

Hawaii Employees' Retirement System

Statement of Investments

December 31, 2008

Partnerships	Initial		Amount	Adjusted	Total	Latest ⁽¹⁾	Annual
Venture Capital and Growth Equity	Closing Date	Commitment	Paid	Cost	Distributions	Valuation	IRR
ABS Capital Partners VI	06/16/08	\$4,000,000	\$0	\$0	\$0	\$0	
Alta Partners VIII	09/25/06	\$3,000,000	\$1,200,000	\$1,200,000	\$0	\$1,105,335	
Atlas Venture Fund VII	11/21/05	\$4,500,000	\$3,161,499	\$3,161,499	\$5,991	\$3,587,782	
Austin Ventures IX	04/01/05	\$2,500,000	\$1,500,002	\$1,407,595	\$146,972	\$1,538,564	
Austin Ventures VI	11/17/98	\$3,000,000	\$2,971,875	\$2,627,010	\$1,334,308	\$844,019	
Austin Ventures VII	10/29/99	\$6,000,000	\$5,890,908	\$4,874,638	\$2,177,622	\$2,081,637	
Austin Ventures VIII	01/29/01	\$2,766,667	\$2,716,666	\$2,388,195	\$797,292	\$2,631,108	
Battery Ventures VII	09/30/04	\$300,000	\$274,500	\$257,833	\$18,266	\$267,156	
Battery Ventures VIII	07/02/07	\$1,400,000	\$532,000	\$532,000	\$0	\$492,613	
Battery Ventures VIII Side Fund	08/15/08	\$700,000	\$139,300	\$139,300	\$0	\$138,443	
Canaan VII	04/18/05	\$3,500,000	\$1,960,000	\$1,960,000	\$0	\$1,945,155	
Canaan VIII	11/19/07	\$4,000,000	\$640,000	\$640,000	\$0	\$572,283	
Columbia Capital Equity Partners II	05/27/99	\$3,894,967	\$3,884,427	\$2,989,028	\$2,361,390	\$574,313	
El Dorado Ventures V	09/17/99	\$5,000,000	\$5,000,000	\$4,774,649	\$2,185,804	\$661,354	
El Dorado Ventures VII	02/03/05	\$5,000,000	\$2,500,000	\$2,500,000	\$0	\$1,959,217	
InterWest Partners IX	08/17/04	\$3,000,000	\$1,800,000	\$1,752,771	\$166,000	\$1,391,746	
JMI Equity Fund V	05/20/05	\$1,300,299	\$1,155,782	\$1,070,931	\$702,921	\$988,182	
JMI Equity Fund VI	06/14/07	\$4,000,329	\$1,560,329	\$1,560,329	\$0	\$1,385,766	
M/C Venture Partners IV	01/05/99	\$3,000,000	\$2,775,000	\$2,593,609	\$601,307	\$1,368,417	
M/C Venture Partners V	09/14/00	\$6,000,000	\$5,862,808	\$4,888,204	\$2,560,351	\$6,004,101	
M/C Venture Partners VI	03/03/06	\$6,000,000	\$3,899,309	\$3,899,309	\$0	\$3,693,826	
Mayfield X	06/17/99	\$2,000,000	\$2,000,000	\$1,812,306	\$268,238	\$72,903	
Mayfield X Annex	05/15/02	\$294,394	\$191,356	\$142,852	\$125,604	\$46,909	
Mayfield XI	04/14/00	\$3,250,000	\$2,762,500	\$2,500,532	\$609,565	\$1,300,159	
Morgenthaler Partners VI	03/31/00	\$3,000,000	\$3,000,000	\$2,226,475	\$1,414,366	\$769,747	
New Enterprise Associates 10	01/25/01	\$8,010,784	\$7,730,784	\$6,356,134	\$4,264,877	\$4,478,082	
New Enterprise Associates 11	12/05/03	\$8,000,000	\$6,960,000	\$6,051,127	\$2,771,201	\$6,844,034	
New Enterprise Associates 12	04/25/06	\$10,000,000	\$5,550,000	\$5,392,713	\$488,862	\$5,410,634	
New Enterprise Associates 9	10/28/99	\$10,000,000	\$9,800,000	\$9,192,595	\$1,666,815	\$2,967,349	
New Enterprise Associates VIII	09/30/98	\$7,004,816	\$7,004,816	\$6,148,490	\$9,479,644	\$2,169,881	
Oak Investment Partners IX	09/30/99	\$10,000,000	\$10,000,000	\$8,611,017	\$5,707,963	\$2,226,897	
Oak Investment Partners VIII	07/31/98	\$5,000,000	\$5,000,000	\$3,677,298	\$8,799,368	\$354,098	
Oak Investment Partners X	01/18/01	\$8,000,000	\$8,000,000	\$6,243,196	\$4,239,017	\$5,283,145	
Oak Investment Partners XI	07/01/04	\$10,000,000	\$10,000,000	\$8,929,464	\$2,114,726	\$8,110,439	
Oak Investment Partners XII	05/19/06	\$8,000,000	\$4,608,285	\$4,343,716	\$312,583	\$4,383,834	
Summit Partners Private Equity Fund VII-A	05/27/05	\$6,000,000	\$2,970,000	\$2,888,543	\$133,666	\$2,544,765	
Summit V Companion Fund	01/30/98	\$4,000,000	\$3,860,000	\$1,261,937	\$5,456,971	\$406,232	
Summit Ventures VI-B	12/07/00	\$5,000,000	\$5,000,000	\$3,622,493	\$3,618,744	\$3,993,587	

