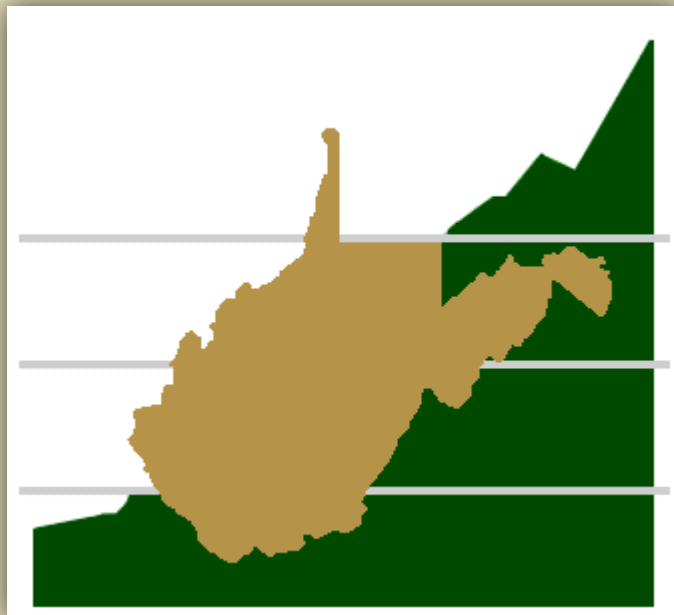


**West Virginia**

**Investment Management Board**



**Financial Statements**

**February 28, 2013**



# West Virginia Investment Management Board

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## **Financial Statements – Unaudited**

February 28, 2013

### **ORDER OF PRESENTATION**

Large Cap Domestic Equity

Non-Large Cap Domestic Equity

International Qualified

International Nonqualified

International Equity

Short-Term Fixed Income

Total Return Fixed Income

Core Fixed Income

TIPS

TRS Annuity

Private Equity

Real Estate

Hedge Fund



**Financial Statements - Unaudited**

**February 28, 2013**



# Large Cap Domestic Equity Pool

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## Financial Statements - Unaudited February 28, 2013

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# Large Cap Domestic Equity Pool

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## Statement of Assets and Liabilities - Unaudited February 28, 2013

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$ 2,352,000
Collateral for securities loaned at fair value (Note 5)	19,092
Receivables:	
Investments sold	43,180
Dividends	5,575
Securities lending income	15
Unrealized gain on futures contracts (Note 6)	983
	<hr/>
<b>Total assets</b>	<b>2,420,845</b>

### Liabilities

Due to broker for derivative contracts	230
Accrued expenses	447
Payable for investments purchased	30,845
Payable upon return of securities loaned (Note 5)	22,173
	<hr/>
<b>Total liabilities</b>	<b>53,695</b>
	<hr/>
<b>Net assets</b>	<b>\$ 2,367,150</b>

### Analysis of net assets

Paid-in capital	\$ 1,258,177
Accumulated undistributed net investment income	383,259
Accumulated undistributed net realized gain from investments	236,778
Accumulated undistributed net realized loss from foreign currency transactions	(17)
Unrealized net appreciation of investments	488,953
	<hr/>
<b>Net assets</b>	<b>\$ 2,367,150</b>

### Unit data

Units outstanding	151,847,690
Net asset value, unit price	\$ 15.59

See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Basic Materials</i>			
Air Products and Chemicals Inc	17,600	\$ 1,318	\$ 1,520
Airgas Inc	11,900	783	1,193
Alcoa Inc	86,400	1,058	736
Allegheny Technologies Inc	8,800	236	268
Ball Corporation	54,500	1,762	2,420
Bemis Company Inc	8,600	218	321
CF Industries Holdings Inc	21,300	3,118	4,278
Cliffs Natural Resources Inc	11,700	567	298
Dow Chemical Company	125,600	3,385	3,984
Eastman Chemical Company	66,600	3,473	4,644
Ecolab Inc	129,200	7,655	9,890
EI DuPont de Nemours Co	140,200	5,229	6,716
FMC Corporation	54,300	2,545	3,272
Freeport-McMoRan Copper & Gold	87,500	2,924	2,793
International Paper Company	62,000	1,712	2,729
Intl Flavors & Fragrances Inc	13,700	779	1,000
LyondellBasell Industries NV	161,000	8,353	9,438
MeadWestvaco Corp	30,100	765	1,075
Monsanto Company	82,800	6,329	8,365
Newmont Mining Corp	41,500	2,091	1,672
Nucor Corporation	26,500	1,139	1,194
Owens-Illinois Inc	12,700	315	324
PPG Industries Inc	48,800	3,976	6,571
Praxair Inc	25,600	2,170	2,894
Sealed Air Corporation	14,700	291	326
Sherwin-Williams Co	65,100	8,805	10,520
Sigma-Aldrich Corporation	14,500	866	1,117
The Mosaic Company	22,900	1,284	1,341
United States Steel Corp	12,000	543	250
Vulcan Materials Company	27,600	1,401	1,406
<i>Total Basic Materials - 3.9%</i>		75,090	92,555
<i>Capital Goods</i>			
3M Co	62,500	4,860	6,500
Avery Dennison Corp	24,200	710	989
Boeing Company	58,600	3,454	4,506
C. H. Robinson Worldwide Inc	13,200	769	753
Caterpillar Inc	64,500	4,299	5,958
Cintas Corp	65,500	2,386	2,875
CSX Corp	93,000	1,446	2,133
Cummins Inc	15,500	772	1,796
Danaher Corp	49,000	1,906	3,018
Deere & Company	37,400	2,065	3,285
Dover Corp	15,200	610	1,115
Eaton Corp PLC	39,369	2,053	2,440
Emerson Electric Co	61,700	2,639	3,498
Expeditors Intl of Washington	18,900	670	734
Fastenal Company	23,000	557	1,187
FedEx Corp	25,600	1,930	2,699
Flowserve Corp	35,100	4,073	5,634
Fluor Corporation	31,300	1,776	1,937
General Dynamics Corp	28,900	1,687	1,964
General Electric Company	1,743,075	36,469	40,474
Honeywell International Inc	84,800	3,762	5,944
Illinois Tool Works Inc	113,300	6,055	6,968
Ingersoll-Rand PLC	181,600	7,881	9,561
Iron Mountain Inc	74,555	2,328	2,572
Jacobs Engineering Group Inc	10,100	449	493
Joy Global Inc	8,500	789	538
L-3 Communications Hldgs Inc	69,500	5,289	5,301
Lockheed Martin Corp	84,600	6,864	7,445
Masco Corporation	268,800	3,535	5,177
Norfolk Southern Corp	32,900	1,643	2,403

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Northrop Grumman Corp	88,600	5,617	5,819
PACCAR Inc	30,300	1,120	1,438
Pall Corporation	15,800	666	1,077
Parker-Hannifin Corporation	13,000	709	1,228
Pentair LTD	17,709	656	943
Precision Castparts Corp	12,300	1,424	2,295
Quanta Services Inc	27,100	637	770
Raytheon Company	186,200	10,105	10,161
Republic Services Inc	32,500	912	1,022
Robert Half International Inc	12,600	315	448
Rockwell Automation Inc	11,600	542	1,048
Rockwell Collins Inc	12,200	629	733
Roper Industries Inc	42,300	3,477	5,271
Ryder System Inc	4,100	139	230
Snap-On Inc	47,000	3,258	3,773
Stanley Black & Decker Inc	13,877	632	1,092
Textron Inc	30,800	623	889
Tyco International Ltd	38,800	755	1,242
Union Pacific Corp	75,500	6,059	10,352
United Parcel Service Inc	63,200	3,803	5,223
United Technologies Corp	72,600	4,772	6,574
W.W. Grainger Inc	6,000	725	1,359
Waste Management Inc	36,100	1,131	1,347
<i>Total Capital Goods - 8.6%</i>		162,432	204,231
<i>Communication Services</i>			
AT&T Inc	1,248,529	37,741	44,835
CenturyLink Inc	172,566	6,239	5,983
Crown Castle Intl Corporation	166,800	10,103	11,643
Frontier Communications Corp	773,386	3,690	3,202
Metropcs Communications Inc	29,700	282	291
Sprint Nextel Corporation	2,197,600	11,982	12,746
Verizon Communications Inc	401,549	14,309	18,684
Windstream Corp	49,400	489	424
<i>Total Communication Services - 4.1%</i>		84,835	97,808
<i>Consumer Discretionary</i>			
Abercrombie & Fitch Co	7,600	250	354
ADT Corp	31,800	1,066	1,523
Amazon.com Inc	35,400	5,395	9,355
Apollo Group Inc	7,600	506	128
AutoNation Inc	27,600	1,084	1,208
AutoZone Inc	3,300	822	1,254
Bed Bath & Beyond Inc	19,800	797	1,124
Best Buy Co Inc	23,100	897	379
Borg-Warner Inc	10,400	653	774
Cablevision Systems Corp	161,800	2,602	2,264
CarMax Inc	28,600	780	1,099
Carnival Corp	139,200	5,092	4,979
CBS Corp	240,000	5,555	10,414
Chipotle Mexican Grill Inc	2,600	707	824
Coach Inc	24,300	892	1,174
Comcast Corp	570,350	14,777	22,694
Darden Restaurants Inc	11,700	353	541
Delphi Automotive PLC	37,700	1,385	1,578
DIRECTV	86,200	3,410	4,152
Discovery Communications Inc	103,300	5,465	7,576
Dollar General Corp	35,300	1,755	1,636
Dollar Tree Inc	26,300	1,108	1,188
DR Horton Inc	215,100	3,159	4,797
eBay Inc	197,100	7,257	10,783
Expedia Inc	67,450	2,647	4,310
Family Dollar Stores Inc	8,800	269	506
Ford Motor Company	329,000	3,093	4,149
Fossil Inc	4,500	605	462

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
GameStop Corp	23,200	589	581
Gannett Co Inc	169,100	2,528	3,394
Gap Inc	240,100	7,506	7,904
Genuine Parts Company	16,900	761	1,200
Goodyear Tire & Rubber Co	64,600	924	839
Harley-Davidson Inc	19,000	485	1,000
Harman Intl Industries Inc	5,500	187	233
Hasbro Inc	31,600	1,180	1,265
Home Depot Inc	337,200	14,916	23,098
International Game Technology	25,500	547	406
Interpublic Group of Co Inc	34,900	291	446
JC Penney Company Inc	13,400	418	235
Johnson Controls Inc	57,400	1,535	1,806
Kohl's Corporation	17,700	953	816
Leggett & Platt Inc	97,000	2,556	2,966
Limited Brands Inc	93,800	2,716	4,270
Lowe's Companies Inc	382,500	9,811	14,592
Macy's Inc	111,700	3,398	4,591
Marriott International Inc	143,180	5,174	5,648
Mattel Inc	101,800	2,991	4,148
McDonald's Corporation	102,500	7,028	9,830
McGraw-Hill Companies Inc	107,900	4,349	5,023
Netflix Inc	4,700	826	884
Newell Rubbermaid Inc	104,200	1,730	2,432
News Corp	291,700	5,282	8,402
Nike Inc	87,100	3,431	4,743
Nordstrom Inc	21,000	893	1,139
Omnicom Group Inc	71,100	3,213	4,090
O'Reilly Automotive Inc	38,600	2,848	3,929
PetSmart Inc	16,100	1,107	1,048
Priceline.com Inc	5,810	1,924	4,004
PulteGroup Inc	252,600	2,631	4,845
PVH Corp	13,500	1,626	1,645
Ralph Lauren Corp	5,500	504	954
Ross Stores Inc	109,000	4,242	6,322
Scripps Networks Interactive	69,500	3,931	4,382
Southwest Airlines Co	76,100	701	890
Staples Inc	57,600	1,209	759
Starbucks Corp	63,800	1,634	3,499
Starwood Hotels & Resorts Inc	17,200	613	1,038
Target Corp	134,500	7,339	8,468
Tiffany & Co	10,200	436	685
Time Warner Cable Inc	107,600	8,816	9,296
Time Warner Inc	158,800	5,898	8,443
TJX Companies Inc	358,700	12,206	16,131
TripAdvisor Inc	12,550	318	571
Urban Outfitters Inc	69,100	2,524	2,800
VF Corp	17,600	2,025	2,838
Viacom Inc	65,700	2,358	3,843
Walt Disney Company	387,800	16,424	21,170
Washington Post Company	400	184	159
Whirlpool Corporation	29,600	2,802	3,343
Wyndham Worldwide Corporation	86,700	3,854	5,223
Wynn Resorts Limited	9,500	889	1,111
Yum Brands Inc	95,600	4,807	6,260
<i>Total Consumer Discretionary - 14.4%</i>		252,449	340,862
<i>Consumer Staples</i>			
Altria Group Inc	491,120	11,786	16,477
Archer-Daniels-Midland Co	55,800	1,480	1,778
Avon Products Inc	38,200	1,147	747
Beam Inc	18,100	756	1,105
Brown Forman Corp	72,400	3,585	4,751
Campbell Soup Co	29,200	1,025	1,202
Clorox Company	19,000	1,315	1,596

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Coca-Cola Company	533,100	15,198	20,642
Coca-Cola Enterprises Inc	63,200	1,881	2,261
Colgate-Palmolive Co	61,800	5,418	7,072
ConAgra Foods Inc	33,400	740	1,139
Constellation Brands Inc	77,600	2,299	3,433
Costco Wholesale Corp	61,100	4,715	6,189
Crimson Wine Group LTD	1,840	13	15
CVS Caremark Corp	195,076	6,898	9,972
Dean Foods Company	19,100	367	317
Dr Pepper Snapple Group Inc	92,300	3,757	4,026
Estee Lauder Companies Inc	21,100	581	1,353
General Mills Inc	54,200	1,846	2,507
Hershey Company	47,600	3,237	3,967
HJ Heinz Company	43,700	2,242	3,165
Hormel Foods Corp	11,200	202	419
JM Smucker Company	19,000	1,426	1,811
Kellogg Company	32,000	1,705	1,936
Kimberly Clark Corporation	90,400	6,556	8,523
Kraft Foods Group Inc	108,166	4,076	5,244
Kroger Co	43,600	1,078	1,274
Lorillard Inc	33,300	842	1,283
McCormick & Company Inc	69,000	4,012	4,642
Mead Johnson Nutrition Co	24,209	987	1,813
Molson Coors Brewing Co	25,700	1,169	1,136
Mondelez International Inc-A	261,400	5,580	7,225
Monster Beverage Corporation	13,500	919	681
Pepsico Inc	173,464	10,637	13,143
Philip Morris Intl Inc	323,720	18,066	29,701
Proctor & Gamble Company	351,232	21,244	26,757
Reynolds American Inc	69,500	2,089	3,036
Safeway Inc	23,600	465	563
Sysco Corp	66,000	1,730	2,123
Tyson Foods Inc	25,200	343	571
Walgreen Co	74,100	2,628	3,034
Wal-Mart Stores Inc	311,800	17,616	22,069
Whole Foods Market Inc	23,600	1,347	2,021
<i>Total Consumer Staples - 9.8%</i>		175,003	232,719
<i>Energy</i>			
Anadarko Petroleum Corp	43,200	2,297	3,438
Apache Corporation	33,900	3,136	2,518
Baker Hughes Inc	48,509	2,171	2,174
Cabot Oil & Gas Corporation	89,600	3,904	5,553
Cameron International Corp	21,100	756	1,344
Chesapeake Energy Corp	67,600	1,565	1,363
Chevron Corporation	349,555	29,276	40,950
ConocoPhillips	162,080	7,450	9,393
CONSOL Energy Inc	20,200	838	649
Denbury Resources Inc	33,800	525	612
Devon Energy Corporation	31,400	2,017	1,704
Diamond Offshore Drilling Inc	6,100	588	425
Enso PLC	49,600	2,928	2,983
EOG Resources Inc	23,400	2,038	2,942
EQT Corp	81,900	4,645	5,167
Exxon Mobil Corporation	868,594	62,048	77,783
FMC Technologies Inc	19,900	554	1,033
Halliburton Company	111,400	3,376	4,624
Helmerich & Payne Inc	9,300	396	616
Hess Corp	25,800	1,310	1,716
Kinder Morgan Inc	263,396	8,882	9,764
Marathon Oil Corp	100,000	2,287	3,350
Marathon Petroleum Corporation	147,550	7,785	12,229
Murphy Oil Corporation	32,200	1,874	1,960
Nabors Industries Ltd	24,300	501	407
National-Oilwell Varco Inc	109,200	6,742	7,440

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Newfield Exploration Company	11,400	720	264
Noble Corp	30,900	1,101	1,107
Noble Energy Inc	15,100	1,038	1,674
Occidental Petroleum Corp	69,800	5,336	5,747
ONEOK Inc	120,600	3,634	5,426
Peabody Energy Corp	24,200	900	522
Phillips 66	92,540	2,537	5,826
Pioneer Natural Resources Co	20,000	1,316	2,516
QEP Resources Inc	15,700	380	478
Range Resources Corporation	22,800	1,291	1,751
Rowan Companies PLC	34,700	1,054	1,200
Schlumberger Ltd	127,211	8,101	9,903
Southwestern Energy Company	93,100	3,346	3,191
Spectra Energy Corp	62,400	1,219	1,812
Tesoro Corporation	98,400	3,436	5,534
Valero Energy Corporation	157,800	4,827	7,194
Williams Companies Inc	264,800	7,124	9,191
WPX Energy Inc	17,500	186	248
<i>Total Energy - 11.2%</i>		207,435	265,721
<i>Financial Services</i>			
Ace Ltd	29,500	1,716	2,519
AFLAC Inc	89,800	4,198	4,486
Allstate Corp	172,900	6,243	7,957
American Express Co	103,500	4,004	6,433
American International Group	207,600	6,694	7,891
American Tower Corporation	85,600	4,834	6,643
Ameriprise Financial Inc	58,700	2,660	4,029
Aon PLC	49,300	2,325	3,012
Apartment Investment & Mgmt Co	21,900	431	649
Assurant Inc	6,100	177	256
Avalonbay Communities Inc	9,700	946	1,211
Bank of America Corporation	1,659,277	22,336	18,634
Bank of New York Mellon Corp	138,300	4,187	3,753
BB&T Corporation	345,100	9,992	10,477
Berkshire Hathaway Inc	191,896	14,835	19,604
BlackRock Inc	11,488	2,117	2,754
Boston Properties Inc	14,300	1,052	1,485
Capital One Financial Corp	122,500	5,954	6,251
CBRE Group Inc	27,900	358	674
Charles Schwab Corp	180,900	2,642	2,938
Chubb Corp	25,800	1,362	2,168
Cincinnati Financial Corp	106,600	3,815	4,798
Citigroup Inc	352,260	16,433	14,784
CME Group Inc	31,600	1,850	1,886
Comerica Inc	77,800	2,365	2,675
Discover Financial Services	269,300	7,340	10,376
E*Trade Financial Corporation	21,820	368	234
Equifax Inc	93,300	3,949	5,143
Equity Residential	32,100	1,389	1,767
Fifth Third Bancorp	186,700	2,224	2,957
First Horizon National Corp	22,168	245	236
Franklin Resources Inc	20,000	2,056	2,825
Genworth Financial Inc	42,700	535	365
Goldman Sachs Group Inc	53,300	7,140	7,982
H&R Block Inc	183,300	2,939	4,557
Hartford Financial Services Gp	113,800	2,753	2,687
HCP Inc	86,900	3,432	4,248
Health Care REIT Inc	44,100	2,349	2,829
Host Hotels & Resorts Inc	82,162	1,036	1,370
Hudson City Bancorp Inc	228,000	1,942	1,944
Huntington Bancshares Inc	377,300	2,198	2,652
Intercontinental Exchange Inc	5,900	594	913
Invesco Limited	170,700	3,588	4,573
JP Morgan Chase & Co	469,853	17,312	22,985

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
KeyCorp	104,700	816	983
Kimco Realty Corporation	128,700	2,212	2,802
Legg Mason Inc	12,300	382	351
Leucadia National Corporation	18,400	450	495
Lincoln National Corp	46,100	1,131	1,362
Loews Corp	57,200	2,193	2,466
M & T Bank Corporation	34,500	3,194	3,522
Marsh & McLennan Cos Inc	178,800	5,164	6,641
MasterCard Inc	15,800	4,654	8,182
MetLife Inc	92,600	3,332	3,282
Moody's Corp	42,400	1,529	2,038
Morgan Stanley	219,100	5,595	4,941
Nasdaq OMX Group Inc	9,500	208	301
Northern Trust Corp	50,000	2,442	2,660
NYSE Euronext	21,100	605	787
People's United Financial Inc	30,900	438	405
Plum Creek Timber Co Inc	63,900	2,694	3,099
PNC Financial Services Group	49,800	2,575	3,107
Principal Financial Group Inc	24,800	607	784
Progressive Corp	49,500	817	1,206
Prologis Inc	74,774	2,318	2,912
Prudential Financial Inc	44,400	2,168	2,467
Public Storage	24,100	2,622	3,644
Regions Financial Corp	904,000	5,809	6,916
Simon Property Group Inc	45,502	5,076	7,228
SLM Corp	147,300	2,053	2,794
State Street Corp	41,200	1,853	2,332
SunTrust Banks Inc	274,500	7,200	7,573
T Rowe Price Group Inc	34,600	1,797	2,463
Torchmark Corporation	63,200	2,565	3,551
Travelers Cos Inc	63,300	3,521	5,091
Unum Group	23,200	430	568
US Bancorp	404,300	11,279	13,738
Ventas Inc	59,400	3,445	4,204
Visa Inc	112,000	11,487	17,768
Vornado Realty Trust	14,840	1,031	1,190
Wells Fargo & Company	716,500	20,031	25,135
Western Union Company	51,400	765	721
Weyerhaeuser Company	393,667	10,483	11,578
XL Group PLC	80,800	1,972	2,314
Zions Bancorporation	14,800	289	357
<i>Total Financial Services - 16.6%</i>		326,147	392,568
<i>Health Care</i>			
Abbott Laboratories	232,700	6,530	7,863
Abbvie Inc	240,600	7,327	8,883
Actavis Inc.	73,100	5,847	6,225
Aetna Inc	29,400	865	1,387
Agilent Technologies Inc	29,100	835	1,207
Alexion Pharmaceuticals Inc	69,500	6,653	6,028
Allergan Inc	25,800	1,651	2,797
AmerisourceBergen Corp	20,000	469	944
Amgen Inc	152,977	10,807	14,005
Baxter International Inc	95,600	5,709	6,463
Becton Dickinson & Company	17,600	1,231	1,550
Biogen Idec Inc	63,200	6,323	10,513
Boston Scientific Corp	119,300	1,017	882
Bristol-Myers Squibb Company	166,342	4,089	6,150
Cardinal Health Inc	29,800	891	1,377
CareFusion Corporation	19,300	435	632
Celgene Corporation	49,300	3,018	5,091
Cerner Corporation	12,000	618	1,050
CIGNA Corporation	23,900	757	1,397
Coventry Health Care Inc	11,100	243	503
Covidien PLC	102,400	5,545	6,510

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued) February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
CR Bard Inc	31,400	2,988	3,104
DaVita Inc	58,500	5,891	6,998
DENTSPLY International Inc	12,200	392	505
Edwards Lifesciences Corp	82,300	7,343	7,072
Eli Lilly and Company	154,100	6,607	8,423
Express Scripts Holding Co	157,468	8,468	8,965
Forest Laboratories Inc	19,000	565	699
Gilead Sciences Inc	253,700	5,969	10,838
Hospira Inc	13,000	476	383
Humana Inc	13,400	578	915
Intuitive Surgical Inc	8,800	3,558	4,487
Johnson & Johnson	365,400	22,709	27,811
Laboratory Corp of Amer Hldgs	8,000	553	709
Life Technologies Corp	24,600	1,255	1,431
McKesson Corp	23,700	1,592	2,515
Medtronic Inc	136,400	5,403	6,133
Merck & Co Inc	496,480	18,005	21,215
Mylan Inc	118,300	2,811	3,503
Patterson Companies Inc	15,500	476	563
PerkinElmer Inc	72,800	1,839	2,488
Perrigo Company	17,400	1,789	1,969
Pfizer Inc	1,206,583	25,420	33,024
Quest Diagnostics Inc	14,100	727	792
St Jude Medical Inc	33,800	1,278	1,386
Stericycle Inc	18,800	1,479	1,803
Stryker Corporation	37,700	1,838	2,408
Tenet Healthcare Corporation	9,575	208	376
Thermo Fisher Scientific Inc	34,400	1,677	2,539
UnitedHealth Group Inc	116,800	4,277	6,243
Varian Medical Systems Inc	9,100	407	643
Waters Corporation	7,100	423	658
WellPoint Inc	25,800	1,390	1,604
Zimmer Holdings Inc	36,300	2,169	2,721
<i>Total Health Care - 11.3%</i>		211,420	266,380
<i>Technology</i>			
Accenture PLC	103,800	6,099	7,719
Adobe Systems Inc	76,400	2,377	3,003
Advanced Micro Devices Inc	47,500	270	118
Akamai Technologies Inc	16,100	428	595
Altera Corporation	26,800	673	950
Amphenol Corp	14,200	546	1,006
Analog Devices Inc	33,000	1,048	1,492
Apple Inc	181,300	52,176	80,026
Applied Materials Inc	108,300	1,352	1,484
Autodesk Inc	25,100	712	922
Automatic Data Processing Inc	142,300	6,995	8,732
BMC Software Inc	25,000	910	1,003
Broadcom Corp	45,400	1,421	1,548
CA Inc	215,600	5,263	5,284
Cisco Systems Inc	722,800	13,610	15,074
Citrix Systems Inc	15,500	641	1,099
Cognizant Tech Solutions Corp	28,900	1,328	2,219
Computer Sciences Corp	38,400	1,754	1,844
Corning Inc	128,400	2,139	1,619
Dell Inc	126,000	1,841	1,758
Dun & Bradstreet Corp	11,800	833	951
Electronic Arts Inc	30,500	595	535
EMC Corporation	181,800	3,042	4,183
F5 Networks Inc	6,600	898	623
Fidelity Ntl Information Svcs	28,600	758	1,077
First Solar Inc	27,400	1,409	708
Fiserv Inc	48,400	2,985	3,980
FLIR Systems Inc	12,700	355	334
Garmin Ltd	11,100	471	381

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Google Inc	36,500	19,492	29,244
Harris Corporation	93,400	4,204	4,490
Hewlett-Packard Company	166,100	6,281	3,345
IBM	210,900	26,133	42,355
Intel Corporation	504,500	10,761	10,534
Intuit Inc	22,900	769	1,476
Jabil Circuit Inc	15,400	195	288
JDS Uniphase Corporation	20,600	116	292
Juniper Networks Inc	45,200	1,120	935
KLA-Tencor Corporation	40,800	1,817	2,234
Lam Research Corporation	16,650	467	704
Lennar Corporation	133,200	3,406	5,140
Linear Technology Corp	20,100	554	769
LSI Corporation	47,800	246	333
Microchip Technology Inc	15,300	430	558
Micron Technology Inc	81,000	587	678
Microsoft Corporation	1,053,002	27,256	29,273
Molex Inc	20,800	470	577
Motorola Solutions Inc	24,527	1,328	1,526
NetApp Inc	30,000	926	1,015
NVIDIA Corporation	53,900	553	682
Oracle Corporation	423,444	10,543	14,499
Paychex Inc	139,900	4,395	4,631
Pitney Bowes Inc	17,600	395	231
Qualcomm Inc	200,900	9,595	13,187
Red Hat Inc	34,100	1,477	1,733
SAIC Inc	23,400	441	277
Salesforce.com Inc	11,400	1,027	1,929
SanDisk Corporation	25,600	814	1,290
Seagate Technology PLC	98,900	2,734	3,181
Symantec Corporation	58,000	865	1,360
TE Connectivity Ltd	36,600	1,246	1,469
Teradata Corporation	19,800	860	1,150
Teradyne Inc	18,400	201	308
Texas Instruments Inc	96,200	2,479	3,312
Total System Services Inc	47,200	894	1,121
VeriSign Inc	93,300	3,456	4,274
Western Digital Corp	18,200	521	858
Xerox Corporation	117,495	1,001	953
Xilinx Inc	21,400	547	798
Xylem Inc	15,400	424	424
Yahoo! Inc	104,300	1,845	2,222
<i>Total Technology - 14.6%</i>		265,800	345,922
<i>Utilities</i>			
AES Corporation	51,600	683	600
AGL Resources Inc	49,400	1,975	1,974
Ameren Corporation	49,400	1,441	1,669
American Electric Power Co Inc	105,900	4,089	4,955
CenterPoint Energy Inc	87,800	1,530	1,882
CMS Energy Corporation	60,700	1,043	1,615
Consolidated Edison Inc	24,400	1,109	1,440
Dominion Resources Inc	57,300	2,356	3,209
DTE Energy Company	54,100	2,912	3,614
Duke Energy Corp	119,507	6,735	8,276
Edison International	113,100	4,719	5,432
Entergy Corporation	20,000	1,463	1,245
Exelon Corp	71,547	3,145	2,217
FirstEnergy Corp	44,332	1,907	1,750
Integrus Energy Group Inc	20,800	999	1,177
NextEra Energy Inc	151,300	9,279	10,874
NiSource Inc	31,500	475	873
Northeast Utilities	33,596	1,060	1,395
NRG Energy Inc	214,500	4,840	5,148
PG&E Corp	46,300	1,947	1,974

See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

**February 28, 2013**

*(Amounts in thousands, except share data)*

Security Name	Shares	Cost	Fair Value
Pinnacle West Capital Corp	33,600	1,528	1,880
Potomac Electric Power	19,800	288	402
PPL Corporation	66,800	1,924	2,059
Public Service Enterprise Grp	68,400	2,229	2,229
SCANA Corporation	66,200	2,914	3,233
Sempra Energy	127,200	8,042	9,891
Southern Company	98,800	3,632	4,447
TECO Energy Inc	17,200	242	297
Wisconsin Energy Corporation	83,100	2,359	3,432
Xcel Energy Inc	106,600	2,485	3,057
<i>Total Utilities - 4.0%</i>		79,350	92,246
Total Equity Securities - 98.5%		1,839,961	2,331,012
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 0.9%	20,988,458	20,988	20,988
Total Investment Securities - 99.4%		\$ 1,860,949	\$ 2,352,000
<b><u>Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		\$ 18,982	\$ 18,982
Mellon SL DBT II Liquidating Fund		112	110
Mellon GSL DBT II Liquidating Trust		3,079	-
Total Collateral for Securities Loaned		\$ 22,173	\$ 19,092

*See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

## Statement of Operations - Unaudited

**Period Ended February 28, 2013\***

*(Amounts in thousands)*

	Month	Year To Date
<b>Investment income</b>		
Dividends	\$ 5,738	\$ 35,833
Securities lending income	4	32
Securities lending borrower premiums	14	97
Net shareholder litigation proceeds	-	46
Commission recapture	-	3
<b>Total investment income</b>	5,756	36,011
 <b>Expenses</b>		
Investment advisor fees	(135)	(1,416)
Trustee fees	-	(4)
Custodian bank fees	(5)	(44)
Management fees	(55)	(432)
Fiduciary bond fees	-	(3)
Professional service fees	(11)	(83)
Securities lending agent fees	(3)	(21)
Futures commission expense	-	(5)
<b>Total expenses</b>	(209)	(2,008)
<b>Investment income, net</b>	5,547	34,003
 <b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain (loss) from:		
Investments	10,554	62,939
Foreign currency transactions	-	(17)
Net increase in the fair value of investments	14,638	165,013
<b>Net gain from investments</b>	25,192	227,935
<b>Net increase in net assets from operations</b>	\$ 30,739	\$ 261,938

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 5,547	\$ 34,003
Net realized gain from investments	10,554	62,939
Net realized loss from foreign currency transactions	-	(17)
Net increase in the fair value of investments	14,638	165,013
<b>Net increase in net assets from operations</b>	30,739	261,938
<b>Unit transactions</b>		
Proceeds from sale of units	10,004	110,411
Amount paid for repurchase of units	(23)	(74,946)
<b>Net increase in net assets from unit transactions</b>	9,981	35,465
<b>Increase in net assets</b>	40,720	297,403
<b>Net assets, beginning of period</b>	2,326,430	2,069,747
<b>Net assets, end of period</b>	\$ 2,367,150	\$ 2,367,150
<b>Unit data</b>		
Units sold	650,140	7,678,208
Units repurchased	(1,462)	(5,174,161)
<b>Net increase in units</b>	648,678	2,504,047

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool's objective is to exceed, net of external investment management fees, the S&P 500 Stock Index over three- to five-year periods. Assets are managed by Intech Investment Management, LLC, and State Street Global Advisors.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in equity securities are carried at fair value, which is determined by a third party pricing service based on quoted market prices. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. Futures contracts are valued at the last settlement price established each day by the exchange on which they are traded. Commissions on the purchases of investment securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value

# Large Cap Domestic Equity Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

of the securities loaned. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, consisting of the Mellon SL DBT II Liquidating Fund and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust). Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations as net increase or decrease in the fair value of investments.

**Futures Contracts** - A futures contract is an agreement between a buyer or a seller and the clearinghouse of a futures exchange in which the parties agree to buy or sell a commodity, financial instrument or index at a specified future date and price. Upon entering into a financial futures contract, the IMB is required to pledge to the broker an amount of cash, U.S. government securities, or other assets, equal to a certain percentage of the contract amount (initial margin deposit). Cash (variation margin) is received from or paid to the broker on a daily basis for the fluctuations of the underlying securities or index. The IMB records futures at fair market value as determined by the exchange on which they are traded. Gains or losses on open futures positions are unrealized. These gains or losses become realized when the position is closed.

Stock index futures may be used to provide immediate exposure to fluctuations in the market values of the stocks in the underlying index and to provide liquidity for cash flows.

The market risk associated with holding stock index futures results from changes in the market value of the contractual positions due to changes in the value of the underlying instruments or indices. Investment risk associated with these futures contracts arises because the value of the futures contracts may not correlate perfectly with changes in the values of the underlying instruments or indices due to market distortions.

Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading in a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contracts. The IMB's managers generally only utilize futures contracts that are traded on major exchanges or are executed with major dealers. The major exchanges assume the risk of a counterparty default and generally require an initial margin deposit of cash or securities.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

# Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of February 28, 2013.

### NOTE 3. DERIVATIVE FINANCIAL INSTRUMENTS

Futures contracts are the only derivative financial instruments held in the Pool. These derivative financial instruments are not designated as hedging instruments under ASC 815; they are used to provide immediate exposure to fluctuations in the market values of the stocks in the underlying index and to provide liquidity for cash flows. The primary risk managed by using these derivative financial instruments is market risk. See Note 2 for additional information on the Pool's purpose for entering into derivatives not designated as hedging instruments and for discussion on the risks associated with investing in these derivatives.

The table below presents the fair value of the derivative financial instruments not designated as hedging instruments recorded in the Statement of Assets and Liabilities as of February 28, 2013:

Derivatives not designated as hedging instruments under ASC 815	Asset Derivatives		Liability Derivatives	
	Statement of Assets and Liabilities	Fair Value	Statement of Assets and Liabilities	Fair Value
	Location		Location	
Equity contracts	Unrealized gain on futures contracts	\$ 983		\$ -

The table below presents the impact of the derivative financial instruments not designated as hedging instruments recorded in the Statement of Operations for the period ended February 28, 2013:

Derivatives not designated as hedging instruments under ASC 815	Statement of Operations Location	Realized Gain (Loss)	Statement of Operations Location	Unrealized Gain (Loss)
Equity contracts	Net realized gain from investments	\$ 596	Net increase in the fair value of investments	\$ 779

### NOTE 4. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

# Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 4. FAIR VALUE MEASUREMENTS (continued)

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of February 28, 2013:

Assets	Level 1	Level 2	Level 3	Total
Equity securities	\$ 2,331,012	\$ -	\$ -	\$ 2,331,012
Futures	983	-	-	983
Regulated investment companies	-	20,988	-	20,988
Securities lending collateral funds	-	19,092	-	19,092
Total	<u>\$ 2,331,995</u>	<u>\$ 40,080</u>	<u>\$ -</u>	<u>\$ 2,372,075</u>

### NOTE 5. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at February 28, 2013.

Fair value of securities on loan	\$	44,868		
Initial collateral received:		<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized loss</u>
Cash	\$	<u>22,173</u>	\$ 19,092	<u>\$ (3,081)</u>
Non-cash			<u>23,747</u>	
Total			<u>\$ 42,839</u>	

The Liquidating Trust, referenced in Note 2, was created in October 2008 to account for certain securities issued by Sigma Finance, Inc. The IMB's balance in the Liquidating Trust for all IMB investment pools that participate in the securities lending program was \$10,974 of which \$3,248 was assigned to the Large Cap Domestic Equity Pool. A loss reserve was established for the entire amount. Through February 28, 2013, the loss reserve has been adjusted to \$3,079 as a result of cash received in the Liquidating Trust. This \$3,079 is included in the unrealized loss reported in the above table.

In October 2008, the IMB suspended the distribution of any net securities lending income subject to final dissolution of the Liquidating Trust. For the period October 2008 through February 2013, the pool has recorded, but not distributed \$2,426 of net securities lending income.

# Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 6. FUTURES CONTRACTS

At February 28, 2013, open positions in futures contracts were as follows:

<u>Expiration</u>	<u>Open Contracts</u>	<u>Position</u>	<u>Value at February 28, 2013</u>	<u>Value Upon Entering Contract</u>	<u>Unrealized Gain (Loss)</u>
Mar 2013	223 S&P 500	Long	<u>\$ 16,873</u>	<u>\$ 15,890</u>	<u>\$ 983</u>

At February 28, 2013, the Pool had an overdraft of \$(230) in the broker cash collateral account to cover margin requirements on open futures contracts.

### NOTE 7. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2012	\$ 13.86
Income from investment operations:	
Net investment income	0.23
Net realized and unrealized gain on investment transactions	<u>1.50</u>
Total from investment operations	<u>1.73</u>
Net asset value at February 28, 2013	<u>\$ 15.59</u>

**Time-weighted Total Return \*** 12.5%

#### Supplemental Data:

Net assets, end of period	\$ 2,367,150
Ratio to average net assets:	
Expenses **	0.14%
Net investment income **	2.32%
Portfolio turnover rate	33.03%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized



# Large Cap Domestic Equity Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 8. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2013.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 1,032,491
Public Employees' Retirement System	891,276
State Police Death, Disability and Retirement Fund	94,991
West Virginia Retiree Health Benefit Trust	92,729
Workers' Compensation Old Fund	76,531
Revenue Shortfall Reserve Fund - Part B	26,795
Judges' Retirement System	25,896
Deputy Sheriff's Retirement System	24,440
Coal Workers' Pneumoconiosis Fund	20,284
West Virginia Prepaid Tuition Trust Fund	18,614
State Police Retirement System	17,778
Public Employees Insurance Agency	14,741
Board of Risk and Insurance Management	10,600
Wildlife Endowment Fund	8,314
Emergency Medical Services Retirement System	7,787
West Virginia Department of Environmental Protection Trust	1,977
Workers' Compensation Self-Insured Guaranty Risk Pool	1,099
Workers' Compensation Uninsured Employers' Fund	742
Municipal Police Officers' and Firefighters' Retirement System	65
Total	<u>\$ 2,367,150</u>



**Financial Statements - Unaudited**

**February 28, 2013**



# Non-Large Cap Domestic Equity Pool

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## Financial Statements - Unaudited February 28, 2013

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# Non-Large Cap Domestic Equity Pool

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## Statement of Assets and Liabilities - Unaudited

February 28, 2013

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	842,439
Collateral for securities loaned at fair value (Note 4)		67,902
Receivables:		
Investments sold		25,598
Dividends		448
Securities lending income		47
Foreign tax withholding		1
		<u>1</u>
<b>Total assets</b>		<b>936,435</b>

### Liabilities

Accrued expenses		724
Payable for investments purchased		5,309
Payable upon return of securities loaned (Note 4)		70,040
		<u>76,073</u>
<b>Total liabilities</b>		<b>76,073</b>
<b>Net assets</b>	<b>\$</b>	<b><u><u>860,362</u></u></b>

### Analysis of net assets

Paid-in capital	\$	503,883
Accumulated undistributed net investment income		46,664
Accumulated undistributed net realized gain from investments		168,432
Accumulated undistributed net realized loss from foreign currency transactions		(506)
Unrealized net appreciation of investments		141,889
		<u>141,889</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>860,362</u></u></b>

### Unit data

Units outstanding		40,460,310
Net asset value, unit price	\$	<u><u>21.26</u></u>

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited

**February 28, 2013**

*(Amounts in thousands, except share data)*

Security Name	Shares	Cost	Fair Value
<b><u>Equity Securities</u></b>			
<i>Basic Materials</i>			
A. Schulman Inc	195,000	\$ 4,138	\$ 6,113
Axiall Corp	74,810	2,328	4,233
Boise Inc	584,200	4,495	5,018
Celanese Corp	79,470	2,259	3,723
Chemtura Corp	81,200	1,713	1,634
Commercial Metals Company	165,400	2,554	2,698
Crown Holdings Inc	166,690	4,986	6,479
Cytec Industries Inc	69,840	4,771	5,056
Domtar Corporation	41,900	3,246	3,124
Huntsman Corp	232,000	3,625	3,997
Louisiana-Pacific Corporation	212,000	4,418	4,446
Martin Marietta Materials Inc	29,565	2,541	2,872
Packaging Corp of America	106,470	2,948	4,448
PH Glatfelter Company	116,600	1,818	2,116
Rockwood Holdings Inc	67,670	3,698	4,236
Schweitzer-Mauduit Intl Inc	50,700	1,698	1,868
<i>Total Basic Materials - 7.2%</i>		51,236	62,061
<i>Capital Goods</i>			
AAR Corp	91,700	1,785	1,611
AerCap Holdings NV	123,500	1,880	1,917
AGCO Corporation	93,300	3,938	4,803
Aircastle Ltd	145,400	1,722	1,959
Alliant Techsystems Inc	92,300	5,221	6,073
Altra Holdings Inc	92,400	1,670	2,378
BE Aerospace Inc	109,735	3,013	5,773
Beacon Roofing Supply Inc	119,350	3,510	4,404
Consolidated Graphics Inc	35,600	1,313	1,374
Crane Company	44,930	1,591	2,416
EMCOR Group Inc	164,900	5,145	6,360
Gardner Denver Inc	52,610	3,967	3,735
Harsco Corporation	82,300	2,219	1,974
Hubbell Inc	82,410	4,779	7,657
IDEX Corporation	118,730	3,539	6,047
Landstar System Inc	104,140	4,315	5,862
Lennox International Inc	42,400	1,848	2,505
MasTec Inc	86,000	2,448	2,588
McDermott International Inc	292,870	3,666	3,725
Oshkosh Corporation	128,800	3,251	4,967
Owens Corning Inc	104,450	3,210	4,054
PHH Corp	171,300	2,951	3,599
Republic Airways Holdings Inc	218,300	1,901	2,054
Timken Company	104,300	4,268	5,666
Toro Company	47,300	1,742	2,133
TransDigm Group Inc	50,290	4,687	7,158
Trinity Industries Inc	58,300	1,551	2,521
United Rentals Inc	93,120	2,528	4,974
URS Corp	75,400	2,952	3,186
Waste Connections Inc	206,110	5,508	7,051
WESCO International Inc	102,980	4,541	7,610
<i>Total Capital Goods - 14.9%</i>		96,659	128,134
<i>Communication Services</i>			
Leap Wireless International	321,300	1,833	1,719
SBA Communications Corporation	27,320	1,920	1,943
<i>Total Communication Services - 0.4%</i>		3,753	3,662
<i>Consumer Discretionary</i>			
Aaron's Inc	161,100	4,403	4,396
Abercrombie & Fitch Co	11,200	531	522
Alaska Air Group Inc	57,200	1,696	2,949

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
American Eagle Outfitters Inc	278,790	5,126	5,765
Arcos Dorados Holdings Inc	133,790	1,659	1,695
Arctic Cat Inc	54,500	2,099	1,980
Best Buy Co Inc	233,590	3,970	3,833
Brown Shoe Company Inc	105,800	1,976	1,735
Capella Education Company	66,200	1,859	2,096
Dillard's Inc	23,700	1,975	1,888
Foot Locker Inc	228,770	4,616	7,822
GameStop Corp	165,400	4,462	4,145
Gildan Activewear Inc	93,800	3,434	3,446
Harman Intl Industries Inc	111,750	5,278	4,744
Hertz Global Holdings Inc	206,580	2,511	4,121
Hot Topic Inc	164,000	1,713	1,771
Jarden Corporation	92,340	5,393	5,735
Lear Corporation	91,600	4,032	4,893
LKQ Corporation	120,280	2,798	2,549
Manchester United Plc	166,230	2,279	2,914
Newell Rubbermaid Inc	105,300	2,543	2,458
NVR Inc	3,154	2,451	3,183
PetMed Express Inc	272,800	3,600	3,451
PulteGroup Inc	107,800	2,164	2,068
Signet Jewelers Ltd	88,930	3,388	5,444
Smith & Wesson Holding Corp	386,000	3,820	3,684
Stage Stores Inc	73,700	1,695	1,820
Thor Industries Inc	47,100	1,698	1,770
Tractor Supply Company	34,770	2,987	3,616
TRW Automotive Holdings Co	38,300	1,664	2,248
Tupperware Corporation	50,000	3,759	3,912
UniFirst Corporation	31,800	2,654	2,657
Urban Outfitters Inc	164,210	6,463	6,654
Williams Sonoma Inc	163,740	6,357	7,434
<i>Total Consumer Discretionary - 13.9%</i>		107,053	119,398
<i>Consumer Staples</i>			
Alliance One International Inc	320,000	970	1,194
Ingredion Inc	54,400	3,674	3,601
USANA Health Sciences Inc	38,700	1,684	1,714
<i>Total Consumer Staples - 0.8%</i>		6,328	6,509
<i>Energy</i>			
CONSOL Energy Inc	112,520	3,814	3,618
Delek US Holdings Inc	64,200	1,680	2,399
Denbury Resources Inc	332,760	5,117	6,030
EPL Oil & Gas Inc	93,600	1,615	2,408
Helmerich & Payne Inc	50,300	3,171	3,333
HollyFrontier Corp	168,000	6,898	9,442
Patterson-UTI Energy Inc	127,200	3,024	2,969
Rowan Companies PLC	198,040	6,951	6,850
RPC Inc	125,300	1,880	2,027
Tesoro Corporation	335,800	7,984	18,885
VAALCO Energy Inc	447,600	3,418	3,630
Western Refining Inc	144,700	2,768	5,193
<i>Total Energy - 7.8%</i>		48,320	66,784
<i>Financial Services</i>			
Allied World Assurance Co Hold	60,300	4,447	5,295
American Capital Ltd	149,100	1,640	2,086
American Financial Group Inc	65,300	2,909	2,871
Ashford Hospitality Trust	270,000	3,059	3,178
Assurant Inc	142,500	4,693	5,984
Axis Capital Hldgs Ltd	159,300	6,296	6,488
Banner Corp	61,100	1,851	1,815
BioMed Realty Trust Inc	275,400	5,797	5,816

See accompanying notes to financial statements.



# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Brandywine Realty Trust	254,300	3,326	3,497
CapitalSource Inc	587,100	3,997	5,284
Cardinal Financial Corporation	270,100	4,329	4,303
CBL & Associates Properties	135,400	2,890	3,079
CBOE Holdings Inc	76,900	2,307	2,762
Comerica Inc	283,340	7,638	9,741
Commonwealth	234,300	4,738	5,916
CoreLogic Inc	94,600	1,984	2,451
East West Bancorp Inc	129,900	2,422	3,196
Equity Lifestyle Properties	31,300	2,269	2,306
Everest Re Group Ltd	110,545	10,116	13,775
First American Financial Corp	70,400	1,633	1,710
First Republic Bank	146,980	4,557	5,357
Genworth Financial Inc	523,670	3,391	4,472
Hanmi Financial Corporation	101,400	1,668	1,723
Hospitality Properties Trust	77,400	1,697	2,067
Huntington Bancshares Inc	942,800	5,570	6,628
Investment Technology Grp Inc	172,000	1,897	2,083
Jones Lang LaSalle Inc	133,250	10,409	12,877
Lazard Ltd	202,230	5,369	7,260
Medical Properties Trust Inv	216,100	2,683	3,138
Netspend Holdings Inc	176,500	1,553	2,798
PartnerRe Ltd	31,800	2,292	2,838
Piper Jaffray Co Inc	105,500	2,924	4,069
Platinum Underwriters Hldg Ltd	53,500	2,385	2,829
Popular Inc	88,900	1,455	2,482
ProAssurance Corporation	37,000	1,284	1,735
Raymond James Financial Inc	153,190	5,283	6,722
RenaissanceRe Holdings Ltd	62,800	4,927	5,491
RLJ Lodging Trust	86,800	1,784	1,857
SEI Investments Company	82,400	1,679	2,329
SVB Financial Group	70,500	4,681	4,728
Umpqua Holdings Corporation	360,900	4,638	4,529
Washington Federal Inc	334,900	5,586	5,877
Wilshire Bancorp Inc	741,600	4,178	4,353
World Acceptance Corporation	2,500	191	197
<i>Total Financial Services - 22.1%</i>		160,422	189,992
<i>Health Care</i>			
Alkermes PLC	246,000	4,903	5,342
ArthroCare Corporation	51,990	1,833	1,815
Community Health Systems Inc	79,000	1,497	3,339
Conceptus Inc	131,930	2,645	2,946
Covance Inc	28,250	1,860	1,881
Cubist Pharmaceuticals Inc	125,560	5,576	5,328
DENTSPLY International Inc	150,300	5,205	6,225
Gentiva Health Services Inc	229,900	1,847	2,419
GNC Holdings Inc	60,380	2,282	2,476
IDEXX Laboratories Inc	50,903	4,028	4,689
Magellan Health Services Inc	56,900	2,760	2,934
Medifast Inc	102,500	2,862	2,376
Mettler-Toledo International I	39,730	5,536	8,455
Myriad Genetics Inc	94,600	2,044	2,405
Parexel International Corp	54,800	1,879	1,901
PDL BioPharma Inc	802,600	4,874	5,731
PharMerica Corporation	139,700	2,116	2,002
Service Corp	371,410	5,847	5,772
Tenet Healthcare Corporation	56,800	1,064	2,233
United Therapeutics Corp	73,600	3,755	4,402
Volcano Corporation	174,440	4,405	3,775
Warner Chilcott PLC	266,800	3,223	3,604
<i>Total Health Care - 9.5%</i>		72,041	82,050

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Technology</i>			
AECOM Technology Corporation	196,100	5,680	5,944
Alliance Data Systems Corp	69,220	4,965	10,985
Amdocs Ltd	144,200	4,398	5,259
Arris Group Inc	120,700	1,687	2,094
Atmel Corporation	260,920	1,801	1,777
Autodesk Inc	100,880	3,337	3,704
Avago Technologies LTD	107,090	3,654	3,665
CACI International Inc	69,800	3,560	3,542
Cbeyond Inc	203,000	1,589	1,425
Computer Sciences Corp	53,200	1,917	2,555
Concur Technologies	50,290	3,419	3,533
Coresite Realty Corporation	125,200	3,323	4,056
First Solar Inc	97,200	2,080	2,512
FleetCor Technologies Inc	117,650	3,236	8,213
Fortinet Inc	263,070	5,968	6,360
Genpact Limited	219,310	3,430	3,862
Huntington Ingalls Corporation	61,500	2,736	2,954
IHS Inc	56,650	4,707	6,019
Ingram Micro Inc	116,400	2,297	2,195
Jabil Circuit Inc	107,090	2,378	2,006
Kulicic & Soffa Industries Inc	181,700	1,596	1,966
Manhattan Associates Inc	45,000	3,099	3,144
Nuance Communications Inc	361,320	6,927	6,650
NXP Semiconductor NV	137,510	2,818	4,444
OmniVision Technologies Inc	145,600	2,042	2,244
QLIK Technologies Inc	199,910	3,849	5,198
Riverbed Technology	140,270	2,260	2,143
Skyworks Solutions Inc	240,880	5,242	5,131
Tech Data Corporation	63,100	2,798	3,348
Unisys Corporation	230,300	4,631	5,292
United Online Inc	873,000	4,986	5,151
Vishay Intertechnology Inc	243,000	3,221	3,205
<i>Total Technology - 15.2%</i>		109,631	130,576
<i>Utilities</i>			
Alliant Energy Corp	125,900	4,371	6,004
American Water Works Co Inc	158,800	3,798	6,265
El Paso Electric Company	73,800	1,954	2,461
Kansas City Power and Light	86,200	1,786	1,882
MYR Group Inc	125,500	2,667	2,913
NV Energy Inc	347,700	6,043	6,871
Pinnacle West Capital Corp	115,300	4,974	6,450
PNM Resources Inc	184,400	2,318	4,142
Portland General Electric Co	129,000	2,599	3,826
<i>Total Utilities - 4.7%</i>		30,510	40,814
Total Equity Securities - 96.5%		685,953	829,980
<b>Short-term Issues</b>			
Dreyfus Cash Management Institutional Fund - 1.4%	12,458,934	12,459	12,459
Total Investment Securities - 97.9%		\$ 698,412	\$ 842,439
<b>Collateral for Securities Loaned</b>			
BNY Mellon Securities Lending Overnight Fund		\$ 67,510	\$ 67,510
Mellon SL DBT II Liquidating Fund		399	392
Mellon GSL DBT II Liquidating Trust		2,131	-
Total Collateral for Securities Loaned		\$ 70,040	\$ 67,902

See accompanying notes to financial statements.

## Non-Large Cap Domestic Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividends, net of foreign withholding taxes	\$ 571	\$ 10,640
Securities lending income	7	59
Securities lending borrower premiums	52	522
Net shareholder litigation proceeds	8	263
Commission recapture	10	24
<b>Total investment income</b>	648	11,508
<b>Expenses</b>		
Investment advisor fees	(359)	(2,116)
Trustee fees	-	(1)
Custodian bank fees	(3)	(21)
Management fees	(20)	(151)
Fiduciary bond fees	-	(1)
Professional service fees	(4)	(29)
Securities lending agent fees	(11)	(95)
<b>Total expenses</b>	(397)	(2,414)
<b>Investment income, net</b>	251	9,094
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	17,064	53,665
Net increase (decrease) in the fair value of investments	(2,813)	86,197
<b>Net gain from investments</b>	14,251	139,862
<b>Net increase in net assets from operations</b>	\$ 14,502	\$ 148,956

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Non-Large Cap Domestic Equity Pool

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### Statement of Changes in Net Assets - Unaudited

**Period Ended February 28, 2013\***

*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 251	\$ 9,094
Net realized gain from investments	17,064	53,665
Net increase (decrease) in the fair value of investments	(2,813)	86,197
<b>Net increase in net assets from operations</b>	14,502	148,956
<b>Unit transactions</b>		
Proceeds from sale of units	110	35,841
Amount paid for repurchase of units	(5,007)	(22,630)
<b>Net increase (decrease) in net assets from unit transactions</b>	(4,897)	13,211
<b>Increase in net assets</b>	9,605	162,167
<b>Net assets, beginning of period</b>	850,757	698,195
<b>Net assets, end of period</b>	\$ 860,362	\$ 860,362
<b>Unit data</b>		
Units sold	5,263	1,967,028
Units repurchased	(239,502)	(1,165,095)
<b>Net increase (decrease) in units</b>	(234,239)	801,933

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Non-Large Cap Domestic Equity Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment-related operations of the IMB's Non-Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool invests in the equities of small- to mid-sized companies and its objective is to exceed, net of external investment management fees, the Russell 2500 Index over three- to five-year periods. Assets are managed by Aronson + Johnson + Ortiz, LP and Westfield Capital Management.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in equity securities are carried at fair value, which is determined by a third party pricing service based on quoted market prices. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. Commissions on the purchases of investment securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

# Non-Large Cap Domestic Equity Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, consisting of the Mellon SL DBT II Liquidating Fund and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust). Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations as net increase or decrease in the fair value of investments.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of February 28, 2013.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

## Non-Large Cap Domestic Equity Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 3. FAIR VALUE MEASUREMENTS (continued)

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of February 28, 2013:

Assets	Level 1	Level 2	Level 3	Total
Equity securities	\$ 829,980	\$ -	\$ -	\$ 829,980
Regulated investment companies	-	12,459	-	12,459
Securities lending collateral funds	-	67,902	-	67,902
Total	<u>\$ 829,980</u>	<u>\$ 80,361</u>	<u>\$ -</u>	<u>\$ 910,341</u>

#### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at February 28, 2013.

Fair value of securities of loan	\$ 68,243		
Initial collateral received:	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized loss</u>
Cash	<u>\$ 70,040</u>	\$ 67,902	<u>\$ (2,138)</u>
Non-cash		-	
Total		<u>\$ 67,902</u>	

The Liquidating Trust, referenced in Note 2, was created in October 2008 to account for certain securities issued by Sigma Finance, Inc. The IMB's balance in the Liquidating Trust for all IMB investment pools that participate in the securities lending program was \$10,974 of which \$2,247 was assigned to the Non-Large Cap Domestic Equity Pool. A loss reserve was established for the entire amount. Through February 28, 2013, the loss reserve has been adjusted to \$2,131 as a result of cash received in the Liquidating Trust. This \$2,131 is included in the unrealized loss reported in the above table.

In October 2008, the IMB suspended the distribution of any net securities lending income subject to final dissolution of the Liquidating Trust. For the period October 2008 through February 2013, the pool has recorded, but not distributed \$2,136 of net securities lending income.

# Non-Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 5. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2012	\$ 17.61
Income from investment operations:	
Net investment income	0.22
Net realized and unrealized gain on investment transactions	3.43
Total from investment operations	3.65
Net asset value at February 28, 2013	\$ 21.26
<b>Time-weighted Total Return *</b>	20.8%
<b>Supplemental Data:</b>	
Net assets, end of period	\$ 860,362
Ratio to average net assets:	
Expenses **	0.45%
Net investment income **	1.76%
Portfolio turnover rate	63.79%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2013.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 376,677
Public Employees' Retirement System	325,446
State Police Death, Disability and Retirement Fund	34,484
West Virginia Retiree Health Benefit Trust	32,939
Workers' Compensation Old Fund	28,012
Revenue Shortfall Reserve Fund - Part B	9,740
Judges' Retirement System	9,409
Deputy Sheriff's Retirement System	8,847
Coal Workers' Pneumoconiosis Fund	7,386
State Police Retirement System	6,154
Public Employees Insurance Agency	5,352
West Virginia Prepaid Tuition Trust Fund	4,879
Board of Risk and Insurance Management	3,859
Wildlife Endowment Fund	3,023
Emergency Medical Services Retirement System	2,747
West Virginia Department of Environmental Protection Trust	718
Workers' Compensation Self-Insured Guaranty Risk Pool	398
Workers' Compensation Uninsured Employers' Fund	268
Municipal Police Officers' and Firefighters' Retirement System	24
Total	\$ 860,362



**Financial Statements - Unaudited**

**February 28, 2013**



# International Qualified Pool

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## **Financial Statements - Unaudited February 28, 2013**

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# International Qualified Pool

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## Statement of Assets and Liabilities - Unaudited

February 28, 2013

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	993,955
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### Liabilities

Accrued expenses		<u>56</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>993,899</u></b>
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### Analysis of net assets

Paid-in capital	\$	394,968
Accumulated undistributed net investment loss		(35,093)
Accumulated undistributed net realized gain from investments		28,036
Unrealized net appreciation of investments		<u>605,988</u>

<b>Net assets</b>	<b>\$</b>	<b><u>993,899</u></b>
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### Unit data

Units outstanding		20,945,011
Net asset value, unit price	\$	<u>47.45</u>

See accompanying notes to financial statements.

# International Qualified Pool

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## Schedule of Investments in Securities - Unaudited

February 28, 2013

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Investments in Other Funds</u></b>			
Silchester International Value Equity Group Trust - 100.0%	12,294,739	\$ 387,967	\$ 993,955
Investment Objective - To achieve desired exposure to equity securities of companies ordinarily incorporated in countries other than the United States.			
Redemption Provisions - Monthly on the first business day.			
No underlying investments exceed 5% of net assets of the International Qualified Pool.			

See accompanying notes to financial statements.

## International Qualified Pool

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**Statement of Operations - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(428)	(3,114)
Trustee fees	(1)	(2)
Management fees	(24)	(174)
Fiduciary bond fees	-	(1)
Professional service fees	(4)	(33)
	<u>(457)</u>	<u>(3,324)</u>
<b>Total expenses</b>	<u>(457)</u>	<u>(3,324)</u>
<b>Investment loss, net</b>	(457)	(3,324)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	265	1,820
Net increase (decrease) in the fair value of investments	<u>(3,917)</u>	<u>178,517</u>
<b>Net gain (loss) from investments</b>	<u>(3,652)</u>	<u>180,337</u>
<b>Net increase (decrease) in net assets from operations</b>	<u>\$ (4,109)</u>	<u>\$ 177,013</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Qualified Pool

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**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (457)	\$ (3,324)
Net realized gain from investments	265	1,820
Net increase (decrease) in the fair value of investments	(3,917)	178,517
<b>Net increase (decrease) in net assets from operations</b>	(4,109)	177,013
<b>Unit transactions</b>		
Proceeds from sale of units	15,027	15,201
<b>Increase in net assets from unit transactions</b>	15,027	15,201
<b>Increase in net assets</b>	10,918	192,214
<b>Net assets, beginning of period</b>	982,981	801,685
<b>Net assets, end of period</b>	\$ 993,899	\$ 993,899
<b>Unit data</b>		
Units sold	315,359	319,530
<b>Increase in units</b>	315,359	319,530

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# International Qualified Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Qualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

Funds are invested in Silchester International Investors' Value Equity Group Trust. The Pool is expected to produce investment returns that exceed the Morgan Stanley Capital International's Europe Australasia Far East (EAFE) index by 200 basis points on an annualized basis over three- to five-year periods, net of external investment management fees. Only "qualified participants" (as defined by the *Internal Revenue Code*) may invest in the Pool.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in other funds are valued at the reported net asset values of the individual funds, provided by the fund's management, as a practical expedient for measuring fair value.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.



# International Qualified Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of February 28, 2013.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of February 28, 2013:

Assets	Level 1	Level 2	Level 3	Total
Investments in other funds	\$ -	\$ 993,955	\$ -	\$ 993,955

# International Qualified Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2012	\$	38.87
Income from investment operations:		
Net investment loss		(0.16)
Net realized and unrealized gain on investment transactions		8.74
Total from investment operations		8.58
Net asset value at February 28, 2013	\$	47.45

**Time-weighted Total Return \*** 22.1%

#### Supplemental Data:

Net assets, end of period	\$	993,899
Ratio to average net assets:		
Expenses **		0.56%
Net investment income **		-0.56%
Portfolio turnover rate		0.35%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2013.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 488,400
Public Employees' Retirement System	424,682
State Police Death, Disability and Retirement Fund	45,965
Judges' Retirement System	12,349
Deputy Sheriff's Retirement System	11,443
State Police Retirement System	7,611
Emergency Medical Services Retirement System	3,417
Municipal Police Officers' and Firefighters' Retirement System	32
Total	\$ 993,899

**Financial Statements - Unaudited**

**February 28, 2013**



# International Nonqualified Pool

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## Financial Statements - Unaudited February 28, 2013

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# International Nonqualified Pool

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## Statement of Assets and Liabilities - Unaudited

February 28, 2013

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	117,234
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### Liabilities

Accrued expenses		<u>7</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>117,227</u></b>
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### Net assets

Paid-in capital	\$	52,208
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Accumulated undistributed net investment loss		(4,601)
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Accumulated undistributed net realized gain from investments		28,121
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Unrealized net appreciation of investments		<u>41,499</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>117,227</u></b>
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### Unit data

Units outstanding		2,664,928
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Net asset value, unit price	\$	<u>43.99</u>
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See accompanying notes to financial statements.

# International Nonqualified Pool

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## Schedule of Investments in Securities - Unaudited

February 28, 2013

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Investments in Other Funds</u></b>			
Silchester International Value Equity Trust - 100.0%	1,379,540	\$ 75,735	\$ 117,234
Investment Objective - To achieve desired exposure to equity securities of companies ordinarily incorporated in countries other than the United States.			
Redemption Provisions - Monthly on the first business day.			
No underlying investments exceed 5% of net assets of the International Nonqualified Pool.			

See accompanying notes to financial statements.

# International Nonqualified Pool

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## Statement of Operations - Unaudited

Period Ended February 28, 2013\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(63)	(443)
Management fees	(2)	(19)
Professional service fees	<u>(1)</u>	<u>(4)</u>
<b>Total expenses</b>	<u>(66)</u>	<u>(466)</u>
<b>Investment loss, net</b>	(66)	(466)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	22	141
Net increase (decrease) in the fair value of investments	<u>(467)</u>	<u>20,082</u>
<b>Net gain (loss) from investments</b>	<u>(445)</u>	<u>20,223</u>
<b>Net increase (decrease) in net assets from operations</b>	<u>\$ (511)</u>	<u>\$ 19,757</u>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.



## International Nonqualified Pool

### Statement of Changes in Net Assets - Unaudited

**Period Ended February 28, 2013\***

*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (66)	\$ (466)
Net realized gain from investments	22	141
Net increase (decrease) in the fair value of investments	(467)	20,082
<b>Net increase (decrease) in net assets from operations</b>	(511)	19,757
<b>Unit transactions</b>		
Proceeds from sale of units	440	11,300
Amount paid for repurchase of units	(437)	(1,278)
<b>Net increase in net assets from unit transactions</b>	3	10,022
<b>Increase (decrease) in net assets</b>	(508)	29,779
<b>Net assets, beginning of period</b>	117,735	87,448
<b>Net assets, end of period</b>	\$ 117,227	\$ 117,227
<b>Unit data</b>		
Units sold	9,957	271,541
Units repurchased	(9,892)	(31,319)
<b>Net increase in units</b>	65	240,222

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# International Nonqualified Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Nonqualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

Funds are invested in Silchester International Investors' Value Equity Trust. The Pool is expected to produce investment returns that exceed the Morgan Stanley Capital International's EAFE index by 200 basis points on an annualized basis over three- to five-year periods, net of external investment management fees. The Pool exists for participants who are not "qualified" (as defined by the *Internal Revenue Code*).

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in other funds are valued at the reported net asset values of the individual funds, provided by the fund's management, as a practical expedient for measuring fair value.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

# International Nonqualified Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of February 28, 2013.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of February 28, 2013:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments in other funds	\$ -	\$ 117,234	\$ -	\$ 117,234

# International Nonqualified Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2012	\$	36.07
Income from investment operations:		
Net investment loss		(0.19)
Net realized and unrealized gain on investment transactions		8.11
Total from investment operations		7.92
Net asset value at February 28, 2013	\$	43.99

**Time-weighted Total Return \*** 22.0%

#### Supplemental Data:

Net assets, end of period	\$	117,227
Ratio to average net assets:		
Expenses **		0.70%
Net investment income **		-0.70%
Portfolio turnover rate		0.45%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2013.

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	\$ 37,541
West Virginia Retiree Health Benefit Trust	36,802
Revenue Shortfall Reserve Fund - Part B	12,713
Coal Workers' Pneumoconiosis Fund	9,889
Public Employees Insurance Agency	5,373
Board of Risk and Insurance Management	5,183
West Virginia Prepaid Tuition Trust Fund	4,194
Wildlife Endowment Fund	3,969
West Virginia Department of Environmental Protection Trust	729
Workers' Compensation Self-Insured Guaranty Risk Pool	474
Workers' Compensation Uninsured Employers' Fund	360
Total	\$ 117,227

**Financial Statements - Unaudited**

**February 28, 2013**



# International Equity Pool

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## Financial Statements - Unaudited February 28, 2013

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# International Equity Pool

## Statement of Assets and Liabilities - Unaudited

February 28, 2013

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	2,247,820
Collateral for securities loaned at fair value (Note 4)		137,141
Cash denominated in foreign currencies (cost \$8,145)		8,135
Receivables:		
Investments sold		46,451
Dividends		5,553
Securities lending income		65
Foreign tax withholding		2,027
Unrealized gain on foreign currency forward contracts (Note 5)		71
		<hr/>
<b>Total assets</b>		2,447,263

### Liabilities

Accrued expenses		2,678
Payable for investments purchased		5,790
Payable upon return of securities loaned (Note 4)		140,461
Unrealized loss on foreign currency forward contracts (Note 5)		90
		<hr/>
<b>Total liabilities</b>		149,019
		<hr/>
<b>Net assets</b>	\$	<u><u>2,298,244</u></u>

### Analysis of net assets

Paid-in capital	\$	1,282,979
Accumulated undistributed net investment income		348,129
Accumulated undistributed net realized gain from investments		420,344
Accumulated undistributed net realized gain from foreign currency transactions		86,278
Unrealized net appreciation of investments		198,067
Unrealized net depreciation on translation of assets and liabilities in foreign currencies		(37,553)
		<hr/>
<b>Net assets</b>	\$	<u><u>2,298,244</u></u>

### Unit data

Units outstanding		98,385,738
Net asset value, unit price	\$	<u><u>23.36</u></u>

See accompanying notes to financial statements.



# International Equity Pool

## Schedule of Investments in Securities - Unaudited February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Argentina</i>			
Grupo Clarin-GDR CL B Reg S	282,899	\$ 1,534	\$ 707
Nortel Inversora SA	123,040	2,538	1,534
<i>Total Argentina - 0.1%</i>		4,072	2,241
<i>Australia</i>			
ALS Limited	168,260	2,022	2,017
Arrium Ltd	2,545,600	6,194	3,127
Ausdrill Ltd	615,106	1,674	1,914
Boart Longyear Group	934,400	2,866	1,660
Challenger Limited	1,380,200	5,258	5,101
Downer EDI Ltd	720,314	2,422	4,071
DUET Group	913,808	1,348	2,067
Flight Centre Ltd	63,309	1,480	2,106
Goodman Fielder Ltd	3,139,617	3,417	2,378
Lend Lease Corporation Ltd	929,700	8,805	10,136
Macquarie Group Ltd	141,200	3,129	5,453
Medusa Mining Ltd	306,374	1,903	1,342
Metcash Ltd	1,190,600	4,610	4,973
Monadelphous Group Ltd	88,431	1,829	2,252
National Australia Bank Ltd	453,900	12,094	14,033
SAI Global Limited	690,270	3,454	2,558
Seven Group Holdings Ltd	374,000	2,637	4,311
Southern Cross Media Group	285,367	940	450
Treasury Wine Estates	374,660	1,906	2,033
<i>Total Australia - 3.1%</i>		67,988	71,982
<i>Austria</i>			
Andritz AG	8,642	420	610
Erste Group Bank AG	508,587	15,100	16,406
OMV AG	257,400	9,837	11,219
Voestalpine AG	139,000	4,807	4,699
<i>Total Austria - 1.4%</i>		30,164	32,934
<i>Belgium</i>			
Barco NV	35,900	2,343	3,050
Delhaize Le Lion SA	146,000	8,784	7,066
D'leteren SA NV	64,268	3,098	2,822
KBC Groep NV	113,900	5,008	4,230
Tessenderlo Chemie NV	65,300	2,990	1,917
ThromboGenics NV	35,135	1,736	1,855
<i>Total Belgium - 0.9%</i>		23,959	20,940
<i>Bermuda</i>			
China Yuchai International Ltd	226,207	3,831	3,522
Credicorp Ltd	23,190	2,394	3,478
Dickson Concepts Ltd	1,628,500	1,191	911
First Pacific Company Ltd	10,890,314	4,430	14,408
Nine Dragons Paper Holdings	2,603,000	2,162	2,477
Peoples Food Holdings Ltd	8,458,000	6,414	9,088
Skyworth Digital Holdings Ltd	5,046,000	2,429	3,390
Varitronix International Ltd	783,000	784	419
Yue Yuen Industrial Holdings	1,682,000	3,440	5,683
<i>Total Bermuda - 1.9%</i>		27,075	43,376
<i>Brazil</i>			
Banco Bradesco SA	199,100	2,567	3,547
Banco do Brasil SA	902,801	11,383	12,028
Banco do Estado do Rio Grande - Preferred Stock	650,700	4,660	5,957
Banco Santander Brasil SA	1,162,160	13,891	8,495
BR Malls Participacoes	230,800	2,838	2,988
Centrais Elect de Sata Catarin - Preferred Stock	155,600	4,108	1,842
Centrais Eletricas Brasileiras	1,096,430	10,839	3,827
Centrais Eletricas Brasileiras - Preferred Stock	347,700	3,661	2,205

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
CETIP	268,700	3,716	3,248
CIA Paranaense De Energia	198,080	2,402	2,284
CIA Paranaense De Energia - Preferred Stock	355,000	7,061	5,207
Companhia de Bebidas das Amer	63,000	2,252	2,796
Companhia de Saneamento	207,600	3,496	10,077
Companhia Energetica de Minas - Preferred Stock	236,300	3,045	2,800
Companhia Paranaense	148,020	2,928	2,208
Ecorodovias Infra E Log	344,000	2,956	2,987
Embraer SA	465,928	10,865	15,814
Inpar SA	2,577,740	4,582	1,317
Itau Unibanco Holding SA	243,400	4,027	4,298
JBS SA	648,400	2,389	2,250
Kroton Educacional SA	132,000	2,315	3,458
Localiza Rent A Car	136,300	2,300	2,588
Marcopolo SA - Preferred Stock	480,800	2,191	3,222
Marfrig Frigorificos e Comerci	926,285	7,548	4,615
Petroleo Brasileiro SA	776,292	21,733	12,987
Petroleo Brasileiro SA - Preferred Stock	602,800	8,052	5,064
Telefonica Brasil	316,589	2,915	8,345
Tim Participacoes SA	926,011	17,238	20,150
Vale SA	344,900	8,275	6,550
Vale SA - Preferred Stock	503,000	11,332	9,299
Viver Incorporadora e Construt	469,606	231	259
<i>Total Brazil - 7.5%</i>		187,796	172,712
<i>Canada</i>			
Agrium Inc	74,400	5,713	7,728
Canadian Imperial Bank	103,400	6,667	8,362
Canadian Tire Corporation Ltd	119,100	8,374	7,973
Celestica Inc	597,200	3,867	4,891
Cogeco Cable Inc	55,900	2,514	2,331
Ensign Energy Services Inc	278,400	4,186	4,642
Genworth MI Canada Inc	89,100	2,443	2,190
Laurentian Bank of Canada	83,174	2,496	3,650
Magna International Inc	166,000	8,418	8,857
Metro Inc	111,900	4,980	7,030
National Bank of Canada	91,800	4,727	7,015
Pacific Rubiales Energy Corp	162,200	3,961	3,984
Precision Drilling Corporation	410,600	4,276	3,435
Rogers Communications Inc	88,000	3,393	4,193
Sherritt International Company	604,400	3,606	3,122
Teck Corporation	213,300	7,011	6,625
Transcontinental Inc	239,200	3,637	2,915
Westjet Airlines LTD	275,500	3,515	5,906
<i>Total Canada - 4.1%</i>		83,784	94,849
<i>Cayman Islands</i>			
Belle International Holdings	1,598,500	2,969	2,943
Bosideng International Holding	17,048,000	4,715	5,276
Chailease Holding	747,000	1,904	2,095
Chaoda Modern Agriculture Ltd	19,491,636	12,313	1,257
China ZhengTong Auto Services	2,856,300	2,476	2,284
Daphne International Holdings	1,708,000	1,652	2,055
Eurasia Drilling Company Ltd	854	33	33
Hengan International Group	280,000	2,812	2,842
Kingboard Laminates Holding	3,250,500	2,844	1,551
KWG Property Holding Ltd	2,260,000	1,646	1,550
Lee & Man Paper Manufacturing	3,593,000	1,964	2,692
Longking Holdings Ltd	10,369,000	3,897	2,795
Xinyi Glass Holdings Co Ltd	5,432,000	2,924	3,649
Yingde Gases	11,795,500	11,016	13,811
<i>Total Cayman Islands - 2.0%</i>		53,165	44,833
<i>Chile</i>			
Sociedad Quimica Minera Chile - 0.1%	44,100	2,640	2,444

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>China</i>			
Bank of China Ltd	17,159,000	5,669	8,098
China Bluechemical Ltd	5,766,000	3,338	3,695
China Coal Energy Co	4,320,000	3,855	4,284
China Construction Bank Corp	8,787,100	6,998	7,252
China Merchants Bank	756,500	1,661	1,641
China Pet & Chem Cor (Sinopec)	11,940,000	10,409	13,580
China South Locomotive	3,801,000	2,830	3,112
Chongqing Machinery & Electric	7,926,000	1,644	1,288
Dongfang Electric Corp Ltd	884,000	1,609	1,662
Dongfeng Motor Group Company	2,208,000	3,171	3,234
Great Wall Motor Company Ltd	825,000	610	3,229
Harbin Power Equipment Company	3,886,000	4,295	3,397
Jiangxi Copper Company Ltd	1,197,000	3,310	2,868
PetroChina Company Ltd	16,590	2,326	2,272
Ping An Insurance Co	664,500	5,234	5,561
Shanghai Electric Group Co	13,088,000	5,453	5,316
Sichuan Xinhua Winshare	6,391,000	1,553	3,585
Sinotrans Ltd	23,396,000	4,186	4,555
Weichai Power Co Ltd	211,000	731	800
Weiqiao Textile Company Ltd	7,811,208	9,986	4,069
<i>Total China - 3.6%</i>		78,868	83,498
<i>Czech Republic</i>			
CEZ	162,300	5,652	4,888
Telefonica O2 Czech Republic	234,900	5,287	3,884
<i>Total Czech Republic - 0.4%</i>		10,939	8,772
<i>Denmark</i>			
D/S Norden A/S	70,724	2,456	2,255
FLSmidth & Co A/S	31,424	2,078	2,149
Pandora A/S	79,063	1,976	2,117
SimCorp A/S	16,036	2,097	4,128
<i>Total Denmark - 0.5%</i>		8,607	10,649
<i>Egypt</i>			
Eastern Tobacco - 0.2%	343,975	5,163	5,301
<i>Finland</i>			
OKO Bank PLC	255,900	2,962	4,065
TietoEnator Oyj	171,000	4,238	3,986
<i>Total Finland - 0.4%</i>		7,200	8,051
<i>France</i>			
Altran Technologies SA	269,404	1,884	2,085
Axa	343,200	8,663	5,970
BNP Paribas	93,300	6,860	5,258
Credit Agricole SA	510,196	3,980	4,802
Etablissements Maurel et Prom	95,497	1,699	1,747
Ingenico SA	63,073	2,896	3,826
Ipsos	41,634	1,391	1,635
Sanofi-Synthelabo SA	174,500	12,114	16,558
SCOR SE	152,600	3,648	4,322
SEB SA	19,104	1,562	1,424
Teleperformance	107,072	3,617	4,414
Total SA	232,600	14,724	11,645
Ubisoft Entertainment SA	299,126	3,114	3,281
Valeo SA	147,406	6,508	8,341
Vivendi Universal	498,500	13,577	10,506
<i>Total France - 3.7%</i>		86,237	85,814
<i>Germany</i>			
Aixtron AG	139,431	1,822	1,861
Allianz AG	67,400	9,038	9,226
BASF AG	98,300	4,572	9,276

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Bayer AG	69,300	3,695	6,873
Deutsche Bank AG	143,100	10,083	6,565
Deutsche Post AG	316,500	4,693	7,111
Dialog Semiconductor PLC	224,090	4,324	4,154
Draegerwerk AG - Preferred Stock	27,524	2,730	3,525
E.On AG	252,600	7,276	4,224
Fielmann AG	13,462	1,341	1,278
Freenet AG	340,600	5,358	7,623
Fuchs Petrolub AG - Preferred Stock	39,571	1,002	3,058
Krones AG	48,081	2,486	3,135
Muenchener Rueckversicherungs	41,500	7,059	7,471
MUT Aero Engines Holding AG	43,311	3,195	4,033
Pfeiffer Vacuum Technology AG	32,830	2,563	3,734
RWE AG	138,800	8,663	5,105
TUI AG	266,789	2,347	2,675
Volkswagen AG	55,300	7,067	11,412
<i>Total Germany - 4.5%</i>		89,314	102,339
<i>Greece</i>			
Alapis Holding Ind & Commer	46,477	1,132	2
Hellenic Petroleum SA	28,338	395	314
<i>Total Greece - 0.0%</i>		1,527	316
<i>Hong Kong</i>			
AAC Technologies Holdings Inc.	447,500	1,402	1,901
Beijing Enterprises Holdings	630,500	3,764	4,821
Cheung Kong Holdings Ltd	361,000	4,559	5,614
China Mobile (Hong Kong) Ltd	1,365,000	12,980	15,041
Citic Pacific Ltd	2,143,000	4,154	3,294
CNOOC Ltd	1,835,000	4,009	3,606
Emperor Watch & Jewellery Ltd	27,870,000	2,662	3,055
Esprit Holding Ltd	1,330,063	1,727	1,736
Fushan Intl Energy Group Ltd	5,912,000	1,964	2,607
Galaxy Entertainment Group	813,000	1,903	3,412
Global Bio-Chem Technology	1,824,000	429	209
SmarTone Telecommunications	1,057,396	2,013	1,931
<i>Total Hong Kong - 2.1%</i>		41,566	47,227
<i>Hungary</i>			
Magyar Telekom - 0.3%	3,864,270	15,829	6,951
<i>India</i>			
Ashok Leyland Ltd	7,454,200	3,756	3,049
Grasim Industries Limited	76,500	4,139	4,171
HDFC Bank Ltd	101,700	3,336	3,870
ICICI Bank Ltd	122,400	4,567	5,131
Indiabulls Financial Services	954,400	3,479	4,415
Indian Oil Corporation Ltd	1,918,516	9,752	10,322
ITC Limited	589,199	2,723	3,193
Maruti Suzuki India Ltd	157,211	3,993	3,914
McLeod Russel India Ltd	346,493	2,094	2,270
Reliance Infrastructure Ltd	1,558,635	15,812	12,004
Rural Electrification Corp	1,097,800	3,920	4,605
Tata Motors Ltd	147,000	3,641	3,990
Ultra Tech Cement Ltd	43,344	1,574	1,488
<i>Total India - 2.7%</i>		62,786	62,422
<i>Indonesia</i>			
Bank Rakyat Indonesia	3,965,500	2,811	3,878
Indofood Sukses Mak TBK	4,903,000	2,708	3,704
Semen Gresik (Persero) TBK	2,655,400	3,108	4,768
Timah Tbk PT	13,770,000	2,881	2,095
<i>Total Indonesia - 0.6%</i>		11,508	14,445

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Ireland</i>			
Irish Life & Permanent Group	398,100	6,377	16
Smurfit Kappa Group PLC	165,296	2,554	2,577
Total Produce PLC	82,700	92	62
<i>Total Ireland - 0.1%</i>		9,023	2,655
<i>Israel</i>			
Bezeq Israeli Telecommunicatio	795,078	1,063	1,019
Israel Discount Bank	1,644,552	3,628	2,874
Partner Communications Company	472,472	8,118	2,616
Syneron Medical Ltd	259,721	2,711	2,667
Teva Pharmaceutical Ltd	171,700	6,922	6,431
<i>Total Israel - 0.7%</i>		22,442	15,607
<i>Italy</i>			
De'Longhi SPA	137,575	1,531	2,126
Enel SpA	1,147,900	5,994	4,160
ENI SpA	424,300	11,514	9,685
Finmeccanica SpA	276,900	4,130	1,363
Fondiarria - Sai SpA	1,486,478	2,616	2,264
Mediolanum SPA	605,595	2,827	3,366
Parmalat SpA	1,915,155	3,799	4,597
Prysmian SpA	168,912	2,719	3,686
Sorin SPA	868,841	1,751	2,181
<i>Total Italy - 1.5%</i>		36,881	33,428
<i>Japan</i>			
77 Bank Ltd	545,000	2,388	2,576
Anritsu Corporation	105,000	1,353	1,560
Asahi Kasei Corp	1,215,000	7,239	7,217
Avex Group Holdings Inc	35,500	915	980
Brother Industries Ltd	266,300	3,655	2,800
Century Leasing System Inc	214,200	2,725	5,013
Cocokara Fine Holdings Inc	80,100	2,067	2,551
Daiseki Company Ltd	174,360	3,039	2,723
Disco Corp	33,900	1,729	1,951
Don Quijote Co Ltd	62,600	2,258	2,477
Eizo Nannao Corporation	51,700	1,645	878
Foster Electric Company Ltd	103,000	1,629	1,445
GEO Corporation	1,800	1,846	1,887
Hanwa Company Ltd	600,000	3,094	2,543
Heiwa Corporation	127,000	2,154	2,381
Hitachi Capital Corporation	67,400	608	1,357
Hoshizaki Electric Company Ltd	92,996	1,631	2,562
Itochu Corp	425,300	3,006	4,932
Japan Petroleum Exploration Co	77,300	3,067	2,945
JSR Corporation	192,686	3,466	3,947
JTEKT Corporation	333,100	3,031	3,336
JX Holdings Inc	778,200	4,990	4,774
KDDI Corporation	130,000	6,942	9,807
Keihin Corporation	160,500	1,387	2,406
Konica Corporation	430,000	3,048	3,300
Kyorin Co Ltd	112,800	2,154	2,574
Kyowa Exeo Corporation	239,500	2,147	2,593
Marubeni Corporation	544,000	2,695	3,992
Matsumotokiyoshi Holdings Co	167,400	3,080	4,569
Megmilk Snow Brand Co Ltd	110,800	2,142	1,734
Miraca Holdings Inc	102,300	3,309	4,962
Mitsubishi Tokyo Finl Grp Inc	1,043,900	4,687	5,804
Mitsui & Company Ltd	300,600	5,139	4,477
Mizuho Financial Grp Inc	3,823,500	8,077	8,454
Musashi Seimitsu Industry Co	127,431	2,888	2,714
Nabtesco Corp	128,600	2,567	2,382
Nichirei Corporation	668,000	3,135	3,779
Nippon Electric Glass Co Ltd	573,000	2,877	2,832

