

EL PASO COUNTY  
RETIREMENT PLAN

INVESTMENT PERFORMANCE  
EVALUATION REPORT

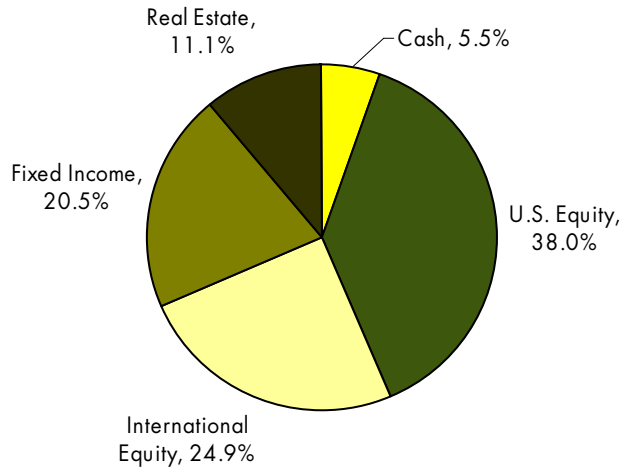
DECEMBER 31, 2007

# El Paso County Retirement Plan

## Executive Summary

### Asset Allocation

\$292,577,860



	% of Total	4th Qtr Return	Benchmark Return	1 Year Return	Benchmark Return	Ahead of Index
Total Plan	100.0%	-1.7%	-0.7%	7.9%	8.1%	
Operating Account	0.5%	...	...	...	...	...
SSgA Passive Bond	8.5%	3.0%	3.0%	7.0%	7.0%	=
Loomis Sayles	7.5%	1.8%	3.0%	6.1%	7.0%	
PIMCO Diversified Income	4.6%	1.5%	3.0%	4.0%	7.0%	
WAMCO Absolute Return	4.5%	-0.2%	3.0%	2.4%	7.0%	
Clarion Lion Properties	6.7%	1.8%	2.1%	17.2%	15.0%	√
Clarion Lion Value Properties	4.4%	1.4%	3.2%	27.8%	15.8%	√
SSgA Index Plus	13.4%	-3.7%	-3.3%	2.8%	5.5%	
OFI Institutional	7.3%	-5.7%	-5.8%	-1.8%	-0.2%	
Gardner Lewis	8.4%	0.8%	-0.8%	17.6%	11.8%	√
Lee Munder Investments	4.6%	-6.1%	-7.3%	0.8%	-9.8%	√
Roxbuy Capital Management	4.7%	-7.7%	-2.1%	1.3%	7.1%	
LSV International	12.1%	-4.4%	-1.8%	7.2%	11.2%	
New Star International	12.7%	-2.0%	-1.8%	14.0%	11.2%	√

Gross of fees Returns.

## CAPITAL MARKET RETURNS

### Fourth Quarter 2007

<b>US EQUITIES</b>	<b>Market</b>	<b>Value</b>	<b>Growth</b>	<b>FIXED INCOME</b>	<b>Total</b>	<b>Excess</b>
S&P 500	-3.3%			Lehman Aggregate	3.0%	-0.8%
Russell Top 200® (Lrg Cap)	-3.1%	-5.7%	-0.3%	T-Bills	0.9%	...
Russell MidCap®	-3.6%	-6.0%	-1.7%	Lehman Intermediate Treasury	3.5%	...
Russell 2000® (Sml Cap)	-4.6%	-7.3%	-2.1%	Lehman Long Treasury	5.6%	...
<b>NON-US EQUITIES</b>						
	<b>US\$</b>	<b>Local</b>	<b>Currency</b>	Lehman US TIPS	5.0%	...
MSCI AC World	-1.7%	-2.3%	0.6%	Lehman US Treasury	4.0%	...
MSCI AC World ex U.S.	-0.6%	-1.7%	1.1%	Lehman US Agency	3.2%	-0.1%
MSCI EAFE (net)	-1.8%	-3.0%	1.2%	Lehman US Mortgage-Backed	3.1%	-0.2%
MSCI Europe	-0.4%	-1.4%	1.0%	Lehman US Commercial MBS	2.2%	-2.2%
MSCI Japan	-6.1%	-8.8%	2.7%	Lehman US Asset-Backed	-0.8%	-4.0%
MSCI Pacific ex-Japan	-1.5%	-1.3%	-0.2%	Lehman US Corporate	2.0%	-2.6%
MSCI Emerging Markets	3.7%	2.9%	0.8%	Lehman US High Yield	-1.3%	-5.3%
MSCI EAFE Small Cap	-4.8%	-6.0%	1.2%	Lehman Majors ex-US	3.9%	-0.6%
MSCI EAFE Value	-3.2%	-4.4%	1.2%	Lehman Majors ex-US (Hedged)	2.1%	-2.4%
MSCI EAFE Growth	-0.3%	-1.5%	1.2%	Lehman Emerging Markets	2.0%	-2.7%
<b>REAL ESTATE</b>				<b>HEDGE FUNDS</b>	Composite	Conservative
		NCREIF	NAREIT	HFRI Fund-of-Funds	1.9%	1.4%
		3.2%	-12.7%			