Hawaii Employees' Retirement System

CONFIDENTIAL

Hawaii Employees' Retirement System

Statement of Investments

December 31, 2008

Partnerships							
Venture Capital and Growth Equity	Initial Closing Date	Commitment	Amount Paid	Adjusted Cost	Total Distributions	Latest ⁽¹⁾ Valuation	Annual IRR
TA IX	07/11/00	\$8,000,000	\$7,760,000	\$3,773,329	\$10,207,320	\$5,246,696	
TA X	03/23/06	\$10,000,000	\$7,650,000	\$7,135,500	\$1,050,000	\$5,579,999	
Thomas, McNerney & Partners II	08/03/06	\$4,500,000	\$1,440,000	\$1,440,000	\$69,200	\$1,163,951	
Trident Capital Fund-VI	11/05/04	\$3,000,000	\$2,490,000	\$2,369,402	\$173,899	\$2,312,952	
U.S. Venture Partners VI	12/02/98	\$2,500,000	\$2,500,000	\$2,244,180	\$2,919,454	\$186,571	
U.S. Venture Partners VII	12/09/99	\$6,416,668	\$6,416,668	\$5,687,066	\$875,014	\$1,667,541	
U.S. Venture Partners VIII	01/31/01	\$6,000,000	\$5,904,000	\$5,246,102	\$1,634,953	\$3,564,827	
Weston Presidio V	02/18/05	\$2,000,000	\$1,144,000	\$1,144,000	\$0	\$1,183,769	
Worldview Technology Partners IV	03/30/01	\$3,021,670	\$2,825,196	\$2,538,100	\$561,146	\$1,573,401	
Total Venture Capital and Growth Equity		\$225,860,595	\$181,992,010	\$156,195,467	\$82,021,421	\$107,073,416	1.18%

