

Optional Retirement Program Performance Report
State Retirement and Pension System of Maryland
(as of December 31, 2007)

Investment Options	Expenses			Average Annual Rates of Return				
Money Market	M & E Ratio	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
AIG-VALIC Money Market II Fund	0.55%	0.55%	1.10%	4.06%	4.04%	3.41%	2.62%	2.10%
Fidelity Cash Reserves	NA	0.43%	0.43%	5.06	4.90	4.24	2.92	3.67
TIAA-CREF Money Market Account	.005%	.415%	0.42%	4.90	4.81	4.17	3.37	2.84
<i>Lehman 3-month Treasury Bill Index</i>				<i>5.11</i>	<i>4.99</i>	<i>4.35</i>	<i>3.58</i>	<i>3.09</i>
Stable Value	M & E Expense	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
AIG-VALIC Fixed Account Plus Fund	NA	NA	NA	4.75%	4.50%	4.03%	3.75%	3.90%
TIAA-CREF Traditional Guaranteed Annuity	NA	NA	NA	5.25	4.86	4.64	4.62	4.76
<i>Lehman 3-month Treasury Bill Index + 1.25%</i>				<i>6.36</i>	<i>6.24</i>	<i>5.60</i>	<i>4.83</i>	<i>4.34</i>
Core Fixed Income	M & E Expense	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
AIG-VALIC Capital Conservation Fund	0.80%	0.70%	1.50%	2.83%	3.26%	2.49%	2.65%	2.78%
Fidelity U.S Bond Index	NA	0.32%	0.32%	5.40	4.86	3.99	4.08	4.25
TIAA-CREF Bond Market Account	.005%	.465%	0.47%	5.97	5.04	4.10	4.12	4.16
<i>Lehman Aggregate Bond Index</i>				<i>6.97</i>	<i>5.64</i>	<i>4.56</i>	<i>4.50</i>	<i>4.42</i>
Balanced	M & E Expense	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
AIG-VALIC Asset Allocation Fund	0.80%	0.72%	1.52%	5.45%	8.13%	6.35%	6.67%	8.98%
Fidelity Balanced Fund	NA	0.64%	0.64%	8.99	10.31	10.43	10.56	13.89
TIAA-CREF Social Choice Account	.005%	.435%	0.44%	4.81	7.45	6.62	7.21	9.57
<i>60% Russell 1000/40% Lehman Aggregate Index</i>				<i>6.35</i>	<i>8.63</i>	<i>7.32</i>	<i>7.65</i>	<i>9.89</i>
Large-Cap Blend Equity (Passive)	M & E Expense	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
AIG-VALIC Stock Index Fund	0.80%	0.36%	1.16%	4.28%	9.27%	7.39%	7.94%	11.54%
Fidelity Spartan U.S. Equity Index	NA	0.10%	0.10%	5.43	10.45	8.55	9.09	12.72
<i>S&P 500 Index</i>				<i>5.49</i>	<i>10.52</i>	<i>8.62</i>	<i>9.18</i>	<i>12.83</i>
TIAA-CREF Equity Index Account	.005%	.425%	0.43%	4.70	9.84	8.43	9.20	13.13
<i>Russell 3000 Index</i>				<i>5.14</i>	<i>10.30</i>	<i>8.89</i>	<i>9.65</i>	<i>13.63</i>

