
BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
GROUP OF FUNDS

Mezzanine Mortgage Fund
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
2009 Private Placement Fund
Strategic Inv 100 Domestic PP Fund
Strategic Inv 100 Foreign PP Fund
Strategic Investment Real Estate Fund

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

**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, 2009:

Mezzanine Mortgage Fund	2007 Realpool International Fund	2000 Private Placement Fund	2006 Private Placement Fund
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	2009 Private Placement Fund
2004 Realpool International Fund	Private Placement Fund 1998	2003A Private Placement Fund	Strategic Inv 100 Domestic PP Fund
2005 Realpool International Fund	Private Placement Fund 1999	2004 Private Placement Fund	Strategic Inv 100 Foreign PP Fund
2006A Realpool International Fund	Private Placement Fund 1999A	2005 Private Placement Fund	Strategic Investment Real Estate 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.

bclMC's external auditors, KPMG LLP, have full and unrestricted access to the Audit Committee and bclMC 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 16, 2010



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):

Mezzanine Mortgage Fund	2000 Private Placement Fund
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 Fund 1995	2007 Private Placement Fund
Private Placement Fund 1996	2008 Private Placement Fund
Private Placement Fund 1997	2009 Private Placement Fund
Private Placement Fund 1998	Strategic Inv 100 Domestic PP Fund
Private Placement Fund 1999	Strategic Inv 100 Foreign PP Fund
Private Placement Fund 1999A	Strategic Investment Real Estate Fund

(collectively, the Funds)

We have audited the statements of net assets and of investments of the Funds as at December 31, 2009 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, 2009. 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, 2009, 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 16, 2010

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

MEZZANINE MORTGAGE FUND

Statement of Net Assets

as at December 31

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

	<u>2009</u>	<u>2008</u>
Assets		
Investments at fair value	194,974	198,577
Accrued investment income	<u>130</u>	<u>178</u>
	<u>195,104</u>	<u>198,755</u>
Liabilities		
bclMC funds management fees payable (note 7)	7	9
Payable for redemption of units	-	4,600
Accounts payable	<u>15</u>	<u>19</u>
	<u>22</u>	<u>4,628</u>
Net assets representing unitholders' equity	<u>195,082</u>	<u>194,127</u>
Number of units outstanding (note 9)	<u>75,923</u>	<u>88,375</u>
Net asset value per unit	<u>2,569</u>	<u>2,197</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income	<u>12,792</u>	<u>7,676</u>
Expenses (note 7):		
bclMC funds management fees	103	105
Administrative and professional fees	15	12
Mortgage servicing fees	-	7
	<u>118</u>	<u>124</u>
Net investment income	12,674	7,552
Unrealized gains:		
Change in unrealized gain	<u>17,496</u>	<u>13,266</u>
Net income from operations	<u>30,170</u>	<u>20,818</u>
Capital Transactions:		
Proceeds from units issued	5,785	38,790
Amounts paid for units redeemed	<u>(35,000)</u>	<u>(58,390)</u>
	<u>(29,215)</u>	<u>(19,600)</u>
Increase in net assets	955	1,218
Net assets, beginning of year	<u>194,127</u>	<u>192,909</u>
Net Assets, end of year	<u>195,082</u>	<u>194,127</u>



Doug Pearce
Chief Executive Officer
Chief Investment Officer

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

MEZZANINE MORTGAGE FUND

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

	<u>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income from operations	30,170	20,818
Items not affecting cash:		
Change in unrealized loss (gain)	<u>(17,496)</u>	<u>(13,266)</u>
	12,674	7,552
Changes in non-cash operating accounts:		
Accrued investment income	48	107
bclMC funds management fees payable	(2)	1
Payable for redemption of units	(4,600)	(2,400)
Accounts payable	<u>(4)</u>	<u>-</u>
	<u>8,116</u>	<u>5,260</u>
Cash flows from investing activities		
Proceeds from sale of investments	49,937	64,390
Amounts paid for purchase of investments	<u>(28,838)</u>	<u>(50,050)</u>
	<u>21,099</u>	<u>14,340</u>
Cash flows from financing activities		
Proceeds from units issued	5,785	38,790
Amounts paid for units redeemed	<u>(35,000)</u>	<u>(58,390)</u>
	<u>(29,215)</u>	<u>(19,600)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Mortgage Investments¹:	192,927	138,013	192,424	155,005
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio				
Fund ST1	<u>2,047</u>	<u>2,046</u>	<u>6,153</u>	<u>6,153</u>
Total Investments	<u>194,974</u>	<u>140,059</u>	<u>198,577</u>	<u>161,158</u>

¹The mortgage investments are held through a private corporation and a property trust.

See accompanying Notes to Financial Statements.

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

MEZZANINE MORTGAGE FUND

**Financial Risk Management Discussion
as at December 31**

The investment objective of the Mezzanine Mortgage Fund (the Fund) is to increase returns relative to the Fund's benchmark, the DEX One Year Treasury Bill Index plus 250 basis points (to compensate for illiquidity and credit risk relative to the index). Portfolio managers utilize a multi-factor risk rating model to assess risk levels of individual investment opportunities. The risk factors that are evaluated include location, structure quality, tenant quality, borrower and covenantor's financial strength, loan to value levels, loan to cost levels, debt servicing ability, and developer's experience.

The Fund maintains a prudent level of diversification. The additional risks associated with construction projects are mitigated by requiring the involvement of only experienced developers, obtaining construction engineer evaluations, requiring significant pre-sales/pre-leasing levels and sufficient profit margin levels, as well as obtaining additional security provisions from borrowers.

The Fund invests in the following securities:

- Canadian first mortgages,
- Canadian second and third mortgages, and/or equity participation investments with CIO approval,
- Canadian first, second, and third mortgages, and/or equity participation investments, on properties classified as hotel, motel or recreational, with CIO approval,
- Units/shares in Canadian mortgage trust, mortgage funds, limited partnerships, co-investment agreements, and parallel investments agreements where the underlying assets comply with these investment policies, with CIO approval, and
- bclMC Canadian Money Market Funds (ST1) and (ST2)

The following restrictions apply to the holding of securities in the Fund:

- Mortgages must be eligible investments under the *Pensions Benefits Standards Act*.
- The Fund does not provide mortgages on raw land unless it is tied to a credible development plan or provide mortgages without a site inspection, current market appraisal and a current environmental audit.
- The Fund may not invest in derivatives.

**Financial Risk Management Discussion (continued)
as at December 31**

The Fund holds its mortgage investments through corporations and limited partnerships. The corporations and limited partnership hold the following investments and other net receivables:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Fixed-Rate Mortgages	61,438	31.8%	106,325	55.3%
Variable-Rate Mortgages	36,971	19.2%	21,561	11.2%
Other Mortgage Investments	83,435	43.2%	47,841	24.9%
bclMC Money Market Funds	9,769	5.1%	15,104	7.8%
Other Net Receivables	1,314	0.7%	1,593	0.8%
	192,927	100.0%	192,424	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporations and limited partnerships and their investing activities have been considered.

Credit Risk

The Fund invests in leveraged properties where the possibility of a borrower defaulting on payment obligations is higher than conventional mortgages. In the event of a default, the Fund may hold assets that otherwise would not be permitted provided the holdings are approved by the CIO and accepting the assets is deemed to be in the best interest of the Fund participants.

Interest Rate Risk

Mezzanine mortgages may have fixed or floating interest rates, adding a large risk premium onto Government of Canada bond yields or bank prime lending rates. Mortgage terms may involve equity participation in the development project to achieve higher internal rates of return.

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

MEZZANINE MORTGAGE FUND

**Financial Risk Management Discussion (continued)
as at December 31**

As at December 31, the Pool invested in mortgages with the following terms to maturity:

MORTGAGES BY BY MATURITY DATE (\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Within 1 year	40,286	40.9%	92,030	72.0%
1 to 5 years	58,123	59.1%	16,794	13.1%
5 to 10 years	-	-	19,062	14.9%
Total Mortgages	98,409	100.0%	127,886	100.0%

The majority of the mortgages have terms with floating interest rates based on bank prime lending rates plus a risk and liquidity premium or have equity participation. The fixed-rate mortgages have terms to maturity of less than two years. Therefore, the Fund does not have significant exposure to interest rate risk.

Other Price Risk

Mortgages by Industry Sector

Investments in the Fund are diversified across industry sectors. Sectors to which the pool had exposure as at December 31 are as follows:

INDUSTRY SECTOR (\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Industrial	19,289	19.6%	15,152	11.8%
Office	24,574	25.0%	31,678	24.8%
Residential	26,237	26.7%	53,407	41.8%
Retail	1,230	1.2%	1,247	1.0%
Other	27,079	27.5%	26,402	20.6%
Total Mortgages	98,409	100.0%	127,886	100.0%

**Financial Risk Management Discussion (continued)
as at December 31**

INDUSTRY SECTOR (NUMBER OF MORTGAGES)	2009		2008	
	Total	% of Total	Total	% of Total
Industrial	3	16.7%	3	14.3%
Office	2	11.1%	3	14.3%
Residential	10	55.5%	12	57.1%
Retail	1	5.6%	1	4.8%
Other	2	11.1%	2	9.5%
Total Mortgages	18	100.0%	21	100.0%

Currency Risk

The Fund is not exposed to currency risk since the Fund's assets and liabilities are not denominated in foreign currency.

BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS

MEZZANINE MORTGAGE FUND

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments as of December 31:

(\$000s)	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Net Investment-Related				
Receivables	1,314	-	-	1,314
bcIMC Money Market Funds	-	11,816	-	11,816
Mortgages	-	98,409	-	98,409
Other Mortgage Investments	-	-	83,435	83,435
Total Investments	1,314	110,225	83,435	194,974
(\$000s)	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Net Investment-Related				
Receivables	1,593	-	-	1,593
bcIMC Money Market Funds	-	21,257	-	21,257
Mortgages	-	127,886	-	127,886
Other Mortgage Investments	-	-	47,841	47,841
Total Investments	1,593	149,143	47,841	198,577

During 2009 and 2010, there were no significant transfers between Level 1 and 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 assets held by the corporation and limited partnerships for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	47,841
Purchases of Investments	8,659
Sales of Investments	(15,981)
Realized Gains	-
Change in Unrealized Gains	17,904
Transfers from Tier 2 to Tier 3	25,012
Closing Balance as at December 31, 2009	<u>83,435</u>

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	30,956	40,589
Liabilities		
bclMC funds management fees payable (note 7)	3	4
Accounts payable	5	6
	<u>8</u>	<u>10</u>
Net assets representing unitholders' equity	<u>30,948</u>	<u>40,579</u>
Number of units outstanding (note 9)	<u>4,808</u>	<u>4,808</u>
Net asset value per unit	<u>6,437</u>	<u>8,440</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income		
Investment income	1	2
Foreign exchange gains	3	-
	<u>4</u>	<u>2</u>
Expenses (note 7):		
bclMC funds management fees	45	48
Administrative and professional fees	17	4
	<u>62</u>	<u>52</u>
Net investment loss	<u>(58)</u>	<u>(50)</u>
Realized and unrealized gains (losses):		
Net realized gain	235	22,601
Change in unrealized loss	(9,808)	(12,497)
	<u>(9,573)</u>	<u>10,104</u>
Net income (loss) from operations	<u>(9,631)</u>	<u>10,054</u>
Capital Transactions:		
Proceeds from units issued	-	-
Amounts paid for units redeemed	-	(22,950)
	<u>-</u>	<u>(22,950)</u>
Decrease in net assets	(9,631)	(12,896)
Net assets, beginning of year	<u>40,579</u>	<u>53,475</u>
Net Assets, end of year	<u>30,948</u>	<u>40,579</u>

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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(9,631)	10,054
Items not affecting cash:		
Net realized loss (gain)	(235)	(22,601)
Change in unrealized loss (gain)	<u>9,808</u>	<u>12,497</u>
	(58)	(50)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(1)	(1)
Accounts payable	<u>(1)</u>	<u>(3)</u>
	<u>(60)</u>	<u>(54)</u>
Cash flows from investing activities		
Proceeds from sale of investments	1,611	23,016
Amounts paid for purchase of investments	<u>(1,551)</u>	<u>(12)</u>
	<u>60</u>	<u>23,004</u>
Cash flows from financing activities		
Proceeds from units issued	-	-
Amounts paid for units redeemed	<u>-</u>	<u>(22,950)</u>
	<u>-</u>	<u>(22,950)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments¹:	<u>29,432</u>	<u>38,058</u>	<u>40,551</u>	<u>39,371</u>
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST2	475	475	38	38
Fund ST3	<u>1,049</u>	<u>1,051</u>	<u>-</u>	<u>-</u>
	<u>1,524</u>	<u>1,526</u>	<u>38</u>	<u>38</u>
Total Investments	<u>30,956</u>	<u>39,584</u>	<u>40,589</u>	<u>39,409</u>

¹The real estate investments are held through a private corporation and a limited partnership.

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

REALPOOL INTERNATIONAL FUND 1999

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the Realpool International Fund 1999.

The Fund holds its private real estate investments through a corporation and a limited partnership. The corporation and limited partnership hold the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Real Estate	29,061	98.7%	39,822	98.2%
bcIMC Money Market Funds	371	1.3%	729	1.8%
	29,432	100.0%	40,551	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporation and the limited partnership and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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.

**Financial Risk Management Discussion (continued)
as at December 31**

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

The Fund holds net assets denominated in U.S. currency totalling \$30,442,000 Cdn which represents 98% of the net asset value of the Fund (2008 - \$40,507,000 Cdn which represented 100% of the net asset value of the Fund). 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, respectively, by \$304,000 Cdn (2008 - \$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**

REALPOOL INTERNATIONAL FUND 1999

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments.

The following is a summary of the inputs used to value the Fund's investments as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bciMC Money Market Funds	-	1,895	-	1,895
Private Real Estate	-	-	29,061	29,061
Total Investments	-	1,895	29,061	30,956

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bciMC Money Market Funds	-	767	-	767
Private Real Estate	-	-	39,822	39,822
Total Investments	-	767	39,822	40,589

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporation and limited partnership for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	39,822
Purchases of Investments	-
Sales of Investments	(1,052)
Realized Losses	-
Change in Unrealized Losses	(9,709)
Closing Balance as at December 31, 2009	29,061

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	1,391	664
Liabilities		
bclMC funds management fees payable (note 7)	1	3
Accounts payable	5	5
	<u>6</u>	<u>8</u>
Net assets representing unitholders' equity	<u>1,385</u>	<u>656</u>
Number of units outstanding (note 9)	<u>2,079</u>	<u>2,079</u>
Net asset value per unit	<u>666</u>	<u>316</u>

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

	<u>2009</u>	<u>2008</u>
Investment Income	-	4
Expenses (note 7):		
bclMC funds management fees	24	28
Administrative and professional fees	5	3
	<u>29</u>	<u>31</u>
Net investment loss	<u>(29)</u>	<u>(27)</u>
Realized and unrealized gains (losses):		
Net realized gain	-	2,020
Change in unrealized gain (loss)	758	(4,953)
	<u>758</u>	<u>(2,933)</u>
Net income (loss) from operations	729	(2,960)
Capital Transactions:		
Amounts paid for units redeemed	-	(4,200)
Increase (decrease) in net assets	729	(7,160)
Net assets, beginning of year	656	7,816
Net Assets, end of year	<u>1,385</u>	<u>656</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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	729	(2,960)
Items not affecting cash:		
Net realized loss (gain)	-	(2,020)
Change in unrealized loss (gain)	<u>(758)</u>	<u>4,953</u>
	(29)	(27)
Changes in non-cash operating accounts:		
bclMC funds management fees payable	(2)	-
Accounts payable	<u>-</u>	<u>(4)</u>
	<u>(31)</u>	<u>(31)</u>
Cash flows from investing activities		
Proceeds from sale of investments	31	4,235
Amounts paid for purchase of investments	<u>-</u>	<u>(4)</u>
	<u>31</u>	<u>4,231</u>
Cash flows from financing activities		
Amounts paid for units redeemed	<u>-</u>	<u>(4,200)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments¹:	1,293	2,017	535	2,017
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio				
Fund ST2	<u>98</u>	<u>98</u>	<u>129</u>	<u>129</u>
Total Investments	<u><u>1,391</u></u>	<u><u>2,115</u></u>	<u><u>664</u></u>	<u><u>2,146</u></u>

¹The real estate investments are held through a private corporation.

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

2001 REALPOOL INTERNATIONAL FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2001 Realpool International Fund.

The Fund holds its real estate investments through a corporation. The corporation holds the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Real Estate	1,207	93.3%	435	81.3%
bcIMC Money Market Funds	86	6.7%	100	18.7%
	1,293	100.0%	535	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporation and its investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

Other Price Risk

The only remaining limited partnership held by the corporation is in the liquidation stage and is comprised primarily of cash and amounts owing from affiliates. 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.