CONFIDENTIAL

Hawaii Employees' Retirement System

Hawaii Employees' Retirement System

Statement of Investments

December 31, 2008

Partnerships	Initial	Amount	Adjusted	Total	Latest ⁽¹⁾	Annual	
<u>Buyouts and Special Situations</u>	<u>Closing Date</u>	<u>Commitment</u>	<u>Paid</u>	<u>Cost</u>	<u>Distributions</u>	<u>Valuation</u>	<u>IRR</u>
Advent International GPE V-D	02/28/05	\$3,220,422	\$2,823,479	\$2,398,928	\$2,503,721	\$2,472,483	
Advent International GPE VI-A	03/12/08	\$9,500,000	\$1,187,500	\$1,187,500	\$0	\$1,060,786	
Alta Communications VIII	02/23/00	\$6,000,000	\$5,880,000	\$4,255,502	\$3,424,752	\$1,280,710	
Blackstone Capital Partners III Merchant Banking Fund	08/22/97	\$15,769,639	\$15,104,500	\$5,110,842	\$21,862,172	\$4,287,242	
Blackstone Capital Partners IV	11/09/01	\$5,057,104	\$4,360,513	\$2,967,310	\$5,926,910	\$3,576,947	
Boston Ventures VI	05/31/00	\$4,000,000	\$3,495,222	\$1,821,202	\$3,777,210	\$1,430,591	
Candover 1997 Fund	12/16/97	\$6,272,530	\$5,833,366	\$492,006	\$10,991,320	\$54,912	
Candover 2005 Fund	08/12/05	\$4,863,228	\$3,920,851	\$3,684,638	\$441,756	\$3,774,416	
Candover 2008 Fund	12/18/08	\$7,048,500	\$0	\$0	\$0	\$0	
Cinven Fourth Fund	02/24/06	\$9,828,247	\$5,348,471	\$5,348,471	\$0	\$4,236,467	
Cinven Second Fund	04/30/98	\$9,217,621	\$8,910,502	\$1,836,070	\$12,835,014	\$894,078	
Contrarian Capital Fund II	09/02/97	\$10,061,671	\$10,061,671	\$39,324	\$14,042,009	\$0	
CVC European Equity Partners II	06/03/98	\$5,000,000	\$4,569,673	\$981,720	\$9,788,784	\$750,113	
CVC European Equity Partners III	12/29/00	\$5,000,000	\$4,607,051	\$960,817	\$10,675,084	\$2,550,078	
CVC European Equity Partners IV	07/29/05	\$10,551,270	\$9,115,755	\$7,121,801	\$3,608,015	\$8,853,461	
CVC European Equity Partners V	04/18/08	\$10,792,346	\$1,396,243	\$1,396,243	\$0	\$1,241,641	
ECI 9	12/03/08	\$5,791,600	\$0	\$0	\$0	\$0	
Eos Capital Partners IV	02/28/07	\$3,250,000	\$372,470	\$372,470	\$3,656	\$304,986	
EQT V	10/23/06	\$8,537,535	\$4,057,145	\$4,057,145	\$19,925	\$3,826,557	
First Reserve Fund IX	03/09/01	\$6,000,000	\$5,877,324	\$73,543	\$17,796,870	\$60,000	
First Reserve Fund VIII	04/07/98	\$15,591,978	\$15,014,688	\$890,450	\$29,678,661	\$277,000	
First Reserve Fund X	12/23/03	\$7,000,000	\$7,000,000	\$3,839,511	\$7,811,441	\$5,800,301	
First Reserve Fund XI	07/28/06	\$10,000,000	\$6,986,566	\$6,986,566	\$23,618	\$7,321,665	
First Reserve Fund XII	10/30/08	\$12,021,395	\$3,447,955	\$3,447,955	\$1,269	\$3,446,686	
Green Equity Investors IV	12/18/02	\$5,700,000	\$5,552,422	\$4,849,866	\$1,497,968	\$4,283,097	
Green Equity Investors V	01/30/07	\$6,000,000	\$1,639,287	\$1,620,672	\$18,615	\$1,449,677	
GTCR Capital Partners	07/30/99	\$10,000,000	\$8,698,676	\$2,824,136	\$13,065,375	\$421,624	
GTCR Fund IX	06/23/06	\$7,000,000	\$2,099,356	\$1,767,313	\$442,562	\$1,829,165	
GTCR Fund VI	04/24/98	\$15,000,000	\$15,000,000	\$12,877,101	\$12,514,539	\$1,212,510	
GTCR Fund VII	01/06/00	\$6,000,000	\$5,955,000	\$1,257,555	\$12,170,796	\$1,098,662	
GTCR Fund VIIA	01/06/00	\$2,000,000	\$1,325,000	\$246,859	\$3,481,858	\$285,484	
Kelso Investment Associates VII	12/16/03	\$12,000,000	\$11,354,996	\$10,387,775	\$4,508,337	\$13,626,852	
Kelso Investment Associates VIII	07/13/07	\$10,000,000	\$448,811	\$448,811	\$2,156	\$331,215	
KKR 2006 Fund	02/13/07	\$6,075,469	\$4,210,469	\$4,210,469	\$4,782	\$3,918,557	
Madison Dearborn Capital Partners III	01/26/99	\$10,000,000	\$9,908,846	\$5,110,110	\$13,754,920	\$1,671,480	
Madison Dearborn Capital Partners IV	01/30/01	\$8,000,000	\$7,867,784	\$6,067,050	\$5,566,663	\$8,165,110	
Madison Dearborn Capital Partners V	02/16/06	\$10,263,397	\$7,999,986	\$7,841,595	\$192,422	\$7,671,600	
Madison Dearborn Capital Partners VI	07/11/08	\$12,014,512	\$1,327,317	\$1,327,317	\$0	\$1,274,218	