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Nippon Prologis REIT Inc	289	1,876	2,274
Nippon Telegraph & Telephone	212,800	9,540	9,803
North Pacific Bank Ltd	705,600	3,211	2,348
NTT DoCoMo	4,400	6,738	6,839
Otsuka Holdings Co Ltd	372,900	11,280	11,996
Pola Orbis Holdings Inc	189,300	5,213	5,835
Sapporo Holdings Ltd	630,341	2,394	2,207
SBI Holdings Inc	135,500	1,155	1,081
Seino Holdings Corporation Ltd	330,000	1,730	2,493
Shimadzu Corporation	392,000	3,010	2,490
Shionogi & Co Ltd	178,300	2,519	3,651
Sumitomo Corporation	783,000	10,541	9,624
Sumitomo Mitsui Financial Grp	287,100	9,001	11,545
Sundrug Co Ltd	54,600	1,613	2,122
TDK Corporation	59,500	2,241	2,064
THK Co Ltd	166,800	2,993	3,130
Toagosei Company Ltd	602,000	2,621	2,453
Tokyo Steel Manufacturing	441,300	2,250	2,186
Tokyo Tatemono Company Ltd	488,700	1,802	2,739
Toshiba Plant Sys & Ser Corp	186,695	2,215	2,402
Toyo Suisan Kaisha Ltd	126,000	2,618	3,708
United Urban Investment Corp	1,882	2,109	2,485
Yodogawa Steel Works Ltd	512,000	2,194	1,909
Yokogawa Electric Corp	291,400	2,738	2,941
Yokohama Rubber Company Ltd	504,000	2,710	4,747
<i>Total Japan - 10.2%</i>		210,121	234,286
<i>Korea</i>			
BS Financial Group Inc	637,060	3,400	9,207
Halla Climate Control Corp	253,560	5,488	5,831
Hana Financial Group	175,280	6,605	6,540
Hyundai Mobis	16,920	4,270	4,891
Hyundai Motor Co Ltd	26,337	5,462	5,302
Hyundai Motor Company	226,742	10,871	15,160
Hyundai Securities Co Ltd	100,730	871	830
Industrial Bank of Korea (IBK)	473,400	6,897	5,727
KB Financial Group Inc	323,496	13,587	11,748
Kia Motors Corporation	87,520	4,923	4,518
Korea Exchange Bank	614,000	7,325	4,309
KT Corporation	231,500	7,692	7,654
LG Chemical Ltd	9,315	2,881	2,551
Lotte Chilsung Beverage Co	3,784	3,348	5,046
Lotte Confectionery Co Ltd	3,207	4,137	5,417
Partron Co Ltd	76,941	1,551	1,677
Posco	87,057	19,750	16,771
Samsung Electronics Co Ltd	16,693	14,891	23,803
Samsung Heavy Industries	100,340	3,588	3,582
Shinhan Financial Group	343,080	12,516	13,513
SK Holdings Co Ltd	31,400	2,829	5,104
SK Telecom Company Ltd	56,500	7,643	9,314
<i>Total Korea - 7.3%</i>		150,525	168,495
<i>Luxembourg</i>			
Adecoagro SA	637,000	5,181	5,000
Ternium	229,640	4,617	4,625
<i>Total Luxembourg - 0.4%</i>		9,798	9,625
<i>Malaysia</i>			
Axiata Group Berhad	774,700	1,314	1,604
Commerce Asset Hldg Berhad	832,000	1,903	1,938
Malaysia Bldg Society Berhad	2,581,700	1,951	2,072
<i>Total Malaysia - 0.2%</i>		5,168	5,614
<i>Mexico</i>			
Alfa SA A Shares	1,769,800	1,051	4,305

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
America Movil	235,733	5,536	4,924
Cemex SAB de CV	1,569,901	12,546	16,861
Desarrolladora Homex SA	2,197,964	4,924	4,367
Fibra Uno Administracion SA	1,504,894	2,461	4,666
Fomento Economico Mexicano SAB	32,710	2,502	3,655
Grupo Financiero Banorte	565,300	2,571	4,196
Grupo Mexico SAB de CV	1,041,100	3,093	4,088
Grupo Sanborns SA de CV	1,406,700	3,095	3,082
Grupo Televisa MM	872,753	3,300	4,685
Grupo Televisa SA	166,400	3,627	4,465
Macquarie Mexico Real Estate	2,108,370	4,129	4,772
Urbi Desarrollos Urbanos SA	12,439,758	6,651	4,196
<i>Total Mexico - 3.0%</i>		55,486	68,262
<i>Netherlands</i>			
Aegon NV	1,187,300	8,873	7,112
ASM International NV	71,521	2,120	2,847
Delta Lloyd NV	150,800	3,505	2,673
Koninklijke (Royal) KPN NV	447,500	6,341	1,529
Koninklijke Ahold NV	619,000	8,113	8,902
Nutreco Holding NV	103,553	6,204	9,644
<i>Total Netherlands - 1.4%</i>		35,156	32,707
<i>New Zealand</i>			
Chorus Ltd	402,320	943	967
Telecom Corp of New Zealand	2,871,068	4,938	5,761
<i>Total New Zealand - 0.3%</i>		5,881	6,728
<i>Norway</i>			
DNB Holding ASA	560,200	6,488	8,371
Marine Harvest	3,270,222	2,397	3,455
StatoilHydro ASA	272,900	7,018	6,806
Stolt-Nielsen Ltd	96,500	2,011	1,956
TGS Nopec Geophysical Company	114,064	1,514	4,330
Veidekke ASA	272,143	2,467	2,212
<i>Total Norway - 1.2%</i>		21,895	27,130
<i>Pakistan</i>			
Nishat Mills Ltd - 0.0%	1,831,640	2,114	1,383
<i>Panama</i>			
Banco Latinoamericano de Exp	457,361	7,236	11,059
Copa Holdings	23,160	1,607	2,418
<i>Total Panama - 0.6%</i>		8,843	13,477
<i>Philippines</i>			
Metropolitan Bank & Trust Co	1,861,819	3,287	5,220
SM Investments Corporation	105,100	1,981	2,699
<i>Total Philippines - 0.3%</i>		5,268	7,919
<i>Poland</i>			
KGHM Polska Miedz - 0.3%	108,800	3,622	6,193
<i>Russia</i>			
Gazprom	1,913,423	19,375	17,066
Lukoil	456,859	27,388	29,483
Magnit	109,794	3,945	5,443
MegaFon OAO	55,480	1,564	1,595
MMC Norilsk Nickel	351,300	5,797	6,218
Mobile TeleSystems	300,000	4,559	6,207
RusHydro	2,764,953	9,186	6,177
Sberbank	1,747,773	5,535	5,951
Sberbank of Russia	564,530	6,624	7,919
<i>Total Russia - 3.7%</i>		83,973	86,059

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Singapore</i>			
ComfortDelGro Corporation	1,404,000	1,575	2,178
DBS Group Holdings Ltd	498,000	4,545	6,079
Flextronics International Ltd	2,435,960	12,319	16,199
Haw Par Corporation Ltd	532,000	2,330	3,224
Hong Leong Asia Ltd	1,164,000	2,220	1,660
Mapletree Greater China	463,000	351	348
Suntec REIT	2,442,000	2,652	3,541
<i>Total Singapore - 1.4%</i>		25,992	33,229
<i>South Africa</i>			
ABSA Group Ltd	100,793	1,762	1,825
Aspen Pharmacare Holdings	171,281	2,789	3,115
Astral Foods Ltd	161,900	2,256	1,624
Barloworld Ltd	259,750	2,655	2,672
Imperial Holdings Ltd	341,600	1,620	7,880
Metropolitan Holdings Ltd	1,806,100	2,975	4,499
MTN Group Ltd	933,636	15,479	18,271
Nampak Ltd	972,125	2,004	3,323
Naspers Ltd	63,939	4,041	4,153
Shoprite Holdings Ltd	155,373	3,477	2,977
<i>Total South Africa - 2.2%</i>		39,058	50,339
<i>Spain</i>			
Banco Santander Ctrl Hisp SA	704,700	7,801	5,354
Repsol SA	282,500	7,856	6,024
Viscofan SA	65,776	2,431	3,452
<i>Total Spain - 0.6%</i>		18,088	14,830
<i>Sweden</i>			
Boliden AB	223,900	3,137	3,814
Meda AB	278,450	2,325	3,154
Modern Times Group	61,789	2,324	2,597
Nordea AB	467,600	5,450	5,430
Skandinaviska Enskilda Banken	567,300	4,626	5,928
<i>Total Sweden - 0.9%</i>		17,862	20,923
<i>Switzerland</i>			
Aryzta AG	45,656	2,202	2,635
Baloise Holding Ltd	73,300	4,946	6,606
BKW SA	54,242	2,753	1,770
Credit Suisse Group	483,500	15,281	13,010
Informa PLC	615,136	2,881	4,683
Kudelski SA - BR	247,809	1,951	2,868
Kuoni Reisen Holding AG	11,642	3,764	3,618
Novartis AG	218,500	8,925	14,903
Partners Group Holding AG	14,313	1,457	3,322
Swiss Life Holding	46,108	5,826	7,599
Swiss Re Ltd	105,074	6,157	8,439
<i>Total Switzerland - 3.0%</i>		56,143	69,453
<i>Taiwan</i>			
Asustek Computer Inc	439,000	4,245	5,327
Chinatrust Financial Holding	6,297,625	4,187	3,726
Chipbond Technology Corp	1,146,000	2,195	2,376
Compal Electronics Inc	13,611,938	12,336	9,521
Gigabyte Technology Company	2,968,000	2,206	2,626
Hon Hai Precision Industry Co	1,039,700	2,891	2,863
Lite-On-It Corp	2,760,715	2,565	3,029
MediaTek Inc	290,000	3,104	3,260
Powertech Technology Inc	1,594,000	2,928	2,318
Taiwan Semiconductor	495,600	6,797	9,045
Wistron Corporation	3,764,250	4,282	4,187
<i>Total Taiwan - 2.1%</i>		47,736	48,278

See accompanying notes to financial statements.



# International Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Thailand</i>			
Bangchak Petroleum Public Co	4,887,800	3,436	6,366
Kasikornbank Public Co Ltd	802,900	3,392	5,722
Krung Thai Bank Public Co Ltd	10,938,000	3,455	9,375
PTT PLC	256,500	2,764	3,018
<i>Total Thailand - 1.1%</i>		13,047	24,481
<i>Turkey</i>			
AYGAZ AS	1,292,085	5,554	7,069
Ford Otomotiv Sanayi AS	359,900	3,399	4,242
Selcuk Exza Deposu Ticaret AS	3,454,524	4,463	3,995
Trakya Cam Sanayii AS	1,919,184	2,741	2,934
Turkiye Garanti Bankasi AS	2,152,468	8,667	10,292
Turkiye Halk Bankasi	505,800	3,236	5,006
Turkiye Vakiflar Bankasi T-D	1,577,800	1,667	4,842
<i>Total Turkey - 1.7%</i>		29,727	38,380
<i>United Arab Emirates</i>			
Air Arabia	29,892,462	6,007	7,463
DP World Ltd	217,626	2,297	2,840
Emaar Properties PJSC	2,415,300	2,503	3,485
<i>Total United Arab Emirates - 0.6%</i>		10,807	13,788
<i>United Kingdom</i>			
Afren PLC	1,658,488	3,457	3,580
Alent PLC	365,100	1,727	2,067
AstraZeneca Group PLC	371,500	16,402	16,892
Aveva Group PLC	82,642	2,255	2,893
Aviva PLC	814,200	6,345	4,410
Barclays PLC	2,323,700	12,169	10,829
Barratt Developments PLC	1,130,582	2,190	4,121
BBA Aviation PLC	839,109	2,508	3,252
BP Amoco PLC	2,259,600	18,946	15,287
British Aerospace PLC	1,680,000	8,271	9,056
BT Group PLC	2,267,800	6,546	9,215
Cable & Wireless Communication	7,168,000	4,198	4,579
Computacenter PLC	900,800	3,344	6,636
Daily Mail & General Trust PLC	323,520	1,905	3,487
Debenhams PLC	2,434,400	2,503	3,487
Derwent London PLC	98,536	2,495	3,295
Domino Printing Sciences	217,813	2,241	2,314
Enquest PLC	1,106,429	2,114	2,234
GlaxoSmithKline PLC	192,200	3,909	4,248
HSBC Bank Plc	81,070	1,243	1,605
Hunting PLC	234,916	2,123	3,099
IG Group Holdings PLC	435,179	2,193	3,258
Inchcape PLC	433,300	1,908	3,325
International Personal Finance	547,626	2,055	3,321
J Sainsbury PLC	1,464,800	7,455	7,689
Jazztel PLC	357,567	2,243	2,758
Legal & General Group PLC	2,319,500	4,875	5,637
Mail.ru Group Ltd	89,339	3,325	3,015
Marston's PLC	893,188	2,333	1,904
Melrose Industries PLC	1,147,508	3,433	4,506
Mitchells & Butlers PLC	651,930	3,226	3,383
Mondi PLC	446,800	3,281	5,728
Moneysupermarket.com Group PLC	1,144,137	2,569	3,520
Old Mutual PLC	2,232,400	5,255	6,862
Premier Farnell PLC	753,374	2,350	2,516
Premier Oil PLC	417,849	1,963	2,426
Royal & Sun Alliance Insurance	1,524,400	2,770	2,793
Royal Dutch Shell B Shares	776,900	22,529	26,221
RPS Group PLC	693,251	1,714	2,566
Spectris PLC	93,422	1,261	3,368
Spirax-Sarco Engineering	78,802	1,776	2,879

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Spirent Communicatio PLC	1,104,248	1,962	2,573
St. James Place PLC	498,794	1,807	3,687
Tesco PLC	1,502,700	7,332	8,431
Thomas Cook Group	206,931	740	273
Vesuvius PLC	365,100	1,727	2,121
Vodafone Group PLC	1,538,500	3,118	3,866
William Morrison Supermarkets	1,471,000	6,997	5,797
<i>Total United Kingdom - 10.6%</i>		209,088	241,009
<i>United States</i>			
AsiaInfo-Linkage Inc	645,677	6,992	7,122
Cognizant Tech Solutions A	44,900	3,049	3,447
First Cash Finl Svcs Inc	45,600	1,844	2,413
Southern Copper Corporation	83,600	2,767	3,159
<i>Total United States - 0.7%</i>		14,652	16,141
Total Equities - 96.3%		2,048,583	2,212,515
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 1.5%	35,305,161	35,305	35,305
Total Investment Securities - 97.8%		\$ 2,083,888	\$ 2,247,820
<b><u>Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		\$ 136,349	\$ 136,349
Mellon SL DBT II Liquidating Fund		807	792
Mellon GSL DBT II Liquidating Trust		3,305	-
Total Collateral for Securities Loaned		\$ 140,461	\$ 137,141

See accompanying notes to financial statements.

## International Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividends, net of foreign withholding taxes	\$ 3,783	\$ 33,304
Interest	1	7
Securities lending income	19	160
Securities lending borrower premiums	62	680
Net shareholder litigation process	-	35
Commission recapture	2	8
<b>Total investment income</b>	3,867	34,194
<b>Expenses</b>		
Investment advisor fees	(1,151)	(8,898)
Trustee fees	-	(4)
Custodian bank fees	(115)	(641)
Management fees	(55)	(434)
Fiduciary bond fees	(1)	(3)
Professional service fees	(11)	(83)
Securities lending agent fees	(16)	(133)
<b>Total expenses</b>	(1,349)	(10,196)
<b>Investment income, net</b>	2,518	23,998
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain (loss) from:		
Investments	21,727	63,629
Foreign currency transactions	(1,920)	(7,373)
Net increase (decrease) in the fair value of:		
Investments	(10,967)	303,751
Translation of assets and liabilities in foreign currencies	(30,999)	(7,251)
<b>Net gain (loss) from investments and foreign currency</b>	(22,159)	352,756
<b>Net increase (decrease) in net assets from operations</b>	\$ (19,641)	\$ 376,754

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Equity Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 2,518	\$ 23,998
Net realized gain from investments	21,727	63,629
Net realized loss from foreign currency transactions	(1,920)	(7,373)
Net increase (decrease) in the fair value of investments	(10,967)	303,751
Net decrease in the translation of assets and liabilities in foreign currencies	(30,999)	(7,251)
<b>Net increase (decrease) in net assets from operations</b>	(19,641)	376,754
<b>Unit transactions</b>		
Proceeds from sale of units	4	239,736
Amount paid for repurchase of units	(89,034)	(244,759)
<b>Decrease in net assets from unit transactions</b>	(89,030)	(5,023)
<b>Increase (decrease) in net assets</b>	(108,671)	371,731
<b>Net assets, beginning of period</b>	2,406,915	1,926,513
<b>Net assets, end of period</b>	\$ 2,298,244	\$ 2,298,244
<b>Unit data</b>		
Units sold	170	11,820,216
Units repurchased	(3,779,189)	(11,072,080)
<b>Net increase (decrease) in units</b>	(3,779,019)	748,136

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# International Equity Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

This Pool invests in the equities of international companies. Assets are managed by Axiom International Investors, LLC, Brandes Investment Partners, LLC, LSV Asset Management, and Pictet Asset Management Limited. The objective of the Pool is to exceed, net of external investment management fees, Morgan Stanley Capital International's All Country World Free Ex US index over three- to five-year periods.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in equity securities are carried at fair value, which is determined by a third party pricing service based on quoted market prices. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. Foreign currency forward contracts are valued at either spot or forward month-end exchange rates. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

# International Equity Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Foreign Currency** - Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Bank of New York Mellon on the following basis:

- a. Market value of investment securities, other assets and liabilities - at the closing rate of exchange at the valuation date.
- b. Purchases and sales of investment securities, income and expenses - at the rate of exchange prevailing on the respective dates of such transactions.

The IMB isolates that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from market prices of securities held.

Reported net realized foreign exchange gains and losses arise from sales of portfolio securities, sales and maturities of short-term securities, sales of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities including investments in securities at month end, resulting from changes in the exchange rate.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for international securities is secured by initial collateral of at least 105 percent of the market value of the securities loaned. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, consisting of the Mellon SL DBT II Liquidating Fund and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust). Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations as net increase or decrease in the fair value of investments.

**Foreign Currency Forward Contracts** - A foreign currency forward contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. The managers enter into such contracts to hedge the assets and liabilities related to securities denominated in a foreign currency. Risks associated with such contracts include movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. These contracts have relatively short durations and are valued at the prevailing market exchange rates at month end. An unrealized gain or loss is recorded as the difference between the amount valued at month end and the amount to be received or paid at the expiration date. The unrealized gain or loss is reclassified to realized gain or loss when the contract expires.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method.

# International Equity Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of February 28, 2013.

In certain foreign countries the Pool's dividend income and capital gains may be taxable. Such taxes are generally withheld from the payments of these types of income and as a result there is no provision recorded for these taxes. In certain cases there may be a full or partial reclaim available for the withheld taxes. The outstanding reclaims are reported on the Statement of Assets and Liabilities. Dividend income is reported net of withheld taxes on the Statement of Operations.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

## International Equity Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 3. FAIR VALUE MEASUREMENTS (continued)

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of February 28, 2013:

Assets	Level 1	Level 2	Level 3	Total
Equity securities	\$ 2,212,515	\$ -	\$ -	\$ 2,212,515
Regulated investment companies	-	35,305	-	35,305
Foreign currency forward contracts	-	71	-	71
Securities lending collateral funds	-	137,141	-	137,141
Total	<u>\$ 2,212,515</u>	<u>\$ 172,517</u>	<u>\$ -</u>	<u>\$ 2,385,032</u>
Liabilities	Level 1	Level 2	Level 3	Total
Foreign currency forward contracts	<u>\$ -</u>	<u>\$ (90)</u>	<u>\$ -</u>	<u>\$ (90)</u>

#### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at February 28, 2013.

Fair value of securities on loan	\$	127,536		
Initial collateral received:		Cost	Fair Value	Unrealized loss
Cash	\$	<u>140,461</u>	\$ 137,141	<u>\$ (3,320)</u>
Non-cash			-	
Total			<u>\$ 137,141</u>	

The Liquidating Trust, referenced in Note 2, was created in October 2008 to account for certain securities issued by Sigma Finance, Inc. The IMB's balance in the Liquidating Trust for all IMB investment pools that participate in the securities lending program was \$10,974 of which \$3,486 was assigned to the International Equity Pool. A loss reserve was established for the entire amount. Through February 28, 2013 the loss reserve has been adjusted to \$3,305 as a result of cash received in the Liquidating Trust. This \$3,305 is included in the unrealized loss reported in the above table.

In October 2008, the IMB suspended the distribution of any net securities lending income subject to final dissolution of the Liquidating Trust. For the period October 2008 through February 2013, the pool has recorded, but not distributed \$6,256 of net securities lending income.



## International Equity Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 5. FOREIGN CURRENCY FORWARD CONTRACTS

At February 28, 2013, open foreign currency forward contracts are as follows:

Position	Foreign Currency	Inception Date	Expiration Date	Receivable		Payable		Unrealized Gain (Loss)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long	British Pound vs. Australian Dollar	02/28/2013	03/01/2013	2	\$ 4	4	\$ 4	\$ -
Long	Danish Krone	02/27/2013	03/01/2013	2,383	418		418	-
Long	Euro Currency Unit vs. Australian Dolla	02/28/2013	03/01/2013	5	7	7	7	-
Long	Hong Kong Dollar	02/27/2013	03/01/2013	3,142	405		405	-
Long	Japanese Yen	02/26/2013	03/01/2013	5,454	59		59	-
Long	Japanese Yen vs. Australian Dollar	02/28/2013	03/01/2013	402	4	4	4	-
Long	Malaysian Ringgit	02/26/2013	03/01/2013	68	22		22	-
Long	Malaysian Ringgit	02/27/2013	03/04/2013	51	17		17	-
Long	Malaysian Ringgit	02/28/2013	03/05/2013	98	32		32	-
Long	Mexican Peso	02/28/2013	03/04/2013	1,396	109		109	-
Long	Swedish Krona vs. Australian Dollar	02/28/2013	03/01/2013	6	1	1	1	-
Long	Swiss Franc	02/28/2013	03/04/2013	172	184		184	-
Long	Swiss Franc vs. Mexican Peso	02/28/2013	03/05/2013	151	162	2,065	162	-
Long	Turkish Lira vs. Australian Dollar	02/28/2013	03/01/2013	3	1	1	1	-
Short	Australian Dollar	02/26/2013	03/01/2013		943	925	947	(4)
Short	Australian Dollar	02/28/2013	03/05/2013		202	197	201	1
Short	British Pound	02/26/2013	03/01/2013		6,766	4,476	6,795	(29)
Short	British Pound	02/28/2013	03/04/2013		2,003	1,322	2,006	(3)
Short	Emirati Dirham	02/27/2013	03/04/2013		574	2,107	574	-
Short	Emirati Dirham	02/28/2013	03/04/2013		472	1,735	472	-
Short	Euro Currency Unit	02/26/2013	03/01/2013		7,889	6,049	7,908	(19)
Short	Hong Kong Dollar	02/26/2013	03/01/2013		1,858	14,418	1,859	(1)
Short	Hong Kong Dollar	02/27/2013	03/01/2013		177	1,375	177	-
Short	Hong Kong Dollar	02/28/2013	03/04/2013		214	1,657	214	-
Short	Hong Kong Dollar	02/28/2013	03/04/2013		314	2,436	314	-
Short	Japanese Yen	02/26/2013	03/01/2013		6,708	613,246	6,647	61
Short	Japanese Yen	02/27/2013	03/04/2013		965	88,222	956	9
Short	Japanese Yen	02/28/2013	03/05/2013		927	85,617	928	(1)
Short	New Zealand Dollar	02/28/2013	03/05/2013		35	43	35	-
Short	Singapore Dollar	02/28/2013	03/05/2013		78	97	78	-
Short	Swedish Krona	02/26/2013	03/01/2013		3,007	19,484	3,023	(16)
Short	Thailand Baht	02/27/2013	03/01/2013		2,719	81,109	2,726	(7)
Short	Turkish Lira	02/26/2013	03/01/2013		1,174	2,124	1,181	(7)
Short	South African Rand	02/28/2013	03/07/2013		2,507	22,518	2,510	(3)
					<u>\$ 40,957</u>		<u>\$ 40,976</u>	<u>\$ (19)</u>

The contracts listed above were initiated to correspond to transactions in securities trading in foreign currencies. The fair value, gains and losses, and risks are not material the Pool.

# International Equity Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 6. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2012	\$ 19.73
Income from investment operations:	
Net investment income	0.23
Net realized and unrealized gain on investment transactions	3.54
Net realized loss from foreign currency transactions	(0.07)
Net decrease in the translation of assets and liabilities in foreign currencies	(0.07)
Total from investment operations	3.63
Net asset value at February 28, 2013	\$ 23.36
<b>Time-weighted Total Return *</b>	18.4%
<b>Supplemental Data:</b>	
Net assets, end of period	\$ 2,298,244
Ratio to average net assets:	
Expenses **	0.68%
Net investment income **	1.63%
Portfolio turnover rate	30.71%

\* Return data are net of fees for the fiscal year-to-date and are not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2013.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 1,005,661
Public Employees' Retirement System	865,821
West Virginia Retiree Health Benefit Trust	95,127
State Police Death, Disability and Retirement Fund	92,643
Workers' Compensation Old Fund	74,762
Revenue Shortfall Reserve Fund - Part B	26,241
Judges' Retirement System	25,229
Deputy Sheriff's Retirement System	23,746
Coal Workers' Pneumoconiosis Fund	19,790
State Police Retirement System	16,482
Public Employees Insurance Agency	14,893
Board of Risk and Insurance Management	10,346
West Virginia Prepaid Tuition Trust Fund	8,542
Wildlife Endowment Fund	8,084
Emergency Medical Services Retirement System	7,579
West Virginia Department of Environmental Protection Trust	1,432
Workers' Compensation Self-Insured Guaranty Risk Pool	1,087
Workers' Compensation Uninsured Employers' Fund	716
Municipal Police Officers' and Firefighters' Retirement System	63
Total	\$ 2,298,244

**Financial Statements - Unaudited**

**February 28, 2013**



# Short-Term Fixed Income Pool

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## Financial Statements - Unaudited February 28, 2013

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# Short-Term Fixed Income Pool

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## Statement of Assets and Liabilities - Unaudited

February 28, 2013

(Amounts in thousands, except unit data)

### Assets

Investment securities at amortized cost	\$	184,823
Accrued interest receivable		<u>94</u>
<b>Total assets</b>		184,917

### Liabilities

Accrued expenses		<u>34</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>184,883</u></u></b>

### Analysis of net assets

Paid-in capital	\$	184,830
Accumulated undistributed net realized gain from investments		<u>53</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>184,883</u></u></b>

### Unit data

Units outstanding		184,830,275
Net asset value, unit price	\$	<u><u>1.00</u></u>

See accompanying notes to financial statements.

# Short-Term Fixed Income Pool

## Schedule of Investments in Securities - Unaudited February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>U. S. Treasury Issues</u></b>						
United States Treasury	1.380 %	0.208 %	03/15/2013	2,000	\$ 2,001	\$ 2,001
United States Treasury	3.630	0.091	05/15/2013	5,000	5,037	5,036
United States Treasury	3.380	0.141	07/31/2013	2,000	2,027	2,027
Total U. S. Treasury Issues - 4.9%					9,065	9,064
<b><u>U. S. Government Agency Issues</u></b>						
Federal Home Loan Bank	0.370	0.390	03/01/2013	1,000	1,000	1,000
Federal Home Loan Bank	0.230	0.248	04/05/2013	1,000	1,000	1,000
Federal Home Loan Bank	0.160	0.182	04/17/2013	1,000	1,000	1,000
Federal Home Loan Bank	0.170	0.190	06/13/2013	1,000	1,000	1,000
Federal Home Loan Bank	0.140	0.141	07/15/2013	2,000	2,000	2,000
Federal Home Loan Bank	0.280	0.248	09/05/2013	2,000	2,000	2,001
Federal Home Loan Bank	0.170	0.192	12/18/2013	1,000	1,000	1,000
Federal National Mortgage Assn	1.750	0.177	05/07/2013	3,000	3,009	3,009
Total U. S. Government Agency Issues - 6.5%					12,009	12,010
<b><u>Short-term Issues</u></b>						
Alpine Securitization	0.000	0.172	03/11/2013	5,000	5,000	5,000
Atlantic Asset Securitization	0.000	0.213	03/19/2013	3,000	3,000	3,000
Atlantis One Funding	0.000	0.213	03/18/2013	5,000	5,000	5,000
Bank of Nova Scotia	0.000	0.172	04/18/2013	3,000	2,999	2,999
Bank of Tokyo Mitsubishi	0.000	0.223	04/11/2013	4,000	3,999	3,999
Barton Capital Corp	0.000	0.183	03/05/2013	2,414	2,414	2,414
Deutsche Bank Finl LLC	0.000	0.213	03/11/2013	4,000	4,000	4,000
Dreyfus Cash Management Institutional Fund	0.010	0.760		1	1	1
Fairway Finance Corp	0.000	0.183	03/25/2013	3,000	3,000	3,000
Federal Farm Credit Bank	0.000	0.051	03/04/2013	10,000	10,000	10,000
Federal Farm Credit Bank	0.000	0.173	10/11/2013	2,000	1,998	1,998
Federal Home Loan Bank	0.000	0.132	03/20/2013	5,000	5,000	5,000
Federal Home Loan Bank	0.000	0.071	04/10/2013	7,000	6,999	6,999
Federal Home Loan Bank	0.000	0.157	04/12/2013	3,000	2,999	2,999
Federal Home Loan Bank	0.000	0.081	05/01/2013	5,000	4,999	4,999
Federal Home Loan Bank	0.000	0.086	05/08/2013	7,000	6,999	6,999
Federal Home Loan Bank	0.000	0.213	05/21/2013	3,500	3,498	3,499
Federal Home Loan Bank	0.000	0.127	07/10/2013	3,000	2,999	2,999
Federal Home Loan Mort Corp	0.000	0.071	03/18/2013	3,000	3,000	3,000
Federal Home Loan Mort Corp	0.000	0.091	03/25/2013	4,000	4,000	4,000
Federal Home Loan Mort Corp	0.000	0.084	04/08/2013	10,000	9,999	9,999
Federal Home Loan Mort Corp	0.000	0.122	04/17/2013	5,000	4,999	4,999
Federal National Mortgage Assn	0.000	0.096	04/03/2013	5,000	5,000	5,000
Federal National Mortgage Assn	0.000	0.114	07/31/2013	2,000	1,999	1,999
National Australian Funding	0.000	0.193	04/02/2013	4,000	3,999	3,999
Nordea NA Inc	0.000	0.198	05/02/2013	6,000	5,998	5,998
Repurchase Agreement	0.150	0.150	03/01/2013	12,862	12,862	12,862
Sheffield Receivables	0.000	0.244	06/06/2013	5,000	4,997	4,997
Societe Generale NA	0.000	0.198	03/07/2013	4,000	4,000	4,000
UBS Finance (DE) LLC	0.000	0.198	05/13/2013	4,000	3,998	3,998
United States Treasury	0.000	0.089	04/04/2013	5,000	5,000	5,000
United States Treasury	0.000	0.052	04/11/2013	3,000	3,000	3,000
United States Treasury	0.000	0.100	04/18/2013	5,000	4,999	4,999
United States Treasury	0.000	0.132	04/25/2013	5,000	4,999	4,999
United States Treasury	0.000	0.069	05/02/2013	5,000	4,999	4,999
United States Treasury	0.000	0.188	10/17/2013	1,000	997	997
Total Short-Term Issues - 92.4%					163,749	163,750
Total Investment Securities - 103.8%					\$ 184,823	\$ 184,824

See accompanying notes to financial statements.

## Short-Term Fixed Income Pool

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### Statement of Operations - Unaudited

Period Ended February 28, 2013\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 22	\$ 230
Net amortization	-	(11)
	<hr/>	<hr/>
<b>Total investment income</b>	22	219
 <b>Expenses</b>		
Investment advisor fees	(9)	(77)
Trustee fee	(1)	(1)
Custodian bank fees	-	(6)
Management fees	(6)	(53)
Professional service fees	(1)	(10)
	<hr/>	<hr/>
<b>Total expenses</b>	(17)	(147)
<b>Investment income, net</b>	5	72
<b>Net realized gain (loss) from investments</b>	(2)	3
	<hr/>	<hr/>
<b>Net increase in net assets from operations</b>	\$ 3	\$ 75
	<hr/> <hr/>	<hr/> <hr/>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.



## Short-Term Fixed Income Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 5	\$ 72
Net realized gain (loss) from investments	(2)	3
	3	75
<b>Net increase in net assets from operations</b>		
<b>Distributions to unitholders</b>		
Investment income, net	(5)	(72)
<b>Unit transactions</b>		
Proceeds from sale of units	127,873	1,217,025
Reinvestment of distributions	5	72
	127,878	1,217,097
Amount paid for repurchase of units	(159,915)	(1,397,229)
	(32,037)	(180,132)
<b>Net decrease in net assets from unit transactions</b>		
	(32,039)	(180,129)
<b>Decrease in net assets</b>		
	(32,039)	(180,129)
<b>Net assets, beginning of period</b>		
	216,922	365,012
<b>Net assets, end of period</b>		
	\$ 184,883	\$ 184,883
<b>Unit data</b>		
Units sold	127,873,545	1,217,025,778
Units issued from reinvestment of distributions	4,973	71,893
	127,878,518	1,217,097,671
Units repurchased	(159,915,252)	(1,397,229,028)
	(32,036,734)	(180,131,357)
<b>Net decrease in units</b>		
	(32,036,734)	(180,131,357)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Short-Term Fixed Income Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Short-Term Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of the Pool is to maintain sufficient liquidity to fund withdrawals by the participant plans and to invest cash contributions until such time as the money can be transferred to other asset classes without sustaining capital losses. JP Morgan Investment Advisors, Inc. manages the Pool. The Pool's investment performance, net of external investment management fees, is expected to meet or exceed the Salomon ninety-day T-bill index plus fifteen basis points.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at amortized cost which approximates fair value. The basic premise underlying the use of the amortized cost method of valuation is that high-quality, short-term debt securities held until maturity will eventually return to their amortized cost value, regardless of any current disparity between the amortized cost value and market value, and would not ordinarily be expected to fluctuate significantly in value. A money market fund is permitted to value its securities at amortized cost so long as the deviation between the amortized cost and current market value remains minimal and results in

# Short-Term Fixed Income Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

the computation of a share price that represents fairly the current net asset value per share of the fund. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

**Repurchase Agreements** - In connection with transactions in repurchase agreements, it is the IMB's policy that its designated custodian take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction at all times. If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the IMB may be delayed or limited.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security.

**Distributions to Participants** - The net investment income of the Pool is declared as a dividend and distributed daily to the participants based upon their pro rata participation in the Pool. The distributions of net investment income are credited to the participants' accounts in the form of dividend reinvestments in the Pool and are presented first as distributions to participants, and then as reinvestment of distributions on the Statement of Changes in Net Assets. The Pool does not routinely distribute dividends of net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of February 28, 2013.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

## Short-Term Fixed Income Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 3. FAIR VALUE MEASUREMENTS (continued)

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of February 28, 2013:

Assets	Level 1	Level 2	Level 3	Total
Short-term issues	\$ -	\$ 163,749	\$ -	\$ 163,749
U.S. government agency issues	-	12,009	-	12,009
U.S. Treasury issues	-	9,065	-	9,065
Total	<u>\$ -</u>	<u>\$ 184,823</u>	<u>\$ -</u>	<u>\$ 184,823</u>

#### NOTE 4. FINANCIAL HIGHLIGHTS

##### Per Unit Operating Performance:

Net asset value at June 30, 2012	\$ 1.00
Income from investment operations:	
Net investment income*	-
Net realized gain (loss) on investment transactions*	-
Total from investment operations	-
Less distributions from net investment income*	-
Net asset value at February 28, 2013	<u>\$ 1.00</u>

**Time-weighted Total Return \*\*** 0.0%

##### Supplemental Data:

Net assets, end of period	\$ 184,883
Ratio to average net assets:	
Expenses ***	0.09%
Net investment income ***	0.05%
Weighted average days to maturity	48
Maximum weighted average investment maturity per Board guidelines	60 days
Money market yield ****	0.03%

\* As percentage is less than 0.01, amount is rounded for reporting purposes

\*\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\*\* All ratios are for the fiscal year-to-date annualized

\*\*\*\* The money market yield represents the rate of income, net of expenses, earned over the past month and is not intended to indicate future performance. The return is annualized over a 365-day year, assuming no reinvestment of earnings.

## Short-Term Fixed Income Pool

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### Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

#### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2013.

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	\$ 106,840
Teachers' Retirement System	39,184
Public Employees' Retirement System	14,354
Coal Workers' Pneumoconiosis Fund	11,907
Teachers' Employers Contribution Collection Account	4,648
West Virginia Retiree Health Benefit Trust	1,303
West Virginia Prepaid Tuition Trust Fund	1,019
Judges' Retirement System	1,017
Workers' Compensation Uninsured Employers' Fund	963
Board of Risk and Insurance Management	913
Workers' Compensation Self-Insured Guaranty Risk Pool	796
State Police Retirement System	758
Deputy Sheriff's Retirement System	362
Emergency Medical Services Retirement System	329
State Police Death, Disability and Retirement Fund	250
Wildlife Endowment Fund	93
Municipal Police Officers' and Firefighters' Retirement System	31
Revenue Shortfall Reserve Fund - Part B	27
Public Employees Insurance Agency	25
West Virginia Department of Environmental Protection Trust	10
AccessWV	1
Total	<u>\$ 184,830</u>



**Financial Statements - Unaudited**

**February 28, 2013**





# Total Return Fixed Income Pool

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## Financial Statements - Unaudited February 28, 2013

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# Total Return Fixed Income Pool

## Statement of Assets and Liabilities - Unaudited

February 28, 2013

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	2,245,699
Collateral for securities loaned at fair value (Note 5)		35,504
Cash denominated in foreign currencies (cost \$3,374)		3,363
Cash pledged as collateral for derivative contracts		2,499
Unrealized gain on futures contracts (Note 6)		4
Unrealized gain on foreign currency forward contracts (Note 8)		408
Receivables:		
Accrued interest		13,658
Investments sold		11,913
Dividends		4
Securities lending income		15
Other		917
		<hr/>
<b>Total assets</b>		2,313,984

### Liabilities

Accrued expenses		996
Dividends payable		2,868
Payable for investments purchased		18,835
Payable upon return of securities loaned (Note 5)		37,122
Unrealized loss on futures contracts (Note 6)		1,429
Unrealized loss on foreign currency forward contracts (Note 8)		108
Option contracts written		12
		<hr/>
<b>Total liabilities</b>		61,370

**Net assets** \$ 2,252,614

### Analysis of net assets

Paid-in capital	\$	1,676,363
Accumulated undistributed net investment income		985
Accumulated undistributed net realized gain from investments		345,549
Accumulated undistributed net realized gain from foreign currency transactions		14,363
Unrealized net appreciation of investments		215,025
Unrealized net appreciation on translation of assets and liabilities in foreign currencies		329
		<hr/>
<b>Net assets</b>	\$	<u><u>2,252,614</u></u>

### Unit data

Units outstanding		153,062,417
Net asset value, unit price	\$	<u><u>14.72</u></u>

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value	
<b><u>Municipal Bonds</u></b>							
California	7.500 %	7.156 %	04/01/2034	17,625	\$ 18,250	\$ 24,606	
California	7.550	6.884	04/01/2039	2,350	2,538	3,411	
California	7.630	7.196	03/01/2040	1,600	1,681	2,334	
Illinois State	4.960	3.643	03/01/2016	7,550	7,830	8,278	
Illinois State	5.370	5.365	03/01/2017	6,600	6,600	7,393	
Illinois State	5.670	5.059	03/01/2018	4,275	4,387	4,896	
Los Angeles Unified Sch Dist	6.760	6.027	07/01/2034	6,625	7,190	8,918	
New Jersey Turnpike Authority	7.100	6.019	01/01/2041	7,790	8,866	11,037	
Pennsylvania St Higher Ed Assn	8.400 A	7.319	05/01/2046	8,075	6,660	7,644	
Pennsylvania St Higher Ed Assn	7.210 A	4.325	05/01/2046	2,725	2,211	2,578	
Total Municipal Bonds - 3.6%						66,213	81,095
<b><u>U. S. Treasury Issues</u></b>							
United States Treasury	0.750	0.231	08/15/2013	27,000	27,065	27,076	
United States Treasury	0.500	0.204	10/15/2013	15,000	15,028	15,032	
United States Treasury	0.250	0.231	10/31/2013	21,000	21,003	21,013	
United States Treasury	0.250	0.228	01/31/2014	1,960	1,960	1,961	
United States Treasury	0.250	0.341	09/15/2015	220	219	220	
United States Treasury	0.250	0.408	10/15/2015	530	528	529	
United States Treasury	0.250	0.421	12/15/2015	28,000	27,867	27,939	
United States Treasury	0.380	0.378	01/15/2016	38,000	37,997	38,039	
United States Treasury	1.500	1.481	06/30/2016	580	580	601	
United States Treasury	1.000	0.948	08/31/2016	4,140	4,147	4,218	
United States Treasury	0.750	0.575	06/30/2017	100	101	101	
United States Treasury	0.500	0.678	07/31/2017	3,460	3,433	3,438	
United States Treasury	1.250	1.027	04/30/2019	47,740	48,373	48,318	
United States Treasury	1.000	1.061	09/30/2019	56,340	56,122	55,794	
United States Treasury	1.250	1.042	10/31/2019	9,940	10,073	9,993	
United States Treasury	1.130	1.233	12/31/2019	16,170	16,056	16,079	
United States Treasury	2.000	2.128	02/15/2022	1,200	1,187	1,230	
United States Treasury	1.630	1.642	08/15/2022	62,540	62,444	61,524	
United States Treasury	1.630	1.932	11/15/2022	1,910	1,858	1,870	
United States Treasury *	2.000	1.808	01/15/2026	26,670	31,530	40,069	
United States Treasury	4.380	4.263	05/15/2041	1,540	1,568	1,942	
United States Treasury	3.130	3.123	11/15/2041	13,440	13,445	13,589	
United States Treasury	3.130	2.806	02/15/2042	10,530	11,192	10,635	
Total U. S. Treasury Issues - 17.8%						393,776	401,210
<b><u>U. S. Government Agency Issues</u></b>							
<i>U. S. Government Agency MBS (coupon, yield, and maturity date are weighted averages)</i>							
FHLMC Issues	5.365	3.157	07/24/2035	90,754	98,359	98,776	
FNMA Issues	5.682	3.157	07/23/2031	190,985	206,245	209,846	
<i>Total U. S. Government Agency MBS</i>						304,604	308,622
<i>U. S. Government Agency CMO</i>							
Federal Home Loan Mortgage	1.230 A	7.285	04/25/2020	4,079	248	272	
Federal Home Loan Mortgage	1.670 A	7.735	06/25/2020	4,289	360	401	
Federal Home Loan Mortgage	1.500 A	7.150	08/25/2020	37,821	2,676	3,101	
Federal Home Loan Mortgage	1.000	0.000	03/15/2034	84	-	84	
Federal Home Loan Mortgage	6.000	2.181	05/15/2036	749	841	861	
Federal National Mortgage Assn	7.000	3.155	11/25/2040	12,591	13,929	14,238	
Federal National Mortgage Assn	5.500	(0.795)	04/25/2042	1,800	2,075	2,083	
Federal National Mortgage Assn	6.500	2.757	09/25/2042	47	51	55	
Federal National Mortgage Assn	6.500	4.979	12/25/2042	2,077	2,272	2,423	
Federal National Mortgage Assn	0.550	0.548	03/25/2043	7,459	7,461	7,447	
Federal National Mortgage Assn	7.500	5.102	12/25/2045	2,199	2,471	2,642	
<i>Total U. S. Government Agency CMO</i>						32,384	33,607
Total U. S. Government Agency Issues - 15.2%						336,988	342,229

*A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding. P - Perpetual bond, no stated maturity.*

*\*All or portions of these securities are pledged as collateral for futures contracts.*