### Calendar Year 2007

<b>US EQUITIES</b>	<b>Market</b>	<b>Value</b>	<b>Growth</b>	<b>FIXED INCOME</b>	<b>Total</b>	<b>Excess</b>
S&P 500	5.5%			Lehman Aggregate	7.0%	-2.1%
Russell Top 200® (Lrg Cap)	5.9%	0.3%	12.2%	T-Bills	4.7%	...
Russell MidCap®	5.6%	-1.4%	11.4%	Lehman Intermediate Treasury	8.8%	...
Russell 2000® (Sml Cap)	-1.6%	-9.8%	7.1%	Lehman Long Treasury	9.8%	...
<b>NON-US EQUITIES</b>						
	<b>US\$</b>	<b>Local</b>	<b>Currency</b>	Lehman US TIPS	11.6%	...
MSCI AC World	12.2%	7.7%	4.5%	Lehman US Treasury	9.0%	...
MSCI AC World ex U.S.	17.1%	9.0%	8.2%	Lehman US Agency	7.9%	-0.5%
MSCI EAFE (net)	11.2%	3.5%	7.6%	Lehman US Mortgage-Backed	6.9%	-1.8%
MSCI Europe	14.4%	6.5%	7.9%	Lehman US Commercial MBS	5.6%	-4.4%
MSCI Japan	-4.1%	-10.1%	6.0%	Lehman US Asset-Backed	2.2%	-6.3%
MSCI Pacific ex-Japan	31.7%	21.6%	10.1%	Lehman US Corporate	4.6%	-5.2%
MSCI Emerging Markets	39.8%	33.5%	6.2%	Lehman US High Yield	1.9%	-7.8%
MSCI EAFE Small Cap	1.8%	-5.3%	7.0%	Lehman Majors ex-US	11.2%	1.6%
MSCI EAFE Value	6.5%	-0.7%	7.2%	Lehman Majors ex-US (Hedged)	5.2%	-4.4%
MSCI EAFE Growth	16.8%	8.7%	8.1%	Lehman Emerging Markets	5.2%	-4.6%
<b>REAL ESTATE</b>				<b>HEDGE FUNDS</b>	Composite	Conservative
		NCREIF	NAREIT	HFRI Fund-of-Funds	10.1%	7.6%
		15.9%	-15.7%			

Sources: Ibbotson Associates, MSCI, Lehman Brothers

Asset Class Periodic Table of Returns  
As of December 31, 2007

Dec-97	Dec-98	Dec-99	Dec-00	Dec-01	Dec-02	Dec-03	Dec-04	Dec-05	Dec-06	Dec-07	Last 10 Years
R1000 V 35.2	R1000 G 38.7	Emerging Mkts 66.4	R2000 V 22.8	R2000 V 14.0	Lehman Agg 10.3	Emerging Mkts 56.3	Emerging Mkts 26.0	Emerging Mkts 34.5	Emerging Mkts 32.6	Emerging Mkts 39.8	Emerging Mkts 14.5
R2000 V 31.8	EAFE 20.3	R2000 G 43.1	NCREIF 12.3	Lehman Agg 8.4	NCREIF 6.8	R2000 G 48.5	R2000 V 22.3	NCREIF 20.1	EAFE 26.9	NCREIF 15.9	NCREIF 12.9
R1000 G 30.5	NCREIF 16.3	R1000 G 33.2	Lehman Agg 11.6	NCREIF 7.3	T-Bills 1.8	R2000 V 46.0	EAFE 20.7	EAFE 14.0	R2000 V 23.5	R1000 G 11.8	R2000 V 9.1
Hedge Funds 16.2	R1000 V 15.6	EAFE 27.3	R1000 V 7.0	High Yield 5.3	Hedge Funds 1.0	EAFE 39.2	R1000 V 16.5	Hedge Funds 7.5	R1000 V 22.3	EAFE 11.6	EAFE 9.0
NCREIF 13.9	Lehman Agg 8.7	Hedge Funds 26.5	T-Bills 6.1	T-Bills 4.4	High Yield -1.4	R1000 V 30.0	NCREIF 14.5	R1000 V 7.1	NCREIF 16.6	Hedge Funds 10.1	R1000 V 7.7
R2000 G 13.0	T-Bills 5.4	NCREIF 11.4	Hedge Funds 4.1	Hedge Funds 2.8	Emerging Mkts -6.0	R1000 G 29.8	R2000 G 14.3	R1000 G 5.3	R2000 G 13.4	R2000 G 7.1	Hedge Funds 7.3
High Yield 12.8	High Yield 1.9	R1000 V 7.4	High Yield -5.9	Emerging Mkts -2.4	R2000 V -11.4	High Yield 29.0	High Yield 11.1	R2000 V 4.7	High Yield 11.9	Lehman Agg 7.0	Lehman Agg 6.0
Lehman Agg 9.7	R2000 G 1.2	T-Bills 4.7	EAFE -14.0	R1000 V -5.6	R1000 V -15.5	Hedge Funds 11.6	Hedge Funds 6.9	R2000 G 4.2	Hedge Funds 10.4	T-Bills 4.7	High Yield 5.5
T-Bills 5.5	Hedge Funds -5.1	High Yield 2.4	R1000 G -22.4	R2000 G -9.2	EAFE -15.7	NCREIF 9.0	R1000 G 6.3	T-Bills 3.1	R1000 G 9.1	High Yield 1.9	R2000 G 4.3
EAFE 2.1	R2000 V -6.5	Lehman Agg -0.8	R2000 G -22.4	R1000 G -20.4	R1000 G -27.9	Lehman Agg 4.1	Lehman Agg 4.3	High Yield 2.7	T-Bills 4.8	R1000 V -0.2	R1000 G 3.8
Emerging Mkts -11.6	Emerging Mkts -25.3	R2000 V -1.5	Emerging Mkts -30.6	EAFE -21.2	R2000 G -30.3	T-Bills 1.1	T-Bills 1.3	Lehman Agg 2.4	Lehman Agg 4.3	R2000 V -9.8	T-Bills 3.7

