

STATEMENTS OF NET ASSETS
Illinois State Board of Investment
Six Months Ended December 31, 2011

	2012	2011
	\$	\$
ASSETS		
Cash and cash equivalents	3,907,570	8,189,759
Receivables:		
Foreign taxes	2,372,145	1,701,360
Accounts receivable	191,060	1,303,692
Investments sold	16,253,175	11,157,639
Interest & dividends	29,945,556	25,410,694
Total receivables	48,761,936	39,573,385
Prepaid Expenses	55,920	6,333
Capital assets	36,348	50,391
Investments at fair value:		
Government and agency obligations	1,109,923,941	987,950,806
Foreign obligations	47,403,563	33,340,369
Corporate obligations	689,317,470	700,567,965
Municipal bonds	1,955,635	2,901,885
Common stock & equity funds	3,188,228,043	3,290,314,127
Commingled Funds	190,862,333	266,365,238
Preferred stock	2,731,406	-
Foreign Preferred stock	543,707	31,003
Foreign equity securities	1,916,098,304	2,045,781,431
Hedge funds	1,004,718,427	992,086,301
Real estate funds	915,486,680	724,335,493
Private equity	643,029,456	614,071,731
Real Assets***	481,181,964	398,343,777
Money market instruments	237,605,256	329,670,663
Bank loans	317,875,629	239,415,108
Forward foreign exchange contracts	4,633	(4,254,899)
Total investments	10,746,966,447	10,620,920,998
Securities lending collateral	114,266,041	944,383,531
Total assets	10,913,994,262	11,613,124,397
LIABILITIES		
Payables:		
Investment purchases	36,945,927	20,335,596
Operating expenses	5,921,742	6,264,890
Securities lending collateral obligation	119,897,506	952,011,513
Total liabilities	162,765,175	978,611,999
Net assets	10,751,229,087	10,634,512,398

**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
 Six months ending December 31, 2011

	FY2012	FY2011
	\$	\$
ADDITIONS		
Investment income:		
Net increase in fair value of investments	(648,715,235)	1,324,290,547
Interest	68,401,333	60,780,118
Dividends	60,328,518	53,973,232
Securities lending income	326,781	2,215,085
Less securities lending rebates	763,514	(9,147)
Less securities lending expenses	(103,610)	(214,360)
Total net investment income	(518,998,699)	1,441,035,475
Members systems' contributions	0	0
Total additions	(518,998,699)	1,441,035,475
DEDUCTIONS		
Expenses:		
Salaries and benefits:		
Salaries	581,266	581,025
Benefits	337,954	307,472
Operating expenses:		
Rent and utilities	88,264	85,737
Audit	0	0
Other	92,386	106,738
External support:		
Custody	110,000	108,026
Consulting and professional	708,152	633,504
Investment advisors/managers/loans	16,067,713	16,028,872
Investment services and research	86,503	75,505
Total expenses	18,072,238	17,926,879
Members systems' withdrawals	239,325,000	467,300,000
Total deductions	257,397,238	485,226,879
Increase(decrease) in net assets	(776,395,937)	955,808,596
Net assets at beginning of period	11,527,625,024	9,678,703,802
Net assets at end of period	10,751,229,087	10,634,512,398

ILLINOIS STATE BOARD OF INVESTMENT

<i>Member Systems' Participation</i>	General Assembly	Judges	State Employees'	Combined*
Member Systems' Income and Expenses Six Months Ended December 31, 2011	\$	\$	\$	\$
Interest and dividends	607,496	6,468,751	121,653,604	128,729,851
Net securities lending income	4,637	49,513	932,535	986,685
Net gain on investments	478,174	4,947,217	91,936,300	97,361,691
Net unrealized gain (loss) on investments	(3,661,340)	(37,958,492)	(704,457,094)	(746,076,926)
Management expenses	(84,928)	(906,684)	(17,080,626)	(18,072,238)
Net investment income	<u>(2,655,961)</u>	<u>(27,399,695)</u>	<u>(507,015,281)</u>	<u>(537,070,937)</u>
Member Systems' Changes in Net Assets Six Months Ended December 31, 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)	(4,825,000)	(22,500,000)	(212,000,000)	(239,325,000)
Member systems' (contributions)	-	-	-	-
Net investment income	<u>(2,655,961)</u>	<u>(27,399,695)</u>	<u>(507,015,281)</u>	<u>(537,070,937)</u>
Net assets at end of period	<u>49,865,481</u>	<u>537,894,883</u>	<u>10,163,468,723</u>	<u>10,751,229,087</u>

The source of net assets of the member systems since inception at December 31, 2011, is as follows:

Member systems' net contributions (withdrawals)	(64,950,878)	(118,685,969)	(1,804,219,267)	(1,987,856,114)
Accumulated net investment income	<u>114,816,359</u>	<u>656,580,852</u>	<u>11,967,687,990</u>	<u>12,739,085,201</u>
	<u>49,865,481</u>	<u>537,894,883</u>	<u>10,163,468,723</u>	<u>10,751,229,087</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.