

STATEMENTS OF NET ASSETS
Illinois State Board of Investment
Quarter Ended September 30, 2011

	2012	2011
	\$	\$
ASSETS		
Cash and cash equivalents	12,622,338	12,159,874
Receivables:		
Foreign taxes	2,528,676	2,102,273
Account receivables	(28,283)	737,387
Investments sold	26,604,328	124,963,873
Interest & dividends	34,031,552	31,690,395
Total Receivables	63,136,273	159,493,928
Prepaid Expenses	82,660	37,642
Capital Assets	36,348	50,391
Investments at fair value:		
Government and agency obligations	1,160,414,990	686,284,620
Foreign obligations	40,700,845	79,323,304
Corporate obligations	745,758,422	974,828,942
Municipal bonds	2,071,808	2,830,410
Common stock & equity funds	2,888,709,227	3,124,151,326
Commingled funds	204,269,058	272,971,152
Preferred stock	2,712,176	-
Foreign Preferred stock	28,318	203,811
Foreign equity securities	1,827,083,589	1,944,019,292
Hedge Funds	981,823,747	944,081,446
Bank Loans	272,952,778	230,913,650
Real estate funds	767,967,590	744,100,948
Private Equity	621,523,031	576,283,047
Money market instruments	276,050,523	217,756,214
Real Assets***	453,668,459	377,279,011
Forward foreign exchange contracts	(6,807)	(3,044,063)
Total Investments	10,245,727,754	10,171,983,110
Securities lending collateral	138,588,548	1,041,973,051
Total Assets	10,460,193,921	11,385,697,996
LIABILITIES		
Payables:		
Investment purchases	63,550,551	86,841,512
Operating expenses	5,998,192	5,754,475
Securities lending collateral obligation	144,812,887	1,051,263,686
Total Liabilities	214,361,630	1,143,859,673
Net Assets	10,245,832,291	10,241,838,323

**A full description of quarterly investments acquired showing averages and a full description of securities sold or exchanged by the Illinois State Board of Investment on behalf of the State Employees Retirement System, the General Assembly Retirement System and the Judges Retirement System is posted on the Illinois State Board of Investment Website at <http://www2.illinois.gov/isbi> in the investments section of the website.

***This category was formerly entitled infrastructure assets and certain 2011 amounts have been reclassified to conform to the 2012 presentation.

STATEMENTS OF CHANGES IN NET ASSETS
Illinois State Board of Investment
Quarter ending September 30, 2011

	FY2012	FY2011
	\$	\$
ADDITIONS		
Investment income:		
Net increase in fair value of investments	(1,140,481,170)	746,680,508
Interest	29,643,722	28,815,119
Dividends	32,483,719	29,229,385
Securities lending income	168,447	1,229,524
Less securities lending rebates	325,865	(25,491)
Less securities lending expenses	(46,959)	(120,395)
Total net investment income	<u>(1,077,906,377)</u>	<u>805,808,650</u>
Members systems' contributions	0	0
Total additions	<u>(1,077,906,377)</u>	<u>805,808,650</u>
DEDUCTIONS		
Expenses:		
Salaries and benefits:		
Salaries	294,929	306,745
Benefits	173,865	163,169
Operating expenses:		
Rent and utilities	44,849	42,995
Audit	0	0
Other	30,996	51,084
External support:		
Custody	55,000	54,013
Consulting and professional	326,478	382,145
Investment advisors/managers	8,064,457	8,340,501
Investment services and research	45,782	33,477
Total expenses	<u>9,036,356</u>	<u>9,374,129</u>
Members systems' withdrawals	194,850,000	233,300,000
Total deductions	<u>203,886,356</u>	<u>242,674,129</u>
Increase(decrease) in net assets	<u>(1,281,792,733)</u>	<u>563,134,521</u>
Net assets at beginning of period	<u>11,527,625,024</u>	<u>9,678,703,802</u>
Net assets at end of period	<u><u>10,245,832,291</u></u>	<u><u>10,241,838,323</u></u>

ILLINOIS STATE BOARD OF INVESTMENT

<i>Member Systems' Participation</i>	General Assembly	Judges	State Employees'	Combined*
Member Systems' Income and Expenses Three Months Ended September 30, 2011	\$	\$	\$	\$
Interest and dividends	298,586	3,136,565	58,692,290	62,127,441
Net securities lending income	2,135	22,529	422,689	447,353
Net gain on investments	(5,536,781)	(57,773,930)	(1,077,170,460)	(1,140,481,171)
Management expenses	(43,018)	(454,609)	(8,538,729)	(9,036,356)
Net investment income	<u>(5,279,078)</u>	<u>(55,069,445)</u>	<u>(1,026,594,210)</u>	<u>(1,086,942,733)</u>

**Member Systems' Changes in Net Assets
Three Months Ended September 30, 2011**

Net assets at beginning of period	57,346,442	587,794,578	10,882,484,004	11,527,625,024
Member systems' net (withdrawals)	(3,350,000)	(17,500,000)	(174,000,000)	(194,850,000)
Member systems' (contributions)	-	-	-	-
Net investment income	(5,279,078)	(55,069,445)	(1,026,594,210)	(1,086,942,733)
Net assets at end of period	<u>48,717,364</u>	<u>515,225,133</u>	<u>9,681,889,794</u>	<u>10,245,832,291</u>

The source of net assets of the member systems since inception at September 30, 2011, is as follows:

Member systems' net contributions (withdrawals)	(63,475,878)	(113,685,969)	(1,766,219,267)	(1,943,381,114)
Accumulated net investment income	112,193,242	628,911,102	11,448,109,061	12,189,213,405
Net assets at fair value	<u>48,717,364</u>	<u>515,225,133</u>	<u>9,681,889,794</u>	<u>10,245,832,291</u>

* Combined column for the member systems is presented for information purposes only and does not indicate that the assets of one system may be used for another system.