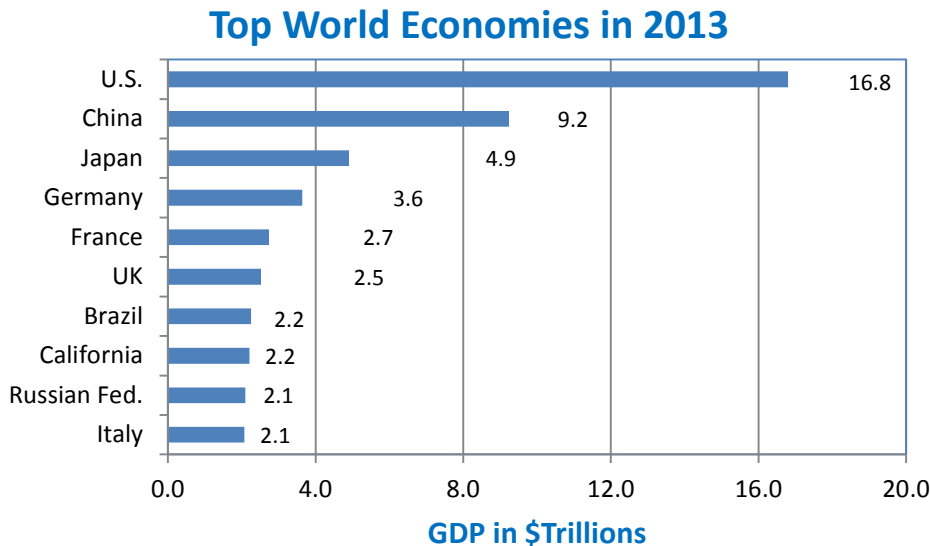


California Once Again the World's 8th Largest Economy

California has passed Italy and the Russian Federation to become the world's 8th-largest economy in 2013. California moved close to 7th place Brazil in the 2013 rankings. The gross state product (GSP) is the value of all goods and services produced in California and is comparable to the national GDP definition.

According to World Bank estimates, China was the world's second-largest economy in 2012 with a GDP over half of the U.S. total. Japan, Germany and France were the next three largest world economies in 2013. With the European economies still growing very slowly, California is likely to move closer to the GDPs of France and the United Kingdom in 2014.

The next largest economies in 2013 were India (\$1.9 billion), Canada (\$1.8 trillion), Australia (\$1.6 trillion, Spain (\$1.4 trillion) and South Korea and Mexico (\$1.3 trillion). India will soon move into the top ten world economies.



The world GDP data and methodology can be found on the World Bank website at <http://data.worldbank.org/data-catalog/GDP-ranking-table>.

In 2013 the Bureau of Economic Analysis made a major revision to GDP estimates. The largest revisions were the inclusion of R&D spending as investment and the inclusion of spending on entertainment and artistic products as investments. Previously these were not included in GDP. The revised estimate of GDP for 2012 was 3.6% higher than the previous estimate.

These new measures of GDP were carried over in the revised estimates of gross state product presented here. They account for a portion of the growth in state

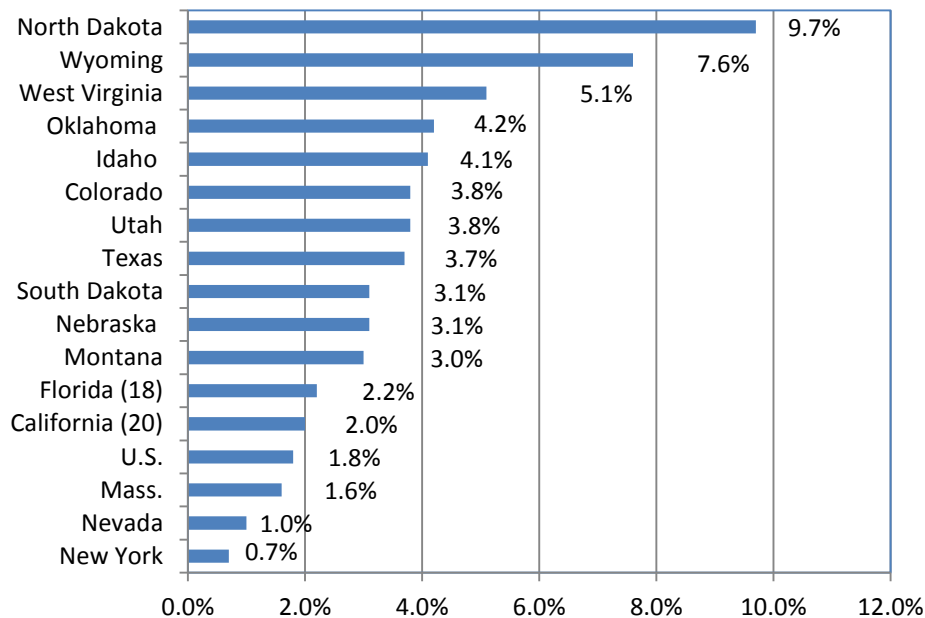
GDP in comparison to that of other countries. California would still have passed Italy and the Russian Federation under the old GSP definitions.

