

Hawaii Employees' Retirement System

Statement of Investments

December 31, 2005

| Partnerships | Initial | | Amount | Adjusted | Total | Latest ⁽¹⁾ | Annual |
|---|--------------|--------------|-------------|-------------|---------------|-----------------------|--------|
| Venture Capital and Growth Equity | Closing Date | Commitment | Paid | Cost | Distributions | Valuation | IRR |
| Atlas Venture Fund VII | 11/21/05 | \$4,500,000 | \$0 | \$0 | \$0 | \$0 | |
| Austin Ventures IX | 04/01/05 | \$2,500,000 | \$0 | \$0 | \$0 | \$0 | |
| Austin Ventures VI | 11/17/98 | \$3,000,000 | \$2,971,875 | \$2,824,289 | \$1,099,933 | \$837,124 | |
| Austin Ventures VII | 10/29/99 | \$6,000,000 | \$5,490,907 | \$4,914,977 | \$1,272,840 | \$2,863,960 | |
| Austin Ventures VIII | 01/29/01 | \$2,766,667 | \$1,849,998 | \$1,697,377 | \$268,774 | \$1,366,209 | |
| Battery Ventures VII | 09/30/04 | \$300,000 | \$45,000 | \$45,000 | \$0 | \$42,018 | |
| Canaan VII | 04/18/05 | \$3,500,000 | \$280,000 | \$280,000 | \$0 | \$269,361 | |
| CCEP II (QP) - Riviera | 09/15/00 | \$105,033 | \$105,033 | \$102,878 | \$2,155 | \$2,104 | |
| Columbia Capital Equity Partners II | 05/27/99 | \$3,894,967 | \$3,792,391 | \$3,056,748 | \$2,238,791 | \$461,402 | |
| El Dorado Ventures V | 09/17/99 | \$5,000,000 | \$4,750,000 | \$4,715,034 | \$1,995,419 | \$1,772,529 | |
| El Dorado Ventures VII | 02/03/05 | \$5,000,000 | \$500,000 | \$500,000 | \$0 | \$482,187 | |
| InterWest Partners IX | 08/17/04 | \$3,000,000 | \$300,000 | \$300,000 | \$0 | \$300,000 | |
| JMI Equity Fund V | 05/20/05 | \$1,300,299 | \$245,132 | \$245,132 | \$0 | \$232,620 | |
| M/C Venture Partners IV | 01/05/99 | \$3,000,000 | \$2,775,000 | \$2,729,136 | \$138,562 | \$1,364,601 | |
| M/C Venture Partners V | 09/14/00 | \$6,000,000 | \$4,832,589 | \$4,359,738 | \$845,441 | \$4,786,652 | |
| Mayfield X | 06/17/99 | \$2,000,000 | \$2,000,000 | \$1,994,900 | \$66,294 | \$282,478 | |
| Mayfield X Annex | 05/15/02 | \$294,394 | \$176,636 | \$176,636 | \$0 | \$111,934 | |
| Mayfield XI | 04/14/00 | \$3,250,000 | \$2,437,500 | \$2,401,761 | \$124,017 | \$1,470,698 | |
| Morgenthaler Partners VI | 03/31/00 | \$3,000,000 | \$2,700,000 | \$1,926,475 | \$1,414,366 | \$900,974 | |
| New Enterprise Associates 10 | 01/25/01 | \$8,010,784 | \$6,410,784 | \$5,429,035 | \$2,589,363 | \$4,651,565 | |
| New Enterprise Associates 11 | 12/05/03 | \$8,000,000 | \$3,800,000 | \$3,457,369 | \$715,660 | \$3,994,309 | |
| New Enterprise Associates 9 | 10/28/99 | \$10,000,000 | \$9,800,000 | \$9,426,997 | \$907,785 | \$3,003,602 | |
| New Enterprise Associates VIII | 09/30/98 | \$7,004,816 | \$7,004,816 | \$6,550,169 | \$8,467,036 | \$2,904,132 | |
| Oak Investment Partners IX | 09/30/99 | \$10,000,000 | \$9,610,000 | \$8,833,952 | \$1,434,722 | \$3,276,090 | |
| Oak Investment Partners VIII | 07/31/98 | \$5,000,000 | \$5,000,000 | \$3,950,438 | \$8,258,245 | \$689,105 | |
| Oak Investment Partners X | 01/18/01 | \$8,000,000 | \$6,538,000 | \$6,097,328 | \$1,512,015 | \$4,918,417 | |
| Oak Investment Partners XI | 07/01/04 | \$10,000,000 | \$4,367,647 | \$4,367,647 | \$0 | \$4,352,505 | |
| Summit Partners Private Equity Fund VII-A | 05/27/05 | \$6,000,000 | \$0 | \$0 | \$0 | \$0 | |
| Summit V Companion Fund | 01/30/98 | \$4,000,000 | \$3,780,000 | \$1,939,246 | \$3,723,624 | \$912,277 | |
| Summit Ventures VI-B | 12/07/00 | \$5,000,000 | \$4,125,000 | \$3,643,453 | \$1,047,513 | \$3,790,311 | |
| TA IX | 07/11/00 | \$8,000,000 | \$7,280,000 | \$5,619,905 | \$3,138,075 | \$5,886,608 | |
| Trident Capital Fund-VI | 11/05/04 | \$3,000,000 | \$600,000 | \$600,000 | \$0 | \$532,804 | |
| U.S. Venture Partners VI | 12/02/98 | \$2,500,000 | \$2,425,568 | \$2,344,518 | \$1,099,642 | \$844,738 | |
| U.S. Venture Partners VII | 12/09/99 | \$6,416,668 | \$6,107,500 | \$6,006,308 | \$101,192 | \$1,925,496 | |
| U.S. Venture Partners VIII | 01/31/01 | \$6,000,000 | \$4,539,000 | \$4,489,806 | \$254,642 | \$3,452,582 | |
| Weston Presidio V | 02/18/05 | \$2,000,000 | \$70,000 | \$70,000 | \$0 | \$70,000 | |
| Worldview Technology Partners IV | 03/30/01 | \$3,021,670 | \$2,278,273 | \$2,063,954 | \$317,998 | \$1,317,374 | |

