



Investment Reports

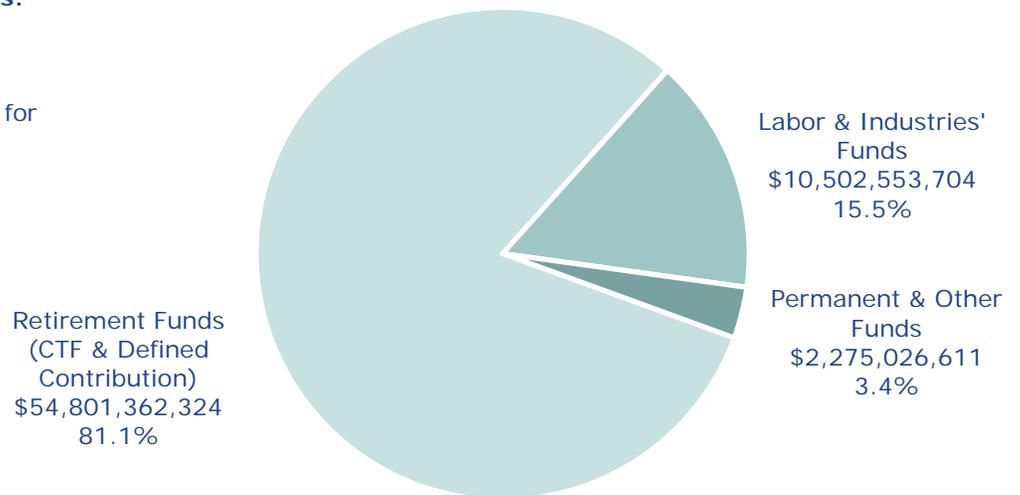
Quarterly Report – December 31, 2008

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Dated: February 5, 2009

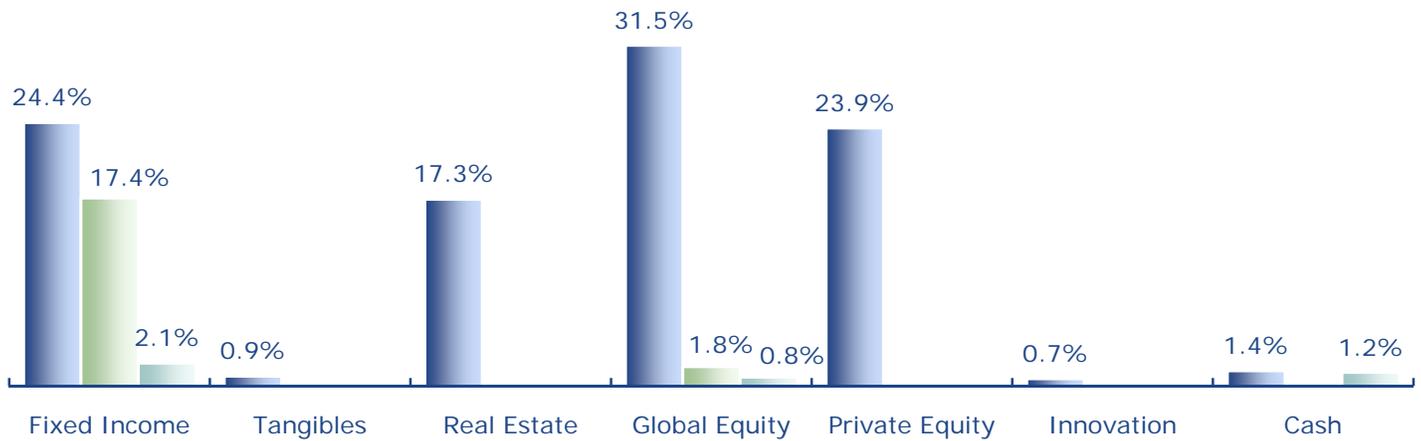
The WSIB invests for 39 funds:

- ❖ 17 Retirement Funds
- ❖ 4 State Insurance Funds for injured workers
- ❖ 18 Permanent and Other Trust Funds

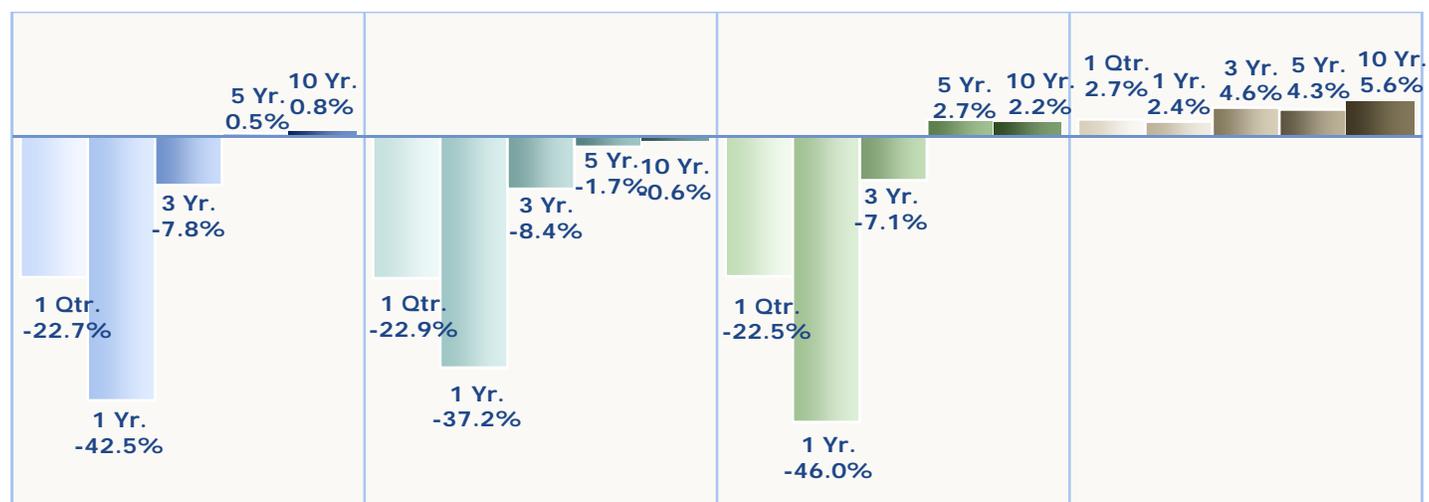


Asset Class Overview for All Funds

- Retirement Funds (CTF & Defined Contribution)
- L&I Funds
- Perm & Other Funds



Indices Returns



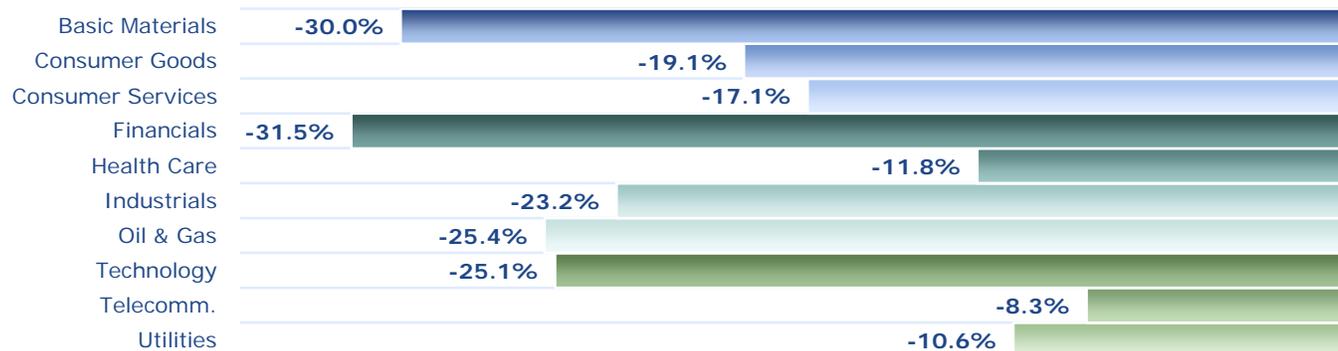
Global Equity Benchmark (DJ Wilshire Global)

U.S. Equity Benchmark (DJ Wilshire 5000)

International Equity Benchmark (MSCI ACW ex U.S. IMI / ACW ex U.S. blend)

Fixed Income Benchmark (Barclays Capital Universal)

Dow Jones Wilshire Global - Quarter Industry Returns



Capital Market Highlights

- ❖ Fixed income as measured by the Barclays Capital Universal, returned 2.7% for the quarter, outperforming global equities as measured by the Dow Jones Wilshire Global at -22.7%.
- ❖ International equities outperformed U.S. equities by marginally losing less for the quarter.
- ❖ The highest industry return for the quarter as shown with the Dow Jones Wilshire Global was telecommunications at -8.3%. The lowest return was financials at -31.5%.
- ❖ In the Barclays Capital indices, U.S. treasury had the highest return for the quarter earning 8.8% while CMBS Non-ERISA ex HY had the lowest return at -31.3%. For the quarter, the long end of the curve outperformed the short with the 30 year earning 33.1% versus 0.3% for the 3 month.
- ❖ GDP was -3.8% (annualized) for the quarter. Inflation, as measured by the CPI was -3.3%.
- ❖ The federal funds target rate dropped three times during the quarter to a new low going from 2.00% the prior quarter to a range of 0-0.25%.

Commingled Trust Fund

- ❖ Performance for the quarter and 1 year time periods are negative. However, the CTF still has positive returns for the 3, 5, and 10 year time periods. While it is not exceeding the actuarial return of 8%, it outperformed its benchmark in all time periods.

Asset Allocation

- ❖ Asset transfers for the 4th quarter included increases of tangibles (\$12.5 million), real estate (\$514 million), and private equity (\$391 million) from fixed income (\$1.1 billion) and global equity (\$213 million).

Fixed Income

- ❖ Fixed income underperformed its benchmark, Barclays Capital Universal for all time periods except the 10 year.