**Financial Risk Management Discussion (continued)
as at December 31**

Currency Risk

The Fund holds net assets denominated in U.S. currency totalling \$1,277,000 Cdn which represents 92% of the net asset value of the Fund (2008 - \$517,000 Cdn which represented 79% of the net asset value of the Fund). 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, respectively, by \$13,000 Cdn (2008 - \$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**

2001 REALPOOL INTERNATIONAL FUND

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments.

The following is a summary of the inputs used to value the Fund's investments as of December 31:

2009				
(\$000s)	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
bciMC Money Market Funds	-	184	-	184
Private Real Estate	-	-	1,207	1,207
Total Investments	-	184	1,207	1,391

2008				
(\$000s)	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
bciMC Money Market Funds	-	229	-	229
Private Real Estate	-	-	435	435
Total Investments	-	229	435	664

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporation for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	435
Purchases of Investments	-
Sales of Investments	-
Realized Losses	-
Change in Unrealized Gains	772
Closing Balance as at December 31, 2009	1,207

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	504	345
Liabilities		
bclMC funds management fees payable (note 7)	2	3
Accounts payable	5	6
	<u>7</u>	<u>9</u>
Net assets representing unitholders' equity	<u>497</u>	<u>336</u>
Number of units outstanding (note 9)	<u>1,162</u>	<u>1,089</u>
Net asset value per unit	<u>428</u>	<u>309</u>

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

	<u>2009</u>	<u>2008</u>
Investment Income	-	-
Expenses (note 7):		
bclMC funds management fees	23	27
Administrative and professional fees	5	3
	<u>28</u>	<u>30</u>
Net investment loss	(28)	(30)
Unrealized gains:		
Change in unrealized gain	164	24
Net loss from operations	136	(6)
Capital Transactions:		
Proceeds from units issued	25	-
Increase (decrease) in net assets	161	(6)
Net assets, beginning of year	336	342
Net Assets, end of year	<u>497</u>	<u>336</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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	136	(6)
Items not affecting cash:		
Change in unrealized loss (gain)	<u>(164)</u>	<u>(24)</u>
	(28)	(30)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(1)	(1)
Accounts payable	<u>(1)</u>	<u>(3)</u>
	<u>(30)</u>	<u>(34)</u>
Cash flows from investing activities		
Proceeds from sale of investments	30	35
Amounts paid for purchase of investments	<u>(25)</u>	<u>(1)</u>
	<u>5</u>	<u>34</u>
Cash flows from financing activities		
Proceeds from units issued	<u>25</u>	<u>-</u>
Net increase in cash	<u>-</u>	<u>-</u>
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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments¹:	503	892	339	892
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST2	<u>1</u>	<u>1</u>	<u>6</u>	<u>6</u>
Total Investments	<u><u>504</u></u>	<u><u>893</u></u>	<u><u>345</u></u>	<u><u>898</u></u>

¹The real estate investments are held through private corporations.

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

REALPOOL INTERNATIONAL FUND 2002

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the Realpool International Fund 2002.

The Fund holds its private real estate investments through corporations. The corporations hold the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Real Estate	278	55.3%	90	26.5%
bcIMC Money Market Funds	225	44.7%	249	73.5%
	503	100.0%	339	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporations and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, or held in money market investments with a short term to maturity, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

Other Price Risk

The only remaining limited partnership held by the corporations is in the liquidation stage and is comprised primarily of cash and trade receivables. Due to the nature of the remaining financial instruments, the Fund is not subject to significant other price risk.

**Financial Risk Management Discussion (continued)
as at December 31**

Currency Risk

The Fund holds net assets denominated in U.S. currency totalling \$403,000 Cdn which represents 81% of the net asset value of the Fund (2008- \$237,000 Cdn which represented 71% of the net asset value of the Fund). 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, respectively, by \$4,000 Cdn (\$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**

REALPOOL INTERNATIONAL FUND 2002

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments.

The following is a summary of the inputs used to value the Fund's investments as of December 31:

2009				
(\$000s)	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
bcIMC Money Market Funds	-	226	-	226
Private Real Estate	-	-	278	278
Total Investments	-	226	278	504

2008				
(\$000s)	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
bcIMC Money Market Funds	-	255	-	255
Private Real Estate	-	-	90	90
Total Investments	-	255	90	345

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	90
Purchases of Investments	-
Sales of Investments	-
Realized Losses	-
Change in Unrealized Gains	188
Closing Balance as at December 31, 2009	278

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	244,864	404,024
Unrealized gains on foreign currency contracts (Schedule One)	2,513	-
Accrued investment income	-	392
	<u>247,377</u>	<u>404,416</u>
Liabilities		
Unrealized losses on foreign currency contracts (Schedule One)	402	11,584
bclMC funds management fees payable (note 7)	14	9
Accounts payable	5	6
	<u>421</u>	<u>11,599</u>
Net assets representing unitholders' equity	<u>246,956</u>	<u>392,817</u>
Number of units outstanding (note 9)	<u>312,251</u>	<u>293,670</u>
Net asset value per unit	<u>791</u>	<u>1,338</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>2009</u>	<u>2008</u>
Investment Income	388	1,760
Expenses (note 7):		
Foreign exchange losses	4	-
bclMC funds management fees	170	113
External management fees	79	416
Administrative and professional fees	77	24
	<u>330</u>	<u>553</u>
Net investment income	<u>58</u>	<u>1,207</u>
Realized and unrealized gains (losses):		
Net realized gain (loss)	(12,029) ¹	2,862 ¹
Change in unrealized gain (loss)	(158,150) ¹	13,083 ¹
	<u>(170,179)</u>	<u>15,945</u>
Net income (loss) from operations	<u>(170,121)</u>	<u>17,152</u>
Capital Transactions:		
Proceeds from units issued	24,260	36,136
Amounts paid for units redeemed	-	(12,100)
	<u>24,260</u>	<u>24,036</u>
Increase (decrease) in net assets	(145,861)	41,188
Net assets, beginning of year	<u>392,817</u>	<u>351,629</u>
Net Assets, end of year	<u>246,956</u>	<u>392,817</u>

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

670	(6,477)
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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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(170,121)	17,152
Items not affecting cash:		
Net realized loss (gain)	12,029	(2,862)
Change in unrealized loss (gain)	158,150	(13,083)
	<u>58</u>	<u>1,207</u>
Changes in non-cash operating accounts:		
Accrued investment income	392	(330)
bcIMC funds management fees payable	5	(1)
External management fees payable	-	(2,045)
Accounts payable	(1)	(3)
	<u>454</u>	<u>(1,172)</u>
Cash flows from investing activities		
Proceeds from sale of investments	10,692	17,740
Amounts paid for purchase of investments	(35,406)	(40,604)
	<u>(24,714)</u>	<u>(22,864)</u>
Cash flows from financing activities		
Proceeds from units issued	24,260	36,136
Amounts paid for units redeemed	-	(12,100)
	<u>24,260</u>	<u>24,036</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments¹:	244,823	296,237	396,649	276,756
Bonds:				
Foreign Denominated Corporate	-	-	6,785	6,250
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST2	29	29	42	43
Fund ST3	12	14	548	546
	<u>41</u>	<u>43</u>	<u>590</u>	<u>589</u>
Investments	<u>244,864</u>	<u>296,280</u>	<u>404,024</u>	<u>283,595</u>

¹The real estate investments are held through private corporations and limited partnerships.

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

Date	Number of Contracts	Expiry Dates	Notional Value (\$000s)	Unrealized Gain (Loss) (\$000s)
2009	1	February 2010	8,004	430
2009	1	March 2010	8,490	916
2009	1	September 2010	33,776	1,167
			<u>50,270</u>	<u>2,513</u>
2009	2	October 2010	32,561	(402)
Date	Number of Contracts	Expiry Dates	Notional Value (\$000s)	Unrealized Loss (\$000s)
2008	4	January 2009	108,632	(11,584)

See accompanying Notes to Financial Statements.

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

2004 REALPOOL INTERNATIONAL FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2004 Realpool International Fund.

The Fund holds its private real estate investments through corporations and limited partnerships. The corporations and limited partnerships hold the following net assets:

	2009		2008	
	Total	% of Total	Total	% of Total
Private Real Estate	217,925	89.0%	381,374	96.2%
Bonds	23,930	9.8%	13,570	3.4%
bclMC Money Market Funds	343	0.1%	922	0.2%
Net Investment-Related Receivables	2,625	1.1%	783	0.2%
	244,823	100.0%	396,649	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporations and limited partnerships and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

The majority of the Fund's financial assets and liabilities are non-interest bearing and any change in value in the bonds due to interest rate fluctuations would result in an equal and offsetting change in value in a related equity investment. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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

**Financial Risk Management Discussion (continued)
as at December 31**

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, including foreign currency contracts, which resulted in exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
British Pound Sterling	37,280	15.1%	39,912	10.2%
Euro	3,155	1.3%	25,891	6.6%
United States Dollar	123,653	50.1%	338,515	86.2%
Net Exposure	164,088	66.5%	404,318	103.0%

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, respectively, by \$1,641,000 Cdn (2008 - \$4,043,000 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

**Financial Risk Management Discussion (continued)
as at December 31**

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

CURRENCY (Cdn \$000s)	2009	2008
	Total	Total
Euro	6,566	9,187
United States Dollar	46,205	93,539
	52,771	102,726

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/increase, respectively, by \$527,000 Cdn (2008 - \$1,027,000 Cdn). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements. CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31

(\$000s)	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Net Investment-Related				
Receivables	2,625	-	-	2,625
bcIMC Money Market Funds	-	384	-	384
Private Debt	-	-	23,930	23,930
Private Real Estate	-	-	217,925	217,925
Total Investments	2,625	384	241,855	244,864
Foreign Currency Contracts		2,111		2,111
Total	2,625	2,495	241,855	246,375
	2008			Total
(\$000s)	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Net Investment-Related				
Receivables	783	-	-	783
bcIMC Money Market Funds	-	1,512	-	1,512
Private Debt	-	-	20,355	20,355
Private Real Estate	-	-	381,374	381,374
Total Investments	783	1,512	401,729	404,024
Foreign Currency Contracts		(11,584)		(11,584)
Total	783	(10,072)	401,729	392,440

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

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

2004 REALPOOL INTERNATIONAL FUND

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 assets held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	<u>(\$000s)</u>
Opening Balance as at January 1, 2009	401,729
Purchases of Investments	25,124
Sales of Investments	(10,858)
Realized Losses	(291)
Change in Unrealized Losses	(173,849)
Closing Balance as at December 31, 2009	<u>241,855</u>

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	177,143	191,703
Unrealized gains on foreign currency contracts (Schedule One)	8,397	-
	<u>185,540</u>	<u>191,703</u>
Liabilities		
bclMC funds management fees payable (note 7)	9	8
Accounts payable	5	6
	<u>14</u>	<u>14</u>
Net assets representing unitholders' equity	<u>185,526</u>	<u>191,689</u>
Number of units outstanding (note 9)	<u>234,231</u>	<u>202,820</u>
Net asset value per unit	<u>792</u>	<u>945</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>2009</u>	<u>2008</u>
Investment Income	-	1
Expenses (note 7):		
bclMC funds management fees	101	92
Administrative and professional fees	5	16
	<u>106</u>	<u>108</u>
Net investment loss	<u>(106)</u>	<u>(107)</u>
Realized and unrealized gains (losses):		
Net realized gain	-	1,306 ¹
Change in unrealized loss	(35,945) ¹	(72,038) ¹
	<u>(35,945)</u>	<u>(70,732)</u>
Net loss from operations	<u>(36,051)</u>	<u>(70,839)</u>
Capital Transactions:		
Proceeds from units issued	29,888	35,253
Amounts paid for units redeemed	-	(6,200)
	<u>29,888</u>	<u>29,053</u>
Decrease in net assets	(6,163)	(41,786)
Net assets, beginning of year	191,689	233,475
Net Assets, end of year	<u>185,526</u>	<u>191,689</u>

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

8,397	-
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**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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(36,051)	(70,839)
Items not affecting cash:		
Net realized loss (gain)	-	(1,306)
Change in unrealized loss (gain)	<u>35,945</u>	<u>72,038</u>
	(106)	(107)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	1	-
Accounts payable	<u>(1)</u>	<u>(3)</u>
	<u>(106)</u>	<u>(110)</u>
Cash flows from investing activities		
Proceeds from sale of investments	106	6,311
Amounts paid for purchase of investments	<u>(29,888)</u>	<u>(35,254)</u>
	<u>(29,782)</u>	<u>(28,943)</u>
Cash flows from financing activities		
Proceeds from units issued	29,888	35,253
Amounts paid for units redeemed	-	<u>(6,200)</u>
	<u>29,888</u>	<u>29,053</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments¹:	177,117	242,691	191,671	212,903
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST2	<u>26</u>	<u>26</u>	<u>32</u>	<u>32</u>
Investments	<u>177,143</u>	<u>242,717</u>	<u>191,703</u>	<u>212,935</u>

¹The real estate investments are held through private corporations.

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

Date	Number of Contracts	Expiry Dates	Notional Value (\$000s)	Unrealized Gain (\$000s)
2009	1	February 2010	44,226	2,375
2009	1	March 2010	<u>55,819</u>	<u>6,022</u>
			<u>100,045</u>	<u>8,397</u>

There were no foreign currency contracts held on December 31, 2008.

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

2005 REALPOOL INTERNATIONAL FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2005 Realpool International Fund.

The Fund holds its private real estate investments through corporations. The corporations hold the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Real Estate	172,807	97.6%	186,998	97.6%
Foreign Currency Contracts	4	0.0%	-	-
bclMC Money Market Funds	4,306	2.4%	4,673	2.4%
	177,117	100.0%	191,671	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporations and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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.

**Financial Risk Management Discussion (continued)
as at December 31**

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, including foreign currency contracts, which resulted in net exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
Euro	18,446	9.9%	144,562	75.4%
United States Dollar	63,635	34.3%	42,574	22.2%
Net Exposure	82,081	44.2%	187,136	97.6%

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, respectively, by \$821,000 Cdn (2008 - \$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 (Cdn \$000s)	2009	2008
Euro	81,955	116,867
United States Dollar	18,872	42,960
	100,827	159,827

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

2005 REALPOOL INTERNATIONAL FUND

**Financial Risk Management Discussion (continued)
as at December 31**

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, respectively, by \$1,008,000 Cdn (\$1,598,000 Cdn). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bcIMC Money Market Funds	-	4,332	-	4,332
Foreign Currency Contracts	-	4	-	4
Private Real Estate	-	-	172,807	172,807
Total Investments	-	4,336	172,807	177,143
Foreign Currency Contracts	-	8,397	-	8,397
Total	-	12,733	172,807	185,540

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bcIMC Money Market Funds	-	4,705	-	4,705
Private Real Estate	-	-	186,998	186,998
Total Investments	-	4,705	186,998	191,703

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	186,998
Purchases of Investments	40,448
Sales of Investments	(8,606)
Realized Gains	1,362
Change in Unrealized Losses	(47,395)
Closing Balance as at December 31, 2009	172,807

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	27	37
Liabilities		
bclMC funds management fees payable (note 7)	2	3
Accounts payable	4	5
	6	8
Net assets representing unitholders' equity	<u>21</u>	<u>29</u>
Number of units outstanding (note 9)	<u>10,972,347.575</u>	<u>6.155</u>
Net asset value per unit	<u>-</u>	<u>5</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income	-	1
Expenses (note 7):		
bclMC funds management fees	32	31
Administrative and professional fees	7	40
	<u>39</u>	<u>71</u>
Net investment loss	(39)	(70)
Unrealized losses:		
Change in unrealized loss	(10,986)	(7,177)
Net loss from operations	(11,025)	(7,247)
Capital Transactions:		
Proceeds from units issued	11,017	403
Decrease in net assets	(8)	(6,844)
Net assets, beginning of year	29	6,873
Net Assets, end of year	<u>21</u>	<u>29</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

**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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(11,025)	(7,247)
Items not affecting cash:		
Change in unrealized loss (gain)	<u>10,986</u>	<u>7,177</u>
	(39)	(70)
Changes in non-cash operating accounts:		
bclMC funds management fees payable	(1)	(1)
Accounts payable	<u>(1)</u>	<u>(4)</u>
	<u>(41)</u>	<u>(75)</u>
Cash flows from investing activities		
Proceeds from sale of investments	41	76
Amounts paid for purchase of investments	<u>(11,017)</u>	<u>(404)</u>
	<u>(10,976)</u>	<u>(328)</u>
Cash flows from financing activities		
Proceeds from units issued	<u>11,017</u>	<u>403</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments¹:	4	17,606	18	6,634
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio				
Fund ST2	<u>23</u>	<u>23</u>	<u>19</u>	<u>19</u>
Total Investments	<u>27</u>	<u>17,629</u>	<u>37</u>	<u>6,653</u>

¹The real estate investments are held through private corporations.

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

2006A REALPOOL INTERNATIONAL FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2006A Realpool International Fund.

