PUBLIC EMPLOYEES RETIREMENT SYSTEM

State Investment Board
Balance Sheet
As of 6/30/2003

	As of 6-30-03	As of 6-30-02
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	$ 458,951,314	$ 392,398,343
INTERNATIONAL EQUITIES	175,792,012	141,777,757
DOMESTIC FIXED INCOME	320,236,369	387,949,954
INTERNATIONAL FIXED INCOME	54,020,181	61,053,375
REAL ESTATE	57,665,884	55,871,311
VENTURE CAPITAL	51,068,456	31,750,074
INVESTED CASH (NOTE 1)	7,558,895	7,720,084
TOTAL INVESTMENTS	1,125,293,111	1,078,520,898
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	1,523,646	2,210,445
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	66,940,289	73,264,448
DUE FROM OTHER AGENCIES (NOTE 3)	0	0
TOTAL ASSETS	$ 1,193,757,046	$ 1,153,995,791
LIABILITIES:		
ACCOUNTS PAYABLE	711,763	683,167
SECURITIES LENDING COLLATERAL (NOTE 2)	66,940,289	73,264,448
DUE TO OTHER AGENCIES (NOTE 4)	9,661	7,315
TOTAL LIABILITIES	67,661,713	73,954,930
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,080,040,861	1,170,179,844
CASH IN DURING YEAR (NOTE 5)	0	0
CASH OUT DURING YEAR (NOTE 6)	9,750,000	9,250,000
NET INCREASE (DECREASE)	55,804,472	(80,888,983)
NET ASSETS AVAILABLE END OF PERIOD	1,126,095,333	1,080,040,861
TOTAL LIABILITIES & NET ASSETS AVAILABLE	$ 1,193,757,046	$ 1,153,995,791

PUBLIC EMPLOYEES RETIREMENT SYSTEM

State Investment Board
Profit and Loss Statement
For the Month Ended 6/30/2003

	Month Ended 6-30-03	Year-to-Date
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	$ 2,118,361	$ 36,030,378
SECURITIES LENDING INCOME	81,847	1,215,068
	2,200,208	37,245,446
GAIN ON SALE OF INVESTMENTS	12,828,325	175,239,820
LOSS ON SALE OF INVESTMENTS	11,944,693	204,893,065
NET GAINS (LOSSES) INVESTMENTS	883,632	(29,653,245)
INVESTMENT EXPENSES	228,534	3,442,695
SECURITIES LENDING EXPENSES	62,075	1,019,455
SIB ADMINISTRATIVE EXPENSES	16,982	132,346
NET INVESTMENT INCOME	2,776,249	2,997,705
NET APPREC (DEPREC) MARKET VALUE	11,007,809	51,885,386
MISCELLANEOUS INCOME/(EXPENSE)	(17,018)	921,381
TOTAL INVESTMENT INCOME	13,767,040	55,804,472
NET INCREASE (DECREASE)	$ 13,767,040	$ 55,804,472

PUBLIC EMPLOYEES RETIREMENT SYSTEM
Notes To Financial Statements
June 30, 2003

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 INVESTED CASH

Cash invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 SECURITIES LENDING COLLATERAL

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 DUE TO OTHER AGENCIES

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 6 CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.