Source: Ibbotson Associates

Asset Allocation  
As of December 31, 2007

	Cash & Equiv	Fixed Income	Real Estate	U.S. Stocks	Int'l Stocks	Total	Percent of Total
Operating Account	\$ 1,504,814					\$ 1,504,814	0.5%
SSgA Passive Bond		\$ 24,788,224				24,788,224	8.5%
Loomis Sayles	354,045	21,647,565				22,001,610	7.5%
PIMCO Diversified Income	161	13,499,462				13,499,622	4.6%
WAMCO Absolute Return	13,299,800					13,299,800	4.5%
Clarion Lion Properties	154,253		\$ 19,532,241			19,686,494	6.7%
Clarion Lion Value Properties	9,763		12,894,414			12,904,177	4.4%
SSgA Index Plus				\$ 39,291,935		39,291,935	13.4%
OFI Institutional	57,072			21,207,363		21,264,435	7.3%
Gardner Lewis	33,273			24,596,741		24,630,014	8.4%
Lee Munder Investments	239,980			13,075,822		13,315,802	4.6%
Roxbury Capital Management	575,838			13,036,311		13,612,148	4.7%
LSV International					\$ 35,478,706	35,478,706	12.1%
New Star International					37,300,077	37,300,077	12.7%
<b>Total El Paso County</b>	<b>\$ 16,229,000</b>	<b>\$ 59,935,251</b>	<b>\$ 32,426,655</b>	<b>\$ 111,208,171</b>	<b>\$ 72,778,783</b>	<b>\$ 292,577,860</b>	<b>100.0%</b>
Percent of Total	5.5%	20.5%	11.1%	38.0%	24.9%		
Target Allocation		25%	10%	42.0%	23%		
Allowable Ranges		20-30%	5-15%	37-47%	18-28%		

Growth of Assets  
As of December 31, 2007

4th Quarter	Beginning Balance	Net Cash Flow	Fees/ Expenses	Net Investment Return	Ending Balance
Operating Account	\$ 2,343,199	\$ -880,966	\$ -	\$ 42,581	\$ 1,504,814
SSgA Passive Bond	24,068,097	3,690	-3,690	720,127	24,788,224
Loomis Sayles	21,634,695	-	-21,221	388,136	22,001,610
PIMCO Diversified Income	13,304,423	-	-	195,199	13,499,622
WAMCO Absolute Return	13,331,671	20,044	-20,044	-31,871	13,299,800
Clarion Lion Properties	19,395,155	-	-54,549	345,888	19,686,494
Clarion Lion Value Properties	12,759,304	-	-33,911	178,784	12,904,177
SSgA Index Plus	40,805,957	4,996	-4,996	-1,514,022	39,291,935
OFI Institutional	22,565,847	-	-6,250	-1,295,162	21,264,435
Gardner Lewis	24,477,933	-	-52,015	204,096	24,630,014
Lee Munder Investments	14,217,456	-	-42,387	-859,267	13,315,802
Roxbury Capital Management	14,770,758	-	-27,680	-1,130,929	13,612,148
LSV International	37,188,571	-1,302	-66,661	-1,641,903	35,478,706
New Star International	38,066,110	-6,805	-	-759,228	37,300,077
<b>Total El Paso County</b>	<b>\$ 298,929,176</b>	<b>\$ -860,343</b>	<b>\$ -333,403</b>	<b>\$ -5,157,570</b>	<b>\$ 292,577,860</b>

Net investment return includes income plus realized and unrealized gains and losses less investment management fees.