CONFIDENTIAL

Hawaii Employees' Retirement System

Hawaii Employees' Retirement System

Statement of Investments

December 31, 2008

Partnerships	Initial Closing Date	Commitment	Amount Paid	Adjusted Cost	Total Distributions	Latest ⁽¹⁾ Valuation	Annual IRR
Buyouts and Special Situations							
Mezzanine Management Fund III	06/22/00	\$5,039,589	\$4,903,546	\$2,377,268	\$5,491,271	\$1,647,093	
Montagu III	07/07/05	\$4,132,491	\$2,660,656	\$2,397,584	\$368,563	\$2,705,901	
Oak Hill Capital Partners II	12/17/04	\$10,000,000	\$9,256,444	\$8,989,947	\$839,355	\$10,694,886	
Oak Hill Capital Partners III	11/21/07	\$10,000,000	\$2,707,014	\$2,707,014	\$28,458	\$2,506,304	
Spectrum Equity Investors V	02/17/05	\$5,000,000	\$3,612,500	\$3,612,500	\$0	\$4,511,832	
Spectrum Equity Investors VI	11/10/08	\$9,000,000	\$0	\$0	\$0	\$0	
Summit Partners Subordinated Debt Fund IV-A	04/02/08	\$4,500,000	\$0	\$0	\$0	\$0	
Summit Subordinated Debt Fund III-A	03/05/04	\$3,000,000	\$2,475,000	\$1,633,446	\$1,118,802	\$1,690,238	
TA Subordinated Debt Fund	03/10/00	\$10,000,000	\$10,000,000	\$1,458,322	\$12,272,267	\$1,927,472	
TA Subordinated Debt Fund II	03/23/06	\$3,000,000	\$1,560,000	\$1,375,935	\$345,000	\$1,326,776	
The Resolute Fund	09/30/02	\$7,500,000	\$6,702,689	\$6,069,169	\$2,142,097	\$6,940,469	
The Resolute Fund II	04/06/07	\$10,010,214	\$2,351,485	\$2,351,485	\$15,704	\$2,013,387	
Thomas H. Lee Equity Fund IV	12/17/97	\$12,293,005	\$11,727,786	\$2,422,775	\$10,138,338	\$67,508	
Thomas H. Lee Equity Fund V	04/21/00	\$8,332,998	\$7,815,820	\$4,150,322	\$7,091,509	\$4,152,943	
Thomas H. Lee Equity Fund VI	04/27/07	\$6,179,182	\$3,128,290	\$3,128,290	\$19,588	\$3,135,423	
Three Cities Fund III	10/08/99	\$7,646,467	\$7,639,394	\$5,209,571	\$3,551,672	\$4,927,574	
Vestar Capital Partners IV	10/20/99	\$6,000,000	\$5,751,741	\$3,055,402	\$5,972,343	\$3,202,573	
Vestar Capital Partners V	08/11/05	\$7,000,000	\$5,193,518	\$5,107,413	\$395,667	\$5,076,861	
Warburg Pincus Private Equity IX	08/15/05	\$5,001,714	\$4,921,714	\$4,609,214	\$402,310	\$4,885,052	
Warburg Pincus Private Equity VIII	02/26/02	\$5,017,340	\$5,017,340	\$2,680,250	\$4,076,490	\$4,725,517	
Warburg Pincus Private Equity X	10/05/07	\$7,000,000	\$2,100,000	\$2,100,000	\$5,666	\$1,833,411	
Warburg, Pincus Equity Partners	06/11/98	\$10,000,000	\$10,000,000	\$3,040,027	\$13,112,437	\$2,140,351	
WCAS Capital Partners IV	09/22/04	\$10,000,000	\$6,300,000	\$6,300,000	\$1,139,479	\$7,054,433	
Welsh, Carson, Anderson & Stowe IX	06/28/00	\$8,000,000	\$7,600,000	\$3,988,720	\$8,111,253	\$5,189,980	
Welsh, Carson, Anderson & Stowe VIII	07/01/98	\$10,000,000	\$10,000,000	\$6,853,815	\$8,234,952	\$3,588,031	
Welsh, Carson, Anderson & Stowe X	09/23/05	\$7,012,976	\$5,752,976	\$5,752,976	\$0	\$6,121,592	
Welsh, Carson, Anderson & Stowe XI	06/20/08	\$12,000,000	\$0	\$0	\$0	\$0	
Total Buyouts and Special Situations		\$513,094,441	\$351,936,810	\$211,478,088	\$307,306,403	\$196,805,978	11.17%
Total Partnerships		\$738,955,036	\$533,928,820	\$367,673,554	\$389,327,824	\$303,879,394	8.24%

