
BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
GROUP OF FUNDS

Realpool International Fund 1999
2001 Realpool International Fund
Realpool International Fund 2002
2004 Realpool International Fund
2005 Realpool International Fund
2006A Realpool International Fund
2007 Realpool International Fund
Private Placement Fund 1995
Private Placement Fund 1996
Private Placement Fund 1997
Private Placement Fund 1998
Private Placement Fund 1999
Private Placement Fund 1999A
2000 Private Placement Fund
2001 Private Placement Fund
2002 Private Placement Fund
2003 Private Placement Fund
2003A Private Placement Fund
2004 Private Placement Fund
2005 Private Placement Fund
2006 Private Placement Fund
2007 Private Placement Fund
2008 Private Placement Fund
Strategic Inv 100 Domestic PP Fund
Strategic Inv 100 Foreign PP Fund
Strategic Inv 103 Domestic PP Fund
Strategic Investment Real Estate Fund

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

**British Columbia Investment Management Corporation
Pooled Investment Portfolios**

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

British Columbia Investment Management Corporation (bcIMC) manages Pooled Investment Portfolios on behalf of governing fiduciaries such as pension fund trustees and other public sector clients. This report contains the financial statements for the following Pooled Investment Portfolios for the years (or periods) ending December 31, 2008:

Realpool International Fund 1999	Private Placement Fund 1995	2001 Private Placement Fund	2007 Private Placement Fund
2001 Realpool International Fund	Private Placement Fund 1996	2002 Private Placement Fund	2008 Private Placement Fund
Realpool International Fund 2002	Private Placement Fund 1997	2003 Private Placement Fund	Strategic Inv 100 Domestic PP Fund
2004 Realpool International Fund	Private Placement Fund 1998	2003A Private Placement Fund	Strategic Inv 100 Foreign PP Fund
2005 Realpool International Fund	Private Placement Fund 1999	2004 Private Placement Fund	Strategic Inv 103 Domestic PP Fund
2006A Realpool International Fund	Private Placement Fund 1999A	2005 Private Placement Fund	Strategic Investment Real Estate Fund
2007 Realpool International Fund	2000 Private Placement Fund	2006 Private Placement Fund	

The financial statements of the Pooled Investment Portfolios have been prepared by management of bcIMC and approved by the Chief Investment Officer/Chief Executive Officer. All of the financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The significant accounting policies used in the preparation of these statements are disclosed in note 2 to the financial statements. The statements include certain amounts that are based on management's judgement and best estimates.

bcIMC's Board has established an Audit Committee. The Committee's mandate includes making recommendations on the appointment of the external auditor for the Pooled Investment Portfolios, reviewing the external audit plan; reviewing bcIMC's Report on Controls Placed in Operation and Tests of Operating Effectiveness of Controls for the Investment System of British Columbia Investment Management Corporation, and receiving the annual audited financial statements of the Pooled Investment Portfolios. The Committee reviews the recommendations of the internal and external auditors with respect to internal controls and the responses of management to those recommendations, and also meets with management and the internal and external auditors to review annual audit plans.

bcIMC maintains systems of internal control and supporting processes to provide reasonable assurance that assets are safeguarded; that transactions are appropriately authorized and recorded; and that there are no material misstatements in the financial statements. bcIMC's internal control framework includes: a strong corporate governance structure; a code of conduct that includes conflict of interest guidelines; an organizational structure that provides for appropriate segregation of duties and accountability for performance; an enterprise-wide risk management framework that identifies, monitors and reports on key risks; and Board-approved pooled investment portfolio policies and client-approved investment mandates. bcIMC's system of internal control is supported by internal and external auditors who review and evaluate internal controls and report directly to the Audit Committee.

bcIMC's external auditors, KPMG LLP, have full and unrestricted access to the Audit Committee and bcIMC management. KPMG discusses with management and the Committee the results of their audit of the Pooled Investment Portfolios' financial statements and related findings with respect to such audits. Each of the Pooled Investment Portfolio financial statements is audited by KPMG LLP in accordance with Canadian generally accepted auditing standards. KPMG LLP has performed such tests and other procedures as they considered necessary to express an opinion on the Pooled Investment Portfolio financial statements.



Doug Pearce
Chief Executive Officer / Chief Investment Officer



David Woodward
Vice President, Finance & Operations

Victoria, British Columbia
July 17, 2009



KPMG LLP
Chartered Accountants
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada

Telephone (604) 691-3000
Fax (604) 691-3031
Internet www.kpmg.ca

AUDITORS' REPORT

To the unitholders of the following funds managed by British Columbia Investment Management Corporation (the Manager):

Realpool International Fund 1999	2001 Private Placement Fund
2001 Realpool International Fund	2002 Private Placement Fund
Realpool International Fund 2002	2003 Private Placement Fund
2004 Realpool International Fund	2003A Private Placement Fund
2005 Realpool International Fund	2004 Private Placement Fund
2006A Realpool International Fund	2005 Private Placement Fund
2007 Realpool International Fund	2006 Private Placement Fund
Private Placement 1995 Fund	2007 Private Placement Fund
Private Placement 1996 Fund	2008 Private Placement Fund
Private Placement 1997 Fund	Strategic Inv 100 Domestic PP Fund
Private Placement 1998 Fund	Strategic Inv 100 Foreign PP Fund
Private Placement 1999 Fund	Strategic Inv 103 Domestic PP Fund
Private Placement 1999A Fund	Strategic Investment Real Estate Fund
2000 Private Placement Fund	

(collectively, the Funds)

We have audited the statements of net assets and of investments of the Funds as at December 31, 2008 and their statements of operations and changes in net assets, and of cash flows for the year (or shorter period since establishment as indicated in note 1) ended December 31, 2008. These financial statements are the responsibility of the Funds' Manager. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Manager, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the net assets and investments of the Funds as at December 31, 2008, and the results of their operations, the changes in their net assets, and their cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Vancouver, Canada

July 17, 2009

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

REALPOOL INTERNATIONAL FUND 1999

**Statement of Net Assets
as at December 31
(in \$000s except number of units outstanding)**

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	40,589	53,489
Liabilities		
bclMC funds management fees payable (note 7)	4	5
Accounts payable	6	9
	<u>10</u>	<u>14</u>
Net assets representing unitholders' equity	<u>40,579</u>	<u>53,475</u>
Number of units outstanding (note 8)	4.808	9.241
Net asset value per unit	<u>8,440</u>	<u>5,787</u>

**Statement of Operations and Changes in Net Assets
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Investment Income		
Investment income	2	3
Expenses (note 7):		
bclMC funds management fees	48	50
Administrative and professional fees	4	5
	<u>52</u>	<u>55</u>
Net investment loss	(50)	(52)
Realized and unrealized gains (losses):		
Net realized gain	22,601 ¹	48,064 ¹
Change in unrealized loss	(12,497) ¹	(27,007) ¹
	<u>10,104</u>	<u>21,057</u>
Net income from operations	10,054	21,005
Capital Transactions:		
Proceeds from units issued	-	1,600
Amounts paid for units redeemed	(22,950)	(75,450)
	<u>(22,950)</u>	<u>(73,850)</u>
Decrease in net assets	(12,896)	(52,845)
Net assets, beginning of year	<u>53,475</u>	<u>106,320</u>
Net Assets, end of year	<u>40,579</u>	<u>53,475</u>

¹ The net realized gain and change in unrealized loss include the following exchange gains:

-	3,455
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Doug Pearce
Chief Executive Officer
Chief Investment Officer

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

REALPOOL INTERNATIONAL FUND 1999

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income from operations	10,054	21,005
Items not affecting cash:		
Net realized gain	(22,601)	(48,064)
Change in unrealized loss	<u>12,497</u>	<u>27,007</u>
	(50)	(52)
Changes in non-cash operating accounts:		
bclMC funds management fees payable	(1)	1
Accounts payable	<u>(3)</u>	<u>(4)</u>
	<u>(54)</u>	<u>(55)</u>
Cash flows from investing activities		
Proceeds from sale of investments	23,016	75,509
Purchase of investments	<u>(12)</u>	<u>(1,604)</u>
	<u>23,004</u>	<u>73,905</u>
Cash flows from financing activities		
Proceeds from units issued	-	1,600
Amounts paid for units redeemed	<u>(22,950)</u>	<u>(75,450)</u>
	<u>(22,950)</u>	<u>(73,850)</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments:				
Private	<u>39,825</u>	<u>38,670</u>	<u>36,673</u>	<u>22,821</u>
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio				
Fund ST2	79	78	131	131
Fund ST3	<u>685</u>	<u>661</u>	<u>16,685</u>	<u>16,859</u>
	<u>764</u>	<u>739</u>	<u>16,816</u>	<u>16,990</u>
Total Investments	<u>40,589</u>	<u>39,409</u>	<u>53,489</u>	<u>39,811</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Realpool International Vintage Funds are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the Realpool International Fund 1999.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The net assets held include real estate properties and other related receivables, payables and debt. The real estate investments are concentrated in Asia, Europe and the United States and include office, retail, residential, industrial and mixed use properties. Other price risk is moderated through diversification across various industry sectors and geographic regions.

The fair value of these investments fluctuates in response to specific property characteristics and developments in geographic regions, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

The Fund holds net assets denominated in U.S. currency totalling \$40,507,000 Cdn (2007 - \$53,475,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/ increased by \$405,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2001 REALPOOL INTERNATIONAL FUND

**Statement of Net Assets
as at December 31
(in \$000s except number of units outstanding)**

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	664	7,828
Liabilities		
bclMC funds management fees payable (note 7)	3	3
Accounts payable	5	9
	<u>8</u>	<u>12</u>
Net assets representing unitholders' equity	<u>656</u>	<u>7,816</u>
Number of units outstanding (note 8)	2.079	4.253
Net asset value per unit	<u>316</u>	<u>1,838</u>

**Statement of Operations and Changes in Net Assets
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Investment Income	4	8
Expenses (note 7):		
bclMC funds management fees	28	30
Administrative and professional fees	3	5
	<u>31</u>	<u>35</u>
Net investment loss	(27)	(27)
Realized and unrealized gains (losses):		
Net realized gain	2,020	30,809
Change in unrealized loss	(4,953)	(31,175)
	<u>(2,933)</u>	<u>(366)</u>
Net loss from operations	(2,960)	(393)
Capital Transactions:		
Amounts paid for units redeemed	(4,200)	(79,595)
Decrease in net assets	(7,160)	(79,988)
Net assets, beginning of year	<u>7,816</u>	<u>87,804</u>
Net Assets, end of year	<u>656</u>	<u>7,816</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2001 REALPOOL INTERNATIONAL FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(2,960)	(393)
Items not affecting cash:		
Net realized gain	(2,020)	(30,809)
Change in unrealized loss	4,953	31,175
	<u>(27)</u>	<u>(27)</u>
Changes in non-cash operating accounts:		
Accounts payable	(4)	(4)
	<u>(31)</u>	<u>(31)</u>
Cash flows from investing activities		
Proceeds from sale of investments	4,235	79,665
Purchase of investments	(4)	(39)
	<u>4,231</u>	<u>79,626</u>
Cash flows from financing activities		
Amounts paid for units redeemed	(4,200)	(79,595)
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments:				
Private	435	1,930	7,613	829
Money Market Investments:				
Units in bciMC Pooled Investment Portfolio				
Fund ST2	147	148	162	161
Fund ST3	82	68	53	59
	<u>229</u>	<u>216</u>	<u>215</u>	<u>220</u>
Total Investments	<u>664</u>	<u>2,146</u>	<u>7,828</u>	<u>1,049</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Realpool International Vintage Funds are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2001 Realpool International Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The Fund holds units in one remaining limited partnership which has an office property located in Germany. The limited partnership will be liquidated on or prior to December 31, 2009.

The fair value of this investment fluctuates in response to specific property characteristics, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclIMC does not believe this information would be meaningful.

Currency Risk

The Fund holds net assets denominated in U.S. currency totalling \$517,000 Cdn (2007 - \$7,666,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/ increased by \$5,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

REALPOOL INTERNATIONAL FUND 2002

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	345	355
Liabilities		
bclMC funds management fees payable (note 7)	3	4
Accounts payable	6	9
	<u>9</u>	<u>13</u>
Net assets representing unitholders' equity	<u>336</u>	<u>342</u>
Number of units outstanding (note 8)	1.089	1.089
Net asset value per unit	<u>309</u>	<u>314</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	-	2
Expenses (note 7):		
bclMC funds management fees	27	41
Administrative and professional fees	3	4
	<u>30</u>	<u>45</u>
Net investment loss	(30)	(43)
Realized and unrealized gains (losses):		
Net realized gain	-	3,516
Change in unrealized gain (loss)	24	(7,292)
	<u>24</u>	<u>(3,776)</u>
Net loss from operations	(6)	(3,819)
Capital Transactions:		
Amounts paid for units redeemed	-	(39,970)
Decrease in net assets	(6)	(43,789)
Net assets, beginning of year	<u>342</u>	<u>44,131</u>
Net Assets, end of year	<u>336</u>	<u>342</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

REALPOOL INTERNATIONAL FUND 2002

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(6)	(3,819)
Items not affecting cash:		
Net realized gain	-	(3,516)
Change in unrealized loss (gain)	<u>(24)</u>	<u>7,292</u>
	(30)	(43)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(1)	1
Accounts payable	<u>(3)</u>	<u>(4)</u>
	<u>(34)</u>	<u>(46)</u>
Cash flows from investing activities		
Proceeds from sale of investments	35	40,051
Purchase of investments	<u>(1)</u>	<u>(35)</u>
	<u>34</u>	<u>40,016</u>
Cash flows from financing activities		
Amounts paid for units redeemed	<u>-</u>	<u>(39,970)</u>
Net increase in cash	-	-
Cash, beginning of year	<u>-</u>	<u>-</u>
Cash, end of year	<u><u>-</u></u>	<u><u>-</u></u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments:				
Private	<u>90</u>	<u>667</u>	<u>98</u>	<u>669</u>
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST2	108	108	142	142
Fund ST3	<u>147</u>	<u>123</u>	<u>115</u>	<u>120</u>
	<u>255</u>	<u>231</u>	<u>257</u>	<u>262</u>
Total Investments	<u><u>345</u></u>	<u><u>898</u></u>	<u><u>355</u></u>	<u><u>931</u></u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Realpool International Vintage Funds are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the Realpool International Fund 2002.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The only remaining private real estate investment is in the liquidation stage and is comprised primarily of cash and trade receivables, which will be distributed to the Fund during 2009. Due to the nature of the remaining financial instruments, the Fund is not subject to significant other price risk.

