

Introduction

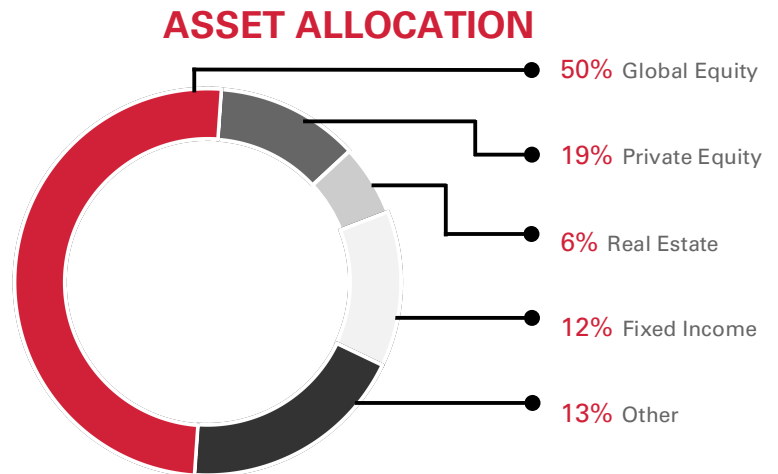
Endowment gifts are an investment that allow NC State to Think and Do the Extraordinary today, tomorrow and far into the future. Your endowment provides steady support in perpetuity and empowers NC State to deliver on and exceed its mission to create economic, societal and intellectual prosperity for the people of North Carolina and the United States. This report has been prepared to provide you with an overview of the management and performance of the NC State Investment Fund, Inc., which operates the investment fund for university-affiliated foundations.

Investment Strategy

The NC State Investment Fund, Inc., is managed as a broadly diversified portfolio with exposure to seven primary asset classes and many sub-strategies within each asset class. The purpose of diversification is to provide reasonable assurance that no single security, class of securities or investment manager has a disproportionate impact on the Fund's aggregate results.

The Fund is invested with several managers in a wide variety of asset classes.

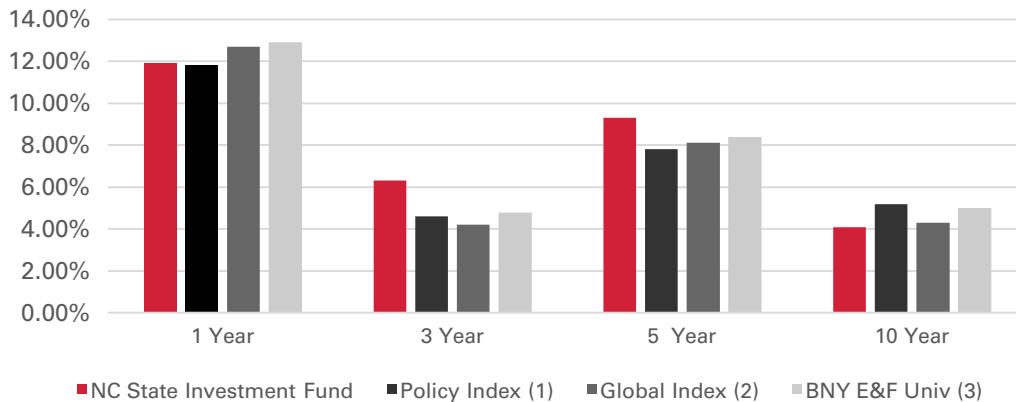
For more information about the NC State Investment Fund's fiscal year 2017 performance, visit go.ncsu.edu/endowments.



Endowment Performance Summary

NC State's combined market value was \$1.123 billion as of June 30, 2017. The aggregate return for the University and its associated entities, including the NC State Investment Fund, was 12.06 percent.

PERFORMANCE AS OF JUNE 30, 2017



(1) Policy Index = NCSIF's Strategic Investment Policy Portfolio Index (SIPP). For the 10 year period, Policy Index = Blended Historical Benchmark.
 (2) Global Index = 70% ACWI; 30% Barclay's Aggregate.
 (3) BNY Mellon Endowment & Foundation Universe Median Return – 164 portfolios are represented for the one-year period ended June 30, 2017.