The Fund holds most of its investments through corporations. The underlying corporations hold bclMC Money Market Funds of \$32,000 (2008 - \$18,000), a limited partnership interest that engages in real estate management and investor relations services in the United States and debt. The value of the limited partnership at December 31, 2009 was \$12,950,000 (2008 - \$25,607,000) which was offset by the debt.

During the year, the Fund issued 10,972,341.420 units to unitholders, the majority of which were issued for \$1.00 per unit.

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the investments held by the underlying corporations and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Due to the short-term nature of the investments held in the bclMC Money Market Funds, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates. Although the debt is interest bearing, the fair value does not fluctuate in response to interest rate changes but rather in response to changes in the fair value of the limited partnership which would be used to repay the debt.

Other Price Risk

The fair value of the limited partnership 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.

**Financial Risk Management Discussion (continued)
as at December 31**

Currency Risk

The Fund is not exposed to significant currency risk since the Fund's assets and liabilities that are denominated in U.S. dollars were equal and offsetting at December 31, 2009.

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements. CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments.

The following is a summary of the inputs used to value the Fund's investments as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bclMC Money Market Funds	-	55	-	55
Private Real Estate	-	-	12,950	12,950
Debt	-	-	(12,978)	(12,978)
Total Investments	-	55	(28)	27

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bclMC Money Market Funds	-	37	-	37
Private Real Estate	-	-	25,607	25,607
Debt	-	-	(25,607)	(25,607)
Total Investments	-	37	-	37

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

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

2006A REALPOOL INTERNATIONAL FUND

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

<u>Private Real Estate</u>	<u>(\$000s)</u>
Opening Balance as at January 1, 2009	25,607
Purchases of Investments	120
Sales of Investments	-
Realized Gains	-
Change in Unrealized Losses	<u>(12,777)</u>
Closing Balance as at December 31, 2009	<u><u>12,950</u></u>

The following is a reconciliation of Level 3 liabilities held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 liabilities held at the beginning and end of the year:

<u>Debt</u>	<u>(\$000s)</u>
Opening Balance as at January 1, 2009	(25,607)
Issuance of Debt	-
Repayment of Debt	9,393
Change in Unrealized Gains	<u>3,236</u>
Closing Balance as at December 31, 2009	<u><u>(12,978)</u></u>

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	27,918	10,772
Unrealized gains on foreign currency contracts (Schedule One)	589	-
	<u>28,507</u>	<u>10,772</u>
Liabilities		
Unrealized losses on foreign currency contracts (Schedule One)	153	1,769
bclMC funds management fees payable (note 7)	7	6
Accounts payable	5	6
	<u>165</u>	<u>1,781</u>
Net assets representing unitholders' equity	<u>28,342</u>	<u>8,991</u>
Number of units outstanding (note 9)	<u>91,191</u>	<u>32,669</u>
Net asset value per unit	<u>311</u>	<u>275</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>2009</u>	<u>2008</u>
Investment Income	-	2
Expenses (note 7):		
bclMC funds management fees	94	62
Pursuit costs (recovery of pursuit costs)	(56)	59
Administrative and professional fees	6	4
	<u>44</u>	<u>125</u>
Net investment loss	<u>(44)</u>	<u>(123)</u>
Realized and unrealized losses:		
Net realized loss	(1,768) ¹	(1,105) ¹
Change in unrealized loss	<u>(26,316)¹</u>	<u>(18,762)¹</u>
	<u>(28,084)</u>	<u>(19,867)</u>
Net loss from operations	<u>(28,128)</u>	<u>(19,990)</u>
Capital Transactions:		
Proceeds from units issued	47,479	20,521
Amounts paid for units redeemed	-	(10,000)
	<u>47,479</u>	<u>10,521</u>
Increase (decrease) in net assets	19,351	(9,469)
Net assets, beginning of year	<u>8,991</u>	<u>18,460</u>
Net Assets, end of year	<u>28,342</u>	<u>8,991</u>

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

436	(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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(28,128)	(19,990)
Items not affecting cash:		
Net realized loss (gain)	1,768	1,105
Change in unrealized loss (gain)	26,316	18,762
	(44)	(123)
Changes in non-cash operating accounts:		
bclMC funds management fees payable	1	(1)
Accounts payable	(1)	2
	(44)	(122)
Cash flows from investing activities		
Proceeds from sale of investments	(1,665)	10,123
Amounts paid for purchase of investments	(45,770)	(20,522)
	(47,435)	(10,399)
Cash flows from financing activities		
Proceeds from units issued	47,479	20,521
Amounts paid for units redeemed	-	(10,000)
	47,479	10,521
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	-	-

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

	<u>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Real Estate Investments¹:	27,875	76,271	10,735	30,610
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio				
Fund ST2	43	43	37	37
Investments	<u>27,918</u>	<u>76,314</u>	<u>10,772</u>	<u>30,647</u>

¹The real estate investments are held through private corporations.

**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 Gain (Loss) (\$000s)</u>
2009	1	February 2010	2,694	145
2009	1	March 2010	2,629	284
2009	1	September 2010	4,596	160
			<u>9,919</u>	<u>589</u>
2009	2	October 2010	12,251	(153)

<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 PORTFOLIOS**

2007 REALPOOL INTERNATIONAL FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2007 Realpool International Fund.

The Fund holds its private real estate investments through corporations. The corporations hold the following net assets:

	2009		2008	
	Total	% of Total	Total	% of Total
(\$000s)				
Limited Partnerships	26,148	93.8%	9,482	88.3%
bcIMC Money Market Funds	1,727	6.2%	1,253	11.7%
	27,875	100.0%	10,735	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporations and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

Other Price Risk

The net assets held include real estate properties and other related receivables, and payables. 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.

**Financial Risk Management Discussion (continued)
as at December 31**

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 of 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, including foreign currency contracts, which resulted in net exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
Euro	5,827	20.6%	9,482	105.5%
United States Dollar	95	0.3%	161	1.8%
Net Exposure	5,922	20.9%	9,643	107.3%

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, respectively, by \$59,000 Cdn (2008 - \$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 (Cdn \$000s)	2009	2008
Euro	119,519	142,119
United States Dollar	70,377	124,519
	189,896	266,638

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

2007 REALPOOL INTERNATIONAL FUND

**Financial Risk Management Discussion (continued)
as at December 31**

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, respectively, by \$1,899,000 Cdn (2008 - \$2,666,000 Cdn). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements. CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bcIMC Money Market Funds	-	1,770	-	1,770
Private Real Estate	-	-	26,148	26,148
Total Investments	-	1,770	26,148	27,918
Foreign Currency Contracts	-	436	-	436
Total	-	2,206	26,148	28,354
	2008			
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bcIMC Money Market Funds	-	1,290	-	1,290
Private Real Estate	-	-	9,482	9,482
Total Investments	-	1,290	9,482	10,772
Foreign Currency Contracts	-	(1,769)	-	(1,769)
Total	-	(479)	9,482	9,003

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	9,482
Purchases of Investments	46,828
Sales of Investments	(1,358)
Realized Losses	(88)
Change in Unrealized Losses	(28,716)
Closing Balance as at December 31, 2009	26,148

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	3,463	5,589
Liabilities		
bclMC funds management fees payable (note 7)	2	5
Accounts payable	13	17
	<u>15</u>	<u>22</u>
Net assets representing unitholders' equity	<u>3,448</u>	<u>5,567</u>
Number of units outstanding (note 9)	<u>1,527</u>	<u>2,036</u>
Net asset value per unit	<u>2,258</u>	<u>2,734</u>

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

	<u>2009</u>	<u>2008</u>
Investment Income	-	1
Expenses (note 7):		
bclMC funds management fees	40	60
Administrative and professional fees	14	11
	<u>54</u>	<u>71</u>
Net investment loss	<u>(54)</u>	<u>(70)</u>
Realized and unrealized gains (losses):		
Net realized gain	557	59
Change in unrealized loss	(762)	(219)
	<u>(205)</u>	<u>(160)</u>
Net loss from operations	<u>(259)</u>	<u>(230)</u>
Capital Transactions:		
Proceeds from units issued	60	-
Amounts paid for units redeemed	(1,920)	(2,069)
	<u>(1,860)</u>	<u>(2,069)</u>
Decrease in net assets	(2,119)	(2,299)
Net assets, beginning of year	<u>5,567</u>	<u>7,866</u>
Net Assets, end of year	<u>3,448</u>	<u>5,567</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

**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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(259)	(230)
Items not affecting cash:		
Net realized loss (gain)	(557)	(59)
Change in unrealized loss (gain)	762	219
	<u>(54)</u>	<u>(70)</u>
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(3)	1
Accounts payable	(4)	-
	<u>(61)</u>	<u>(69)</u>
Cash flows from investing activities		
Proceeds from sale of investments	1,983	2,149
Amounts paid for purchase of investments	(62)	(11)
	<u>1,921</u>	<u>2,138</u>
Cash flows from financing activities		
Proceeds from units issued	60	-
Amounts paid for units redeemed	(1,920)	(2,069)
	<u>(1,860)</u>	<u>(2,069)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	3,458	3,875	5,578	5,233
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	5	5	11	11
Total Investments	<u>3,463</u>	<u>3,880</u>	<u>5,589</u>	<u>5,244</u>

¹The private equity investments are held through a private corporation.

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

PRIVATE PLACEMENT FUND 1995

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the Private Placement Fund 1995.

The Fund holds its private equity investments through a corporation. The corporation holds the following net assets:

	2009		2008	
	Total	% of Total	Total	% of Total
(\$000s)				
Private Equities	3,199	92.5%	3,611	64.7%
bclMC Money Market Funds	259	7.5%	1,967	35.3%
	3,458	100.0%	5,578	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporation and its investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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.

**Financial Risk Management Discussion (continued)
as at December 31**

The fair value of these investments fluctuates in response to specific investee 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 \$3,454,000 Cdn which represents 100% of the net asset value of the Fund (2008 – \$5,521,000 Cdn which represented 99% of the net asset value of the Fund). 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, respectively, by \$35,000 (2008 - \$55,000 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 additional exposure to currency risk through its future unfunded commitments in U.S. currency totalling \$629,000 Cdn (2008 – \$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, future unfunded commitments would have decreased/ increased, respectively, by \$6,000 Cdn (2008 - \$7,000 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

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bcIMC Money Market Funds	-	264	-	264
Private Equities	-	-	3,199	3,199
Total Investments	-	264	3,199	3,463

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bcIMC Money Market Funds	-	1,978	-	1,978
Private Equities	-	-	3,611	3,611
Total Investments	-	1,978	3,611	5,589

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporation for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	3,611
Purchases of Investments	-
Sales of Investments	(201)
Realized Losses	(53)
Change in Unrealized Losses	(158)
Closing Balance as at December 31, 2009	3,199

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	10,287	10,799
Liabilities		
bclMC funds management fees payable (note 7)	5	7
Accounts payable	13	18
	<u>18</u>	<u>25</u>
Net assets representing unitholders' equity	<u>10,269</u>	<u>10,774</u>
Number of units outstanding (note 9)	<u>0.517</u>	<u>0.551</u>
Net asset value per unit	<u>19,863</u>	<u>19,554</u>

**Statement of Operations and Changes in Net Assets
for the year ended December 31**

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income	-	1
Expenses (note 7):		
bclMC funds management fees	77	88
Administrative and professional fees	14	11
	<u>91</u>	<u>99</u>
Net investment loss	<u>(91)</u>	<u>(98)</u>
Realized and unrealized gains (losses):		
Net realized gain	785	1,541
Change in unrealized loss	(395)	(3,530)
	<u>390</u>	<u>(1,989)</u>
Net income (loss) from operations	<u>299</u>	<u>(2,087)</u>
Capital Transactions:		
Proceeds from units issued	90	66
Amounts paid for units redeemed	(894)	(1,873)
	<u>(804)</u>	<u>(1,807)</u>
Decrease in net assets	(505)	(3,894)
Net assets, beginning of year	<u>10,774</u>	<u>14,668</u>
Net Assets, end of year	<u>10,269</u>	<u>10,774</u>

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)**

	2009	2008
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	299	(2,087)
Items not affecting cash:		
Net realized loss (gain)	(785)	(1,541)
Change in unrealized loss (gain)	395	3,530
	(91)	(98)
Changes in non-cash operating accounts:		
bclMC funds management fees payable	(2)	1
Accounts payable	(5)	-
	(98)	(97)
Cash flows from investing activities		
Proceeds from sale of investments	992	1,971
Amounts paid for purchase of investments	(90)	(67)
	902	1,904
Cash flows from financing activities		
Proceeds from units issued	90	66
Amounts paid for units redeemed	(894)	(1,873)
	(804)	(1,807)
Net increase in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	-	-

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

	2009		2008	
	Fair Value	Cost	Fair Value	Cost
Private Equity Investments¹:	10,283	1,447	10,786	1,555
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio Fund ST1	4	4	13	13
Total Investments	10,287	1,451	10,799	1,568

¹The private equity investments are held through a private corporation.

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

PRIVATE PLACEMENT FUND 1996

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the Private Placement Fund 1996.

The Fund holds its private equity investments through a corporation. The corporation holds the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	9,967	96.93%	10,633	98.6%
bclMC Money Market Funds	316	3.07%	67	0.6%
Net Investment-Related Receivables	-	-	86	0.8%
	10,283	100.0%	10,786	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporation and its investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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.

**Financial Risk Management Discussion (continued)
as at December 31**

The fair value of these investments fluctuates in response to specific investee 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 net exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
British Pound Sterling	1,293	12.6%	633	5.9%
United States Dollar	4,139	40.3%	5,259	48.8%
Net Exposure	5,432	52.9%	5,892	54.7%

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, respectively, by \$54,000 Cdn (2008 - \$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)	2009	2008
British Pound Sterling	102	107
United States Dollar	374	437
	476	544

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

PRIVATE PLACEMENT FUND 1996

**Financial Risk Management Discussion (continued)
as at December 31**

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, respectively, by \$5,000 Cdn (2008 - \$5,000 Cdn). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bciMC Money Market Funds	-	320	-	320
Private Equities	-	-	9,967	9,967
Total Investments	-	320	9,967	10,287

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
Net Investment-Related Receivables	86	-	-	86
bciMC Money Market Funds	-	80	-	80
Private Equities	-	-	10,633	10,633
Total Investments	86	80	10,633	10,799

**Fair Value Measurement Discussion (continued)
as at December 31**

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

The following is a reconciliation of Level 3 investments held by the underlying corporation for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	10,633
Purchases of Investments	-
Sales of Investments	(1,520)
Realized Gains	379
Change in Unrealized Gains	475
Closing Balance as at December 31, 2009	<u>9,967</u>

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	83,107	84,189
Liabilities		
bcIMC funds management fees payable (note 7)	20	27
Accounts payable	14	18
	<u>34</u>	<u>45</u>
Net assets representing unitholders' equity	<u>83,073</u>	<u>84,144</u>
Number of units outstanding (note 9)	<u>44,820</u>	<u>48,197</u>
Net asset value per unit	<u>1,853</u>	<u>1,746</u>

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

	<u>2009</u>	<u>2008</u>
Investment Income	-	2
Expenses (note 7):		
bcIMC funds management fees	287	330
Administrative and professional fees	14	11
	<u>301</u>	<u>341</u>
Net investment loss	<u>(301)</u>	<u>(339)</u>
Realized and unrealized gains (losses):		
Net realized gain	1,252	5,659
Change in unrealized gain (loss)	4,476	(25,520)
	<u>5,728</u>	<u>(19,861)</u>
Net income (loss) from operations	<u>5,427</u>	<u>(20,200)</u>
Capital Transactions:		
Proceeds from units issued	1,599	572
Amounts paid for units redeemed	(8,097)	(30,646)
	<u>(6,498)</u>	<u>(30,074)</u>
Decrease in net assets	(1,071)	(50,274)
Net assets, beginning of year	<u>84,144</u>	<u>134,418</u>
Net Assets, end of year	<u>83,073</u>	<u>84,144</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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	5,427	(20,200)
Items not affecting cash:		
Net realized loss (gain)	(1,252)	(5,659)
Change in unrealized loss (gain)	<u>(4,476)</u>	<u>25,520</u>
	(301)	(339)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(7)	-
Accounts payable	<u>(4)</u>	<u>-</u>
	<u>(312)</u>	<u>(339)</u>
Cash flows from investing activities		
Proceeds from sale of investments	8,408	31,298
Amounts paid for purchase of investments	<u>(1,598)</u>	<u>(885)</u>
	<u>6,810</u>	<u>30,413</u>
Cash flows from financing activities		
Proceeds from units issued	1,599	572
Amounts paid for units redeemed	<u>(8,097)</u>	<u>(30,646)</u>
	<u>(6,498)</u>	<u>(30,074)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	83,075	70,244	84,127	75,772
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	<u>32</u>	<u>32</u>	<u>62</u>	<u>62</u>
Total Investments	<u>83,107</u>	<u>70,276</u>	<u>84,189</u>	<u>75,834</u>

¹The private equity investments are held through a private corporation.

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

PRIVATE PLACEMENT FUND 1997

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the Private Placement Fund 1997.