CONFIDENTIAL

Hawaii Employees' Retirement System

| Partnerships | Initial Closing Date | Commitment | Amount Paid | Adjusted Cost | Total Distributions | Latest Valuation ⁽¹⁾ | Annual IRR |
|---|----------------------|---------------|---------------|---------------|---------------------|---------------------------------|------------|
| Venture Capital and Growth Equity | | | | | | | |
| Total Venture Capital and Growth Equity | | \$170,365,298 | \$118,988,650 | \$107,160,208 | \$43,034,106 | \$64,068,765 | -4.08% |

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|---|---------------------|-------------------|---------------|-----------------|----------------------|---------------------------------|---------------|
| Buyouts and Special Situations | Closing Date | Commitment | Paid | Cost | Distributions | Valuation ⁽¹⁾ | IRR |
| Advent International GPE V-D | 02/28/05 | \$2,787,893 | \$241,724 | \$225,044 | \$98,119 | \$128,646 | |
| Alta Communications VIII | 02/23/00 | \$6,000,000 | \$5,640,000 | \$5,275,053 | \$1,016,721 | \$4,263,844 | |
| Blackstone Capital Partners III Merchant Banking Fund | 08/22/97 | \$15,706,362 | \$15,028,948 | \$7,302,796 | \$15,764,318 | \$8,392,304 | |
| Blackstone Capital Partners IV | 11/09/01 | \$5,057,104 | \$3,139,524 | \$3,064,805 | \$1,453,402 | \$4,974,310 | |
| Boston Ventures VI | 05/31/00 | \$4,000,000 | \$3,134,000 | \$2,204,759 | \$1,736,312 | \$1,915,580 | |
| Candover 1997 Fund | 12/16/97 | \$6,355,304 | \$5,833,366 | \$1,190,136 | \$10,226,822 | \$424,264 | |
| Candover 2005 Fund | 08/12/05 | \$4,145,440 | \$869 | \$869 | \$0 | \$869 | |
| Cinven Second Fund | 04/30/98 | \$9,424,965 | \$8,822,947 | \$5,822,503 | \$6,738,206 | \$3,948,593 | |
| Contrarian Capital Fund II | 09/02/97 | \$10,061,671 | \$10,061,671 | \$5,061,671 | \$9,000,000 | \$4,682,598 | |
| CVC European Equity Partners II | 06/03/98 | \$5,000,000 | \$4,564,702 | \$1,405,057 | \$7,547,856 | \$1,948,552 | |
| CVC European Equity Partners III | 12/29/00 | \$5,000,000 | \$4,580,717 | \$2,947,041 | \$3,198,068 | \$3,942,665 | |
| CVC European Equity Partners IV | 07/29/05 | \$9,513,603 | \$1,025,032 | \$1,025,032 | \$0 | \$969,324 | |
| First Reserve Fund IX | 03/09/01 | \$6,000,000 | \$5,877,324 | \$2,268,236 | \$8,798,881 | \$8,854,926 | |
| First Reserve Fund VIII | 04/07/98 | \$15,591,978 | \$15,014,688 | \$6,338,375 | \$16,927,823 | \$8,253,444 | |
| First Reserve Fund X | 12/23/03 | \$7,000,000 | \$2,948,558 | \$2,153,820 | \$1,005,998 | \$4,191,031 | |
