**FIRM OVERVIEW**

- Founded in 1987, privately owned
- Value oriented, bottom-up investment philosophy
- Exclusively US fixed income
- $69.3 billion in AUM
- Consistent management team since inception
- Tailored solutions to meet client investment objectives

**IR+M INTERMEDIATE TIPS STRATEGY**

Our objective is to exceed the benchmark return net of fees.

IR+M TIPS “Index-Plus” strategy allows for:

- Opportunistic rebalancing
- Over/under-weighting specific index constituents
- Investing in non-index eligible US TIPS

We are different than active management because we:

- Do not make duration or yield curve bets
- Do not invest in alternative sectors (e.g. commodities)
- Stick to US $-denominated TIPS only

We manage portfolios relative to different indices and can customize guidelines to meet client needs.

### ASSETS BY MANDATE

**Broad Market Strategies ($35.6bn)**
- Short
- Intermediate
- Core
- Crossover
- Long

**Focused Market Strategies ($33.7bn)**
- Corporate/Liability Driven Investing
- Municipal
- Inflation Protection
- Government
- Convertible

### ASSETS BY CLIENT TYPE

- 31% Corporate
- 21% Not-for-Profit
- 12% Insurance
- 12% Taft Hartley/Union/Other
- 9% Government
- 9% Sub-Advisory
- 6% Private

### Characteristics

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Bloomberg Barclays 1-10 Yr TIPS Index</th>
<th>Bloomberg Barclays TIPS Index</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Issues</td>
<td>26</td>
<td>39</td>
</tr>
<tr>
<td>Real Duration (yrs)</td>
<td>5.10</td>
<td>7.60</td>
</tr>
<tr>
<td>Real Yield to Maturity (%)</td>
<td>0.44</td>
<td>0.51</td>
</tr>
<tr>
<td>Breakeven Inflation (%)</td>
<td>2.10</td>
<td>2.09</td>
</tr>
<tr>
<td>Index Ratio</td>
<td>1.08</td>
<td>1.10</td>
</tr>
</tbody>
</table>

**Advantages**

- Moderate interest rate exposure
- Higher Yield

**Disadvantages**

- No exposure to the longer maturities
- More sensitive to changes in interest rates

### Historical Yields

- 10 Year Tsy Yield
- 10 Year TIPS Real Yield
- Tsy Average
- TIPS Average

---

1Yields are represented as of the above date and are subject to change.
2Source: Bloomberg Barclays
3The views contained in this presentation are those of IR+M and are based on information obtained by IR+M from sources that are believed to be reliable.
4No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission from Income Research & Management.