Calendar Year 2007	Beginning Balance	Net Cash Flow	Fees/ Expenses	Net Investment Return	Ending Balance
Operating Account	\$ 1,442,342	\$ -56,661	\$ -	\$ 119,134	\$ 1,504,814
SSgA Passive Bond	20,409,097	2,809,947	-9,947	1,579,127	24,788,224
Loomis Sayles	20,820,868	-	-83,446	1,264,188	22,001,610
PIMCO Diversified Income	11,709,035	1,300,000	-	490,588	13,499,622
WAMCO Absolute Return	11,710,733	1,376,697	-76,697	289,067	13,299,800
Clarion Lion Properties	16,975,390	-	-196,591	2,907,695	19,686,494
Clarion Lion Value Properties	10,224,665	-	-143,911	2,823,423	12,904,177
SSgA Index Plus	35,813,465	2,618,054	-18,054	878,471	39,291,935
OFI Institutional	18,475,864	3,500,000	-25,000	-686,429	21,264,435
Gardner Lewis	16,497,272	5,200,000	-166,050	3,098,792	24,630,014
Lee Munder Investments	27,061,267	-14,800,000	-231,843	1,286,378	13,315,802
Roxbury Capital Management	16,427,768	-3,000,000	-182,693	367,074	13,612,148
LSV International	34,801,170	-1,556,456	-304,788	2,538,780	35,478,706
New Star International	32,990,518	-103,925	-195,082	4,608,566	37,300,077
<b>Total El Paso County</b>	<b>\$ 275,359,451</b>	<b>\$ -2,712,345</b>	<b>\$ -1,634,101</b>	<b>\$ 21,564,854</b>	<b>\$ 292,577,860</b>

Net investment return includes income plus realized and unrealized gains and losses less investment management fees.

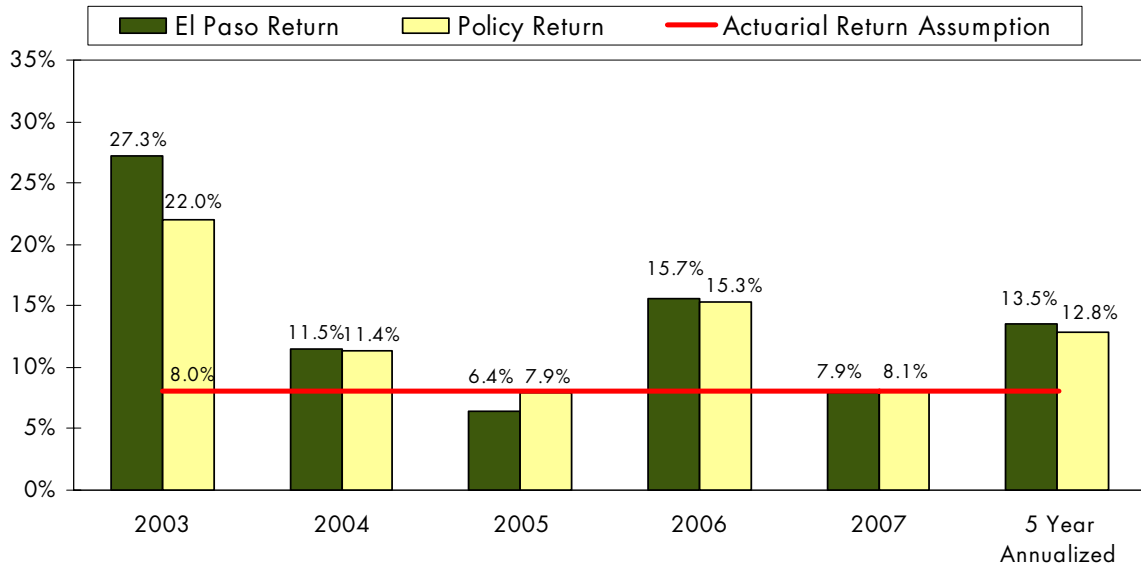
## Investment Performance For Periods Ending December 31, 2007