*See accompanying notes to financial statements.*

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b>Corporate Issues</b>						
<i>Corporate Bonds</i>						
Abbvie Inc	2.900	2.975	11/06/2022	1,660	1,650	1,659
AES Corporation	8.000	8.000	06/01/2020	6,400	6,400	7,440
Ally Financial Inc	4.500	5.543	02/11/2014	17,420	17,253	17,834
American Express Co	6.150	6.072	08/28/2017	1,250	1,254	1,498
American Express Co	6.800	6.550	09/01/2066	1,360	1,410	1,459
American International Group	4.250	4.448	09/15/2014	3,200	3,191	3,361
American International Group	5.850	5.922	01/16/2018	910	907	1,071
American International Group	8.250	4.801	08/15/2018	5,900	6,865	7,690
Amgen Inc	4.500	4.506	03/15/2020	1,290	1,290	1,464
Anadarko Finance Co	7.500	6.559	05/01/2031	1,240	1,363	1,638
Anadarko Petroleum Corp	6.380	6.079	09/15/2017	740	748	884
ANZ National (Intl) LTD	1.850	1.872	10/15/2015	800	800	818
AOL Time Warner Inc	7.630	6.150	04/15/2031	4,500	5,219	6,108
AOL Time Warner Inc	7.700	5.911	05/01/2032	9,474	11,401	13,025
ArcelorMittal	5.000	A 5.831	02/25/2017	465	451	484
Asciano Finance	3.130	3.158	09/23/2015	4,890	4,886	5,036
AT&T Corp	8.000	6.053	11/15/2031	2,750	3,345	4,044
AT&T Inc	5.500	5.575	02/01/2018	5,076	5,060	5,998
AT&T Inc	6.550	5.509	02/15/2039	925	1,055	1,162
AT&T Inc	5.350	4.605	09/01/2040	5,000	5,578	5,476
BAC Capital Trust XI	6.630	7.268	05/23/2036	15,130	14,020	17,702
Bank of America Corp	6.500	6.500	08/01/2016	410	410	473
Bank of America Corp	5.420	3.544	03/15/2017	600	642	669
Bank of America Corp	7.630	4.957	06/01/2019	9,560	10,911	12,194
Bank of America Corp	5.000	5.091	05/13/2021	150	149	169
BBVA US Senior SA Uniper	4.660	4.283	10/09/2015	4,600	4,643	4,766
BNP Paribas	2.380	2.403	09/14/2017	1,260	1,258	1,291
BNSF Railway Co 2007-1 P	6.000	4.731	04/01/2024	901	999	1,054
Boston Properties LP	5.880	5.323	10/15/2019	4,950	5,101	5,971
Boston Properties LP	5.630	4.370	11/15/2020	4,600	4,974	5,473
Boston Scientific Corp	6.400	4.793	06/15/2016	9,415	9,871	10,788
Boston Scientific Corp	6.000	6.466	01/15/2020	500	487	584
BP Capital Markets PLC	3.130	3.187	10/01/2015	3,010	3,005	3,189
Burlington NO SF 00-1 TR	8.250	3.771	01/15/2021	271	318	332
Burlington NO SF 06-2 TR	5.630	3.991	04/01/2024	435	477	504
Burlington North Santa Fe	4.700	4.757	10/01/2019	850	847	992
Burlington North Santa Fe	4.100	4.153	06/01/2021	7,075	7,049	7,825
Burlington North Santa Fe	3.050	3.099	09/01/2022	6,600	6,574	6,735
Calpine Corp	7.880	7.875	01/15/2023	2,250	2,250	2,492
Canadia Pacific Railroad Co	5.750	5.922	01/15/2042	1,950	1,904	2,349
Capital One Financial Corp	6.750	4.409	09/15/2017	6,882	7,535	8,353
Capital One Financial Corp	4.750	4.838	07/15/2021	3,250	3,230	3,699
CIGNA Corporation	8.500	4.320	05/01/2019	3,399	4,161	4,416
CIGNA Corporation	7.650	6.815	03/01/2023	1,925	2,039	2,527
CIGNA Corporation	7.880	6.865	05/15/2027	1,545	1,685	2,080
CIGNA Corporation	6.150	5.839	11/15/2036	3,488	3,624	4,230
CIGNA Corporation	5.880	5.921	03/15/2041	1,135	1,128	1,360
Citigroup Inc	5.000	4.901	09/15/2014	6,750	6,760	7,100
Citigroup Inc	3.950	3.505	06/15/2016	2,160	2,190	2,322
Citigroup Inc	6.130	5.113	11/21/2017	11,270	11,741	13,332
Citigroup Inc	4.050	3.837	07/30/2022	2,700	2,745	2,803
Citigroup Inc	6.880	6.929	03/05/2038	3,460	3,438	4,611
Cliffs Natural Resources Inc	3.950	4.013	01/15/2018	630	628	651
Cliffs Natural Resources Inc	5.900	5.584	03/15/2020	990	1,008	1,083
Cliffs Natural Resources Inc	4.800	5.258	10/01/2020	420	408	431
Comcast Cable Communication	8.880	4.655	05/01/2017	2,615	3,029	3,361
Comcast Corp	6.500	4.573	01/15/2017	4,500	4,805	5,401
Comcast Corp	6.300	3.377	11/15/2017	2,700	3,041	3,292
Comcast Corp	5.880	3.492	02/15/2018	2,000	2,215	2,412
Comcast Corp	6.400	5.508	05/15/2038	2,600	2,914	3,331
Continental Airlines Inc	9.250	9.250	05/10/2017	993	993	1,113
Continental Airlines Inc	7.250	7.250	11/10/2019	5,110	5,110	5,928
Corp Bond Backed CTF-CCE	0.000	7.000	05/15/2098	5,000	3,495	4,713

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See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value	
Countrywide Financial Corp	6.250	7.952	05/15/2016	2,550	2,429	2,843	
Cox Communications Inc	9.380	4.733	01/15/2019	11,495	14,201	15,928	
Credit Agricole SA	8.380	8.375	12/13/2049	3,340	3,340	3,641	
CVS Caremark Corp	6.940	7.044	01/10/2030	1,880	1,880	2,324	
Daimler Finance NA LLC	1.300	1.362	07/31/2015	2,340	2,337	2,353	
Delta Air Lines	6.820	6.823	08/10/2022	1,927	1,927	2,172	
Deutsche Telekom Int Fin	5.750	5.903	03/23/2016	1,635	1,628	1,849	
Dow Chemical Company	8.550	5.415	05/15/2019	6,709	7,804	9,056	
Dow Chemical Company	9.400	5.987	05/15/2039	7,240	10,481	11,478	
El Paso Corporation	7.800	11.257	08/01/2031	469	340	525	
El Paso Corporation	7.750	7.814	01/15/2032	222	221	250	
Enel Finance International NV	6.000	6.400	10/07/2039	3,025	2,871	2,989	
ERP Operating-LP	4.630	4.504	12/15/2021	4,400	4,437	4,939	
Export-Import Bank Korea	4.000	4.043	01/11/2017	6,675	6,665	7,310	
Ford Motor Company	4.750	4.919	01/15/2043	1,480	1,441	1,406	
Ford Motor Credit Company	5.630	5.308	09/15/2015	9,200	9,268	10,021	
Ford Motor Credit Company	8.130	3.661	01/15/2020	2,140	2,716	2,696	
Ford Motor Credit Company	5.750	5.750	02/01/2021	10,300	10,300	11,654	
General Electric Capital Corp	1.630	1.106	07/02/2015	570	577	580	
General Electric Capital Corp	5.500	4.533	01/08/2020	4,030	4,256	4,784	
General Electric Capital Corp	4.380	4.185	09/16/2020	3,550	3,593	3,974	
General Electric Capital Corp	4.630	4.118	01/07/2021	2,550	2,636	2,883	
General Electric Capital Corp	4.650	3.474	10/17/2021	2,000	2,174	2,257	
General Electric Capital Corp	6.380	3.913	11/15/2067	4,910	4,829	5,192	
Glitnir BankI HF	0.000	N	N/A	5,000	6	63	
Glitnir BankI HF	0.000	N	N/A	600	1	8	
Goldman Sachs Capital II	4.000	5.513	12/29/2049	3,960	3,031	3,297	
Goldman Sachs Group Inc	6.150	6.141	04/01/2018	3,680	3,681	4,348	
Goldman Sachs Group Inc	6.250	6.241	02/01/2041	2,810	2,813	3,409	
Greenpoint Manufacture Housing	2.970	A	4.491	03/18/2029	900	729	793
Greenpoint Manufacture Housing	3.700	A	5.467	06/19/2029	475	380	422
Greenpoint Manufacture Housing	3.700	A	5.418	02/20/2030	450	360	398
Greenpoint Manufacture Housing	3.710	A	4.985	02/20/2032	750	629	639
Greenpoint Manufacture Housing	3.700	A	3.804	03/13/2032	1,025	859	859
Groupe BPCE	12.500		9.578	P	3,317	4,329	4,077
HCA Inc	6.750	5.618	07/15/2013	1,400	1,406	1,425	
HCA Inc	5.750	5.641	03/15/2014	3,300	3,303	3,432	
HCA Inc	6.380	3.610	01/15/2015	5,295	5,558	5,679	
HCA Inc	6.500	5.065	02/15/2016	6,200	6,440	6,781	
Health Net Inc	6.380	7.210	06/01/2017	2,850	2,764	3,000	
Hewlett-Packard Company	3.300	3.346	12/09/2016	4,300	4,293	4,462	
HSBC Finance Corp	6.680	7.080	01/15/2021	350	342	419	
HSBC Holdings PLC	5.100	5.128	04/05/2021	1,125	1,123	1,310	
HSBC Holdings PLC	6.500	6.137	05/02/2036	10,725	11,195	13,382	
HSBC Holdings PLC	6.500	6.601	09/15/2037	490	484	614	
Humana Inc	7.200	6.671	06/15/2018	2,030	2,077	2,485	
Humana Inc	3.150	3.196	12/01/2022	460	458	453	
Humana Inc	8.150	8.095	06/15/2038	730	734	1,031	
Hyundai Capital America	2.130	2.154	10/02/2017	460	459	464	
ILFC E-Capital Trust II	6.250	3.272	12/21/2065	4,520	3,889	4,204	
Interpublic Group of Co Inc	2.250	2.300	11/15/2017	2,070	2,065	2,049	
John Deere Capital Corp	5.350	5.235	04/03/2018	1,550	1,558	1,842	
JP Morgan Chase & Co	5.130	5.030	09/15/2014	40	40	43	
JP Morgan Chase & Co	5.150	5.330	10/01/2015	790	787	863	
JP Morgan Chase & Co	4.950	4.276	03/25/2020	3,465	3,606	3,990	
JP Morgan Chase & Co	4.350	3.935	08/15/2021	1,425	1,467	1,571	
Kerr-McGee Corporation	6.950	5.912	07/01/2024	490	531	609	
Kerr-McGee Corporation	7.880	6.593	09/15/2031	1,665	1,891	2,184	
Kinder Morgan Energy Partners	5.000	6.163	12/15/2013	940	932	973	
Kinder Morgan Energy Partners	6.000	6.219	02/01/2017	1,610	1,598	1,874	
Kingdom of Spain	4.000	4.030	03/06/2018	5,500	5,483	5,418	
KLA-Tencor Corporation	6.900	3.149	05/01/2018	4,900	5,770	5,870	
Kroger Co	6.400	5.641	08/15/2017	220	227	263	
Kroger Co	3.400	3.466	04/15/2022	1,240	1,234	1,273	
Lafarge SA	6.200	4.491	07/09/2015	6,175	6,408	6,700	

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See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) February 28, 2013 (Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Lafarge SA	6.500	5.318	07/15/2016	7,250	7,511	8,048
Legg Mason Inc	5.500 A	5.680	05/21/2019	5,900	5,844	6,355
Lehman Bros CAP TR VII	0.000 N	N/A	07/19/2017	110	-	-
Lehman Bros CAP TR VII	0.000 N	N/A	12/28/2017	8,860	-	-
Lehman Bros CAP TR VII	0.000 N	N/A	11/29/2049	4,430	-	-
Lorillard Tobacco Company	8.130	6.688	06/23/2019	2,680	2,876	3,427
Macy's Inc	6.900	6.746	04/01/2029	3,000	3,045	3,592
Macys Retail Holdings Inc	6.650	7.294	07/15/2024	6,415	6,098	7,956
Macys Retail Holdings Inc	6.700	6.501	07/15/2034	1,990	2,035	2,336
Macys Retail Holdings Inc	6.380	6.832	03/15/2037	4,100	3,879	4,814
Merrill Lynch & Company Inc	6.880	6.887	04/25/2018	8,890	8,885	10,777
MetLife Inc	6.400	7.089	12/15/2036	2,790	2,571	3,016
MMC Corporation Berhad	6.250	4.224	01/15/2018	4,775	5,197	5,742
Morgan Stanley	6.630	6.224	04/01/2018	360	366	428
National Australia Bank Ltd	1.600	1.622	08/07/2015	750	750	764
National Semiconductor	6.600	5.898	06/15/2017	2,580	2,648	3,155
News America Inc	6.400	5.095	12/15/2035	2,260	2,655	2,755
News America Inc	6.650	5.993	11/15/2037	2,785	3,019	3,465
Nordea Bank AB	4.880	4.938	05/13/2021	2,980	2,967	3,221
NVR Inc	3.950	3.971	09/15/2022	100	100	102
Pacific Gas & Electric Corp	6.050	5.913	03/01/2034	870	884	1,116
Pacific Life Global Funding	5.150	5.161	04/15/2013	450	450	452
Pernod Ricard SA	2.950	2.890	01/15/2017	650	651	686
Pernod Ricard SA	4.450	4.214	01/15/2022	1,730	1,760	1,904
Petrobras Intl Fin Co	3.880	3.061	01/27/2016	1,050	1,074	1,098
Petrobras Intl Fin Co	5.380	4.063	01/27/2021	10,025	10,907	10,944
Rabobank Nederland	11.000	10.092	P	544	593	726
Reed Elsevier Capital	8.630	4.178	01/15/2019	6,550	8,052	8,536
Reynolds American Inc	6.750	6.619	06/15/2017	2,330	2,341	2,813
Reynolds American Inc	3.250	3.266	11/01/2022	690	689	686
Reynolds Group Holdings	7.130 A	6.775	04/15/2019	400	407	430
Reynolds Group Holdings	6.880 A	6.875	02/15/2021	1,360	1,360	1,452
Rock-Tenn Co	3.500	3.589	03/01/2020	540	537	549
Rock-Tenn Co	4.000	4.076	03/01/2023	280	278	281
Royal Bank of Scotland Grp PLC	5.000	7.737	10/01/2014	880	845	910
Royal Bank of Scotland GRP PLC	2.550	2.570	09/18/2015	360	360	371
Royal Bank of Scotland GRP PLC	6.130	6.043	12/15/2022	5,340	5,371	5,602
Royal Bank of Scotland Grp PLC	7.640	7.640	P	600	600	543
Royal Bank of Scotland PLC	4.380	4.419	03/16/2016	3,225	3,221	3,522
Royal Bank of Scotland PLC	5.630	5.850	08/24/2020	1,775	1,751	2,081
Southern Natural Gas Co	5.900	5.897	04/01/2017	570	570	666
Sprint Capital Corp	6.900	7.819	05/01/2019	1,025	980	1,115
Sprint Capital Corp	8.750	7.015	03/15/2032	680	803	799
Sprint Nextel Corporation	6.000	6.746	12/01/2016	8,075	7,877	8,721
Sprint Nextel Corporation	7.000	6.713	08/15/2020	150	152	163
State Street Corp	4.960	4.727	03/15/2018	1,980	2,000	2,254
Student Loan Marketing Assn	3.880	2.921	09/10/2015	4,810	4,921	4,961
Student Loan Marketing Assn	6.000	6.327	01/25/2017	5,775	5,711	6,251
Student Loan Marketing Assn	4.630	3.739	09/25/2017	1,100	1,141	1,128
Student Loan Marketing Assn	8.450	8.318	06/15/2018	5,225	5,253	6,179
Teachers Insurance & Annuity	6.850	6.860	12/16/2039	1,230	1,228	1,647
Telecom Italia Capital	5.250	5.095	11/15/2013	2,825	2,828	2,890
Telecom Italia Capital	6.180	6.028	06/18/2014	4,375	4,382	4,566
Telecom Italia Capital	7.000	5.598	06/04/2018	3,880	4,124	4,392
Telecom Italia Capital	7.180	7.026	06/18/2019	2,900	2,922	3,303
Telefonica Emisiones SAU	6.220	7.136	07/03/2017	250	242	277
Telefonica Emisiones SAU	5.130	7.366	04/27/2020	670	588	692
Tenet Healthcare Corporation	8.880	9.625	07/01/2019	250	241	283
Time Warner Cable Inc	8.750	4.807	02/14/2019	9,990	12,007	13,189
Time Warner Cable Inc	8.250	4.876	04/01/2019	975	1,146	1,267
Time Warner Cable Inc	4.000	4.095	09/01/2021	4,065	4,038	4,315
Time Warner Cable Inc	5.500	5.558	09/01/2041	230	228	241
Time Warner Entertainment	8.380	8.068	07/15/2033	3,050	3,143	4,278
TNK-BP Finance SA	7.880	8.692	03/13/2018	2,820	2,728	3,412
Transocean Inc	2.500	2.357	10/15/2017	990	996	1,002

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# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Turlock Corp	1.500	1.523	11/02/2017	1,050	1,049	1,052
Turlock Corp	2.750	2.789	11/02/2022	2,750	2,741	2,700
Turlock Corp	4.150	4.106	11/02/2042	2,730	2,751	2,654
Union Pacific Corp	4.160	4.011	07/15/2022	4,812	4,869	5,407
Union Pacific RR Co 07-3	6.180	4.873	01/02/2031	767	831	940
United Business Media LT	5.750	5.979	11/03/2020	3,330	3,284	3,619
UNP RR Co 1999 Pass Trust	7.600	3.775	01/02/2020	519	594	620
UNP RR Co 2005 Pass Trust	5.080	4.328	01/02/2029	3,949	4,114	4,536
Vale Overseas Ltd	6.880	6.914	11/21/2036	2,812	2,799	3,317
Vedanta Resources PLC	8.750	8.751	01/15/2014	952	952	998
Vulcan Materials Company	6.500	6.521	12/01/2016	2,850	2,848	3,203
Vulcan Materials Company	7.500	7.500	06/15/2021	2,925	2,925	3,422
Wachovia Capital Trust	5.570	5.635	12/29/2049	2,290	2,285	2,293
Wachovia Corp	5.630	6.046	10/15/2016	1,050	1,036	1,202
Wachovia Corp	5.750	0.000	02/01/2018	-	-	-
Wal-Mart Stores Inc	5.800	5.143	02/15/2018	610	627	744
WellPoint Inc	1.250	1.264	09/10/2015	400	400	403
WellPoint Inc	5.880	5.980	06/15/2017	260	259	308
WellPoint Inc	7.000	4.135	02/15/2019	6,250	7,186	7,794
Wells Fargo Capital X	5.950	6.338	12/15/2036	1,720	1,638	1,754
Xerox Corporation	6.400	4.485	03/15/2016	8,525	8,984	9,582
Xerox Corporation	6.350	3.960	05/15/2018	7,452	8,282	8,663
XStrata Finance Canada	1.800	1.745	10/23/2015	1,420	1,422	1,435
XStrata Finance Canada	5.800	1.905	11/15/2016	310	353	355
XStrata Finance Canada	2.450	2.453	10/25/2017	1,340	1,340	1,361
<i>Total Corporate Bonds</i>					667,623	739,338
<i>Corporate Asset Backed Issues</i>						
Chase Issuance Trust	0.540 A	0.535	10/16/2017	11,000	11,002	10,988
EDUCAP Student Loan Asset Back	1.490 A	2.352	06/25/2038	4,099	3,665	3,587
Hertz Vehicle Financing LLC	5.290	5.350	03/25/2016	1,600	1,600	1,735
Lehman XZ Trust	0.420	13.547	04/25/2046	4,040	2,530	2,817
NC State Education Authority	1.200	1.688	07/25/2030	11,400	10,790	11,582
Nelnet Student Loan Trust	0.580 A	1.534	03/22/2032	10,700	9,656	9,276
Pegasus Aviation Lease Sec	8.370	16.049	03/25/2030	500	329	195
Public Service New Hampshire	6.480	5.468	05/01/2015	34	35	35
SLM Student Loan Trust	3.310 A	3.336	05/15/2017	8,790	8,789	9,353
<i>Total Corporate Asset Backed Issues</i>					48,396	49,568
<i>Corporate CMO</i>						
Banc of America Mortgage Sec	5.300 A	6.476	12/01/2034	2,388	2,289	2,347
Banc of America Mortgage Sec	3.130 A	3.440	04/25/2035	664	650	565
Bear Stearns Adj Rate Mortgage	2.430	4.074	12/25/2046	1,281	1,187	1,013
Countrywide Alternative Loan T	2.880 A	3.004	12/25/2035	1,573	1,563	1,234
Countrywide Home Loans	2.860 A	2.860	06/20/2036	848	847	695
Indymac Inda Mtg Loan Trust	3.250 A	3.222	09/25/2037	1,435	1,434	1,319
IndyMac Residential Asset Sec	4.750	4.333	02/25/2019	1,491	1,498	1,536
JP Morgan Mortgage Trust	3.030 A	3.385	08/25/2035	1,273	1,252	1,189
MASTR ARM Trust	2.990 A	3.303	01/25/2036	843	827	805
MASTR Performing Loan Trust	7.000	6.338	08/25/2034	69	70	70
MLCC Mortgage Investors Inc	2.690 A	3.061	12/25/2034	27	26	27
Morgan Stanley Mortgage Loan	2.690 A	2.751	10/25/2034	1,162	1,156	1,126
Morgan Stanley Mortgage Loan	2.660 A	2.574	06/25/2037	3,620	3,629	2,092
WAMU Mortgage Pass-Through Cer	2.470 A	2.753	08/25/2035	1,182	1,163	1,160
WAMU Mortgage Pass-Through Cer	2.460 A	2.851	10/25/2035	171	170	169
WAMU Mortgage Pass-Through Cer	2.530 A	2.767	12/25/2035	1,513	1,492	1,433
Washington Mutual Mortgage	2.400 A	2.473	11/25/2036	157	156	132
Washington Mutual Mortgage	2.410 A	2.411	12/25/2036	597	596	494
Washington Mutual Mortgage	2.670 A	18.252	02/25/2037	513	284	438
Washington Mutual Mortgage	2.490 A	2.682	03/01/2037	166	165	128
Wells Fargo Mortgage Backed	2.620 A	6.548	12/25/2034	2,186	1,804	2,217
Wells Fargo Mortgage Backed	2.720 A	3.150	04/25/2036	191	191	179
<i>Total Corporate CMO</i>					22,449	20,368

A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding. P - Perpetual bond, no stated maturity.

\*All or portions of these securities are pledged as collateral for futures contracts.

See accompanying notes to financial statements.



# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<i>Corporate Preferred Securities</i>						
Citigroup Capital XIII	0.000	1.694		314	8,345	8,873
Total Corporate Issues - 36.3%					746,813	818,147
<b><u>Foreign Government Bonds</u></b>						
Mex Bonos Desarr Fix Rt	6.500	5.632	06/09/2022	85,250	7,047	7,364
<b><u>Investments in Other Funds</u></b>						
Western Asset High Yield Portfolio				783,606	7,366	7,045
Investment Objective - To maximize total return by investing in fixed income securities that are rated below investment grade at time of purchase.						
Redemption Provisions - Daily						
Western Asset Opportunistic US Dollar High Yield Securities Portfolio, LLC				642,508	14,021	17,454
Investment Objective - To maximize total return by investing in fixed income securities that are rated below investment grade at time of purchase.						
Redemption Provisions - Daily						
Western Asset Opportunistic International Investment Grade Securities Portfolio, LLC				1,942,089	41,976	51,735
Investment Objective - To maximize total return by investing in fixed income securities that are rated investment grade at time of purchase.						
Redemption Provisions - Daily						
Western Asset Floating Rate High Income Fund, LLC				4,404,573	54,294	78,463
Investment Objective - To maximize total return by investing in U.S. dollar-denominated loans, loan participations and below investment grade fixed income securities.						
Redemption Provisions - Daily						
Western Asset US Enhanced Cash, LLC				3,961,453	38,085	43,707
Investment Objective - To maximize total return by investing in investment grade fixed income securities.						
Redemption Provisions - Daily						
Western Asset Opportunistic Asian Securities Portfolio, LLC				4,987,845	54,501	67,466
Investment Objective - To maximize total return by investing in debt and fixed income securities of Asian issuers.						
Redemption Provisions - Daily						
Western Asset Mortgage Backed Securities Portfolio, LLC				3,125,195	50,000	52,163
Investment Objective - To maximize total return by investing in debt securities issued or guaranteed by the U.S. government.						
Redemption Provisions - Daily						
Western Asset Non-U.S. Inflation Linked Securities Portfolio, LLC				310,885	4,909	5,152
Investment Objective - To maximize total return by investing in inflation linked securities of non-U.S. issuers (70%) and U.S. issuers (30%).						
Redemption Provisions - Daily						
Western Asset Emerging Markets Local Debt Portfolio, LLC				1,790,116	23,724	36,092
Investment Objective - To maximize total return by investing in lower rated debt and other fixed income securities of non-U.S. issuers.						
Redemption Provisions - Daily						
Western Asset Opportunistic Structured Securities Portfolio, LLC				5,555,363	49,543	82,525
Investment Objective - To maximize total return by investing in primarily investment grade asset backed fixed income securities.						
Redemption Provisions - Daily						

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*\*All or portions of these securities are pledged as collateral for futures contracts.*

*See accompanying notes to financial statements.*



## Total Return Fixed Income Pool

### Schedule of Investments in Securities - Unaudited (continued)

**February 28, 2013**

*(Amounts in thousands, except share data)*

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Western Asset Emerging Markets Corporate Credit Portfolio, LLC				2,383,703	22,282	37,815
Investment Objective - To maximize total return by investing in U.S. dollar-denominated fixed income securities of non-U.S. issuers in developing markets.						
Redemption Provisions - Daily						
Total Investments in Other Funds - 21.3%					360,701	479,617
<b>Short-term Issues</b>						
Dreyfus Cash Management Institutional Fund				116,013,955	116,014	116,014
<b>Option Contracts Purchased</b>						
<i>Put, strike price, expiration</i>						
Eurodollar 3Yr Midcurve Option, 98.375, June 2013				-	64	23
Total Option Contracts Purchased - 0.0%					64	23
Total Investment Securities - 99.7%					<u>\$ 2,027,616</u>	<u>\$ 2,245,699</u>
<b>Collateral for Securities Loaned</b>						
BNY Mellon Securities Lending Overnight Fund					\$ 35,299	\$ 35,299
Mellon SL DBT II Liquidating Fund					208	205
Mellon SGSL DBT II Liquidating Trust					1,615	-
Total Collateral for Securities Loaned					<u>\$ 37,122</u>	<u>\$ 35,504</u>

*A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding. P - Perpetual bond, no stated maturity.*

*\*All or portions of these securities are pledged as collateral for futures contracts.*

*See accompanying notes to financial statements.*

## Total Return Fixed Income Pool

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### Option Contracts Written - Unaudited

February 28, 2013

(Amounts in thousands)

<u>Type</u>	<u>Description</u>	<u>Maturity</u>	<u>Strike Price</u>	<u>Contracts</u>	<u>Cost</u>	<u>Fair Value</u>
Put	Eurodollar 3Yr Midcurve Option	6/14/2013	98.125	(168)	<u>\$ (37)</u>	<u>\$ (12)</u>
Total Option Contracts Written - (0.0%)					<u>\$ (37)</u>	<u>\$ (12)</u>

See accompanying notes to financial statements.

## Total Return Fixed Income Pool

### Statement of Operations - Unaudited

Period Ended February 28, 2013\*

*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ 5,556	\$ 46,039
Dividends	48	1,534
Net amortization	(2,294)	(13,006)
Securities lending income	21	165
Securities lending borrower premiums	(1)	4
Net shareholder litigation proceeds	-	239
	<b>3,330</b>	<b>34,975</b>
<b>Expenses</b>		
Investment advisor fees	(348)	(1,589)
Trustee fees	(1)	(5)
Custodian bank fees	(6)	(45)
Management fees	(53)	(455)
Fiduciary bond fees	-	(3)
Professional service fees	(11)	(91)
Securities lending agent fees	(4)	(27)
Futures commission expense	(23)	(85)
	<b>(446)</b>	<b>(2,300)</b>
	<b>Investment income, net</b>	<b>32,675</b>
	2,884	81,886
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain (loss) from:		
Investments	10,980	18,385
Foreign currency transactions	(221)	379
Net increase (decrease) from:		
Investments	(7,446)	62,898
Translation of assets and liabilities in foreign currencies	480	224
	<b>3,793</b>	<b>81,886</b>
	<b>Net gain from investments</b>	<b>114,561</b>
	<b>Net increase in net assets from operations</b>	<b>6,677</b>
	<b>\$ 6,677</b>	<b>\$ 114,561</b>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.

## Total Return Fixed Income Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 2,884	\$ 32,675
Net realized gain from investments	10,980	18,385
Net realized gain (loss) from foreign currency transactions	(221)	379
Net increase (decrease) in the fair value of investments	(7,446)	62,898
Net increase in the translation of assets and liabilities in foreign currencies	480	224
	<b>6,677</b>	<b>114,561</b>
<b>Distributions to unitholders</b>		
Investment income, net	(2,868)	(32,533)
<b>Unit transactions</b>		
Proceeds from sale of units	19,598	115,004
Reinvestment of distributions	2,862	35,609
	22,460	150,613
Amount paid for repurchase of units	(1,030)	(289,552)
	<b>21,430</b>	<b>(138,939)</b>
	<b>25,239</b>	<b>(56,911)</b>
	<b>2,227,375</b>	<b>2,309,525</b>
	<b>\$ 2,252,614</b>	<b>\$ 2,252,614</b>
<b>Unit data</b>		
Units sold	1,333,909	7,895,588
Units issued from reinvestment of distributions	194,824	2,452,672
	1,528,733	10,348,260
Units repurchased	(70,105)	(19,882,114)
	<b>1,458,628</b>	<b>(9,533,854)</b>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Total Return Fixed Income Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Total Return Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of this Pool is to earn superior returns with low volatility by actively investing in the extended fixed income markets. Dodge & Cox and Western Asset Management Company (Western) manage the Pool. The Pool's investment performance, net of external investment management fees, is expected to meet or exceed the Barclays Capital Universal index.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in debt securities are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Investments in other funds are valued at the reported net asset values of the individual funds, provided by the fund's management, as a practical expedient for measuring fair value. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. Futures and option contracts are valued at the last settlement price established each day by the exchange on which they are traded. Interest rate

# Total Return Fixed Income Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

and total return swap values are based on market values received from third parties or are determined by valuation models. Foreign currency forward contracts are valued at the difference between the forward contract amount and the month-end forward exchange rate. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

**Foreign Currency** - Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Bank of New York Mellon on the following basis:

- a. Market value of investment securities, other assets and liabilities - at the closing rate of exchange at the valuation date.
- b. Purchases and sales of investment securities, income and expenses - at the rate of exchange prevailing on the respective dates of such transactions.

The IMB isolates that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from market prices of securities held.

Reported net realized foreign exchange gains and losses arise from sales of portfolio securities, sales and maturities of short-term securities, sales of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities including investments in securities at month end, resulting from changes in the exchange rate.

**Option Contracts** - The IMB may purchase or write equity, bond, currency, or index option contracts that have recognized liquidity and are actively traded on major exchanges or are executed with major dealers. These option contracts give the purchaser (seller) of the contract the right to buy (call) or sell (put) the security, or settle cash for an index option, underlying the contract at an agreed upon price (strike price) during or at the conclusion of a specified period of time.

Premiums paid upon the purchase of an option contract are recorded as an asset and subsequently adjusted to market value. Upon exercising a purchased option, a gain is recorded equal to the difference between the market value of the underlying instrument and the strike price of the option, minus premiums paid. If the option expires unexercised, a loss is recognized in the amount of the premiums paid for the option.

Premiums received when option contracts are written are recorded as a liability and subsequently adjusted to market value. If a written option contract expires unexercised, a gain is recorded equal to the amount of the premiums received. The difference between the premiums received and the amount paid to effect a closing transaction is also recorded as a gain or loss. When a written option is exercised, a loss is recorded equal to the difference between the market value of the underlying instrument and the strike price of the option, minus premiums received.

Written option contracts are used to enhance investment returns and reduce portfolio convexity when implied volatility is high. Purchased option contracts are used to increase portfolio convexity when implied volatility is low, to implement certain yield curve strategies, or to hedge sector exposure.

When writing put options, there is risk that a loss may be incurred if the market price of the underlying instrument decreases and the option is exercised. This loss is determined by market conditions and cannot be specifically limited. The risk associated with writing call options is the loss of potential profit if the market price of the security increases and the option is exercised. Purchased put or call options bear the risk of loss of the premium paid if market conditions are not favorable to exercise the option. There may also be risk that the value of the option contract does not correlate perfectly with movements of the underlying instrument due to certain market distortions.

# Total Return Fixed Income Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

The IMB limits its exposure to credit risk by only buying or selling options traded on major exchanges, or executed with major dealers. There is a risk of the inability to enter into a closing transaction if a liquid secondary market does not exist. The IMB maintains sufficient levels of cash or cash equivalents to meet cash flow obligations.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. For international securities, the collateral is at least 105 percent of the market value of the securities on loan. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, consisting of the Mellon SL DBT II Liquidating Fund and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust). Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations as net increase or decrease in the fair value of investments.

**Futures Contracts** - A futures contract is an agreement between a buyer or a seller and the clearinghouse of a futures exchange in which the parties agree to buy or sell a commodity, financial instrument or index at a specified future date and price. Upon entering into a financial futures contract, the IMB is required to pledge to the broker an amount of cash, U.S. government securities, or other assets, equal to a certain percentage of the contract amount (initial margin deposit). Cash (variation margin) is received from or paid to the broker for the fluctuations of the underlying securities or index. The IMB records futures at fair market value. Gains or losses on open futures positions are unrealized. These gains or losses become realized when the position is closed.

Interest rate futures may be used to enhance portfolio yields or as an alternative investment of cash.

The market risk associated with holding interest rate and stock index futures results from changes in the market value of the contractual positions due to changes in the value of the underlying instruments or indices. Investment risk associated with these futures contracts arises because the value of the futures contracts may not correlate perfectly with changes in the values of the underlying instruments or indices due to market distortions.

Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading in a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contracts. The IMB's managers generally only utilize futures contracts that are traded on major exchanges or are executed with major dealers. The major exchanges assume the risk of a counterparty default and generally require an initial margin deposit of cash or securities.

**Foreign Currency Forward Contracts** - A foreign currency forward contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. Western enters into such contracts to take advantage of the relative changes in currency exchange rates. Risks associated with such contracts include movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. These contracts are valued at the prevailing market exchange rates at month end. An unrealized gain or loss is recorded as the difference between the amount valued at month end and the amount to be received or paid at the expiration date. The unrealized gain or loss is reclassified to realized gain or loss when the contract expires.

**Interest Rate Swaps** - Interest rate swaps represent agreements between counterparties to exchange cash flows based on the difference between two interest rates, applied to a notional principal amount for a specified period. Interest rate swaps do not

# Total Return Fixed Income Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

involve the exchange of principal between the parties. Interest is paid or received periodically. Fair values are based on market values received from third parties or are determined by valuation models.

**Total Return Swaps** - Total return swaps represent agreements in which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, which includes both the income it generates and any capital gains. In total return swaps, the underlying asset, referred to as the reference asset, is usually an equity index, loans, or bonds. This is owned by the party receiving the set rate payment.

**Asset-Backed Securities** - The Pool invests in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. The Pool invests in these securities to enhance yields on investments. Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security. The amortization of asset-backed securities considers the effect of prepayments on the life of the security. Historical prepayment speeds are obtained from market data vendors and are updated annually. The effect of changing prepayment assumptions is reported in the Statement of Operations in the year of the change.

**Distributions to Participants** - The monthly net investment income is declared as a dividend on the last day of the month and distributed to the participants of the Pool on the first day of the following month. Distributions are paid in the form of reinvestments in the Pool and have been included in distributions to participants and reinvestment of distributions as presented on the Statement of Changes in Net Assets. The Pool does not routinely distribute dividends of net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of February 28, 2013.



## Total Return Fixed Income Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 3. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments held in the Pool include foreign exchange contracts, futures, options, interest rate swaps, and total return swaps. None of these derivative financial instruments are designated as hedging instruments under ASC 815; they are used to implement portfolio strategy, capture valuation opportunities, and to exploit market inefficiencies. The primary risks managed by using these derivative financial instruments include interest rate, foreign exchange rate, and market price risks. See Note 2 for additional information on the Pool's purpose for entering into derivatives not designated as hedging instruments and for discussion on the risks associated with investing in these derivatives.

The table below presents the fair value of the derivative financial instruments not designated as hedging instruments recorded in the Statement of Assets and Liabilities as of February 28, 2013:

Derivatives not designated as hedging instruments under ASC 815	Asset Derivatives		Liability Derivatives	
	Statement of Assets and Liabilities	Fair Value	Statement of Assets and Liabilities	Fair Value
	Location		Location	
Fixed income / Interest rate contracts	Investment in securities at fair value	\$ 23	Option contracts written	\$ (12)
Fixed income / Interest rate contracts	Unrealized gain on futures contracts	4	Unrealized loss on futures contracts	(1,429)
Foreign exchange contracts	Unrealized gain on foreign currency forward contracts	408	Unrealized loss on foreign currency forward contracts	(108)
Total		<u>\$ 435</u>		<u>\$ (1,549)</u>

The table below presents the impact of the derivative financial instruments not designated as hedging instruments recorded in the Statement of Operations for the period ended February 28, 2013:

Derivatives not designated as hedging instruments under ASC 815	Statement of	Realized	Statement of	Unrealized
	Operations Location	Gain (Loss)	Operations Location	Gain (Loss)
Fixed income / Interest rate contracts	Net realized gain (loss) from investments	\$ (1,307)	Net increase (decrease) in the fair value of investments	\$ (708)
Foreign exchange contracts	Net realized gain (loss) from foreign currency transactions	63	Net increase (decrease) in the fair value of translation of assets and liabilities in foreign currencies	360
Total		<u>\$ (1,244)</u>		<u>\$ (348)</u>

## Total Return Fixed Income Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 4. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of February 28, 2013:

Assets	Level 1	Level 2	Level 3	Total
Commingled funds	\$ -	\$ 479,617	\$ -	\$ 479,617
Corporate issues	-	809,274	-	809,274
Foreign currency forward contracts	-	408	-	408
Foreign government bonds	-	7,364	-	7,364
Futures	4	-	-	4
Municipal bonds	-	81,095	-	81,095
Options	23	-	-	23
Preferred Securities	8,873	-	-	8,873
Regulated investment companies	-	116,014	-	116,014
Securities lending collateral funds	-	35,504	-	35,504
U.S. government agency issues	-	342,229	-	342,229
U.S. Treasury issues	-	401,210	-	401,210
Total	<u>\$ 8,900</u>	<u>\$ 2,272,715</u>	<u>\$ -</u>	<u>\$ 2,281,615</u>
Liabilities	Level 1	Level 2	Level 3	Total
Foreign currency forward contracts	\$ -	\$ (108)	\$ -	\$ (108)
Futures	(1,429)	-	-	(1,429)
Options	(12)	-	-	(12)
Total	<u>\$ (1,441)</u>	<u>\$ (108)</u>	<u>\$ -</u>	<u>\$ (1,549)</u>

## Total Return Fixed Income Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 5. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at February 28, 2013.

Fair value of securities on loan	\$	334,311			
Initial collateral received:					
		<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Loss</u>	
Cash	\$	<u>37,122</u>	\$ 35,504	<u>\$ (1,618)</u>	
Non-cash			304,134		
Total			<u>\$ 339,638</u>		

The Liquidating Trust, referenced in Note 2, was created in October 2008 to account for certain securities issued by Sigma Finance, Inc. The IMB's balance in the Liquidating Trust for all IMB investment pools that participate in the securities lending program was \$10,974 of which \$1,703 was assigned to the Total Return Fixed Income Pool. A loss reserve was established for the entire amount. Through February 28, 2013 the loss reserve has been adjusted to \$1,615 as a result of cash received in the Liquidating Trust. This \$1,615 is included in the unrealized loss reported in the above table.

In October 2008, the IMB suspended the distribution of any net securities lending income subject to final dissolution of the Liquidating Trust. For the period October 2008 through February 2013, the pool has recorded, but not distributed \$985 of net securities lending income.

#### NOTE 6. FUTURES CONTRACTS

At February 28, 2013, open positions in futures contracts denominated in U.S. dollars were as follows:

<u>Expiration</u>	<u>Open Contracts</u>	<u>Position</u>	<u>Value at February 28, 2013</u>	<u>Value Upon Entering Contract</u>	<u>Unrealized Gain (Loss)</u>
Sep 2013	231 Euro 90 Day Future	Long	\$ 57,559	\$ 57,555	\$ 4
Sep 2014	(231) Euro 90 Day Future	Short	(57,479)	(57,453)	(26)
Jun 2013	(467) US Long Bond Future	Short	(67,146)	(66,826)	(320)
Mar 2013	(746) US Treasury 10 Yr Note Future	Short	(98,997)	(98,667)	(330)
Jun 2013	(1,943) US Treasury 10 Yr Note Future	Short	(255,595)	(255,150)	(445)
Jun 2013	(169) US Treasury 2 Yr Note Future	Short	(37,259)	(37,252)	(7)
Jun 2013	(771) US Treasury 5 Yr Note Future	Short	(95,592)	(95,309)	(283)
Jun 2013	(20) US Ultra Bond Future	Short	(3,160)	(3,142)	(18)
			<u>\$ (557,669)</u>	<u>\$ (556,244)</u>	<u>\$ (1,425)</u>

At February 28, 2013, the Pool had pledged cash of \$2,499 and securities of \$3,712 to cover margin requirements on open futures contracts.

