologies Corp CI A	0.28	0.00	0.28	Open Text Corp	-0.11	-0.18	-0.28
Teleflex Inc	0.17	0.00	0.17	TEGNA Inc	-0.23	0.00	-0.23
Service Corp International	-0.06	0.19	0.14	Xylem Inc	-0.21	0.00	-0.21
Johnson Controls International PLC	0.09	0.00	0.09	Sirius XM Holdings Inc.	-0.07	-0.12	-0.19
Freeport-McMoRan Inc	0.07	0.00	0.07	Liberty Interactive Corp QVC Group Series A	-0.17	0.00	-0.17
Total	0.56	0.19	0.75	Total	-0.80	-0.29	-1.09

Top Contributors	Avg Wgt	Return	Contrib
Zebra Technologies Corp CI A	4.32	8.49	0.35
Teleflex Inc	2.64	8.94	0.22
Service Corp International	3.48	5.74	0.19
MSC Industrial Direct Co-A	4.11	3.41	0.14
Scripps Networks Interactive Class A	2.92	3.05	0.09
Total	17.48	0.99	0.99

Bottom Contributors	Avg Wgt	Return	Contrib
Open Text Corp	5.98	-2.75	-0.17
TEGNA Inc	4.02	-4.05	-0.16
Xylem Inc	3.75	-3.99	-0.15
Liberty Interactive Corp QVC Group Series A	3.30	-3.52	-0.12
Sirius XM Holdings Inc.	4.17	-2.63	-0.12
Total	21.21	-0.72	-0.72

Attribution by Industry Sector
NEW YORK STATE TEACHERS' RETIREMENT SYSTEM vs. Russell Midcap Value w/div.
Net of Fees
From 11-30-16 to 12-31-16

Industry Sector	Portfolio			Benchmark			Difference			Attribution Effects		
	Avg Wgt	Return	Contrib	Avg Wgt	Return	Contrib	Avg Wgt	Return	Contrib	Alloc	Select	Total
Cash & Equivalents	3.31	0.04	0.00	0.00	0.00	0.00	3.31	0.04	0.00	-0.05	0.00	-0.05
Technology	14.18	-0.95	-0.14	7.72	2.04	0.15	6.45	-2.99	-0.29	0.03	-0.43	-0.41
Health Care	9.13	3.31	0.30	4.20	0.46	0.02	4.93	2.85	0.28	-0.06	0.25	0.19
Consumer Discretionary & Services	30.44	-0.19	-0.06	9.12	-2.09	-0.19	21.31	1.89	0.12	-0.83	0.58	-0.25
Consumer Staples	0.00	0.00	0.00	2.94	2.40	0.07	-2.94	-2.40	-0.07	-0.02	0.00	-0.02
Energy	0.00	0.00	0.00	10.85	-0.43	-0.04	-10.85	0.43	0.04	0.24	0.00	0.24
Materials & Processing	2.61	1.07	0.03	6.92	-0.20	-0.01	-4.30	1.27	0.04	0.08	0.03	0.12
Producer Durables	20.86	1.00	0.21	12.44	-0.45	-0.05	8.42	1.45	0.26	-0.19	0.30	0.12
Financial Services	14.80	0.38	0.06	33.87	4.03	1.35	-19.07	-3.66	-1.29	-0.42	-0.54	-0.96
Utilities	0.00	0.00	0.00	11.94	4.11	0.48	-11.94	-4.11	-0.48	-0.28	0.00	-0.28
Other	4.68	1.76	0.08	0.00	0.00	0.00	4.68	1.76	0.08	-0.08	0.08	0.00
Total	100.00	0.47	0.47	100.00	1.78	1.78	0.00	-1.30	-1.30	-1.59	0.29	-1.30