Currency Risk

The Fund holds net assets denominated in U.S. currency totalling \$237,000 Cdn (2007-\$214,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/ increased by \$2,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2004 REALPOOL INTERNATIONAL FUND

**Statement of Net Assets
as at December 31
(in \$000s except number of units outstanding)**

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	404,024	353,631
Accrued investment income	392	62
	<u>404,416</u>	<u>353,693</u>
Liabilities		
Unrealized losses on foreign currency contracts (Schedule One)	11,584	-
bclMC funds management fees payable (note 7)	9	10
External management fees payable	-	2,045
Accounts payable	6	9
	<u>11,599</u>	<u>2,064</u>
Net assets representing unitholders' equity	<u>392,817</u>	<u>351,629</u>
Number of units outstanding (note 8)	293.670	276.615
Net asset value per unit	<u>1,338</u>	<u>1,271</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**Statement of Operations and Changes in Net Assets
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Investment Income	1,760	1,209
Expenses (note 7):		
bclMC funds management fees	113	109
External management fees	416	2,253
Administrative and professional fees	24	245
	<u>553</u>	<u>2,607</u>
Net investment income (loss)	1,207	(1,398)
Realized and unrealized gains:		
Net realized gain	2,862 ¹	7,437 ¹
Change in unrealized gain	13,083 ¹	10,861 ¹
	<u>15,945</u>	<u>18,298</u>
Net income from operations	17,152	16,900
Capital Transactions:		
Proceeds from units issued	36,136	133,184
Amounts paid for units redeemed	(12,100)	(61,350)
	<u>24,036</u>	<u>71,834</u>
Increase in net assets	41,188	88,734
Net assets, beginning of year	351,629	262,895
Net Assets, end of year	<u>392,817</u>	<u>351,629</u>

¹ The net realized gain and change in unrealized gain include the following exchange losses:

	(6,477)	(6,423)
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**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2004 REALPOOL INTERNATIONAL FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income from operations	17,152	16,900
Items not affecting cash:		
Net realized gain	(2,862)	(7,437)
Change in unrealized gain	<u>(13,083)</u>	<u>(10,861)</u>
	1,207	(1,398)
Changes in non-cash operating accounts:		
Accrued investment income	(330)	(62)
bcIMC funds management fees payable	(1)	4
External management fees payable	(2,045)	2,045
Accounts payable	<u>(3)</u>	<u>(4)</u>
	<u>(1,172)</u>	<u>585</u>
Cash flows from investing activities		
Proceeds from sale of investments	17,740	87,188
Purchase of investments	<u>(40,604)</u>	<u>(159,607)</u>
	<u>(22,864)</u>	<u>(72,419)</u>
Cash flows from financing activities		
Proceeds from units issued	36,136	133,184
Amounts paid for units redeemed	<u>(12,100)</u>	<u>(61,350)</u>
	<u>24,036</u>	<u>71,834</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments:				
Private	<u>402,516</u>	<u>282,088</u>	<u>348,272</u>	<u>252,544</u>
Market				
Units in bcIMC Pooled Investment Portfolio				
Fund ST2	94	97	3,288	3,289
Fund ST3	<u>1,414</u>	<u>1,410</u>	<u>2,071</u>	<u>2,036</u>
	<u>1,508</u>	<u>1,507</u>	<u>5,359</u>	<u>5,325</u>
Investments	<u>404,024</u>	<u>283,595</u>	<u>353,631</u>	<u>257,869</u>

**Schedule One - Foreign Currency Contracts
as at December 31**

<u>Date</u>	<u>Number of Contracts</u>	<u>Expiry Dates</u>	<u>Notional Value (\$000s)</u>	<u>Unrealized Loss (\$000s)</u>
2008	4	January 2009	108,632	(11,584)

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Realpool International Vintage Funds are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2004 Realpool International Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The net assets held include real estate properties and other related receivables, payables and debt. The real estate investments are concentrated in the United Kingdom, United States, Mexico and Asia and include office, retail, residential, industrial and mixed use properties. Other price risk is moderated through diversification across various industry sectors and geographic regions.

The fair value of these investments fluctuates in response to specific property characteristics and developments in geographic regions, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bciMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated net assets which resulted in exposure to the following currencies:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
British Pound Sterling	39,912	9.9%	69,664	20.0%
Euro	25,891	6.4%	21,990	6.3%
United States Dollar	338,515	83.7%	256,699	73.7%
Net Exposure	404,318	100.0%	348,353	100.0%

Foreign currency contracts may be used to hedge exposure to foreign currencies. The above figures for net exposure take into account hedging provided by foreign currency contracts.

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$4,043,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	11,484	8.9%	19,457	15.6%
United States Dollar	116,924	91.1%	105,612	84.4%
	128,408	100.0%	125,069	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$1,284,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2005 REALPOOL INTERNATIONAL FUND

**Statement of Net Assets
as at December 31
(in \$000s except number of units outstanding)**

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	191,703	233,492
Liabilities		
bclMC funds management fees payable (note 7)	8	8
Accounts payable	6	9
	<u>14</u>	<u>17</u>
Net assets representing unitholders' equity	<u>191,689</u>	<u>233,475</u>
Number of units outstanding (note 8)	202,820	181,258
Net asset value per unit	<u>945</u>	<u>1,288</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**Statement of Operations and Changes in Net Assets
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Investment Income	1	1
Expenses (note 7):		
bclMC funds management fees	92	82
Administrative and professional fees	16	57
	<u>108</u>	<u>139</u>
Net investment loss	(107)	(138)
Realized and unrealized gains (losses):		
Net realized gain	1,306	191
Change in unrealized gain (loss)	(72,038)	9,411
	<u>(70,732)</u>	<u>9,602</u>
Net income (loss) from operations	(70,839)	9,464
Capital Transactions:		
Proceeds from units issued	35,253	68,315
Amounts paid for units redeemed	(6,200)	(1,200)
	<u>29,053</u>	<u>67,115</u>
Increase (decrease) in net assets	(41,786)	76,579
Net assets, beginning of year	<u>233,475</u>	<u>156,896</u>
Net Assets, end of year	<u>191,689</u>	<u>233,475</u>

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2005 REALPOOL INTERNATIONAL FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(70,839)	9,464
Items not affecting cash:		
Net realized gain	(1,306)	(191)
Change in unrealized loss (gain)	<u>72,038</u>	<u>(9,411)</u>
	(107)	(138)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	-	2
Accounts payable	<u>(3)</u>	<u>(4)</u>
	<u>(110)</u>	<u>(140)</u>
Cash flows from investing activities		
Proceeds from sale of investments	6,311	1,292
Purchase of investments	<u>(35,254)</u>	<u>(68,267)</u>
	<u>(28,943)</u>	<u>(66,975)</u>
Cash flows from financing activities		
Proceeds from units issued	35,253	68,315
Amounts paid for units redeemed	<u>(6,200)</u>	<u>(1,200)</u>
	<u>29,053</u>	<u>67,115</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments:				
Private	<u>186,998</u>	<u>208,239</u>	<u>226,823</u>	<u>175,998</u>
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST2	4,567	4,565	6,560	6,560
Fund ST3	<u>138</u>	<u>131</u>	<u>109</u>	<u>128</u>
	<u>4,705</u>	<u>4,696</u>	<u>6,669</u>	<u>6,688</u>
Total Investments	<u>191,703</u>	<u>212,935</u>	<u>233,492</u>	<u>182,686</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Realpool International Vintage Funds are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2005 Realpool International Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The net assets held include real estate properties and other related receivables, payables and debt. The real estate investments are concentrated in Brazil, France, Germany and other European countries and include office, retail, residential, industrial and mixed use properties. Other price risk is moderated through diversification across various industry sectors and geographic regions.

The fair value of these investments fluctuates in response to specific property characteristics and developments in geographic regions, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bciMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated net assets which resulted in exposure to the following currencies:

CURRENCY (\$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	144,562	77.2%	178,266	79.3%
United States Dollar	42,574	22.8%	46,612	20.7%
Net Exposure	187,136	100.0%	224,878	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$1,871,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY (\$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	146,084	73.1%	153,828	71.2%
United States Dollar	53,700	26.9%	62,095	28.8%
	199,784	100.0%	215,923	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$1,998,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2006A REALPOOL INTERNATIONAL FUND

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	37	6,886
Liabilities		
bclMC funds management fees payable (note 7)	3	4
Accounts payable	5	9
	<u>8</u>	<u>13</u>
Net assets representing unitholders' equity	<u>29</u>	<u>6,873</u>
Number of units outstanding (note 8)	6.155	5.774
Net asset value per unit	<u>5</u>	<u>1,190</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	1	1
Expenses (note 7):		
bclMC funds management fees	31	40
Administrative and professional fees	40	47
	<u>71</u>	<u>87</u>
Net investment loss	(70)	(86)
Unrealized losses:		
Change in unrealized loss	(7,177)	(2,341)
Net loss from operations	(7,247)	(2,427)
Capital Transactions:		
Proceeds from units issued	403	2,882
Increase (decrease) in net assets	(6,844)	455
Net assets, beginning of year	6,873	6,418
Net Assets, end of year	<u>29</u>	<u>6,873</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2006A REALPOOL INTERNATIONAL FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(7,247)	(2,427)
Items not affecting cash:		
Change in unrealized loss	<u>7,177</u>	<u>2,341</u>
	(70)	(86)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(1)	1
Accounts payable	<u>(4)</u>	<u>(2)</u>
	<u>(75)</u>	<u>(87)</u>
Cash flows from investing activities		
Proceeds from sale of investments	76	76
Purchase of investments	<u>(404)</u>	<u>(2,871)</u>
	<u>(328)</u>	<u>(2,795)</u>
Cash flows from financing activities		
Proceeds from units issued	<u>403</u>	<u>2,882</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments:				
Private	-	6,616	6,239	5,634
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST2	30	30	40	40
Fund ST3	<u>7</u>	<u>7</u>	<u>607</u>	<u>651</u>
	<u>37</u>	<u>37</u>	<u>647</u>	<u>691</u>
Total Investments	<u>37</u>	<u>6,653</u>	<u>6,886</u>	<u>6,325</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Realpool International Vintage Funds are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2006A Realpool International Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investment held provides real estate management and investor relation services in the United States.

The fair value of this investment fluctuates in response to specific developments in the investment, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

The Fund holds net assets denominated in U.S. currency totalling \$7,000 Cdn (2007 – \$6,846,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, the change in the net assets would be nominal.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2007 REALPOOL INTERNATIONAL FUND

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	10,772	18,471
Liabilities		
Unrealized losses on foreign currency contracts (Schedule One)	1,769	-
bclIMC funds management fees payable (note 7)	6	7
Accounts payable	6	4
	<u>1,781</u>	<u>11</u>
Net assets representing unitholders' equity	<u>8,991</u>	<u>18,460</u>
Number of units outstanding (note 8)	32,669	22,108
Net asset value per unit	<u>275</u>	<u>835</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	2	1
Expenses (note 7):		
bclIMC funds management fees	62	39
Administrative and professional fees	63	50
	<u>125</u>	<u>89</u>
Net investment loss	(123)	(88)
Realized and unrealized losses:		
Net realized loss	(1,105) ¹	-
Change in unrealized loss	(18,762) ¹	(2,881) ¹
	<u>(19,867)</u>	<u>(2,881)</u>
Net loss from operations	(19,990)	(2,969)
Capital Transactions:		
Proceeds from units issued	20,521	21,429
Amounts paid for units redeemed	(10,000)	-
	<u>10,521</u>	<u>21,429</u>
Increase in net assets	(9,469)	18,460
Net assets, beginning of year	18,460	-
Net Assets, end of year	<u>8,991</u>	<u>18,460</u>

¹ The net realized loss and change in unrealized loss include the following exchange losses:

(1,768)	-
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**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2007 REALPOOL INTERNATIONAL FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(19,990)	(2,969)
Items not affecting cash:		
Net realized loss	1,105	-
Change in unrealized loss	<u>18,762</u>	<u>2,881</u>
	(123)	(88)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(1)	7
Accounts payable	<u>2</u>	<u>4</u>
	<u>(122)</u>	<u>(77)</u>
Cash flows from investing activities		
Proceeds from sale of investments	10,123	87
Purchase of investments	<u>(20,522)</u>	<u>(21,439)</u>
	<u>(10,399)</u>	<u>(21,352)</u>
Cash flows from financing activities		
Proceeds from units issued	20,521	21,429
Amounts paid for units redeemed	<u>(10,000)</u>	<u>-</u>
	<u>10,521</u>	<u>21,429</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments:				
Private	<u>9,482</u>	<u>29,387</u>	<u>18,449</u>	<u>21,330</u>
Market				
Units in bcIMC Pooled Investment Portfolio				
Fund ST2	1,129	1,126	22	22
Fund ST3	<u>161</u>	<u>134</u>	<u>-</u>	<u>-</u>
	<u>1,290</u>	<u>1,260</u>	<u>22</u>	<u>22</u>
Investments	<u>10,772</u>	<u>30,647</u>	<u>18,471</u>	<u>21,352</u>

**Schedule One - Foreign Currency Contracts
as at December 31**

<u>Date</u>	<u>Number of Contracts</u>	<u>Expiry Dates</u>	<u>Notional Value (\$000s)</u>	<u>Unrealized Loss (\$000s)</u>
2008	4	January 2009	16,584	1,769

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Realpool International Vintage Funds are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2007 Realpool International Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The net assets held include real estate properties and other related receivables, payables and debt. The real estate investments are concentrated in Asia and Europe and include office, retail, residential, industrial and mixed use properties. Other price risk is moderated through diversification across various industry sectors and geographic regions.

The fair value of these investments fluctuates in response to specific property characteristics and developments in geographic regions, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated net assets which resulted in exposure to the following currencies:

CURRENCY (\$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	9,482	98.4%	3,864	21.1%
United States Dollar	161	1.7%	14,358	78.8%
Net Exposure	9,643	100.1%	18,222	99.9%

Foreign currency contracts may be used to hedge exposure to foreign currencies. The above figures for net exposure take into account the hedging provided by the foreign currency contracts.