The Fund holds its private equity investments through a corporation. The corporation holds the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	81,416	98.0%	81,879	97.3%
bcIMC Money Market Funds	1,659	2.0%	2,249	2.7%
Net Investment-Related Payables	-	-	(1)	-
	83,075	100.0%	84,127	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporation and its investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

**Financial Risk Management Discussion (continued)
as at December 31**

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 investee 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 net exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
British Pound Sterling	75	0.1%	93	0.1%
Euro	6,875	8.3%	4,995	5.9%
United States Dollar	69,224	83.3%	73,123	86.9%
Net Exposure	76,174	91.7%	78,211	92.9%

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, respectively, by \$761,000 Cdn (2008 - \$782,000 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

**Financial Risk Management Discussion (continued)
as at December 31**

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

CURRENCY (Cdn \$000s)	2009	2008
British Pound Sterling	2,024	2,122
Euro	-	(494)
United States Dollar	18,375	22,645
	20,399	24,273

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, respectively, by \$204,000 Cdn (2008-\$242,000 Cdn). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

(\$000s)	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
bcIMC Money Market Funds	-	1,691	-	1,691
Private Equities	-	-	81,416	81,416
Total Investments	-	1,691	81,416	83,107

**Fair Value Measurement Discussion (continued)
as at December 31**

(\$000s)	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Net Investment-Related Payables	(1)	-	-	(1)
bcIMC Money Market Funds	-	2,311	-	2,311
Private Equities	-	-	81,879	81,879
Total Investments	(1)	2,311	81,879	84,189

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

The following is a reconciliation of Level 3 assets held by the corporation for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	81,879
Purchases of Investments	1,175
Sales of Investments	(8,855)
Realized Losses	(1,674)
Change in Unrealized Gains	8,891
Closing Balance as at December 31, 2009	81,416

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	46,885	72,933
Liabilities		
bclMC funds management fees payable (note 7)	12	18
Accounts payable	13	17
	<u>25</u>	<u>35</u>
Net assets representing unitholders' equity	<u>46,860</u>	<u>72,898</u>
Number of units outstanding (note 9)	<u>41,311</u>	<u>51,245</u>
Net asset value per unit	<u>1,134</u>	<u>1,423</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income	-	1
Expenses (note 7):		
bclMC funds management fees	174	211
Administrative and professional fees	16	11
	<u>190</u>	<u>222</u>
Net investment loss	<u>(190)</u>	<u>(221)</u>
Realized and unrealized gains (losses):		
Net realized gain	2,868	3,857
Change in unrealized loss	(13,598)	(14,729)
	<u>(10,730)</u>	<u>(10,872)</u>
Net loss from operations	<u>(10,920)</u>	<u>(11,093)</u>
Capital Transactions:		
Proceeds from units issued	202	892
Amounts paid for units redeemed	(15,320)	(17,104)
	<u>(15,118)</u>	<u>(16,212)</u>
Decrease in net assets	(26,038)	(27,305)
Net assets, beginning of year	<u>72,898</u>	<u>100,203</u>
Net Assets, end of year	<u>46,860</u>	<u>72,898</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

**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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(10,920)	(11,093)
Items not affecting cash:		
Net realized loss (gain)	(2,868)	(3,857)
Change in unrealized loss (gain)	<u>13,598</u>	<u>14,729</u>
	(190)	(221)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(6)	(1)
Accounts payable	<u>(4)</u>	<u>(1)</u>
	<u>(200)</u>	<u>(223)</u>
Cash flows from investing activities		
Proceeds from sale of investments	15,520	17,426
Amounts paid for purchase of investments	<u>(202)</u>	<u>(991)</u>
	<u>15,318</u>	<u>16,435</u>
Cash flows from financing activities		
Proceeds from units issued	202	892
Amounts paid for units redeemed	<u>(15,320)</u>	<u>(17,104)</u>
	<u>(15,118)</u>	<u>(16,212)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	46,863	50,960	72,904	63,402
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	<u>22</u>	<u>21</u>	<u>29</u>	<u>29</u>
Total Investments	<u>46,885</u>	<u>50,981</u>	<u>72,933</u>	<u>63,431</u>

¹The private equity investments are held through a private corporation.

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

PRIVATE PLACEMENT FUND 1998

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the Private Placement Fund 1998.

The Fund holds its private equity investments through a corporation. The corporation holds the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	46,294	98.8%	72,678	99.7%
bcIMC Money Market Funds	569	1.2%	226	0.3%
	46,863	100.0%	72,904	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporation and its investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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.

**Financial Risk Management Discussion (continued)
as at December 31**

The fair value of these investments fluctuates in response to specific investee 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 net exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
British Pound Sterling	4,022	8.6%	3,874	5.3%
United States Dollar	6,073	13.0%	21,541	29.5%
Net Exposure	10,095	21.6%	25,415	34.8%

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, respectively, by \$101,000 Cdn (2008 - \$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)	2009	2008
British Pound Sterling	4,233	4,438
United States Dollar	2,513	3,265
	6,746	7,703

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, respectively, by \$67,000 Cdn (2008 - \$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 1998

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bclMC Money Market Funds	-	591	-	591
Private Equities	-	-	46,294	46,294
Total Investments	-	591	46,294	46,885

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bclMC Money Market Funds	-	255	-	255
Private Equities	-	-	72,678	72,678
Total Investments	-	255	72,678	72,933

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporation for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	72,678
Purchases of Investments	340
Sales of Investments	(8,269)
Realized Gains	541
Change in Unrealized Losses	(18,996)
Closing Balance as at December 31, 2009	46,294

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	110,228	129,798
Liabilities		
bclIMC funds management fees payable (note 7)	17	22
Accounts payable	13	18
	<u>30</u>	<u>40</u>
Net assets representing unitholders' equity	<u>110,198</u>	<u>129,758</u>
Number of units outstanding (note 9)	<u>138,880</u>	<u>157,394</u>
Net asset value per unit	<u>793</u>	<u>824</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income	-	2
Expenses (note 7):		
bclIMC funds management fees	245	271
Administrative and professional fees	14	11
	<u>259</u>	<u>282</u>
Net investment loss	<u>(259)</u>	<u>(280)</u>
Realized and unrealized gains (losses):		
Net realized loss	(1,817)	(9,320)
Change in unrealized gain (loss)	(1,124)	16,504
	<u>(2,941)</u>	<u>7,184</u>
Net income (loss) from operations	<u>(3,200)</u>	<u>6,904</u>
Capital Transactions:		
Proceeds from units issued	293	1,460
Amounts paid for units redeemed	(16,653)	(28,839)
	<u>(16,360)</u>	<u>(27,379)</u>
Decrease in net assets	(19,560)	(20,475)
Net assets, beginning of year	<u>129,758</u>	<u>150,233</u>
Net Assets, end of year	<u>110,198</u>	<u>129,758</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

**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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(3,200)	6,904
Items not affecting cash:		
Net realized loss (gain)	1,817	9,320
Change in unrealized loss (gain)	<u>1,124</u>	<u>(16,504)</u>
	(259)	(280)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(5)	(1)
Accounts payable	<u>(5)</u>	<u>-</u>
	<u>(269)</u>	<u>(281)</u>
Cash flows from investing activities		
Proceeds from sale of investments	16,921	29,289
Amounts paid for purchase of investments	<u>(292)</u>	<u>(1,629)</u>
	<u>16,629</u>	<u>27,660</u>
Cash flows from financing activities		
Proceeds from units issued	293	1,460
Amounts paid for units redeemed	<u>(16,653)</u>	<u>(28,839)</u>
	<u>(16,360)</u>	<u>(27,379)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	110,204	135,640	129,746	154,058
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	<u>24</u>	<u>24</u>	<u>52</u>	<u>52</u>
Total Investments	<u>110,228</u>	<u>135,664</u>	<u>129,798</u>	<u>154,110</u>

¹The private equity investments are held through a private corporation.

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

PRIVATE PLACEMENT FUND 1999

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the Private Placement Fund 1999.

The Fund holds its private equity investments through a corporation. The corporation holds the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	104,836	95.1%	129,200	99.6%
bcIMC Money Market Funds	5,368	4.9%	547	0.4%
Net Investment-Related Payables	-	-	(1)	-
	110,204	100.0%	129,746	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporation and its investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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

**Financial Risk Management Discussion (continued)
as at December 31**

industry sectors, geographic regions and the maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific investee 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

The Fund holds net assets denominated in U.S. currency totalling \$100,583,000 Cdn which represents 91% of the net asset value of the Fund (2008 - \$120,341,000 Cdn which represented 93% of the net asset value of the Fund). 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, respectively, by \$1,006,000 Cdn (2008 - \$1,203,000 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 \$18,580,000 Cdn (2008 - \$23,846,000 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, future unfunded commitments would have decreased/increased, respectively, by \$186,000 Cdn (2008 - \$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 1999

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bciMC Money Market Funds	-	5,392	-	5,392
Private Equities	-	-	104,836	104,836
Total Investments	-	5,392	104,836	110,228

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
Net Investment-Related Payables	(1)	-	-	(1)
bciMC Money Market Funds	-	599	-	599
Private Equities	-	-	129,200	129,200
Total Investments	(1)	599	129,200	129,798

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporation for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	129,200
Purchases of Investments	4,387
Sales of Investments	(26,130)
Realized Losses	(18,515)
Change in Unrealized Gains	15,894
Closing Balance as at December 31, 2009	104,836

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	23,478	27,152
Liabilities		
bclMC funds management fees payable (note 7)	6	7
Accounts payable	13	17
	<u>19</u>	<u>24</u>
Net assets representing unitholders' equity	<u>23,459</u>	<u>27,128</u>
Number of units outstanding (note 9)	<u>15,264</u>	<u>16,070</u>
Net asset value per unit	<u>1,537</u>	<u>1,688</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income	-	1
Expenses (note 7):		
bclMC funds management fees	84	93
Administrative and professional fees	14	11
	<u>98</u>	<u>104</u>
Net investment loss	<u>(98)</u>	<u>(103)</u>
Realized and unrealized gains (losses):		
Net realized gain (loss)	(153)	740
Change in unrealized loss	(2,160)	(2,978)
	<u>(2,313)</u>	<u>(2,238)</u>
Net loss from operations	<u>(2,411)</u>	<u>(2,341)</u>
Capital Transactions:		
Proceeds from units issued	195	739
Amounts paid for units redeemed	(1,453)	(4,187)
	<u>(1,258)</u>	<u>(3,448)</u>
Decrease in net assets	(3,669)	(5,789)
Net assets, beginning of year	<u>27,128</u>	<u>32,917</u>
Net Assets, end of year	<u>23,459</u>	<u>27,128</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

**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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(2,411)	(2,341)
Items not affecting cash:		
Net realized loss (gain)	153	(740)
Change in unrealized loss (gain)	<u>2,160</u>	<u>2,978</u>
	(98)	(103)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(1)	(3)
Accounts payable	<u>(4)</u>	<u>-</u>
	<u>(103)</u>	<u>(106)</u>
Cash flows from investing activities		
Proceeds from sale of investments	1,575	4,322
Amounts paid for purchase of investments	<u>(214)</u>	<u>(768)</u>
	<u>1,361</u>	<u>3,554</u>
Cash flows from financing activities		
Proceeds from units issued	195	739
Amounts paid for units redeemed	<u>(1,453)</u>	<u>(4,187)</u>
	<u>(1,258)</u>	<u>(3,448)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	23,476	26,545	27,140	28,049
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	<u>2</u>	<u>2</u>	<u>12</u>	<u>12</u>
Total Investments	<u>23,478</u>	<u>26,547</u>	<u>27,152</u>	<u>28,061</u>

¹The private equity investments are held through a private corporation.

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

PRIVATE PLACEMENT FUND 1999A

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the Private Placement Fund 1999A.

The Fund holds its private equity investments through a corporation. The corporation holds the following net assets:

	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	23,295	99.2%	26,958	99.3%
bcIMC Money Market Funds	181	0.8%	182	0.7%
	23,476	100.0%	27,140	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporation and its investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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.

**Financial Risk Management Discussion (continued)
as at December 31**

The fair value of these investments fluctuates in response to specific investee 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

The Fund holds net assets denominated in U.S. currency totalling \$13,631,000 Cdn which represents 58% of the net asset value of the Fund (2008 - \$16,509,000 Cdn which represented 61% of the net asset value of the Fund). 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, respectively, by \$136,000 Cdn (2008 - \$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 \$1,590,000 Cdn (2008 - \$2,157,000 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, respectively, by \$16,000 (2008 - \$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**

PRIVATE PLACEMENT FUND 1999A

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bcIMC Money Market Funds		183	-	183
Private Equities	-	-	23,295	23,295
Total Investments	-	183	23,295	23,478
	2008			
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
(\$000s)				
bcIMC Money Market Funds	-	194	-	194
Private Equities	-	-	26,958	26,958
Total Investments	-	194	26,958	27,152

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporation for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	26,958
Purchases of Investments	116
Sales of Investments	(1,125)
Realized Gains	591
Change in Unrealized Losses	(3,245)
Closing Balance as at December 31, 2009	23,295

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	169,125	139,921
Liabilities		
bcIMC funds management fees payable (note 7)	18	25
Accounts payable	13	17
	<u>31</u>	<u>42</u>
Net assets representing unitholders' equity	<u>169,094</u>	<u>139,879</u>
Number of units outstanding (note 9)	<u>111,251</u>	<u>121,016</u>
Net asset value per unit	<u>1,520</u>	<u>1,156</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income	-	2
Expenses (note 7):		
bcIMC funds management fees	261	308
Administrative and professional fees	14	11
	<u>275</u>	<u>319</u>
Net investment loss	<u>(275)</u>	<u>(317)</u>
Realized and unrealized gains (losses):		
Net realized gain	5,579	7,209
Change in unrealized gain (loss)	37,786	(40,380)
	<u>43,365</u>	<u>(33,171)</u>
Net income (loss) from operations	<u>43,090</u>	<u>(33,488)</u>
Capital Transactions:		
Proceeds from units issued	1,582	1,848
Amounts paid for units redeemed	(15,457)	(18,902)
	<u>(13,875)</u>	<u>(17,054)</u>
Increase (decrease) in net assets	29,215	(50,542)
Net assets, beginning of year	<u>139,879</u>	<u>190,421</u>
Net Assets, end of year	<u>169,094</u>	<u>139,879</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

**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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	43,090	(33,488)
Items not affecting cash:		
Net realized loss (gain)	(5,579)	(7,209)
Change in unrealized loss (gain)	<u>(37,786)</u>	<u>40,380</u>
	(275)	(317)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(7)	(4)
Accounts payable	<u>(4)</u>	<u>-</u>
	<u>(286)</u>	<u>(321)</u>
Cash flows from investing activities		
Proceeds from sale of investments	15,830	19,344
Amounts paid for purchase of investments	<u>(1,669)</u>	<u>(1,969)</u>
	<u>14,161</u>	<u>17,375</u>
Cash flows from financing activities		
Proceeds from units issued	1,582	1,848
Amounts paid for units redeemed	<u>(15,457)</u>	<u>(18,902)</u>
	<u>(13,875)</u>	<u>(17,054)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	169,065	98,285	139,840	106,846
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	<u>60</u>	<u>60</u>	<u>81</u>	<u>81</u>
Total Investments	<u>169,125</u>	<u>98,345</u>	<u>139,921</u>	<u>106,927</u>

¹The private equity investments are held through a private corporation.

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

2000 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2000 Private Placement Fund.

The Fund holds its private equity investments through a corporation. The corporation holds the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	166,833	98.7%	139,261	99.6%
Public Equities	-	-	26	-
bclMC Money Market Funds	2,232	1.3%	553	0.4%
	169,065	100.0%	139,840	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporation and its investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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.