## Total Return Fixed Income Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 7. OPTION CONTRACTS

A summary of the activity in short (written) option positions for the period ended February 28, 2013 is as follows:

	Puts		Calls	
	Number of Contracts	Premiums (Received)/Paid	Number of Contracts	Premiums (Received)/Paid
Options outstanding at June 30, 2011	-	\$ -	(181)	\$ (90)
Options written	(1,223)	(216)	(257)	(84)
Options closed	597	95	320	152
Options expired	458	84	118	22
Options outstanding at February 28, 2013	(168)	\$ (37)	-	\$ -

#### NOTE 8. FOREIGN CURRENCY FORWARD CONTRACTS

At February 28, 2013, open foreign currency forward contracts were as follows:

Position	Foreign Currency	Inception Date	Expiration Date	Receivable		Payable		Unrealized Gain (Loss)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long	Mexican Peso	02/06/2013	05/16/2013	133,952	\$ 10,404		\$ 10,512	\$ (108)
Short	Euro Currency Unit	02/05/2013	05/16/2013		5,627	4,160	5,441	186
Short	Euro Currency Unit	02/06/2013	05/16/2013		6,540	4,829	6,318	222
					<u>\$ 22,571</u>		<u>\$ 22,271</u>	<u>\$ 300</u>

#### NOTE 9. FINANCIAL HIGHLIGHTS

##### Per Unit Operating Performance:

Net asset value at June 30, 2012	\$ 14.20
Income from investment operations:	
Net investment income	0.21
Net realized and unrealized gain on investment transactions	0.52
Total from investment operations	0.73
Less distributions from net investment income	(0.21)
Net asset value at February 28, 2013	<u>\$ 14.72</u>

**Time-weighted Total Return \*** 5.0%

##### Supplemental Data:

Net assets, end of period	\$ 2,252,614
Ratio to average net assets:	
Expenses **	0.15%
Net investment income **	2.13%
Portfolio turnover rate	39.30%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

## Total Return Fixed Income Pool

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### Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

#### NOTE 10. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2013. The balances do not include the dividend declared by the Pool on the last day of the month and reinvested to the participant's account on the first day of the following month.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 622,366
Public Employees' Retirement System	575,876
Workers' Compensation Old Fund	391,542
Revenue Shortfall Reserve Fund	152,059
Revenue Shortfall Reserve Fund - Part B	146,770
Coal Workers' Pneumoconiosis Fund	76,458
Public Employees Insurance Agency	62,555
West Virginia Retiree Health Benefit Trust	62,173
State Police Death, Disability and Retirement Fund	59,368
Board of Risk and Insurance Management	40,134
Judges' Retirement System	16,716
Deputy Sheriff's Retirement System	16,100
State Police Retirement System	11,244
Wildlife Endowment Fund	5,536
Emergency Medical Services Retirement System	4,973
Workers' Compensation Self-Insured Guaranty Risk Pool	4,161
Workers' Compensation Uninsured Employers' Fund	2,482
West Virginia Department of Environmental Protection Trust	1,150
Access WV	909
Municipal Police Officers' and Firefighters' Retirement System	42
Total	<u>\$ 2,252,614</u>



**Financial Statements - Unaudited**

**February 28, 2013**





# Core Fixed Income Pool

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## Financial Statements - Unaudited February 28, 2013

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# Core Fixed Income Pool

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## Statement of Assets and Liabilities - Unaudited

February 28, 2013

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,255,955
Collateral for securities loaned at fair value (Note 4)		25,055
Receivables:		
Accrued interest		6,479
Investments sold		509
Dividends		1
Securities lending income		7
Other		218
		<hr/>
<b>Total assets</b>		1,288,224

### Liabilities

Accrued expenses		468
Dividends payable		3,288
Payable for investments purchased		5,493
Payable upon return of securities loaned (Note 4)		25,058
		<hr/>
<b>Total liabilities</b>		34,307

**Net assets** \$ 1,253,917

### Analysis of net assets

Paid-in capital	\$	1,099,299
Accumulated undistributed net realized gain from investments		68,444
Unrealized net appreciation of investments		86,174
		<hr/>
<b>Net assets</b>	\$	<u><u>1,253,917</u></u>

### Unit data

Units outstanding		110,407,900
Net asset value, unit price	\$	<u><u>11.36</u></u>

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>Municipal Bonds</u></b>						
American Municipal Power-Ohio	7.500 %	7.314 %	02/15/2050	580	\$ 594	\$ 792
California	7.300	5.268	10/01/2039	195	251	272
Illinois	5.100	5.763	06/01/2033	350	322	345
Los Angeles Dept of Airports	6.580	4.557	05/15/2039	255	334	328
New York St Dorm Authority	5.600	5.787	03/15/2040	260	253	325
Ohio State University	4.800	4.853	06/01/2111	761	753	819
Port Authority NY and NJ	5.650	5.647	11/01/2040	600	600	738
Port Authority NY and NJ	4.460	4.458	10/01/2062	405	405	404
Tennessee Valley Authority	0.000	3.210	11/01/2025	1,000	668	667
Tennessee Valley Authority	5.880	3.791	04/01/2036	350	462	483
Tennessee Valley Authority	5.250	5.275	09/15/2039	98	98	126
Tennessee Valley Authority	4.630	4.693	09/15/2060	400	395	457
Total Municipal Bonds - 0.5%					5,135	5,756
<b><u>U. S. Treasury Issues</u></b>						
United States Treasury	1.750	0.235	01/31/2014	500	507	507
United States Treasury	1.250	(1.472)	04/15/2014	500	559	563
United States Treasury	11.250	0.514	02/15/2015	900	1,088	1,093
United States Treasury	4.000	0.529	02/15/2015	600	641	644
United States Treasury	0.000	2.704	02/15/2015	150	142	149
United States Treasury	0.000	0.628	05/15/2016	500	490	493
United States Treasury	0.000	3.091	08/15/2016	5,300	4,766	5,213
United States Treasury	3.130	3.241	10/31/2016	8,700	8,665	9,532
United States Treasury	0.000	2.257	11/15/2016	3,120	2,871	3,059
United States Treasury	3.250	3.132	12/31/2016	10,560	10,604	11,651
United States Treasury	4.630	3.056	02/15/2017	6,500	6,878	7,536
United States Treasury	0.000	3.278	02/15/2017	6,122	5,382	5,980
United States Treasury	3.250	2.910	03/31/2017	11,600	11,751	12,854
United States Treasury	3.130	2.432	04/30/2017	6,715	6,898	7,416
United States Treasury	2.750	2.382	05/31/2017	2,280	2,314	2,485
United States Treasury	8.880	3.187	08/15/2017	9,360	11,558	12,754
United States Treasury	4.750	2.707	08/15/2017	18,645	20,233	22,016
United States Treasury	0.000	2.162	08/15/2017	500	454	485
United States Treasury	4.250	1.181	11/15/2017	600	684	699
United States Treasury	0.000	3.493	11/15/2017	7,050	5,989	6,808
United States Treasury	2.750	2.731	12/31/2017	15,000	15,013	16,447
United States Treasury	2.630	2.849	01/31/2018	6,000	5,939	6,545
United States Treasury	0.880	0.878	01/31/2018	593	593	597
United States Treasury	3.500	1.951	02/15/2018	1,500	1,609	1,700
United States Treasury	0.000	3.537	02/15/2018	3,950	3,320	3,797
United States Treasury	0.000	3.743	08/15/2018	500	408	476
United States Treasury	1.750	1.519	10/31/2018	11,000	11,137	11,502
United States Treasury	1.380	1.286	11/30/2018	9,895	9,944	10,133
United States Treasury	3.130	3.136	05/15/2019	2,090	2,089	2,355
United States Treasury	0.000	4.013	05/15/2019	4,550	3,556	4,253
United States Treasury	0.000	4.021	08/15/2019	300	232	278
United States Treasury	3.380	1.596	11/15/2019	400	445	458
United States Treasury	8.500	3.516	02/15/2020	1,750	2,284	2,610
United States Treasury	0.000	4.006	05/15/2020	4,500	3,381	4,088
United States Treasury	8.750	2.663	05/15/2020	1,400	1,953	2,128
United States Treasury	3.500	1.347	05/15/2020	300	344	346
United States Treasury	0.000	2.986	05/15/2020	18,037	14,550	16,366
United States Treasury	8.750	3.036	08/15/2020	8,550	11,778	13,106
United States Treasury	2.630	1.762	08/15/2020	1,300	1,378	1,418
United States Treasury	0.000	3.414	08/15/2020	8,550	6,638	7,699
United States Treasury	0.000	3.776	11/15/2020	460	345	411
United States Treasury	3.630	1.580	02/15/2021	1,000	1,152	1,163
United States Treasury	0.000	2.533	02/15/2021	440	358	389
United States Treasury	8.130	3.524	05/15/2021	1,000	1,325	1,518
United States Treasury	3.130	1.633	05/15/2021	4,300	4,791	4,834
United States Treasury	0.000	1.782	05/15/2021	2,900	2,507	2,539
United States Treasury	0.000	2.848	11/15/2021	8,000	6,241	6,866
United States Treasury	0.000	3.852	02/15/2022	1,250	888	1,063

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
United States Treasury	7.130	3.585	02/15/2023	1,000	1,294	1,488
United States Treasury	0.000	4.526	05/15/2024	1,100	666	853
United States Treasury	0.000	4.240	08/15/2024	1,100	680	844
United States Treasury	0.000	6.392	11/15/2024	250	141	190
United States Treasury	0.000	6.934	02/15/2025	700	377	526
United States Treasury	6.000	4.435	02/15/2026	400	461	569
United States Treasury	0.000	2.772	02/15/2026	300	210	216
United States Treasury	0.000	4.862	05/15/2026	850	451	605
United States Treasury	6.750	4.073	08/15/2026	625	797	949
United States Treasury	0.000	2.801	08/15/2026	164	113	115
United States Treasury	6.500	4.024	11/15/2026	550	692	821
United States Treasury	0.000	4.131	11/15/2026	5,500	3,136	3,829
United States Treasury	6.630	3.508	02/15/2027	1,000	1,339	1,511
United States Treasury	0.000	3.195	02/15/2027	16,825	10,780	11,582
United States Treasury	6.380	4.079	08/15/2027	400	500	595
United States Treasury	0.000	4.707	08/15/2027	950	485	640
United States Treasury	6.130	4.343	11/15/2027	150	179	219
United States Treasury	0.000	3.124	11/15/2027	4,000	2,517	2,666
United States Treasury	0.000	3.984	02/15/2028	2,736	1,505	1,805
United States Treasury	0.000	4.851	05/15/2028	100	48	65
United States Treasury	5.500	4.534	08/15/2028	1,050	1,162	1,454
United States Treasury	0.000	4.363	11/15/2028	2,400	1,208	1,535
United States Treasury	0.000	3.339	02/15/2029	800	467	506
United States Treasury	0.000	4.554	05/15/2029	150	72	94
United States Treasury	6.130	2.572	08/15/2029	100	147	148
United States Treasury	0.000	2.805	08/15/2029	2,150	1,358	1,333
United States Treasury	0.000	4.400	11/15/2029	700	338	430
United States Treasury	0.000	4.598	02/15/2030	1,100	509	669
United States Treasury	6.250	4.023	05/15/2030	600	765	906
United States Treasury	0.000	3.768	05/15/2030	400	210	241
United States Treasury	0.000	4.619	08/15/2030	900	405	537
United States Treasury	0.000	4.447	11/15/2030	950	436	561
United States Treasury	5.380	4.032	02/15/2031	1,300	1,519	1,809
United States Treasury	0.000	4.921	11/15/2032	1,450	736	793
United States Treasury	0.000	5.401	05/15/2033	2,200	1,052	1,179
United States Treasury	0.000	7.445	08/15/2033	700	277	371
United States Treasury	0.000	6.996	11/15/2033	1,150	469	603
United States Treasury	0.000	3.746	02/15/2034	1,250	567	650
United States Treasury	0.000	7.942	05/15/2034	500	186	257
United States Treasury	0.000	4.755	08/15/2034	450	223	229
United States Treasury	0.000	3.974	11/15/2034	850	456	429
United States Treasury	0.000	3.056	02/15/2035	900	462	450
United States Treasury	0.000	2.873	05/15/2035	500	265	248
United States Treasury	4.500	3.144	02/15/2036	1,700	2,073	2,169
United States Treasury	0.000	4.591	05/15/2036	200	70	95
United States Treasury	4.750	2.781	02/15/2037	500	671	661
United States Treasury	5.000	2.863	05/15/2037	450	617	616
United States Treasury	4.500	2.524	05/15/2038	300	410	384
Total U. S. Treasury Issues - 22.8%					260,173	286,467
<b>U. S. Government Agency Issues</b>						
<i>U. S. Government Agency MBS (coupon, yield, and maturity date are weighted averages)</i>						
FHLMC Issues	4.688	2.738	12/30/2033	42,136	44,724	45,831
FNMA Issues	3.991	2.815	06/17/2024	122,729	127,210	134,045
GNMA Issues	6.724	4.457	09/30/2035	2,403	2,594	2,785
<i>Total U. S. Government Agency MBS</i>					174,528	182,661
<i>U. S. Government Agency CMO (coupon, yield, and maturity date are weighted averages)</i>						
FDIC Issues	2.980	3.027	12/06/2020	949	948	992
FHLMC Issues	5.826	4.884	06/12/2034	103,049	81,259	86,735
FNMA Issues	5.377	5.006	08/21/2033	140,718	113,736	122,139
GNMA Issues	5.513	9.354	03/24/2044	76,817	40,500	45,442
<i>Total U. S. Government Agency CMO</i>					236,443	255,308

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<i>U. S. Government Agency Bonds</i>						
FannieMae STRIPS	0.000	5.737	11/15/2021	1,000	667	812
Federal Farm Credit Bank	5.130	3.384	11/15/2018	646	704	783
Federal Home Loan Bank	5.500	3.658	07/15/2036	400	515	538
Federal Home Loan Mortgage	5.500	3.324	08/23/2017	1,100	1,199	1,329
Federal National Mortgage Assn	0.000	2.342	07/05/2014	2,300	2,230	2,282
Federal National Mortgage Assn	5.000	2.195	05/11/2017	3,000	3,336	3,534
Federal National Mortgage Assn	5.380	3.276	06/12/2017	2,000	2,166	2,393
FICO Strip Principal	0.000	1.285	05/11/2018	2,900	2,713	2,724
FICO Strip Principal	0.000	5.655	09/26/2019	700	510	629
RFCO Strip Principal	0.000	1.573	10/15/2019	3,500	3,170	3,171
RFCO Strip Principal	0.000	2.266	07/15/2020	4,700	4,027	4,150
<i>Total U. S. Government Agency Bonds</i>					21,237	22,345
Total U. S. Government Agency Issues - 36.7%					432,208	460,314
<b><u>Corporate Issues</u></b>						
<i>Corporate Bonds</i>						
ABB Finance USA Inc	1.630	1.772	05/08/2017	81	81	82
ABB Finance USA Inc	2.880	3.129	05/08/2022	117	115	118
ABB Finance USA Inc	4.380	4.080	05/08/2042	278	292	292
Abbvie Inc	1.750	1.794	11/06/2017	283	282	287
Abbvie Inc	2.900	2.975	11/06/2022	196	195	196
Ace Ina Hldg Inc	5.880	3.570	06/15/2014	240	247	256
Ace Ina Hldg Inc	5.600	2.613	05/15/2015	430	457	476
Actavis Inc.	3.250	3.307	10/01/2022	164	163	165
ADT Corp	3.500	3.528	07/15/2022	105	105	103
ADT Corp	4.130	3.783	06/15/2023	535	550	547
Aetna Inc	6.750	4.627	12/15/2037	490	642	655
Aetna Inc	4.500	4.766	05/15/2042	71	68	72
AFLAC Inc	8.500	5.066	05/15/2019	100	118	136
AFLAC Inc	6.450	6.488	08/15/2040	108	107	136
African Development Bank	8.800	3.096	09/01/2019	1,000	1,334	1,337
AGL Capital Corporation	4.450	2.753	04/15/2013	260	261	261
AGL Capital Corporation	5.250	4.319	08/15/2019	400	420	477
AGL Capital Corporation	3.500	3.683	09/15/2021	353	348	378
AGL Capital Corporation	5.880	5.887	03/15/2041	120	120	151
Aid-Israel	0.000	2.110	08/15/2017	329	300	315
Aid-Israel	0.000	1.950	03/15/2018	5,000	4,534	4,728
AIG Sunamer Global Fin X	6.900	6.417	03/15/2032	110	116	148
Alabama Power Co	6.130	4.406	05/15/2038	303	381	393
Alberta Energy Company Ltd	8.130	5.675	09/15/2030	200	254	271
Allstate Corp	5.000	3.585	08/15/2014	470	479	499
Allstate Life Global Fn Trust	5.380	1.804	04/30/2013	300	302	302
America Movil SAB DE CV	3.130	2.989	07/16/2022	426	431	424
American Airlines PT TRS 11-1	5.250	5.250	01/31/2021	106	106	114
American Airlines PT TRS 11-2	8.630	8.624	10/15/2021	118	118	123
American Express Co	7.000	4.745	03/19/2018	595	654	745
American Express Credit Co	5.880	2.100	05/02/2013	20	20	20
American Express Credit Co	7.300	4.692	08/20/2013	600	607	619
American Express Credit Co	5.130	3.535	08/25/2014	845	864	900
American Express Credit Co	2.800	2.818	09/19/2016	340	340	360
American Honda Finance	2.600	2.601	09/20/2016	410	410	431
American Honda Finance	7.630	4.562	10/01/2018	500	575	652
American Water Cap Corp	6.090	3.499	10/15/2017	300	333	359
American Water Cap Corp	6.590	5.338	10/15/2037	300	351	393
Ameritech Capital Funding	6.450	5.178	01/15/2018	70	74	83
Amgen Inc	6.150	3.425	06/01/2018	285	322	346
Amgen Inc	5.700	5.035	02/01/2019	210	217	252
Amgen Inc	3.450	3.826	10/01/2020	610	595	650
Amgen Inc	4.950	5.002	10/01/2041	200	198	215
Amgen Inc	5.650	5.684	06/15/2042	103	103	121
Anadarko Finance Co	7.500	5.295	05/01/2031	400	502	528
Anadarko Petroleum Corp	7.630	3.498	03/15/2014	130	135	139
Anadarko Petroleum Corp	8.700	8.263	03/15/2019	300	306	402

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Anadarko Petroleum Corp	6.950	5.875	06/15/2019	285	301	357
Anheuser-Busch	1.500	1.501	07/14/2014	264	264	267
Anheuser-Busch	7.750	5.155	01/15/2019	580	655	767
Anheuser-Busch	8.200	5.072	01/15/2039	255	369	408
ANR Pipeline	9.630	5.447	11/01/2021	240	309	360
Aon Corporation	3.500	3.605	09/30/2015	121	121	127
Apache Corporation	6.000	1.594	09/15/2013	480	491	494
Apache Corporation	4.750	4.767	04/15/2043	153	153	159
Appalachian Power Company	5.950	6.624	05/15/2033	250	231	291
Arizona Public Service	4.500	4.557	04/01/2042	103	102	109
Arrow Electronics Inc	6.880	6.098	07/01/2013	175	175	178
Arrow Electronics Inc	3.380	2.440	11/01/2015	140	143	146
Arrow Electronics Inc	6.880	5.965	06/01/2018	235	245	279
Arrow Electronics Inc	7.500	6.484	01/15/2027	225	246	271
Associates Corp NA	6.950	9.386	11/01/2018	225	201	275
AT&T Inc	5.500	4.564	02/01/2018	370	385	437
AT&T Inc	5.600	5.171	05/15/2018	565	576	674
AT&T Inc	5.800	3.067	02/15/2019	200	230	241
AT&T Inc	4.450	4.232	05/15/2021	500	507	565
AT&T Inc	6.300	6.623	01/15/2038	600	575	731
AT&T Inc	5.350	5.341	09/01/2040	1,374	1,376	1,505
AT&T Inc	4.300	6.005	12/15/2042	64	49	60
AT&T Inc	4.350	4.216	06/15/2045	156	160	147
Atmos Energy Corp	6.350	2.860	06/15/2017	875	997	1,050
Atmos Energy Corp	8.500	8.529	03/15/2019	150	150	203
AUST & NZ Banking Group	3.250	3.339	03/01/2016	200	199	213
AUST & NZ Banking Group NY	1.880	1.372	10/06/2017	250	256	256
BAE Systems Holdings Inc	5.200	2.802	08/15/2015	195	206	212
BAE Systems Holdings Inc	6.380	3.389	06/01/2019	255	298	304
Baltimore Gas & Electric Co	2.800	2.844	08/15/2022	278	277	281
Bank of America Corp	4.900	3.276	05/01/2013	245	246	247
Bank of America Corp	7.380	5.513	05/15/2014	855	873	920
Bank of America Corp	5.130	8.762	11/15/2014	300	283	319
Bank of America Corp	6.500	6.545	08/01/2016	500	499	577
Bank of America Corp	5.630	5.039	10/14/2016	250	255	282
Bank of America Corp	5.650	5.545	05/01/2018	2,100	2,110	2,438
Bank of America Corp	5.630	5.431	07/01/2020	190	192	222
Bank of America Corp	5.000	4.730	05/13/2021	775	789	874
Bank of Montreal	2.550	2.696	11/06/2022	620	612	608
Bank of Nova Scotia	3.400	3.428	01/22/2015	127	127	134
Bank of Nova Scotia	1.650	1.686	10/29/2015	345	345	355
Bank of Nova Scotia	4.380	4.395	01/13/2021	214	214	244
Bank Tokyo - Mitsubishi UFJ	3.850	3.859	01/22/2015	356	356	376
Barclays Bank PLC	5.200	5.227	07/10/2014	400	400	424
Barclays Bank PLC	2.250	2.352	05/10/2017	203	202	210
Barrick Gold Corporation	3.850	3.464	04/01/2022	405	417	418
Barrick NA Finance LLC	4.400	3.338	05/30/2021	208	224	223
Baxter International Inc	2.400	2.449	08/15/2022	127	126	124
BB&T Corporation	5.700	1.547	04/30/2014	340	356	360
BB&T Corporation	3.200	2.245	03/15/2016	365	375	390
BB&T Corporation	4.900	5.999	06/30/2017	800	767	899
BB&T Corporation	6.850	7.048	04/30/2019	225	223	289
BellSouth Corporation	5.200	4.342	09/15/2014	300	304	320
Berkshire Hathaway Fin	4.600	4.335	05/15/2013	100	100	101
Berkshire Hathaway Fin	5.100	1.733	07/15/2014	600	627	638
Berkshire Hathaway Fin	2.450	2.497	12/15/2015	477	476	501
Berkshire Hathaway Fin	5.400	3.505	05/15/2018	300	327	360
Berkshire Hathaway Fin	3.000	2.666	05/15/2022	295	303	301
Berkshire Hathaway Inc	1.900	1.901	01/31/2017	190	190	196
BG Energy Capital PLC	5.130	5.239	10/15/2041	200	197	227
BHP Billiton Financial USA	5.500	5.577	04/01/2014	200	200	211
BHP Billiton Financial USA	6.500	4.226	04/01/2019	720	807	919
BlackRock Inc	6.250	4.677	09/15/2017	500	532	608
BlackRock Inc	3.380	3.438	06/01/2022	360	358	379
Blackstone Holdings Financial	5.880	5.938	03/15/2021	550	548	634

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) February 28, 2013 (Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Blackstone Holdings Financial	4.750	4.984	02/15/2023	230	226	249
BNY Mellon	4.500	2.783	04/01/2013	305	305	306
BNY Mellon	5.130	3.868	08/27/2013	350	352	358
BNY Mellon	2.950	2.978	06/18/2015	500	500	527
BNY Mellon	4.600	4.625	01/15/2020	115	115	132
Boeing Company	4.880	4.664	02/15/2020	230	233	272
Boeing Company	6.130	5.181	02/15/2033	150	167	192
Boston Gas Company	4.490	4.487	02/15/2042	85	85	89
BP Capital Markets PLC	3.630	3.625	05/08/2014	100	100	104
BP Capital Markets PLC	3.880	3.149	03/10/2015	730	740	776
BP Capital Markets PLC	3.250	3.245	05/06/2022	377	377	388
British Telecom PLC	5.950	5.942	01/15/2018	275	275	328
British Telecom PLC	9.630 A	6.540	12/15/2030	145	192	225
Bunge Limited Finance Co	5.880	6.484	05/15/2013	50	50	50
Bunge Limited Finance Co	8.500	7.224	06/15/2019	373	396	485
Bunge NA Finance LP	5.900	7.617	04/01/2017	54	51	61
Burlington North Santa Fe	5.650	4.368	05/01/2017	225	236	265
Burlington North Santa Fe	4.700	4.722	10/01/2019	350	350	408
Burlington North Santa Fe	3.450	3.479	09/15/2021	106	106	113
Burlington North Santa Fe	3.050	3.099	09/01/2022	234	233	239
Burlington North Santa Fe	7.290	6.510	06/01/2036	80	87	110
Burlington Resources Inc	8.200	4.182	03/15/2025	180	248	252
Cameron International Corp	1.600	1.615	04/30/2015	79	79	80
Canadian Natural Resources Ltd	5.700	3.408	05/15/2017	300	327	351
Canadian Natural Resources Ltd	5.900	4.608	02/01/2018	615	650	736
Capital One Bank USA NA	6.500	10.704	06/13/2013	100	99	102
Capital One Financial Corp	7.380	5.321	05/23/2014	295	302	318
Capital One Financial Corp	5.500	10.399	06/01/2015	200	181	219
Capital One Financial Corp	6.750	4.909	09/15/2017	1,055	1,133	1,280
Capital One Financial Corp	4.750	4.860	07/15/2021	400	397	455
Cargill Inc	7.350	5.427	03/06/2019	250	274	321
Cargill Inc	4.310	4.716	05/14/2021	106	103	117
Cargill Inc	3.300	3.343	03/01/2022	485	483	493
Caterpillar Financial Services	5.850	4.754	09/01/2017	820	856	979
Caterpillar Financial Services	5.450	3.907	04/15/2018	280	300	333
Caterpillar Financial Services	7.150	6.156	02/15/2019	395	414	512
Caterpillar Inc	5.300	3.546	09/15/2035	50	64	59
CBS Corp	5.750	5.766	04/15/2020	53	53	62
CDP Financial	4.400	1.847	11/25/2019	500	580	573
Celgene Corporation	3.950	2.722	10/15/2020	250	271	269
Celgene Corporation	3.250	3.256	08/15/2022	294	294	296
Cellco Partnership/Verizon Wir	8.500	3.044	11/15/2018	220	282	298
Cenovus Energy Inc	4.450	4.501	09/15/2042	210	208	208
Centel Capital Corp	9.000	6.495	10/15/2019	200	227	248
Centerpoint Energy Inc	6.500	3.256	05/01/2018	310	357	378
Centerpoint Energy Resources	5.950	3.744	01/15/2014	165	168	172
Centerpoint Energy Resources	6.130	2.810	11/01/2017	300	343	358
Charles Schwab Corp	3.230	2.999	09/01/2022	500	509	514
Chubb Corp	5.750	1.792	05/15/2018	48	57	59
Cisco Systems Inc	5.500	4.491	02/22/2016	210	216	239
Cisco Systems Inc	4.450	4.555	01/15/2020	250	248	288
Cisco Systems Inc	5.500	5.644	01/15/2040	300	294	365
Citigroup Inc	6.380	6.536	08/12/2014	295	294	317
Citigroup Inc	6.010	3.809	01/15/2015	300	312	326
Citigroup Inc	4.750	4.876	05/19/2015	87	87	93
Citigroup Inc	4.590	3.859	12/15/2015	563	574	611
Citigroup Inc	6.000	5.596	08/15/2017	33	33	39
Citigroup Inc	6.130	7.059	11/21/2017	555	534	657
Citigroup Inc	8.500	6.878	05/22/2019	470	506	630
Citigroup Inc	5.380	3.828	08/09/2020	700	767	822
Citigroup Inc	3.380	3.403	03/01/2023	269	268	272
Citigroup Inc	7.000	6.049	12/01/2025	490	531	603
Citigroup Inc	8.130	8.310	07/15/2039	350	343	520
Cleveland Electric Illum	7.880	5.053	11/01/2017	300	335	376
Cleveland Electric Illum	8.880	7.005	11/15/2018	225	245	300

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
CME Group Inc	5.750	1.735	02/15/2014	507	526	531
CME Group Inc	3.000	3.036	09/15/2022	300	299	303
CNA Financial Corp	5.850	3.764	12/15/2014	250	259	270
CNA Financial Corp	6.500	4.776	08/15/2016	285	301	329
CNA Financial Corp	5.880	5.917	08/15/2020	170	170	202
Coca-Cola Company	3.630	3.725	03/15/2014	100	100	103
Coca-Cola Company	4.880	4.993	03/15/2019	100	99	119
Coca-Cola Company	3.300	3.310	09/01/2021	104	104	112
Coca-Cola Refresh USA	4.250	2.511	03/01/2015	250	258	267
Comcast Cable Comm Holdings	9.460	7.141	11/15/2022	775	897	1,176
Comcast Cable Holdings	10.130	5.959	04/15/2022	240	310	346
Comcast Corp	5.900	4.636	03/15/2016	625	647	716
Comcast Corp	4.950	3.412	06/15/2016	95	100	107
Comcast Corp	6.500	5.409	01/15/2017	200	208	240
Comerica Bank	5.200	4.930	08/22/2017	250	253	288
Commonwealth	6.650	9.699	01/15/2018	430	380	489
Commonwealth REIT	5.880	6.166	09/15/2020	325	319	351
ConAgra Foods Inc	3.200	3.079	01/25/2023	300	303	299
Connecticut Light and Power	5.650	2.391	05/01/2018	435	504	523
ConocoPhillips	5.200	3.086	05/15/2018	501	552	592
ConocoPhillips	6.650	3.716	07/15/2018	294	336	371
ConocoPhillips	5.750	5.911	02/01/2019	100	99	122
ConocoPhillips	6.000	4.521	01/15/2020	940	1,021	1,178
Cons Edison Co of NY	5.100	4.756	06/15/2033	200	209	221
Cons Edison Co of NY	6.300	5.749	08/15/2037	150	161	200
Cons Edison Co of NY	5.500	5.713	12/01/2039	350	340	435
Consumers Energy Company	6.700	5.661	09/15/2049	394	457	509
Continental Airlines Inc	4.000	4.000	10/29/2024	106	106	110
Corp Andina De Fomento	3.750	3.542	01/15/2016	532	535	564
Countrywide Financial Corp	6.250	5.332	05/15/2016	600	616	669
Cox Communications Inc	5.450	3.845	12/15/2014	72	74	78
Cox Communications Inc	5.880	2.193	12/01/2016	200	226	233
Credit Suisse New York	5.000	2.419	05/15/2013	200	201	202
Credit Suisse New York	5.500	5.524	05/01/2014	170	170	180
Credit Suisse USA Inc	4.880	6.376	01/15/2015	250	243	269
Credit Suisse USA Inc	5.130	3.776	08/15/2015	680	701	749
CRH America Inc	6.000	3.793	09/30/2016	254	273	289
Crown Castle Towers LLC	3.210	3.009	08/15/2015	350	352	366
CSX Corp	6.250	3.739	03/15/2018	640	713	776
CSX Corp	7.380	6.722	02/01/2019	200	206	256
CSX Corp	4.250	3.511	06/01/2021	335	353	372
CVS Caremark Corp	5.930	6.000	01/10/2034	244	244	288
CVS Caremark Corp	6.130	6.066	09/15/2039	735	741	927
Daimler Finance NA LLC	6.500	4.255	11/15/2013	610	619	634
Daimler Finance NA LLC	2.950	2.988	01/11/2017	300	300	314
Danaher Corp	3.900	3.903	06/23/2021	275	275	306
Deere & Company	2.600	2.629	06/08/2022	179	179	180
Deere & Company	7.130	3.929	03/03/2031	165	233	230
Deere & Company	3.900	3.942	06/09/2042	77	76	78
Delta Air Lines 2010 -2A	4.950	4.950	05/23/2019	117	117	129
Delta Air Lines 2011-1	5.300	5.300	04/15/2019	64	64	71
Delta Air Lines 2012-1A	4.750	4.751	05/07/2020	175	175	189
Detroit Edison Company	3.900	2.752	06/01/2021	310	336	346
Detroit Edison Company	2.650	2.668	06/15/2022	53	53	54
Deutsche Bank AG London	3.880	3.962	08/18/2014	305	305	319
Deutsche Telekom Int Fin	6.750	4.691	08/20/2018	200	220	248
Deutsche Telekom Int Fin	6.000	5.653	07/08/2019	635	646	771
Deutsche Telekom Int Fin	8.750 A	5.629	06/15/2030	170	228	246
Devon Energy Corporation	6.300	3.229	01/15/2019	495	576	607
Devon Energy Corporation	3.250	3.320	05/15/2022	244	243	244
Devon Energy Corporation	4.750	4.806	05/15/2042	157	156	156
Diageo Capital PLC	4.830	4.387	07/15/2020	402	413	470
Diageo Finance BV	5.500	2.553	04/01/2013	265	266	266
Diageo Investment Corp	2.880	2.917	05/11/2022	290	289	293
Directv Holdings/Fing	4.600	4.608	02/15/2021	400	400	429

A - Adjustable rate security.

See accompanying notes to financial statements.



## Core Fixed Income Pool

### Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Directv Holdings/Fing	6.000	6.098	08/15/2040	750	740	782
Discovery Communications	4.380	2.956	06/15/2021	165	182	182
Discovery Communications	4.950	5.000	05/15/2042	100	99	103
DnB Boligkreditt AS	2.100	2.193	10/14/2015	300	299	311
Dominion Resources Inc	6.400	4.717	06/15/2018	465	501	574
Dominion Resources Inc	5.200	3.297	08/15/2019	50	55	60
Dominion Resources Inc	4.900	4.999	08/01/2041	64	63	71
Dow Chemical Company	7.600	2.207	05/15/2014	101	107	109
Dow Chemical Company	5.900	2.031	02/15/2015	335	360	368
Dow Chemical Company	8.550	5.720	05/15/2019	417	478	563
Dow Chemical Company	4.250	4.284	11/15/2020	64	64	70
Dow Chemical Company	4.130	4.174	11/15/2021	114	114	123
Dr Pepper Snapple Group Inc	2.000	2.096	01/15/2020	335	333	329
Duke Energy Carolinas	7.000	4.034	11/15/2018	250	287	325
Duke Energy Carolinas	4.300	4.304	06/15/2020	211	211	243
Duke Energy Carolinas	3.900	2.696	06/15/2021	210	229	236
Duke Energy Carolinas	6.000	3.980	01/15/2038	71	94	91
Duke Energy Corp	3.550	3.552	09/15/2021	116	116	123
Duke Energy Ohio Inc	5.450	5.011	04/01/2019	395	404	476
Duke Realty LP	6.750	3.212	03/15/2020	335	409	410
Eaton Corporation	7.630	4.412	04/01/2024	325	416	420
eBay Inc	3.250	3.429	10/15/2020	1,110	1,096	1,186
Ecolab Inc	5.500	4.517	12/08/2041	540	625	632
EI DuPont de Nemours Co	6.000	3.208	07/15/2018	608	691	752
EI DuPont de Nemours Co	5.600	4.670	12/15/2036	320	362	398
EI DuPont de Nemours Co	4.900	4.987	01/15/2041	125	123	144
Encana Corp	6.500	5.141	05/15/2019	100	107	122
Enel Finance International NV	5.130	5.144	10/07/2019	700	699	743
Eni SpA	5.700	5.741	10/01/2040	250	249	264
Entergy Gulf States LA	6.000	3.328	05/01/2018	380	428	448
EOG Resources Inc	5.630	5.356	06/01/2019	200	203	244
EOG Resources Inc	4.400	2.949	06/01/2020	340	372	393
Erac USA Finance Company	2.250	2.317	01/10/2014	286	286	290
Erac USA Finance Company	5.630	5.122	03/15/2042	72	77	81
ERAC USA Finance LLC	6.700	5.004	06/01/2034	365	445	448
ERP Operating-LP	4.630	3.556	12/15/2021	545	588	612
Exelon Generation Co LLC	5.350	1.710	01/15/2014	360	371	374
Exelon Generation Co LLC	4.000	4.013	10/01/2020	288	288	304
Exelon Generation Co LLC	5.750	5.778	10/01/2041	86	86	95
Fifth Third Bancorp	3.630	2.956	01/25/2016	455	463	488
Florida Power & Light	5.950	4.176	10/01/2033	120	149	156
Florida Power & Light	4.950	3.741	06/01/2035	250	295	290
Florida Power & Light	5.960	5.307	04/01/2039	335	366	443
Florida Power Corp	6.400	5.331	06/15/2038	280	321	374
FMR LLC	6.450	6.504	11/15/2039	250	248	305
Ford Motor Credit Company LLC	4.210	4.207	04/15/2016	220	220	234
France Telecom	4.380	2.485	07/08/2014	700	717	733
France Telecom	8.500	5.593	03/01/2031	230	305	328
Freeport-McMoRan Copper & Gold	2.150	2.317	03/01/2017	534	531	541
Freeport-McMoRan Copper & Gold	2.380	2.377	03/15/2018	76	76	76
Freeport-McMoRan Copper & Gold	3.100	3.106	03/15/2020	147	147	147
Freeport-McMoRan Copper & Gold	5.450	5.481	03/15/2043	87	87	87
Gap Inc	5.950	6.848	04/12/2021	243	230	275
General Electric Capital Corp	5.900	5.926	05/13/2014	1,500	1,500	1,597
General Electric Capital Corp	5.500	3.739	06/04/2014	675	689	717
General Electric Capital Corp	2.250	2.266	11/09/2015	675	675	699
General Electric Capital Corp	5.630	5.814	09/15/2017	400	397	471
General Electric Capital Corp	5.630	4.517	05/01/2018	1,290	1,353	1,530
General Electric Capital Corp	6.000	5.091	08/07/2019	2,435	2,555	2,970
General Electric Capital Corp	5.500	5.614	01/08/2020	1,320	1,312	1,567
General Electric Capital Corp	4.380	4.424	09/16/2020	445	444	498
General Electric Capital Corp	5.880	8.520	01/14/2038	200	146	235
General Electric Company	5.250	4.397	12/06/2017	605	626	710
General Mills Inc	5.200	4.836	03/17/2015	100	101	109
General Mills Inc	5.650	4.103	02/15/2019	470	508	569

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
General Mills Inc	3.150	2.349	12/15/2021	50	53	52
Georgia Power Company	5.250	5.030	12/15/2015	200	201	224
Glaxosmithkline Cap Inc	4.380	3.625	04/15/2014	215	217	225
Glaxosmithkline Cap Inc	6.380	5.354	05/15/2038	275	314	373
Goldman Sachs Group Inc	5.150	2.636	01/15/2014	300	306	311
Goldman Sachs Group Inc	3.630	3.576	02/07/2016	415	416	441
Goldman Sachs Group Inc	5.750	5.226	10/01/2016	50	51	57
Goldman Sachs Group Inc	6.250	7.134	09/01/2017	290	280	342
Goldman Sachs Group Inc	5.950	5.036	01/18/2018	200	208	234
Goldman Sachs Group Inc	6.150	5.868	04/01/2018	535	541	632
Goldman Sachs Group Inc	7.500	5.621	02/15/2019	2,980	3,259	3,768
Goldman Sachs Group Inc	5.380	5.493	03/15/2020	450	447	517
Goldman Sachs Group Inc	6.000	5.227	06/15/2020	240	251	286
Goldman Sachs Group Inc	5.250	5.257	07/27/2021	138	138	157
Goldman Sachs Group Inc	6.750	6.519	10/01/2037	140	144	159
Goldman Sachs Group LP	8.000	3.407	03/01/2013	210	210	210
Goodrich Corporation	6.130	1.995	03/01/2019	120	148	149
GTE Corporation	6.840	3.750	04/15/2018	200	229	248
GTE Corporation	8.750	5.975	11/01/2021	250	296	342
GTP Acquisition Partners	4.350	4.387	06/15/2041	606	606	655
Halliburton Company	6.150	4.627	09/15/2019	360	391	453
Halliburton Company	3.250	2.161	11/15/2021	215	233	228
Halliburton Company	7.450	7.646	09/15/2039	100	98	147
HCP Inc	3.750	3.828	02/01/2019	105	105	113
HCP Inc	2.630	2.611	02/01/2020	465	465	468
Heineken NV	1.400	1.460	10/01/2017	250	249	249
Hess Corp	7.300	4.494	08/15/2031	250	337	310
Hewlett-Packard Company	6.130	2.327	03/01/2014	375	389	394
Hewlett-Packard Company	4.750	1.527	06/02/2014	105	109	110
Hewlett-Packard Company	5.400	4.620	03/01/2017	280	288	306
Hewlett-Packard Company	3.750	3.843	12/01/2020	300	298	293
Hewlett-Packard Company	4.380	4.398	09/15/2021	492	491	494
Hewlett-Packard Company	6.000	6.010	09/15/2041	485	484	492
Historic TW Inc	9.150	6.369	02/01/2023	945	1,136	1,367
HJ Heinz Company	2.850	2.607	03/01/2022	240	245	242
Home Depot Inc	5.400	5.923	03/01/2016	500	493	568
Home Depot Inc	3.950	1.958	09/15/2020	200	228	226
Honeywell International Inc	5.400	3.475	03/15/2016	360	380	409
Honeywell International Inc	5.300	1.677	03/01/2018	205	240	245
HSBC Bank PLC	1.630	1.673	07/07/2014	364	364	370
HSBC Bank PLC	3.500	3.518	06/28/2015	116	116	123
HSBC Bank PLC	3.100	3.108	05/24/2016	229	229	243
HSBC Bank PLC	4.130	4.199	08/12/2020	389	387	429
HSBC Bank PLC	4.750	4.761	01/19/2021	300	300	344
HSBC Bank USA	4.630	3.425	04/01/2014	320	324	333
HSBC Finance Corp	4.750	7.304	07/15/2013	17	17	17
HSBC Finance Corp	0.550	7.230	01/15/2014	500	472	499
HSBC Finance Corp	5.000	7.458	06/30/2015	455	431	494
HSBC Finance Corp	5.500	4.032	01/19/2016	300	312	334
HSBC Holdings PLC	4.880	4.389	01/14/2022	350	362	400
Hutch Whampoa Int 12 II	2.000	2.049	11/08/2017	336	335	337
IBM	1.950	2.071	07/22/2016	168	167	174
IBM	7.630	5.057	10/15/2018	330	371	437
IBM	8.380	3.318	11/01/2019	460	598	645
IBM	4.000	5.503	06/20/2042	508	398	521
Illinois Tool Works Inc	3.900	3.955	09/01/2042	640	634	623
Indiana Michigan Power	7.000	4.840	03/15/2019	145	161	183
ING Bank NV	1.380	1.446	03/07/2016	600	599	599
Intel Corporation	3.300	3.328	10/01/2021	456	455	477
Intuit Inc	5.750	3.582	03/15/2017	863	932	990
Jackson National Life Global	5.380	2.699	05/08/2013	500	502	504
Jefferies Group Inc	5.130	5.082	04/13/2018	340	341	367
Jefferies Group Inc	8.500	6.833	07/15/2019	590	640	736
Jefferies Group Inc	6.450	8.192	06/08/2027	330	282	356
John Deere Capital Corp	1.200	1.242	10/10/2017	128	128	128