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$96,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY (\$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	177,649	53.3%	47,669	26.9%
United States Dollar	155,649	46.7%	129,466	73.1%
	333,298	100.0%	177,135	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$3,333,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

PRIVATE PLACEMENT FUND 1995

**Statement of Net Assets
as at December 31
(in \$000s except number of units outstanding)**

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	5,589	7,887
Liabilities		
bclMC funds management fees payable (note 7)	5	4
Accounts payable	17	17
	<u>22</u>	<u>21</u>
Net assets representing unitholders' equity	<u>5,567</u>	<u>7,866</u>
Number of units outstanding (note 8)	2,036	2,811
Net asset value per unit	<u>2,734</u>	<u>2,798</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**Statement of Operations and Changes in Net Assets
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Investment Income	1	4
Expenses (note 7):		
bclMC funds management fees	60	39
Administrative and professional fees	11	16
	<u>71</u>	<u>55</u>
Net investment loss	(70)	(51)
Realized and unrealized gains (losses):		
Net realized gain (loss)	59 ¹	(48) ¹
Change in unrealized loss	(219) ¹	(1,149) ¹
	<u>(160)</u>	<u>(1,197)</u>
Net loss from operations	(230)	(1,248)
Capital Transactions:		
Proceeds from units issued	-	15
Amounts paid for units redeemed	(2,069)	(2,605)
	<u>(2,069)</u>	<u>(2,590)</u>
Decrease in net assets	(2,299)	(3,838)
Net assets, beginning of year	7,866	11,704
Net Assets, end of year	<u>5,567</u>	<u>7,866</u>

¹ The net realized gain (loss) and change in unrealized loss include the following exchange losses:

- (7)

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

PRIVATE PLACEMENT FUND 1995

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(230)	(1,248)
Items not affecting cash:		
Net realized loss (gain)	(59)	48
Change in unrealized loss	219	1,149
	<u>(70)</u>	<u>(51)</u>
Changes in non-cash operating accounts:		
bclMC funds management fees payable	1	2
Accounts payable	-	4
	<u>(69)</u>	<u>(45)</u>
Cash flows from investing activities		
Proceeds from sale of investments	2,149	2,732
Purchase of investments	(11)	(97)
	<u>2,138</u>	<u>2,635</u>
Cash flows from financing activities		
Proceeds from units issued	-	15
Amounts paid for units redeemed	(2,069)	(2,605)
	<u>(2,069)</u>	<u>(2,590)</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	3,611	3,270	6,251	5,661
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio				
Fund ST1	69	69	118	117
Fund ST3	1,909	1,905	1,518	1,544
	<u>1,978</u>	<u>1,974</u>	<u>1,636</u>	<u>1,661</u>
Total Investments	<u>5,589</u>	<u>5,244</u>	<u>7,887</u>	<u>7,322</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the Private Placement Fund 1995.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and fund of fund investment portfolios and include shares, bonds, and other securities of investees. The investments are concentrated in Europe, and Latin America, Asia and other emerging markets. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

The Fund holds net assets denominated in U.S. currency totalling \$5,521,000 Cdn (2007 – 7,733,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/ increased by \$55,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

The Fund has future unfunded commitments denominated in U.S. currency totalling \$735,000 Cdn (2007 - \$593,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$7,000. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

PRIVATE PLACEMENT FUND 1996

Statement of Net Assets		
as at December 31		
(in \$000s except number of units outstanding)		
	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	10,799	14,692
Liabilities		
bclMC funds management fees payable (note 7)	7	6
Accounts payable	18	18
	<u>25</u>	<u>24</u>
Net assets representing unitholders' equity	<u>10,774</u>	<u>14,668</u>
Number of units outstanding (note 8)	0.551	0.665
Net asset value per unit	<u>19,554</u>	<u>22,057</u>

Statement of Operations and Changes in Net Assets		
for the year ended December 31		
(in \$000s)		
	<u>2008</u>	<u>2007</u>
Investment Income	1	4
Expenses (note 7):		
bclMC funds management fees	88	61
Administrative and professional fees	11	16
	<u>99</u>	<u>77</u>
Net investment loss	(98)	(73)
Realized and unrealized gains (losses):		
Net realized gain	1,541 ¹	27,877 ¹
Change in unrealized loss	(3,530) ¹	(3,748) ¹
	<u>(1,989)</u>	<u>24,129</u>
Net income (loss) from operations	(2,087)	24,056
Capital Transactions:		
Proceeds from units issued	66	-
Amounts paid for units redeemed	(1,873)	(39,901)
	<u>(1,807)</u>	<u>(39,901)</u>
Decrease in net assets	(3,894)	(15,845)
Net assets, beginning of year	14,668	30,513
Net Assets, end of year	<u>10,774</u>	<u>14,668</u>

¹ The net realized gain and change in unrealized loss include the following exchange losses:

- (6)



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

PRIVATE PLACEMENT FUND 1996

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(2,087)	24,056
Items not affecting cash:		
Net realized gain	(1,541)	(27,877)
Change in unrealized loss	<u>3,530</u>	<u>3,748</u>
	(98)	(73)
Changes in non-cash operating accounts:		
bclMC funds management fees payable	1	2
Accounts payable	<u>-</u>	<u>5</u>
	<u>(97)</u>	<u>(66)</u>
Cash flows from investing activities		
Proceeds from sale of investments	1,971	40,035
Purchase of investments	<u>(67)</u>	<u>(68)</u>
	<u>1,904</u>	<u>39,967</u>
Cash flows from financing activities		
Proceeds from units issued	66	-
Amounts paid for units redeemed	<u>(1,873)</u>	<u>(39,901)</u>
	<u>(1,807)</u>	<u>(39,901)</u>
Net increase in cash	-	-
Cash, beginning of year	<u>-</u>	<u>-</u>
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	<u>10,719</u>	<u>1,489</u>	<u>14,557</u>	<u>1,796</u>
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio				
Fund ST1	13	13	95	95
Fund ST3	<u>67</u>	<u>66</u>	<u>40</u>	<u>40</u>
	<u>80</u>	<u>79</u>	<u>135</u>	<u>135</u>
Total Investments	<u>10,799</u>	<u>1,568</u>	<u>14,692</u>	<u>1,931</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the Private Placement Fund 1996.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and fund of fund investment portfolios and include shares, bonds, and other securities of investees. The investments are concentrated in Canada and the United States. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated net assets which resulted in exposure to the following currencies:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
British Pound Sterling	633	10.7%	2,175	23.4%
United States Dollar	5,259	89.3%	7,125	76.6%
Net Exposure	5,892	100.0%	9,300	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$58,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
British Pound Sterling	107	19.7%	118	25.1%
United States Dollar	437	80.3%	352	74.9%
	544	100.0%	470	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$5,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

PRIVATE PLACEMENT FUND 1997

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	84,189	134,463
Liabilities		
bclMC funds management fees payable (note 7)	27	27
Accounts payable	18	18
	<u>45</u>	<u>45</u>
Net assets representing unitholders' equity	<u>84,144</u>	<u>134,418</u>
Number of units outstanding (note 8)	48.197	63.936
Net asset value per unit	<u>1,746</u>	<u>2,102</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	2	4
Expenses (note 7):		
bclMC funds management fees	330	308
Administrative and professional fees	11	16
	<u>341</u>	<u>324</u>
Net investment loss	(339)	(320)
Realized and unrealized gains (losses):		
Net realized gain	5,659	374
Change in unrealized gain (loss)	(25,520)	10,083
	<u>(19,861)</u>	<u>10,457</u>
Net income (loss) from operations	(20,200)	10,137
Capital Transactions:		
Proceeds from units issued	572	300
Amounts paid for units redeemed	(30,646)	(44,231)
	<u>(30,074)</u>	<u>(43,931)</u>
Decrease in net assets	(50,274)	(33,794)
Net assets, beginning of year	134,418	168,212
Net Assets, end of year	<u>84,144</u>	<u>134,418</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

PRIVATE PLACEMENT FUND 1997

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(20,200)	10,137
Items not affecting cash:		
Net realized gain	(5,659)	(374)
Change in unrealized loss (gain)	<u>25,520</u>	<u>(10,083)</u>
	(339)	(320)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	-	10
Accounts payable	-	5
	<u>(339)</u>	<u>(305)</u>
Cash flows from investing activities		
Proceeds from sale of investments	31,298	44,550
Purchase of investments	<u>(885)</u>	<u>(314)</u>
	<u>30,413</u>	<u>44,236</u>
Cash flows from financing activities		
Proceeds from units issued	572	300
Amounts paid for units redeemed	<u>(30,646)</u>	<u>(44,231)</u>
	<u>(30,074)</u>	<u>(43,931)</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	<u>81,878</u>	<u>73,529</u>	<u>125,283</u>	<u>91,274</u>
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	91	90	152	152
Fund ST3	<u>2,220</u>	<u>2,215</u>	<u>9,028</u>	<u>9,163</u>
	<u>2,311</u>	<u>2,305</u>	<u>9,180</u>	<u>9,315</u>
Total Investments	<u>84,189</u>	<u>75,834</u>	<u>134,463</u>	<u>100,589</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the Private Placement Fund 1997.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and fund of fund investment portfolios and include shares, bonds, and other securities of investees. The investments are concentrated in Europe, and Latin America, Asia and other emerging markets. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated net assets which resulted in exposure to the following currencies:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
British Pound Sterling	93	0.1%	232	0.2%
Euro	4,995	6.4%	8,689	7.0%
United States Dollar	73,123	93.5%	114,805	92.8%
Net Exposure	78,211	100.0%	123,726	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$782,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
British Pound Sterling	2,122	8.7%	2,349	10.5%
Euro	(494)	(2.0%)	-	-
United States Dollar	22,645	93.3%	19,945	89.5%
	24,273	100.0%	22,294	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$242,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

PRIVATE PLACEMENT FUND 1998

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	72,933	100,240
Liabilities		
bclMC funds management fees payable (note 7)	18	19
Accounts payable	17	18
	<u>35</u>	<u>37</u>
Net assets representing unitholders' equity	<u>72,898</u>	<u>100,203</u>
Number of units outstanding (note 8)	51,245	61,473
Net asset value per unit	<u>1,423</u>	<u>1,630</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	1	8
Expenses (note 7):		
bclMC funds management fees	211	238
Administrative and professional fees	11	16
	<u>222</u>	<u>254</u>
Net investment loss	(221)	(246)
Realized and unrealized gains (losses):		
Net realized gain	3,857 ¹	9,192 ¹
Change in unrealized loss	<u>(14,729)¹</u>	<u>(10,618)¹</u>
	<u>(10,872)</u>	<u>(1,426)</u>
Net loss from operations	(11,093)	(1,672)
Capital Transactions:		
Proceeds from units issued	892	2,488
Amounts paid for units redeemed	<u>(17,104)</u>	<u>(60,566)</u>
	<u>(16,212)</u>	<u>(58,078)</u>
Decrease in net assets	(27,305)	(59,750)
Net assets, beginning of year	<u>100,203</u>	<u>159,953</u>
Net Assets, end of year	<u>72,898</u>	<u>100,203</u>

¹ The net realized gain and change in unrealized loss include the following exchange losses:

- (16)

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

PRIVATE PLACEMENT FUND 1998

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(11,093)	(1,672)
Items not affecting cash:		
Net realized gain	(3,857)	(9,192)
Change in unrealized loss	<u>14,729</u>	<u>10,618</u>
	(221)	(246)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(1)	2
Accounts payable	<u>(1)</u>	<u>5</u>
	<u>(223)</u>	<u>(239)</u>
Cash flows from investing activities		
Proceeds from sale of investments	17,426	60,903
Purchase of investments	<u>(991)</u>	<u>(2,586)</u>
	<u>16,435</u>	<u>58,317</u>
Cash flows from financing activities		
Proceeds from units issued	892	2,488
Amounts paid for units redeemed	<u>(17,104)</u>	<u>(60,566)</u>
	<u>(16,212)</u>	<u>(58,078)</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	<u>72,678</u>	<u>63,170</u>	<u>99,886</u>	<u>75,638</u>
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	195	196	307	307
Fund ST3	<u>60</u>	<u>65</u>	<u>47</u>	<u>64</u>
	<u>255</u>	<u>261</u>	<u>354</u>	<u>371</u>
Total Investments	<u>72,933</u>	<u>63,431</u>	<u>100,240</u>	<u>76,009</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the Private Placement Fund 1998.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and fund of fund investment portfolios and include shares, bonds, and other securities of investees. The investments are concentrated in Canada, Europe and the United States. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclIMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated net assets which resulted in exposure to the following currencies:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
British Pound Sterling	3,874	15.2%	8,649	25.1%
United States Dollar	21,541	84.8%	25,767	74.9%
Net Exposure	25,415	100.0%	34,416	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$254,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
British Pound Sterling	4,438	57.6%	4,913	63.6%
United States Dollar	3,265	42.4%	2,807	36.4%
	7,703	100.0%	7,720	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$77,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

PRIVATE PLACEMENT FUND 1999

**Statement of Net Assets
as at December 31
(in \$000s except number of units outstanding)**

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	129,798	150,274
Liabilities		
bclMC funds management fees payable (note 7)	22	23
Accounts payable	18	18
	<u>40</u>	<u>41</u>
Net assets representing unitholders' equity	<u>129,758</u>	<u>150,233</u>
Number of units outstanding (note 8)	157,394	194,501
Net asset value per unit	<u>824</u>	<u>772</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**Statement of Operations and Changes in Net Assets
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Investment Income	2	3
Expenses (note 7):		
bclMC funds management fees	271	273
Administrative and professional fees	11	16
	<u>282</u>	<u>289</u>
Net investment loss	(280)	(286)
Realized and unrealized gains (losses):		
Net realized loss	(9,320) ¹	(11,324) ¹
Change in unrealized gain	16,504 ¹	10,543 ¹
	<u>7,184</u>	<u>(781)</u>
Net income (loss) from operations	6,904	(1,067)
Capital Transactions:		
Proceeds from units issued	1,460	522
Amounts paid for units redeemed	(28,839)	(24,402)
	<u>(27,379)</u>	<u>(23,880)</u>
Decrease in net assets	(20,475)	(24,947)
Net assets, beginning of year	150,233	175,180
Net Assets, end of year	<u>129,758</u>	<u>150,233</u>

¹ The net realized loss and change in unrealized gain include the following exchange losses:

- (6)

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

PRIVATE PLACEMENT FUND 1999

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	6,904	(1,067)
Items not affecting cash:		
Net realized loss	9,320	11,324
Change in unrealized gain	<u>(16,504)</u>	<u>(10,543)</u>
	(280)	(286)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(1)	6
Accounts payable	-	5
	<u>(281)</u>	<u>(275)</u>
Cash flows from investing activities		
Proceeds from sale of investments	29,289	24,700
Purchase of investments	<u>(1,629)</u>	<u>(545)</u>
	<u>27,660</u>	<u>24,155</u>
Cash flows from financing activities		
Proceeds from units issued	1,460	522
Amounts paid for units redeemed	<u>(28,839)</u>	<u>(24,402)</u>
	<u>(27,379)</u>	<u>(23,880)</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	<u>129,200</u>	<u>153,516</u>	<u>148,759</u>	<u>189,572</u>
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	220	220	73	74
Fund ST3	<u>378</u>	<u>374</u>	<u>1,442</u>	<u>1,443</u>
	<u>598</u>	<u>594</u>	<u>1,515</u>	<u>1,517</u>
Total Investments	<u>129,798</u>	<u>154,110</u>	<u>150,274</u>	<u>191,089</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the Private Placement Fund 1999.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and fund of fund investment portfolios and include shares, bonds, and other securities of investees. The investments are concentrated in Canada, the United States and Asia. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclIMC does not believe this information would be meaningful.

