

March 5, 2008

**QUOTIENT INVESTORS, LLC**  
**SELECTED FOR**  
**CalPERS MANAGER DEVELOPMENT PROGRAM II**

**Arlington, VA** – The California Public Employees' Retirement System (CalPERS) and Strategic Investment Group (Strategic) announced today that they have selected Quotient Investors, LLC (Quotient) as part of the Manager Development Program (MDP II). Initially, Quotient will manage a U.S. Structured Large Cap Equity strategy and a U.S. Small Cap Equity strategy. The firm intends to focus primarily on institutional investors.

"Quotient represents a very attractive initial investment to the MDP II," said Hilda Ochoa-Brillembourg, President of Strategic Investment Group. "The experienced investment team employs a sophisticated investment process which applies proprietary industry-specific models to seek to exploit pricing inefficiencies. The managing partners also benefit from having worked in entrepreneurial environments within larger firms, and as a result, possess the maturity and strong business management skills that will enable them to build a solid business foundation for the firm."

"This represents a unique opportunity for us to partner with CalPERS and Strategic to bring a strong suite of equity products to the institutional investor community. This is the type of focus and support we were seeking," said Andre Bertolotti, Director of Investment Strategy and Research.

Strategic, one of CalPERS' partners, manages the MDP II, a program designed primarily to assist in the creation and/or development of investment management firms with less than \$2 billion in assets. The program is an opportunity for CalPERS to seek superior investment returns while providing opportunities to new and emerging firms that may not have the long-term track record, assets under management and marketing clout to compete against institutional giants. As in MDP I, under MDP II CalPERS and Strategic will take an equity position in each candidate firm. In addition, Strategic will offer advice to each selected firm with respect to business management and business development.

Under MDP I, which was established in 2000, CalPERS hired Strategic to build out a \$2 billion emerging manager portfolio. Eight emerging firms were funded under that program. To date, Strategic has successfully negotiated exits from two of them.

"This selection of Quotient Investors by Strategic is another step advancing our commitment to emerging managers," said Russell Read, CalPERS' Chief Investment Officer. "These firms give us access to a larger number of managers to generate positive, long-term investment returns and reflect the diversity of the market."

Quotient is a quantitative equity management firm located in New York City, and formed in 2007. The firm offers a range of quantitative U.S. equity products, including structured equity, small cap, and 130/30. Quotient was founded by its three managing partners: Andre Bertolotti; William Yost, Director of Portfolio Management and Trading; and Julia Peter-Kerr, Director of Client Service and Sales. Prior to founding Quotient, the team had worked together at DIAM USA, Inc. (formerly DLIBJ Asset Management USA, Inc.).

CalPERS is the nation's largest public pension fund with assets totaling approximately \$240 billion. The System provides retirement and health benefits to 1.5 million State and local public employees and their families. For more information about CalPERS, visit [www.calpers.ca.gov](http://www.calpers.ca.gov).

Strategic was founded in 1987 as a provider of discretionary, customized manager-of-manager programs for all asset classes. Since inception, Strategic has been investing in emerging managers, both with and without equity participation, acting as a seasoned, experienced, and proven partner in emerging manager programs. Today, Strategic and its affiliates manage approximately \$52.6 billion in assets (as of December 31, 2007). For more information about Strategic, visit [www.strategicgroup.com](http://www.strategicgroup.com)

Contact: Deb Boedicker at (703) 243-4433 or [info@strategicgroup.com](mailto:info@strategicgroup.com)