Tangible

- ❖ The WSIB Tangible return for the 4th quarter was 1.8%.
- ❖ As of September 30, 2008, there were \$223 million in unfunded commitments.

Real Estate

- ❖ The WSIB Real Estate return for the 4th quarter was -1.8%. It underperformed NCREIF (lagged one quarter) plus 100 basis points, which returned 0.1%. It outperformed its benchmark for the 3, 5, and 10 year time periods.
- ❖ As of September 30, 2008, there were \$8.1 billion in unfunded commitments.

Global Equity

- ❖ Global equity performed -22.7% for the quarter. It barely underperformed its benchmark, the Dow Jones Wilshire Global.
- ❖ 2 of the 5 U.S. managers outperformed their benchmark for the quarter.
- ❖ 7 of the 10 international developed managers outperformed their benchmark for the quarter.
- ❖ 2 of the 6 international emerging market managers outperformed their benchmark for the quarter, 4 managers outperformed their benchmark for the year.

Private Equity

- ❖ The WSIB private equity return for the 4th quarter was -7.6%. It underperformed its benchmark, S&P 500 plus 500 basis points (lagged one quarter) for the quarter. It outperformed the benchmark for all annualized time periods.
- ❖ As of September 30, 2008, there were \$8.6 billion in unfunded commitments.

Innovation

- ❖ Innovation is currently comprised of global managers and underperformed its custom benchmark.

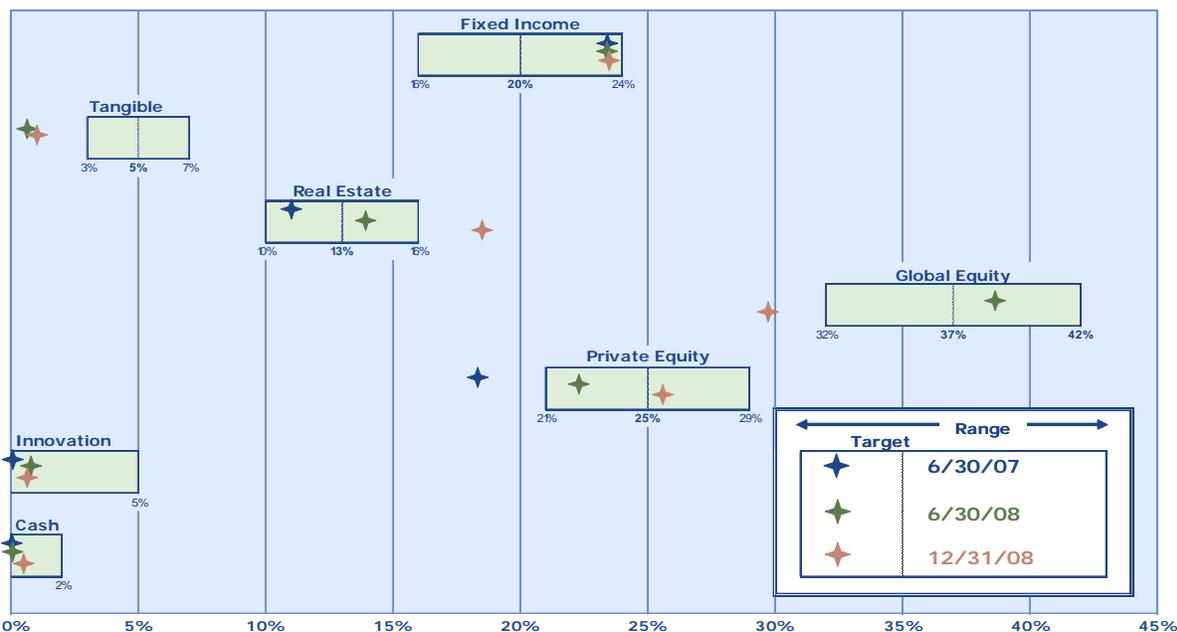
Market Values

Actual Asset Allocation

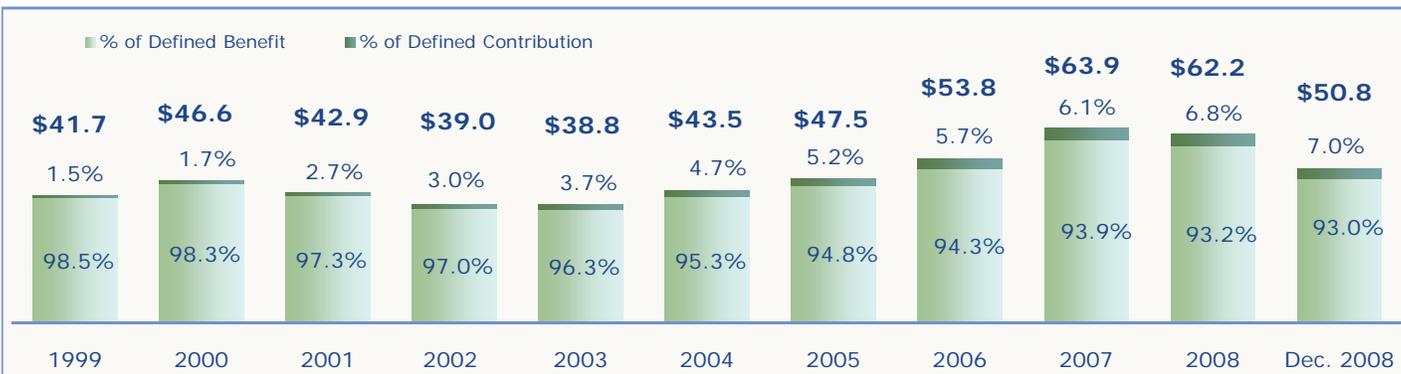
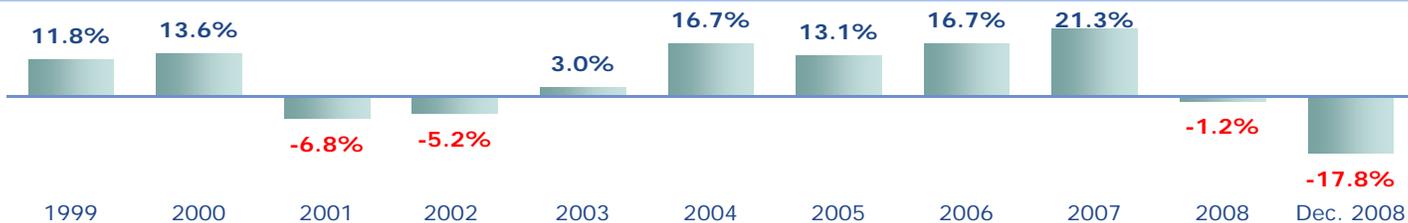
Asset Class	Market Value	by Asset Class	with Overlay
Fixed Income	\$ 11,992,358,224	23.59%	23.59%
Tangible	\$ 496,813,538	0.98%	0.98%
Real Estate	\$ 9,470,811,281	18.63%	18.63%
Global Equity	\$ 15,144,731,155	29.79%	29.79%
Private Equity	\$ 13,074,415,846	25.72%	25.72%
Innovation	\$ 357,455,674	0.70%	0.70%
Cash	\$ 299,506,258	0.59%	0.59%
Total Fund	\$ 50,836,091,977		

Market Value Changes

Quarter:
 (\$6,184,910,008)
 Fiscal Year:
 (\$11,335,069,637)



Annual Performance and Growth of the CTF (Fiscal Years Ended June 30)



Note: Page 4-9, Totals may not add up due to rounding.



			Qtr.	1 Year	3 Year	5 Year	10 Year	Since Inception ⁸
Total Fund	\$50,836,091,977	100.0%	-10.59%	-21.69%	1.80%	6.38%	5.43%	8.53%
Passive Benchmark ²			-15.15%	-30.61%	-4.53%	0.92%	1.64%	6.39%
Implementation Value Added Benchmark ³			-9.97%	-21.13%	0.93%	5.27%		
TUCS Public Fund >\$1B Median ⁴			-13.70%	-25.96%	-2.54%	2.35%	3.15%	
TUCS Public/Corporate Fund >\$1B Median ⁴			-13.15%	-24.98%	-2.49%	2.45%	3.34%	
Fixed Income	\$11,992,358,224	23.6%	-0.01%	-0.44%	3.88%	3.97%	5.59%	
Barclays Capital Universal			2.72%	2.38%	4.60%	4.30%	5.58%	
Tangible	\$496,813,538	1.0%	1.76%					
CPI (Lagged One Quarter) + 400 bp			1.63%					
Real Estate⁵	\$9,470,811,281	18.6%	-1.79%	0.89%	15.78%	17.83%	14.68%	
NCREIF (Lagged One Quarter) + 100 bp			0.08%	6.27%	14.24%	15.24%	12.82%	
Global Equity	\$15,144,731,155	29.8%	-22.69%	-42.32%	-8.31%	-0.38%	0.54%	
Dow Jones Wilshire Global			-22.68%	-42.48%	-7.82%	0.47%	0.84%	
Private Equity⁵	\$13,074,415,846	25.7%	-7.55%	-15.31%	11.01%	18.49%	12.69%	
S&P 500 (Lagged One Quarter) + 500 bp			-7.14%	-16.98%	5.22%	10.17%	8.06%	
Innovation⁶	\$357,455,674	0.7%	-22.89%	-43.54%				
Custom Benchmark			-22.68%	-32.02%				
Overlay⁷	\$26,425,445		-0.22%	-0.21%	-0.08%	-0.05%	-0.02%	
Cash	\$273,080,813	0.6%	0.44%	2.68%	4.21%	3.33%	2.96%	
90 Day T-Bills			0.22%	2.06%	3.96%	3.24%	3.42%	



Outperformed its benchmark



Underperformed its benchmark

¹ Performance figures are net of all non-appropriated fees.