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Large-Cap Blend Equity (Active)	M & E Expense	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
AIG-VALIC Large Cap Core Fund	0.80%	0.85%	1.65%	7.06	9.15	8.45	8.40	12.16
Fidelity Contrafund	NA	0.91%	0.91%	19.78	15.59	15.80	15.62	17.99
<i>S&P 500 Index</i>				<i>5.49</i>	<i>10.52</i>	<i>8.62</i>	<i>9.18</i>	<i>12.83</i>
TIAA-CREF Stock Account	.005%	.475%	0.48%	7.99	12.52	10.82	11.37	15.20
<i>Russell 3000 Index</i>				<i>5.14</i>	<i>10.30</i>	<i>8.89</i>	<i>9.65</i>	<i>13.63</i>
Large-Cap Growth Equity	M & E Expense	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
AIG-VALIC Growth Fund (formerly Ultra Fund)	0.80%	0.93%	1.73%	20.24	6.96	4.77	5.84	9.29
Fidelity Blue Chip Growth Fund	NA	0.64%	0.64%	11.83	8.64	7.08	6.87	10.24
TIAA-CREF Growth Account	.005%	.495%	0.50%	16.73	10.96	9.09	8.37	11.99
<i>Russell 1000 Growth Index</i>				<i>11.81</i>	<i>10.43</i>	<i>8.68</i>	<i>8.08</i>	<i>12.11</i>
AIG-VALIC Nasdaq-100 Index Fund	0.80%	0.61%	1.41%	17.66%	11.58%	7.73%	8.09%	15.12%
<i>Nasdaq-100 Index</i>				<i>18.67</i>	<i>12.57</i>	<i>8.75</i>	<i>9.17</i>	<i>16.20</i>
Large-Cap Value Equity	M & E Expense	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
AIG-VALIC Vanguard Windsor II Fund	1.05%	0.34%	1.39%	1.15%	8.79%	7.82%	10.06%	13.56%
Fidelity Equity Income Fund	NA	0.69%	0.69%	1.40	10.22	8.70	9.34	13.19
TIAA-CREF American Funds Washington Mutual Fund	0.00%	0.65%	0.65%	4.20	11.04	8.57	8.96	12.19
<i>Russell 1000 Value Index</i>				<i>-0.17</i>	<i>10.47</i>	<i>9.32</i>	<i>11.07</i>	<i>14.63</i>
Mid-Cap Equity	M & E Expense	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
AIG-VALIC Mid Cap Value Fund	0.55%	1.05%	1.60%	2.23%	8.95%	8.90%	10.54%	16.31%
TIAA-CREF Mid Cap Value Fund	0.00%	0.78%	0.78%	6.02	12.77	12.32	15.41	20.30
<i>Russell Mid Cap Value Index</i>				<i>-1.42</i>	<i>8.86</i>	<i>10.11</i>	<i>13.36</i>	<i>17.92</i>
Fidelity Mid Cap Stock Fund	NA	0.70%	0.70%	8.20	11.44	12.96	11.97	15.94
<i>Russell Mid Cap Index</i>				<i>5.60</i>	<i>10.32</i>	<i>11.09</i>	<i>13.31</i>	<i>18.21</i>

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Small-Cap Equity	M & E Expense	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
AIG-VALIC Small Cap Fund	0.80%	0.95%	1.75%	-6.95%	0.03%	2.14%	5.90%	11.22%
Fidelity Small Cap Stock Fund	NA	0.97%	0.97%	7.70	10.01	9.37	10.64	16.80
TIAA-CREF Small Cap Equity Fund	0.00%	0.78%	0.78%	-6.46	4.89	4.27	9.12	14.84
<i>Russell 2000 Index</i>				<i>-1.57</i>	<i>7.94</i>	<i>6.80</i>	<i>9.57</i>	<i>16.25</i>
International/Global Equity	M & E Expense	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
AIG-VALIC International Growth Fund	0.80%	1.01%	1.81%	13.76%	19.42%	17.17%	16.55%	18.08%
Fidelity Diversified International Fund	NA	1.10%	1.10%	16.03	19.23	18.56	18.83	23.21
TIAA-CREF American Funds EuroPacific Growth Fund	0.00%	0.83%	0.83%	18.88	20.32	20.56	20.32	22.73
<i>MSCI EAFE Index</i>				<i>11.17</i>	<i>18.51</i>	<i>16.83</i>	<i>17.67</i>	<i>21.59</i>
TIAA-CREF Global Equities Account	.005%	.515%	0.52%	10.07	14.49	12.84	13.00	16.84
<i>MSCI All-Country World Index Free</i>				<i>11.66</i>	<i>16.22</i>	<i>14.39</i>	<i>14.60</i>	<i>18.24</i>
Socially Responsible	M & E Expense	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
AIG-VALIC Socially Responsible Fund	0.55%	0.56%	1.11%	3.41%	9.04%	7.16%	7.70%	11.41%
Fidelity Domini Social Equity Fund	NA	0.95%	0.95%	1.46	6.88	5.24	10.11	4.49
<i>S&P 500 Index</i>				<i>5.49</i>	<i>10.52</i>	<i>8.62</i>	<i>9.18</i>	<i>12.83</i>
TIAA-CREF Social Choice Account	.005%	.435%	0.44%	4.81	7.45	6.62	7.21	9.57
<i>60% Russell 3000 Index/40% Lehman Aggregate Bond Index</i>				<i>5.97</i>	<i>8.51</i>	<i>7.21</i>	<i>7.65</i>	<i>10.01</i>
Lifecycle Funds	M & E Expense	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
AIG-VALIC Vanguard Lifestrategy Conservative Growth Fund	1.05%	0.26%	1.31%	5.87%	7.65%	6.20%	6.38%	8.11%
AIG-VALIC Vanguard Lifestrategy Moderate Growth Fund	1.05%	0.27%	1.32%	6.23%	9.14%	7.60%	8.05%	10.55%
AIG-VALIC Vanguard Lifestrategy Growth Fund	1.05%	0.26%	1.31%	6.33%	10.54%	8.93%	9.54%	12.86%