**Financial Risk Management Discussion (continued)
as at December 31**

The fair value of these investments fluctuates in response to specific investee 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 net exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
Euro	47,108	27.9%	35,895	25.7%
United States Dollar	85,936	50.8%	74,148	53.0%
Net Exposure	133,044	78.7%	110,043	78.7%

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, respectively, by \$1,330,000 Cdn (2008 - \$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 \$3,909,000 Cdn (2008 - \$5,511,000 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, respectively, by \$39,000 Cdn (2008 - \$55,000 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

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bclMC Money Market Funds	-	2,292	-	2,292
Private Equities	-	-	166,833	166,833
Total Investments	-	2,292	166,833	169,125

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bclMC Money Market Funds	-	634	-	634
Public Equities	26	-	-	26
Private Equities	-	-	139,261	139,261
Total Investments	26	634	139,261	139,921

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporation for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	139,261
Purchases of Investments	2,485
Sales of Investments	(23,201)
Realized Losses	(11,272)
Change in Unrealized Gains	59,560
Closing Balance as at December 31, 2009	166,833

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	64,623	66,374
Liabilities		
bclMC funds management fees payable (note 7)	7	10
Accounts payable	13	17
	<u>20</u>	<u>27</u>
Net assets representing unitholders' equity	<u>64,603</u>	<u>66,347</u>
Number of units outstanding (note 9)	<u>28,501</u>	<u>30,532</u>
Net asset value per unit	<u>2,267</u>	<u>2,173</u>

Statement of Operations and Changes in Net Assets for the year ended December 31 (in \$000s)		
	<u>2009</u>	<u>2008</u>
Investment Income	-	1
Expenses (note 7):		
bclMC funds management fees	102	118
Administrative and professional fees	14	11
	<u>116</u>	<u>129</u>
Net investment loss	<u>(116)</u>	<u>(128)</u>
Realized and unrealized gains (losses):		
Net realized gain	3,749	8,598
Change in unrealized loss	(408)	(18,080)
	<u>3,341</u>	<u>(9,482)</u>
Net income (loss) from operations	<u>3,225</u>	<u>(9,610)</u>
Capital Transactions:		
Proceeds from units issued	1,073	1,198
Amounts paid for units redeemed	(6,042)	(13,290)
	<u>(4,969)</u>	<u>(12,092)</u>
Decrease in net assets	(1,744)	(21,702)
Net assets, beginning of year	<u>66,347</u>	<u>88,049</u>
Net Assets, end of year	<u>64,603</u>	<u>66,347</u>

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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	3,225	(9,610)
Items not affecting cash:		
Net realized loss (gain)	(3,749)	(8,598)
Change in unrealized loss (gain)	408	18,080
	<u>(116)</u>	<u>(128)</u>
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(3)	-
Accounts payable	(4)	-
	<u>(123)</u>	<u>(128)</u>
Cash flows from investing activities		
Proceeds from sale of investments	6,216	13,495
Amounts paid for purchase of investments	(1,124)	(1,275)
	<u>5,092</u>	<u>12,220</u>
Cash flows from financing activities		
Proceeds from units issued	1,073	1,198
Amounts paid for units redeemed	(6,042)	(13,290)
	<u>(4,969)</u>	<u>(12,092)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	64,593	27,175	66,358	28,532
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	30	30	16	16
Total Investments	<u>64,623</u>	<u>27,205</u>	<u>66,374</u>	<u>28,548</u>

¹The private equity investments are held through a private corporation.

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

2001 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2001 Private Placement Fund.

The Fund holds its private equity investments through a corporation. The corporation holds the following investments and other net receivables:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	61,761	95.6%	62,941	94.9%
bclMC Money Market Funds	2,454	3.8%	3,417	5.1%
Net Investment-Related Receivables	378	0.6%	-	-
	64,593	100.0%	66,358	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the investments held by the underlying corporation and its investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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

**Financial Risk Management Discussion (continued)
as at December 31**

underlying investees.

The fair value of these investments fluctuates in response to specific investee 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 \$64,584,000 Cdn which represents 100% of the net asset value of the Fund (2008 - \$66,357,000 Cdn which represented 100% of the net asset value of the Fund). 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, respectively, by \$646,000 Cdn (2008 - \$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 \$6,096,000 Cdn (2008 - \$7,212,000 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, respectively, by \$61,000 Cdn (2008 - \$72,000 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

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
Net Investment-Related				
Receivables	378			378
bclMC Money Market Funds	-	2,484	-	2,484
Private Equities	-	-	61,761	61,761
Total Investments	378	2,484	61,761	64,623
	2008			
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
(\$000s)				
bclMC Money Market Funds	-	3,434	-	3,434
Private Equities	-	-	62,940	62,940
Total Investments	-	3,434	62,940	66,374

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporation for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	62,940
Purchases of Investments	1,710
Sales of Investments	(6,078)
Realized Gains	555
Change in Unrealized Gains	2,632
Closing Balance as at December 31, 2009	<u>61,761</u>

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	104,108	95,738
Liabilities		
bclMC funds management fees payable (note 7)	14	16
Accounts payable	13	17
	<u>27</u>	<u>33</u>
Net assets representing unitholders' equity	<u>104,081</u>	<u>95,705</u>
Number of units outstanding (note 9)	<u>77,975</u>	<u>72,294</u>
Net asset value per unit	<u>1,335</u>	<u>1,324</u>

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

	<u>2009</u>	<u>2008</u>
Investment Income	-	1
Expenses (note 7):		
bclMC funds management fees	179	200
Administrative and professional fees	14	11
	<u>193</u>	<u>211</u>
Net investment loss	<u>(193)</u>	<u>(210)</u>
Realized and unrealized gains (losses):		
Net realized gain	426	3,196
Change in unrealized gain (loss)	37	(52,593)
	<u>463</u>	<u>(49,397)</u>
Net income (loss) from operations	<u>270</u>	<u>(49,607)</u>
Capital Transactions:		
Proceeds from units issued	9,086	8,290
Amounts paid for units redeemed	(980)	(8,370)
	<u>8,106</u>	<u>(80)</u>
Increase (decrease) in net assets	8,376	(49,687)
Net assets, beginning of year	<u>95,705</u>	<u>145,392</u>
Net Assets, end of year	<u>104,081</u>	<u>95,705</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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	270	(49,607)
Items not affecting cash:		
Net realized loss (gain)	(426)	(3,196)
Change in unrealized loss (gain)	(37)	52,593
	<u>(193)</u>	<u>(210)</u>
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(2)	-
Accounts payable	(4)	-
	<u>(199)</u>	<u>(210)</u>
Cash flows from investing activities		
Proceeds from sale of investments	1,179	8,581
Amounts paid for purchase of investments	(9,086)	(8,291)
	<u>(7,907)</u>	<u>290</u>
Cash flows from financing activities		
Proceeds from units issued	9,086	8,290
Amounts paid for units redeemed	(980)	(8,370)
	<u>8,106</u>	<u>(80)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	104,088	102,495	95,711	94,155
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	20	20	27	27
Total Investments	<u>104,108</u>	<u>102,515</u>	<u>95,738</u>	<u>94,182</u>

¹The private equity investments are held through a private corporation.

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

2002 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2002 Private Placement Fund.

The Fund holds most of its investments through a corporation. The corporation holds the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	103,800	99.7%	95,642	99.9%
bcIMC Money Market Funds	288	0.3%	69	0.1%
	104,088	100.0%	95,711	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporation and its investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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 investee developments,

**Financial Risk Management Discussion (continued)
as at December 31**

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 net exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
Euro	16,668	16.0%	14,257	14.9%
United States Dollar	49,664	47.7%	51,635	54.0%
Net Exposure	66,332	63.7%	65,892	68.9%

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, respectively, by \$663,000 Cdn (2008 - \$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)	2009	2008
Euro	3,305	11,068
United States Dollar	16,438	24,701
	19,743	35,769

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, respectively, by \$197,000 Cdn (2008 - \$358,000 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

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bciMC Money Market Funds	-	308	-	308
Private Equities	-	-	103,800	103,800
Total Investments	-	308	103,800	104,108
	2008			
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
(\$000s)				
bciMC Money Market Funds	-	95	-	95
Private Equities	-	-	95,643	95,643
Total Investments	-	95	95,643	95,738

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporation for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	95,643
Purchases of Investments	9,371
Sales of Investments	(750)
Realized Losses	(2,727)
Change in Unrealized Gains	2,263
Closing Balance as at December 31, 2009	103,800

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	131,560	130,855
Liabilities		
bcIMC funds management fees payable (note 7)	15	18
Accounts payable	13	17
	<u>28</u>	<u>35</u>
Net assets representing unitholders' equity	<u>131,532</u>	<u>130,820</u>
Number of units outstanding (note 9)	<u>176,164</u>	<u>179,056</u>
Net asset value per unit	<u>747</u>	<u>731</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income	-	1
Expenses (note 7):		
bcIMC funds management fees	200	219
Administrative and professional fees	14	11
	<u>214</u>	<u>230</u>
Net investment loss	<u>(214)</u>	<u>(229)</u>
Realized and unrealized gains (losses):		
Net realized gain	1,364	4,932
Change in unrealized gain (loss)	1,493	(8,835)
	<u>2,857</u>	<u>(3,903)</u>
Net income (loss) from operations	<u>2,643</u>	<u>(4,132)</u>
Capital Transactions:		
Proceeds from units issued	6,505	19,474
Amounts paid for units redeemed	(8,436)	(22,752)
	<u>(1,931)</u>	<u>(3,278)</u>
Increase (decrease) in net assets	712	(7,410)
Net assets, beginning of year	<u>130,820</u>	<u>138,230</u>
Net Assets, end of year	<u>131,532</u>	<u>130,820</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

**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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	2,643	(4,132)
Items not affecting cash:		
Net realized loss (gain)	(1,364)	(4,932)
Change in unrealized loss (gain)	<u>(1,493)</u>	<u>8,835</u>
	(214)	(229)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(3)	2
Accounts payable	<u>(4)</u>	<u>-</u>
	<u>(221)</u>	<u>(227)</u>
Cash flows from investing activities		
Proceeds from sale of investments	8,657	23,127
Amounts paid for purchase of investments	<u>(6,505)</u>	<u>(19,622)</u>
	<u>2,152</u>	<u>3,505</u>
Cash flows from financing activities		
Proceeds from units issued	6,505	19,474
Amounts paid for units redeemed	<u>(8,436)</u>	<u>(22,752)</u>
	<u>(1,931)</u>	<u>(3,278)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	131,539	106,317	130,811	107,082
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	<u>21</u>	<u>21</u>	<u>44</u>	<u>44</u>
Total Investments	<u>131,560</u>	<u>106,338</u>	<u>130,855</u>	<u>107,126</u>

¹The private equity investments are held through a private corporation.

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

2003 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2003 Private Placement Fund.

The Fund holds its private equity investments through a corporation. The corporation holds the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	131,380	99.9%	129,612	99.1%
bcIMC Money Market Funds	159	0.1%	1,199	0.9%
	131,539	100.0%	130,811	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporation and its investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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.

**Financial Risk Management Discussion (continued)
as at December 31**

The fair value of these investments fluctuates in response to specific investee 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

The Fund holds net assets denominated in U.S. currency totalling \$27,211,000 Cdn which represents 21% of the net asset value of the Fund (2008 - \$29,631,000 Cdn which represented 23% of the net asset value of the Fund). 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, respectively, by \$272,000 Cdn (2008 - \$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 \$5,262,000 Cdn (2008 - \$6,815,000 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, respectively, by \$53,000 Cdn (2008 - \$68,000 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

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bclMC Money Market Funds	-	180	-	180
Private Equities	-	-	131,380	131,380
Total Investments	-	180	131,380	131,560

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bclMC Money Market Funds	-	1,243	-	1,243
Private Equities	-	-	129,612	129,612
Total Investments	-	1,243	129,612	130,855

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporation for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	129,612
Purchases of Investments	10,310
Sales of Investments	(5,812)
Realized Gains	265
Change in Unrealized Losses	(2,994)
Closing Balance as at December 31, 2009	131,381

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	53,099	51,466
Liabilities		
bciMC funds management fees payable (note 7)	3	2
Accounts payable	13	17
	<u>16</u>	<u>19</u>
Net assets representing unitholders' equity	<u>53,083</u>	<u>51,447</u>
Number of units outstanding (note 9)	<u>10,765</u>	<u>11,100</u>
Net asset value per unit	<u>4,931</u>	<u>4,635</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income	-	-
Expenses (note 7):		
bciMC funds management fees	35	27
Administrative and professional fees	14	11
	<u>49</u>	<u>38</u>
Net investment loss	<u>(49)</u>	<u>(38)</u>
Realized and unrealized gains:		
Net realized gain	1,109	1,371
Change in unrealized gain	2,130	3,681
	<u>3,239</u>	<u>5,052</u>
Net income from operations	<u>3,190</u>	<u>5,014</u>
Capital Transactions:		
Proceeds from units issued	771	30
Amounts paid for units redeemed	(2,325)	(3,247)
	<u>(1,554)</u>	<u>(3,217)</u>
Increase in net assets	1,636	1,797
Net assets, beginning of year	51,447	49,650
Net Assets, end of year	<u>53,083</u>	<u>51,447</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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income from operations	3,190	5,014
Items not affecting cash:		
Net realized loss (gain)	(1,109)	(1,371)
Change in unrealized loss (gain)	<u>(2,130)</u>	<u>(3,681)</u>
	(49)	(38)
Changes in non-cash operating accounts:		
bclMC funds management fees payable	1	-
Accounts payable	<u>(4)</u>	<u>-</u>
	<u>(52)</u>	<u>(38)</u>
Cash flows from investing activities		
Proceeds from sale of investments	2,377	3,300
Amounts paid for purchase of investments	<u>(771)</u>	<u>(45)</u>
	<u>1,606</u>	<u>3,255</u>
Cash flows from financing activities		
Proceeds from units issued	771	30
Amounts paid for units redeemed	<u>(2,325)</u>	<u>(3,247)</u>
	<u>(1,554)</u>	<u>(3,217)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	53,083	26,404	51,452	26,904
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio Fund ST1	<u>16</u>	<u>16</u>	<u>14</u>	<u>13</u>
Total Investments	<u>53,099</u>	<u>26,420</u>	<u>51,466</u>	<u>26,917</u>

¹The private equity investments are held through a private corporation.

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

2003A PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management pertains specifically to the 2003A Private Placement Fund.

The Fund holds most of its investments through a corporation. The corporation holds the following investments and other net receivables:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	53,073	100.0%	51,451	100.0%
bcIMC Money Market Funds	10	-	1	-
	53,083	100.0%	51,452	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the investments held by the underlying corporation and its investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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. 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.

**Financial Risk Management Discussion (continued)
as at December 31**

The fair value of these investments fluctuates in response to specific investee 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

The Fund is not exposed to significant currency risk since the Fund's assets and liabilities are denominated in Canadian dollars.

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

2003A PRIVATE PLACEMENT FUND

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bclMC Money Market Funds	-	26	-	26
Private Equities	-	-	53,073	53,073
Total Investments	-	26	53,073	53,099

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bclMC Money Market Funds	-	15	-	15
Private Equities	-	-	51,451	51,451
Total Investments	-	15	51,451	51,466

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 assets held by the underlying corporation for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	51,451
Purchases of Investments	717
Sales of Investments	-
Realized Gains	-
Change in Unrealized Gains	905
Closing Balance as at December 31, 2009	53,073

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	156,374	147,692
Liabilities		
bclMC funds management fees payable (note 7)	18	23
Accounts payable	13	18
	<u>31</u>	<u>41</u>
Net assets representing unitholders' equity	<u>156,343</u>	<u>147,651</u>
Number of units outstanding (note 9)	<u>154,893</u>	<u>141,104</u>
Net asset value per unit	<u>1,009</u>	<u>1,046</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income	-	1
Expenses (note 7):		
bclMC funds management fees	248	279
Administrative and professional fees	16	11
	<u>264</u>	<u>290</u>
Net investment loss	<u>(264)</u>	<u>(289)</u>
Realized and unrealized gains (losses):		
Net realized gain (loss)	(821)	8,954
Change in unrealized loss	(4,352)	(25,039)
	<u>(5,173)</u>	<u>(16,085)</u>
Net loss from operations	<u>(5,437)</u>	<u>(16,374)</u>
Capital Transactions:		
Proceeds from units issued	17,571	17,888
Amounts paid for units redeemed	(3,442)	(43,159)
	<u>14,129</u>	<u>(25,271)</u>
Increase (decrease) in net assets	8,692	(41,645)
Net assets, beginning of year	<u>147,651</u>	<u>189,296</u>
Net Assets, end of year	<u>156,343</u>	<u>147,651</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

**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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(5,437)	(16,374)
Items not affecting cash:		
Net realized loss (gain)	821	(8,954)
Change in unrealized loss (gain)	4,352	25,039
	<u>(264)</u>	<u>(289)</u>
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	(5)	1
Accounts payable	(5)	2
	<u>(274)</u>	<u>(286)</u>
Cash flows from investing activities		
Proceeds from sale of investments	3,714	43,447
Amounts paid for purchase of investments	(17,569)	(17,890)
	<u>(13,855)</u>	<u>25,557</u>
Cash flows from financing activities		
Proceeds from units issued	17,571	17,888
Amounts paid for units redeemed	(3,442)	(43,159)
	<u>14,129</u>	<u>(25,271)</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	156,345	142,135	147,656	129,094
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	29	29	36	36
Total Investments	<u>156,374</u>	<u>142,164</u>	<u>147,692</u>	<u>129,130</u>

¹The private equity investments are held through private corporations.

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

2004 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2004 Private Placement Fund.

