

STRS Russell 2000 Index Choice

Small-Cap

Investment Objective

The primary objective of the STRS Russell 2000 Index Choice is long-term capital appreciation. This investment choice is intended to closely match the return of the Russell 2000 Index, before fees.

Investment Characteristics

STRS Russell 2000 Index Choice is composed of approximately 2,000 stocks chosen for market size (small-cap), liquidity and industry group representation. The return consists of capital appreciation plus dividend yield.

Risk

An investment in the STRS Russell 2000 Index Choice could lose value over short or even long periods due to volatility of common stocks. You should expect the choice's share price and total return to fluctuate within a wide range, like the fluctuations of the overall stock market. The choice is subject to a variety of risks which can adversely affect performance. Some of these include stock market risk and investment style risk.

Investment Manager

STRS Ohio

Composition as of March 31, 2018

<u>Top 10 Holdings</u>	<u>% of Index</u>
Nektar Therapeutics	0.76%
GrubHub Inc.	0.42%
bluebird bio Inc.	0.40%
Sage Therapeutics Inc.	0.32%
MKS Instruments Inc.	0.30%
Curtiss-Wright Corp.	0.29%
Knight-Swift Transportation Holdings Inc.	0.28%
Aspen Technology Inc.	0.28%
EPAM Systems Inc.	0.27%
Encompass Health Corp.	0.27%

Sector Weightings as of March 31, 2018

Financials	18.0%
Information Technology	17.5%
Health Care	16.6%
Industrials	15.3%
Consumer Discretionary	12.1%
Real Estate	6.3%
Materials	4.3%
Energy	3.7%
Utilities	3.3%
Consumer Staples	2.3%
Telecommunications Services	0.6%

Index Characteristics as of March 31, 2018

Total Market Value	\$2.09 Trillion
Mean Market Value	\$1.27 Billion
Weighted Avg. Market Value	\$2.16 Billion
Largest Co. Market Value	\$16.73 Billion
Smallest Co. Market Value	\$7.61 Million
Median Share Price	\$22.93
P/E Ratio	22.30
Dividend Yield	1.28%

Investment Performance

Please refer to the STRS Ohio *Investment Performance Report* included in this selection packet.

Annual Asset Management Fee

The total annual fee for STRS Russell 2000 Index Choice is 0.07%.

The Russell Indices are a trademark of FTSE International Limited (FTSE) and Frank Russell Company (Russell) and their respective subsidiary undertakings, which are members of the London Stock Exchange Group plc group.