

STATEMENTS OF NET ASSETS
Illinois State Board of Investment
Six Months Ended December 31, 2012

	2013	2012
	\$	\$
ASSETS		
Cash and cash equivalents	21,786,637	3,907,570
Receivables:		
Foreign taxes	2,126,645	2,372,145
Accounts receivable	1,494,750	191,060
Investments sold	47,823,970	16,253,175
Interest & dividends	29,018,803	29,945,556
Total receivables	80,464,168	48,761,936
Prepaid Expenses	74,083	55,920
Capital assets	37,599	36,348
Investments at fair value:		
Government and agency obligations	891,386,718	1,109,923,941
Foreign obligations	371,574,233	47,403,563
Corporate obligations	687,270,841	689,317,470
Municipal bonds	0	1,955,635
Common stock & equity funds	3,470,352,560	3,188,228,043
Commingled Funds	315,450,138	190,862,333
Preferred stock	4,325,730	2,731,406
Foreign Preferred stock	550,534	543,707
Foreign equity securities	2,279,044,299	1,916,098,304
Hedge funds	1,090,363,322	1,004,718,427
Real estate funds	1,182,233,794	915,486,680
Private equity	668,296,477	643,029,456
Real Assets***	546,436,584	481,181,964
Money market instruments	226,425,878	237,605,256
Bank loans	347,068,301	317,875,629
Forward foreign exchange contracts	51,290	4,633
Total investments	12,080,830,699	10,746,966,447
Securities lending collateral	54,183,836	114,266,041
Total assets	12,237,377,022	10,913,994,262
LIABILITIES		
Payables:		
Investment purchases	61,515,898	36,945,927
Operating expenses	6,310,902	5,921,742
Securities lending collateral obligation	56,548,210	119,897,506
Total liabilities	124,375,010	162,765,175
Net assets	12,113,002,012	10,751,229,087

**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.

	FY2013	FY2012
	\$	\$
ADDITIONS		
Investment income:		
Net increase in fair value of investments	665,641,032	(648,715,235)
Interest	105,166,762	68,401,333
Dividends	67,985,512	60,328,518
Securities lending income	170,525	326,781
Less securities lending rebates	2,303,064	763,514
Less securities lending expenses	(234,991)	(103,610)
Total net investment income	841,031,904	(518,998,699)
Members systems' contributions	24,900,254	0
Total additions	865,932,158	(518,998,699)
DEDUCTIONS		
Expenses:		
Salaries and benefits:		
Salaries	598,468	581,266
Benefits	403,173	337,954
Operating expenses:		
Rent and utilities	89,352	88,264
Audit	0	0
Other	81,931	92,386
External support:		
Custody	110,000	110,000
Consulting and professional	445,969	708,152
Investment advisors/managers/loans	16,422,460	16,067,713
Investment services and research	115,478	86,503
Total expenses	18,266,831	18,072,238
Members systems' withdrawals	18,600,000	239,325,000
Total deductions	36,866,831	257,397,238
Increase(decrease) in net assets	829,065,327	(776,395,937)
Net assets at beginning of period	11,283,936,685	11,527,625,024
Net assets at end of period	12,113,002,012	10,751,229,087

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<i>Member Systems' Participation</i>	General Assembly	Judges	State Employees'	Combined*
Member Systems' Income and Expenses Six Months Ended December 31, 2012	\$	\$	\$	\$
Interest and dividends	715,532	8,398,977	163,657,220	172,771,729
Net securities lending income	9,170	108,199	2,116,307	2,233,676
Net realized gain on investments	59,142	577,721	9,987,900	10,624,763
Net unrealized gain (loss) on investments	2,726,501	31,854,653	619,028,399	653,609,553
Management expenses	(74,699)	(882,754)	(17,269,221)	(18,226,674)
Net investment income	<u>3,435,646</u>	<u>40,056,796</u>	<u>777,520,605</u>	<u>821,013,047</u>

**Member Systems' Changes in Net Assets
Six Months Ended December 31, 2012**

Net assets at beginning of period	49,025,145	559,139,279	10,675,772,261	11,283,936,685
Member systems' net (withdrawals)	(3,600,000)	(15,000,000)	-	(18,600,000)
Member systems' (contributions)	-	-	-	-
Net investment income	3,435,646	40,056,796	777,520,605	821,013,047
Net assets at end of period	<u>48,860,791</u>	<u>584,196,075</u>	<u>11,453,292,866</u>	<u>12,086,349,732</u>

The source of net assets of the member systems since inception at December 31, 2012, is as follows:

Member systems' net contributions (withdrawals)	(71,950,878)	(139,685,969)	(1,804,219,267)	(2,015,856,114)
Accumulated net investment income	<u>120,811,669</u>	<u>723,882,044</u>	<u>13,257,512,133</u>	<u>14,102,205,846</u>
	<u>48,860,791</u>	<u>584,196,075</u>	<u>11,453,292,866</u>	<u>12,086,349,732</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.

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Note C Power
Member's Participation - Illinois Power Agency Agency

Member Systems' Income and Expenses \$
Six Months Ended December 31, 2012

Interest and dividends	380,545
Net securities lending income	4,922
Net realized gain on investments	(3,738)
Net unrealized gain (loss) on investments	1,410,454
Management expenses	(40,157)
Net investment income	<u>1,752,026</u>

Member Systems' Changes in Net Assets
Six Months Ended December 31, 2012

Net assets at beginning of period	-
Member systems' net (withdrawals)	-
Member systems' (contributions)	24,900,254
Net investment income	<u>1,752,026</u>
Net assets at end of period	<u>26,652,280</u>

The source of net assets of the member since inception at December 31, 2012, is as follows:

Member systems' net contributions (withdrawals)	-
Accumulated net investment income	<u>26,652,280</u>
	<u>26,652,280</u>