(1) Latest Valuation represents the most recent available Fair Value (as defined below) of the investment partnership, adjusted for any cash flow activity (capital calls, cash and stock distributions) from the date of the latest available Fair Value through the report date. Fair Value is based on the capital account balances, including allocations of unrealized gain or loss on the underlying portfolio company investments, reported to Abbott Capital Management, LLC by the investment partnerships as of the report date. The capital account balances may have been adjusted by other amounts necessary to reflect the fair value of the partnership investments as determined by Abbott during its most recently completed valuation review.

CONFIDENTIAL

Hawaii Employees' Retirement System

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>								
M/C Venture Partners IV	12/31/07	\$571,429	\$442,857	\$400,000	\$400,000	\$0	\$260,651	
M/C Venture Partners V	12/31/07	\$1,585,366	\$1,623,380	\$1,587,131	\$1,587,131	\$0	\$1,586,450	
Morgenthaler Partners VI	05/06/03	\$150,000	\$73,500	\$73,500	\$34,823	\$70,719	\$38,485	
Oak Investment Partners IX	12/31/03	\$1,086,957	\$322,387	\$322,388	\$216,776	\$561,588	\$242,068	
Oak Investment Partners VIII	12/31/03	\$471,698	\$47,192	\$47,192	\$15,736	\$100,812	\$33,395	
Oak Investment Partners X	12/31/03	\$547,945	\$374,075	\$374,075	\$260,819	\$264,257	\$361,841	
Oak Investment Partners X	07/02/03	\$219,178	\$166,399	\$166,399	\$118,559	\$115,289	\$143,293	
Oak Investment Partners XII	12/31/08	\$571,500	\$380,955	\$0	\$0	\$0	\$0	
<u>Buyouts and Special Situations</u>								
Three Cities Fund III	06/24/03	\$3,823,234	\$1,435,941	\$1,432,404	\$1,032,493	\$920,293	\$2,463,786	
VS&A Communications Partners III	12/01/99	\$5,000,000	\$4,899,595	\$4,853,473	\$2,995,534	\$4,609,638	\$1,863,260	
Total Secondary Purchases		\$14,027,307	\$9,766,281	\$9,256,562	\$6,661,871	\$6,642,596	\$6,993,229	11.86%
			Committed	Amount Paid	Distributions	Latest Valuation	Annual IRR	
Grand Total Partnerships			\$752,982,342	\$543,185,382	\$395,970,420	\$310,872,622	8.31%	

(1) Latest Valuation represents the most recent available Fair Value (as defined below) of the investment partnership, adjusted for any cash flow activity (capital calls, cash and stock distributions) from the date of the latest available Fair Value through the report date. Fair Value is based on the capital account balances, including allocations of unrealized gain or loss on the underlying portfolio company investments, reported to Abbott Capital Management, LLC by the investment partnerships as of the report date. The capital account balances may have been adjusted by other amounts necessary to reflect the fair value of the partnership investments as determined by Abbott during its most recently completed valuation review.