

## **News**

For Immediate Release  
December 7, 2007

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### **TRS Investment Performance Continues to Make the Grade**

CHICAGO- Investment returns during the first quarter of fiscal year 2008 remained in positive territory for the Teachers' Retirement System of the State of Illinois (TRS), which earned 2.31 percent before fees ending September 30, 2007. The robust returns are not simply confined to short-term investment performance. TRS earned annualized returns of 17.94 percent for the one-year time period, 15.01 percent for the three-year period, 15.20 percent for the five-year period, and 9.14 percent over 10 years. The investment performance placed TRS in the top 20 percent among other large public pension systems during all the reporting periods, while the market value of the System's assets rose to a record high of \$42.3 billion.

The investment results were presented to the TRS Board of Trustees, which took the following actions during Friday's meeting: The Board approved the following private equity commitments:

- \$100 million to Oak Tree Capital Management Fund VII b, a distressed debt fund
- \$100 million to Riverstone Global Energy and Power Fund IV, a buyout fund
- \$50 million to Pine Brook Capital Partners, a private equity fund focused on the energy and financial services sectors

In other business, the TRS Board of Trustees approved an additional \$50 million mandate to KBS Realty Advisors, a separate account advisor focused on the acquisition of office space. The market value of TRS assets under management by KBS totaled \$460 million as of June 30, 2007.

Finally, TRS staff reported on the successful funding of the System's initial allocation to separate 130/30 mandates. In October, the Board hired Analytic Investors and J P Morgan to each manage \$500 million. The strategy is designed to further diversify the domestic equity asset class.

TRS provides retirement, disability, and death benefits to teachers and administrators at Illinois public elementary and secondary schools outside the city of Chicago. The System serves 344,432 members.

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