| Green Equity Investors IV | 12/18/02 | \$5,700,000 | \$2,155,703 | \$1,772,728 | \$464,711 | \$1,853,808 | |
| GTCR Capital Partners | 07/30/99 | \$10,000,000 | \$8,698,676 | \$5,661,135 | \$8,157,736 | \$3,681,151 | |
| GTCR Fund VI | 04/24/98 | \$15,000,000 | \$14,856,296 | \$13,533,208 | \$11,487,142 | \$4,664,233 | |
| GTCR Fund VII | 01/06/00 | \$6,000,000 | \$5,715,000 | \$3,294,526 | \$5,593,212 | \$4,042,199 | |
| GTCR Fund VIIA | 01/06/00 | \$2,000,000 | \$1,135,000 | \$501,757 | \$1,482,827 | \$926,557 | |
| Kelso Investment Associates VII | 12/16/03 | \$12,000,000 | \$4,206,955 | \$4,086,951 | \$153,938 | \$4,392,028 | |
| Madison Dearborn Capital Partners III | 01/26/99 | \$10,000,000 | \$9,908,846 | \$6,655,379 | \$7,482,862 | \$5,377,588 | |
| Madison Dearborn Capital Partners IV | 01/30/01 | \$8,000,000 | \$6,053,136 | \$4,631,471 | \$1,913,583 | \$5,807,636 | |
| Mezzanine Management Fund III | 06/22/00 | \$5,039,589 | \$4,761,514 | \$3,407,108 | \$2,048,904 | \$2,966,936 | |
| Montagu III | 07/07/05 | \$3,554,272 | \$35,322 | \$35,322 | \$0 | \$15,943 | |
| Oak Hill Capital Partners II | 12/17/04 | \$10,000,000 | \$1,744,184 | \$1,744,184 | \$20,389 | \$1,584,970 | |
| Spectrum Equity Investors V | 02/17/05 | \$5,000,000 | \$0 | \$0 | \$0 | \$0 | |
| Summit Subordinated Debt Fund III-A | 03/05/04 | \$3,000,000 | \$1,050,000 | \$984,746 | \$82,907 | \$1,005,367 | |
| TA Subordinated Debt Fund | 03/10/00 | \$10,000,000 | \$8,100,000 | \$4,888,175 | \$4,664,224 | \$5,051,174 | |
| The Resolute Fund | 09/30/02 | \$7,500,000 | \$2,522,663 | \$2,522,663 | \$426 | \$2,531,235 | |
| Thomas H. Lee Equity Fund IV | 12/17/97 | \$13,441,980 | \$11,614,270 | \$4,295,511 | \$9,144,623 | \$3,124,677 | |
| Thomas H. Lee Equity Fund V | 04/21/00 | \$8,332,998 | \$6,678,886 | \$4,768,469 | \$3,767,087 | \$5,936,113 | |
| Three Cities Fund III | 10/08/99 | \$7,646,467 | \$7,260,832 | \$4,831,009 | \$3,461,976 | \$3,156,201 | |
| Vestar Capital Partners IV | 10/20/99 | \$6,000,000 | \$5,139,809 | \$3,816,741 | \$2,379,945 | \$3,870,193 | |
| Vestar Capital Partners V | 08/11/05 | \$7,000,000 | \$10,977 | \$10,977 | \$0 | \$10,977 | |
| Warburg Pincus Private Equity IX | 08/15/05 | \$5,001,714 | \$926,714 | \$926,714 | \$0 | \$920,132 | |
| Warburg Pincus Private Equity VIII | 02/26/02 | \$5,017,340 | \$4,617,340 | \$3,554,840 | \$1,075,683 | \$4,253,824 | |
| Warburg, Pincus Equity Partners | 06/11/98 | \$10,000,000 | \$10,000,000 | \$3,667,496 | \$11,572,373 | \$3,350,347 | |