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Lifecycle Funds (Continued)	M & E Expense	Fund Expense	Total Annual Expense	1 Year	2 Year	3 Year	4 Year	5 Year
Fidelity Freedom Income Fund	NA	0.56%	0.56%	4.83	5.60	4.99	4.71	5.23
Fidelity Freedom 2000 Fund	NA	0.58%	0.58%	5.32	6.04	5.35	5.14	5.95
Fidelity Freedom 2005 Fund	NA	0.68%	0.68%	7.27	8.24	7.38	7.27	NA
Fidelity Freedom 2010 Fund	NA	0.69%	0.69%	7.43	8.44	7.59	7.50	9.36
Fidelity Freedom 2015 Fund	NA	0.71%	0.71%	7.82	9.08	8.39	8.41	NA
Fidelity Freedom 2020 Fund	NA	0.75%	0.75%	8.54	10.06	9.29	9.35	12.30
Fidelity Freedom 2025 Fund	NA	0.75%	0.75%	8.64	10.23	9.55	9.64	NA
Fidelity Freedom 2030 Fund	NA	0.77%	0.77%	9.27	11.07	10.32	10.35	13.75
Fidelity Freedom 2035 Fund	NA	0.78%	0.78%	7.88	10.38	9.93	10.17	NA
Fidelity Freedom 2040 Fund	NA	0.79%	0.79%	9.31	11.38	10.60	10.78	14.59
Fidelity Freedom 2045 Fund	NA	0.83%	0.83%	9.50	NA	NA	NA	NA
Fidelity Freedom 2050 Fund	NA	0.84%	0.84%	9.77	NA	NA	NA	NA

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TIAA-CREF Lifecycle 2010 Fund	0.00%	0.66%	0.66%	9.20	8.79	7.25	NA	NA
TIAA-CREF Lifecycle 2015 Fund	0.00%	0.67%	0.68%	9.46	9.43	7.67	NA	NA
TIAA-CREF Lifecycle 2020 Fund	0.00%	0.68%	0.68%	9.22	9.74	8.06	NA	NA
TIAA-CREF Lifecycle 2025 Fund	0.00%	0.68%	0.68%	9.33	10.05	8.37	NA	NA
TIAA-CREF Lifecycle 2030 Fund	0.00%	0.68%	0.68%	9.39	10.55	8.63	NA	NA
TIAA-CREF Lifecycle 2035 Fund	0.00%	0.68%	0.68%	9.71	11.08	9.07	NA	NA
TIAA-CREF Lifecycle 2040 Fund	0.00%	0.68%	0.68%	10.28	11.69	9.52	NA	NA

* Fidelity will deduct a quarterly administrative fee of \$3 (\$12 annually). This amount will be deducted from participant's accounts and will appear as a deduction on the quarterly account statements. The administrative fee is utilized by the Board of Trustees to fund the administrative obligations of the Optional Retirement Plan.

Other Notes:

- All returns are reported net of all expenses.
- Returns greater than one year are annualized.
- Indexes are listed in *red italics*. They are intended to reflect the performance of the overall market in each investment category, and should be used for comparison purposes only.
- The Mortality & Expense is applicable to variable annuities only. It pays for the guaranteed death benefits and annuity payments upon annuitization of the contract for the life of the annuitant. Please contact a vendor representative for a more complete explanation.