The Fund holds its private equity investments through corporations. The corporations hold the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	156,163	99.9%	147,155	99.7%
bclMC Money Market Funds	182	0.1%	502	0.3%
Net Investment-Related Payables	-	-	(1)	-
	156,345	100.0%	147,656	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporations and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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, 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

**Financial Risk Management Discussion (continued)
as at December 31**

maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific investee 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 net exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
Euro	27,607	17.7%	24,039	16.3%
Japanese Yen	4,117	2.6%	4,472	3.0%
United States Dollar	71,782	45.9%	69,065	46.8%
Net Exposure	103,506	66.2%	97,576	66.1%

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, respectively, by \$1,035,000 Cdn (2008 - \$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)	2009	2008
Euro	43	48
Japanese Yen	12,139	14,679
United States Dollar	12,135	15,252
	24,317	29,979

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

2004 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion (continued)
as at December 31**

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, respectively, by \$243,000 Cdn (2008 - \$300,000 Cdn). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bciMC Money Market Funds	-	211	-	211
Private Equities	-	-	156,163	156,163
Total Investments	-	211	156,163	156,374

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
Net Investment-Related Payables	(1)	-	-	(1)
bciMC Money Market Funds	-	538	-	538
Private Equities	-	-	147,155	147,155
Total Investments	(1)	538	147,155	147,692

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	147,155
Purchases of Investments	16,049
Sales of Investments	(2,443)
Realized Gains	1,035
Change in Unrealized Losses	(5,633)
Closing Balance as at December 31, 2009	156,163

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	513,204	453,225
Liabilities		
bclMC funds management fees payable (note 7)	44	30
Accounts payable	13	17
	<u>57</u>	<u>47</u>
Net assets representing unitholders' equity	<u>513,147</u>	<u>453,178</u>
Number of units outstanding (note 9)	<u>1,241.614</u>	<u>1,263.964</u>
Net asset value per unit	<u>413</u>	<u>359</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income	-	2
Expenses (note 7):		
bclMC funds management fees	471	361
External management fees	663	500
Administrative and professional fees	14	11
	<u>1,148</u>	<u>872</u>
Net investment loss	<u>(1,148)</u>	<u>(870)</u>
Realized and unrealized gains (losses):		
Net realized gain (loss)	(2,081)	2,625
Change in unrealized gain (loss)	67,885	(62,658)
	<u>65,804</u>	<u>(60,033)</u>
Net income (loss) from operations	<u>64,656</u>	<u>(60,903)</u>
Capital Transactions:		
Proceeds from units issued	35,362	121,082
Amounts paid for units redeemed	(40,049)	(17,121)
	<u>(4,687)</u>	<u>103,961</u>
Increase in net assets	59,969	43,058
Net assets, beginning of year	<u>453,178</u>	<u>410,120</u>
Net Assets, end of year	<u>513,147</u>	<u>453,178</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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	64,656	(60,903)
Items not affecting cash:		
Net realized loss (gain)	2,081	(2,625)
Change in unrealized loss (gain)	<u>(67,885)</u>	<u>62,658</u>
	(1,148)	(870)
Changes in non-cash operating accounts:		
bclMC funds management fees payable	14	5
Accounts payable	<u>(4)</u>	<u>-</u>
	<u>(1,138)</u>	<u>(865)</u>
Cash flows from investing activities		
Proceeds from sale of investments	40,965	21,738
Amounts paid for purchase of investments	<u>(35,140)</u>	<u>(124,834)</u>
	5,825	(103,096)
Cash flows from financing activities		
Proceeds from units issued	35,362	121,082
Amounts paid for units redeemed	<u>(40,049)</u>	<u>(17,121)</u>
	<u>(4,687)</u>	<u>103,961</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Equities:				
Private Equity Investments¹:	513,063	425,535	453,212	433,569
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio				
Fund ST1	<u>141</u>	<u>141</u>	<u>13</u>	<u>13</u>
Investments	<u>513,204</u>	<u>425,676</u>	<u>453,225</u>	<u>433,582</u>

¹The private equity investments are held through private corporations.

**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 Gain (Loss) (\$000s)</u>
2009	1	January 2010	<u>177</u>	<u>-</u>

There were no foreign currency contracts held on December 31, 2008.

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

2005 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2005 Private Placement Fund.

The Fund holds its private equity investments through corporations. The corporations hold the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	505,570	98.6%	450,758	99.4%
Public Equities	-	-	2,041	0.5%
bclMC Money Market Funds	4,721	0.9%	414	0.1%
Net Investment-Related Payables	(1)	-	(1)	-
Cash	2,773	0.5%	-	-
	513,063	100.0%	453,212	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporations and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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.

**Financial Risk Management Discussion (continued)
as at December 31**

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 investee 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 net exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
Euro	113,635	22.1%	87,480	19.3%
United States Dollar	383,529	74.7%	349,072	77.0%
Net Exposure	497,164	96.8%	436,552	96.3%

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, respectively, by \$4,972,000 Cdn (2008 - \$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)	2009	2008
Euro	42,567	60,881
United States Dollar	77,179	102,672
	119,746	163,553

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

2005 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion (continued)
as at December 31**

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, respectively, by \$1,197,000 Cdn (2008 -\$1,636,000 Cdn). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Cash	2,773	-	-	2,773
Net Investment-Related Payables	(1)	-	-	(1)
bcIMC Money Market Funds	-	4,862	-	4,862
Private Equities	-	-	505,570	505,570
Total Investments	2,772	4,862	505,570	513,204

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Net Investment-Related Payables	(1)	-	-	(1)
bcIMC Money Market Funds	-	427	-	427
Public Equities	2,041	-	-	2,041
Private Equities	-	-	450,758	450,758
Total Investments	2,040	427	450,758	453,225

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	450,758
Purchases of Investments	44,912
Sales of Investments	(29,691)
Realized Gains	4,838
Change in Unrealized Gains	34,753
Closing Balance as at December 31, 2009	<u>505,570</u>

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	430,846	393,356
Unrealized gain on foreign currency contracts (Schedule One)	3,614	-
	<u>434,460</u>	<u>393,356</u>
Liabilities		
Unrealized losses on foreign currency contracts (Schedule One)	-	653
bclIMC funds management fees payable (note 7)	38	31
Accounts payable	13	17
	<u>51</u>	<u>701</u>
Net assets representing unitholders' equity	<u>434,409</u>	<u>392,655</u>
Number of units outstanding (note 9)	<u>552,403</u>	<u>493,328</u>
Net asset value per unit	<u>786</u>	<u>796</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>2009</u>	<u>2008</u>
Investment Income	-	2
Expenses (note 7):		
bclIMC funds management fees	436	364
Administrative and professional fees	14	25
	<u>450</u>	<u>389</u>
Net investment loss	<u>(450)</u>	<u>(387)</u>
Realized and unrealized gains (losses):		
Net realized gain	7,064 ¹	49 ¹
Change in unrealized loss	<u>(8,098)¹</u>	<u>(48,240)¹</u>
	<u>(1,034)</u>	<u>(48,191)</u>
Net loss from operations	<u>(1,484)</u>	<u>(48,578)</u>
Capital Transactions:		
Proceeds from units issued	71,155	127,370
Amounts paid for units redeemed	<u>(27,917)</u>	<u>(2,301)</u>
	<u>43,238</u>	<u>125,069</u>
Increase in net assets	41,754	76,491
Net assets, beginning of year	<u>392,655</u>	<u>316,164</u>
Net Assets, end of year	<u>434,409</u>	<u>392,655</u>

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

8,879	(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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net loss from operations	(1,484)	(48,578)
Items not affecting cash:		
Net realized loss (gain)	(7,064)	(49)
Change in unrealized loss (gain)	8,098	48,240
	<u>(450)</u>	<u>(387)</u>
Changes in non-cash operating accounts:		
bclMC funds management fees payable	7	7
Accounts payable	(4)	-
	<u>(447)</u>	<u>(380)</u>
Cash flows from investing activities		
Proceeds from sale of investments	28,364	2,751
Amounts paid for purchase of investments	(71,155)	(127,440)
	<u>(42,791)</u>	<u>(124,689)</u>
Cash flows from financing activities		
Proceeds from units issued	71,155	127,370
Amounts paid for units redeemed	(27,917)	(2,301)
	<u>43,238</u>	<u>125,069</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	430,726	507,039	393,260	457,208
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio				
Fund ST1	120	120	96	96
Investments	<u>430,846</u>	<u>507,159</u>	<u>393,356</u>	<u>457,304</u>

¹The private equity investments are held through private corporations.

**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 Gain (Loss) (\$000s)</u>
2009	1	April 2010	35,376	3,614
2008	1	December 2009	42,596	(653)

See accompanying Notes to Financial Statements.

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

2006 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2006 Private Placement Fund.

The Fund holds most of its investments through corporations. The corporations hold the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	429,269	99.7%	391,886	99.7%
bclMC Money Market Funds	614	0.1%	1,375	0.3%
Net Investment-Related Receivables/Payables	843	0.2%	(1)	-
	430,726	100.0%	393,260	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporations and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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

**Financial Risk Management Discussion (continued)
as at December 31**

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 investee 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 net exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
Euro	132,014	30.4%	129,975	33.1%
United States Dollar	209,620	48.3%	227,712	58.0%
Net Exposure	341,634	78.7%	357,687	91.1%

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, respectively, by \$3,416,000 Cdn (2008 - \$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)	2009	2008
Euro	92,451	125,267
United States Dollar	121,033	157,504
	213,484	282,771

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

2006 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion (continued)
as at December 31**

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, respectively, by \$2,135,000 Cdn (2008 -\$2,828,000 Cdn). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
Net Investment-Related				
Receivables	843	-	-	843
bclMC Money Market Funds	-	734	-	734
Private Equities	-	-	429,269	429,269
Total Investments	843	734	429,269	430,846
Foreign Currency Contracts		3,614		3,614
Total	843	4,348	429,269	434,460
	2008			
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
(\$000s)				
Net Investment-Related Payables	(1)	-	-	(1)
bclMC Money Market Funds	-	1,471	-	1,471
Private Equities	-	-	391,886	391,886
Total Investments	(1)	1,471	391,886	393,356
Foreign Currency Contracts	-	(653)	-	(653)
Total	(1)	818	391,886	392,703

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	391,886
Purchases of Investments	79,766
Sales of Investments	(26,188)
Realized Gains	4,431
Change in Unrealized Losses	(20,686)
Closing Balance as at December 31, 2009	<u>429,269</u>

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	529,493	371,937
Liabilities		
bclMC funds management fees payable (note 7)	44	46
Accounts payable	13	17
	<u>57</u>	<u>63</u>
Net assets representing unitholders' equity	<u>529,436</u>	<u>371,874</u>
Number of units outstanding (note 9)	<u>744,911</u>	<u>557,789</u>
Net asset value per unit	<u>711</u>	<u>667</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>2009</u>	<u>2008</u>
Investment Income	-	3
Expenses (note 7):		
bclMC funds management fees	556	559
Administrative and professional fees	(1)	135
	<u>555</u>	<u>694</u>
Net investment loss	<u>(555)</u>	<u>(691)</u>
Realized and unrealized gains (losses):		
Net realized gain (loss)	(1,385)	9
Change in unrealized gain (loss)	34,774	(80,002)
	<u>33,389</u>	<u>(79,993)</u>
Net income (loss) from operations	<u>32,834</u>	<u>(80,684)</u>
Capital Transactions:		
Proceeds from units issued	131,158	207,249
Amounts paid for units redeemed	(6,430)	(2,588)
	<u>124,728</u>	<u>204,661</u>
Increase in net assets	157,562	123,977
Net assets, beginning of year	<u>371,874</u>	<u>247,897</u>
Net Assets, end of year	<u>529,436</u>	<u>371,874</u>

**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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	32,834	(80,684)
Items not affecting cash:		
Net realized loss (gain)	1,385	(9)
Change in unrealized loss (gain)	<u>(34,774)</u>	<u>80,002</u>
	(555)	(691)
Changes in non-cash operating accounts:		
bclMC funds management fees payable	(2)	9
Accounts payable	<u>(4)</u>	<u>5</u>
	<u>(561)</u>	<u>(677)</u>
Cash flows from investing activities		
Proceeds from sale of investments	7,146	3,376
Amounts paid for purchase of investments	<u>(131,313)</u>	<u>(207,360)</u>
	<u>(124,167)</u>	<u>(203,984)</u>
Cash flows from financing activities		
Proceeds from units issued	131,158	207,249
Amounts paid for units redeemed	<u>(6,430)</u>	<u>(2,588)</u>
	<u>124,728</u>	<u>204,661</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	529,437	590,183	371,787	467,307
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio				
Fund ST1	<u>56</u>	<u>56</u>	<u>150</u>	<u>150</u>
Total Investments	<u>529,493</u>	<u>590,239</u>	<u>371,937</u>	<u>467,457</u>

¹The private equity investments are held through private corporations.

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

2007 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2007 Private Placement Fund.

The Fund holds its private equity investments through corporations. The corporations hold the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	508,105	95.9%	357,582	96.3%
Private Debt	11,926	2.3%	11,573	3.1%
bclMC Money Market Funds	6,569	1.2%	1,034	0.3%
Net Investment-Related Receivables	2,837	0.5%	1,598	0.4%
	529,437	99.9%	371,787	100.1%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporations and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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

**Financial Risk Management Discussion (continued)
as at December 31**

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 investee 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 net exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
Euro	48,446	9.2%	34,626	9.3%
United States Dollar	362,088	68.4%	220,633	59.3%
Net Exposure	410,534	77.6%	255,259	68.6%

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, respectively, by \$4,105,000 Cdn (2008 - \$2,553,000 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

**Financial Risk Management Discussion (continued)
as at December 31**

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

CURRENCY (Cdn \$000s)	2009	2008
Euro	67,674	85,230
United States Dollar	304,691	467,754
	372,365	552,984

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, respectively, by \$3,724,000 Cdn (2008 -\$6,356,000 Cdn). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
Net Investment-Related				
Receivables	2,837	-	-	2,837
bcIMC Money Market Funds	-	6,625	-	6,625
Private Debt	-	-	11,926	11,926
Private Equities	-	-	508,105	508,105
Total Investments	2,837	6,625	520,031	529,493
	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
Net Investment-Related Receivables	1,598	-	-	1,598
bcIMC Money Market Funds	-	1,184	-	1,184
Private Debt	-	-	11,573	11,573
Private Equities	-	-	357,582	357,582
Total Investments	1,598	1,184	369,155	371,937

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

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

2007 PRIVATE PLACEMENT FUND

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	369,155
Purchases of Investments	146,796
Sales of Investments	(25,570)
Realized Gains	5,869
Change in Unrealized Gains	23,781
Closing Balance as at December 31, 2009	<u>520,031</u>

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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)		
	2009	2008
Assets		
Investments at fair value	233,883	98,334
Liabilities		
bclMC funds management fees payable (note 7)	18	57
Accounts payable	13	12
	31	69
Net assets representing unitholders' equity	233,852	98,265
Number of units outstanding (note 9)	254,561	122,131
Net asset value per unit	919	805



Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets		
for the year ended December 31		
(in \$000s)		
	2009	2008
Investment Income	-	3
Expenses (note 7):		
bclMC funds management fees	433	657
Administrative and professional fees	45	83
	478	740
Net investment loss	(478)	(737)
Realized and unrealized gains (losses):		
Net realized gain (loss)	(1,918)	68
Change in unrealized gain (loss)	30,817	(32,157)
	28,899	(32,089)
Net income (loss) from operations	28,421	(32,826)
Capital Transactions:		
Proceeds from units issued	113,300	131,559
Amounts paid for units redeemed	(6,134)	(468)
	107,166	131,091
Increase in net assets	135,587	98,265
Net assets, beginning of year	98,265	-
Net Assets, end of year	233,852	98,265

**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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	28,421	(32,826)
Items not affecting cash:		
Net realized loss (gain)	1,918	(68)
Change in unrealized loss (gain)	<u>(30,817)</u>	<u>32,157</u>
	(478)	(737)
Changes in non-cash operating accounts:		
bclMC funds management fees payable	(39)	57
Accounts payable	<u>1</u>	<u>12</u>
	<u>(516)</u>	<u>(668)</u>
Cash flows from investing activities		
Proceeds from sale of investments	6,843	1,167
Amounts paid for purchase of investments	<u>(113,493)</u>	<u>(131,590)</u>
	<u>(106,650)</u>	<u>(130,423)</u>
Cash flows from financing activities		
Proceeds from units issued	113,300	131,559
Amounts paid for units redeemed	<u>(6,134)</u>	<u>(468)</u>
	<u>107,166</u>	<u>131,091</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	233,831	235,172	98,317	130,475
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio				
Fund ST1	<u>52</u>	<u>52</u>	<u>17</u>	<u>17</u>
Total Investments	<u>233,883</u>	<u>235,224</u>	<u>98,334</u>	<u>130,492</u>

¹The private equity investments are held through private corporations.

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

2008 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2008 Private Placement Fund.

The Fund holds its private equity investments through corporations. The corporations hold the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	231,623	99.1%	96,917	98.6%
bclMC Money Market Funds	2,208	0.9%	1,679	1.7%
Net Investment-Related Payables	-	-	(279)	(0.3%)
	233,831	100.0%	98,317	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporations and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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

**Financial Risk Management Discussion (continued)
as at December 31**

maturity of the underlying investees.