An explanation of the GDP revisions can be found at http://www.bea.gov/scb/pdf/2013/09%20September/0913_comprehensive_nipa_revision.pdf.

Fastest Growth in 2013

California outpaced the nation in growth in 2011, 2012 and 2013 but was not among the fastest growing states except in 2012. Except for Texas, which ranked 8th in 2013, the top growth states were small and mostly located in the Central and Mountain states led by North Dakota and Wyoming. California ranked 20th on 2013 with as real (inflation adjusted) GSP growth of 2.0%, slightly above the 1.8% national average. Florida edged California in 2013 while Massachusetts, Nevada and New York were among the 30 states that trailed California.

Real GSP Growth in 2013



California has been an Average Growth State Since 2000

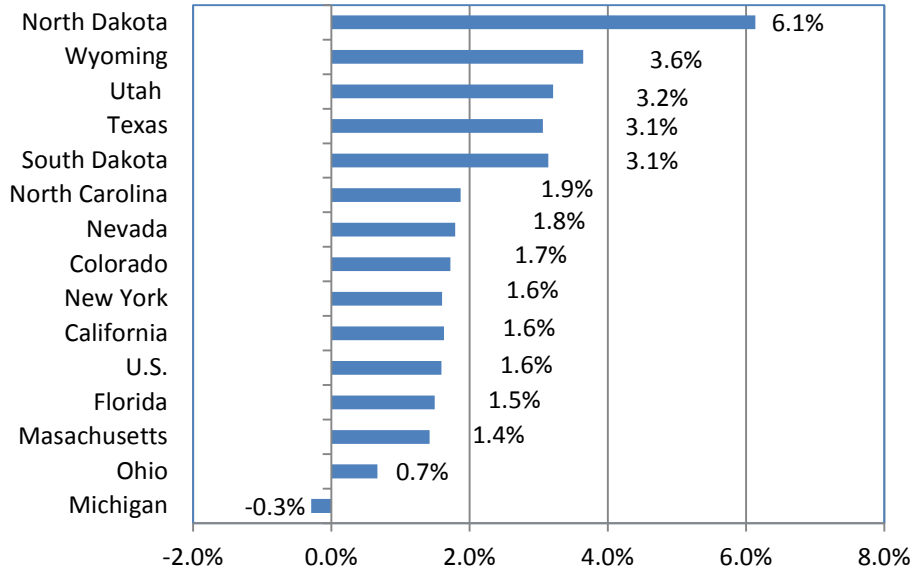
Since 2000 California and the nation have posted the same real GDP growth of 1.6% per year. California has outpaced the nation in growth years such as 2012 and lagged behind the nation in recession years.

All of the five fastest-growing states (North Dakota, Wyoming, Utah, Texas, and South Dakota) are in the middle of the country and have strong resource bases,

participating in the oil and gas boom of recent years. Nevada, North Carolina, and Colorado among the larger states also outpaced California in GSP growth during this period.

Other large states including Florida, Massachusetts, Ohio and Michigan trailed California during this period.

Average Annual Real GSP Growth 2000-13 Selected States

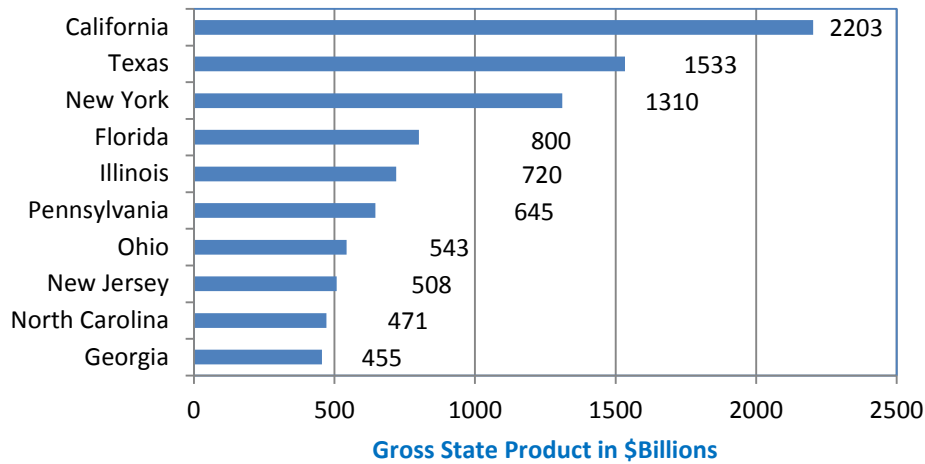


Largest State Economies

California has the largest GSP among states, which is to be expected since the state is much larger in terms of jobs and population than Texas, the next largest state. California's GSP in 2013 was \$2,203 billion followed by Texas with \$1,533 billion and New York with \$1,310 billion. The next largest state GDPs were in Florida, Illinois, Pennsylvania, Ohio, New Jersey, North Carolina and Georgia.

Texas and New York would rank as the 14th and 16th largest world economies.

Top State Economies in 2013



The state GDP data can be found on the Bureau of Economic Analysis (BEA) website at <http://www.bea.gov/regional/index.htm>.