² Currently 69% Dow Jones Wilshire Global, 31% Barclays Capital Universal. Over time the benchmark has been adjusted by changing both benchmarks and percentages. The most recent change occurred on January 1, 2008.

³ The implementation value added benchmark consists of the public market indices, as defined in each asset class's policy, weighted according to the asset allocation targets. This custom benchmark differs from the passive benchmark as it is not an investable benchmark due to the uninvestable premium added to the real estate and private equity passive benchmarks.

⁴ TUCS returns have been adjusted to reflect fees equivalent to those incurred by the WSIB (6.5 bp over one, three, and five years and 10 bp for ten years).

⁵ Private equity and real estate use the latest market value known plus cash flows since then. For compositing purposes the private equity and real estate return are calculated using monthly time-weighted returns.

⁶ The overall benchmark is the weighted average of the underlying benchmarks for each asset/idea within the portfolio.

⁷ To show the performance, cash and the cash held in the overlay are separated out on this page.

⁸ Since Inception of the CTF is based on the starting date of the TAP which is 7/1/1992.

	Qtr.	1 Year	3 Year	5 Year	10 Year
Total Developed Passive	-21.27%	-43.62%	-7.23%	1.96%	0.65%
SSgA	-21.27%	-43.62%	-7.23%	1.96%	0.65%

Total Developed Active	-20.53%	-43.65%	-6.68%	2.57%	
Arrowstreet Capital	-20.08%	-41.12%	-5.28%		
Artio Global Investors, Inc. (Formerly Julius Baer)	-18.35%	-43.46%	-4.47%		
BGI (MSCI World ex U.S.)	-20.77%	-42.85%	-7.05%		
Capital Guardian Trust	-18.56%	-42.32%	-7.49%		
Goldman Sachs Asset Mgmt.	-20.90%	-43.73%	-7.49%		
LSV Asset Mgmt.	-24.40%	-47.01%	-9.66%		
Mondrian Investment Partners	-14.99%	-37.34%	-2.67%	5.10%	
Pyramis Global Advisors Trust	-22.10%	-43.43%	-6.48%		
William Blair & Company	-25.29%	-51.29%	-10.10%		

Total Developed	-20.67%	-43.64%	-6.78%	2.57%	2.34%
Custom Developed Markets Benchmark	-21.39%	-44.00%	-7.57%	1.71%	1.07%
MSCI World ex U.S.	-21.15%	-43.56%	-7.25%		

All funds and composites above use the custom developed markets benchmark other than BGI which uses MSCI World ex U.S.

Total Emerging Active	-28.66%	-52.56%	-5.35%	7.06%	8.86%
Capital International	-25.28%	-49.49%	-1.51%	9.80%	
Grantham, Mayo, Otterloo	-30.59%	-55.12%	-7.31%	7.11%	13.06%
Grantham, Mayo, Otterloo Illiquid (Lagged 1 Month)	-30.14%	-47.63%			
JPMorgan	-26.29%	-50.08%			
Lazard Asset Mgmt.	-31.13%	-49.49%			
Pictet Asset Mgmt.	-28.13%	-57.05%			

Total Emerging	-28.66%	-52.56%	-5.35%	7.06%	8.86%
Custom Emerging Markets Benchmark	-27.40%	-53.78%	-5.32%	7.39%	9.48%

All funds and composites for emerging active markets use the custom emerging markets benchmark.

Total International Equity	-21.60%	-44.75%	-6.67%	2.82%	2.91%
Custom International Equity Benchmark	-22.51%	-45.99%	-7.09%	2.66%	2.19%

 Outperformed its benchmark

 Underperformed its benchmark

Developed Markets Benchmark: MSCI EAFE + Canada / World ex U.S. IMI - Switched October 1, 2007.

Emerging Markets Benchmark: Custom Emerging Markets / Emerging Markets IMI - Switched October 1, 2007.

International Equity Benchmark: MSCI ACW ex U.S. / ACW IMI - Switched October 1, 2007.

U.S. Markets

\$6,659,279,956

	Qtr.	1 Year	3 Year	5 Year	10 Year
Total U.S. Passive (DJ Wilshire)	-22.85%	-36.95%	-8.25%	-1.55%	-0.39%
BGI Asset Trust (DJ Wilshire)	-22.70%	-37.11%			
BGI Index (DJ Wilshire)	-22.86%	-37.01%	-8.26%	-1.56%	-0.40%
Total U.S. Enhanced (DJ Wilshire)	-27.65%	-44.85%	-13.67%		
BGI (Russell 3000)	-22.31%	-36.60%	-9.33%		
SSgA (Russell 3000)	-23.03%	-38.24%	-9.75%		
Western Asset Management (S&P 500)	-40.80%	-60.77%			
Total U.S. Equity (DJ Wilshire)	-24.06%	-38.99%	-9.59%	-2.42%	-0.83%
DJ Wilshire 5000	-22.85%	-37.23%	-8.44%	-1.69%	-0.64%
Russell 3000	-22.78%	-37.31%	-8.63%	-1.95%	-0.80%
S&P 500	-21.94%	-37.00%	-8.36%	-2.19%	-1.38%

Outperformed its benchmark

Underperformed its benchmark

U.S. Equity

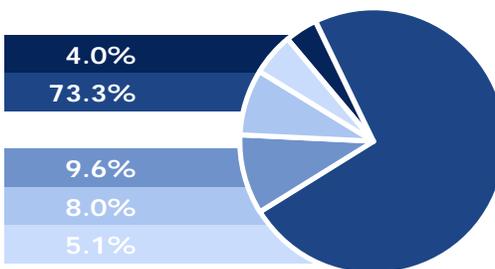
\$6,659,279,956

Passive

BGI Asset Trust	\$264,440,480	4.0%
BGI Index	\$4,880,505,819	73.3%

Active

BGI	\$642,343,090	9.6%
SSgA	\$530,309,325	8.0%
Western Asset Mgmt.	\$341,681,241	5.1%



International Developed Markets

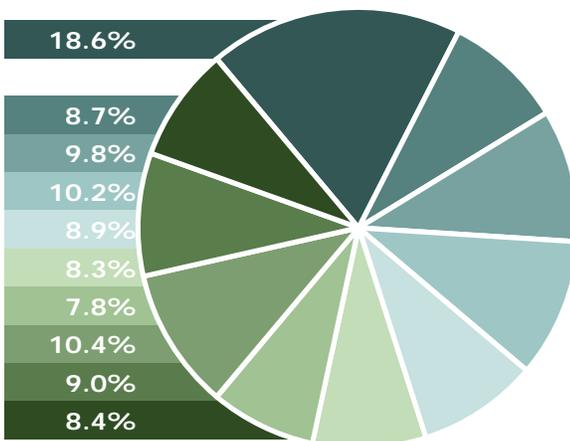
\$7,575,273,248

Passive

SSgA	\$1,410,964,793	18.6%
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Active

Arrowstreet Capital	\$661,485,625	8.7%
Artio Global Investors, Inc.	\$739,272,873	9.8%
BGI (MSCI World ex U.S.)	\$772,384,897	10.2%
Capital Guardian Trust	\$671,358,674	8.9%
Goldman Sachs Asset Mgmt.	\$628,686,374	8.3%
LSV Asset Mgmt.	\$587,184,831	7.8%
Mondrian Investment Partners	\$784,498,860	10.4%
Pyramis Global Advisors Trust	\$682,744,675	9.0%
William Blair & Company	\$636,691,646	8.4%

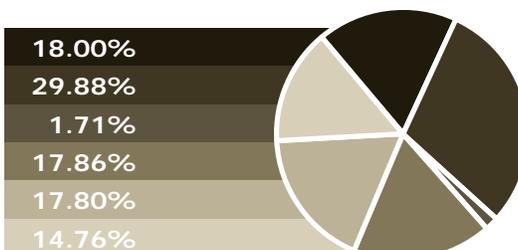


International Emerging Markets

\$910,177,952

Active

Capital International	\$163,800,066	18.00%
Grantham, Mayo, Otterloo	\$271,982,003	29.88%
Grantham, Mayo, Otterloo Illiquid (Lagged 1 Month)	\$15,533,220	1.71%
JPMorgan	\$162,516,818	17.86%
Lazard Asset Management	\$162,041,850	17.80%
Pictet Asset Management	\$134,303,995	14.76%



Top Ten Countries by Weight	Top Ten Holdings
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	CTF Weight	Index Weight		CTF Weight	Index Weight
United States	44.58%	44.09%	Exxon Mobil Corp.	1.83%	1.85%
Japan	10.68%	11.76%	Total S.A.	0.85%	0.52%
United Kingdom	9.21%	7.76%	BP PLC	0.85%	0.65%
France	5.89%	4.19%	Procter & Gamble Co.	0.82%	0.84%
Germany	4.19%	3.31%	Nestle S.A.	0.79%	0.68%
Switzerland	4.02%	3.41%	Johnson & Johnson	0.79%	0.76%
Canada	3.06%	3.45%	AT&T Inc.	0.74%	0.77%
Australia	2.49%	2.41%	Microsoft Corp.	0.74%	0.70%
Spain	1.98%	1.71%	Chevron Corp.	0.71%	0.69%
Hong Kong	1.48%	1.49%	GlaxoSmithKline PLC	0.71%	0.48%

WSIB	U.S. 44.6%	Other Developed Countries 50.9%	Emerging 4.5%
DJW Global	U.S. 44.1%	Other Developed Countries 48.6%	Emerging 7.3%