The fair value of these investments fluctuates in response to specific investee 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 net exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
Euro	75,507	32.3%	37,314	38.0%
Japanese Yen	(441)	(0.2%)	91	0.1%
United States Dollar	151,819	64.9%	58,121	59.1%
Net Exposure	226,885	97.0%	95,526	97.2%

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, respectively, by \$2,269,000 Cdn (2008 - \$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)	2009	2008
Euro	324,333	408,514
Japanese Yen	37,210	29,649
United States Dollar	303,535	364,366
	665,078	802,529

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

2008 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion (continued)
as at December 31**

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, respectively, by \$6,651,000 Cdn (2008 - \$8,025,000 Cdn). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bcIMC Money Market Funds	-	2,260	-	2,260
Private Equities	-	-	231,623	231,623
Total Investments	-	2,260	231,623	233,883

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
Net Investment-Related Payables	(279)	-	-	(279)
bcIMC Money Market Funds	-	1,637	-	1,637
Private Equities	-	-	96,316	96,316
Total Investments	(279)	1,637	96,316	98,334

During 2009 and 2008, there were no significant transfers between Level 1 and Level

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	96,316
Purchases of Investments	125,270
Sales of Investments	(17,473)
Realized Losses	(159)
Change in Unrealized Gains	27,069
Closing Balance as at December 31, 2009	<u>231,623</u>

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

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

2009 PRIVATE PLACEMENT FUND

Statement of Net Assets

as at December 31

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

	<u>2009</u> (note 1)
Assets	
Investments at fair value	<u>34,578</u>
Liabilities	
bclMC funds management fees payable (note 7)	42
Accounts payable	<u>12</u>
	<u>54</u>
Net assets representing unitholders' equity	<u>34,524</u>
Number of units outstanding (note 9)	<u>149,797</u>
Net asset value per unit	<u>230</u>

Doug Pearce
Chief Executive Officer
Chief Investment Officer

Statement of Operations and Changes in Net Assets

for the period ended December 31

(in \$000s)

	<u>2009</u> (note 1)
Investment Income	<u>-</u>
Expenses (note 7):	
bclMC funds management fees	213
Administrative and professional fees	<u>85</u>
	<u>298</u>
Net investment loss	<u>(298)</u>
Realized and unrealized gains (losses):	
Net realized loss	(66)
Change in unrealized gain	<u>832</u>
	<u>766</u>
Net income from operations	<u>468</u>
Capital Transactions:	
Proceeds from units issued	35,851
Amounts paid for units redeemed	<u>(1,795)</u>
	<u>34,056</u>
Increase in net assets	34,524
Net assets, beginning of period	<u>-</u>
Net Assets, end of period	<u>34,524</u>

See accompanying Notes to Financial Statements.

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

2009 PRIVATE PLACEMENT FUND

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

	<u>2009</u> (note 1)
Cash flow provided by (used for):	
Cash flows from operating activities	
Net income from operations	468
Items not affecting cash:	
Net realized loss	66
Change in unrealized gain	<u>(832)</u>
	(298)
Changes in non-cash operating accounts:	
bclMC funds management fees payable	42
Accounts payable	<u>12</u>
	<u>(244)</u>
Cash flows from investing activities	
Proceeds from sale of investments	2,039
Amounts paid for purchase of investments	<u>(35,851)</u>
	<u>(33,812)</u>
Cash flows from financing activities	
Proceeds from units issued	35,851
Amounts paid for units redeemed	<u>(1,795)</u>
	<u>34,056</u>
Net increase in cash	-
Cash, beginning of period	<u>-</u>
Cash, end of period	<u><u>-</u></u>

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

	<u>2009</u>	
	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	34,315	33,483
Money Market Investments:		
Units in bclMC Pooled Investment Portfolio Fund ST1	<u>263</u>	<u>263</u>
Total Investments	<u><u>34,578</u></u>	<u><u>33,746</u></u>

¹The private equity investments are held through private corporations.

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

2009 PRIVATE PLACEMENT FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the 2009 Private Placement Fund.

The Fund holds its private equity investments through corporations. The corporations hold the following net assets:

(\$000s)	2009	
	Total	% of Total
Private Equities	34,240	99.8%
bclMC Money Market Funds	76	0.2%
Net Investment-Related Payables	(1)	-
	34,315	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporations and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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, 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

**Financial Risk Management Discussion (continued)
as at December 31**

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 \$34,298,000 Cdn which represents 99% of the net asset value of the Fund. 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, respectively, by \$343,000 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 \$502,483,000 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, respectively, by \$5,025,000 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**

2009 PRIVATE PLACEMENT FUND

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

(\$000s)	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Net Investment-Related				
Payables	(1)			(1)
bclMC Money Market Funds	-	339	-	339
Private Equities	-	-	34,240	34,240
Total Investments	(1)	339	34,240	34,578

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

The following is a reconciliation of Level 3 investments held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	-
Purchases of Investments	35,136
Sales of Investments	(1,547)
Realized Gains	4
Change in Unrealized Gains	647
Closing Balance as at December 31, 2009	<u>34,240</u>

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	375,900	148,607
Liabilities		
bclMC funds management fees payable (note 7)	38	16
Accounts payable	13	17
	<u>51</u>	<u>33</u>
Net assets representing unitholders' equity	<u>375,849</u>	<u>148,574</u>
Number of units outstanding (note 9)	<u>210.105</u>	<u>122.177</u>
Net asset value per unit	<u>1,789</u>	<u>1,216</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income	-	2
Expenses (note 7):		
bclMC funds management fees	362	196
Administrative and professional fees	1,761	1,679
	<u>2,123</u>	<u>1,875</u>
Net investment loss	<u>(2,123)</u>	<u>(1,873)</u>
Realized and unrealized gains (losses):		
Net realized gain	2,131	1,032
Change in unrealized gain (loss)	109,705	(15,149)
	<u>111,836</u>	<u>(14,117)</u>
Net income (loss) from operations	<u>109,713</u>	<u>(15,990)</u>
Capital Transactions:		
Proceeds from units issued	137,684	11,973
Amounts paid for units redeemed	(20,122)	(6,575)
	<u>117,562</u>	<u>5,398</u>
Increase (decrease) in net assets	227,275	(10,592)
Net assets, beginning of year	<u>148,574</u>	<u>159,166</u>
Net Assets, end of year	<u>375,849</u>	<u>148,574</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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	109,713	(15,990)
Items not affecting cash:		
Net realized loss (gain)	(2,131)	(1,032)
Change in unrealized loss (gain)	<u>(109,705)</u>	<u>15,149</u>
	(2,123)	(1,873)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	22	-
Accounts payable	<u>(4)</u>	<u>-</u>
	<u>(2,105)</u>	<u>(1,873)</u>
Cash flows from investing activities		
Proceeds from sale of investments	22,228	8,182
Amounts paid for purchase of investments	<u>(137,685)</u>	<u>(11,707)</u>
	<u>(115,457)</u>	<u>(3,525)</u>
Cash flows from financing activities		
Proceeds from units issued	137,684	11,973
Amounts paid for units redeemed	<u>(20,122)</u>	<u>(6,575)</u>
	<u>117,562</u>	<u>5,398</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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Equity Investments¹:	375,743	247,892	148,511	130,365
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio				
Fund ST1	<u>157</u>	<u>157</u>	<u>96</u>	<u>96</u>
Total Investments	<u>375,900</u>	<u>248,049</u>	<u>148,607</u>	<u>130,461</u>

¹The private equity investments are held through private corporations.

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

STRATEGIC INV 100 DOMESTIC PP FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the Strategic Inv 100 Domestic PP Fund.

The Fund holds its private equity and debt investments through corporations. The corporations hold the following investments and other net receivables:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	179,708	47.8%	96,219	64.8%
Private Debt	194,466	51.8%	51,214	34.5%
Money Market Investments	85	-	49	-
Net Investment-Related Receivables	1,484	0.4%	1,029	0.7%
	375,743	100.0%	148,511	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the investments held by the underlying corporations and their investing activities have been considered.

Credit Risk

The debt is subject to credit risk but is not rated by a rating agency. Refer to note 5 for discussion as to how credit risk is generally managed for all Funds.

Interest Rate Risk

The Fund holds fixed-rate debt with a fair value of \$80,149,000 that bears interest at 8.51% per annum and matures on May 2021. If prevailing interest rates increased or decreased by 1% (100 bps), with all others variables held constant, the fair value of the fixed-rate debt would decrease or increase, respectively, by approximately \$4,585,000. In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**Financial Risk Management Discussion (continued)
as at December 31**

The Fund also holds fixed-rate convertible debentures with a fair value of \$114,317,000 that bear interest at a rate of 9.00% per annum and mature on February 11, 2014. The fixed-rate convertible debentures are valued on a fully converted basis and the fair value of this investment fluctuates in response to specific company developments rather than changes in interest rates. Because of these factors, sensitivity analysis that would measure the impact of changes in the interest rates on the fixed-rate convertible debentures has not been provided as bclMC does not believe this information would be meaningful.

Other Price Risk

The investments held by the 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 is not exposed to significant currency risk since the Fund's assets and liabilities are denominated in Canadian dollars.

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

STRATEGIC INV 100 DOMESTIC PP FUND

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
Net Investment-Related				
Receivables	1,484	-	-	1,484
bclMC Money Market Funds	-	242	-	242
Private Debt	-	-	194,466	194,466
Private Equities	-	-	179,708	179,708
Total Investments	1,484	242	374,174	375,900
	2008			
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
(\$000s)				
Net Investment-Related				
Receivables	1,034	-	-	1,034
bclMC Money Market Funds	-	145	-	145
Private Debt	-	-	51,214	51,214
Private Equities	-	-	96,214	96,214
Total Investments	1,034	145	147,428	148,607

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	147,428
Purchases of Investments	168,747
Sales of Investments	(38,104)
Realized Gains	37,916
Change in Unrealized Gains	58,187
Closing Balance as at December 31, 2009	<u>374,174</u>

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**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>2009</u>	<u>2008</u>
Assets		
Investments at fair value	1,204,979	1,121,976
Unrealized gains on foreign currency contracts (Schedule One)	<u>5,354</u>	
	<u>1,210,333</u>	<u>1,121,976</u>
Liabilities		
Unrealized losses on foreign currency contracts (Schedule One)	-	16,290
bclMC funds management fees payable (note 7)	115	92
Accounts payable	<u>13</u>	<u>17</u>
	<u>128</u>	<u>16,399</u>
Net assets representing unitholders' equity	<u>1,210,205</u>	<u>1,105,577</u>
Number of units outstanding (note 9)	<u>787,334</u>	<u>791,407</u>
Net asset value per unit	<u>1,537</u>	<u>1,397</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>2009</u>	<u>2008</u>
Investment Income	<u>1</u>	<u>7</u>
Expenses (note 7):		
bclMC funds management fees	1,309	1,100
Administrative and professional fees	<u>151</u>	<u>151</u>
	<u>1,460</u>	<u>1,251</u>
Net investment loss	<u>(1,459)</u>	<u>(1,244)</u>
Realized and unrealized gains:		
Net realized gain	53,331 ¹	143,786 ¹
Change in unrealized gain	<u>58,239 ¹</u>	<u>47,345 ¹</u>
	<u>111,570</u>	<u>191,131</u>
Net income from operations	<u>110,111</u>	<u>189,887</u>
Capital Transactions:		
Proceeds from units issued	97,769	180,104
Amounts paid for units redeemed	<u>(103,252)</u>	<u>(259,232)</u>
	<u>(5,483)</u>	<u>(79,128)</u>
Increase in net assets	104,628	110,759
Net assets, beginning of year	<u>1,105,577</u>	<u>994,818</u>
Net Assets, end of year	<u>1,210,205</u>	<u>1,105,577</u>

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

66,028	(16,290)
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**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)**

	2009	2008
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income from operations	110,111	189,887
Items not affecting cash:		
Net realized loss (gain)	(53,331)	(143,786)
Change in unrealized loss (gain)	<u>(58,239)</u>	<u>(47,345)</u>
	(1,459)	(1,244)
Changes in non-cash operating accounts:		
bclMC funds management fees payable	23	23
Accounts payable	<u>(4)</u>	<u>-</u>
	<u>(1,440)</u>	<u>(1,221)</u>
Cash flows from investing activities		
Proceeds from sale of investments	105,687	266,134
Amounts paid for purchase of investments	<u>(98,764)</u>	<u>(185,785)</u>
	6,923	80,349
Cash flows from financing activities		
Proceeds from units issued	97,769	180,104
Amounts paid for units redeemed	<u>(103,252)</u>	<u>(259,232)</u>
	<u>(5,483)</u>	<u>(79,128)</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)**

	2009		2008	
	Fair Value	Cost	Fair Value	Cost
Private Equity Investments¹:	1,204,630	992,987	1,121,477	946,429
Money Market Investments:				
Units in bclMC Pooled Investment Portfolio Fund ST1	<u>349</u>	<u>349</u>	<u>499</u>	<u>499</u>
Investments	<u>1,204,979</u>	<u>993,336</u>	<u>1,121,976</u>	<u>946,928</u>

¹The private equity investments are held through private corporations and a limited partnership.

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

Date	Number of Contracts	Expiry Dates	Notional Value (\$000s)	Unrealized Gain (\$000s)
2009	1	January 2010	<u>32,086</u>	<u>5,354</u>
Date	Number of Contracts	Expiry Dates	Notional Value (\$000s)	Unrealized (Loss) (\$000s)
2008	8	October 2009	<u>355,640</u>	<u>(16,290)</u>

See accompanying Notes to Financial Statements.

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

STRATEGIC INV 100 FOREIGN PP FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the Strategic Inv 100 Foreign PP Fund.

The Fund holds its private equity and debt investments through corporations and a limited partnership. The corporations and limited partnership hold the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Equities	1,238,910	102.8%	1,238,497	110.4%
Private Debt	24,254	2.0%	25,428	2.3%
Foreign Currency Contracts	72,147	6.0%	-	-
bclMC Money Market Funds	9,133	0.8%	31,447	2.8%
Debt	(140,486)	(11.7%)	(174,599)	(15.6%)
Net Investment-Related Payables	672	0.1%	704	0.1%
	1,204,630	100.0%	1,121,477	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporations and limited partnership and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets are non-interest bearing and the debt has no fixed repayment date, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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

**Financial Risk Management Discussion (continued)
as at December 31**

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 investee 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, including foreign currency contracts, which resulted in net exposure to the following currencies:

CURRENCY (Cdn \$000s)	2009		2008	
	Total	% of Net Asset Value	Total	% of Net Asset Value
British Pound Sterling	175,822	14.5%	192,616	17.4%
Euros	79,672	6.6%	86,329	7.8%
United States Dollar	799,377	66.1%	432,001	39.1%
Net Exposure	1,054,871	87.2%	710,946	64.3%

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, respectively, by \$10,549,000 Cdn (2008 - \$7,109,000 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 FOREIGN PP FUND

**Financial Risk Management Discussion (continued)
as at December 31**

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

CURRENCY (Cdn \$000s)	2009	2008
Euros	12,781	15,940
United States Dollar	131,545	224,515
	144,326	240,455

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, respectively, by \$1,444,000 Cdn (2008 - \$2,405,000 Cdn). In practice, the actual trading results may differ from the above sensitivity analysis and the difference could be material.