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| Partnerships | Initial Closing Date | Commitment | Amount Paid | Adjusted Cost | Total Distributions | Latest ⁽¹⁾ Valuation | Annual IRR |
|---|-------------------------|----------------------|----------------------|----------------------|------------------------|------------------------------------|---------------|
| Buyouts and Special Situations | | | | | | | |
| WCAS Capital Partners IV | 09/22/04 | \$10,000,000 | \$4,200,000 | \$4,200,000 | \$59,860 | \$4,247,825 | |
| Welsh, Carson, Anderson & Stowe IX | 06/28/00 | \$8,000,000 | \$7,200,000 | \$5,494,992 | \$3,155,328 | \$6,287,379 | |
| Welsh, Carson, Anderson & Stowe VIII | 07/01/98 | \$10,000,000 | \$10,000,000 | \$9,403,160 | \$1,481,041 | \$7,758,762 | |
| Welsh, Carson, Anderson & Stowe X | 09/23/05 | \$7,012,976 | \$1,342,976 | \$1,342,976 | \$0 | \$1,342,976 | |
| Total Buyouts and Special Situations | | \$321,891,657 | \$225,849,171 | \$146,317,436 | \$163,163,302 | \$145,051,180 | 9.61% |
| Total Partnerships | | \$492,256,956 | \$344,837,822 | \$253,477,644 | \$206,197,408 | \$209,119,945 | 6.19% |

(1) Latest Valuation represents the most recent available capital account balance, including allocations of unrealized gain or loss on the underlying portfolio company investments, reported to Abbott by the investment partnership, and adjustments for any cash flow activity (capital calls, cash and stock distributions) from the date of the latest available capital account balance through the report date.

Partnerships

| Secondary Purchases | Purchase Date | Commitment | Maximum Cash Outlay | Amount Paid | Adjusted Cost | Total Distributions | Latest⁽¹⁾ Valuation | Annual IRR |
|---|----------------------|---------------------|----------------------------|----------------------|----------------------|----------------------------|---------------------------------------|-------------------|
| <u>Venture Capital and Growth Equity</u> | | | | | | | | |
| Morgenthaler Partners VI | 05/06/03 | \$150,000 | \$73,500 | \$58,500 | \$19,823 | \$70,719 | \$45,046 | |
| Oak Investment Partners IX | 12/31/03 | \$1,086,957 | \$322,387 | \$279,996 | \$241,011 | \$97,112 | \$356,103 | |
| Oak Investment Partners VIII | 12/31/03 | \$471,698 | \$47,192 | \$47,192 | \$41,512 | \$49,754 | \$65,008 | |
| Oak Investment Partners X | 12/31/03 | \$547,945 | \$374,075 | \$273,937 | \$250,829 | \$77,467 | \$336,868 | |
| Oak Investment Partners X | 07/02/03 | \$219,178 | \$166,399 | \$126,344 | \$114,270 | \$41,426 | \$132,450 | |
| <u>Buyouts and Special Situations</u> | | | | | | | | |
| Three Cities Fund III | 06/24/03 | \$3,823,234 | \$1,435,941 | \$1,243,123 | \$843,212 | \$875,445 | \$1,578,100 | |
| VS&A Communications Partners III | 12/01/99 | \$5,000,000 | \$4,899,595 | \$4,538,041 | \$3,166,595 | \$4,041,975 | \$1,548,204 | |
| Total Secondary Purchases | | \$11,299,012 | \$7,319,089 | \$6,567,133 | \$4,677,252 | \$5,253,898 | \$4,061,779 | 12.06% |
| | | | Committed | Amount Paid | Distributions | Latest Valuation | Annual IRR | |
| Grand Total Partnerships | | | \$503,555,967 | \$351,404,955 | \$211,451,306 | \$213,181,724 | 6.30% | |

(1) Latest Valuation represents the most recent available capital account balance, including allocations of unrealized gain or loss on the underlying portfolio company investments, reported to Abbott by the investment partnership, and adjustments for any cash flow activity (capital calls, cash and stock distributions) from the date of the latest available capital account balance through the report date.