	Year					Since Inception	Inception Date
	Quarter	to Date	1 Year	3 Years	5 Years		
Total Fund (Gross)	-1.7%	7.9%	7.9%	9.9%	13.5%	7.4%	10 Years
Total Fund (Net)	-1.9%	7.3%	7.3%	...	...	...	
Rank - Public Funds	78	29	29	16	8	31	
Actuarial Assumption	2.0%	8.0%	8.0%	8.0%	8.0%	8.0%	
Policy Index <sup>1</sup>	-0.7%	8.1%	8.1%	10.3%	12.8%	7.8%	
Total Fixed Income (Gross)	1.8%	5.3%	5.3%	4.3%	5.2%	6.1%	10 Years
Total Fixed Income (Net)	1.7%	5.1%	5.1%	...	...	...	
Rank - Fixed Income	63	68	68	72	22	44	
LB Aggregate	3.0%	7.0%	7.0%	4.6%	4.4%	6.0%	
Total Real Estate (Gross)	1.6%	21.2%	21.2%	18.0%	...	16.7%	12/31/03
Total Real Estate (Net)	1.4%	19.8%	19.8%	16.7%	...	15.4%	
Rank - Real Estate	53	5	5	18	...	...	
NCREIF Property Index	3.2%	15.8%	15.8%	17.5%	...	16.7%	
Total U.S. Equities (Gross)	-3.9%	4.1%	4.1%	8.3%	14.8%	5.6%	10 Years
Total U.S. Equities (Net)	-4.1%	3.6%	3.6%	...	...	...	
Rank - Domestic Equity	61	61	61	67	48	88	
Russell 3000	-3.4%	5.1%	5.1%	8.9%	13.6%	6.2%	
Total International Equity (Gross)	-3.2%	10.6%	10.6%	16.4%	19.9%	7.7%	10 Years
Total International Equity (Net)	-3.3%	9.8%	9.8%	...	...	...	
Rank - International Core	83	67	67	59	57	58	
MSCI EAFE (Net)	-1.8%	11.2%	11.2%	16.8%	21.6%	8.7%	

1. Policy Index: 42% Russell 3000®, 23% MSCI EAFE (Net), 25% Lehman Aggregate, 10% NCREIF Property Index.

Periods longer than one year are annualized.