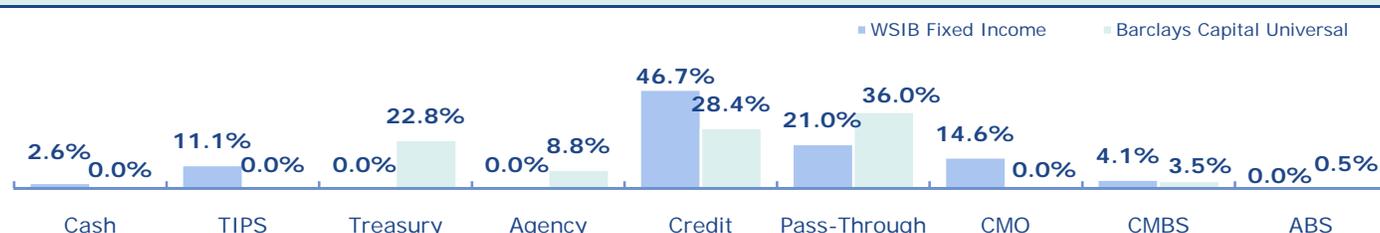
Fixed Income

\$11,992,358,224

Duration

	Sep. 08	Dec. 08
WSIB Portfolio	4.46	4.01
Barclays Capital Universal	4.49	3.77
Difference	-0.68%	6.51%

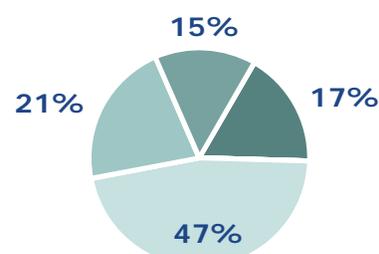
Sector Weighting



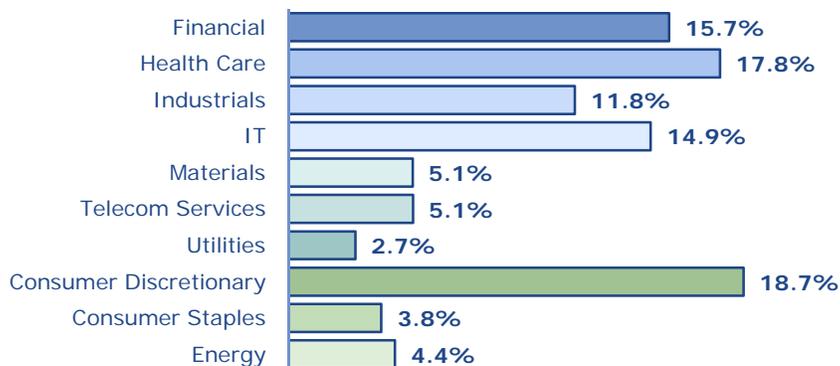
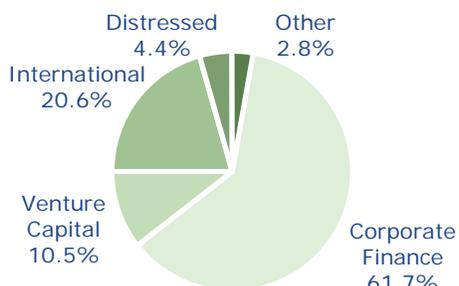
Innovation

\$357,455,674

At this time, the innovation portfolio has 100% global equities divided across 4 fund managers.



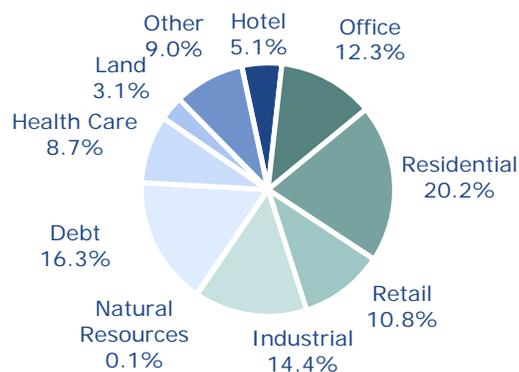
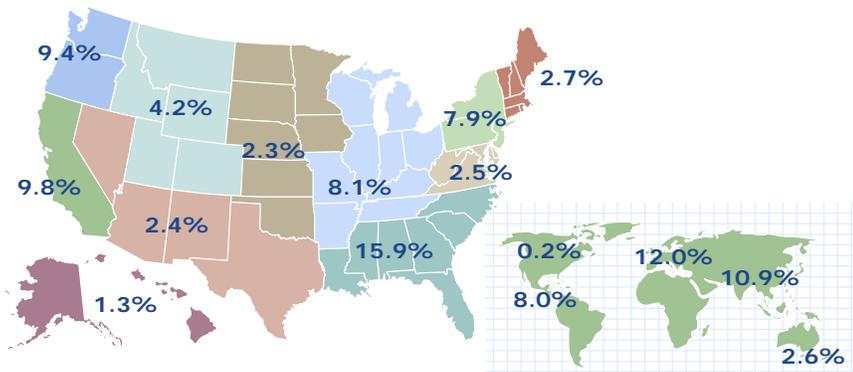
Sector Distribution | **Industry Distribution**



Unfunded Commitments: \$8.6 billion

Real Estate | **\$9,470,811,281**

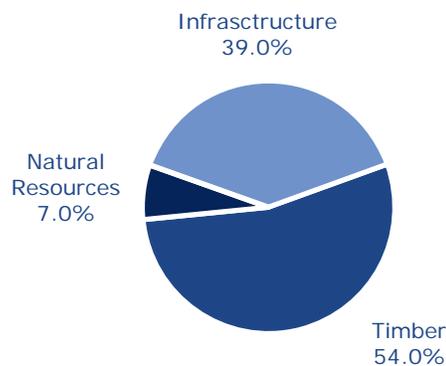
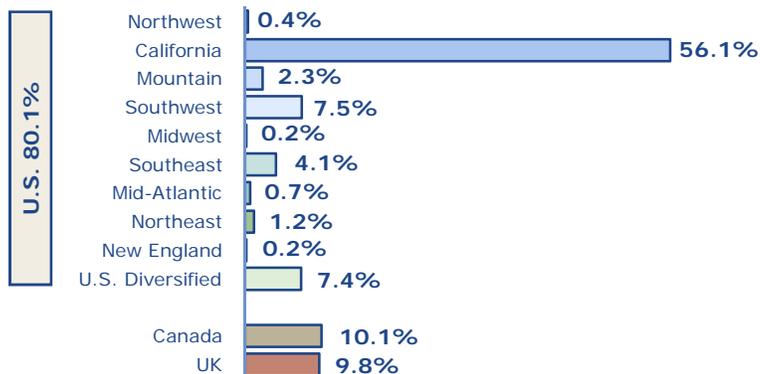
Geographical Distribution | **Property Type Distribution**



Unfunded Commitments: \$8.1 billion

Tangibles | **\$496,813,538**

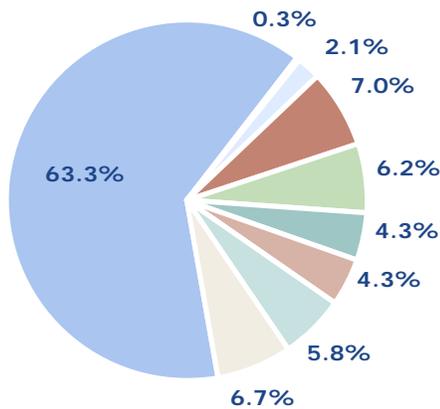
Geographical Distribution | **Sector Type Distribution**



Unfunded Commitments: \$223 million

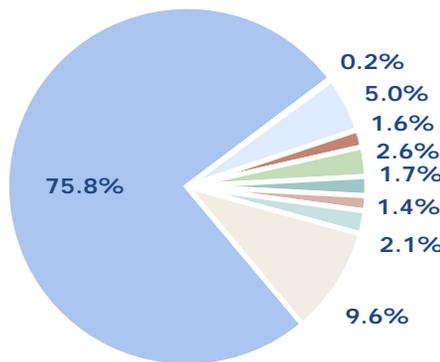
Distribution charts and unfunded commitments are lagged one quarter.

Teachers' Retirement System (TRS)



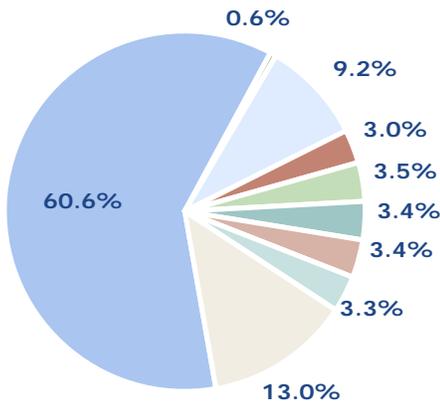
Option	Market Value	Quarterly Change
WSIB TAP Fund	\$2,117,318,081	(\$232,609,932)
Social Balanced Fund	9,603,535	(1,066,810)
Retirement Strategy Fund 2000	735,614	735,614
Retirement Strategy Fund 2005	819,530	819,530
Retirement Strategy Fund 2010	8,948,767	8,948,767
Retirement Strategy Fund 2015	17,242,534	17,242,534
Retirement Strategy Fund 2020	16,307,074	16,307,074
Retirement Strategy Fund 2025	9,855,468	9,855,468
Retirement Strategy Fund 2030	6,096,945	6,096,945
Retirement Strategy Fund 2035	5,130,701	5,130,701
Retirement Strategy Fund 2040	3,849,242	3,849,242
Retirement Strategy Fund 2045	2,076,519	2,076,519
Retirement Strategy Fund 2050	155,392	155,392
U.S. Stock Fund	235,076,159	(69,097,974)
U.S. Large Stock Fund	207,357,692	(58,456,354)
U.S. Small Stock Fund	143,177,877	(50,270,737)
International Index Fund	142,847,896	(39,381,910)
Bond Market Fund	194,897,119	(6,120,487)
Money Market Fund	225,892,231	20,492,105
Total Fund	\$3,347,388,377	(\$365,294,312)

School Employees' Retirement System (SERS)