Currency Risk

The Fund holds net assets denominated in U.S. currency totalling \$120,341,000 Cdn (2007 - \$138,831,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/ increased by \$1,203,000. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

The Fund has future unfunded commitments denominated in U.S. currency totalling \$23,846,000 Cdn (2007 - \$22,304,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$238,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

PRIVATE PLACEMENT FUND 1999A

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	27,152	32,944
Liabilities		
bclMC funds management fees payable (note 7)	7	10
Accounts payable	17	17
	<u>24</u>	<u>27</u>
Net assets representing unitholders' equity	<u>27,128</u>	<u>32,917</u>
Number of units outstanding (note 8)	16.070	17.699
Net asset value per unit	<u>1,688</u>	<u>1,860</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	1	4
Expenses (note 7):		
bclMC funds management fees	93	99
Administrative and professional fees	11	16
	<u>104</u>	<u>115</u>
Net investment loss	(103)	(111)
Realized and unrealized gains (losses):		
Net realized gain	740 ¹	2,501 ¹
Change in unrealized loss	<u>(2,978)¹</u>	<u>(11,323)¹</u>
	<u>(2,238)</u>	<u>(8,822)</u>
Net loss from operations	(2,341)	(8,933)
Capital Transactions:		
Proceeds from units issued	739	626
Amounts paid for units redeemed	<u>(4,187)</u>	<u>(15,398)</u>
	<u>(3,448)</u>	<u>(14,772)</u>
Decrease in net assets	(5,789)	(23,705)
Net assets, beginning of year	<u>32,917</u>	<u>56,622</u>
Net Assets, end of year	<u>27,128</u>	<u>32,917</u>

¹ The net realized gain and change in unrealized loss include the following exchange losses:

- (8)

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

PRIVATE PLACEMENT FUND 1999A

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(2,341)	(8,933)
Items not affecting cash:		
Net realized gain	(740)	(2,501)
Change in unrealized loss	<u>2,978</u>	<u>11,323</u>
	(103)	(111)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(3)	4
Accounts payable	<u>-</u>	<u>4</u>
	<u>(106)</u>	<u>(103)</u>
Cash flows from investing activities		
Proceeds from sale of investments	4,322	15,575
Purchase of investments	<u>(768)</u>	<u>(700)</u>
	<u>3,554</u>	<u>14,875</u>
Cash flows from financing activities		
Proceeds from units issued	739	626
Amounts paid for units redeemed	<u>(4,187)</u>	<u>(15,398)</u>
	<u>(3,448)</u>	<u>(14,772)</u>
Net increase in cash	-	-
Cash, beginning of year	<u>-</u>	<u>-</u>
Cash, end of year	<u><u>-</u></u>	<u><u>-</u></u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	<u>26,958</u>	<u>27,877</u>	<u>30,617</u>	<u>28,508</u>
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	126	126	156	156
Fund ST3	<u>68</u>	<u>58</u>	<u>2,171</u>	<u>2,211</u>
	<u>194</u>	<u>184</u>	<u>2,327</u>	<u>2,367</u>
Total Investments	<u><u>27,152</u></u>	<u><u>28,061</u></u>	<u><u>32,944</u></u>	<u><u>30,875</u></u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the Private Placement Fund 1999A.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and include shares, bonds, and other securities of investees. The investments are concentrated in Canada, Europe and the United States. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclIMC does not believe this information would be meaningful.

Currency Risk

The Fund holds net assets denominated in U.S. currency totalling \$16,509,000 Cdn (2007 - \$23,486,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/ increased by \$165,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

The Fund has future unfunded commitments denominated in U.S. currency totalling \$2,157,000 Cdn (2007 - \$1,839,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$22,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2000 PRIVATE PLACEMENT FUND

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	139,921	190,467
Liabilities		
bclMC funds management fees payable (note 7)	25	29
Accounts payable	17	17
	<u>42</u>	<u>46</u>
Net assets representing unitholders' equity	<u>139,879</u>	<u>190,421</u>
Number of units outstanding (note 8)	121.016	133.077
Net asset value per unit	<u>1,156</u>	<u>1,431</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	2	7
Expenses (note 7):		
bclMC funds management fees	308	335
Administrative and professional fees	11	16
	<u>319</u>	<u>351</u>
Net investment loss	(317)	(344)
Realized and unrealized gains (losses):		
Net realized gain	7,209 ¹	4,193 ¹
Change in unrealized gain (loss)	(40,380) ¹	42,477 ¹
	<u>(33,171)</u>	<u>46,670</u>
Net income (loss) from operations	(33,488)	46,326
Capital Transactions:		
Proceeds from units issued	1,848	530
Amounts paid for units redeemed	(18,902)	(51,165)
	<u>(17,054)</u>	<u>(50,635)</u>
Increase (decrease) in net assets	(50,542)	(4,309)
Net assets, beginning of year	190,421	194,730
Net Assets, end of year	<u>139,879</u>	<u>190,421</u>

¹ The net realized gain and change in unrealized gain (loss) include the following exchange losses:

- (14)

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2000 PRIVATE PLACEMENT FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(33,488)	46,326
Items not affecting cash:		
Net realized gain	(7,209)	(4,193)
Change in unrealized loss (gain)	<u>40,380</u>	<u>(42,477)</u>
	(317)	(344)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(4)	9
Accounts payable	-	4
	<u>(321)</u>	<u>(331)</u>
Cash flows from investing activities		
Proceeds from sale of investments	19,344	51,576
Purchase of investments	<u>(1,969)</u>	<u>(610)</u>
	<u>17,375</u>	<u>50,966</u>
Cash flows from financing activities		
Proceeds from units issued	1,848	530
Amounts paid for units redeemed	<u>(18,902)</u>	<u>(51,165)</u>
	<u>(17,054)</u>	<u>(50,635)</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	<u>139,287</u>	<u>106,297</u>	<u>187,686</u>	<u>114,313</u>
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	183	183	748	748
Fund ST3	<u>451</u>	<u>447</u>	<u>2,033</u>	<u>2,032</u>
	<u>634</u>	<u>630</u>	<u>2,781</u>	<u>2,780</u>
Total Investments	<u>139,921</u>	<u>106,927</u>	<u>190,467</u>	<u>117,093</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2000 Private Placement Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and fund of fund investment portfolios and include shares, bonds, and other securities of investees. The investments are concentrated in Canada, Europe, Asia, and the United States. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bciMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated net assets which resulted in exposure to the following currencies:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	35,895	32.6%	45,939	31.0%
United States Dollar	74,148	67.4%	102,536	69.1%
Net Exposure	110,043	100.0%	148,475	100.1%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$1,100,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

The Fund has future unfunded commitments denominated in U.S. currency totalling \$8,225,000 Cdn(2007 - \$8,904,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$82,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2001 PRIVATE PLACEMENT FUND

**Statement of Net Assets
as at December 31
(in \$000s except number of units outstanding)**

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	66,374	88,076
Liabilities		
bclMC funds management fees payable (note 7)	10	10
Accounts payable	17	17
	<u>27</u>	<u>27</u>
Net assets representing unitholders' equity	<u>66,347</u>	<u>88,049</u>
Number of units outstanding (note 8)	30,532	35,214
Net asset value per unit	<u>2,173</u>	<u>2,500</u>

**Statement of Operations and Changes in Net Assets
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Investment Income	1	1
Expenses (note 7):		
bclMC funds management fees	118	113
Administrative and professional fees	11	16
	<u>129</u>	<u>129</u>
Net investment loss	(128)	(128)
Realized and unrealized gains (losses):		
Net realized gain	8,598 ¹	14,979 ¹
Change in unrealized loss	<u>(18,080)¹</u>	<u>(1,458)¹</u>
	<u>(9,482)</u>	<u>13,521</u>
Net income (loss) from operations	(9,610)	13,393
Capital Transactions:		
Proceeds from units issued	1,198	125
Amounts paid for units redeemed	<u>(13,290)</u>	<u>(31,398)</u>
	<u>(12,092)</u>	<u>(31,273)</u>
Decrease in net assets	(21,702)	(17,880)
Net assets, beginning of year	<u>88,049</u>	<u>105,929</u>
Net Assets, end of year	<u>66,347</u>	<u>88,049</u>

¹ The net realized gain and change in unrealized loss include the following exchange losses: - (1)



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2001 PRIVATE PLACEMENT FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(9,610)	13,393
Items not affecting cash:		
Net realized gain	(8,598)	(14,979)
Change in unrealized loss	18,080	1,458
	<u>(128)</u>	<u>(128)</u>
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	-	4
Accounts payable	-	4
	<u>(128)</u>	<u>(120)</u>
Cash flows from investing activities		
Proceeds from sale of investments	13,495	31,516
Purchase of investments	(1,275)	(123)
	<u>12,220</u>	<u>31,393</u>
Cash flows from financing activities		
Proceeds from units issued	1,198	125
Amounts paid for units redeemed	(13,290)	(31,398)
	<u>(12,092)</u>	<u>(31,273)</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	62,941	25,123	86,542	30,650
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	17	17	84	84
Fund ST3	3,416	3,408	1,450	1,436
	<u>3,433</u>	<u>3,425</u>	<u>1,534</u>	<u>1,520</u>
Total Investments	<u>66,374</u>	<u>28,548</u>	<u>88,076</u>	<u>32,170</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2001 Private Placement Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and fund of fund investment portfolios and include shares, bonds, and other securities of investees. The investments are concentrated in Europe, and Latin America, Asia, and other emerging markets. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

The Fund holds net assets denominated in U.S. currency totalling \$66,357,000 Cdn (2007 - \$87,993,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/ increased by \$664,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

The Fund has future unfunded commitments denominated in U.S. currency totalling \$14,003,000 Cdn (2007 - \$20,252,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$140,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2002 PRIVATE PLACEMENT FUND

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	95,738	145,425
Liabilities		
bclMC funds management fees payable (note 7)	16	16
Accounts payable	17	17
	<u>33</u>	<u>33</u>
Net assets representing unitholders' equity	<u>95,705</u>	<u>145,392</u>
Number of units outstanding (note 8)	72,294	72,196
Net asset value per unit	<u>1,324</u>	<u>2,014</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	1	1
Expenses (note 7):		
bclMC funds management fees	200	156
Administrative and professional fees	11	17
	<u>211</u>	<u>173</u>
Net investment loss	(210)	(172)
Realized and unrealized gains (losses):		
Net realized gain	3,196	13,670
Change in unrealized loss	<u>(52,593)</u>	<u>(7,295)</u>
	<u>(49,397)</u>	<u>6,375</u>
Net income (loss) from operations	(49,607)	6,203
Capital Transactions:		
Proceeds from units issued	8,290	19,587
Amounts paid for units redeemed	<u>(8,370)</u>	<u>(44,139)</u>
	<u>(80)</u>	<u>(24,552)</u>
Decrease in net assets	(49,687)	(18,349)
Net assets, beginning of year	<u>145,392</u>	<u>163,741</u>
Net Assets, end of year	<u>95,705</u>	<u>145,392</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2002 PRIVATE PLACEMENT FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(49,607)	6,203
Items not affecting cash:		
Net realized gain	(3,196)	(13,670)
Change in unrealized loss	<u>52,593</u>	<u>7,295</u>
	(210)	(172)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	-	8
Accounts payable	-	4
	<u>(210)</u>	<u>(160)</u>
Cash flows from investing activities		
Proceeds from sale of investments	8,581	44,275
Purchase of investments	<u>(8,291)</u>	<u>(19,563)</u>
	290	24,712
Cash flows from financing activities		
Proceeds from units issued	8,290	19,587
Amounts paid for units redeemed	<u>(8,370)</u>	<u>(44,139)</u>
	(80)	(24,552)
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	<u>95,642</u>	<u>94,087</u>	<u>144,281</u>	<u>90,126</u>
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	28	28	597	597
Fund ST3	<u>68</u>	<u>67</u>	<u>547</u>	<u>553</u>
	96	95	1,144	1,150
Total Investments	<u>95,738</u>	<u>94,182</u>	<u>145,425</u>	<u>91,276</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2002 Private Placement Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and fund of fund investment portfolios and include shares, bonds, and other securities of investees. The investments are concentrated in Canada, Europe and the United States. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bciMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated net assets which resulted in exposure to the following currencies:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	14,257	21.6%	30,606	32.4%
United States Dollar	51,635	78.4%	63,872	67.6%
Net Exposure	65,892	100.0%	94,478	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$659,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	17,293	30.9%	16,155	28.7%
United States Dollar	38,595	69.1%	40,133	71.3%
	55,888	100.0%	56,288	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$559,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2003 PRIVATE PLACEMENT FUND

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	130,855	138,263
Liabilities		
bclMC funds management fees payable (note 7)	18	16
Accounts payable	17	17
	<u>35</u>	<u>33</u>
Net assets representing unitholders' equity	<u>130,820</u>	<u>138,230</u>
Number of units outstanding (note 8)	179,056	182,311
Net asset value per unit	<u>731</u>	<u>758</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	1	1
Expenses (note 7):		
bclMC funds management fees	219	175
Administrative and professional fees	11	16
	<u>230</u>	<u>191</u>
Net investment loss	(229)	(190)
Realized and unrealized gains:		
Net realized gain	4,932	3,989
Change in unrealized gain (loss)	(8,835)	5,490
	<u>(3,903)</u>	<u>9,479</u>
Net income (loss) from operations	(4,132)	9,289
Capital Transactions:		
Proceeds from units issued	19,474	20,600
Amounts paid for units redeemed	(22,752)	(28,581)
	<u>(3,278)</u>	<u>(7,981)</u>
Increase (decrease) in net assets	(7,410)	1,308
Net assets, beginning of year	138,230	136,922
Net Assets, end of year	<u>130,820</u>	<u>138,230</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2003 PRIVATE PLACEMENT FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(4,132)	9,289
Items not affecting cash:		
Net realized gain	(4,932)	(3,989)
Change in unrealized loss (gain)	<u>8,835</u>	<u>(5,490)</u>
	(229)	(190)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	2	7
Accounts payable	-	4
	<u>(227)</u>	<u>(179)</u>
Cash flows from investing activities		
Proceeds from sale of investments	23,127	28,737
Purchase of investments	<u>(19,622)</u>	<u>(20,577)</u>
	3,505	8,160
Cash flows from financing activities		
Proceeds from units issued	19,474	20,600
Amounts paid for units redeemed	<u>(22,752)</u>	<u>(28,581)</u>
	<u>(3,278)</u>	<u>(7,981)</u>
Net increase (decrease) in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	<u>129,612</u>	<u>105,893</u>	<u>137,688</u>	<u>105,123</u>
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	1,036	1,036	214	214
Fund ST3	<u>207</u>	<u>197</u>	<u>361</u>	<u>362</u>
	<u>1,243</u>	<u>1,233</u>	<u>575</u>	<u>576</u>
Total Investments	<u>130,855</u>	<u>107,126</u>	<u>138,263</u>	<u>105,699</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2003 Private Placement Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and include shares, bonds, and other securities of investees. The investments are concentrated in Canada, the United States and Europe. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclIMC does not believe this information would be meaningful.