### El Paso Return Through December 31, 2007

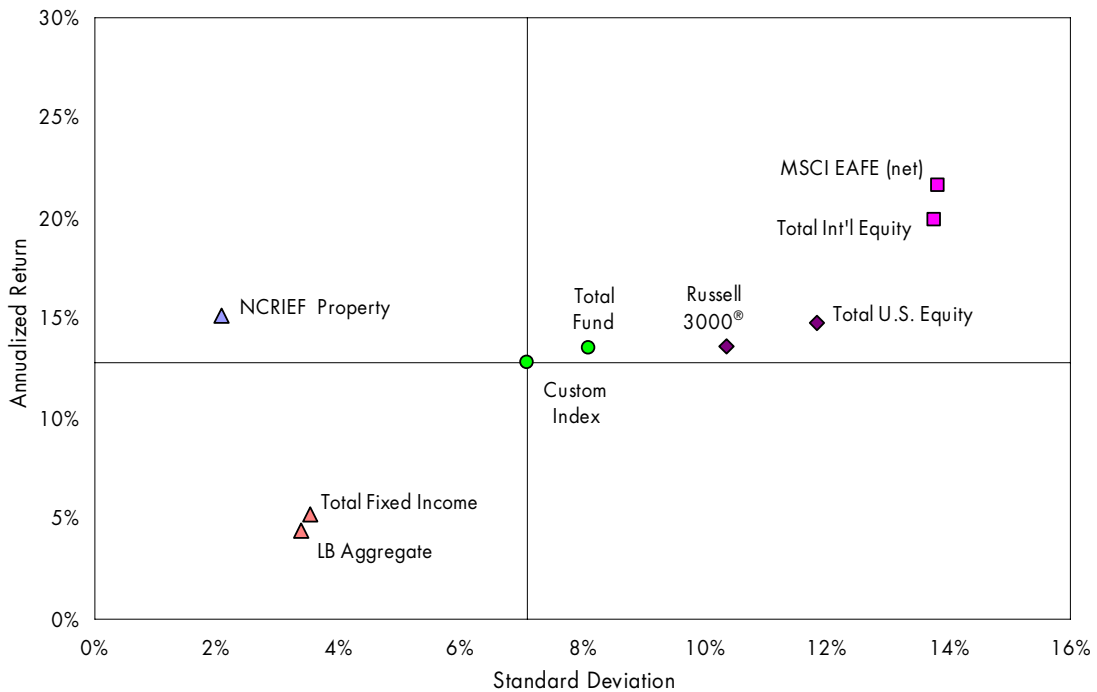


## Return vs. Risk

3 Years Ending December 31, 2007



5 Years Ending December 31, 2007



Net of Fees Investment Performance  
For Periods Ending December 31, 2007

	Quarter	Year to Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
SSgA Passive Bond (Gross)	3.0%	7.0%	7.0%	4.6%	4.4%	4.5%	09/30/02
SSgA Passive Bond (Net)	3.0%	6.9%	6.9%	...	...	...	
<i>Rank - Fixed Income</i>	<i>28</i>	<i>39</i>	<i>39</i>	<i>54</i>	<i>56</i>	...	
<i>Lehman Aggregate</i>	3.0%	7.0%	7.0%	4.6%	4.4%	4.5%	
Loomis Sayles (Gross)	1.8%	6.1%	6.1%	4.6%	6.0%	7.0%	10 Years
Loomis Sayles (Net)	1.7%	5.7%	5.7%	4.1%	5.6%	6.2%	
<i>Rank - Fixed Income</i>	<i>63</i>	<i>58</i>	<i>58</i>	<i>50</i>	<i>11</i>	<i>4</i>	
<i>Lehman Aggregate</i>	3.0%	7.0%	7.0%	4.6%	4.4%	6.0%	
PIMCO Diversified Income (Gross)	1.5%	4.0%	4.0%	...	...	6.1%	03/31/06
PIMCO Diversified Income (Net)	1.5%	4.0%	4.0%	...	...	6.1%	
<i>Rank - Fixed Income</i>	<i>70</i>	<i>85</i>	<i>85</i>	...	...	...	
<i>Lehman Aggregate</i>	3.0%	7.0%	7.0%	...	...	6.9%	
WAMCO Absolute Return (Gross)	-0.2%	2.4%	2.4%	...	...	5.0%	03/31/06
WAMCO Absolute Return (Net)	-0.4%	1.8%	1.8%	...	...	4.3%	
<i>Rank - Fixed Income</i>	<i>89</i>	<i>93</i>	<i>93</i>	...	...	...	
<i>Lehman Aggregate</i>	3.0%	7.0%	7.0%	...	...	6.9%	
Clarion Lion Properties (Gross)	1.8%	17.2%	17.2%	16.8%	...	15.8%	12/31/03
Clarion Lion Properties (Net)	1.5%	16.0%	16.0%	15.6%	...	14.6%	
<i>Rank - Real Estate</i>	<i>52</i>	<i>16</i>	<i>16</i>	<i>34</i>	...	...	
<i>NCREIF ODCE Equal Weight</i>	2.1%	15.0%	15.0%	16.4%	...	15.2%	
Clarion Lion Value Properties (Gross)	1.4%	27.8%	27.8%	...	...	24.2%	09/30/06
Clarion Lion Value Properties (Net)	1.1%	26.2%	26.2%	...	...	22.6%	
<i>Rank - Real Estate</i>	<i>56</i>	<i>3</i>	<i>3</i>	...	...	...	
<i>NCREIF Property Index</i>	3.2%	15.8%	15.8%	...	...	16.5%	

Periods longer than one year are annualized.

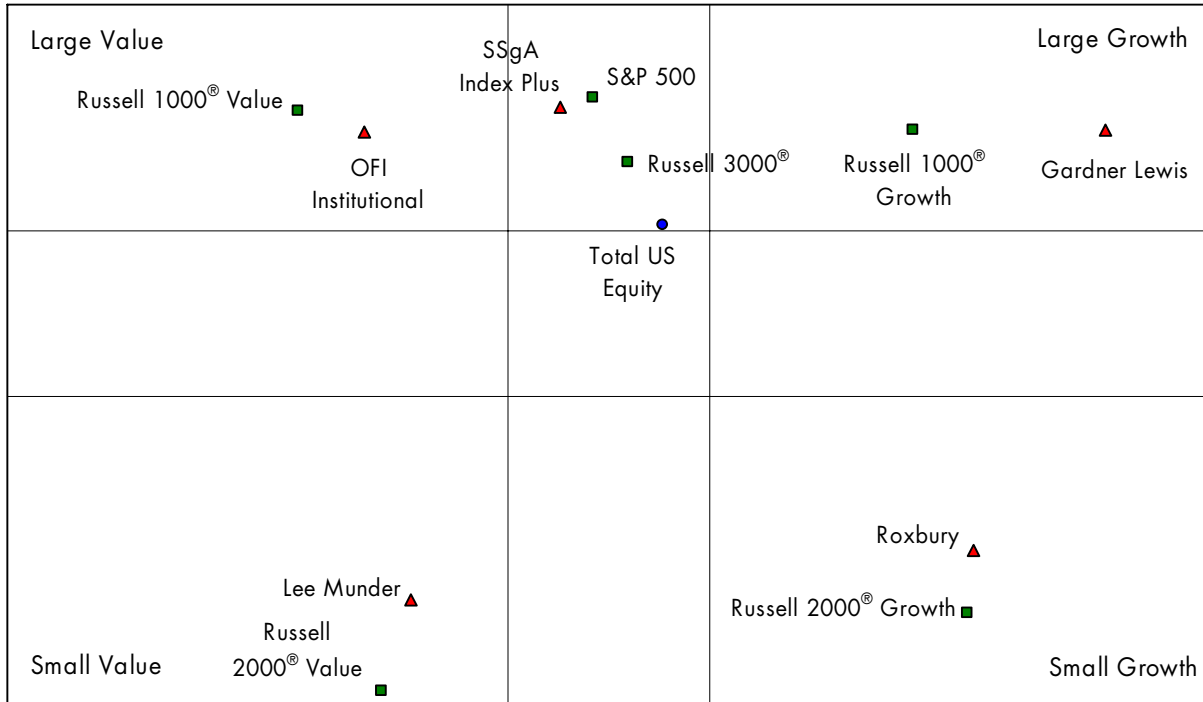
Net of Fees Investment Performance  
For Periods Ending December 31, 2007