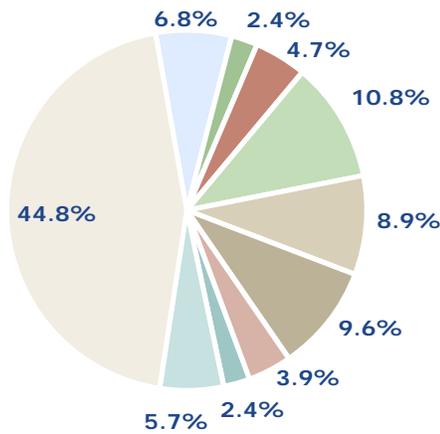
Option	Market Value	Quarterly Change
WSIB TAP Fund	\$705,281,264	(\$83,860,253)
Social Balanced Fund	1,729,329	(288,352)
Retirement Strategy Fund 2000	510,370	510,370
Retirement Strategy Fund 2005	1,506,093	1,506,093
Retirement Strategy Fund 2010	6,565,989	6,565,989
Retirement Strategy Fund 2015	13,031,252	13,031,252
Retirement Strategy Fund 2020	12,350,115	12,350,115
Retirement Strategy Fund 2025	7,890,509	7,890,509
Retirement Strategy Fund 2030	2,661,627	2,661,627
Retirement Strategy Fund 2035	1,311,309	1,311,309
Retirement Strategy Fund 2040	347,671	347,671
Retirement Strategy Fund 2045	180,930	180,930
Retirement Strategy Fund 2050	15,704	15,704
U.S. Stock Fund	14,697,451	(4,877,676)
U.S. Large Stock Fund	24,652,926	(7,266,595)
U.S. Small Stock Fund	15,831,108	(5,941,383)
International Index Fund	12,823,823	(4,390,313)
Bond Market Fund	19,201,130	(2,453,849)
Money Market Fund	89,549,762	9,049,761
Total Fund	\$930,138,362	(\$53,657,091)

Public Employees' Retirement System (PERS)



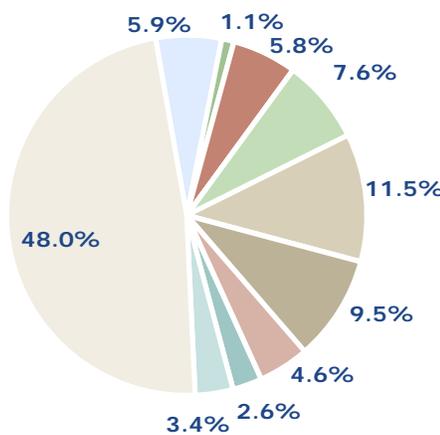
Option	Market Value	Quarterly Change
WSIB TAP Fund	\$708,688,613	(\$82,180,950)
Social Balanced Fund	6,647,274	(621,052)
Retirement Strategy Fund 2000	598,581	598,581
Retirement Strategy Fund 2005	703,663	703,663
Retirement Strategy Fund 2010	7,674,464	7,674,464
Retirement Strategy Fund 2015	20,999,170	20,999,170
Retirement Strategy Fund 2020	26,638,876	26,638,876
Retirement Strategy Fund 2025	23,737,970	23,737,970
Retirement Strategy Fund 2030	14,071,476	14,071,476
Retirement Strategy Fund 2035	8,499,381	8,499,381
Retirement Strategy Fund 2040	2,602,307	2,602,307
Retirement Strategy Fund 2045	1,263,782	1,263,782
Retirement Strategy Fund 2050	402,720	402,720
U.S. Stock Fund	35,169,202	(9,217,594)
U.S. Large Stock Fund	40,558,971	(10,246,133)
U.S. Small Stock Fund	40,115,874	(12,796,152)
International Index Fund	39,720,235	(13,063,910)
Bond Market Fund	38,337,467	(3,998,035)
Money Market Fund	151,786,753	11,456,696
Total Fund	\$1,168,216,780	(\$13,474,741)

Deferred Compensation (DCP)



Option	Market Value	Quarterly Change
Retirement Strategy Fund 2000	\$3,389,210	\$3,389,210
Retirement Strategy Fund 2005	7,582,129	7,582,129
Retirement Strategy Fund 2010	25,528,269	25,528,269
Retirement Strategy Fund 2015	37,909,601	37,909,601
Retirement Strategy Fund 2020	28,226,484	28,226,484
Retirement Strategy Fund 2025	15,195,150	15,195,150
Retirement Strategy Fund 2030	8,880,396	8,880,396
Retirement Strategy Fund 2035	5,774,891	5,774,891
Retirement Strategy Fund 2040	3,117,113	3,117,113
Retirement Strategy Fund 2045	1,576,231	1,576,231
Retirement Strategy Fund 2050	378,610	378,610
Social Balanced Fund	48,386,467	(6,211,143)
U.S. Stock Market Index Fund	95,954,854	(26,728,675)
Active Value Fund	220,726,646	(74,125,832)
Active Core Fund	181,709,887	(55,244,645)
Growth Company Fund	195,895,578	89,642,049
International Stock Fund	80,255,111	(25,998,418)
U.S. Small Stock Fund	48,507,440	(16,273,652)
Bond Market Fund	116,696,100	(12,992,884)
Savings Pool	914,449,960	46,381,654
Total Fund	\$2,040,140,125	\$56,006,537

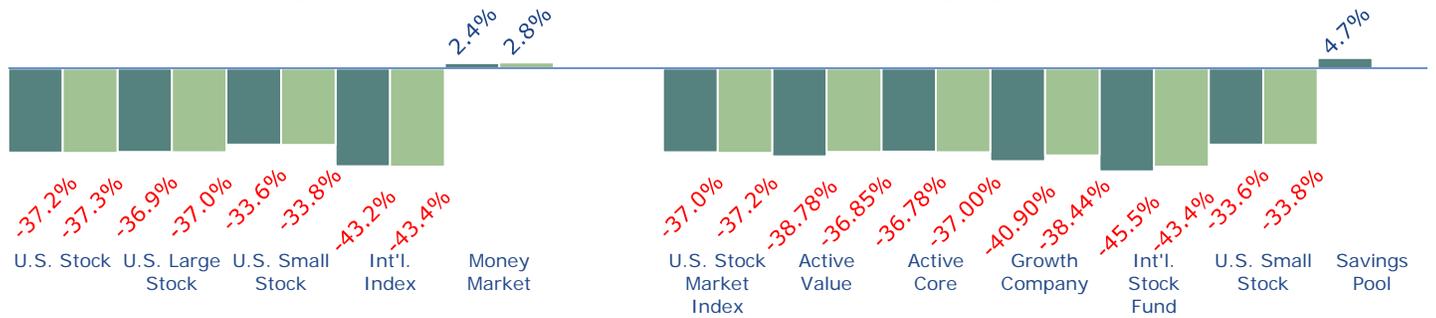
Judicial Retirement Account (JRA)



Option	Market Value	Quarterly Change
Retirement Strategy Fund 2000	\$0	\$0
Retirement Strategy Fund 2005	65,193	65,193
Retirement Strategy Fund 2010	69,641	69,641
Retirement Strategy Fund 2015	328,430	328,430
Retirement Strategy Fund 2020	82,938	82,938
Retirement Strategy Fund 2025	81,310	81,310
Retirement Strategy Fund 2030	3,042	3,042
Retirement Strategy Fund 2035	0	0
Retirement Strategy Fund 2040	0	0
Retirement Strategy Fund 2045	0	0
Retirement Strategy Fund 2050	0	0
Social Balanced Fund	116,831	(11,884)
U.S. Stock Market Index Fund	621,157	(208,302)
Active Value Fund	813,845	(323,754)
Active Core Fund	1,222,211	(359,383)
Growth Company Fund	1,014,517	369,212
International Stock Fund	487,437	(157,868)
U.S. Small Stock Fund	282,875	(118,449)
Bond Market Fund	363,486	(207,920)
Savings Pool	5,121,749	199,500
Total Fund	\$10,674,661	(\$188,294)

Plan 3 Equity and Cash Funds

DCP Equity and Cash Funds



Plan 3 Equity Funds

	Qtr.	1 Year	3 Year	5 Year	10 Year
U.S. Stock Fund	-22.78%	-37.22%	-8.56%	-1.89%	N/A
Russell 3000	-22.78%	-37.31%	-8.63%	-1.95%	-0.80%
U.S. Large Stock Fund	-21.84%	-36.88%	-8.25%	-2.11%	-1.33%
S&P 500	-21.94%	-37.00%	-8.36%	-2.19%	-1.38%
U.S. Small Stock Fund	-25.93%	-33.60%	-8.24%	-0.86%	3.01%
Russell 2000	-26.12%	-33.79%	-8.29%	-0.93%	3.02%
International Index Fund	-21.12%	-43.19%	-7.16%	1.84%	0.25%
MSCI EAFE	-19.95%	-43.38%	-7.35%	1.66%	0.80%

DCP Equity Funds

	Qtr.	1 Year	3 Year	5 Year	10 Year
U.S. Stock Market Index Fund	-22.82%	-36.96%	-8.29%	-1.58%	-0.41%
Dow Jones Wilshire 5000	-22.85%	-37.23%	-8.44%	-1.69%	-0.64%
Active Value Fund	-22.91%	-38.78%	-9.71%	-0.43%	N/A
Russell 1000 Value Index	-22.18%	-36.85%	-8.32%	-0.79%	1.36%
Active Core Fund	-22.18%	-36.78%	-9.82%	N/A	N/A
S&P 500	-21.94%	-37.00%	-8.36%	-2.19%	-1.38%
Growth Company Fund	-23.46%	-40.90%	-8.09%	-0.24%	1.56%
Russell 3000 Growth	-23.15%	-38.44%	-9.12%	-3.33%	-4.01%
International Stock Fund	-22.23%	-45.52%	-9.19%	N/A	N/A
MSCI EAFE	-19.95%	-43.38%	-7.35%	1.66%	0.80%
U.S. Small Stock Fund	-25.93%	-33.60%	-8.24%	-0.86%	3.01%
Russell 2000	-26.12%	-33.79%	-8.29%	-0.93%	3.02%