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) February 28, 2013 (Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
John Deere Capital Corp	5.750	4.607	09/10/2018	233	246	284
John Deere Capital Corp	2.250	2.292	04/17/2019	166	166	172
John Sevier Comb Cycle	4.630	4.275	01/15/2042	1,143	1,193	1,286
Johnson Controls Inc	5.000	4.342	03/30/2020	500	520	568
Johnson Controls Inc	4.250	4.101	03/01/2021	80	81	88
Kansas City Power and Light	6.380	2.550	03/01/2018	280	330	336
Kansas City Power and Light	5.300	5.343	10/01/2041	385	383	430
Kellogg Company	4.250	3.896	03/06/2013	100	100	100
Kellogg Company	1.750	1.864	05/17/2017	115	114	117
Kellogg Company	3.250	2.784	05/21/2018	333	340	361
Kellogg Company	3.130	3.224	05/17/2022	174	173	179
Key Bank NA	5.800	5.972	07/01/2014	350	349	373
Keycorp	6.500	1.971	05/14/2013	200	202	202
Keycorp	5.100	3.462	03/24/2021	325	362	378
Kimberly Clark Corporation	7.500	4.845	11/01/2018	250	283	331
Kohl's Corporation	6.250	5.839	12/15/2017	90	92	104
Kraft Foods Group Inc	6.130	1.918	08/23/2018	435	530	532
Kraft Foods Group Inc	5.380	2.372	02/10/2020	384	457	458
Kraft Foods Group Inc	3.500	3.608	06/06/2022	150	149	157
Kraft Foods Group Inc	5.000	5.046	06/04/2042	103	102	112
Kroger Co	7.500	3.797	01/15/2014	278	287	294
Kroger Co	6.400	6.119	08/15/2017	100	101	120
Kroger Co	6.150	4.228	01/15/2020	760	845	919
Kroger Co	7.500	5.003	04/01/2031	250	324	319
Liberty Mutual Group Inc	5.000	3.689	06/01/2021	405	442	442
Lincoln National Corp	4.850	3.994	06/24/2021	309	327	348
Lincoln National Corp	4.200	4.200	03/15/2022	94	94	102
Lockheed Martin Corp	4.250	3.666	11/15/2019	305	315	344
Lockheed Martin Corp	4.070	4.213	12/15/2042	336	328	315
Lowe's Companies Inc	7.110	5.609	05/15/2037	195	234	264
Lowe's Companies Inc	4.650	4.676	04/15/2042	217	216	228
Macquarie Bank Ltd	5.000	4.388	02/22/2017	575	588	632
Macquarie Group	7.300	4.643	08/01/2014	560	580	600
Macquarie Group	7.630	7.269	08/13/2019	475	484	575
Macquarie Group	6.250	6.395	01/14/2021	237	235	262
Macys Retail Holdings Inc	7.450	3.417	07/15/2017	300	349	370
Manitoba Province	2.130	2.165	04/22/2013	43	43	43
Manuf & Traders Trust Co	6.630	6.131	12/04/2017	715	728	870
Marathon Oil Corp	6.000	3.633	10/01/2017	200	220	239
Marathon Oil Corp	5.900	3.517	03/15/2018	110	122	131
Mass Mutual Global Funding	2.880	2.960	04/21/2014	122	122	125
Mass Mutual Global Funding	3.130	0.909	04/14/2016	145	155	154
Mass Mutual Global Funding	2.500	2.585	10/17/2022	211	209	206
Massachusetts Electric	5.900	5.924	11/15/2039	182	181	228
Medco Health Solutions	7.130	3.921	03/15/2018	485	555	601
Medtronic Inc	4.450	2.034	03/15/2020	360	417	412
Merrill Lynch & Company Inc	6.400	5.452	08/28/2017	1,100	1,141	1,291
Merrill Lynch & Company Inc	6.880	6.034	04/25/2018	650	674	788
Met Life Global Funding I	5.130	3.326	04/10/2013	485	486	487
Met Life Global Funding I	5.130	2.457	06/10/2014	315	325	333
Met Life Global Funding I	1.500	1.609	01/10/2018	178	177	178
Met Life Global Funding I	3.650	3.670	06/14/2018	1,000	999	1,098
Metlife Institutional Funding	1.210	1.205	04/04/2014	250	250	252
Microsoft Corporation	1.630	1.717	09/25/2015	360	359	370
Midamerican Energy Holdings Co	6.130	4.412	04/01/2036	125	156	157
Mondelez International Inc	6.500	3.333	08/11/2017	900	1,016	1,089
Mondelez International Inc	5.380	4.839	02/10/2020	350	361	417
Monsanto Company	5.130	5.008	04/15/2018	160	161	189
Monumental Global Funding	5.500	4.142	04/22/2013	100	100	101
Morgan Stanley	5.300	4.052	03/01/2013	550	550	550
Morgan Stanley	4.750	8.248	04/01/2014	250	241	259
Morgan Stanley	6.000	4.825	05/13/2014	825	836	872
Morgan Stanley	4.200	4.209	11/20/2014	331	331	347
Morgan Stanley	5.450	4.660	01/09/2017	800	822	896
Morgan Stanley	6.250	7.603	08/28/2017	430	408	499

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Morgan Stanley	5.950	6.579	12/28/2017	685	667	793
Morgan Stanley	6.630	5.924	04/01/2018	650	670	773
Morgan Stanley	5.630	6.199	09/23/2019	1,310	1,270	1,515
Morgan Stanley	5.750	5.667	01/25/2021	115	116	133
Nabors Industries Inc	9.250	3.889	01/15/2019	195	249	248
Nabors Industries Inc	5.000	3.408	09/15/2020	351	388	370
Nabors Industries Inc	4.630	3.557	09/15/2021	200	216	207
National Australia Bank	2.750	2.778	09/28/2015	200	200	209
National Australia Bank	3.000	3.060	07/27/2016	500	499	530
National Bank of Canada	1.650	1.659	01/30/2014	451	451	456
National City Bank	5.800	5.680	06/07/2017	850	854	1,000
National Rural Utilities Co-op	5.450	2.605	02/01/2018	195	220	232
National Rural Utilities Co-op	10.380	4.919	11/01/2018	410	518	603
National Semiconductor	6.600	2.140	06/15/2017	430	508	526
Nationwide Mutual Insurance	9.380	7.512	08/15/2039	615	746	893
NBC Universal	5.150	3.184	04/30/2020	200	225	237
NBC Universal	4.380	4.528	04/01/2021	150	148	169
NBC Universal	5.950	5.969	04/01/2041	175	175	216
Nevada Power Company	6.500	2.997	08/01/2018	355	417	444
Nevada Power Company	7.130	5.401	03/15/2019	300	326	387
Nevada Power Company	5.380	5.396	09/15/2040	51	51	61
New York Life Global Fdg	4.650	3.682	05/09/2013	285	286	287
New York Life Global Fdg	3.000	2.610	05/04/2015	515	519	542
New York Life Global Fdg	0.800	0.822	02/12/2016	375	375	374
News America Inc	7.250	5.514	05/18/2018	64	69	81
News America Inc	8.880	7.619	04/26/2023	450	487	615
News America Inc	7.750	5.876	01/20/2024	150	172	192
News America Inc	7.300	7.225	04/30/2028	250	252	310
News America Inc	6.650	6.115	11/15/2037	125	133	156
Nextera Energy Capital	1.200	1.242	06/01/2015	39	39	39
Nextera Energy Capital	6.000	6.006	03/01/2019	125	125	148
Niagara Mohawk Power	4.880	4.881	08/15/2019	100	100	116
Nippon Telegraph & Telephone	1.400	1.428	07/18/2017	67	67	67
NiSource Finance Corp	6.400	3.049	03/15/2018	750	867	900
NiSource Finance Corp	5.450	3.637	09/15/2020	299	334	350
Nissan Motor Acceptance	4.500	2.640	01/30/2015	500	517	533
Noble Holding International	3.950	3.979	03/15/2022	45	45	46
Noble Holding International	6.200	4.936	08/01/2040	330	392	373
Nomura Holdings Inc	5.000	2.878	03/04/2015	195	203	208
Nomura Holdings Inc	6.700	6.403	03/04/2020	94	96	112
Nordea Bank AB	4.880	4.938	05/13/2021	355	354	384
Norfolk Southern Corp	2.900	2.882	02/15/2023	738	739	735
Norfolk Southern Corp	3.950	3.950	10/01/2042	103	103	99
Northern States Power- Minn	6.250	5.620	06/01/2036	360	389	485
Northern States Power- Minn	5.350	5.363	11/01/2039	64	64	79
Northern Trust Company	6.500	4.266	08/15/2018	250	277	312
Northern Trust Corp	5.500	4.130	08/15/2013	102	103	104
Northrop Grumman Corp	5.050	3.700	08/01/2019	490	527	570
Nova Scotia Province	9.250	4.643	03/01/2020	200	255	288
Nstar Electric Co	2.380	2.517	10/15/2022	200	198	197
Nucor Corporation	5.750	4.303	12/01/2017	242	257	289
Nucor Corporation	5.850	2.907	06/01/2018	615	702	743
Occidental Petroleum Corp	2.700	2.651	02/15/2023	310	311	313
Ohio Power Company	6.050	6.649	05/01/2018	205	200	247
Oncor Electric Delivery	6.800	4.103	09/01/2018	615	695	762
Ontario (Province Of)	2.950	2.975	02/05/2015	1,000	1,000	1,047
Ontario (Province Of)	0.950	0.957	05/26/2015	1,945	1,945	1,964
Ontario (Province Of)	2.700	2.710	06/16/2015	500	500	525
Oracle Corporation	4.950	0.926	04/15/2013	125	126	126
Oracle Corporation	5.750	5.177	04/15/2018	250	256	303
Oracle Corporation	5.000	4.688	07/08/2019	400	407	477
Oracle Corporation	6.500	5.657	04/15/2038	605	673	820
Oracle Corporation	5.380	5.278	07/15/2040	270	274	326
Oversea-Chinese Banking	1.630	1.694	03/13/2015	598	597	607
Paccar Financial Corp	1.550	1.168	09/29/2014	230	231	234

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Pacific Gas & Electric Corp	8.250	3.568	10/15/2018	605	747	818
Pacific Gas & Electric Corp	3.250	3.312	09/15/2021	49	49	52
Pacific Gas & Electric Corp	6.350	3.879	02/15/2038	420	585	554
Pacific Life Global Funding	5.150	4.566	04/15/2013	170	170	171
Pacific Life Global Funding	5.000	4.976	05/15/2017	400	400	425
PacifiCorp	5.500	4.874	01/15/2019	350	361	425
PacifiCorp	6.100	5.153	08/01/2036	316	356	413
PC Financial Partnership	5.000	2.386	11/15/2014	180	188	192
Pennsylvania Electric Co	6.050	3.448	09/01/2017	210	233	245
Pepsico Inc	1.250	1.357	08/13/2017	165	164	166
Pepsico Inc	7.900	4.260	11/01/2018	171	202	229
Petrobras Intl Fin Co	7.880	3.648	03/15/2019	150	184	184
Petrobras Intl Fin Co	6.750	5.682	01/27/2041	320	368	369
Petro-Canada	6.050	5.384	05/15/2018	447	460	540
Petro-Canada	6.800	6.466	05/15/2038	225	234	297
Pfizer Inc	4.650	2.187	03/01/2018	205	229	238
PG&E Corp	5.750	5.875	04/01/2014	150	150	158
Pharmacia Corporation	6.500	4.660	12/01/2018	700	764	888
Philips Electronics NV	5.750	3.507	03/11/2018	80	88	96
Philips Electronics NV	7.200	4.879	06/01/2026	180	220	235
Pitney Bowes Inc	4.880	2.626	08/15/2014	200	206	210
Pitney Bowes Inc	5.600	4.431	03/15/2018	100	105	107
PNC Bank NA	6.880	4.989	04/01/2018	250	271	311
PNC Bank NA	2.700	2.701	11/01/2022	400	400	390
PNC Funding Corp	5.250	5.124	11/15/2015	300	301	334
PNC Funding Corp	5.630	3.845	02/01/2017	300	319	345
PNC Funding Corp	5.130	5.150	02/08/2020	160	160	188
Potash Corp-Saskatchewan	3.750	2.830	09/30/2015	500	511	536
Potomac Electric Power	5.400	4.079	06/01/2035	180	215	207
Potomac Electric Power	7.900	5.191	12/15/2038	455	627	718
PPG Industries Inc	7.400	4.939	08/15/2019	260	295	318
PPG Industries Inc	9.000	6.096	05/01/2021	625	740	868
PPL Capital Funding Inc	4.200	3.419	06/15/2022	120	127	127
PPL Energy Supply LLC	4.600	4.604	12/15/2021	590	590	624
Praxair Inc	3.950	3.652	06/01/2013	130	130	131
Praxair Inc	4.380	4.446	03/31/2014	200	200	208
Praxair Inc	5.200	3.733	03/15/2017	510	538	594
Pricoa Global Funding I	5.450	5.499	06/11/2014	350	350	372
Principal Financial Group Inc	1.850	1.872	11/15/2017	52	52	53
Principal LFE GLB FND II	1.000	1.022	12/11/2015	47	47	47
Principal Life Global	5.050	8.354	03/15/2015	500	470	542
Principal Life Inc Fdg	5.100	3.519	04/15/2014	400	407	416
Progress Energy Carolina	5.300	4.589	01/15/2019	200	207	240
Progress Energy Carolina	2.800	2.826	05/15/2022	83	83	85
Progress Energy Inc	6.050	6.115	03/15/2014	150	150	158
Progress Energy Inc	7.750	5.834	03/01/2031	100	121	138
Prudential Insurance Company	8.300	5.843	07/01/2025	650	789	890
PSEG Power LLC	5.130	4.780	04/15/2020	504	514	573
PSEG Power LLC	4.150	4.161	09/15/2021	152	152	163
Public Service Colorado	3.200	3.247	11/15/2020	45	45	49
Public Service Electric & Gas	5.380	5.083	11/01/2039	169	176	208
Public Service Oklahoma	5.150	5.186	12/01/2019	118	118	138
Public Service Oklahoma	4.400	4.494	02/01/2021	137	136	154
Quebec Province	6.350	4.145	01/30/2026	900	1,097	1,210
Rabobank Nederland	3.200	3.310	03/11/2015	500	499	524
Rabobank Nederland	2.130	2.177	10/13/2015	114	114	118
Rabobank Nederland	3.380	3.394	01/19/2017	82	82	88
Rabobank Nederland	4.500	4.534	01/11/2021	219	219	244
Rabobank Nederland	3.880	3.970	02/08/2022	426	423	453
Rabobank Nederland	5.800	6.007	09/30/2110	300	290	343
Republic Services Inc	5.500	3.442	09/15/2019	360	403	428
Republic Services Inc	3.550	3.583	06/01/2022	309	308	322
Rio Tinto Fin USA Ltd	8.950	2.512	05/01/2014	605	650	662
Rio Tinto Fin USA Ltd	3.500	3.593	11/02/2020	51	51	54
Rio Tinto Fin USA Ltd	3.750	3.781	09/20/2021	588	587	630

A - Adjustable rate security.

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# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) February 28, 2013 (Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Royal Bank of Canada	2.300	2.357	07/20/2016	855	853	894
Ryder System Inc	3.600	3.623	03/01/2016	180	180	188
Ryder System Inc	2.500	2.534	03/01/2017	158	158	162
Ryder System Inc	3.500	3.533	06/01/2017	96	96	103
SabMiller PLC	5.500	2.689	08/15/2013	500	506	511
San Diego Gas & Electric	5.350	5.359	05/15/2040	27	27	34
Sempra Energy	8.900	4.633	11/15/2013	347	357	367
Sempra Energy	6.500	6.539	06/01/2016	100	100	117
Sempra Energy	9.800	5.179	02/15/2019	450	554	636
Sempra Energy	2.880	2.879	10/01/2022	105	105	105
Shell International Fin	1.880	1.916	03/25/2013	75	75	75
Shell International Fin	4.000	3.742	03/21/2014	575	577	596
Shell International Fin	3.100	3.115	06/28/2015	73	73	77
Shell International Fin	4.300	4.343	09/22/2019	285	284	330
Shell International Fin	4.380	4.434	03/25/2020	290	289	336
Shell International Fin	6.380	6.026	12/15/2038	140	146	194
Siemens Financieringsmat	6.130	5.126	08/17/2026	470	515	613
Simon Property Group LP	6.750	6.417	05/15/2014	140	141	148
Simon Property Group LP	5.630	4.874	08/15/2014	50	51	54
Simon Property Group LP	6.100	9.051	05/01/2016	325	299	373
Simon Property Group LP	6.130	3.190	05/30/2018	455	518	555
Simon Property Group LP	7.380	6.200	06/15/2018	166	175	207
Simon Property Group LP	5.650	4.551	02/01/2020	275	293	332
Southern Cal Edison	4.150	4.153	09/15/2014	100	100	105
Southern Cal Edison	6.050	6.110	03/15/2039	250	248	331
Southern Cal Edison	5.500	5.634	03/15/2040	170	167	213
Southern Company	4.150	3.109	05/15/2014	500	506	521
Southern Company	1.950	1.982	09/01/2016	130	130	134
Southtrust Bank NA	7.690	5.873	05/15/2025	400	463	506
Southwestern Electric Power	6.450	5.261	01/15/2019	115	122	140
Southwestern Public Service	8.750	5.352	12/01/2018	288	336	387
Spectra Energy Capital	6.200	5.551	04/15/2018	445	457	540
Spectra Energy Capital	6.750	8.473	07/15/2018	160	148	189
Spectra Energy Capital	8.000	5.666	10/01/2019	450	507	591
Stadshypotek AB	1.450	1.457	09/30/2013	697	697	701
Stadshypotek AB	1.880	1.938	10/02/2019	332	331	332
State Street Corp	4.300	3.354	05/30/2014	500	506	524
Statoil ASA	3.130	2.283	08/17/2017	692	716	750
Statoil ASA	3.150	3.172	01/23/2022	350	349	370
Statoil ASA	2.450	2.486	01/17/2023	130	130	128
Suncor Energy Inc	6.500	4.267	06/15/2038	200	269	258
SunTrust Banks Inc	3.600	3.282	04/15/2016	630	636	675
Svenska Handelsbanken AB	3.130	3.127	07/12/2016	494	494	528
Svenska Handelsbanken AB	2.880	2.895	04/04/2017	463	463	491
Talisman Energy	7.750	4.571	06/01/2019	475	556	609
Talisman Energy	5.850	4.804	02/01/2037	55	63	59
Talisman Energy	6.250	5.524	02/01/2038	60	66	67
Talisman Energy	5.500	5.629	05/15/2042	335	329	351
Target Corp	7.000	5.065	01/15/2038	440	560	627
TCI Communications Inc	7.880	7.698	02/15/2026	100	101	138
Teco Finance Inc	5.150	2.695	03/15/2020	570	659	659
Telecom Italia Capital	4.950	4.108	09/30/2014	400	405	414
Telecom Italia Capital	7.000	8.462	06/04/2018	100	94	113
Telefonica Emisiones SAU	6.420	4.065	06/20/2016	500	536	549
Telefonica Emisiones SAU	6.220	5.142	07/03/2017	300	312	332
Telefonica Emisiones SAU	5.880	5.877	07/15/2019	50	50	54
Telefonica Emisiones SAU	5.460	5.462	02/16/2021	117	117	123
Teva Pharm Fin IV BV	3.650	3.175	11/10/2021	445	461	473
The Mosiac Company	3.750	3.316	11/15/2021	613	633	644
The Mosiac Company	4.880	4.971	11/15/2041	33	33	35
Thomson Reuters Corp	4.700	4.744	10/15/2019	150	150	171
Time Warner Cable Inc	8.250	4.388	02/14/2014	730	756	781
Time Warner Cable Inc	6.750	4.658	07/01/2018	150	165	184
Time Warner Cable Inc	8.750	4.412	02/14/2019	300	368	396
Time Warner Cable Inc	7.300	6.397	07/01/2038	300	334	376

A - Adjustable rate security.

See accompanying notes to financial statements.



# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Time Warner Entertainment	8.380	4.362	03/15/2023	225	298	309
Time Warner Entertainment	8.380	6.560	07/15/2033	325	391	456
Toronto-Dominion Bank	2.200	2.140	07/29/2015	1,350	1,352	1,403
Total Capital Canada LTD	2.750	2.770	07/15/2023	107	107	108
Total Capital International SA	1.550	1.589	06/28/2017	112	112	114
Total Capital SA	2.300	2.129	03/15/2016	540	543	563
Total Capital SA	4.130	2.398	01/28/2021	200	225	225
Toyota Motor Credit Corp	3.200	2.095	06/17/2015	70	72	74
Toyota Motor Credit Corp	2.000	2.110	09/15/2016	2,950	2,939	3,060
Trans-Canada Pipelines	6.500	6.574	08/15/2018	250	249	313
Trans-Canada Pipelines	7.130	3.235	01/15/2019	400	482	512
Trans-Canada Pipelines	3.800	2.870	10/01/2020	300	319	334
Trans-Canada Pipelines	7.630	7.632	01/15/2039	50	50	73
Transocean Inc	6.500	6.390	11/15/2020	960	966	1,119
Travelers PPTY Casualty	7.750	5.666	04/15/2026	410	488	566
UBS AG Stamford CT	3.880	3.970	01/15/2015	500	499	532
UBS AG Stamford CT	5.880	5.576	12/20/2017	175	177	210
UBS AG Stamford CT	5.750	4.472	04/25/2018	100	106	119
Union Carbide Corp	7.500	5.809	06/01/2025	250	287	311
Union Pacific Corp	4.160	4.011	07/15/2022	358	362	402
Union Pacific Corp	2.950	2.956	01/15/2023	43	43	44
Union Pacific Corp	7.130	3.535	02/01/2028	177	250	235
Union Pacific Corp	5.780	4.235	07/15/2040	310	387	382
Union Pacific Corp	4.300	4.307	06/15/2042	50	50	51
United Mexican States	4.750	4.839	03/08/2044	364	359	382
United Mexican States	5.750	5.959	10/12/2110	326	315	361
United Technologies Corp	6.130	3.418	02/01/2019	696	795	870
United Technologies Corp	3.100	3.109	06/01/2022	106	106	111
United Technologies Corp	5.400	5.468	05/01/2035	170	169	204
United Technologies Corp	4.500	4.576	06/01/2042	143	141	154
UnitedHealth Group Inc	4.700	2.670	02/15/2021	180	206	206
UnitedHealth Group Inc	6.880	4.161	02/15/2038	380	539	510
UNP RR CO 2003 PASS TRUST	4.700	5.675	01/02/2024	77	74	86
UPS of America Inc	8.380	4.731	04/01/2020	125	152	174
UPS of America Inc	8.380	5.178	04/01/2030	230	303	339
US Bancorp	2.880	2.977	11/20/2014	450	449	468
US Bancorp	2.450	2.059	07/27/2015	456	460	477
US Bancorp	4.130	4.000	05/24/2021	275	277	308
Valero Energy Corporation	6.130	2.761	02/01/2020	300	363	364
Verizon Communications Inc	5.550	3.794	02/15/2016	165	173	187
Verizon Communications Inc	5.500	4.898	02/15/2018	720	739	854
Verizon Communications Inc	8.750	4.820	11/01/2018	223	266	304
Verizon Communications Inc	7.350	7.564	04/01/2039	400	390	558
Verizon Maryland Inc	7.150	7.864	05/01/2023	400	380	403
Verizon New England Inc	7.880	6.381	11/15/2029	330	380	430
Verizon Pennsylvania	8.350	7.266	12/15/2030	400	443	536
Viacom Inc	4.500	3.263	03/01/2021	340	369	379
Viacom Inc	3.880	4.076	12/15/2021	177	174	190
Viacom Inc	7.880	6.380	07/30/2030	380	439	511
Virginia Electric & Power Co	5.400	4.990	04/30/2018	490	499	588
Vodafone Group	5.750	6.019	03/15/2016	200	199	229
Vodafone Group	5.450	4.869	06/10/2019	369	380	440
Volkswagen Intl Fin NV	1.630	1.728	08/12/2013	100	100	101
Wachovia Bank NA	0.640	2.858	03/15/2016	850	795	839
Wachovia Corp	5.500	4.314	05/01/2013	1,400	1,403	1,411
Wachovia Corp	5.250	2.817	08/01/2014	102	105	108
Wachovia Corp	5.750	5.126	06/15/2017	775	793	912
Wachovia Corp	5.750	5.594	02/01/2018	775	779	925
Wal-Mart Stores Inc	7.550	5.479	02/15/2030	350	429	508
Wal-Mart Stores Inc	5.250	5.736	09/01/2035	425	399	503
Walt Disney Company	3.750	2.223	06/01/2021	330	368	364
Waste Management Inc	7.380	3.809	03/11/2019	437	519	555
Waste Management Inc	4.750	4.597	06/30/2020	622	628	708
WEA Finance/WT Fin Aust	6.750	5.454	09/02/2019	658	704	815
Weatherford Bermuda	6.500	5.496	08/01/2036	231	261	251

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Weatherford Bermuda	6.750	5.966	09/15/2040	300	332	334
WellPoint Inc	5.880	5.242	06/15/2017	500	512	592
WellPoint Inc	6.380	4.474	06/15/2037	100	128	124
Wells Fargo & Company	5.000	7.000	11/15/2014	100	97	107
Wells Fargo & Company	3.680	3.008	06/15/2016	390	398	423
Wells Fargo & Company	5.630	5.433	12/11/2017	865	871	1,027
Wells Fargo & Company	4.600	4.127	04/01/2021	425	438	485
Wells Fargo Bank NA	4.750	2.821	02/09/2015	565	585	606
Westpac Banking Corp	4.200	2.749	02/27/2015	345	355	369
Westpac Banking Corp	4.880	4.884	11/19/2019	406	406	476
Wisconsin Electric Power	6.000	0.833	04/01/2014	257	271	272
Wisconsin Electric Power	2.950	3.070	09/15/2021	11	11	12
Wyeth LLC	5.500	1.972	02/01/2014	190	196	199
Xcel Energy Inc	4.700	4.741	05/15/2020	45	45	53
Xerox Corporation	6.750	4.601	02/01/2017	191	206	221
Xerox Corporation	2.950	2.732	03/15/2017	230	232	236
Xerox Corporation	5.630	5.438	12/15/2019	350	354	397
XTO Energy Inc	5.500	1.534	06/15/2018	310	372	379
<i>Total Corporate Bonds</i>					261,793	285,253
<i>Corporate Asset Backed Issues</i>						
Academic Loan Funding Trust	1.000	1.052	12/27/2022	475	474	481
AH Mortgage Advance Trust	2.980	3.000	03/13/2013	753	753	754
AH Mortgage Advance Trust	3.720	3.750	03/13/2014	1,575	1,575	1,618
Ally Auto Receivables Trust	1.110	1.115	11/15/2013	254	254	254
Ally Auto Receivables Trust	0.480	0.485	05/15/2014	691	691	691
Ally Auto Receivables Trust	0.450	0.460	07/15/2014	793	793	794
Ally Auto Receivables Trust	1.550	1.576	10/15/2014	357	357	361
Ally Auto Receivables Trust	1.380	1.393	01/15/2015	131	131	131
American Credit Acceptance Rec	1.640	1.649	05/15/2015	329	329	329
American Credit Acceptance Rec	3.040	3.060	10/15/2015	237	237	239
Americredit Auto Receivables	0.510	0.513	06/08/2014	400	400	400
Americredit Auto Receivables	1.050	1.057	11/10/2014	123	123	124
Americredit Auto Receivables	0.840	0.849	11/10/2014	76	76	76
Americredit Auto Receivables	1.140	1.156	04/08/2015	163	163	164
Americredit Auto Receivables	0.620	0.628	07/08/2015	155	155	155
Americredit Auto Receivables	0.490	0.495	04/08/2016	354	354	354
Ascentium Equipment Receivable	1.830	1.843	09/15/2019	358	358	358
Banc of America Auto Trust	1.940	1.954	06/15/2017	500	500	504
Bank of America Auto Trust	0.780	0.783	03/15/2015	295	295	296
Bank of America Auto Trust	2.180	2.198	02/15/2017	150	150	151
Bayview Opportunity Master Tst	3.230 A	3.250	03/28/2033	1,595	1,595	1,595
BXG Receivables Note Trust	2.660	2.675	07/02/2019	304	304	305
California Republic Auto Recv	1.180	1.190	03/15/2016	706	706	706
Carnow Auto Receivables Trust	2.090	2.102	08/15/2013	120	120	120
Chase Funding Mortgage Loan	4.500	6.133	11/25/2034	259	256	263
Chase Funding Mortgage Loan	5.350 A	7.604	11/25/2034	500	474	494
Chase Funding Mortgage Loan	4.280	8.710	11/25/2034	571	529	575
CNH Equipment Trust	0.650	0.651	07/15/2015	82	82	82
CNH Equipment Trust	1.200	1.209	05/16/2016	200	200	201
CNH Equipment Trust	2.040	2.055	10/17/2016	256	256	262
CNH Equipment Trust	0.940	0.945	05/15/2017	328	328	330
Concord Funding Company LLC	3.150	3.166	01/15/2017	1,250	1,250	1,250
CPS Auto Trust	3.680	2.514	05/16/2016	274	279	283
CPS Auto Trust	4.210	4.249	09/15/2016	360	360	375
CPS Auto Trust	2.780	2.802	11/15/2016	231	231	236
CPS Auto Trust	2.520	2.540	03/15/2017	998	998	1,002
CPS Auto Trust	1.820	1.857	06/15/2017	526	526	529
Credit Acceptance Auto Loan	1.520	1.532	03/16/2020	453	453	456
Exeter Auto Receivables Trust	1.300	1.312	06/15/2017	523	523	524
First Investors Auto Owner Tst	1.470	1.478	05/15/2018	287	287	287
Ford Credit Auto Owner Trust	4.500	4.548	07/15/2014	112	112	113
Ford Credit Auto Owner Trust	0.400 A	0.404	09/15/2015	366	366	366
Ford Credit Auto Owner Trust	0.510	0.514	04/15/2017	264	264	264
GE Equipment Transportation	0.470	0.477	05/27/2014	242	242	242

A - Adjustable rate security.

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# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
HLSS Servicer Advance Receiv	1.340	1.350	10/15/2013	464	464	466
HLSS Servicer Advance Receiv	0.900	0.900	01/15/2014	964	964	965
HLSS Servicer Advance Receiv	1.990	2.000	10/15/2015	438	438	447
HLSS Servicer Advance Receiv	1.500	1.500	01/15/2016	599	599	603
HLSS Servicer Advance Receiv	1.740	1.750	01/15/2016	186	186	187
Honda Auto Receivables Trust	0.350	0.356	07/21/2014	341	341	341
Honda Auto Receivables Trust	0.770	0.774	03/16/2015	189	189	190
Honda Auto Receivables Trust	0.970	0.972	03/16/2016	68	68	69
Huntington Auto Trust	0.810	0.824	05/15/2015	308	308	309
Huntington Auto Trust	1.010	1.016	01/15/2016	400	400	402
Huntington Auto Trust	1.310	1.313	11/15/2016	400	400	406
Hyundai Auto Receivables Trust	0.970	0.984	11/15/2013	137	137	137
Hyundai Auto Receivables Trust	1.630	1.638	07/15/2015	400	400	407
Hyundai Auto Receivables Trust	0.400	0.406	10/15/2014	1,000	1,000	1,000
Hyundai Auto Receivables Trust	0.720	0.726	03/15/2016	346	346	347
John Deere Owner Trust	0.430	0.434	04/15/2014	220	220	220
John Deere Owner Trust	1.290	1.296	01/15/2016	255	255	257
John Deere Owner Trust	1.960	1.974	04/16/2018	285	285	291
LAI Vehicle Lease Securitizat	2.550	2.672	09/15/2016	118	118	119
Macquarie Equipment Fdg Trust	0.610	0.614	10/20/2014	1,000	1,000	1,000
Mercedes-Benz Auto Rec Trust	1.420	1.433	07/15/2013	37	37	38
Mercedes-Benz Auto Rec Trust	0.850	0.853	03/15/2014	222	222	223
Mercedes-Benz Auto Rec Trust	0.370	0.378	03/15/2014	207	207	207
Nationstar Agency Advance Fdg	1.000	0.045	02/17/2015	337	337	338
Nationstar Agency Advance Fdg	1.890	1.900	02/15/2018	168	168	169
NCUA Guaranteed Notes	0.560 A	0.558	12/07/2020	199	199	200
Newcastle Investment Trust	2.450	2.446	12/10/2033	168	168	172
Nissan Auto Receivables Trust	0.870	0.878	07/15/2014	107	107	107
Nissan Auto Receivables Trust	1.310	1.319	09/15/2016	300	300	302
Park Place Securities Inc	1.140	1.458	10/25/2034	932	890	911
Residential Asset Mtg Prod	0.540	11.170	10/25/2035	600	600	575
Residential Asset Mtg Prod	0.500	9.392	03/25/2036	1,300	1,192	1,207
Residential Asset Sec Corp	0.570	6.223	10/25/2035	263	263	258
Resort Finance Timeshare	6.250 A	6.330	07/05/2018	942	942	942
Resort Finance Timeshare Recv	5.750 A	5.819	09/05/2018	710	710	710
Santander Drive Auto Rec Trust	2.060	2.070	08/15/2013	100	100	101
Santander Drive Auto Rec Trust	1.080	1.084	04/15/2016	132	132	133
Santander Drive Auto Rec Trust	2.390	1.421	06/15/2017	400	403	408
Santander Drive Auto Rec Trust	0.570	0.574	12/15/2015	145	145	145
Santander Drive Auto Rec Trust	0.830	0.834	12/15/2016	120	120	120
Saxon Asset Securities Trust	4.800 A	4.566	06/25/2033	235	238	239
SNAAC Auto Receivables Trust	1.780	1.795	09/15/2014	141	141	142
Springleaf Funding Trust	2.580	2.597	03/15/2016	2,000	2,000	1,980
Springleaf Mortgage Loan Trust	2.670	2.593	09/25/2057	357	357	361
Springleaf Mortgage Loan Trust	6.000	7.970	09/25/2057	650	595	676
Stanwich Mortgage Loan Trust	2.980	3.000	10/16/2015	1,715	1,715	1,715
Stanwich Mortgage Loan Trust	2.980	3.000	09/15/2042	702	702	702
Stanwich Mortgage Loan Trust	2.980	3.000	10/18/2042	2,047	2,047	2,050
Toyota Auto Rec Owner Trust	0.770	0.775	04/15/2014	131	131	131
Trafigura Securitisation Fin	2.600	2.615	04/15/2015	1,190	1,190	1,201
USAA Auto Owner Trust	0.380	0.390	06/15/2015	103	103	103
USAA Auto Owner Trust	2.530	2.544	07/15/2015	162	162	163
Westgate Resorts	4.500	4.386	09/20/2015	934	934	958
Westgate Resorts	3.000	2.915	01/20/2025	801	801	808
Westgate Resorts	2.500	2.431	03/20/2025	304	304	305
Westlake Auto Receivables Trst	1.490	1.496	06/16/2014	122	122	122
<i>Total Corporate Asset Backed Issues</i>					45,811	46,179
<i>Corporate CMO</i>						
A10 Securitization	3.490	3.518	04/15/2024	802	802	814
American General Mortgage Loan	5.150	3.581	03/25/2040	348	352	358
American General Mortgage Loan	5.750	4.067	09/25/2048	384	384	385
American General Mortgage Loan	5.750	4.878	09/25/2048	1,100	1,101	1,119
American General Mortgage Loan	5.750	8.297	09/25/2048	1,300	1,262	1,388
ASG Resecuritization Trust	5.010 A	4.976	05/24/2036	400	400	426

A - Adjustable rate security.

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# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
ASG Resecuritization Trust	5.010 A	9.665	05/24/2036	517	501	533
ASG Resecuritization Trust	0.410 A	0.928	10/28/2036	190	184	188
ASG Resecuritization Trust	2.490 A	6.571	03/26/2037	1,075	1,036	1,075
ASG Resecuritization Trust	2.460 A	11.822	06/26/2037	595	493	586
ASG Resecuritization Trust	6.000	9.714	06/28/2037	768	768	803
Banc of Amer Altern Loan Trust	5.000	4.723	09/25/2018	342	343	350
Banc of Amer Altern Loan Trust	5.500	7.384	02/25/2019	328	315	335
Banc of Amer Altern Loan Trust	5.500	5.566	09/25/2019	224	223	227
Banc of Amer Altern Loan Trust	5.500	8.324	09/25/2033	259	232	264
Banc of Amer Altern Loan Trust	5.500	5.699	11/25/2033	238	237	245
Banc of Amer Altern Loan Trust	6.000	6.644	01/25/2034	281	273	293
Banc of Amer Altern Loan Trust	6.000	6.659	01/25/2034	450	434	470
Banc of America Commercial Mtg	5.410	2.849	09/10/2016	450	483	507
Banc of America Commercial Mtg	4.670	5.024	07/10/2043	400	397	431
Banc of America Commercial Mtg	4.730	7.964	07/10/2043	600	561	640
Banc of America Commercial Mtg	5.890	6.051	07/10/2044	1,000	996	1,129
Banc of America Commercial Mtg	5.370	10.517	09/10/2045	660	586	734
Banc of America Commercial Mtg	5.120	5.057	10/10/2045	230	230	252
Banc of America Commercial Mtg	5.630	6.516	07/10/2046	700	685	792
Banc of America Funding Corp	5.500	5.704	10/25/2034	655	649	671
Banc of America Funding Corp	5.060 A	5.448	12/20/2034	199	197	200
Banc of America Funding Corp	5.360 A	4.600	02/26/2035	692	718	732
Banc of America Merrill Lynch	2.960	2.624	12/10/2030	187	192	189
Banc of America Mortgage Sec	0.650	1.617	08/25/2018	168	165	161
Banc of America Mortgage Sec	5.000	3.903	04/25/2019	92	93	94
Banc of America Mortgage Sec	6.500	6.781	09/25/2032	162	161	171
Banc of America Mortgage Sec	3.050 A	3.203	04/25/2033	271	269	278
Banc of America Mortgage Sec	5.500	4.676	05/25/2033	564	572	582
Banc of America Mortgage Sec	3.130 A	3.127	06/25/2033	263	263	265
Banc of America Mortgage Sec	3.130 A	3.259	04/25/2034	776	771	786
Banc of America Mortgage Sec	5.500	2.968	04/25/2034	1,248	1,296	1,271
Bank of America Corp	5.750	10.175	09/20/2034	362	320	382
BB-UBS Trust	2.890	2.535	06/05/2020	1,000	1,024	1,011
BB-UBS Trust	3.430	3.315	11/05/2024	500	506	504
BCAP LLC Trust	3.880 A	3.449	05/26/2013	170	170	170
BCAP LLC Trust	5.500	7.003	11/26/2034	722	686	746
BCAP LLC Trust	5.000 A	4.357	04/26/2035	242	244	238
BCAP LLC Trust	1.000	3.694	01/26/2036	261	238	255
BCAP LLC Trust	4.930 A	5.789	05/26/2037	752	743	742
BCAP LLC Trust	5.750	6.038	06/26/2037	489	483	501
BCAP LLC Trust	2.580 A	1.852	07/26/2045	1,061	1,077	1,022
Bear Stearns Adj Rate Mortgage	4.960 A	4.797	07/25/2033	249	250	248
Bear Stearns Adj Rate Mortgage	5.080 A	4.819	05/25/2034	180	181	184
Bear Stearns Adj Rate Mortgage	2.240 A	2.854	08/25/2035	368	357	371
Bear Stearns Commercial Mtg	5.450 A	4.657	03/11/2039	235	237	263
Bear Stearns Commercial Mtg	0.240 A	7.345	06/11/2041	13,630	198	181
Bear Stearns Commercial Mtg	5.470	2.094	06/11/2041	424	436	442
Bear Stearns Commercial Mtg	5.540	10.089	10/12/2041	300	270	342
Chase Mortgage Finance Corp	2.990 A	3.372	02/25/2037	691	678	704
Chase Mortgage Finance Corp	2.980 A	3.047	02/25/2037	177	176	181
Chase Mortgage Finance Corp	3.070 A	4.345	07/25/2037	437	406	439
Citicorp Mortgage Securities	5.500	3.155	06/25/2034	550	574	576
Citigroup Commercial Mortgage	4.830 A	4.789	05/15/2043	400	400	429
Citigroup Mortgage Loan Trust	5.250	15.896	10/25/2033	301	248	308
Citigroup Mortgage Loan Trust	5.070 A	4.786	08/25/2034	144	144	145
Citigroup Mortgage Loan Trust	2.610 A	2.724	02/25/2035	265	264	269
Citigroup Mortgage Loan Trust	5.500	5.480	05/25/2035	350	349	358
Citigroup Mortgage Loan Trust	6.000	9.864	06/25/2036	816	752	857
Citigroup Mortgage Loan Trust	4.000	2.841	11/25/2036	2,221	2,257	2,305
Citigroup Mortgage Loan Trust	4.500	2.848	12/25/2036	2,373	2,428	2,512
Citigroup Mortgage Loan Trust	2.950 A	2.391	11/25/2038	798	800	809
Citigroup/Deutsche Bank Commer	0.080 A	2.313	01/15/2046	70,307	190	121
Citigroup/Deutsche Bank Commer	0.140 A	6.972	12/11/2049	40,153	333	312
Cobalt CMBS Commercial Mortgag	5.220	2.745	08/15/2048	245	265	274
Commercial Mortgage Pass-Thru	4.980	9.224	05/10/2043	1,000	939	1,076

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Commercial Mortgage Pass-Thru	1.970 A	2.402	08/15/2045	1,019	121	130
Countrywide Home Loans	4.500	5.608	06/25/2019	271	265	281
Countrywide Home Loans	5.000	6.294	10/25/2033	596	573	617
Countrywide Home Loans	5.250	5.884	04/25/2034	1,032	1,011	1,067
Credit Suisse Mortgage Capital	3.250	3.164	07/27/2037	776	777	778
Credit Suisse Mortgage Capital	1.430 A	0.904	10/26/2037	30	30	30
Credit Suisse Mortgage Capital	5.690	5.727	03/15/2039	500	499	558
Credit Suisse Mortgage Capital	1.200 A	1.807	02/27/2047	1,081	1,078	1,078
Credit Suisse Mortgage Capital	1.200	7.453	06/28/2047	1,190	1,141	1,131
Credit Suisse Mortgage Capital	3.900 A	7.982	06/25/2050	300	284	293
CS First Boston Mortgage Sec	2.970 A	3.868	06/25/2033	488	470	485
CS First Boston Mortgage Sec	5.250	6.159	11/25/2033	912	893	936
CS First Boston Mortgage Sec	5.500	3.185	09/25/2034	585	617	626
CS First Boston Mortgage Sec	5.500	3.906	12/25/2034	616	646	647
CS First Boston Mortgage Sec	18.280 A	19.680	06/25/2035	34	34	35
CS First Boston Mortgage Sec	4.730	4.846	07/15/2037	400	399	432
DBRR Trust	0.850	0.878	11/25/2015	999	998	998
DBRR Trust	0.950	0.769	09/25/2045	242	243	243
Deutsche ALT-A Sec Inc Mtg	5.630 A	5.884	02/25/2020	227	225	235
Deutsche Mortgage Securities	0.330 A	8.592	04/26/2037	270	270	264
First Horizon Mortgage Ps Thru	4.500	4.426	09/25/2018	339	338	349
Fontainebleau Miami Beach Trst	2.890	2.898	05/05/2017	841	841	861
GE Capital Commercial Mortgage	4.830	4.279	06/10/2048	1,000	1,009	1,062
GE Capital Commercial Mortgage	4.850	4.385	06/10/2048	500	504	526
GMAC Commercial Mortgage Sec	5.240	10.436	11/10/2045	1,810	1,611	1,970
GMAC Mortgage Corp Loan Trust	5.000	4.356	01/25/2020	217	220	223
GMAC Mortgage Corp Loan Trust	3.390 A	4.341	10/19/2033	630	607	648
GMAC Mortgage Corp Loan Trust	5.000	6.078	10/25/2033	358	345	363
GMAC Mortgage Corp Loan Trust	5.000	8.437	11/25/2033	609	564	621
GMAC Mortgage Corp Loan Trust	3.470 A	3.792	12/19/2033	1,154	1,137	1,168
GMAC Mortgage Corp Loan Trust	6.500	5.698	01/25/2035	445	457	472
Government National Mortgage	0.650	0.654	11/20/2059	1,431	1,430	1,432
Greenwich Capital Comm Funding	4.860 A	5.694	01/10/2015	210	207	223
GS Mortgage Securities Trust	2.710	1.821	12/10/2019	491	506	508
GS Mortgage Securities Trust	5.550	9.302	04/10/2038	1,000	915	1,110
GSR Mortgage Loan Trust	6.000	7.171	09/25/2034	657	631	688
GSR Mortgage Loan Trust	0.550	7.740	03/25/2035	508	326	425
GSR Mortgage Loan Trust	0.700	4.004	06/25/2035	138	124	130
GSR Mortgage Loan Trust	5.500	10.943	01/25/2037	90	77	92
Household Home Equity Loan Tst	0.470	4.301	01/20/2035	174	156	170
Household Home Equity Loan Tst	0.690	5.068	01/20/2035	349	307	332
Household Home Equity Loan Tst	0.360	4.251	01/20/2036	364	322	357
Household Home Equity Loan Tst	0.350	3.068	03/20/2036	310	282	307
Household Home Equity Loan Tst	0.400	1.554	03/20/2036	202	183	198
Household Home Equity Loan Tst	5.600	5.193	03/20/2036	115	115	115
Household Home Equity Loan Tst	1.400	4.120	11/20/2036	463	404	464
IMPAC CMB Trust	0.500	2.963	05/25/2035	397	357	392
IMPAC Secured Assets Corp	5.500	6.772	08/25/2033	579	545	609
IMPAC Secured Assets Corp	0.550	3.102	05/25/2036	466	403	460
IMPAC Secured Assets Corp	0.550	6.091	08/25/2036	767	680	741
JP Morgan Chase Commercial Mtg	5.580 A	2.216	07/12/2014	700	726	736
JP Morgan Chase Commercial Mtg	5.360 A	4.223	08/12/2037	700	715	754
JP Morgan Chase Commercial Mtg	4.400	2.085	01/12/2039	700	712	720
JP Morgan Chase Commercial Mtg	5.550	3.506	05/12/2045	500	530	568
JP Morgan Chase Commercial Mtg	5.400	9.292	05/15/2045	950	852	1,077
JP Morgan Chase Commercial Mtg	0.360	5.222	05/15/2047	800	771	794
JP Morgan Mortgage Trust	2.900 A	3.038	11/25/2033	973	965	992
JP Morgan Mortgage Trust	3.010 A	4.061	08/25/2034	1,249	1,193	1,267
JP Morgan Mortgage Trust	4.920 A	4.858	02/25/2035	760	760	778
JP Morgan Mortgage Trust	3.010 A	2.951	07/25/2035	763	765	783
JP Morgan Re-REMIC	1.870 A	1.759	08/26/2035	360	360	356
Lake Country Mortgage Loan Tst	0.550	2.146	07/25/2034	449	430	443
LB-UBS Commercial Mortgage Tst	5.160	7.515	01/15/2016	300	286	331
LB-UBS Commercial Mortgage Tst	4.370	2.169	03/15/2036	598	609	615
LB-UBS Commercial Mortgage Tst	5.430	1.521	02/15/2040	400	457	452