	Quarter	Year to Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
SSgA Index Plus (Gross)	-3.7%	2.8%	2.8%	8.1%	...	9.0%	06/30/04
SSgA Index Plus (Net)	-3.7%	2.8%	2.8%	...	...	...	
Rank - Large Cap Neutral	67	79	79	87	...	...	
S&P 500	-3.3%	5.5%	5.5%	8.6%	...	9.5%	
OFI Institutional (Gross)	-5.7%	-1.8%	-1.8%	8.0%	14.6%	7.8%	09/30/98
OFI Institutional (Net)	-5.8%	-1.9%	-1.9%	...	...	...	
Rank - Large Cap Value	65	82	82	84	67	...	
Russell 1000 Value	-5.8%	-0.2%	-0.2%	9.3%	14.6%	8.4%	
Gardner Lewis (Gross)	0.8%	17.6%	17.6%	9.6%	...	9.6%	03/31/04
Gardner Lewis (Net)	0.6%	16.6%	16.6%	8.7%	...	8.7%	
Rank - Large Cap Growth	37	25	25	50	...	...	
Russell 1000 Growth	-0.8%	11.8%	11.8%	8.7%	...	8.4%	
Lee Munder Investments (Gross)	-6.1%	0.8%	0.8%	...	...	10.3%	03/31/05
Lee Munder Investments (Net)	-6.3%	-0.4%	-0.4%	...	...	...	
Rank - Small Cap Value	46	21	21	...	...	...	
Russell 2000 Value	-7.3%	-9.8%	-9.8%	...	...	7.3%	
Roxbury Capital Management (Gross)	-7.7%	1.3%	1.3%	...	...	10.3%	06/30/05
Roxbury Capital Management (Net)	-7.8%	0.1%	0.1%	...	...	9.2%	
Rank - Small Cap Growth	82	79	79	...	...	...	
Russell 2000 Growth	-2.1%	7.1%	7.1%	...	...	11.4%	
LSV International (Gross)	-4.4%	7.2%	7.2%	17.6%	...	17.6%	12/31/04
LSV International (Net)	-4.6%	6.3%	6.3%	...	...	...	
Rank - International Value	78	70	70	27	...	...	
MSCI EAFE (Net)	-1.8%	11.2%	11.2%	16.8%	...	16.8%	
New Star International (Gross)	-2.0%	14.0%	14.0%	...	...	17.2%	09/30/05
New Star International (Net)	-2.0%	13.4%	13.4%	...	...	...	
Rank - International Growth	74	61	61	...	...	...	
MSCI EAFE (Net)	-1.8%	11.2%	11.2%	...	...	18.4%	

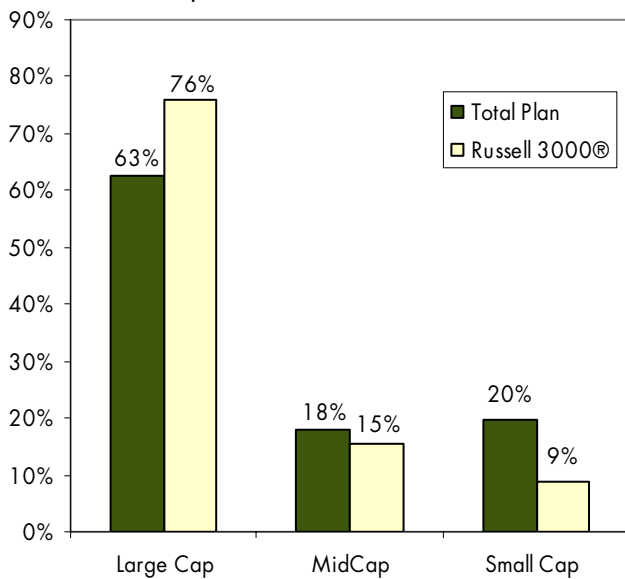
Periods longer than one year are annualized.

