

**STATEMENTS OF NET ASSETS**  
**Illinois State Board of Investment**  
**Six Months Ended December 31, 2016**

	FY 2017	FY 2016
	\$	\$
<b>ASSETS</b>		
Cash and cash equivalents	7,917,913	6,122,142
Receivables:		
Foreign taxes	3,279,050	3,071,495
Accounts receivable	833,966	252,589
Investments sold	30,843,469	15,748,137
Interest & dividends	36,735,526	40,427,284
Total Receivables	71,692,011	59,499,505
Prepaid Expenses	166,768	58,406
Capital Assets	52,096	41,223
Capital Lease	2,684	-
Investments at fair value:		
Government and agency obligations	2,853,303,573	980,864,456
Foreign obligations	205,124,907	805,721,355
Corporate obligations	799,435,193	734,790,900
Municipal bonds	1,538,688	-
Common stock & equity funds	4,647,599,301	4,566,548,641
Commingled funds	1,179,688,348	622,008,094
Preferred stock	-	-
Foreign Preferred stock	9,277,098	133,449
Foreign equity securities	2,180,869,421	2,427,758,954
Hedge Funds	851,058,463	1,465,967,544
Bank Loans	398,501,651	651,764,184
Real estate funds	1,665,809,326	1,635,370,541
Private Equity	590,316,144	606,823,143
Money market instruments	320,230,235	365,909,923
Real Assets	558,792,939	508,669,086
Forward foreign exchange contracts	-	470,293
Total Investments	16,261,545,287	15,372,800,563
Securities lending collateral	9,017,413	17,424,836
<b>Total Assets</b>	<b>16,350,394,172</b>	<b>15,455,946,675</b>
<b>LIABILITIES</b>		
Payables:		
Investment purchases	127,144,675	100,699,406
Operating expenses	4,821,961	7,661,018
Securities lending collateral obligation	9,858,548	18,489,695
Total Liabilities	141,825,185	126,850,119
<b>Net Assets</b>	<b>16,208,568,988</b>	<b>15,329,096,556</b>

\*\*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.

**STATEMENTS OF CHANGES IN NET ASSETS**  
**Illinois State Board of Investment**  
**Six Months Ended December 31, 2016**

	FY 2017	FY 2016
	\$	\$
<b>ADDITIONS</b>		
<b>Investment income:</b>		
Net increase in fair value of investments	446,881,844	(628,534,825)
Interest	157,294,454	169,338,066
Dividends	76,495,115	71,700,457
Securities lending income	585,598	1,914,547
Less securities lending rebates	(30,584)	(20,345)
Less securities lending expenses	(55,319)	(189,420)
<b>Total net investment income</b>	<b>681,171,109</b>	<b>(385,791,522)</b>
Members systems' contributions	-	5,637,155
<b>Total additions</b>	<b>681,171,109</b>	<b>(380,154,367)</b>
<b>DEDUCTIONS</b>		
<b>Expenses:</b>		
Salaries and benefits:		
Salaries	625,106	607,403
Benefits	421,769	446,673
Operating expenses:		
Rent and utilities	82,161	80,255
Audit	-	-
Other	250,069	116,588
External support:		
Custody	110,000	110,000
Consulting and professional	1,058,674	686,492
Investment advisors/managers	11,337,494	19,476,507
Investment services and research	135,374	118,708
<b>Total expenses</b>	<b>14,020,646</b>	<b>21,642,627</b>
Members systems' withdrawals	60,250,000	115,000,000
<b>Total deductions</b>	<b>74,270,646</b>	<b>136,642,627</b>
Increase(decrease) in net assets	606,900,463	(516,796,994)
Net assets at beginning of period	15,601,668,525	15,845,893,550
<b>Net assets at end of period</b>	<b>16,208,568,988</b>	<b>15,329,096,556</b>

ILLINOIS STATE BOARD OF INVESTMENT

<i>Member Systems' Participation</i>	General Assembly	Judges	State Employees'	Power Agency	Combined*
<b>Member Systems' Income and Expenses Six Months Ended December 31, 2016</b>	\$	\$	\$	\$	\$
Interest and dividends	636,134	11,783,815	220,876,862	492,757	233,789,568
Net securities lending income	1,359	25,169	472,115	1,052	499,695
Net realized gain on investments	(81,629)	(1,516,560)	(28,257,221)	(63,417)	(29,918,827)
Net unrealized gain (loss) on investments	1,301,418	24,035,619	450,458,552	1,005,085	476,800,674
Management expenses	(38,144)	(706,323)	(13,246,642)	(29,536)	(14,020,645)
Net investment income	<u>1,819,138</u>	<u>33,621,720</u>	<u>630,303,666</u>	<u>1,405,941</u>	<u>667,150,465</u>
<b>Member Systems' Changes In Net Assets Six Months Ended December 31, 2016</b>					
Net assets at beginning of period	42,604,442	785,176,163	14,741,054,629	32,833,289	15,601,668,523
Member systems' net (withdrawals)	(250,000)	-	(60,000,000)	-	(60,250,000)
Member systems' (contributions)	-	-	-	-	-
Net investment income	1,819,138	33,621,720	630,303,666	1,405,941	667,150,465
Net assets at end of period	<u>44,173,580</u>	<u>818,797,883</u>	<u>15,311,358,295</u>	<u>34,239,230</u>	<u>16,208,568,988</u>

The source of net assets of the member systems since inception at December 31, 2016, is as follows:

Member systems' net contributions (withdrawals)	(91,550,878)	(114,685,971)	(2,022,826,848)	23,090,343	(2,205,973,354)
Accumulated net investment income	<u>135,724,458</u>	<u>933,483,854</u>	<u>17,334,185,143</u>	<u>11,148,887</u>	<u>18,414,542,342</u>
	<u>44,173,580</u>	<u>818,797,883</u>	<u>15,311,358,295</u>	<u>34,239,230</u>	<u>16,208,568,988</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.