Currency Risk

The Fund holds net assets denominated in U.S. currency totalling \$29,631,000 Cdn (2007 - \$35,352,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/ increased by \$296,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

The Fund has future unfunded commitments denominated in U.S. currency totalling \$8,211,000 Cdn (2007 - \$8,403,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$82,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS

2003A PRIVATE PLACEMENT FUND

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	51,466	49,669
Liabilities		
bclMC funds management fees payable (note 7)	2	2
Accounts payable	17	17
	<u>19</u>	<u>19</u>
Net assets representing unitholders' equity	<u>51,447</u>	<u>49,650</u>
Number of units outstanding (note 8)	11.100	11.868
Net asset value per unit	<u>4,635</u>	<u>4,184</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	-	-
Expenses (note 7):		
bclMC funds management fees	27	23
Administrative and professional fees	11	19
	<u>38</u>	<u>42</u>
Net investment loss	(38)	(42)
Realized and unrealized gains:		
Net realized gain	1,371	183
Change in unrealized gain	3,681	5,074
	<u>5,052</u>	<u>5,257</u>
Net income from operations	5,014	5,215
Capital Transactions:		
Proceeds from units issued	30	23,650
Amounts paid for units redeemed	(3,247)	(515)
	<u>(3,217)</u>	<u>23,135</u>
Increase in net assets	1,797	28,350
Net assets, beginning of year	49,650	21,300
Net Assets, end of year	<u>51,447</u>	<u>49,650</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2003A PRIVATE PLACEMENT FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income from operations	5,014	5,215
Items not affecting cash:		
Net realized gain	(1,371)	(183)
Change in unrealized gain	(3,681)	(5,074)
	(38)	(42)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	-	(2)
Accounts payable	-	4
	(38)	(40)
Cash flows from investing activities		
Proceeds from sale of investments	3,300	550
Purchase of investments	(45)	(23,645)
	3,255	(23,095)
Cash flows from financing activities		
Proceeds from units issued	30	23,650
Amounts paid for units redeemed	(3,247)	(515)
	(3,217)	23,135
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	-	-

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	51,452	26,904	49,612	28,744
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio Fund ST1	14	13	57	57
Total Investments	<u>51,466</u>	<u>26,917</u>	<u>49,669</u>	<u>28,801</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2003A Private Placement Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and include shares, bonds, and other securities of investees. The investments are concentrated in Canada and the United States. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

The Fund is not exposed to significant currency risk since all cash and investments are denominated in Canadian dollars.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2004 PRIVATE PLACEMENT FUND

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2008</u>
Assets		
Investments at fair value	147,692	189,334
Liabilities		
bclMC funds management fees payable (note 7)	23	22
Accounts payable	18	16
	<u>41</u>	<u>38</u>
Net assets representing unitholders' equity	<u>147,651</u>	<u>189,296</u>
Number of units outstanding (note 8)	141.104	168.032
Net asset value per unit	<u>1,046</u>	<u>1,127</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	1	1
Expenses (note 7):		
bclMC funds management fees	279	219
Administrative and professional fees	11	16
	<u>290</u>	<u>235</u>
Net investment loss	(289)	(234)
Realized and unrealized gains (losses):		
Net realized gain	8,954	13,624
Change in unrealized loss	<u>(25,039)</u>	<u>(14,596)</u>
	<u>(16,085)</u>	<u>(972)</u>
Net loss from operations	(16,374)	(1,206)
Capital Transactions:		
Proceeds from units issued	17,888	31,966
Amounts paid for units redeemed	<u>(43,159)</u>	<u>(58,661)</u>
	<u>(25,271)</u>	<u>(26,695)</u>
Decrease in net assets	(41,645)	(27,901)
Net assets, beginning of year	<u>189,296</u>	<u>217,197</u>
Net Assets, end of year	<u>147,651</u>	<u>189,296</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2004 PRIVATE PLACEMENT FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(16,374)	(1,206)
Items not affecting cash:		
Net realized gain	(8,954)	(13,624)
Change in unrealized loss	<u>25,039</u>	<u>14,596</u>
	(289)	(234)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	1	9
Accounts payable	<u>2</u>	<u>3</u>
	<u>(286)</u>	<u>(222)</u>
Cash flows from investing activities		
Proceeds from sale of investments	43,447	58,852
Purchase of investments	<u>(17,890)</u>	<u>(31,935)</u>
	<u>25,557</u>	<u>26,917</u>
Cash flows from financing activities		
Proceeds from units issued	17,888	31,966
Amounts paid for units redeemed	<u>(43,159)</u>	<u>(58,661)</u>
	<u>(25,271)</u>	<u>(26,695)</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	<u>147,154</u>	<u>128,625</u>	<u>188,812</u>	<u>145,211</u>
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	96	96	358	358
Fund ST3	<u>442</u>	<u>409</u>	<u>164</u>	<u>165</u>
	<u>538</u>	<u>505</u>	<u>522</u>	<u>523</u>
Total Investments	<u>147,692</u>	<u>129,130</u>	<u>189,334</u>	<u>145,734</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2004 Private Placement Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and include shares, bonds, and other securities of investees. The other investments include common shares in private companies. The investments are concentrated in Canada, Europe, Asia, and the United States. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated net assets which resulted in exposure to the following currencies:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	24,039	24.6%	22,734	15.0%
Japanese Yen	4,472	4.6%	6,809	4.5%
United States Dollar	69,065	70.8%	121,653	80.5%
Net Exposure	97,576	100.0%	151,196	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$976,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	57	0.2%	2,907	8.2%
Japanese Yen	17,269	49.0%	10,577	29.8%
United States Dollar	17,944	50.8%	22,022	62.0%
	35,270	100.0%	35,506	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$353,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS

2005 PRIVATE PLACEMENT FUND

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	453,225	410,162
Liabilities		
bclMC funds management fees payable (note 7)	30	25
Accounts payable	17	17
	<u>47</u>	<u>42</u>
Net assets representing unitholders' equity	<u>453,178</u>	<u>410,120</u>
Number of units outstanding (note 8)	1,263.964	1,000.881
Net asset value per unit	<u>359</u>	<u>410</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	2	1
Expenses (note 7):		
bclMC funds management fees	361	250
External management fees	500	195
Administrative and professional fees	11	17
	<u>872</u>	<u>462</u>
Net investment loss	(870)	(461)
Realized and unrealized gains:		
Net realized gain	2,625	1,439
Change in unrealized gain (loss)	(62,658)	47,790
	<u>(60,033)</u>	<u>49,229</u>
Net income (loss) from operations	(60,903)	48,768
Capital Transactions:		
Proceeds from units issued	121,082	172,894
Amounts paid for units redeemed	(17,121)	(35,185)
	<u>103,961</u>	<u>137,709</u>
Increase in net assets	43,058	186,477
Net assets, beginning of year	410,120	223,643
Net Assets, end of year	<u>453,178</u>	<u>410,120</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2005 PRIVATE PLACEMENT FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(60,903)	48,768
Items not affecting cash:		
Net realized gain	(2,625)	(1,439)
Change in unrealized loss (gain)	<u>62,658</u>	<u>(47,790)</u>
	(870)	(461)
Changes in non-cash operating accounts:		
bclMC funds management fees payable	5	12
Accounts payable	-	4
	<u>(865)</u>	<u>(445)</u>
Cash flows from investing activities		
Proceeds from sale of investments	21,738	35,969
Purchase of investments	<u>(124,834)</u>	<u>(173,233)</u>
	<u>(103,096)</u>	<u>(137,264)</u>
Cash flows from financing activities		
Proceeds from units issued	121,082	172,894
Amounts paid for units redeemed	<u>(17,121)</u>	<u>(35,185)</u>
	<u>103,961</u>	<u>137,709</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	<u>452,798</u>	<u>433,169</u>	<u>405,415</u>	<u>323,054</u>
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio				
Fund ST1	309	309	1,914	1,914
Fund ST3	<u>118</u>	<u>104</u>	<u>2,833</u>	<u>2,893</u>
	<u>427</u>	<u>413</u>	<u>4,747</u>	<u>4,807</u>
Total Investments	<u>453,225</u>	<u>433,582</u>	<u>410,162</u>	<u>327,861</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2005 Private Placement Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and fund of fund investment portfolios and include shares, bonds, and other securities of investees. The investments are concentrated in Canada, Europe, the United States, and Asia, Latin America, and other emerging markets. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated investments which resulted in exposure to the following currencies:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	87,480	20.0%	65,048	15.9%
United States Dollar	349,072	80.0%	343,278	84.1%
Net Exposure	436,552	100.0%	408,326	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$4,366,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	71,625	37.2%	94,669	29.9%
United States Dollar	120,791	62.8%	222,134	70.1%
	192,416	100.0%	316,803	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$1,924,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2006 PRIVATE PLACEMENT FUND

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	393,356	316,205
Liabilities		
Unrealized losses on foreign currency contracts (Schedule One)	653	-
bclIMC funds management fees payable (note 7)	31	24
Accounts payable	17	17
	<u>701</u>	<u>41</u>
Net assets representing unitholders' equity	<u>392,655</u>	<u>316,164</u>
Number of units outstanding (note 8)	493,328	357,318
Net asset value per unit	<u>796</u>	<u>885</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	2	1
Expenses (note 7):		
bclIMC funds management fees	364	210
Administrative and professional fees	25	91
	<u>389</u>	<u>301</u>
Net investment loss	(387)	(300)
Realized and unrealized losses:		
Net realized gain (loss)	49 ¹	(563) ¹
Change in unrealized loss	(48,240) ¹	(11,773) ¹
	<u>(48,191)</u>	<u>(12,336)</u>
Net loss from operations	(48,578)	(12,636)
Capital Transactions:		
Proceeds from units issued	127,370	298,098
Amounts paid for units redeemed	(2,301)	(5,959)
	<u>125,069</u>	<u>292,139</u>
Increase in net assets	76,491	279,503
Net assets, beginning of year	<u>316,164</u>	<u>36,661</u>
Net Assets, end of year	<u>392,655</u>	<u>316,164</u>

¹ The net realized gain (loss) and change in unrealized loss include the following exchange losses:

(1,768)	-
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**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2006 PRIVATE PLACEMENT FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(48,578)	(12,636)
Items not affecting cash:		
Net realized loss (gain)	(49)	563
Change in unrealized loss	48,240	11,773
	<u>(387)</u>	<u>(300)</u>
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	7	10
Accounts payable	-	7
	<u>(380)</u>	<u>(283)</u>
Cash flows from investing activities		
Proceeds from sale of investments	2,751	6,159
Purchase of investments	(127,440)	(298,015)
	<u>(124,689)</u>	<u>(291,856)</u>
Cash flows from financing activities		
Proceeds from units issued	127,370	298,098
Amounts paid for units redeemed	(2,301)	(5,959)
	<u>125,069</u>	<u>292,139</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	391,885	455,838	312,987	329,370
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	425	424	426	426
Fund ST3	1,046	1,042	2,792	2,770
	<u>1,471</u>	<u>1,466</u>	<u>3,218</u>	<u>3,196</u>
Investments	<u>393,356</u>	<u>457,304</u>	<u>316,205</u>	<u>332,566</u>

**Schedule One - Foreign Currency Contracts
as at December 31**

<u>Date</u>	<u>Number of Contracts</u>	<u>Expiry Dates</u>	<u>Notional Value (\$000s)</u>	<u>Unrealized Loss (\$000s)</u>
2008	1	December 2009	42,596	(653)

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2006 Private Placement Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and fund of fund investment portfolios and include shares, bonds, and other securities of investees. The investments are concentrated in Canada, Europe, the United States, and Asia and other emerging markets. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated net assets which resulted in exposure to the following currencies:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	129,975	36.3%	108,381	39.1%
United States Dollar	227,712	63.7%	168,729	60.9%
Net Exposure	357,687	100.0%	277,110	100.0%

Foreign currency contracts may be used to hedge exposure to foreign currencies. The above figures for net exposure take into account the hedging provided by the foreign currency contracts.

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$3,577,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	142,337	44.3%	168,784	42.1%
United States Dollar	178,982	55.7%	232,355	57.9%
	321,319	100.0%	401,139	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$3,213,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2007 PRIVATE PLACEMENT FUND

**Statement of Net Assets
as at December 31
(in \$000s except number of units outstanding)**

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	<u>371,937</u>	<u>247,946</u>
Liabilities		
bclMC funds management fees payable (note 7)	46	37
Accounts payable	<u>17</u>	<u>12</u>
	<u>63</u>	<u>49</u>
Net assets representing unitholders' equity	<u><u>371,874</u></u>	<u><u>247,897</u></u>
Number of units outstanding (note 8)	557,789	314,227
Net asset value per unit	<u><u>667</u></u>	<u><u>789</u></u>

**Statement of Operations and Changes in Net Assets
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Investment Income	<u>3</u>	<u>1</u>
Expenses (note 7):		
bclMC funds management fees	559	220
Administrative and professional fees	<u>135</u>	<u>213</u>
	<u>694</u>	<u>433</u>
Net investment income	(691)	(432)
Realized and unrealized losses:		
Net realized gain (loss)	9	(1,489)
Change in unrealized loss	<u>(80,002)</u>	<u>(15,517)</u>
	<u>(79,993)</u>	<u>(17,006)</u>
Net loss from operations	(80,684)	(17,438)
Capital Transactions:		
Proceeds from units issued	207,249	279,454
Amounts paid for units redeemed	<u>(2,588)</u>	<u>(14,119)</u>
	<u>204,661</u>	<u>265,335</u>
Increase in net assets	123,977	247,897
Net assets, beginning of year	<u>247,897</u>	<u>-</u>
Net Assets, end of year	<u><u>371,874</u></u>	<u><u>247,897</u></u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2007 PRIVATE PLACEMENT FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(80,684)	(17,438)
Items not affecting cash:		
Net realized loss (gain)	(9)	1,489
Change in unrealized loss	<u>80,002</u>	<u>15,517</u>
	(691)	(432)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	9	37
Accounts payable	<u>5</u>	<u>12</u>
	<u>(677)</u>	<u>(383)</u>
Cash flows from investing activities		
Proceeds from sale of investments	3,376	15,275
Purchase of investments	<u>(207,360)</u>	<u>(280,227)</u>
	<u>(203,984)</u>	<u>(264,952)</u>
Cash flows from financing activities		
Proceeds from units issued	207,249	279,454
Amounts paid for units redeemed	<u>(2,588)</u>	<u>(14,119)</u>
	<u>204,661</u>	<u>265,335</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	<u>370,753</u>	<u>466,304</u>	<u>246,106</u>	<u>261,613</u>
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	606	606	1,616	1,615
Fund ST3	<u>578</u>	<u>547</u>	<u>224</u>	<u>235</u>
	<u>1,184</u>	<u>1,153</u>	<u>1,840</u>	<u>1,850</u>
Total Investments	<u>371,937</u>	<u>467,457</u>	<u>247,946</u>	<u>263,463</u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2007 Private Placement Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and fund of fund investment portfolios and include shares, bonds, and other securities of investees. The other investments include common shares in private companies. The investments are concentrated in Canada, the United States, Europe, and Asia, Latin America and other emerging markets. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bcIMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated net assets which resulted in exposure to the following currencies:

CURRENCY (Cdn \$'000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	34,626	13.6%	24,826	17.5%
United States Dollar	220,633	86.4%	116,856	82.5%
Net Exposure	255,259	100.0%	141,482	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$2,553,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY (Cdn \$'000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euro	97,965	15.4%	94,154	14.1%
United States Dollar	537,648	84.6%	575,382	85.9%
	635,613	100.0%	669,536	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$6,356,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS

2008 PRIVATE PLACEMENT FUND

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u> (note 1)
Assets	
Investments at fair value	<u>98,334</u>
Liabilities	
bclMC funds management fees payable (note 7)	57
Accounts payable	<u>12</u>
	<u>69</u>
Net assets representing unitholders' equity	<u><u>98,265</u></u>
Number of units outstanding (note 8)	122,131
Net asset value per unit	<u><u>805</u></u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u> (note 1)
Investment Income	<u>3</u>
Expenses (note 7):	
bclMC funds management fees	657
Administrative and professional fees	<u>83</u>
	<u>740</u>
Net investment loss	(737)
Realized and unrealized losses:	
Net realized gain	68
Change in unrealized loss	<u>(32,157)</u>
	<u>(32,089)</u>
Net loss from operations	(32,826)
Capital Transactions:	
Proceeds from units issued	131,559
Amounts paid for units redeemed	<u>(468)</u>
	<u>131,091</u>
Increase in net assets	98,265
Net assets, beginning of year	<u>-</u>
Net Assets, end of year	<u><u>98,265</u></u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

2008 PRIVATE PLACEMENT FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u> (note 1)
Cash flow provided by (used for):	
Cash flows from operating activities	
Net loss from operations	(32,826)
Items not affecting cash:	
Net realized gain	(68)
Change in unrealized loss	<u>32,157</u>
	(737)
Changes in non-cash operating accounts:	
bcIMC funds management fees payable	57
Accounts payable	<u>12</u>
	<u>(668)</u>
Cash flows from investing activities	
Proceeds from sale of investments	1,167
Purchase of investments	<u>(131,590)</u>
	<u>(130,423)</u>
Cash flows from financing activities	
Proceeds from units issued	131,559
Amounts paid for units redeemed	<u>(468)</u>
	<u>131,091</u>
Net increase in cash	-
Cash, beginning of year	<u>-</u>
Cash, end of year	<u><u>-</u></u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>
Equities:		
Private	<u>96,638</u>	<u>128,799</u>
Money Market Investments:		
Units in bcIMC Pooled Investment Portfolio		
Fund ST1	1,609	1,609
Fund ST3	<u>87</u>	<u>84</u>
	<u>1,696</u>	<u>1,693</u>
Total Investments	<u><u>98,334</u></u>	<u><u>130,492</u></u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Private Placement Program are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the 2008 Private Placement Fund .