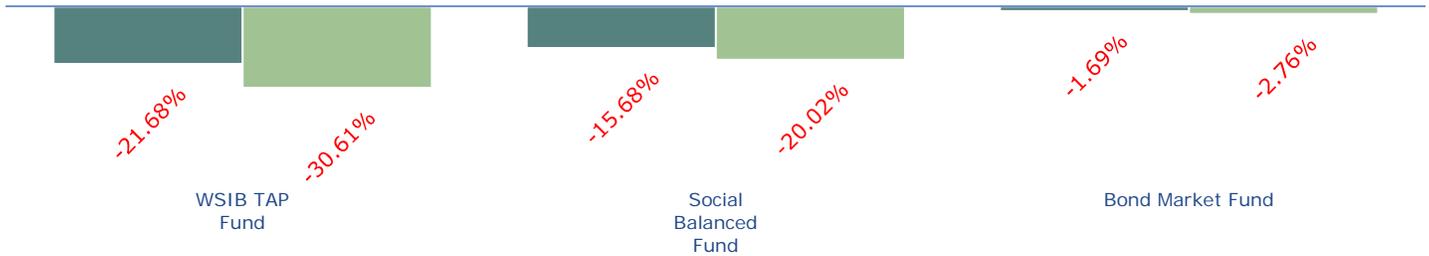
Cash Funds

	Qtr.	1 Year	3 Year	5 Year	10 Year
Money Market Fund (Plan 3)	0.32%	2.40%	4.29%	3.50%	3.67%
One Month LIBOR	0.56%	2.76%	4.50%	3.70%	3.76%
Savings Pool (DCP)	1.16%	4.67%	4.69%	4.71%	5.48%

DCP performance uses current managers'/funds' returns and returns from other portfolios with same investment strategy but different fees to produce a ten-year history. Return shown is after manager and portfolio expenses but before the WSIB and record keeping fees and does not include any return attributed to rebates.

Plan 3 performance uses current managers' returns. Return shown is after manager and portfolio expenses but before the WSIB and record keeping fees.

One Year Returns



Balanced Funds

	Qtr.	1 Year	3 Year	5 Year	10 Year
WSIB TAP Fund (Plan 3)	-10.59%	-21.68%	1.81%	6.38%	5.44%
Custom Benchmark	-15.15%	-30.61%	-4.53%	0.92%	1.64%
Social Balanced Fund	-9.20%	-15.68%	-0.18%	2.09%	N/A
Custom Benchmark	-10.54%	-20.02%	-2.05%	1.06%	2.05%
Retirement Strategy Fund 2000*	-8.10%	N/A	N/A	N/A	N/A
2000 Composite Index*	-10.20%	N/A	N/A	N/A	N/A
Retirement Strategy Fund 2005*	-10.00%	N/A	N/A	N/A	N/A
2005 Composite Index*	-12.65%	N/A	N/A	N/A	N/A
Retirement Strategy Fund 2010*	-11.90%	N/A	N/A	N/A	N/A
2010 Composite Index*	-14.68%	N/A	N/A	N/A	N/A
Retirement Strategy Fund 2015*	-12.80%	N/A	N/A	N/A	N/A
2015 Composite Index*	-15.77%	N/A	N/A	N/A	N/A
Retirement Strategy Fund 2020*	-13.80%	N/A	N/A	N/A	N/A
2020 Composite Index*	-16.87%	N/A	N/A	N/A	N/A
Retirement Strategy Fund 2025*	-14.60%	N/A	N/A	N/A	N/A
2025 Composite Index*	-17.77%	N/A	N/A	N/A	N/A
Retirement Strategy Fund 2030*	-14.90%	N/A	N/A	N/A	N/A
2030 Composite Index*	-17.93%	N/A	N/A	N/A	N/A
Retirement Strategy Fund 2035*	-15.20%	N/A	N/A	N/A	N/A
2035 Composite Index*	-17.94%	N/A	N/A	N/A	N/A
Retirement Strategy Fund 2040*	-15.10%	N/A	N/A	N/A	N/A
2040 Composite Index*	-17.94%	N/A	N/A	N/A	N/A
Retirement Strategy Fund 2045*	-15.00%	N/A	N/A	N/A	N/A
2045 Composite Index*	-17.94%	N/A	N/A	N/A	N/A
Retirement Strategy Fund 2050*	-15.00%	N/A	N/A	N/A	N/A
2050 Composite Index*	-17.94%	N/A	N/A	N/A	N/A

Bond Fund

	Qtr.	1 Year	3 Year	5 Year	10 Year
Bond Market Fund	-1.12%	-1.69%	3.16%	3.06%	N/A
Barclays Capital Intermediate Credit	2.72%	-2.76%	2.38%	2.52%	4.85%

* Retirement Strategy Funds and their individual benchmarks are showing since inception (10/3/08) in place of the quarter until there is quarter performance available.

Characteristics

Composition Distribution

Average Maturity

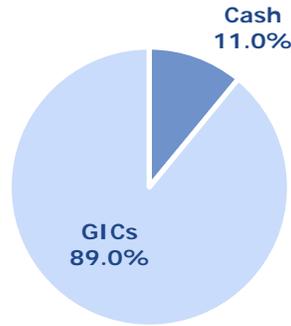
2.3 Years

Average Yield

4.75%

Number of Holdings

36

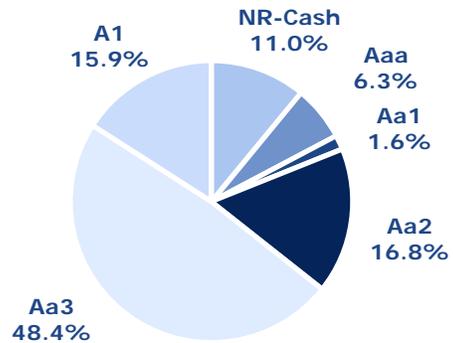


Market Value
\$ 919,988,353

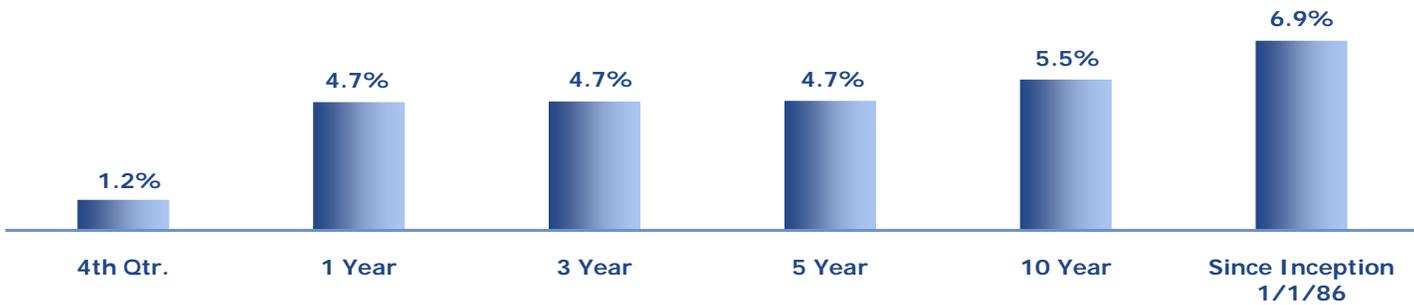
Top Ten GIC Issuers

Rating Distribution

Metropolitan Life Insurance Co.	16.77%
Pacific Life Insurance Co.	11.76%
Prudential Insurance Co. of America	11.60%
Protective Life Insurance Co.	9.04%
Hartford Life Insurance Co.	8.99%
Genworth Life and Annuity Assurance	6.89%
New York Life Insurance Corp.	6.31%
Monumental Life Insurance Co.	6.03%
Security Life of Denver Insurance Co.	5.54%
ING USA Annuity & Life Insurance Co.	4.48%



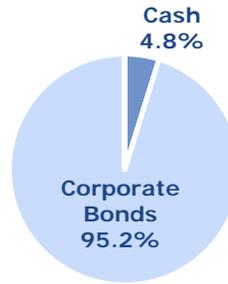
Return



Characteristics

Asset Class Distribution

	Fund	Index
Average Maturity	6.2 years	5.17
Yield to Maturity	6.72%	6.73%
Effective Duration	4.83	4.29
Average Coupon	5.60%	5.75%
Number of Holdings	138	2,512



Market Value
\$ 406,914,164

Top Ten Credit Issuers

Pacific Gas & Electric Co.	1.39%	Archer Daniels Midland Co.	1.23%
E.I. Du Pont De Nemours & Co.	1.32%	Hutchison Whampoa Ltd.	1.21%
Mcdonald's Corp.	1.30%	Merrill Lynch & Co.	1.21%
Rockies Express	1.25%	Citigroup Inc.	1.20%
Burlington Northern Santa Fe Corp.	1.24%	Kansas City Power & Light Co.	1.19%