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued) February 28, 2013 (Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
LB-UBS Commercial Mortgage Tst	0.370 A	34.791	02/15/2041	23,231	238	229
Master Adjustable Rate Mtgage	2.630 A	5.163	11/21/2034	25	25	25
Master Adjustable Rate Mtgage	2.630 A	2.800	11/21/2034	1,350	1,338	1,414
Master Reperforming Loan Trust	0.550	6.881	05/25/2035	715	484	598
Master Resecuritization Trust	13.630	27.582	05/28/2035	340	190	272
MASTR Asset Securitization	5.500	10.908	09/25/2033	98	87	102
MASTR Asset Securitization	5.250	3.842	12/25/2033	1,088	1,120	1,134
Merrill Lynch Mortgage Invest	2.760 A	3.361	07/25/2033	143	140	147
Merrill Lynch Mortgage Trust	5.680 A	5.365	05/12/2039	260	262	295
Merrill Lynch/Countrywide Comm	0.200 A	7.011	12/12/2049	14,885	171	180
MLCC Mortgage Investors Inc	1.160	5.069	04/25/2029	386	324	378
MLCC Mortgage Investors Inc	1.180	3.018	08/25/2029	401	373	399
MLCC Mortgage Investors Inc	2.570 A	2.916	08/25/2034	264	259	268
MLCC Mortgage Investors Inc	2.390 A	2.833	12/25/2034	552	538	559
Morgan Stanley Capital I	4.050	3.906	06/15/2021	340	343	380
Morgan Stanley Capital I	5.650 A	5.619	06/11/2042	250	250	293
Morgan Stanley Capital I	0.160 A	10.200	12/15/2043	14,542	180	203
Morgan Stanley Capital I	0.240 A	14.460	02/12/2044	39,685	283	246
Morgan Stanley Capital Inc	0.950 A	5.789	01/25/2035	11	10	11
Morgan Stanley Mortgage Loan	5.670 A	5.260	04/25/2034	284	288	297
Morgan Stanley Mortgage Loan	5.500	23.487	08/25/2034	3,877	466	461
Morgan Stanley Re-REMIC Trust	2.000	1.853	09/27/2017	2,084	2,088	2,110
Morgan Stanley Re-REMIC Trust	0.250	6.841	03/27/2019	400	283	300
Morgan Stanley Re-REMIC Trust	1.000	1.463	04/27/2019	408	402	404
Morgan Stanley Re-REMIC Trust	4.970	2.440	04/16/2040	1,400	1,425	1,448
Morgan Stanley Re-REMIC Trust	5.000	3.111	07/17/2056	1,184	1,187	1,198
NCUA Guaranteed Notes	2.650	2.569	01/01/2018	3,815	3,823	4,042
NCUA Guaranteed Notes	2.900	1.547	10/29/2020	1,100	1,164	1,178
NCUA Guaranteed Notes	0.770 A	0.769	12/08/2020	828	828	833
NCUA Guaranteed Notes	2.400	2.461	12/08/2020	410	409	425
Northstar Mortgage Trust	1.400	1.458	04/25/2015	793	792	792
Prime Mortgage Trust	6.000	5.261	02/25/2034	233	240	257
RBSCF Trust	3.260	3.037	02/11/2023	531	542	542
RBSSP Resecuritization Trust	6.500	3.789	02/26/2036	561	567	603
RBSSP Resecuritization Trust	4.000	4.230	05/26/2037	371	369	368
RCMC	5.620	5.600	12/15/2018	674	674	674
Residential Accredit Loans	16.200	16.612	10/25/2017	123	123	138
Residential Accredit Loans	0.850	3.146	07/25/2033	394	354	373
Residential Accredit Loans	5.500	5.536	08/25/2033	674	674	695
Residential Accredit Loans	5.750	7.409	10/25/2033	440	412	457
Residential Accredit Loans	5.500	13.881	05/25/2034	1,616	1,139	1,500
Residential Funding Mtg Sec I	5.500	1.445	05/25/2022	282	282	282
Salomon Brothers Mortgage Sec	3.950 A	9.679	04/25/2032	156	136	154
Salomon Brothers Mortgage Sec	3.100 A	3.811	09/25/2033	545	529	553
Springleaf Mortgage Loan Trust	2.220	2.222	10/25/2057	849	849	859
Springleaf Mortgage Loan Trust	6.000	6.290	10/25/2057	600	583	618
Springleaf Mortgage Loan Trust	4.050 A	4.006	01/25/2058	856	855	887
Springleaf Mortgage Loan Trust	5.450	5.625	01/25/2058	1,000	989	1,053
Springleaf Mortgage Loan Trust	1.570	1.522	12/25/2059	1,189	1,188	1,194
Springleaf Mortgage Loan Trust	2.660	2.640	12/25/2059	308	308	309
Springleaf Mortgage Loan Trust	3.560	3.540	12/25/2059	235	235	236
Springleaf Mortgage Loan Trust	4.440	4.424	12/25/2059	177	177	178
Springleaf Mortgage Loan Trust	5.300	5.299	12/25/2059	121	121	123
Structured Asset Investment	0.470 A	7.422	06/25/2035	158	158	157
Structured Asset Mortgage Inv	0.000	8.871	07/25/2032	148	104	137
Structured Asset Mortgage Inv	0.860 A	2.058	10/19/2034	585	532	580
Structured Asset Securities Co	3.450	5.138	02/25/2032	277	256	277
Structured Asset Securities Co	0.700	7.822	06/25/2033	340	317	330
Structured Asset Securities Co	5.500	6.017	10/25/2033	572	560	579
Structured Asset Securities Co	5.430 A	5.782	11/25/2033	141	139	150
Structured Asset Securities Co	4.910 A	5.022	12/25/2033	217	216	217
Structured Asset Securities Co	5.540	6.371	12/25/2033	989	951	1,022
Structured Asset Securities Co	5.550 A	6.291	03/25/2034	557	539	560
Structured Asset Securities Co	4.690 A	4.481	02/25/2035	1,027	1,038	1,019
Structured Asset Securities Co	5.000	13.553	05/25/2035	142	109	144

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Thornburg Mtg Securities Trust	0.840	2.323	09/25/2043	593	551	590
TIAA Seasoned Commercial Mtg	5.540 A	4.999	08/15/2039	2,207	2,219	2,321
UBS-BAMLL Trust	3.660	3.439	06/10/2022	578	589	604
Vendee Mortgage Trust	6.750	5.797	06/15/2026	653	684	769
Vendee Mortgage Trust	6.750	4.201	06/15/2028	546	616	651
Vericrest Opportunity Loan	4.210	4.250	03/25/2049	10	10	10
VNO Mortgage Trust	3.000	2.711	11/15/2022	544	557	549
Volt 12-RPLI LLC	4.950	5.000	03/25/2049	1,655	1,654	1,655
Wachovia Bank Comm Mtg Trust	5.220	2.725	01/15/2041	652	676	680
Wachovia Bank Comm Mtg Trust	5.730 A	8.064	05/15/2043	1,440	1,357	1,620
WAMU Mortgage Pass-Through Cer	5.500	5.566	08/25/2019	448	447	467
WAMU Mortgage Pass-Through Cer	2.320 A	2.959	08/25/2033	198	192	198
WAMU Mortgage Pass-Through Cer	2.460 A	2.610	08/25/2033	220	218	227
WAMU Mortgage Pass-Through Cer	2.430 A	2.669	09/25/2033	764	755	780
WAMU Mortgage Pass-Through Cer	2.550 A	2.846	09/25/2033	290	284	296
WAMU Mortgage Pass-Through Cer	5.250	7.957	10/25/2033	1,483	1,384	1,554
WAMU Mortgage Pass-Through Cer	0.600	2.658	03/25/2034	93	92	92
WAMU Mortgage Pass-Through Cer	2.560 A	4.040	06/25/2034	211	196	214
WAMU Mortgage Pass-Through Cer	2.560 A	2.639	06/25/2034	527	524	535
WAMU Mortgage Pass-Through Cer	5.500	6.196	06/25/2034	889	861	934
WAMU Mortgage Pass-Through Cer	5.000	3.468	07/25/2034	477	492	492
Washington Mutual MSC Mortgage	0.000	17.440	07/25/2033	160	105	132
Washington Mutual MSC Mortgage	5.500	45.091	05/25/2035	618	54	169
Wells Fargo Mortgage Backed	4.750	4.542	12/25/2018	557	558	574
Wells Fargo Mortgage Backed	5.000	3.504	01/25/2020	203	208	213
Wells Fargo Mortgage Backed	5.000	3.931	11/25/2020	156	158	160
Wells Fargo Mortgage Backed	4.430 A	4.569	11/25/2033	572	569	586
Wells Fargo Mortgage Backed	4.720 A	2.600	12/25/2033	121	121	122
Wells Fargo Mortgage Backed	4.920 A	4.686	02/25/2034	297	298	304
Wells Fargo Mortgage Backed	2.620 A	4.054	09/25/2034	1,242	1,165	1,256
Wells Fargo Mortgage Backed	2.820 A	3.911	10/25/2034	507	481	512
Wells Fargo Mortgage Backed	2.650 A	3.367	10/25/2034	428	417	439
Wells Fargo Mortgage Backed	2.650 A	4.941	10/25/2034	295	270	304
Wells Fargo Mortgage Backed	2.630 A	4.140	12/25/2034	611	576	630
Wells Fargo Mortgage Backed	3.050 A	6.776	12/25/2034	289	260	300
Wells Fargo Mortgage Backed	2.630 A	3.972	12/25/2034	407	386	420
Wells Fargo Mortgage Backed	3.050 A	3.812	12/25/2034	289	284	301
Wells Fargo Mortgage Backed	2.750 A	3.840	06/25/2035	159	152	163
Wells Fargo Mortgage Loan Trst	2.850 A	2.725	08/27/2037	381	381	381
Wells Fargo Re-REMIC Trust	1.750	1.918	04/20/2017	708	706	712
WF-RBS Commercial Mortgage Tst	4.380	4.266	05/15/2021	600	605	678
WF-RBS Commercial Mortgage Tst	3.440	3.324	01/15/2022	400	404	427
<i>Total Corporate CMO</i>					132,106	139,434
Total Corporate Issues - 37.6%					439,710	470,866
<b>Short-term Issues</b>						
Dreyfus Cash Management Institutional Fund - 2.6%				32,551,784	32,552	32,552
Total Investment Securities - 100.2%					\$ 1,169,778	\$ 1,255,955
<b>Collateral for Securities Loaned</b>						
BNY Mellon Securities Lending Overnight Fund					\$ 24,910	\$ 24,910
Mellon SL DBT II Liquidating Fund					148	145
Total Collateral for Securities Loaned					\$ 25,058	\$ 25,055

A - Adjustable rate security.

See accompanying notes to financial statements.

## Core Fixed Income Pool

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ 4,134	\$ 34,498
Dividends	1	11
Net amortization	(655)	(5,153)
Securities lending income	9	72
<b>Total investment income</b>	3,489	29,428
<b>Expenses</b>		
Investment advisor fees	(158)	(1,238)
Trustee fees	-	(2)
Custodian bank fees	(6)	(46)
Management fees	(29)	(244)
Fiduciary bond fees	-	(2)
Professional service fees	(6)	(49)
Securities lending agent fees	(1)	(10)
Securities lending borrower rebates	(1)	(8)
<b>Total expenses</b>	(201)	(1,599)
<b>Investment income, net</b>	3,288	27,829
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	56	2,043
Net increase (decrease) in the fair value of investments	3,411	(1,250)
<b>Net gain from investments</b>	3,467	793
<b>Net increase in net assets from operations</b>	\$ 6,755	\$ 28,622

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Core Fixed Income Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 3,288	\$ 27,829
Net realized gain from investments	56	2,043
Net increase (decrease) in the fair value of investments	3,411	(1,250)
<b>Net increase in net assets from operations</b>	6,755	28,622
<b>Distributions to unitholders</b>		
Investment income, net	(3,288)	(27,829)
<b>Unit transactions</b>		
Proceeds from sale of units	33,422	110,939
Reinvestment of distributions	2,933	27,687
	36,355	138,626
Amount paid for repurchase of units	(58)	(88,708)
<b>Net increase in net assets from unit transactions</b>	36,297	49,918
<b>Increase in net assets</b>	39,764	50,711
<b>Net assets, beginning of period</b>	1,214,153	1,203,206
<b>Net assets, end of period</b>	\$ 1,253,917	\$ 1,253,917
<b>Unit data</b>		
Units sold	2,950,936	9,721,458
Units issued from reinvestment of distributions	258,965	2,423,736
	3,209,901	12,145,194
Units repurchased	(5,121)	(7,763,581)
<b>Net increase in units</b>	3,204,780	4,381,613

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*



# Core Fixed Income Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Core Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of this Pool is to generate investment income, provide stability and diversification, but not at the expense of total return. JP Morgan Investment Advisors, Inc. manages this Pool. This Pool's investment performance, net of external investment management fees, is expected to meet or exceed the Barclays Capital U.S. Aggregate index.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in debt securities are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.



# Core Fixed Income Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. For international securities, the collateral is at least 105 percent of the market value of the securities on loan. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, specifically the Mellon SL DBT II Liquidating Fund. Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations as net increase or decrease in the fair value of investments.

**Asset-Backed Securities** - The Pool invests in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. The Pool invests in these securities to enhance yields on investments. Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security. The amortization of asset-backed securities considers the effect of prepayments on the life of the security. Historical prepayment speeds are obtained from market data vendors and are updated annually. The effect of changing prepayment assumptions is reported in the Statement of Operations in the year of the change.

**Distributions to Participants** - The monthly net investment income is declared as a dividend on the last day of the month and distributed to the participants of the Pool on the first day of the following month. Distributions are paid in the form of reinvestments in the Pool and have been included in distributions to participants and reinvestment of distributions as presented on the Statement of Changes in Net Assets. The Pool does not routinely distribute dividends of net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

# Core Fixed Income Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of February 28, 2013.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of February 28, 2013:

Assets	Level 1	Level 2	Level 3	Total
Corporate issues	\$ -	\$ 470,866	\$ -	\$ 470,866
Municipal bonds	-	5,756	-	5,756
Regulated investment companies	-	32,552	-	32,552
Securities lending collateral funds	-	25,055	-	25,055
U.S. government agency issues	-	460,314	-	460,314
U.S. Treasury issues	-	286,467	-	286,467
Total	\$ -	\$ 1,281,010	\$ -	\$ 1,281,010

# Core Fixed Income Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at February 28, 2013.

Fair value of securities on loan	\$	155,185		
Initial collateral received:		Cost	Fair Value	Unrealized Loss
Cash	\$	<u>25,058</u>	\$ 25,055	<u>\$ (3)</u>
Non-cash			133,320	
Total			<u>\$ 158,375</u>	

### NOTE 5. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2012	\$	11.35
Income from investment operations:		
Net investment income		0.26
Net realized and unrealized gain on investment transactions		<u>0.01</u>
Total from investment operations		0.27
Less distributions from net investment income		<u>(0.26)</u>
Net asset value at February 28, 2013	\$	<u>11.36</u>

**Time-weighted Total Return \*** 2.4%

#### Supplemental Data:

Net assets, end of period	\$	1,253,917
Ratio to average net assets:		
Expenses **		0.19%
Net investment income **		3.39%
Portfolio turnover rate		10.65%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

## Core Fixed Income Pool

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### Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

#### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2013. The balances do not include the dividend declared by the Pool on the last day of the month and reinvested to the participant's account on the first day of the following month.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 335,782
Public Employees' Retirement System	313,589
Workers' Compensation Old Fund	209,428
Revenue Shortfall Reserve Fund	81,318
Revenue Shortfall Reserve Fund - Part B	78,057
Coal Workers' Pneumoconiosis Fund	40,736
West Virginia Prepaid Tuition Trust Fund	38,835
West Virginia Retiree Health Benefit Trust	34,872
Public Employees Insurance Agency	33,668
State Police Death, Disability and Retirement Fund	31,752
Board of Risk and Insurance Management	21,418
Judges' Retirement System	9,081
Deputy Sheriff's Retirement System	8,845
State Police Retirement System	6,154
Wildlife Endowment Fund	3,031
Emergency Medical Services Retirement System	2,695
Workers' Compensation Self-Insured Guaranty Risk Pool	2,227
Workers' Compensation Uninsured Employers' Fund	1,314
West Virginia Department of Environmental Protection Trust	608
AccessWV	486
Municipal Police Officers' and Firefighters' Retirement System	21
Total	<u>\$ 1,253,917</u>

**Financial Statements - Unaudited**

**February 28, 2013**



# TIPS Pool

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## **Financial Statements - Unaudited February 28, 2013**

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# TIPS Pool

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## Statement of Assets and Liabilities - Unaudited

February 28, 2013

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	728,327
Receivables:		
Accrued interest		1,428
Investments sold		7,884
Securities lending income		18
		<hr/>
<b>Total assets</b>		737,657

### Liabilities

Accrued expenses		73
Payable for investments purchased		7,952
		<hr/>
<b>Total liabilities</b>		8,025
		<hr/>
<b>Net assets</b>	\$	<u>729,632</u>

### Analysis of net assets

Paid-in capital	\$	633,224
Accumulated undistributed net investment loss		(440)
Accumulated undistributed net realized gain from investments		39,830
Unrealized net appreciation of investments		57,018
		<hr/>
<b>Net assets</b>	\$	<u>729,632</u>

### Unit data

Units outstanding		64,624,977
Net asset value, unit price	\$	<u>11.29</u>

See accompanying notes to financial statements.



# TIPS Pool

## Schedule of Investments in Securities - Unaudited February 28, 2013

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value Shares	Amortized Cost	Fair Value
<b>U.S. Treasury Issues</b>						
United States Treasury	1.250 %	(0.473) %	04/15/2014	12,625	\$ 13,963	\$ 14,204
United States Treasury	2.000	(0.481)	07/15/2014	16,408	20,671	21,238
United States Treasury	1.630	(0.361)	01/15/2015	16,407	20,466	21,103
United States Treasury	0.500	(0.509)	04/15/2015	18,335	19,844	20,439
United States Treasury	1.880	(0.519)	07/15/2015	14,679	18,318	19,049
United States Treasury	2.000	(0.147)	01/15/2016	14,680	18,032	18,959
United States Treasury	0.130	(0.799)	04/15/2016	32,811	35,129	36,252
United States Treasury	2.500	(0.116)	07/15/2016	14,616	18,086	19,252
United States Treasury	2.380	0.046	01/15/2017	12,658	15,709	16,850
United States Treasury	0.130	(1.415)	04/15/2017	37,993	40,928	41,443
United States Treasury	2.630	(0.198)	07/15/2017	11,152	13,882	14,895
United States Treasury	1.630	0.026	01/15/2018	11,904	14,057	15,254
United States Treasury	1.380	0.200	07/15/2018	12,085	13,671	15,109
United States Treasury	2.130	0.312	01/15/2019	11,194	13,229	14,633
United States Treasury	1.880	0.229	07/15/2019	12,649	15,009	16,660
United States Treasury	1.380	0.442	01/15/2020	15,537	17,530	19,644
United States Treasury	1.250	0.399	07/15/2020	24,079	26,897	30,242
United States Treasury	1.130	0.753	01/15/2021	27,626	29,801	34,147
United States Treasury	0.630	0.096	07/15/2021	30,214	32,129	35,136
United States Treasury	0.130	(0.345)	01/15/2022	33,490	35,408	36,962
United States Treasury	0.130	(0.789)	07/15/2022	35,096	38,163	38,195
United States Treasury	0.130	(0.549)	01/15/2023	12,952	13,766	13,902
United States Treasury	2.380	0.932	01/15/2025	18,508	26,156	30,244
United States Treasury	2.000	1.070	01/15/2026	14,189	18,226	21,318
United States Treasury	2.380	0.959	01/15/2027	11,600	15,596	17,947
United States Treasury	1.750	1.159	01/15/2028	12,086	14,293	16,849
United States Treasury	3.630	1.143	04/15/2028	9,712	18,491	21,561
United States Treasury	2.500	1.025	01/15/2029	11,953	15,504	17,914
United States Treasury	3.880	1.292	04/15/2029	11,756	22,553	26,748
United States Treasury	3.380	1.304	04/15/2032	3,978	6,933	8,304
United States Treasury	2.130	1.300	02/15/2040	7,282	9,141	11,062
United States Treasury	2.130	1.434	02/15/2041	10,147	12,272	15,311
United States Treasury	0.750	0.520	02/15/2042	17,471	18,832	18,895
United States Treasury	0.630	0.541	02/15/2043	7,771	7,951	7,933
Total U.S. Treasury Issues - 99.7%					670,636	727,654
<b>Short-term Issues</b>						
Dreyfus Cash Management Institutional Fund - 0.1%				672,673	673	673
Total Investment Securities - 99.8%					\$ 671,309	\$ 728,327

See accompanying notes to financial statements.

## TIPS Pool

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ 658	\$ 6,178
Dividends	-	1
Net amortization	(2,460)	(6,507)
Securities lending income	23	230
<b>Total investment income</b>	(1,779)	(98)
<b>Expenses</b>		
Investment advisor fees	(14)	(113)
Trustee fees	-	(1)
Custodian bank fees	(1)	(13)
Management fees	(17)	(148)
Fiduciary bond fees	-	(1)
Professional service fees	(3)	(28)
Securities lending agent fees	(5)	(37)
Securities lending borrower rebates	-	(1)
<b>Total expenses</b>	(40)	(342)
<b>Investment loss, net</b>	(1,819)	(440)
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	786	11,905
Net increase in the fair value of investments	1,233	4,575
<b>Net gain from investments</b>	2,019	16,480
<b>Net increase in net assets from operations</b>	\$ 200	\$ 16,040

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## TIPS Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (1,819)	\$ (440)
Net realized gain from investments	786	11,905
Net increase in the fair value of investments	1,233	4,575
<b>Net increase in net assets from operations</b>	200	16,040
<b>Unit transactions</b>		
Proceeds from sale of units	9,512	37,632
Reinvestment of distributions	-	2,211
	9,512	39,843
Amount paid for repurchase of units	(5,119)	(67,626)
<b>Net increase (decrease) in net assets from unit transactions</b>	4,393	(27,783)
<b>Increase (decrease) in net assets</b>	4,593	(11,743)
<b>Net assets, beginning of period</b>	725,039	741,375
<b>Net assets, end of period</b>	\$ 729,632	\$ 729,632
<b>Unit data</b>		
Units sold	842,728	3,329,321
Units issued from reinvestment of distributions	-	200,063
	842,728	3,529,384
Units repurchased	(453,525)	(5,984,270)
<b>Net increase (decrease) in units</b>	389,203	(2,454,886)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# TIPS Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's TIPS Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool invests in Treasury Inflation-Protected Securities (TIPS) and its objective is to match the performance of the Barclay's Capital U.S. TIPS Bond Index on an annualized basis over rolling three-year to five-year periods, gross of fees. Assets are managed by State Street Global Advisors.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in TIPS are carried at fair value, which is determined by a third party pricing service based quoted market prices, generally using the midpoint of the bid and offer price, and applying the relevant inflation factor. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, specifically the Mellon SL DBT II Liquidating Fund. Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations as net increase or decrease in the fair value of investments.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investments in other funds are recognized at the time of sale by the average cost method.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of February 28, 2013.

# TIPS Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of February 28, 2013:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Regulated investment companies	\$ -	\$ 673	\$ -	\$ 673
U.S. Treasury issues	-	727,654	-	727,654
Total	<u>\$ -</u>	<u>\$ 728,327</u>	<u>\$ -</u>	<u>\$ 728,327</u>

### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at February 28, 2013.

Fair value of securities on loan	\$	436,864		
Initial collateral received:		<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized loss</u>
Cash	\$	-	\$ -	\$ -
Non-cash			445,895	
Total			<u>\$ 445,895</u>	

# TIPS Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 5. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2012	\$	11.05
Income from investment operations:		
Net investment loss		(0.01)
Net realized and unrealized gain on investment transactions		0.25
Total from investment operations		0.24
Net asset value at February 28, 2013	\$	11.29

**Time-weighted Total Return \*** 2.2%

**Supplemental Data:**

Net assets, end of period	\$	729,632
Ratio to average net assets:		
Expenses **		0.06%
Net investment income **		-0.09%
Portfolio turnover rate		26.59%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2013.

Participant	Account Value
Revenue Shortfall Reserve Fund	\$ 231,313
Teachers' Retirement System	133,231
Public Employees' Retirement System	115,359
Workers' Compensation Old Fund	99,959
Revenue Shortfall Reserve Fund - Part B	51,853
Coal Workers' Pneumoconiosis Fund	26,192
Public Employees Insurance Agency	19,040
Board of Risk and Insurance Management	13,724
State Police Death, Disability and Retirement Fund	12,272
West Virginia Retiree Health Benefit Trust	11,713
Judges' Retirement System	3,352
Deputy Sheriff's Retirement System	3,155
State Police Retirement System	2,197
Workers' Compensation Self-Insured Guaranty Risk Pool	1,418
Access WV	1,132
Wildlife Endowment Fund	1,078
Emergency Medical Services Retirement System	980
Workers' Compensation Uninsured Employers' Fund	955
West Virginia Department of Environmental Protection Trust	701
Municipal Police Officers' and Firefighters' Retirement System	8
Total	\$ 729,632





**Financial Statements - Unaudited**

**February 28, 2013**



# TRS Annuity Pool

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## **Financial Statements - Unaudited February 28, 2013**

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# TRS Annuity Pool

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## Statement of Assets and Liabilities - Unaudited

February 28, 2013

(Amounts in thousands, except unit data)

### Assets

Investment securities at amortized cost \$ 54,668

### Liabilities

Accrued expenses 170

**Net assets** \$ 54,498

### Analysis of net assets

Paid-in capital \$ 28,633

Accumulated undistributed net investment income 25,865

**Net assets** \$ 54,498

### Unit data

Units outstanding 4,563,647

Net asset value, unit price \$ 11.94

*See accompanying notes to financial statements.*

# TRS Annuity Pool

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## Schedule of Investments in Securities - Unaudited

February 28, 2013

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
<u>Annuity Contract</u>			
Variable Annuity Life Insurance Company - 100.3%	54,668,456	\$ 54,668	\$ 54,668

See accompanying notes to financial statements.

## TRS Annuity Pool

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**Statement of Operations - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 184	\$ 1,575
<b>Expenses</b>		
Management fees	(2)	(11)
Professional service fees	<u>(83)</u>	<u>(285)</u>
<b>Total expenses</b>	<u>(85)</u>	<u>(296)</u>
<b>Investment income, net</b>	<u>99</u>	<u>1,279</u>
<b>Net increase in net assets from operations</b>	<u>\$ 99</u>	<u>\$ 1,279</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.*

## TRS Annuity Pool

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**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 99	\$ 1,279
<b>Unit transactions</b>		
Proceeds from sale of units	31	196
<b>Increase in assets from unit transactions</b>	31	196
<b>Increase in net assets</b>	130	1,475
<b>Net assets, beginning of period</b>	54,368	53,023
<b>Net assets, end of period</b>	\$ 54,498	\$ 54,498
<b>Unit data</b>		
Units sold	2,643	16,616
<b>Increase in units</b>	2,643	16,616

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## TRS Annuity Pool

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**Statement of Cash Flows - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 99	\$ 1,279
Adjustments to reconcile net increase in net assets from operations to net cash used in operating activities:		
Purchase of investment securities	(184)	(1,575)
Increase in accrued expenses	54	100
	<u>(31)</u>	<u>(196)</u>
<b>Net cash used in operating activities</b>		
<b>Cash flows from financing activities</b>		
Proceeds from units sold	<u>31</u>	<u>196</u>
	<u>31</u>	<u>196</u>
<b>Cash provided by financing activities</b>		
<b>Net change in cash</b>		
	-	-
<b>Cash</b>		
Beginning balance	<u>-</u>	<u>-</u>
Ending balance	<u>\$ -</u>	<u>\$ -</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.*



# TRS Annuity Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the TRS Annuity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool holds an investment contract strictly for the benefit of the Teachers Retirement System (TRS). The IMB assumed responsibility for this investment as part of the restructuring of the Teachers Defined Contribution (TDC) plan, a separate retirement plan outside of the IMB, whereby certain TDC participants elected to transfer the ownership of their individual TDC retirement accounts to the TRS in exchange for current participation in the TRS defined benefit plan. The contract, issued by the Variable Annuity Life Insurance Company (VALIC), could not be liquidated as part of the restructuring, and was transferred in kind to the IMB on December 10, 2008. The final amount transferred on the contract was \$248,293. Effective April 23, 2009, the IMB elected to liquidate this contract and will receive five equal annual payments of \$55,058. Payments were received on May 4, 2009, 2010, 2011, and 2012. Final payment will be received on May 4, 2013. The contract and the payments include a guaranteed annual interest yield of 4.5%. VALIC is a wholly-owned subsidiary of American International Group, Inc., but is not in bankruptcy.

# TRS Annuity Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. The VALIC contract is a private contract between the issuer and the IMB and is not a marketable security. It is carried at fair value using a discounted cash flow model based on the underlying cash flows of the contract, implicit rate of return, and estimated credit risk premiums using observable market data. At February 28, 2013 amortized cost approximated fair value.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of February 28, 2013.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value

# TRS Annuity Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 3. FAIR VALUE MEASUREMENTS (continued)

measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of February 28, 2013:

Assets	Level 1	Level 2	Level 3	Total
Annuity Contracts	\$ -	\$ -	\$ 54,668	\$ 54,668

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended February 28, 2013 was as follows:

	Annuity contract
Balance at June 30, 2012	\$ 53,093
Net realized gain/(loss)	-
Net change in unrealized appreciation/(depreciation)	-
Purchases	1,575
Sales	-
Net transfers in/(out) of Level 3	-
Balance at February 28, 2013	\$ 54,668

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2012	\$ 11.66
Net investment income from investment operations	0.28
Net asset value at February 28, 2013	\$ 11.94

**Time-weighted Total Return \*** 2.6%

#### Supplemental Data:

Net assets, end of period	\$ 54,498
Ratio to average net assets:	
Expenses **	0.83%
Net investment income **	3.56%
Portfolio turnover rate	0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date and are annualized



**Financial Statements - Unaudited**

**February 28, 2013**



# Private Equity Pool

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## Financial Statements - Unaudited February 28, 2013

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# Private Equity Pool

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## Statement of Assets and Liabilities - Unaudited

February 28, 2013

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,074,663
Dividends receivable		<u>2</u>
<b>Total assets</b>		1,074,665

### Liabilities

Accrued expenses		<u>196</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,074,469</u></u></b>

### Analysis of net assets

Paid-in capital	\$	815,458
Accumulated undistributed net investment loss		(5,988)
Accumulated undistributed net realized gain from investments		36,699
Unrealized net appreciation of investments		<u>228,300</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,074,469</u></u></b>

### Unit data

Units outstanding		86,354,746
Net asset value, unit price	\$	<u><u>12.44</u></u>

See accompanying notes to financial statements.



# Private Equity Pool

## Schedule of Investments in Securities - Unaudited

**February 28, 2013**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
<b><u>Partnerships</u></b>			
Advent International GPE VI - A, L.P.		\$ 34,779	\$ 44,792
Investment Objective - To provide risk capital for, and make investments in the securities of, privately held and publicly listed companies primarily in Europe and North America.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Carlyle Partners V, L.P.		34,595	38,017
Investment Objective - To generate superior, long-term capital appreciation through privately negotiated equity and equity related investments.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Clearlake Capital III, L.P.		2,200	2,200
Investment Objective - To make special situation investments in small and middle market companies, specifically distressed debt, rescue financing, growth capital, and turnaround investments.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Court Square Capital Partners III, L.P.		7,092	7,092
Investment Objective - To make leveraged acquisitions of mature, upper middle market companies in the U.S., primarily in the business services, general industrial, healthcare, and telecom & technology sectors.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Franklin Park Venture Fund Series 2008, L.P.		16,554	19,655
Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Franklin Park Venture Fund Series 2009, L.P.		14,243	17,369
Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Franklin Park Venture Fund Series 2010, L.P.		7,804	7,574
Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			

*See accompanying notes to financial statements.*

# Private Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

**February 28, 2013**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Franklin Park Venture Fund Series 2011, L.P. Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		5,255	5,543
Franklin Park Venture Fund Series 2012, L.P. Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		2,004	1,887
H.I.G. Bayside Debt & LBO Fund II, L.P. Investment Objective - To invest in distressed debt obligations and other securities of distressed lower middle market companies. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		22,173	24,704
Hellman & Friedman Capital Partners VII, L.P. Investment Objective - To make investments, both domestically and internationally, in public and private companies seeking long-term capital appreciation. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		10,756	9,937
Insight Equity II, L.P. Investment Objective - To acquire underperforming, operationally challenged, or financially distressed small and middle market businesses and to seek to reorganize operations and strategy to restore profitability and growth. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		22,671	19,830
Insight Equity Mezzanine I, L.P. Investment Objective - To invest in mezzanine securities issued by companies in which Insight is also an equity sponsor. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		5,334	5,576
JFL Equity Investors III, L.P. Investment Objective - To seek long-term capital appreciation by acquiring, holding, and disposing of securities involved in or connected with defense, aerospace, marine, or engineering industries. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		17,962	15,917

*See accompanying notes to financial statements.*

# Private Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

**February 28, 2013**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
KPS Special Situations Fund III (Supplemental), L.P. Investment Objective - Seek to invest alongside KPS Special Situations Fund III, L.P. and KPS Special Situations Fund III (A), L.P., to make controlling equity and equity-related investments in underperforming or distressed companies engaged in manufacturing, transportation, and service industries that need immediate and significant change. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		16,179	18,416
LLR Equity Partners III, L.P. Investment Objective - To provide investors with substantial long-term capital gains by investing in a diversified portfolio of equity securities. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		23,985	30,013
Mason Wells Buyout Fund III, L.P. Investment Objective - To deliver superior risk-adjusted investment returns by applying the Mason Wells Value Creation System to drive improvements to operating and financial performance at portfolio companies. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		20,061	18,049
Natural Gas Partners IX, L.P. Investment Objective - To generate long-term capital gains through equity investments in companies engaged in the energy and resource related industries, with an emphasis on privately negotiated equity investments in North American oil and gas companies. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		39,994	46,323
NGP Natural Resources X, L.P. Investment Objective - To generate long-term capital gains through equity investments in companies engaged in the energy, water, and food and agriculture sectors, with an emphasis on privately negotiated equity investments in North American oil and gas companies. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		11,958	11,693
Odyssey Investment Partners Fund IV, L.P. Investment Objective - To seek long-term capital appreciation by principally pursuing control oriented equity and equity related investments in middle market companies located primarily in the United States. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		27,762	36,879

*See accompanying notes to financial statements.*

# Private Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

**February 28, 2013**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Platinum Equity Capital Partners II, L.P. Investment Objective - To make private investments in equity, equity oriented or debt securities that offer equity-like returns, of underperforming companies to generate capital appreciation. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		31,133	37,280
Riverside Fund IV, L.P. Investment Objective - To pursue and add value to control investments in small, profitable healthcare and technology companies primarily in the United States through financial and operational improvements and to grow the companies both organically and through add-on acquisitions. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		25,177	24,224
Riverside Fund V, L.P. Investment Objective - To pursue and add value to control investments in small, profitable healthcare and technology companies primarily in the United States through financial and operational improvements and to grow the companies both organically and through add-on acquisitions. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		2,940	2,940
TA XI, L.P. Investment Objective - To achieve capital appreciation with relatively modest risk by originating investments in profitable, middle-market companies in growth industries. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		18,900	20,581
Thoma Bravo Fund X, L.P. Investment Objective - To seek long-term capital appreciation by acquiring, holding, and disposing of securities involved in or connected with enterprise and infrastructure software, financial and business services, and education. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		14,187	14,025
TPG Credit Strategies Fund II, L.P. Investment Objective - To pursue an opportunistic distressed investment strategy, with a primary focus of acquiring assets such as non-performing loan portfolios, aviation assets, corporate debt, and other distressed assets. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		17,289	17,794

*See accompanying notes to financial statements.*

# Private Equity Pool

## Schedule of Investments in Securities - Unaudited (continued)

**February 28, 2013**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Wellspring Capital Partners V, L.P. Investment Objective - To target under-managed or underperforming companies possessing strong core franchises and solid fundamentals in the consumer products, manufacturing, retail, distribution, and business and consumer service industries. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		13,222	11,390
Welsh, Carson, Anderson & Stowe XI, L.P. Investment Objective - To provide capital to domestic or foreign corporations, partnerships and joint ventures and to assist in developing the business of those enterprises. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		31,028	37,372
Wicks Capital Partners Fund IV, L.P. Investment Objective - To invest in and build middle market businesses in selected segments of the information, education and media industries. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		14,061	13,000
Total Partnerships - 52.1%		511,298	560,072
<b><u>Investments in Other Funds</u></b>			
Bridgewater All Weather Portfolio II, LTD Investment Objective - To seek to provide attractive returns with relatively limited risks, with no material bias to perform better or worse in any particular type of economic environment. Redemption Provisions - Monthly on the first business day A detail of the underlying investments is not available.	275,337	281,437	460,963
Total Investments in Other Funds - 42.9%		281,437	460,963
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 5.0%	53,627,704	53,628	53,628
Total Investment Securities - 100.0%		\$ 846,363	\$ 1,074,663

See accompanying notes to financial statements.

# Private Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividends	\$ 2	\$ 22
Fund closing income	-	168
	2	190
<b>Total investment income</b>		
 <b>Expenses</b>		
Trustee fees	-	(2)
Custodian bank fees	-	(2)
Management fees	(25)	(200)
Fiduciary bond fees	-	(1)
Professional service fees	(72)	(572)
Fund closing costs	-	(293)
Management fees - external	-	(42)
	(97)	(1,112)
<b>Total expenses</b>		
	(95)	(922)
<b>Investment loss, net</b>		
 <b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	1,357	55,333
Net increase (decrease) in the fair value of investments	1,612	(188)
	2,969	55,145
<b>Net gain from investments</b>		
<b>Net increase in net assets from operations</b>	\$ 2,874	\$ 54,223

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Private Equity Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (95)	\$ (922)
Net realized gain from investments	1,357	55,333
Net increase (decrease) in the fair value of investments	1,612	(188)
<b>Net increase in net assets from operations</b>	2,874	54,223
<b>Unit transactions</b>		
Proceeds from sale of units	98	100,219
Amount paid for repurchase of units	-	(107,911)
<b>Net increase (decrease) in net assets from unit transactions</b>	98	(7,692)
<b>Increase in net assets</b>	2,972	46,531
<b>Net assets, beginning of period</b>	1,071,497	1,027,938
<b>Net assets, end of period</b>	\$ 1,074,469	\$ 1,074,469
<b>Unit data</b>		
Units sold	7,954	8,183,867
Units repurchased	-	(9,110,896)
<b>Net increase (decrease) in units</b>	7,954	(927,029)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Private Equity Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 2,874	\$ 54,223
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities:		
Purchase of investment securities	(9,432)	(139,775)
Proceeds from disposition of investment securities	7,249	168,961
Purchases and sales of short-term investment securities, net	2,081	(21,007)
Decrease in receivable for partnership distributions	-	436
Decrease in dividends receivable	1	2
Decrease in accrued expenses	(1)	(3)
Net realized gain from investments	(1,357)	(55,333)
Net decrease (increase) in the fair value of investments	(1,612)	188
<b>Net cash provided by (used in) operating activities</b>	(197)	7,692
<b>Cash flows from financing activities</b>		
Proceeds from units sold	98	100,219
Paid for repurchase of units	-	(107,911)
<b>Net cash provided by (used in) financing activities</b>	98	(7,692)
<b>Net change in cash</b>	(99)	-
<b>Cash</b>		
Beginning balance	99	-
Ending balance	\$ -	\$ -

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*



# Private Equity Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Private Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool was established to hold the IMB's investments in various types of private equity funds. Franklin Park Associates, LLC has been retained by the IMB to provide consulting services for this asset class.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$1,021,035 of investments in private partnerships and other investment funds which are reported at fair value. For all of these investments, the IMB has concluded that the net asset value reported by the underlying fund approximates the fair value of the investment. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the

# Private Equity Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

reported net asset value. It is therefore reasonably possible that if the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of February 28, 2013. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on investments in private equity funds are recognized when the private equity fund has realized its interest in a portfolio company and we have sufficient information as to the amount and date of the distribution. Gains and losses on the sale of other investments are recognized at the time of sale by the average cost method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of February 28, 2013.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

# Private Equity Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 3. FAIR VALUE MEASUREMENTS (continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of February 28, 2013:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments in other funds	\$ -	\$ -	\$ 460,963	\$ 460,963
Partnerships	-	-	560,072	560,072
Regulated investment companies	-	53,628	-	53,628
Total	<u>\$ -</u>	<u>\$ 53,628</u>	<u>\$ 1,021,035</u>	<u>\$ 1,074,663</u>

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended February 28, 2013 was as follows:

	<u>Investments in other funds</u>	<u>Partnerships</u>
Balance at June 30, 2012	\$ 549,825	\$ 445,251
Net realized gain	41,427	13,906
Net change in unrealized appreciation/(depreciation)	(10,289)	10,101
Purchases	-	139,775
Sales	(120,000)	(48,961)
Net transfers in/(out) of Level 3	-	-
Balance at February 28, 2013	<u>\$ 460,963</u>	<u>\$ 560,072</u>

### NOTE 4. COMMITMENTS

The IMB, with the assistance of its consultant, began implementing its plan to invest in private equity partnerships in February 2008. As of February 28, 2013 the IMB had made commitments to twenty-nine private equity general partnerships totaling \$1,087,000. The IMB had funded \$558,137 of these commitments at February 28, 2013, leaving unfunded commitments of \$528,863.