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are held in limited partnerships and fund of fund investment portfolios and include shares, bonds, and other securities of investees. The investments are concentrated in Canada, Europe, the United States, and Asia and other emerging markets. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated net assets which resulted in exposure to the following currencies:

CURRENCY (Cdn \$000s)	2008	
	Total	% of Total
Euro	37,314	39.1%
Japanese Yen	91	0.1%
United States Dollar	58,121	60.8%
Net Exposure	95,526	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$955,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY (Cdn \$000s)	2008	
	Total	% of Total
Euro	472,271	50.9%
Japanese Yen	34,276	3.7%
United States Dollar	421,232	45.4%
	927,779	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$9,278,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

STRATEGIC INV 100 DOMESTIC PP FUND

**Statement of Net Assets
as at December 31
(in \$000s except number of units outstanding)**

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	148,607	159,199
Liabilities		
bclMC funds management fees payable (note 7)	16	16
Accounts payable	17	17
	<u>33</u>	<u>33</u>
Net assets representing unitholders' equity	<u>148,574</u>	<u>159,166</u>
Number of units outstanding (note 8)	122.177	118.343
Net asset value per unit	<u>1,216</u>	<u>1,345</u>

**Statement of Operations and Changes in Net Assets
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Investment Income	2	3
Expenses (note 7):		
bclMC funds management fees	196	199
Administrative and professional fees	1,679	49
	<u>1,875</u>	<u>248</u>
Net investment loss	(1,873)	(245)
Realized and unrealized gains (losses):		
Net realized gain	1,032	911
Change in unrealized gain (loss)	(15,149)	17,864
	<u>(14,117)</u>	<u>18,775</u>
Net income (loss) from operations	(15,990)	18,530
Capital Transactions:		
Proceeds from units issued	11,973	135
Amounts paid for units redeemed	(6,575)	(5,572)
	<u>5,398</u>	<u>(5,437)</u>
Increase (decrease) in net assets	(10,592)	13,093
Net assets, beginning of year	159,166	146,073
Net Assets, end of year	<u>148,574</u>	<u>159,166</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

STRATEGIC INV 100 DOMESTIC PP FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(15,990)	18,530
Items not affecting cash:		
Net realized gain	(1,032)	(911)
Change in unrealized loss (gain)	<u>15,149</u>	<u>(17,864)</u>
	(1,873)	(245)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	-	(2)
Accounts payable	<u>-</u>	<u>4</u>
	<u>(1,873)</u>	<u>(243)</u>
Cash flows from investing activities		
Proceeds from sale of investments	8,182	5,815
Purchase of investments	<u>(11,707)</u>	<u>(135)</u>
	<u>(3,525)</u>	<u>5,680</u>
Cash flows from financing activities		
Proceeds from units issued	11,973	135
Amounts paid for units redeemed	<u>(6,575)</u>	<u>(5,572)</u>
	<u>5,398</u>	<u>(5,437)</u>
Net increase in cash	-	-
Cash, beginning of year	<u>-</u>	<u>-</u>
Cash, end of year	<u><u>-</u></u>	<u><u>-</u></u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	97,239	86,629	110,782	93,468
Debt:				
Convertible debentures	51,232	43,696	47,935	31,956
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio Fund ST1	<u>136</u>	<u>136</u>	<u>482</u>	<u>482</u>
Total Investments	<u><u>148,607</u></u>	<u><u>130,461</u></u>	<u><u>159,199</u></u>	<u><u>125,906</u></u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Strategic Investment and Infrastructure Funds are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the Strategic Inv 100 Domestic PP Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The convertible debentures are subject to credit risk and are unrated securities. Refer to note 5 for discussion as to how credit risk is managed.

Interest Rate Risk

The Fund holds fixed-rate convertible debentures that bear interest at a rate of 5.75% per annum and variable-rate convertible debentures that bear interest at a rate of between 8% and 15% per annum based on distributable cash (currently 8%). The convertible debentures mature on the following dates:

(\$000s)	2008	
	Total	Maturity Date
Fixed-Rate Convertible Debentures	4,026	December 1, 2009**
Fixed-Rate Convertible Debentures	11,756	May 19, 2021
Variable-Rate Convertible Debentures	6,239	May 1, 2023
Variable-Rate Convertible Debentures	29,211	May 19, 2021
	51,232	

** Option to extend to December 1, 2010

(\$000s)	2007	
	Total	Maturity Date
Fixed-Rate Convertible Debentures	13,887	May 19, 2021
Variable-Rate Convertible Debentures	34,048	May 19, 2021
	47,935	

Under the terms of the Shareholders' Agreement, 62% of the amount of any interest payment on the fixed-rate convertible debentures and variable-rate convertible debentures is required to be re-invested in additional common shares. The fixed-rate and variable-rate convertible debentures are convertible into common shares at the holder's option in whole or in part at any time prior to maturity.

Due to the conversion feature inherent in the debentures, the fair value of the convertible debentures varies in relation to the fair value of the investee's common shares. Accordingly, interest sensitivity would not be meaningful and, therefore, has not been provided.

Other Price Risk

The investments held by the wholly-owned corporations and the underlying limited partnerships are concentrated in the water products, utilities, and systems; oil and gas; transit; and energy infrastructure sectors and are located in Canada and the United States. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

The Fund's financial assets and liabilities are not exposed to significant currency risk.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

STRATEGIC INV 100 FOREIGN PP FUND

Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	1,121,976	994,904
Liabilities		
Unrealized losses on foreign currency contracts (Schedule One)	16,290	-
bclMC funds management fees payable (note 7)	92	69
Accounts payable	17	17
	<u>16,399</u>	<u>86</u>
Net assets representing unitholders' equity	<u>1,105,577</u>	<u>994,818</u>
Number of units outstanding (note 8)	791.407	831.246
Net asset value per unit	<u>1,397</u>	<u>1,197</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	7	155
Expenses (note 7):		
bclMC funds management fees	1,100	610
Administrative and professional fees	151	3,260
	<u>1,251</u>	<u>3,870</u>
Net investment loss	(1,244)	(3,715)
Realized and unrealized gains:		
Net realized gain	143,786 ¹	9,074 ¹
Change in unrealized gain	47,345 ¹	40,518 ¹
	<u>191,131</u>	<u>49,592</u>
Net income from operations	189,887	45,877
Capital Transactions:		
Proceeds from units issued	180,104	177,079
Amounts paid for units redeemed	(259,232)	(99,560)
	<u>(79,128)</u>	<u>77,519</u>
Increase in net assets	110,759	123,396
Net assets, beginning of year	994,818	871,422
Net Assets, end of year	<u>1,105,577</u>	<u>994,818</u>

¹ The net realized gain and change in unrealized gain include the following exchange losses:

(16,290)

-

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

STRATEGIC INV 100 FOREIGN PP FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income from operations	189,887	45,877
Items not affecting cash:		
Net realized gain	(143,786)	(9,074)
Change in unrealized gain	(47,345)	(40,518)
	<u>(1,244)</u>	<u>(3,715)</u>
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	23	52
Accounts payable	-	4
	<u>(1,221)</u>	<u>(3,659)</u>
Cash flows from investing activities		
Proceeds from sale of investments	266,134	150,234
Purchase of investments	(185,785)	(224,094)
	<u>80,349</u>	<u>(73,860)</u>
Cash flows from financing activities		
Proceeds from units issued	180,104	177,079
Amounts paid for units redeemed	(259,232)	(99,560)
	<u>(79,128)</u>	<u>77,519</u>
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	-	-

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	1,090,030	915,214	960,067	846,755
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	745	745	347	347
Fund ST3	31,201	30,969	34,490	36,388
	<u>31,946</u>	<u>31,714</u>	<u>34,837</u>	<u>36,735</u>
Investments	<u>1,121,976</u>	<u>946,928</u>	<u>994,904</u>	<u>883,490</u>

**Schedule One - Foreign Currency Contracts
as at December 31**

<u>Date</u>	<u>Number of Contracts</u>	<u>Expiry Dates</u>	<u>Notional Value (\$000s)</u>	<u>Unrealized Loss (\$000s)</u>
2008	8	October 2009	355,640	(16,290)

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Strategic Investment and Infrastructure Funds are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the Strategic Inv 100 Foreign PP Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The investments are concentrated in the power, utility and energy infrastructure sectors in Canada, Europe, the United State, Brazil and Chile. Investee companies range from start-up companies to mature companies. Other price risk is moderated through diversification across various industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific company developments, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bcIMC does not believe this information would be meaningful.

Currency Risk

As at December 31, the Fund held foreign denominated cash, investments and debt which resulted in exposure to the following currencies:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
British Pound Sterling	192,616	27.1%	254,338	25.9%
Euros	86,329	12.1%	85,501	8.7%
United States Dollar	432,001	60.8%	643,610	65.4%
Net Exposure	710,946	100.0%	983,449	100.0%

Foreign currency contracts may be used to hedge exposure to foreign currencies. The above figures for net exposure take into account hedging provided by foreign currency contracts.

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/increased by \$7,109,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

As at December 31, the Fund had the following additional exposure to currency risk through its future unfunded commitments:

CURRENCY (Cdn \$000s)	2008		2007	
	Total	% of Total	Total	% of Total
Euros	18,753	6.6%	31,001	7.3%
United States Dollar	264,135	93.4%	392,541	92.7%
	282,888	100.0%	423,542	100.0%

As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, future unfunded commitments would have decreased/increased by \$2,829,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS

STRATEGIC INV 103 DOMESTIC PP FUND

Consolidated Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u> (note 1)
Assets	
Investments at fair value	10
Liabilities	
bclMC funds management fees payable (note 7)	-
Accounts payable	-
	-
Net assets representing unitholders' equity	<u>10</u>
Number of units outstanding (note 8)	0.010
Net asset value per unit	<u>1,000</u>

Consolidated Statement of Operations and Changes in Net Assets

for the six months ended December 31

(in \$000s)

	<u>2008</u> (note 1)
Investment Income	-
Expenses (note 7):	
bclMC funds management fees	-
Administrative and professional fees	-
	-
Net investment loss	-
Realized and unrealized gains (losses):	
Net realized gain	-
Change in unrealized gain (loss)	-
	-
Net income from operations	-
Capital Transactions:	
Proceeds from units issued	10
	10
Increase in net assets	10
Net assets, beginning of year	-
Net Assets, end of year	<u>10</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

See accompanying Notes to Financial Statements.

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS

STRATEGIC INV 103 DOMESTIC PP FUND

Statement of Cash Flows
for the six months ended December 31
(in \$000s)

	2008 (note 1)
Cash flow provided by (used for):	
Cash flows from operating activities	
Net income (loss) from operations	-
Cash flows from investing activities	
Purchase of investments	(10)
Cash flows from financing activities	
Proceeds from units issued	10
Net increase in cash	-
Cash, beginning of year	-
Cash, end of year	-

Statement of Investments
as at December 31
(in \$000s)

	2008	
	Fair Value	Cost
Money Market Investments:		
Units in bclMC Pooled Investment Portfolio		
Fund ST1	9	9
Fund ST3	1	1
	10	10

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Strategic Investment and Infrastructure Funds are described in note 5 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the Strategic Inv 103 PP Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The Fund's financial assets and liabilities are not exposed to significant other price risk.

Currency Risk

The Fund holds net assets denominated in U.S. currency totalling \$9,000. Any change in currency rates would have a nominal impact on the value of the net assets of the Fund.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

STRATEGIC INVESTMENT REAL ESTATE FUND

Consolidated Statement of Net Assets

as at December 31

(in \$000s except number of units outstanding)

	<u>2008</u>	<u>2007</u>
Assets		
Investments at fair value	168,658	163,758
Liabilities		
bclMC funds management fees payable (note 7)	7	6
Accounts payable	17	17
	<u>24</u>	<u>23</u>
Net assets representing unitholders' equity	<u>168,634</u>	<u>163,735</u>
Number of units outstanding (note 8)	118.363	118.900
Net asset value per unit	<u>1,425</u>	<u>1,377</u>

Consolidated Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2008</u>	<u>2007</u>
Investment Income	1	2
Expenses (note 7):		
bclMC funds management fees	76	70
Administrative and professional fees	120	71
	<u>196</u>	<u>141</u>
Net investment loss	(195)	(139)
Realized and unrealized gains (losses):		
Net realized gain	368	2,182
Change in unrealized gain (loss)	5,576	(11,179)
	<u>5,944</u>	<u>(8,997)</u>
Net income (loss) from operations	5,749	(9,136)
Capital Transactions:		
Proceeds from units issued	200	50
Amounts paid for units redeemed	(1,050)	(11,705)
	<u>(850)</u>	<u>(11,655)</u>
Increase (decrease) in net assets	4,899	(20,791)
Net assets, beginning of year	<u>163,735</u>	<u>184,526</u>
Net Assets, end of year	<u>168,634</u>	<u>163,735</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS**

STRATEGIC INVESTMENT REAL ESTATE FUND

**Statement of Cash Flows
for the year ended December 31
(in \$000s)**

	<u>2008</u>	<u>2007</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	5,749	(9,136)
Items not affecting cash:		
Net realized gain	(368)	(2,182)
Change in unrealized loss (gain)	<u>(5,576)</u>	<u>11,179</u>
	(195)	(139)
Changes in non-cash operating accounts:		
bclMC funds management fees payable	1	1
Accounts payable	<u>-</u>	<u>4</u>
	<u>(194)</u>	<u>(134)</u>
Cash flows from investing activities		
Proceeds from sale of investments	1,216	11,840
Purchase of investments	<u>(172)</u>	<u>(51)</u>
	<u>1,044</u>	<u>11,789</u>
Cash flows from financing activities		
Proceeds from units issued	200	50
Amounts paid for units redeemed	<u>(1,050)</u>	<u>(11,705)</u>
	<u>(850)</u>	<u>(11,655)</u>
Net increase in cash	-	-
Cash, beginning of year	<u>-</u>	<u>-</u>
Cash, end of year	<u><u>-</u></u>	<u><u>-</u></u>

**Statement of Investments
as at December 31
(in \$000s)**

	<u>2008</u>		<u>2007</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private	<u>168,475</u>	<u>117,753</u>	<u>163,632</u>	<u>118,470</u>
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio				
Fund ST2	93	94	23	23
Fund ST3	<u>90</u>	<u>73</u>	<u>103</u>	<u>106</u>
	<u>183</u>	<u>167</u>	<u>126</u>	<u>129</u>
Total Investments	<u><u>168,658</u></u>	<u><u>117,920</u></u>	<u><u>163,758</u></u>	<u><u>118,599</u></u>

See accompanying Notes to Financial Statements.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIO**

DISCUSSION OF FINANCIAL RISK MANAGEMENT

The investment objectives, eligible investments and general information on the financial risks related to the Strategic Investment and Infrastructure Funds are described in note 6 of the financial statements. The information contained in this Discussion of Financial Risk Management pertains specifically to the Strategic Investment Real Estate Fund.