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments and derivatives as of December 31:

(\$000s)	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Net Investment-Related				
Payables	672	-	-	672
Debt	-	-	(140,486)	(140,486)
bcIMC Money Market Funds	-	9,482	-	9,482
Foreign Currency Contracts	-	72,147	-	72,147
Private Debt	-	-	24,254	24,254
Private Equities	-	-	1,238,910	1,238,910
Total Investments	672	81,629	1,122,678	1,204,979
Foreign Currency Contracts	-	5,354	-	5,354
Total	672	86,983	1,122,678	1,210,333
	2008			
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Net Investment-Related				
Payables	704	-	-	704
Debt	-	-	(174,599)	(174,599)
bcIMC Money Market Funds	-	31,946	-	31,946
Private Debt	-	-	25,428	25,428
Private Equities	-	-	1,238,497	1,238,497
Total Investments	704	31,946	1,089,326	1,121,976
Foreign Currency Contracts	-	(16,290)	-	(16,290)
Total	704	15,656	1,089,326	1,105,686

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

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

STRATEGIC INV 100 FOREIGN PP FUND

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	<u>(\$000s)</u>
Opening Balance as at January 1, 2009	1,263,925
Purchases of Investments	109,052
Sales of Investments	(42,931)
Realized Gains	5,220
Change in Unrealized Losses	<u>(72,102)</u>
Closing Balance as at December 31, 2009	<u><u>1,263,164</u></u>

The following is a reconciliation of Level 3 liabilities held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 liabilities held at the beginning and end of the year:

<u>Debt</u>	<u>(\$000s)</u>
Opening Balance as at January 1, 2009	(174,599)
Issuance of Debt	-
Repayment of Debt	34,113
Change in Unrealized Gains	-
Closing Balance as at December 31, 2009	<u><u>(140,486)</u></u>

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

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

STRATEGIC INVESTMENT REAL ESTATE FUND

Statement of Net Assets

as at December 31

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

	<u>2009</u>	<u>2008</u>
Assets		
Investments at fair value	162,175	168,658
Liabilities		
bclMC funds management fees payable (note 7)	11	7
Accounts payable	13	17
	<u>24</u>	<u>24</u>
Net assets representing unitholders' equity	<u>162,151</u>	<u>168,634</u>
Number of units outstanding (note 9)	<u>135,139</u>	<u>118,363</u>
Net asset value per unit	<u>1,200</u>	<u>1,425</u>

Statement of Operations and Changes in Net Assets

for the year ended December 31

(in \$000s)

	<u>2009</u>	<u>2008</u>
Investment Income	-	1
Expenses (note 7):		
bclMC funds management fees	129	76
Administrative and professional fees	35	120
	<u>164</u>	<u>196</u>
Net investment loss	<u>(164)</u>	<u>(195)</u>
Realized and unrealized gains (losses):		
Net realized gain	-	368
Change in unrealized gain (loss)	(28,319)	5,576
	<u>(28,319)</u>	<u>5,944</u>
Net income (loss) from operations	<u>(28,483)</u>	<u>5,749</u>
Capital Transactions:		
Proceeds from units issued	22,000	200
Amounts paid for units redeemed	-	(1,050)
	<u>22,000</u>	<u>(850)</u>
Increase (decrease) in net assets	(6,483)	4,899
Net assets, beginning of year	<u>168,634</u>	<u>163,735</u>
Net Assets, end of year	<u>162,151</u>	<u>168,634</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>2009</u>	<u>2008</u>
Cash flow provided by (used for):		
Cash flows from operating activities		
Net income (loss) from operations	(28,483)	5,749
Items not affecting cash:		
Net realized loss (gain)	-	(368)
Change in unrealized loss (gain)	<u>28,319</u>	<u>(5,576)</u>
	(164)	(195)
Changes in non-cash operating accounts:		
bcIMC funds management fees payable	4	1
Accounts payable	<u>(4)</u>	<u>-</u>
	<u>(164)</u>	<u>(194)</u>
Cash flows from investing activities		
Proceeds from sale of investments	199	1,216
Amounts paid for purchase of investments	<u>(22,035)</u>	<u>(172)</u>
	<u>(21,836)</u>	<u>1,044</u>
Cash flows from financing activities		
Proceeds from units issued	22,000	200
Amounts paid for units redeemed	<u>-</u>	<u>(1,050)</u>
	<u>22,000</u>	<u>(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>2009</u>		<u>2008</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Private Real Estate Investments¹:	162,085	139,666	168,642	117,904
Money Market Investments:				
Units in bcIMC Pooled Investment Portfolio Fund ST1	<u>90</u>	<u>90</u>	<u>16</u>	<u>16</u>
Total Investments	<u>162,175</u>	<u>139,756</u>	<u>168,658</u>	<u>117,920</u>

¹The private equity investments are held through private corporations.

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

STRATEGIC INVESTMENT REAL ESTATE FUND

**Financial Risk Management Discussion
as at December 31**

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 Financial Risk Management Discussion pertains specifically to the Strategic Investment Real Estate Fund.

The Fund holds its private real estate investments through corporations. The corporations hold the following net assets:

(\$000s)	2009		2008	
	Total	% of Total	Total	% of Total
Private Real Estate	161,948	99.9%	168,474	99.9%
bclMC Money Market Funds	137	0.1%	168	0.1%
	162,085	100.0%	168,642	100.0%

The Fund's activities expose it to a variety of financial risks. For purposes of describing the financial risks of the Fund, the composition of the net assets held by the underlying corporations and their investing activities have been considered.

Credit Risk

Substantially all of the Fund's financial assets and liabilities are held in securities that are not subject to credit risk.

Interest Rate Risk

Substantially all of the Fund's financial assets and liabilities are non-interest bearing, accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing market interest rates.

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.

**Financial Risk Management Discussion (continued)
as at December 31**

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 \$161,954,000 Cdn which represents 100% of the net asset value of the Fund (2008 – \$168,564,000 Cdn which represented 100% of the net asset value of the Fund). 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, respectively, by \$1,643,000 Cdn (2008 - \$1,686,000 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 additional exposure to currency risk through its future unfunded commitments in U.S. currency totalling \$24,339,000 Cdn (2008 - \$52,046,000 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, respectively, by \$243,000 Cdn (2008 - \$520,000 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 INVESTMENT REAL ESTATE FUND

**Fair Value Measurement Discussion
as at December 31**

As described in note 3 of the financial statements, CICA 3862, Financial Instruments - Disclosures establishes a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments and derivatives.

The following is a summary of the inputs used to value the Fund's investments as of December 31:

	2009			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bcIMC Money Market Funds	-	227	-	227
Private Real Estate	-	-	161,948	161,948
Total Investments	-	227	161,948	162,175

	2008			Total
	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(\$000s)				
bcIMC Money Market Funds	-	184	-	184
Private Real Estate	-	-	168,474	168,474
Total Investments	-	184	168,474	168,658

During 2009 and 2008, there were no significant transfers between Level 1 and Level 2.

**Fair Value Measurement Discussion (continued)
as at December 31**

The following is a reconciliation of Level 3 investments held by the underlying corporations for which significant unobservable inputs were used to determine fair value. The table represents the activity of Level 3 investments held at the beginning and end of the year:

	(\$000s)
Opening Balance as at January 1, 2009	168,474
Purchases of Investments	21,834
Sales of Investments	-
Realized Losses	-
Change in Unrealized Losses	(28,360)
Closing Balance as at December 31, 2009	161,948

The components of the above reconciliation only include amounts pertaining to the Level 3 investments held by the Fund and its underlying entities. The amounts may vary from the Statement of Operations and Changes in Net Assets and Statement of Cash Flows for the Fund largely due to timing differences in recognition of realized/unrealized gains/losses at the Fund level and the underlying entity level.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
POOLED INVESTMENT PORTFOLIOS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

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 four categories: Mortgage Funds, Realpool International Vintage Funds, Private Placement Vintage Funds, and Strategic Investment and Infrastructure Funds:

- The Mezzanine Mortgage Fund invests in highly leveraged real estate loans with higher returns to compensate investors with the increased risk.
- 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 Mezzanine Mortgage Fund, 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
Mezzanine Mortgage Fund	September 28, 1999
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
2006A 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

Pooled Investment Portfolios	Dates Established
2000 Private Placement Fund	January 1, 2004
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
2009 Private Placement Fund*	January 13, 2009
Strategic Inv 100 Domestic PP Fund	June 30, 2004
Strategic Inv 100 Foreign PP Fund	December 23, 2004
Strategic Investment Real Estate Fund	May 19, 2005

*As this Fund was established in 2009, no comparative figures have been presented in the respective financial statements.

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2. Significant Accounting Policies

a) Basis of Presentation

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

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 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) Fixed-rate, fixed-term mortgages are valued based on a discounted cash flow model that uses a risk free rate of return and a mortgage credit spread for each mortgage using information received from independent external sources. Variable rate mortgages are valued based on the principal value of the mortgage less any provisions for impairment.
- (v) 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.

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
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2. Significant Accounting Policies (continued)

Gains and losses on the settlement of foreign currency contracts 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. Translation gains and losses on foreign denominated monetary balances are recorded as foreign exchange gains and losses. 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. 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.

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. The Mezzanine Mortgage Fund was converted from an open-ended fund to a closed-end fund on January 1, 2009.

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) on investments, which have been 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 (1)(o.2) of the *Income Tax Act (Canada)*.

U.S. source income earned by the pooled investment portfolios and the corporations held by them is 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
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3. Adoption of Accounting Standards in Current Fiscal Year

The Funds adopted the amendments to CICA 3862, *Financial Instruments – Disclosures* on January 1, 2009. CICA 3862 establishes a fair value hierarchy that categorizes the inputs used to calculate a financial instrument's fair value. The hierarchy contains three "levels" of fair value inputs as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly (i.e. quoted prices of similar securities, Bank of Canada rates, commercial credit spreads).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (i.e. budgeted or forecast revenue or net income, weighted average cost of capital).

Changes in valuation methods may result in transfers of investments between levels. See additional discussion on the three-tier hierarchy in the Fair Value Measurement Discussion following each Fund's financial statements.

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.

The International Accounting Standards Board (IASB) has announced their intention to adopt standards that require investment companies to measure their investments at fair value without consolidation and will be releasing related exposure drafts in 2010. Following this announcement, the AcSB is proposing an amendment to Canadian GAAP to allow entities that are currently applying Accounting Guideline AcG-18, *Investment Companies* to apply pre-changeover standards until fiscal years beginning on or after January 1, 2012 (i.e. continue to use AcG-18). This amendment essentially results in a one year-deferral from adopting IFRS for investment companies, and is being proposed by the AcSB to allow Canadian investment companies to continue to prepare financial statements on a non-consolidated fair value basis in the event that the IASB does not adopt the investment company standards by January 1, 2011 (the required IFRS transition date for Canada for Publicly Accountable Enterprises). As a result of these developments, the financial statements for the year ended December 31, 2011 will be prepared based on Canadian GAAP using either the pre-changeover standards or IFRS as amended for the consolidation exemption for investment companies, as applicable. As a consequence of the proposed change, the impact of adopting IFRS is expected to be mainly in presentation and additional disclosures in the financial statements of the Fund.

5. Financial Risk Management

The Mezzanine Mortgage Fund, 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.

Mezzanine Mortgage Fund

The Mezzanine Mortgage Fund provides fixed term or construction financing for multi-family residences, office, retail and industrial buildings. These mortgages may be shared with other investors. The primary purpose of participating in the Mezzanine Mortgage Fund is to generate a higher return than would normally be available by investing in the Fixed Term Fund and/or Construction Mortgage Fund.

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5. Financial Risk Management (continued)

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 seeking real estate exposure will first obtain a core holding through participation in bclIMC'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 bclIMC'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 bclIMC.
- 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	55% to 80%
Other	0% to 20%

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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 bclMC'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 bclMC.
- 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 Fund. 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 Financial Risk Management Discussion 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. For the Mezzanine Mortgage Fund, the participating interest was established based on the relative ownership on January 1, 2009, the date the Fund became closed-ended. The CIO may, without advance notice, establish a purchase and/or redemption requirement for a particular date for the Mezzanine Mortgage Fund, 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 Financial Risk Management Discussion 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 foreign denominated net assets 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 Financial Risk Management Discussion 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 Financial Risk Management Discussion following each Fund's financial statements.

f) Fair Value of Investment-Related Assets and Liabilities

Each Fund'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 include 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, following the Statement of Investments, for each Fund that holds them.

7. Expenses

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

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8. Termination of Funds

The Strategic Inv 103 Domestic PP Fund was terminated on March 30, 2009 and all of the outstanding units were redeemed. The Fund had net assets of \$10,000 at the time of termination which were used to redeem the units. It only earned nominal income during the period.

9. Units Outstanding

Units issued and outstanding represent the capital of each Fund. bcIMC 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 Operations and 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:

	MEZZANINE MORTGAGE FUND		REALPOOL INTERNATIONAL FUND 1999		2001 REALPOOL INTERNATIONAL FUND	
	2009	2008	2009	2008	2009	2008
	Outstanding, beginning of year	88.375	97.303	4.808	9.241	2.079
Issued	2.546	18.525	-	-	-	-
Redeemed	(14.998)	(27.453)	-	(4.433)	-	(2.174)
Outstanding, end of year	<u>75.923</u>	<u>88.375</u>	<u>4.808</u>	<u>4.808</u>	<u>2.079</u>	<u>2.079</u>

	REALPOOL INTERNATIONAL FUND 2002		2004 REALPOOL INTERNATIONAL FUND		2005 REALPOOL INTERNATIONAL FUND	
	2009	2008	2009	2008	2009	2008
	Outstanding, beginning of year	1.089	1.089	293.670	276.615	202.820
Issued	0.073	-	18.581	27.059	31.411	26.384
Redeemed	-	-	-	(10.004)	-	(4.822)
Outstanding, end of year	<u>1.162</u>	<u>1.089</u>	<u>312.251</u>	<u>293.670</u>	<u>234.231</u>	<u>202.820</u>

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9. Units Outstanding (continued)

	2006A REALPOOL INTERNATIONAL FUND		2007 REALPOOL INTERNATIONAL FUND		PRIVATE PLACEMENT FUND 1995	
	2009	2008	2009	2008	2009	2008
Outstanding, beginning of year	6.155	5.774	32.669	22.108	2.036	2.811
Issued	10,972,341.420*	0.381	58.522	22.324	0.023	-
Redeemed	-	-	-	(11.763)	(0.532)	(0.775)
Outstanding, end of year	<u>10,972,347.575</u>	<u>6.155</u>	<u>91.191</u>	<u>32.669</u>	<u>1.527</u>	<u>2.036</u>

*During the year, the Fund issued 10,972,000 units at a nominal value per unit (\$.01 per unit).

	PRIVATE PLACEMENT FUND 1996		PRIVATE PLACEMENT FUND 1997		PRIVATE PLACEMENT FUND 1998	
	2009	2008	2009	2008	2009	2008
Outstanding, beginning of year	0.551	0.665	48.197	63.936	51.245	61.473
Issued	0.005	0.003	0.983	0.219	0.140	0.517
Redeemed	(0.039)	(0.117)	(4.360)	(15.958)	(10.074)	(10.745)
Outstanding, end of year	<u>0.517</u>	<u>0.551</u>	<u>44.820</u>	<u>48.197</u>	<u>41.311</u>	<u>51.245</u>

	PRIVATE PLACEMENT FUND 1999		PRIVATE PLACEMENT FUND 1999A		2000 PRIVATE PLACEMENT FUND	
	2009	2008	2009	2008	2009	2008
<i>Outstanding, beginning of year</i>	157.394	194.501	16.070	17.699	121.016	133.077
<i>Issued</i>	0.366	1.748	0.120	0.353	1.460	1.236
<i>Redeemed</i>	(18.880)	(38.855)	(0.926)	(1.982)	(11.225)	(13.297)
<i>Outstanding, end of year</i>	<u>138.880</u>	<u>157.394</u>	<u>15.264</u>	<u>16.070</u>	<u>111.251</u>	<u>121.016</u>

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
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9. **Units Outstanding (continued)**

	2001 PRIVATE PLACEMENT FUND		2002 PRIVATE PLACEMENT FUND		2003 PRIVATE PLACEMENT FUND	
	2009	2008	2009	2008	2009	2008
	Outstanding, beginning of year	30.532	35.214	72.294	72.196	179.056
Issued	0.429	0.452	6.100	4.133	8.838	26.951
Redeemed	(2.460)	(5.134)	(0.419)	(4.035)	(11.730)	(30.206)
Outstanding, end of year	<u>28.501</u>	<u>30.532</u>	<u>77.975</u>	<u>72.294</u>	<u>176.164</u>	<u>179.056</u>

	2003A PRIVATE PLACEMENT FUND		2004 PRIVATE PLACEMENT FUND		2005 PRIVATE PLACEMENT FUND	
	2009	2008	2009	2008	2009	2008
	Outstanding, beginning of year	11.100	11.868	141.104	168.032	1,263.964
Issued	0.167	0.008	17.119	14.552	102.091	307.315
Redeemed	(0.502)	(0.776)	(3.330)	(41.480)	(124.441)	(44.232)
Outstanding, end of year	<u>10.765</u>	<u>11.100</u>	<u>154.893</u>	<u>141.104</u>	<u>1,241.614</u>	<u>1,263.964</u>

	2006 PRIVATE PLACEMENT FUND		2007 PRIVATE PLACEMENT FUND		2008 PRIVATE PLACEMENT FUND	
	2009	2008	2009	2008	2009	2008
	Outstanding, beginning of year	493.328	357.318	557.789	314.227	122.131
Issued	87.947	138.447	196.945	246.682	140.546	122.530
Redeemed	(28.872)	(2.437)	(9.823)	(3.120)	(8.116)	(0.399)
Outstanding, end of year	<u>552.403</u>	<u>493.328</u>	<u>744.911</u>	<u>557.789</u>	<u>254.561</u>	<u>122.131</u>

**BRITISH COLUMBIA INVESTMENT MANAGEMENT CORPORATION
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9. Units Outstanding (continued)

	2009 PRIVATE PLACEMENT FUND	STRATEGIC INV 100 DOMESTIC PP FUND		STRATEGIC INV 100 FOREIGN PP FUND	
	2009 (note 1)	2009	2008	2009	2008
Outstanding, beginning of year	-	122.177	118.343	791.407	831.246
Issued	158.057	103.414	8.838	69.658	147.191
Redeemed	(8.260)	(15.486)	(5.004)	(73.731)	(187.030)
Outstanding, end of year	<u>149.797</u>	<u>210.105</u>	<u>122.177</u>	<u>787.334</u>	<u>791.407</u>
	STRATEGIC INV 100 REAL ESTATE FUND				
	2009	2008			
Outstanding, beginning of year	118.363	118.900			
Issued	16.776	0.147			
Redeemed	-	(0.684)			
Outstanding, end of year	<u>135.139</u>	<u>118.363</u>			