# Private Equity Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 5. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2012	\$ 11.78
Income from investment operations:	
Net investment loss	(0.01)
Net realized and unrealized gain on investment transactions	0.67
Total from investment operations	0.66
Net asset value at February 28, 2013	\$ 12.44

**Time-weighted Total Return \*** 5.6%

#### Supplemental Data:

Net assets, end of period	\$1,074,469
Ratio to average net assets:	
Expenses **	0.16%
Net investment income **	-0.14%
Portfolio turnover rate	14.32%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2013.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	507,333
Public Employees' Retirement System	442,386
State Police Death, Disability and Retirement Fund	48,618
West Virginia Retiree Health Benefit Trust	34,938
Judges' Retirement System	12,974
Deputy Sheriff's Retirement System	12,082
State Police Retirement System	8,250
Wildlife Endowment Fund	4,167
Emergency Medical Services Retirement System	3,686
Municipal Police Officers' and Firefighters' Retirement System	35
Total	\$ 1,074,469

**Financial Statements - Unaudited**

**February 28, 2013**



# Real Estate Pool

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## Financial Statements - Unaudited February 28, 2013

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# Real Estate Pool

## Statement of Assets and Liabilities - Unaudited

February 28, 2013

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	859,983
Collateral for securities loaned at fair value (Note 4)		3,274
Cash		70
Receivables:		
Investments sold		1,418
Foreign tax withholding		14
Interest		1,825
Dividends		75
Securities lending income		<u>1</u>
<b>Total assets</b>		<b>866,660</b>

### Liabilities

Accrued expenses		536
Payable for investments purchased		4,048
Payable upon return of securities loaned (Note 4)		<u>3,274</u>
<b>Total liabilities</b>		<b><u>7,858</u></b>
<b>Net assets</b>	<b>\$</b>	<b><u><u>858,802</u></u></b>

### Analysis of net assets

Paid-in capital	\$	732,658
Accumulated undistributed net investment income		25,199
Accumulated undistributed net realized gain from investments		33,230
Accumulated undistributed net realized gain from foreign currency transactions		223
Unrealized net appreciation of investments		67,861
Unrealized net depreciation on translation of assets and liabilities in foreign currencies		<u>(369)</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>858,802</u></u></b>

### Unit data

Units outstanding		84,287,404
Net asset value, unit price	\$	<u><u>10.19</u></u>

See accompanying notes to financial statements.



# Real Estate Pool

## Schedule of Investments in Securities - Unaudited February 28, 2013 (Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
<b><u>Investments in Other Funds</u></b>			
ABR Chesapeake Investors IV, L.P. Investment Objective - To generate a 14% net return to investors through the acquisition of moderately leveraged real estate assets generally valued between \$10 million and \$30 million in the value-add sector. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		\$ 13,596	\$ 13,524
AG Core Plus Realty Fund III, L.P. Investment Objective - To invest in core plus equity real estate investments primarily located in the U.S. that provide opportunities to enhance and stabilize returns, and to generate a gross return ranging from 13-15%. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		20,970	21,471
Blackstone RE Partners Europe III, L.P. Investment Objective - To invest in a broad range of real estate and real estate related investments in Europe. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		12,174	15,360
BPG Investment Partnership IX, L.P. Investment Objective - To invest in a broad range of real estate assets in the U.S. in which value can be enhanced through intense operations and asset management, and to generate an internal rate of return in excess of 12%, net of fees, costs, and carried interest. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		13,009	12,591
Bristol Value II, L.P. Investment Objective - To invest in properties and other real estate-related investments with high return value-added potential and achieve a leveraged internal rate of return of 14-18%. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		3,391	3,335
CIM VI-1, LLC Investment Objective - To invest in substantially stabilized core real estate and real estate related assets located in urban areas that are experiencing positive transition due to urbanization trends. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		4,817	4,758
DRA Growth & Income Fund VII, LLC Investment Objective - To capitalize on inefficiencies in real estate markets and to make real estate investments that provide value-add opportunities expected to provide investors a 12-15% rate of return on their investments. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		14,223	14,054
Harrison Street Core Property Fund, L.P. Investment Objective - To invest in stabilized, income producing properties within the education, healthcare, and storage real estate sectors. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		11,594	11,594
Invesco Core Real Estate - U.S.A., L.P. Investment Objective - The Fund will invest in core properties located in the United States. Redemption Provisions - Quarterly with 90 days written notice. A detail of the underlying investments is not available.		30,000	41,566
Kennedy Wilson Real Estate Fund IV, L.P. Investment Objective - To seek targeted real estate investment in opportunistic and value-add strategies located primarily in the western United States. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		33,960	33,207

See accompanying notes to financial statements.

# Real Estate Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
Lone Star Real Estate Fund II, L.P. Investment Objective - To invest in global real estate investments in distressed commercial real estate debt and equity. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		3,643	4,613
Lone Star Fund VII, L.P. Investment Objective - To invest in global real estate investments in distressed loans and securities, with a focus on single family and residential assets. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		7,082	10,837
Mesa West Real Estate Income Fund II, L.P. Investment Objective - To originate and service first mortgage and mezzanine loans on middle-market, value-added and traditional commercial real estate assets in the United States. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		25,029	33,052
Oaktree Real Estate Opportunities Fund V, L.P. Investment Objective - To target distressed real estate debt and equity investments that provide an opportunity for substantial long-term capital appreciation and current income. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		25,000	27,141
Oaktree Real Estate Opportunities Fund VI, L.P. Investment Objective - To target distressed real estate debt and equity investments that provide an opportunity for substantial long-term capital appreciation and current income. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		21,000	21,000
Quadrant Fund I, LLC Investment Objective - To achieve a highly stable dividend yield and attractive total return by investing in real estate assets on a relative value basis across private and public, debt and equity investments. Redemption Provisions - Quarterly on the last business day. No underlying investments exceed 5% of net assets of the Private Real Estate Pool.		15,000	13,610
RCG Longview Debt Fund IV, L.P. Investment Objective - To generate attractive risk-adjusted returns by capitalizing on inefficiencies in the commercial real estate lending marketplace by making debt and debt-like investments in real estate assets. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		28,690	25,529
RREEF America REIT II, Inc. Investment Objective - To invest in a portfolio of income producing core real estate properties diversified by property type and geographically in the United States. Redemption Provisions - Quarterly with 45 days written notice. A detail of the underlying investments is not available.		30,000	39,164
UBS Trumbull Property Fund Investment Objective - To invest in a portfolio of core equity investments in income producing real property diversified by property type and geographically in the United States. Redemption Provisions - Quarterly with 60 days written notice. A detail of the underlying investments is not available.		50,000	60,264
UBS Trumbull Property Income Fund Investment Objective - To provide investors with a positive total return in excess of the rate of inflation in all market conditions on a rolling three to five year period. Redemption Provisions - Quarterly with 60 days written notice. A detail of the underlying investments is not available.		50,000	50,719
Total Investments in Other Funds - 53.3%		413,178	457,389

See accompanying notes to financial statements.

# Real Estate Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
<b><u>Equity Securities</u></b>			
<i>Australia</i>			
CFS Retail Property Trust	91,957	169	197
Dexus Property Group	379,200	316	423
Federation Centres	114,400	231	287
Goodman Group	82,534	285	393
GPT Group	172,980	549	696
Investa Office Fund	48,642	110	152
Mirvac Group	168,100	242	282
Stockland	133,000	494	512
Westfield Group	64,200	642	736
Westfield Retail Trust	173,890	417	566
<i>Total Australia - 0.5%</i>		3,455	4,244
<i>Bermuda</i>			
Hongkong Land Holdings	167,284	1,044	1,293
Kerry Properties Ltd	182,800	930	941
Shangri-La Asia Ltd	240,416	544	561
<i>Total Bermuda - 0.3%</i>		2,518	2,795
<i>Brazil</i>			
Sonae Sierra Brasil - 0.0%	3,800	46	55
<i>Canada</i>			
Boardwalk	6,000	289	377
Calloway	5,800	132	165
Canadian	1,500	50	69
RioCan	49,728	1,214	1,347
<i>Total Canada - 0.2%</i>		1,685	1,958
<i>Cayman Islands</i>			
China Resources Land Ltd	140,000	340	409
Country Garden Holdings Co	166,787	67	86
Lifestyle International Hldngs	310,000	704	746
<i>Total Cayman Islands - 0.1%</i>		1,111	1,241
<i>China</i>			
Guangzhou R&F Properties Corp - 0.0%	185,000	284	314
<i>France</i>			
Fonciere des Regions	1,982	152	164
ICADE	8,405	818	757
Klepierre	16,080	565	662
Mercialys	1,520	34	32
Societe Immobiliere de Locatio	860	106	94
Unibail-Rodamco	6,119	1,242	1,392
<i>Total France - 0.4%</i>		2,917	3,101
<i>Germany</i>			
Deutsche Wohnen AG-BR	3,327	56	61
GSW Immobilien AG	3,689	106	147
LEG Immobilien AG	2,900	175	167
<i>Total Germany - 0.0%</i>		337	375
<i>Hong Kong</i>			
Cheung Kong Holdings Ltd	13,000	184	202
China Overseas Land & Invstmnt	293,600	638	892
Hang Lung Properties Ltd	221,500	949	858
Hysan Development Company	175,371	640	902
Link REIT	111,600	376	597
New World Development Co Ltd	129,100	198	238
Sino Land Company Ltd.	186,612	289	339
Sun Hung Kai Properties Ltd	75,771	1,171	1,172
Swire Properties Limitie	82,000	262	307

See accompanying notes to financial statements.

## Real Estate Pool

### Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
Wharf Hldgs Ltd	72,720	441	636
<i>Total Hong Kong - 0.7%</i>		5,148	6,143
<i>Japan</i>			
Activia Properties Inc	14	101	107
AEON Mall Company Ltd	26,000	593	648
Daiwa House Industry Co Ltd	42,000	458	775
Japan Real Estate Inv Corp	37	335	408
Japan Retail Fund Inv Corp	122	184	240
Kenedix Realty Investment Corp	22	79	91
Mitsubishi Estate Co Ltd	71,637	1,230	1,794
Mitsui Fudosan Co Ltd	72,800	1,304	1,861
Nippon Accommodations Fund	12	78	88
Sumitomo Realty & Development	17,100	487	581
Tokyo Tatemono Company Ltd	14,000	49	78
United Urban Investment Corp	87	97	115
<i>Total Japan - 0.8%</i>		4,995	6,786
<i>Netherlands</i>			
Eurocommercial Properties NV - 0.0%	3,341	130	128
<i>Singapore</i>			
CapitaCommercial Trust	257,000	273	345
CapitaLand Ltd	383,804	1,082	1,212
CapitaMall Trust	173,000	261	301
City Developments Ltd	66,000	582	596
Global Logistic Properties	214,600	392	440
Keppel Land Ltd	19,500	52	66
Mapletree Greater China	216,000	164	162
Wing Tai Holdings Ltd	118,938	155	186
<i>Total Singapore - 0.4%</i>		2,961	3,308
<i>Spain</i>			
Melia International SA - 0.1%	60,000	506	477
<i>Sweden</i>			
Castellum AB	42,807	531	646
Hufvudstaden AB	6,362	68	88
<i>Total Sweden - 0.1%</i>		599	734
<i>Switzerland</i>			
PSP Swiss Property AG - 0.0%	2,319	214	211
<i>Thailand</i>			
Central Pattana Public Company - 0.1%	214,200	198	691
<i>United Kingdom</i>			
British Land Company PLC	11,366	89	98
Derwent London PLC	26,640	625	891
Great Portland Estates PLC	97,274	546	727
Hammerson PLC	98,229	651	737
Land Securities Group PLC	71,486	769	900
Safestore Holdings PLC	33,000	66	63
SEGRO	12,100	49	47
Shaftesbury PLC	28,833	188	255
<i>Total United Kingdom - 0.4%</i>		2,983	3,718
<i>United States</i>			
Alexandria Real Estate Equity	8,800	640	626
American Campus Communities	15,500	575	701
American Tower Corporation	2,100	143	163
Apartment Investment & Mgmt Co	86,000	2,230	2,547
Ashford Hospitality Trust - Preferred Stock	13,000	307	334
Avalonbay Communities Inc	29,050	3,813	3,626

See accompanying notes to financial statements.

# Real Estate Pool

## Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
BioMed Realty Trust Inc	106,500	2,074	2,249
Boston Properties Inc	51,750	5,123	5,376
Brandywine Realty Trust	900	12	12
BRE Properties Inc	6,100	264	297
CBL & Associates Properties - Preferred Stock	218,350	5,326	5,564
CBL & Associates Properties	2,800	62	64
Colonial Properties Trust	82,450	1,745	1,778
Commonwealth	5,300	101	134
Commonwealth REIT - Preferred Stock	75,000	1,852	1,896
DDR Corp	44,300	545	765
DDR Corp - Preferred Stock	100,000	2,495	2,551
Douglas Emmett Inc	69,300	1,580	1,699
Duke Realty Corp	17,800	261	288
Equity Lifestyle Properties - Preferred Stock	90,150	2,274	2,375
Equity Residential	136,350	7,794	7,505
Essex Property Trust Inc	7,900	944	1,177
Extra Space Storage Inc	28,950	910	1,084
Federal Realty Investment Trst	6,800	571	722
General Growth Properties Inc	124,484	2,178	2,383
Glimcher Realty Trust - Preferred Stock	192,428	4,618	4,899
HCP Inc	100,500	4,336	4,912
Health Care REIT Inc	84,400	4,745	5,413
Highwoods Properties Inc	5,700	186	208
Hospitality Properties Trust	150,000	3,803	3,791
Host Hotels & Resorts Inc	276,650	4,331	4,612
Hudson Pacific Properties - Preferred Stock	566,600	14,349	15,253
Kilroy Realty Corporation	18,800	855	992
Kimco Realty Corporation	98,250	1,918	2,139
Liberty Property Trust	10,800	349	419
Macerich Company	66,300	3,698	3,985
Mack-Cali Realty Corp	75,350	2,041	2,138
Parkway Properties Inc - Preferred Stock	63,000	1,581	1,605
Pebblebrook Hotel Trust	4,200	83	100
Plum Creek Timber Co Inc	7,400	321	359
Post Properties Inc	7,000	292	334
Prologis Inc	169,481	5,602	6,600
Public Storage	42,750	5,804	6,464
Regency Centers Corp	27,200	1,244	1,411
Saul Centers Inc - Preferred Stock	95,400	2,385	2,462
Senior Housing Prop Trust	2,700	66	68
Simon Property Group	21,870	2,156	3,474
Simon Property Group Inc	55,250	8,200	8,777
SL Green Realty Corp	37,900	2,841	3,093
STAG Industrial Inc - Preferred Stock	45,750	1,150	1,249
Starwood Hotels & Resorts Inc	24,350	1,364	1,469
Sunstone Hotel Investors Inc	105,000	1,235	1,190
Tanger Factory Outlet Centers	4,540	118	160
Taubman Centers Inc	12,000	676	921
UDR Inc	160,550	3,926	3,831
Urstadt Biddle Properties Inc - Preferred Stock	75,400	1,885	2,018
Ventas Inc	60,150	3,248	4,257
Vornado Realty Trust	40,950	3,299	3,285
Weingarten Realty Investors	46,500	1,289	1,425
Weyerhaeuser Company	5,400	164	159
<i>Total United States - 17.4%</i>		<u>137,977</u>	<u>149,388</u>
Total Equity Securities - 21.5%		168,064	185,667
<b>Short-term Issues</b>			
Dreyfus Cash Management Institutional Fund - 10.2%	87,579,086	87,579	87,579

(Continued)

See accompanying notes to financial statements.

# Real Estate Pool

**Schedule of Investments in Securities - Unaudited (continued)**  
**February 28, 2013**  
*(Amounts in thousands, except share data)*

<u>Security Name</u>	<u>Coupon</u>	<u>Yield</u>	<u>Maturity</u>	<u>Par Value, Shares or Contracts</u>	<u>Amortized Cost</u>	<u>Fair Value</u>		
<b><u>Corporate Bonds</u></b>								
Colonial Realty LP	6.250	%	3.959	%	06/15/2014	9,793	\$ 10,072	\$ 10,374
Colonial Realty LP	5.500		4.489		10/01/2015	6,759	6,924	7,342
Colonial Realty LP	6.050		4.120		09/01/2016	2,925	3,106	3,280
Commonwealth	6.400		3.839		02/15/2015	2,325	2,436	2,500
Commonwealth	5.750		4.109		11/01/2015	1,351	1,406	1,467
Commonwealth	6.250		4.845		08/15/2016	4,000	4,177	4,394
Commonwealth	6.250		5.024		06/15/2017	5,000	5,234	5,463
Corporate Office Property LP	4.250		4.469		04/15/2030	19,518	19,009	20,250
DDR Corp	5.500		1.491		05/01/2015	2,492	2,705	2,699
DDR Corp	9.630		4.919		03/15/2016	2,772	3,136	3,387
Equity One, Inc	6.000		4.272		09/15/2016	400	422	453
First Industrial LP	6.420		2.843		06/01/2014	4,388	4,580	4,574
Health Care REIT Inc	3.630		3.886		03/15/2016	12,000	11,911	12,716
Health Care REIT Inc	6.200		4.217		06/01/2016	1,100	1,166	1,255
Hospitality Properties Trust	5.130		4.362		02/15/2015	1,440	1,460	1,507
Hospitality Properties Trust	6.300		3.971		06/15/2016	6,950	7,445	7,733
Kilroy Realty Corporation	5.000		3.817		11/03/2015	2,212	2,278	2,411
Prologis LP	5.630		4.078		11/15/2015	2,560	2,661	2,814
Prologis LP	5.750		4.069		04/01/2016	6,000	6,290	6,661
Prologis LP	2.630		2.671		05/15/2038	11,500	11,402	11,542
Reckson Operating Partnership	5.880		4.083		08/15/2014	6,586	6,751	6,939
Reckson Operating Partnership	6.000		4.548		03/31/2016	7,370	7,675	8,094
Senior Housing Prop Trust	4.300		4.627		01/15/2016	1,435	1,423	1,493
Total Corporate Bonds - 15.1%						<u>123,669</u>	<u>129,348</u>	
Total Investment Securities - 100.1%						<u>\$ 792,490</u>	<u>\$ 859,983</u>	
<b><u>Collateral for Securities Loaned</u></b>								
BNY Mellon Securities Lending Overnight Fund						\$ 3,255	\$ 3,255	
Mellon SL DBT II Liquidating Fund						19	19	
Total Collateral for Securities Loaned						<u>\$ 3,274</u>	<u>\$ 3,274</u>	

See accompanying notes to financial statements.

## Real Estate Pool

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ 523	\$ 4,221
Operating	156	3,052
Dividends, net of foreign withholding taxes	425	4,983
Fund closing interest	848	1,021
Net accretion (amortization)	89	(594)
Securities lending income	1	6
Securities lending borrower premiums	1	18
	<b>2,043</b>	<b>12,707</b>
<b>Expenses</b>		
Investment advisor fees	(199)	(1,507)
Trustee fees	-	(1)
Custodian bank fees	(9)	(60)
Management fees	(20)	(147)
Fiduciary bond fees	-	(1)
Professional service fees	(39)	(320)
Management fees - external	-	(225)
Securities lending agent fees	-	(3)
Fund closing costs	-	(837)
	<b>(267)</b>	<b>(3,101)</b>
	<b>Investment income, net</b>	<b>9,606</b>
	<b>1,776</b>	<b>9,606</b>
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain (loss) from:		
Investments	1,030	8,131
Foreign currency transactions	(10)	(40)
Net increase (decrease) in the fair value of:		
Investments	8,041	27,554
Translation of assets and liabilities in foreign currencies	(448)	(581)
	<b>8,613</b>	<b>35,064</b>
	<b>Net gain from investments and foreign currency</b>	<b>35,064</b>
	<b>8,613</b>	<b>35,064</b>
	<b>Net increase in net assets from operations</b>	<b>44,670</b>
	<b>\$ 10,389</b>	<b>\$ 44,670</b>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Real Estate Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 1,776	\$ 9,606
Net realized gain from investments	1,030	8,131
Net realized loss from foreign currency transactions	(10)	(40)
Net increase in the fair value of investments	8,041	27,554
Net decrease in the translation of assets and liabilities in foreign currencies	(448)	(581)
<b>Net increase in net assets from operations</b>	10,389	44,670
<b>Unit transactions</b>		
Proceeds from sale of units	361	185,754
Amount paid for repurchase of units	(11,456)	(11,815)
<b>Net increase (decrease) in net assets from unit transactions</b>	(11,095)	173,939
<b>Increase (decrease) in net assets</b>	(706)	218,609
<b>Net assets, beginning of period</b>	859,508	640,193
<b>Net assets, end of period</b>	\$ 858,802	\$ 858,802
<b>Unit data</b>		
Units sold	35,814	18,913,081
Units repurchased	(1,138,088)	(1,174,675)
<b>Net increase (decrease) in units</b>	(1,102,274)	17,738,406

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*



## Real Estate Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 10,389	\$ 44,670
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities:		
Purchase of investment securities	(21,865)	(275,611)
Proceeds from disposition of investment securities	34,386	155,956
Purchases and sales of short-term investment securities, net	(4,159)	(68,902)
Decrease in receivable for investments sold	1,273	2,515
Decrease in foreign tax withholding receivable	8	2
Increase in interest receivable	(83)	(667)
Decrease in dividends receivable	205	1,105
Decrease in securities lending receivable	-	5
Increase (decrease) in accrued expenses	(366)	34
Increase in payable for investments purchased	79	1,511
Net amortization (accretion)	(89)	594
Net realized gain from investments	(1,030)	(8,131)
Net realized loss from foreign currency transactions	10	40
Net increase in the fair value of investments	(8,041)	(27,554)
Net decrease in the translation of assets and liabilities in foreign currencies	448	581
<b>Net cash provided by (used in) operating activities</b>	11,165	(173,852)
<b>Cash flows from financing activities</b>		
Proceeds from units sold	361	185,754
Amount paid for repurchase of units	(11,456)	(11,815)
<b>Cash provided by (used in) financing activities</b>	(11,095)	173,939
<b>Net change in cash</b>	70	87
<b>Cash</b>		
Beginning balance	-	(17)
Ending balance	\$ 70	\$ 70

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Real Estate Pool

## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Real Estate Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool holds the IMB's investments in real estate funds, real estate limited partnerships and real estate investment trust (REIT) securities. Courtland Partners, Ltd. has been retained by the IMB to provide consulting services for the real estate funds and limited partnerships. The REIT securities are managed by European Investors, Inc., CBRE Clarion Securities, LLC., and Security Capital Research & Management Inc.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in other funds, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$457,389 of such investments in private partnerships and other investment funds which are reported at fair value. For all of these investments, the IMB has concluded that the net asset value reported by the underlying fund approximates the fair value of the investment. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the interests in the funds. Although a secondary market exists for these investments, it is not active and individual

# Real Estate Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of February 28, 2013. Foreign currency forward contracts are valued at either spot or forward month-end exchange rates. Investments in equity securities are carried at fair value, which is determined by a third party pricing service based on quoted market prices. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. For international securities, the collateral is at least 105 percent of the market value of the securities on loan. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, specifically the Mellon SL DBT II Liquidating Fund. Cash collateral received is reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments in Securities. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations as net increase or decrease in the fair value of investments.

**Foreign Currency** - Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Bank of New York Mellon on the following basis:

- a. Market value of investment securities, other assets and liabilities - at the closing rate of exchange at the valuation date.
- b. Purchases and sales of investment securities, income and expenses - at the rate of exchange prevailing on the respective dates of such transactions.

The IMB isolates that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from market prices of securities held.

Reported net realized foreign exchange gains and losses arise from sales of portfolio securities, sales and maturities of short-term securities, sales of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities including investments in securities at month end, resulting from changes in the exchange rate.

**Foreign Currency Forward Contracts** - A foreign currency forward contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. The managers enter into such contracts to hedge the assets and liabilities related to securities denominated in a foreign currency. Risks associated with such contracts include movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. These contracts have relatively short durations and are valued at the prevailing market exchange rates at month

# Real Estate Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

end. An unrealized gain or loss is recorded as the difference between the amount valued at month end and the amount to be received or paid at the expiration date. The unrealized gain or loss is reclassified to realized gain or loss when the contract expires.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on investments in real estate funds are recognized when the real estate fund has realized its interest in a portfolio holding and we have sufficient information as to the amount and date of the distribution. Gains and losses on the sale of other investments are recognized at the time of sale by the average cost method.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security.

**Operating Income** - Operating income from real estate partnerships is recognized when distributed to the partners.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of February 28, 2013.

In certain foreign countries the Pool's dividend income and capital gains may be taxable. Such taxes are generally withheld from the payments of these types of income and as a result there is no provision recorded for these taxes. In certain cases there may be a full or partial reclaim available for the withheld taxes. The outstanding reclaims are reported on the Statement of Assets and Liabilities. Dividend income is reported net of withheld taxes on the Statement of Operations.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

## Real Estate Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 3. FAIR VALUE MEASUREMENTS (continued)

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of February 28, 2013:

Assets	Level 1	Level 2	Level 3	Total
Corporate bonds	\$ -	\$ 129,348	\$ -	\$ 129,348
Equity securities	185,667	-	-	185,667
Regulated investment companies	-	87,579	-	87,579
Investments in other funds	-	-	457,389	457,389
Securities lending collateral funds	-	3,274	-	3,274
Total	<u>\$ 185,667</u>	<u>\$ 220,201</u>	<u>\$ 457,389</u>	<u>\$ 863,257</u>

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended February 28, 2013 was as follows:

	Investments in other funds
Balance at June 30, 2012	\$ 313,063
Net realized gain	1,900
Net change in unrealized appreciation	18,075
Purchases	143,031
Sales	(18,680)
Net transfers in/(out) of Level 3	-
Balance at February 28, 2013	<u>\$ 457,389</u>

## Real Estate Pool

### Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

#### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at February 28, 2013.

Fair value of securities of loan	\$	3,178			
Initial collateral received:					
		<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized loss</u>	
Cash	\$	<u>3,274</u>	\$ 3,274	<u>\$ -</u>	
Non-cash			-		
Total			<u>\$ 3,274</u>		

#### NOTE 5. COMMITMENTS

The IMB, with the assistance of its consultant, began implementing its plan to invest in real estate in February 2008. The IMB has committed \$795,000 to twenty-two real estate investment funds/partnerships. The IMB had funded \$423,305 of these commitments at February 28, 2013, leaving unfunded commitments of \$371,695.

#### NOTE 6. FOREIGN CURRENCY FORWARD CONTRACTS

At February 28, 2013, open foreign currency forward contracts are as follows:

Position	Foreign Currency	Inception Date	Expiration Date	Receivable		Payable		Unrealized Gain (Loss)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long	Euro Currency Unit	02/27/2013	03/04/2013	17	\$ 23		\$ 23	\$ -
Long	Japanese Yen	02/28/2013	03/05/2013	1,868	20		20	-
Long	Singapore Dollar	02/26/2013	03/01/2013	125	101		101	-
Short	Australian Dollar	02/26/2013	03/01/2013		6	6	6	-
Short	Australian Dollar	02/27/2013	03/04/2013		48	47	48	-
Short	Australian Dollar	02/28/2013	03/05/2013		54	53	54	-
Short	British Pound	02/26/2013	03/01/2013		28	18	28	-
Short	British Pound	02/27/2013	03/04/2013		31	21	31	-
Short	British Pound	02/28/2013	03/05/2013		27	18	27	-
					<u>\$ 338</u>		<u>\$ 338</u>	<u>\$ -</u>

The contracts listed above were initiated to correspond to transactions in securities trading in foreign currencies. The fair value, gains and losses, and risks are not material to the Pool.

# Real Estate Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 7. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2012	\$ 9.62
Income from investment operations:	
Net investment income	0.13
Net realized and unrealized gain on investment transactions	0.45
Total from investment operations	0.57
Net asset value at February 28, 2013	\$ 10.19

**Time-weighted Total Return \*** 5.9%

**Supplemental Data:**

Net assets, end of period	\$ 858,802
Ratio to average net assets:	
Expenses **	0.63%
Net investment income **	1.96%
Portfolio turnover rate	22.73%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 8. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2013.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	405,584
Public Employees' Retirement System	348,745
State Police Death, Disability and Retirement Fund	36,732
West Virginia Retiree Health Benefit Trust	36,061
Judges' Retirement System	9,940
Deputy Sheriff's Retirement System	9,279
State Police Retirement System	6,400
Wildlife Endowment Fund	3,173
Emergency Medical Services Retirement System	2,860
Municipal Police Officers' and Firefighters' Retirement System	28
Total	\$ 858,802





**Financial Statements - Unaudited**

**February 28, 2013**



# Hedge Fund Pool

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## Financial Statements - Unaudited February 28, 2013

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# Hedge Fund Pool

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## Statement of Assets and Liabilities - Unaudited

February 28, 2013

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,287,579
Receivables:		
Investments sold		10,266
Accrued interest		20
Dividends		1
		<hr/>
<b>Total assets</b>		1,297,866

### Liabilities

Accrued expenses		141
		<hr/>
<b>Net assets</b>	\$	<u>1,297,725</u>

### Analysis of net assets

Paid-in capital	\$	1,100,325
Accumulated undistributed net investment loss		(4,024)
Accumulated undistributed net realized gain from investments		18,570
Unrealized net appreciation of investments		182,854
		<hr/>
<b>Net assets</b>	\$	<u>1,297,725</u>

### Unit data

Units outstanding		110,092,130
Net asset value, unit price	\$	<u>11.79</u>

See accompanying notes to financial statements.

# Hedge Fund Pool

## Schedule of Investments in Securities - Unaudited

**February 28, 2013**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
<b><u>Investments in Other Funds</u></b>			
AllBlue Limited		\$ 48,048	\$ 71,251
Investment Objective - To provide consistent long-term appreciation of assets through active investment in a diversified portfolio.			
Redemption Provisions - Monthly on the first business day with 33 days prior written notice subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			
AQR Delta Offshore Fund II, Ltd.		59,975	60,993
Investment Objective - To produce high, risk-adjusted returns while targeting a low, long-term correlation to traditional markets.			
Redemption Provisions - Semi-monthly with 15 days prior written notice.			
A detail of the underlying investments is not available.			
Anchorage Capital Partners Offshore, Ltd.		40,000	45,349
Investment Objective - To earn superior risk-adjusted returns while emphasizing preservation of capital.			
Redemption Provisions - Hard lock-up through September 30, 2011 then annually with 90 days prior written notice subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			
Brevan Howard Fund Limited		38,256	56,133
Investment Objective - To generate consistent long-term appreciation through active leveraged trading and investment on a global basis.			
Redemption Provisions - Monthly with 90 days prior written notice subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			
Bridgewater Pure Alpha Ltd.		38,624	55,826
Investment Objective - To achieve substantial capital appreciation in a wide range of asset classes using proprietary investment systems.			
Redemption Provisions - Monthly with 5 days prior written notice.			
A detail of the underlying investments is not available.			
Bridgewater Pure Alpha Major Markets, Ltd.		13,900	15,323
Investment Objective - To achieve substantial capital appreciation in a wide range of asset classes using proprietary investment systems.			
Redemption Provisions - Monthly with 5 days prior written notice.			
A detail of the underlying investments is not available.			
CQS Diversified Fund (SPC) Ltd. SPA II		61,842	62,775
Investment Objective - To target an absolute return of 10-15% with limited volatility through investments in several hedge fund strategies within the CQS group.			
Redemption Provisions - Monthly with 95 days prior written notice subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			

*See accompanying notes to financial statements.*

## Hedge Fund Pool

### Schedule of Investments in Securities - Unaudited (continued)

**February 28, 2013**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Davidson Kempner International, Ltd. Investment Objective - To achieve capital appreciation. Redemption Provisions - Quarterly with 60 days prior written notice subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		57,917	77,836
Double Black Diamond Ltd. Investment Objective - To produce returns substantially in excess of those derived from risk-free investments without a substantial increase in overall risk. Redemption Provisions - Hard lock-up through December 31, 2011 then quarterly with 60 days prior written notice subject to maximum withdrawal provisions. A detail of the underlying investments is not available.		60,000	66,002
GoldenTree Offshore Fund, Ltd. Investment Objective - To achieve superior risk-adjusted total returns through investments in public and private non-investment grade and nonrated debt securities. Redemption Provisions - Quarterly with 90 days prior written notice subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		31,280	44,734
Graham Global Investment Fund II, Ltd. Investment Objective - To achieve long-term capital appreciation through professionally managed trading in derivative instruments of global fixed income, foreign exchange, commodities, and other stock indices. Redemption Provisions - Monthly with 3 days prior written notice. A detail of the underlying investments is not available.		30,000	25,244
Highbridge Capital Corporation Investment Objective - To attain consistent capital appreciation with low volatility through arbitrage and absolute return investment strategies in the global equity and corporate debt securities markets. Redemption Provisions - Redemption has been requested and proceeds will be paid subject to provisions on maximum withdrawals and upon liquidation of investments. A detail of the underlying investments is not available.		1,643	1,741
Magnetar Capital Fund II, Ltd. Investment Objective - To achieve superior risk-adjusted returns. Redemption Provisions - Quarterly with 90 days prior written notice subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		65,963	72,803

*See accompanying notes to financial statements.*

## Hedge Fund Pool

### Schedule of Investments in Securities - Unaudited (continued)

**February 28, 2013**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
MW Eureka Fund Investment Objective - To provide investors with above average absolute returns primarily through investing and trading in equities and equity related instruments. Redemption Provisions - Monthly with 30 days prior written notice. A detail of the underlying investments is not available.		55,000	66,334
O'Connor Global Multi-Strategy Alpha, Ltd. Investment Objective - To realize consistently high risk-adjusted appreciation in the value of its assets. Redemption Provisions - Quarterly with 60 days prior written notice. A detail of the underlying investments is not available.		51,959	73,537
OZ Asia Overseas Fund, Ltd. Investment Objective - To achieve consistent, absolute returns with low volatility primarily by seeking to exploit pricing inefficiencies in equity debt securities of Asian companies. Redemption Provisions - Hard lock-up through September 30, 2011 then annually with 45 days prior written notice. A detail of the underlying investments is not available.		40,000	45,999
Perry Partners International, Inc. Investment Objective - To achieve positive annual returns accompanied by a low level of beta and volatility in correlation relative to equity markets. Redemption Provisions - Quarterly with 90 days prior written notice subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		51,394	65,457
Pershing Square International, Ltd. Investment Objective - To invest in long and short investment opportunities that exhibit significant valuation discrepancies between current trading prices and intrinsic business value. Redemption Provisions - Hard lockup until September 2013, then quarterly with 65 days prior written notice subject to maximum withdrawal restrictions. A detail of the underlying investments is not available.		30,000	37,491
PFM Diversified Offshore Fund Investment Objective - To generate attractive risk-adjusted capital appreciation by employing a variety of strategies primarily focused in liquid equity markets. Redemption Provisions - Eighty-five percent lockup until January 2015, then every three years with 45 days prior written notice and subject to maximum withdrawal restrictions. A detail of the underlying investments is not available.		55,000	59,704

*See accompanying notes to financial statements.*

## Hedge Fund Pool

### Schedule of Investments in Securities - Unaudited (continued)

**February 28, 2013**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Pine River Fund, Ltd. Investment Objective - To generate superior risk-adjusted returns by investing and trading in global markets, primarily employing relative value strategies. Redemption Provisions - Quarterly with 45 days prior written notice, subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		60,000	70,604
Scopia PX International, Ltd. Investment Objective - To identify investment opportunities that will yield attractive rates of return, regardless of market direction. Redemption Provisions - Quarterly with 60 days prior written notice, subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		50,000	49,737
Shepherd Investments International, Ltd. Investment Objective - To achieve an attractive rate of return, relative to the level of risk assumed. Redemption Provisions - Redemption has been requested and proceeds will be paid subject to provisions on maximum withdrawals and upon liquidation of investments. A detail of the underlying investments is not available.		2,230	2,177
Taconic Opportunity Offshore Fund Ltd. Investment Objective - To provide solid risk-adjusted, absolute returns by focusing on bottom-up, research-driven, probabilistic investing. Redemption Provisions - Quarterly with 60 days prior written notice subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		51,041	60,885
Tenor Opportunity Fund, Ltd. Investment Objective - To generate attractive risk-adjusted returns by employing a variety of strategies primarily focused on convertible arbitrage. Redemption Provisions - Quarterly with 60 days prior written notice subject to to maximum withdrawal provisions. A detail of the underlying investments is not available.		30,001	31,808
VICIS Capital Fund (International) The IMB has elected to withdraw from the VICIS Capital fund. Our redemption has been requested and proceeds will be paid to us as investments are liquidated.		16,620	3,209
Winton Futures Fund, Ltd. Investment Objective - To deliver long-term capital appreciation through compound growth. Redemption Provisions - Monthly with 3 days prior written notice. A detail of the underlying investments is not available.		30,000	30,595
<b>Total Investment in Other Funds - 96.6%</b>		<b>1,070,693</b>	<b>1,253,547</b>

*See accompanying notes to financial statements.*



## Hedge Fund Pool

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### Schedule of Investments in Securities - Unaudited (continued)

February 28, 2013

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 2.6%	34,031,659	34,032	34,032
Total Investment Securities 99.2%		<u>\$ 1,104,725</u>	<u>\$ 1,287,579</u>

See accompanying notes to financial statements.

# Hedge Fund Pool

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 1	\$ 6
Dividends	1	13
	<u>2</u>	<u>19</u>
<b>Total investment income</b>	2	19
<b>Expenses</b>		
Trustee fees	-	(2)
Custodian bank fees	-	(1)
Management fees	(30)	(248)
Fiduciary bond fees	-	(2)
Professional service fees	(41)	(343)
	<u>(71)</u>	<u>(596)</u>
<b>Total expenses</b>	(71)	(596)
<b>Investment loss, net</b>	(69)	(577)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain (loss) from investments	(9)	8,786
Net increase in the fair value of investments	5,493	84,211
	<u>5,484</u>	<u>92,997</u>
<b>Net gain from investments</b>	5,484	92,997
<b>Net increase in net assets from operations</b>	<u>\$ 5,415</u>	<u>\$ 92,420</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.*

## Hedge Fund Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (69)	\$ (577)
Net realized gain (loss) from investments	(9)	8,786
Net increase in the fair value of investments	5,493	84,211
<b>Net increase in net assets from operations</b>	5,415	92,420
<b>Unit transactions</b>		
Proceeds from sale of units	875	70,180
Amount paid for repurchase of units	(1,450)	(97,548)
<b>Net decrease in net assets from unit transactions</b>	(575)	(27,368)
<b>Increase in net assets</b>	4,840	65,052
<b>Net assets, beginning of period</b>	1,292,885	1,232,673
<b>Net assets, end of period</b>	\$ 1,297,725	\$ 1,297,725
<b>Unit data</b>		
Units sold	74,542	6,207,674
Units repurchased	(123,526)	(8,654,898)
<b>Net decrease in units</b>	(48,984)	(2,447,224)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Hedge Fund Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended February 28, 2013\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 5,415	\$ 92,420
Adjustments to reconcile net increase in net assets from operations net cash provided by operating activities:		
Purchase of investment securities	-	(261,842)
Proceeds from disposition of investment securities	(11)	134,277
Purchases and sales of short-term investment securities, net	(2,954)	(33,554)
Increase in accrued interest receivable	-	(5)
Decrease (increase) in dividends receivable	(1)	8
Decrease in receivable for investments sold	3,623	59,106
Decrease in advance on investment in other funds	-	130,000
Decrease in accrued expenses	(13)	(45)
Net realized loss (gain) from investments	9	(8,786)
Net increase in the fair value of investments	(5,493)	(84,211)
<b>Net cash provided by operating activities</b>	575	27,368
<b>Cash flows from financing activities</b>		
Proceeds from units sold	875	70,180
Amount paid for repurchase of units	(1,450)	(97,548)
<b>Net cash used in financing activities</b>	(575)	(27,368)
<b>Net change in cash</b>	-	-
<b>Cash</b>		
Beginning balance	-	-
Ending balance	\$ -	\$ -

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Hedge Fund Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Hedge Fund Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool was established to hold the IMB's investments in hedge funds. Albourne America, LLC has been retained by the IMB to provide consulting services for this investment strategy.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in other funds, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$1,253,547 of investments in such alternative investment funds which are reported at fair value. For all of these investments, the IMB has concluded that the net asset value reported by the underlying fund approximates the fair value of the investment. These investments are redeemable with the fund at net asset value under the original terms of the agreements and operations of the underlying fund. However, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreements. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the interests in the funds. Although a secondary market exists for these

# Hedge Fund Pool

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## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the redemption rights in the funds were restricted or eliminated and the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of February 28, 2013. The investment in the Dreyfus Cash Management Institutional Fund, a regulated investment company money market mutual fund, is valued at \$1.00 per share. This is a reasonable estimate of the fair value and is the basis for current transactions.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investments in other funds are recognized at the time of sale by the average cost method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. Accordingly, no provision for income taxes is required as of February 28, 2013.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

# Hedge Fund Pool

## Notes to Financial Statements - Unaudited

*(Amounts in thousands, except share data)*

### NOTE 3. FAIR VALUE MEASUREMENTS (continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of February 28, 2013:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments in other funds	\$ -	\$ -	\$ 1,253,547	\$ 1,253,547
Regulated investment companies	-	34,032	-	34,032
Total	<u>\$ -</u>	<u>\$ 34,032</u>	<u>\$ 1,253,547</u>	<u>\$ 1,287,579</u>

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended February 28, 2013 was as follows:

	Investments in <u>other funds</u>
Balance at June 30, 2012	\$ 1,032,985
Net realized gain	8,786
Net change in unrealized appreciation	84,211
Purchase	261,842
Sales	(134,277)
Net transfers in/(out) of Level 3	-
Balance at February 28, 2013	<u>\$ 1,253,547</u>

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2012	\$ 10.95
Income from investment operations:	
Net investment loss	(0.01)
Net realized and unrealized gain on investment transactions	<u>0.85</u>
Total from investment operations	<u>0.84</u>
Net asset value at February 28, 2013	<u>\$ 11.79</u>

**Time-weighted Total Return \*** 7.6%

#### Supplemental Data:

Net assets, end of period	\$ 1,297,725
Ratio to average net assets:	
Expenses **	0.07%
Net investment income **	-0.07%
Portfolio turnover rate	11.38%

\* - Return data is net of fees and is for the fiscal year-to-date and is not annualized

\*\* - All ratios are for the fiscal year-to-date annualized

# Hedge Fund Pool

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## Notes to Financial Statements - Unaudited

(Amounts in thousands, except share data)

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2013.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	551,157
Public Employees' Retirement System	475,408
Coal Workers' Pneumoconiosis Fund	53,924
State Police Death, Disability and Retirement Fund	50,782
West Virginia Retiree Health Benefit Trust	49,745
Public Employees Insurance Agency	39,214
Board of Risk and Insurance Management	28,252
Judges' Retirement System	13,821
Deputy Sheriff's Retirement System	12,989
State Police Retirement System	9,044
Wildlife Endowment Fund	4,438
Emergency Medical Services Retirement System	4,035
Workers' Compensation Self-Insured Guaranty Risk Pool	2,917
Workers' Compensation Uninsured Employers' Fund	1,964
Municipal Police Officers' and Firefighters' Retirement System	35
Total	<u>\$ 1,297,725</u>