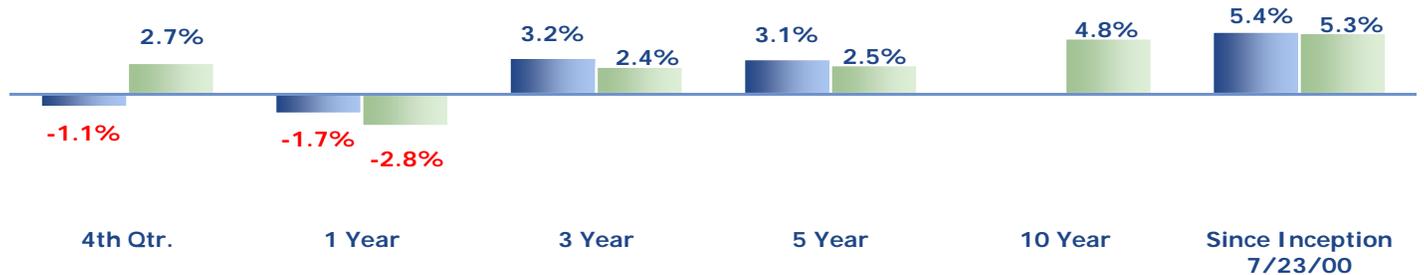
Rating Distribution

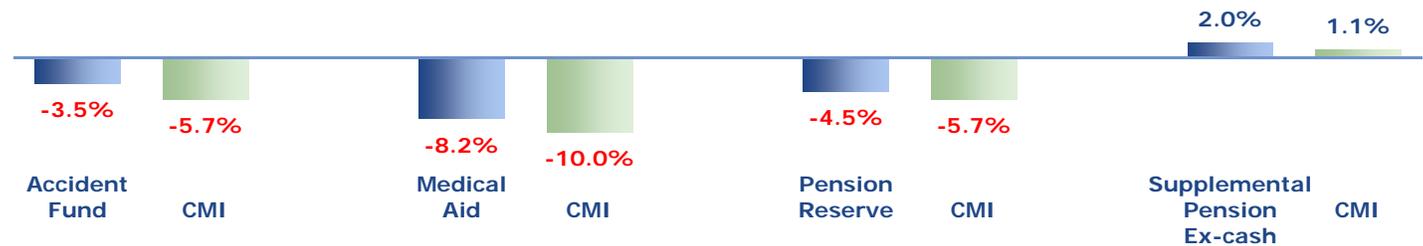


Industry Distribution



Return



One Year Performance

Total Fund **\$10,502,553,704**

	Market Value	Qtr.	1 Year	3 Year	5 Year	10 Year
Accident Fund	\$4,101,636,858	0.31%	-3.51%	2.65%	4.31%	5.30%
CMI		1.72%	-5.67%	1.54%	3.46%	4.90%
Medical Aid	\$3,593,292,726	-1.72%	-8.24%	2.02%	3.41%	4.49%
CMI		-1.58%	-10.04%	1.06%	2.98%	4.33%
Pension Reserve	\$2,731,152,069	0.49%	-4.55%	2.19%	4.05%	5.73%
CMI		1.72%	-5.67%	1.54%	3.28%	5.23%
Supplemental Pension	\$76,472,051	0.70%	2.11%	4.45%	3.48%	4.09%
Supplemental Ex-Cash		1.30%	1.99%	4.39%	3.43%	4.51%
CMI		1.57%	1.06%	3.86%	3.01%	4.69%

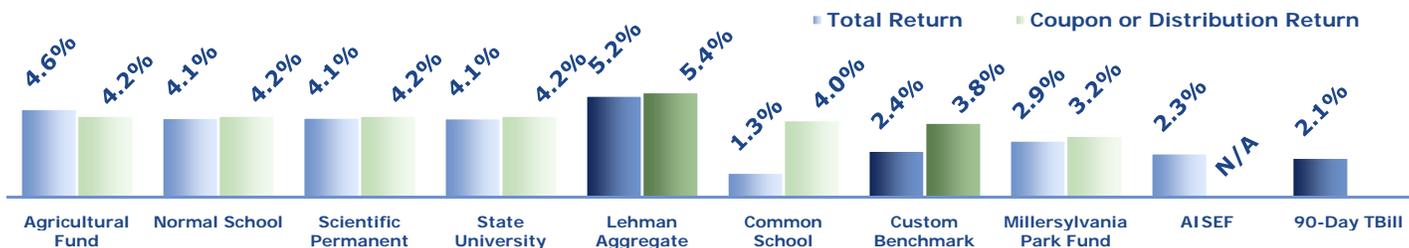
Labor and Industries' Statutory Accounting Return *

	Qtr.	1 Year	3 Year	5 Year
Accident Fund	-1.07%	1.97%	5.83%	6.47%
Medical Aid	-2.18%	-3.84%	3.70%	5.18%
Pension Reserve	-1.20%	1.50%	5.45%	6.64%
Supplemental Pension	0.86%	2.89%	4.20%	3.87%

Duration

	CMI	Target	Actual	% Difference
Accident Fund	6.96	7.00	6.32	-9.76%
Medical Aid	5.91	6.00	6.00	0.02%
Pension Reserve	6.96	7.00	6.73	-3.81%
Supplemental Pension Ex-cash	2.00	1.75-2.25	1.76	N/A

* Uses net income, realized and unrealized gains and losses on equity securities, and realized gains and losses on fixed income in the numerator. The denominator uses book value for fixed income securities and market value for equities. Below investment grade fixed income securities are carried at the lower of book or market value.

One Year Performance

Market Value

Agricultural Fund	\$ 170,025,099
Normal School	\$ 223,363,905
Scientific Permanent	\$ 188,991,186
State University	\$ 28,554,171
Common School	\$ 172,822,807
Millersylvania Park Fund	\$ 5,160
American Indian Scholarship Endowment Fund (AISEF)	\$ 620,414

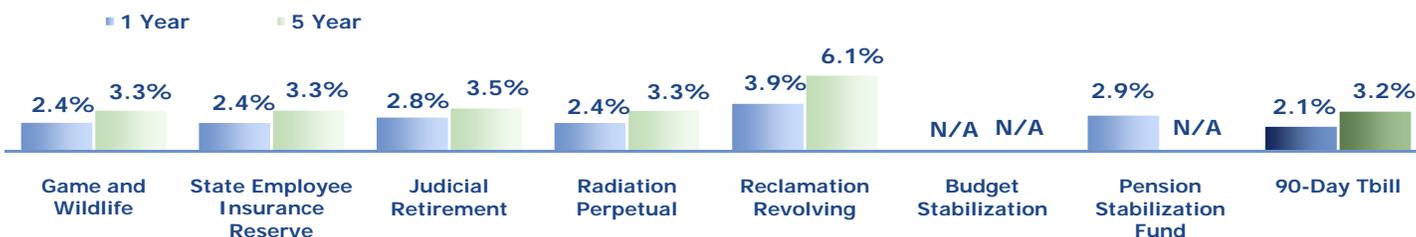
Returns	Total Return					Distribution Return ¹				
	Qtr.	1 Year	3 Year	5 Year	10 Year	Qtr.	1 Year	3 Year	5 Year	10 Year
Agricultural Fund	3.61%	4.55%	5.27%	4.49%	5.51%	0.98%	4.21%	4.56%	4.56%	5.50%
Normal School	3.11%	4.08%	5.12%	4.37%	5.48%	0.98%	4.21%	4.54%	4.55%	5.43%
Scientific Permanent	3.11%	4.10%	5.11%	4.36%	5.47%	0.98%	4.20%	4.58%	4.58%	5.46%
State University	3.11%	4.08%	5.11%	4.37%	5.61%	0.98%	4.21%	4.55%	4.54%	5.48%
Lehman Aggregate	4.58%	5.24%	5.51%	4.65%	5.63%					
Common School	1.68%	1.29%	4.34%	4.05%	5.21%	0.93%	3.98%	4.29%	4.32%	5.21%
Custom Benchmark ²	3.05%	2.41%	4.66%	4.30%	5.43%					
Millersylvania Park	0.59%	2.93%	4.40%	3.53%	3.60%	0.63%	3.18%	4.47%	3.51%	3.64%
90 Day Tbill	0.22%	2.06%	3.96%	3.24%	3.42%					
AISEF	1.75%	2.28%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Custom Benchmark ³	2.39%	2.93%	N/A	N/A	N/A					

¹ Includes coupon income and amortization minus expenses and deferred losses based on book value.

² The custom benchmark for the Common School Fund is a combination of the Lehman Aggregate and Dow Jones Wilshire 5000 using the previous month-end weights adjusted for new purchases during the current month. For December 2008, the breakdown was 4.2% Dow Jones Wilshire 5000 and 95.8% Lehman Aggregate.

³ The custom benchmark for the American Indian Scholarship Endowment Fund is a combination of the Lehman Aggregate and the 90 Day Tbill using the previous month-end weights adjusted for new purchases during the current month. For December 2008, the breakdown was 51.3% Lehman Aggregate and 48.7% the 90 Day Tbill.

One Year and Five Year Performance



Market Value

Game and Wildlife	\$ 7,830,656
State Employee Insurance Reserve	\$ 87,911,222
Judicial Retirement	\$ 1,002,794
Radiation Perpetual	\$ 329,577
Reclamation Revolving	\$ 156,773
Budget Stabilization	\$ 305,838,737
Pension Stabilization Fund	\$ 240,001,439

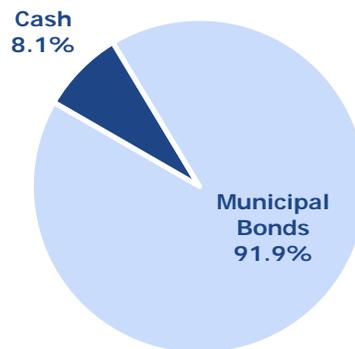
Total Return

	Qtr.	1 Year	3 Year	5 Year	10 Year
Game and Wildlife	0.33%	2.36%	4.11%	3.32%	3.47%
State Employee Insurance Reserve	0.33%	2.36%	4.11%	3.32%	3.47%
Judicial Retirement	0.43%	2.78%	4.37%	3.50%	3.66%
Radiation Perpetual	0.33%	2.36%	4.11%	3.32%	3.47%
Reclamation Revolving	0.23%	3.87%	6.98%	6.09%	5.09%
Budget Stabilization	0.33%	N/A	N/A	N/A	N/A
Pension Stabilization Fund	0.60%	2.93%	N/A	N/A	N/A
90-Day Tbill	0.22%	2.06%	3.96%	3.24%	3.42%

Portfolio Allocations

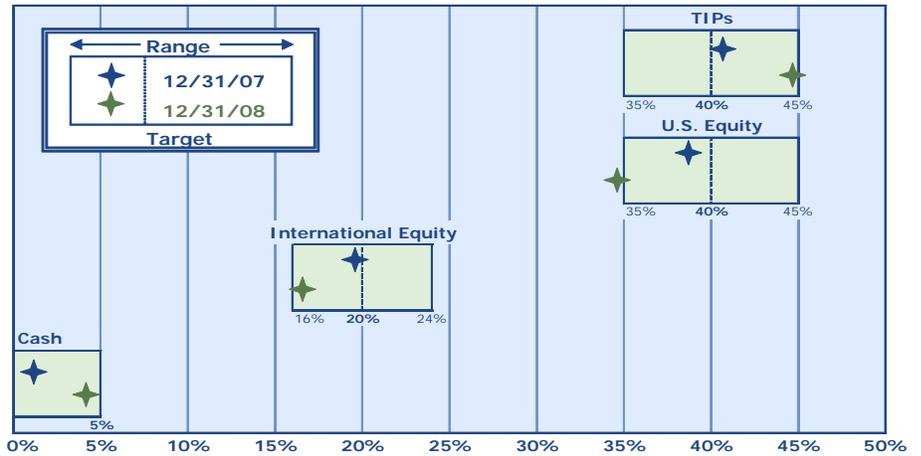
The Game and Wildlife Fund, State Employee Insurance Reserve Fund, Judicial Retirement Fund, Radiation Perpetual Fund, Emergency Reserve Fund, and Pension Stabilization Fund are fully invested in short-term investment funds (STIF).