The Fund's activities expose it to a variety of financial risks as described below.

Credit Risk

The Fund's financial assets and liabilities are not exposed to significant credit risk.

Interest Rate Risk

The Fund's financial assets and liabilities are not exposed to significant interest rate risk.

Other Price Risk

The net assets include real estate properties and other related receivables and payables. The real estate investments are primarily in timberlands and concentrated in British Columbia, Canada.

The fair value of this investment fluctuates in response to specific property characteristics, rather than from changes in the general level of market prices. Because of these factors, sensitivity analysis that would measure the impact from changes in the general level of market prices has not been provided as bclMC does not believe this information would be meaningful.

Currency Risk

The Fund holds net assets denominated in U.S. currency totalling \$168,564,000 Cdn (2007 – \$163,735,000 Cdn). As at December 31, if the Canadian dollar had strengthened/weakened by 1 percent in relation to all other currencies, holding all other variables constant, net assets would have decreased/ increased by \$1,686,000 Cdn. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

1. The Portfolios

British Columbia Investment Management Corporation ("bclMC") was established under the *Public Sector Pension Plans Act* as a trust company authorized to carry on trust business and investment management services. These financial statements have been prepared by bclMC and are the responsibility of bclMC management.

Under the *Public Sector Pension Plans Act* and the *Pooled Investment Portfolios Regulation*, B.C. Reg. 447/99, bclMC may establish and operate pooled investment portfolios "... in which money from trust funds, special funds or other funds, other public money and the money of government bodies and designated institutions may be combined in common for the purpose of investment by means of investment units of participation in a pooled investment portfolio." In addition, pooled investment portfolios previously established under the *Financial Administration Act* and the *Pooled Investment Portfolios Regulation*, B.C. Reg. 84/86, were continued under the *Pooled Investment Portfolios Regulation*, B.C. Reg. 447/99, to be held in trust by bclMC and invested by the Chief Investment Officer of bclMC.

The Funds presented in these financial statements fall within one of three categories: Realpool International Vintage Funds, Private Placement Vintage Funds, and Strategic Investment and Infrastructure Funds.

The Realpool International Vintage Funds invest only in non-Canadian real estate and real estate-related assets that may include externally managed real estate funds, direct real estate holdings and shares in real estate companies.

The Private Placement Vintage Funds are long term in nature and are generally made in partnership with other investors, outside of the public markets. The partnerships invest primarily in debt and equity investments in domestic and international companies at various stages of development, and are generally related to early-stage or late stage venture capital, buy-out financing, senior or subordinated mezzanine financing, and other special situation financing.

The Strategic Investment and Infrastructure Funds invest primarily in tangible assets with favourable risk-return characteristics that match with pension liabilities. Investments, which cut across traditional asset class boundaries, include fixed income, real estate, public equity and private placements.

The Realpool International Vintage Funds , Private Placement Vintage Funds, and Strategic Investment and Infrastructure Funds were established on the following dates:

Pooled Investment Portfolios	Dates Established
Realpool International Fund 1999	March 26, 1999
2001 Realpool International Fund	January 1, 2001
Realpool International Fund 2002	March 27, 2002
2004 Realpool International Fund	June 24, 2004
2005 Realpool International Fund	July 21, 2005
2006 Realpool International Fund	July 25, 2006
2007 Realpool International Fund	February 28, 2007
Private Placement Fund 1995	October 25, 1995
Private Placement Fund 1996	March 20, 1996
Private Placement Fund 1997	March 12, 1997
Private Placement Fund 1998	March 13, 1998
Private Placement Fund 1999	March 17, 1999
Private Placement Fund 1999A	March 17, 1999
2000 Private Placement Fund	January 1, 2004

Pooled Investment Portfolios	Dates Established
2001 Private Placement Fund	January 1, 2004
2002 Private Placement Fund	January 1, 2004
2003 Private Placement Fund	January 1, 2004
2003A Private Placement Fund	January 1, 2004
2004 Private Placement Fund	April 23, 2004
2005 Private Placement Fund	January 1, 2005
2006 Private Placement Fund	January 27, 2006
2007 Private Placement Fund	January 11, 2007
2008 Private Placement Fund*	January 9, 2008
Strategic Inv 100 Domestic PP Fund	June 30, 2004
Strategic Inv 100 Foreign PP Fund	December 23, 2004
Strategic Inv 103 Domestic PP Fund*	July 18, 2008
Strategic Investment Real Estate Fund	May 19, 2005

*As these Funds were established in 2008, no comparative balances have been presented in the financial statements.

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

2. Significant Accounting Policies

a) Basis of Presentation

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Certain comparative figures have been reclassified to conform to the current year's presentation.

b) Valuation

Investments and investment-related receivables and liabilities are stated at fair value. Fair value is an estimate of the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties under no compulsion to act.

Fair value is determined as follows:

- (i) Money market securities values are derived from external market quotations provided by recognized data suppliers in the securities industry.
- (ii) Bonds, debentures, real return bonds, and public equities (including exchange traded funds) are valued at bid prices on the valuation date. Securities not traded on that date are valued at the mean price between the latest bid and asked quotations. Securities not listed on any stock exchange, or which are traded over-the-counter, are valued in the same manner based on available public quotes from recognized data suppliers in the securities industry or at the price estimated by the fund manager to be the fair value.
- (iii) Derivatives, including foreign currency contracts, are valued at the quoted market prices for the underlying assets or at prevailing spot and forward exchange rates on the valuation date. Swaps and options are valued based on the quoted market prices for the underlying assets or other accepted industry valuation methods where there are no quoted market prices.
- (iv) Private market investments include investments which are held directly, through limited partnerships or through some other co-ownership arrangement. Where quoted market prices are not available, fair value is determined based on the carrying value and other relevant information reported by external managers of the investments. These carrying values are determined by the external managers using accepted industry valuation methods such as earnings multiples of comparable publicly traded companies, discounted cash flows, and third party transactions or other events that suggest a significant change in the value of the investment. In the first year of ownership, cost is generally considered to be an appropriate estimate of fair value unless there is evidence of a significant change in value.

c) Income Recognition

Investment transactions are accounted for on a trade date basis. Dividend income is recognized on the ex-dividend date and interest income on the accrual basis. Income on foreign investments is reported net of withholding tax expense. Commissions, stock exchange fees and other identifiable transaction costs that are directly attributable to the acquisition or disposal of an investment are expensed as incurred. Pursuit costs are charged to net income of the respective Funds in the period incurred.

Gains and losses on the settlement of foreign currency contracts, translation gains and losses on foreign denominated monetary balances and investments, and gains and losses on the sale of investments are recorded as net realized gains and losses. Gains and losses on the sale of investments are calculated as the difference between the sales proceeds and cost. The year-over-year change in the difference between the fair value and the cost of investments and foreign currency contracts held at year end is recognized as an unrealized gain or loss in the current year. The cost used for the calculation of realized gains and losses and change in unrealized gains and losses is based on historical cost for foreign exchange contracts, average cost for equities, and amortized cost for money market securities, bonds and mortgages. The amortized cost is the cost of acquisition adjusted by amortization of discounts and premiums on a true constant yield basis over the terms of the investments.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

2. Significant Accounting Policies (continued)

d) Issue and Redemption of Units

Participation in each Fund is expressed in units. The value of a unit upon inception of a pooled investment portfolio is \$1 million. For each subsequent unit issuance and redemption, the unit value is determined by dividing the fair value of the net assets of the portfolio by the total number of units outstanding. Where one pooled investment portfolio invests in another pooled investment portfolio, the unit issuances and redemptions are transacted on the same basis as client transactions. All unit transactions are recorded on a trade date basis.

The Funds are closed-end funds where participation is limited to a prescribed set of unitholders with a specified proportionate share in the net assets at the time the funds are established. All unit transactions for closed-ended pools are participated in by the prescribed set of unitholders based on their pro-rata basis of participation.

e) Foreign Currency Translation

The financial statements of the Funds are presented in Canadian dollars. Assets, liabilities and commitments in foreign currencies are translated into Canadian dollars at the current exchange rate on December 31. Investment income and expenses, and purchases and sales of investments are translated at the rate prevailing on the respective dates of such transactions. Realized gain (loss) and change in unrealized gain (loss) include foreign currency translation gains (losses), which have been footnoted and disclosed in each Statement of Operations and Changes in Net Assets.

f) Income Taxes

Under paragraph 104(6) of the *Income Tax Act (Canada)*, the Funds may deduct from their taxable income any amounts that are distributed to beneficiaries (i.e. unitholders) and are taxable in their hands. All income and net taxable capital gains earned by the Funds are distributed to the unitholders through either actual cash distributions or an increase in the tax cost of the units prior to the end of each calendar year, resulting in no Canadian taxes being payable by the Funds. The intermediary holding corporations held by the Funds are exempt from Canadian tax under section 149 (o.2) of the *Income Tax Act (Canada)*.

The income earned by the pooled investment portfolios and the corporations held by them are exempt from U.S. tax under Section 892 of the *Internal Revenue Code* unless that income is effectively connected to a trade or business in the U.S. Some of the corporations held by the Private Placement Vintage Funds are subject to U.S. tax on this basis. Any amounts owing for U.S. and state taxes are expensed on an accrual basis.

g) Use of Estimates

Financial statements prepared in accordance with Canadian generally accepted accounting principles require management to make certain estimates and assumptions that can affect the reported balances. In determining the fair value of some of its investments, management reviews and assesses external managers' estimates and assumptions regarding investment industry performance and prospects, as well as general business and economic conditions that prevail or are expected to prevail. By nature, these asset valuations are subjective and do not necessarily result in precise determinations. Financial results as determined by actual events could differ from those estimates and assumptions, and the difference could be material.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

3. Adoption of New Accounting Standards

On January 1, 2008, the Funds adopted the following standards issued by the Canadian Institute of Chartered Accountants (CICA):

- a) Section 3855, Financial Instruments – Recognition and Measurement,
- b) Section 3862, Financial Instruments – Disclosures, and
- c) Section 1535, Capital Disclosures

Section 3855, Financial Instruments – Recognition and Measurement

Section 3855 establishes Canadian GAAP for measuring financial assets, financial liabilities, and non-financial derivatives. The Funds' financial instruments include cash, investments, accounts receivable, receivable from issuance of units, bclMC fund management fees payable, external manager fees payable, accounts payable, and payable for redemption of units. Since the Funds are considered investment companies, the changes in accounting policy resulting from adoption of Section 3855 are limited to the recognition and fair value measurement considerations. The Funds' assets and liabilities are carried at fair value.

Section 3855 requires that securities traded in active markets be measured using bid prices. The Funds have adopted bid prices for financial reporting of net asset values (GAAP NAV) but have continued to use closing prices for the purchase and redemptions of units (transactional NAV), in line with industry practice. Since the securities held by the Realpool International Vintage Funds, Private Placement Vintage Funds, and the Strategic Investment and Infrastructure Funds are not traded in active markets, there is no material difference between the GAAP NAV and transactional NAV.

Section 3855 also requires identifiable transaction costs, such as brokerage commissions and stock exchange fees, incurred in the purchase and sale of securities to be expensed as incurred rather than capitalized to the cost of the securities purchased or deducted from the proceeds of sale. Starting January 1, 2008, for financial reporting purposes, these transaction costs have been expensed in the Statement of Operations and Changes in Net Assets of the respective Funds in the period incurred. This change will have no impact on net assets since there will be an equal and offsetting change to the net realized or unrealized gain (loss), as applicable.

Section 3862, Financial Instruments – Disclosures

This new section enhances existing disclosure and presentation of the nature and scope of the risks associated with financial instruments as well as the way these risks are managed. The disclosures have no impact on the recognition and measurement of financial instruments. The new disclosures applicable to all funds are shown in note 5 and Fund specific disclosures follow each Fund's financial statements under the section "Discussion of Financial Risk Management".

Section 1535, Capital Disclosures

Section 1535 requires an entity to disclose its objectives, policies and processes for managing capital which is the net assets for the Funds. This standard has no impact on the recognition and measurement of financial instruments. The new disclosures are shown in notes 5 and 8.

4. Future Accounting Changes

In January 2006, the Accounting Standards Board (AcSB) adopted a strategic plan for the direction of accounting standards in Canada. As part of this plan, accounting standards in Canada are expected to converge with International Financial Reporting Standards (IFRS) in 2011. Management continues to monitor and assess the impact of convergence of Canadian GAAP and IFRS, and has assigned appropriate resources to facilitate compliance.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
 POOLED INVESTMENT PORTFOLIOS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2008**

5. Financial Risk Management

The Realpool International Vintage Funds , Private Placement Vintage Funds, and Strategic Investment and Infrastructure Funds have established mandates and investment policies that govern the investments held. The mandates and investment policies are described below.

Realpool International Vintage Funds

The Realpool International Vintage Funds provide unitholders the opportunity to achieve diversification benefits through investments in real estate as their returns tend to have a low correlation with the returns from other asset classes (e.g. stocks and bonds). In addition, real estate can act as a partial inflation hedge and thereby provide liability matching characteristics for clients who have inflation-sensitive payment obligations. Typically, clients wishing real estate exposure will first obtain a core holding through participation in bclMC's domestic real estate fund (Realpool Investment Fund), which reports separately from these financial statements. The primary purpose of participating in the Realpool International Vintage Funds is to generate a higher return than would normally be available by investing in the Realpool Investment Fund. The performance benchmark for the Realpool International Vintage Funds is the Realpool Investment Fund return plus 300 basis points.

The Realpool International Vintage Funds may hold the following securities:

- international real estate investments and international real estate-related securities, including trust units, partnership interests, shares, debt instruments, and units in externally managed pooled investment portfolios,
- forward contracts for currency conversions and/or currency hedging, and
- units of bclMC's Pooled Investment Portfolio Funds ST1, ST2 and ST3 (money market funds), and/or government debt securities with a maximum term to maturity of 1 year.

