

STATEMENTS OF NET ASSETS
Illinois State Board of Investment
Quarter Ended September 30, 2010

	2011	2010
	\$	\$
ASSETS		
Cash and cash equivalents	12,159,874	3,169,061
Receivables:		
Foreign taxes	2,102,273	2,620,009
Account receivables	737,387	888,049
Investments sold	124,963,873	22,943,886
Interest & dividends	31,690,395	29,866,193
Total Receivables	159,493,928	56,318,137
Prepaid Expenses	37,642	16,196
Capital Assets	50,391	57,635
Investments at fair value:		
Government and agency obligations	686,284,620	663,417,677
Foreign obligations	79,323,304	40,187,910
Corporate obligations	974,828,942	717,036,731
Convertible bonds	-	812,490
Municipal bonds	2,830,410	2,145,075
Common stock & equity funds	3,124,151,326	2,938,966,299
Commingled funds	272,971,152	327,623,559
Preferred stock	-	387,300
Foreign Preferred stock	203,811	58,570
Foreign equity securities	1,944,019,292	1,780,023,597
Hedge Funds	944,081,446	922,098,606
Bank Loans	230,913,650	206,564,291
Real estate funds	781,314,396	838,554,412
Private Equity	576,283,047	477,280,479
Money market instruments	217,756,214	275,443,225
Infrastructure Funds	340,065,563	307,459,482
Forward foreign exchange contracts	(3,044,063)	(2,959,539)
Total Investments	10,171,983,110	9,495,100,164
Securities lending collateral	1,041,973,051	1,492,872,745
Total Assets	11,385,697,996	11,047,533,938
LIABILITIES		
Payables:		
Investment purchases	86,841,512	22,875,833
Operating expenses	5,754,475	5,175,859
Securities lending collateral obligation	1,051,263,686	1,528,642,991
Total Liabilities	1,143,859,673	1,556,694,683
Net Assets	10,241,838,323	9,490,839,255

**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
Quarter ending September 30, 2010

	FY2011	FY2010
	\$	\$
ADDITIONS		
Investment income:		
Net increase in fair value of investments	746,680,508	824,650,384
Interest	28,815,119	35,517,264
Dividends	29,229,385	25,640,469
Securities lending income	1,229,524	2,195,715
Less securities lending rebates	(25,491)	373,770
Less securities lending expenses	(120,395)	(257,111)
Total net investment income	<u>805,808,650</u>	<u>888,120,491</u>
Members systems' contributions	0	0
Total additions	<u>805,808,650</u>	<u>888,120,491</u>
DEDUCTIONS		
Expenses:		
Salaries and benefits:		
Salaries	306,745	285,792
Benefits	163,169	150,772
Operating expenses:		
Rent and utilities	42,995	42,706
Audit	0	0
Other	51,084	45,457
External support:		
Custody	54,013	89,733
Consulting and professional	382,145	455,023
Investment advisors/managers	8,340,501	8,034,774
Investment services and research	33,477	31,250
Total expenses	<u>9,374,129</u>	<u>9,135,508</u>
Members systems' withdrawals	233,300,000	72,200,000
Total deductions	<u>242,674,129</u>	<u>81,335,508</u>
Increase(decrease) in net assets	<u>563,134,521</u>	<u>806,784,983</u>
Net assets at beginning of period	<u>9,678,703,802</u>	<u>8,684,054,272</u>
Net assets at end of period	<u><u>10,241,838,323</u></u>	<u><u>9,490,839,255</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, 2010	\$	\$	\$	\$
Interest and dividends	298,592	3,008,433	54,737,479	58,044,504
Net securities lending income	5,586	56,200	1,021,852	1,083,638
Net gain on investments	3,899,189	38,847,463	703,933,856	746,680,508
Management expenses	(47,559)	(483,899)	(8,842,671)	(9,374,129)
Net investment income	<u>4,155,808</u>	<u>41,428,197</u>	<u>750,850,516</u>	<u>796,434,521</u>

**Member Systems' Changes in Net Assets
Three Months Ended September 30, 2010**

Net assets at beginning of period	51,638,586	506,463,522	9,120,601,694	9,678,703,802
Member systems' net (withdrawals)	(3,900,000)	(19,400,000)	(210,000,000)	(233,300,000)
Member systems' (contributions)	-	-	-	-
Net investment income	4,155,808	41,428,197	750,850,516	796,434,521
Net assets at end of period	<u>51,894,394</u>	<u>528,491,719</u>	<u>9,661,452,210</u>	<u>10,241,838,323</u>

The source of net assets of the member systems since inception at September 30, 2010, is as follows:

Member systems' net contributions (withdrawals)	(59,463,222)	(91,772,920)	(1,634,341,468)	(1,785,577,610)
Accumulated net investment income	<u>111,357,616</u>	<u>620,264,639</u>	<u>11,295,793,678</u>	<u>12,027,415,933</u>
Net assets at fair value	<u>51,894,394</u>	<u>528,491,719</u>	<u>9,661,452,210</u>	<u>10,241,838,323</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.