The Reclamation Revolving Fund (shown to the right) is invested in municipal bonds and STIF.

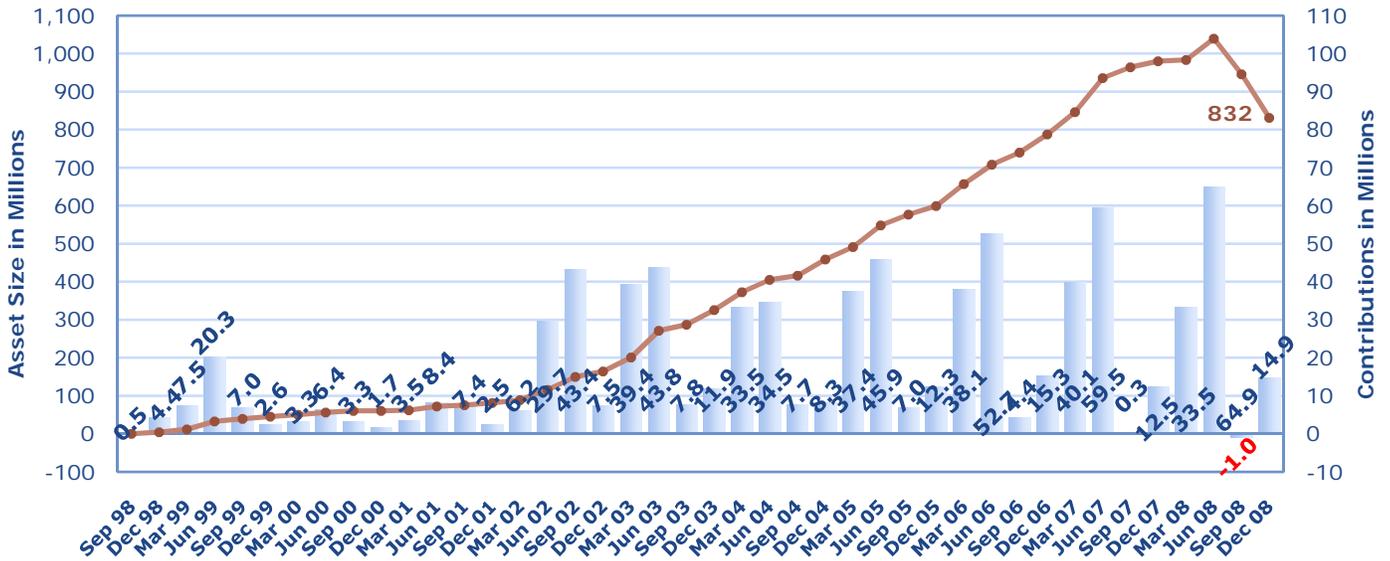


Portfolio Size and Allocation

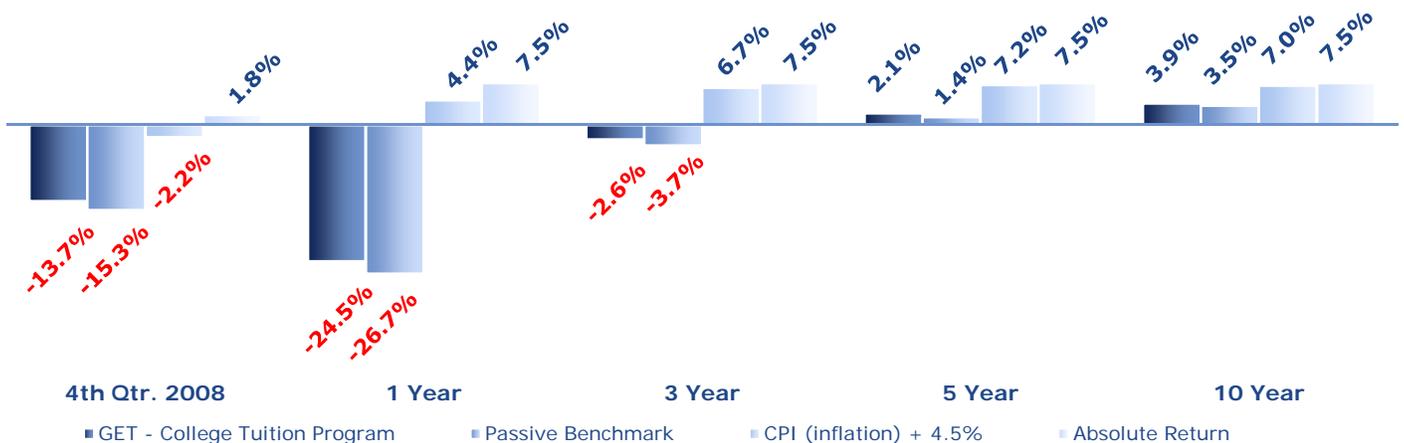
Total	\$831,574,085
Cash	34,666,474
Treasury Inflation Index Note (TIPs)	371,617,408
U.S. Equity	285,954,837
Non-U.S. Equity	139,335,366



Assets Under Management

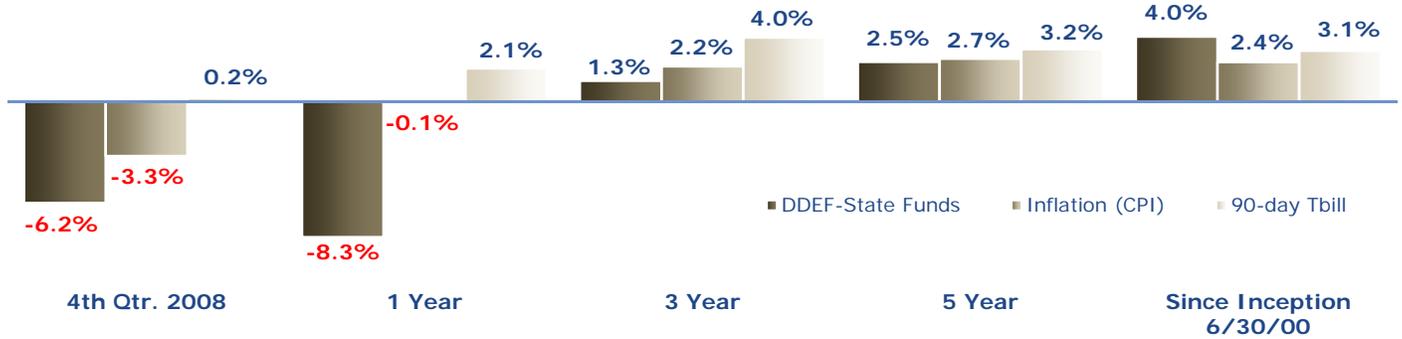
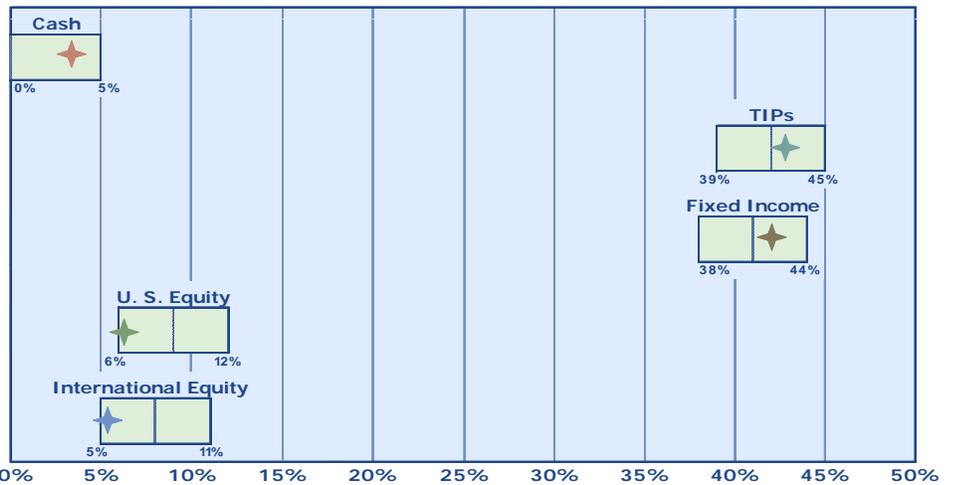


Total Return



State Funds

Total	\$7,339,883
Cash	260,076
Treasury Inflation Index Note (TIPs)	3,149,517
Fixed Income	3,086,696
U.S. Equity	454,234
International Equity	389,359



Private Funds

Total	\$8,658,703
Cash	85,310
Balanced Fund	8,573,393