The following restrictions apply to the Realpool International Vintage Funds' investing activities:

- No fund or direct investment will be made without extensive due diligence reviews being completed by bclMC.
- No real estate investments will be made without a professional assessment of the properties' environmental condition.
- The Fund may not invest in derivatives with the exception of the securities noted above.
- The Fund may not sell short, borrow securities, or purchase securities via a margin account.

Private Placement Vintage Funds

The Private Placement Vintage Funds provide unitholders with the opportunity to enhance risk-return performance through investments in a diversified range of domestic and foreign companies. The investment objectives of the Private Placement Vintage Funds are to provide a higher rate of return than the 10 year annualized BMO Small Cap Equity Only Index plus 450 basis points on equity investments, and a nominal rate of return on fixed income investments of at least 8 percent. The Private Placement Program has the following long-term diversification targets based on geographic region and investment purpose (venture capital, growth expansion, buyouts and other).

Geographic Targets	Range
Canada	10% to 40%
United States	20% to 50%
Europe	15% to 45%
Asia	5% to 30%
Emerging Markets	0% to 20%

Investment Purpose Targets	Range
Venture Capital/Growth Expansion	10% to 25%
Buyouts	50% to 80%
Other	0% to 20%

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

5. Financial Risk Management (continued)

The geographic ranges relate to the investment focus rather than the locations of the fund managers. The composition of the investments within individual Private Placement Vintage Funds may deviate significantly from these targets, so unitholders may need to invest in successive vintage years to achieve the above long-term diversification targets.

The Private Placement Vintage Funds may hold the following securities:

- privately negotiated investment securities, including, but not limited to, trust units, partnership interests, shares, debt instruments, convertible securities, rights, warrants, and units in externally managed pooled investment portfolios,
- publicly traded common stock or fixed income securities,
- derivatives, such as, but not limited to, spot contracts, forwards, futures, swaps and options, to manage interest rate risk, currency exposure, and other investment risk with Chief Investment Officer (CIO) approval, and
- units of bcIMC's Pooled Investment Portfolio Funds ST1, ST2 and ST3 (money market funds) and/or Currency Hedging Funds.

The following restrictions apply to the Private Placement Vintage Funds' investing activities

- Direct investments may not exceed 20 percent of the total funds within the Private Placement Program (calculated based on commitment values).
- Direct investments in one particular company may not exceed 30 percent of the Private Placement Program's allocation to direct investments (calculated based on commitment values).
- No fund or direct investment will be made without extensive due diligence reviews being completed by bcIMC.
- The Fund may not sell short, borrow securities, or purchase securities via a margin account.

Strategic Investment and Infrastructure Funds

The Strategic Investment and Infrastructure Funds provide unitholders with the opportunity to enhance risk-return performance through investments in stable, cash-yielding regulated assets that operate in sectors with high entry barriers and produce attractive risk-adjusted returns. Potential strategic and infrastructure investment opportunities include assets such as bridges, transmission lines, pipelines, and companies with tangible assets such as oil reserves and timberland. The investment objectives of the Strategic Investment Funds are to provide a nominal rate of return of at least 8 percent.

The Strategic Investment and Infrastructure Funds may hold the following securities:

- privately negotiated investment securities, including, but not limited to, trust units, partnership interests, shares, debt instruments, convertible securities, rights, warrants, and units in externally managed pooled investment portfolios,
- real estate investments and real estate-related investments, including trust units, partnership interests, shares, and debt,
- publicly traded common stock or common stock equivalents including preferred shares, instalment receipts, convertible securities, as well as rights and warrants received via corporate actions,
- publicly traded and privately negotiated fixed income securities,

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5. Financial Risk Management (continued)

- derivatives, such as, but not limited to, spot contracts, forwards, futures, swaps and options, to manage interest rate risk, currency exposure, and other investment risk with CIO approval, and
- money market securities rated "A-1(Low)" or better and units of bcIMC's Pooled Investment Portfolio Funds ST1, ST2 and ST3 (money market funds),.

The following restrictions apply to the Strategic Investment and Infrastructure Funds' investing activities:

- No fund or direct investment will be made without extensive due diligence reviews being completed by bcIMC.
- No real estate investments will be made without a professional assessment of the properties' environmental condition where applicable.
- Leverage pertaining to real estate is permitted subject to obtaining the CIO's approval.
- The Funds may not sell short, borrow securities, or purchase securities via a margin account.

Financial Risks

In the normal course of business, each Fund is exposed to financial risks including credit risk, liquidity risk, and market risk (including interest rate risk, currency and other price risk).

a) Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment it has entered into, resulting in a financial loss to the Funds. The market value of fixed income instruments and derivatives involves assessing the credit worthiness of the issuer, and represents the maximum credit risk exposure for a Fund. To avoid undue credit risk, the Funds have established specific investment criteria, such as minimum credit ratings for investees and counterparties and maximum concentrations with given counterparties. All investment transactions are settled or paid upon delivery with approved brokers. The risk of default is considered minimal since the delivery of securities sold is only made after the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade fails if either party fails to meet its obligations. See additional discussion of credit risk in the Discussion of Financial Risk Management following each Fund's financial statements.

b) Liquidity Risk

Liquidity risk is the risk that a Fund will be unable to generate sufficient cash in a timely manner or at a reasonable price to meet commitments as they come due. Each Fund is exposed to the liquidity risk associated with the requirement to redeem units and to meet funding commitments to underlying investees. Units of a Fund may only be acquired by eligible clients or client groups. At the inception of each Fund, specific funding commitments are made on behalf of each client that has expressed an interest in participating in the asset class. The CIO may, without advance notice, establish a purchase and/or redemption requirement for a particular date for the Realpool International Vintage Funds, Private Placement Vintage Funds, and Strategic Investment and Infrastructure Funds. Unitholders are required to meet the future obligations throughout the life of the Fund, in accordance with their proportionate ownership. The unitholders hold other liquid investments and units in liquid pooled investment portfolios which can be disposed of or redeemed respectively to satisfy these funding requirements.

c) Interest Rate Risk

Interest rate risk is the risk that the market value or cash flows of interest-bearing investments will fluctuate due to changes in market interest rates. The money market investments, bonds and mortgages are subject to interest rate risk. The Funds that hold these investments have established duration bands based on their relevant benchmark to avoid undue interest rate risk. See additional discussion of interest rate risk in the Discussion of Financial Risk Management following each Fund's financial statements.

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5. Financial Risk Management (continued)

d) Currency Risk

Currency risk is the risk that the value of investments denominated in foreign currencies will fluctuate due to changes in foreign exchange rates. Some funds are exposed to currency risk through holding of investments, investment receivables, and investment liabilities in various currencies. The Funds may use foreign currency contracts to hedge some foreign currency exposure on investment-related receivables and liabilities, and engage in the buying and selling of currencies through the spot market, forward contracts, equity index futures contracts, and/or options in order to achieve the desired currency exposure. See additional discussion of currency risk in the Discussion of Financial Risk Management following each Fund's financial statements.

e) Other Price Risk

Other price risk is the risk that the value of an investment will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). These changes can be caused by factors specific to the individual investment, class of investment or factors affecting all investments. All financial instruments are subject to other price risk and a potential loss of value. The maximum risk is determined by the market value of the financial instruments, except for options and futures contracts. The restriction that the Funds may not sell short, borrow securities, or purchase securities on margin limits the potential loss of value. There are established investment criteria for each Fund related to diversification of investments and investment mandates for external managers to avoid undue market risk. See additional discussion of other price risk in the Discussion of Financial Risk Management following each Fund's financial statements.

f) Fair Value of Investment-Related Assets and Liabilities

Each pooled investment portfolio's investments and derivatives are carried at fair value. The fair values of investment-related assets and liabilities approximate their carrying values given their short-term nature.

6. Derivatives

Derivative contracts are financial contracts, the value of which is derived from the value of underlying assets, indexes, interest rates or currency exchange rates. Derivative transactions are conducted either in the over-the-counter market directly between the two counterparties or on regulated exchange markets. The Funds use derivative financial instruments, when appropriate, to assist in the management of financial risks, including interest rate, foreign currency, and market risks. The financial derivative contracts entered into by the Funds during the year included foreign currency contracts.

Foreign currency contracts are agreements to exchange a specified amount of one currency for another currency on a specific date in the future for a specified price. In the case of foreign currency contracts, the notional value represents the amount to be exchanged on the future contract date. The fair value of a foreign currency contract at a point in time is calculated as the difference between the amount to be exchanged on the future contract date and the amount that would be exchanged using the prevailing forward foreign currency rates. The unrealized gains (losses) on unexpired foreign currency contracts as at December 31 are included in Unrealized Gain (Loss) on Foreign Currency Contracts on the Statements of Net Assets and included in the Change in Unrealized Gain (Loss) on the Statements of Operations and Changes in Net Assets. The notional amount, number of contracts and expiry periods for the foreign currency contracts are shown in Schedule One – Foreign Currency Contracts.

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7. Expenses

Third party costs that are attributable to a specific Fund are charged to that Fund. Other costs initially borne by bclMC are recovered from the various Funds through bclMC management fees, which are calculated on a cost recovery basis.

8. Units Outstanding

Units issued and outstanding represent the capital of each Fund. bclMC manages the capital of the Funds in accordance with the Fund's investment objectives, including managing liquidity in order to meet redemptions as discussed in note 5. The Statement of Changes in Net Assets identifies changes in each Fund's capital during the period. The following is a summary of the changes in units outstanding during the year:

	REALPOOL INTERNATIONAL FUND 1999		2001 REALPOOL INTERNATIONAL FUND		REALPOOL INTERNATIONAL FUND 2002	
	2008	2007	2008	2007	2008	2007
Outstanding, beginning of year	9.241	48.853	4.253	52.777	1.089	45.659
Issued	-	0.428	-	-	-	-
Redeemed	(4.433)	(40.040)	(2.174)	(48.524)	-	(44.570)
Outstanding, end of year	<u>4.808</u>	<u>9.241</u>	<u>2.079</u>	<u>4.253</u>	<u>1.089</u>	<u>1.089</u>
	2004 REALPOOL INTERNATIONAL FUND		2005 REALPOOL INTERNATIONAL FUND		2006 REALPOOL INTERNATIONAL FUND	
	2008	2007	2008	2007	2008	2007
Outstanding, beginning of year	276.615	215.007	181.258	122.705	5.774	3.689
Issued	27.059	115.524	26.384	59.569	0.381	2.085
Redeemed	(10.004)	(53.916)	(4.822)	(1.016)	-	-
Outstanding, end of year	<u>293.670</u>	<u>276.615</u>	<u>202.820</u>	<u>181.258</u>	<u>6.155</u>	<u>5.774</u>

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8. Units Outstanding (continued)

	2007 REALPOOL INTERNATIONAL FUND		PRIVATE PLACEMENT FUND 1995		PRIVATE PLACEMENT FUND 1996	
	2008	2007	2008	2007	2008	2007
Outstanding, beginning of year	22.108	-	2.811	3.816	0.665	4.868
Issued	22.324	22.108	-	0.005	0.003	-
Redeemed	(11.763)	-	(0.775)	(1.010)	(0.117)	(4.203)
Outstanding, end of year	<u>32.669</u>	<u>22.108</u>	<u>2.036</u>	<u>2.811</u>	<u>0.551</u>	<u>0.665</u>
	PRIVATE PLACEMENT FUND 1997		PRIVATE PLACEMENT FUND 1998		PRIVATE PLACEMENT FUND 1999	
	2008	2007	2008	2007	2008	2007
Outstanding, beginning of year	63.936	91.580	61.473	101.545	194.501	229.997
Issued	0.219	0.184	0.517	1.589	1.748	0.813
Redeemed	(15.958)	(27.828)	(10.745)	(41.661)	(38.855)	(36.309)
Outstanding, end of year	<u>48.197</u>	<u>63.936</u>	<u>51.245</u>	<u>61.473</u>	<u>157.394</u>	<u>194.501</u>
	PRIVATE PLACEMENT FUND 1999A		2000 PRIVATE PLACEMENT FUND		2001 PRIVATE PLACEMENT FUND	
	2008	2007	2008	2007	2008	2007
Outstanding, beginning of year	17.699	24.778	133.077	185.847	35.214	53.108
Issued	0.353	0.306	1.236	0.555	0.452	0.073
Redeemed	(1.982)	(7.385)	(13.297)	(53.325)	(5.134)	(17.967)
Outstanding, end of year	<u>16.070</u>	<u>17.699</u>	<u>121.016</u>	<u>133.077</u>	<u>30.532</u>	<u>35.214</u>

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8. Units Outstanding (continued)

	2002 PRIVATE PLACEMENT FUND		2003 PRIVATE PLACEMENT FUND		2003A PRIVATE PLACEMENT FUND	
	2008	2007	2008	2007	2008	2007
Outstanding, beginning of year	72.196	85.659	182.311	194.100	11.868	5.542
Issued	4.133	11.573	26.951	31.007	0.008	6.464
Redeemed	(4.035)	(25.036)	(30.206)	(42.796)	(0.776)	(0.138)
Outstanding, end of year	<u>72.294</u>	<u>72.196</u>	<u>179.056</u>	<u>182.311</u>	<u>11.100</u>	<u>11.868</u>
	2004 PRIVATE PLACEMENT FUND		2005 PRIVATE PLACEMENT FUND		2006 PRIVATE PLACEMENT FUND	
	2008	2007	2008	2007	2008	2007
Outstanding, beginning of year	168.032	188.229	1,000.881	596.371	357.318	41.838
Issued	14.552	33.848	307.315	508.114	138.447	322.072
Redeemed	(41.480)	(54.045)	(44.232)	(103.604)	(2.437)	(6.592)
Outstanding, end of year	<u>141.104</u>	<u>168.032</u>	<u>1,263.964</u>	<u>1,000.881</u>	<u>493.328</u>	<u>357.318</u>
	2007 PRIVATE PLACEMENT FUND		2008 PRIVATE PLACEMENT FUND		STRATEGIC INV 100 DOMESTIC PP FUND	
	2008	2007	2008 (note 1)		2008	2007
Outstanding, beginning of year	314.227	-	-		118.343	122.680
Issued	246.682	331.490	122.530		8.838	0.110
Redeemed	(3.120)	(17.263)	(0.399)		(5.004)	(4.447)
Outstanding, end of year	<u>557.789</u>	<u>314.227</u>	<u>122.131</u>		<u>122.177</u>	<u>118.343</u>

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8. Units Outstanding (continued)

	STRATEGIC INV 100 FOREIGN PP FUND		STRATEGIC INV 103 DOMESTIC PP FUND	STRATEGIC INV 100 REAL ESTATE FUND	
	2008	2007	2008 (note 1)	2008	2007
Outstanding, beginning of year	831.246	760.627	-	118.900	128.414
Issued	147.191	165.029	0.010	0.147	0.037
Redeemed	(187.030)	(94.410)	-	(0.684)	(9.551)
Outstanding, end of year	<u>791.407</u>	<u>831.246</u>	<u>0.010</u>	<u>118.363</u>	<u>118.900</u>