## Equity Portfolio Characteristics Equity Style Map

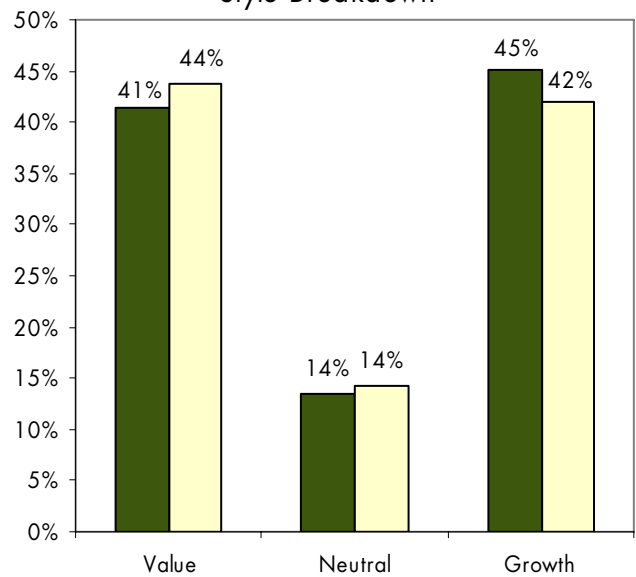
For Periods Ending December 31, 2007



Capitalization Breakdown



Style Breakdown

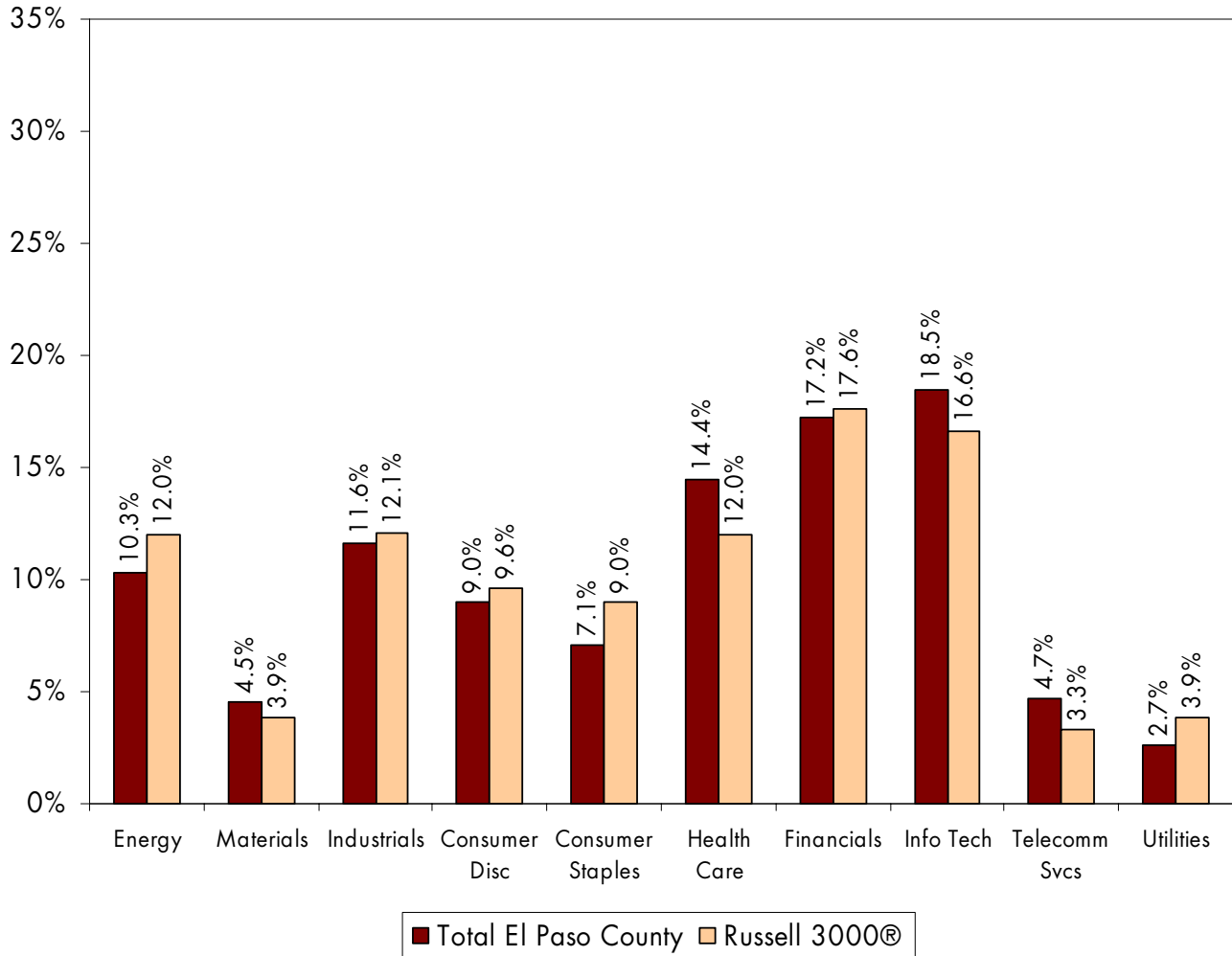


## Equity Portfolio Characteristics

As of December 31, 2007

	Total El Paso County	Russell 3000®
# of Stocks	503	2,929
Wghtd Avg Mkt Cap (\$mil)	\$75,308	\$88,721
Median Mkt Cap (\$mil)	\$5,323	\$1,082
P/E Ratio	18.2	18.6
Dividend Yield	1.6	1.8
5-Yr Earnings Growth	16.8	15.2

### Sector Allocation As of December 31, 2007



## Equity Portfolio Characteristics

El Paso County Retirement Plan Executive Summary

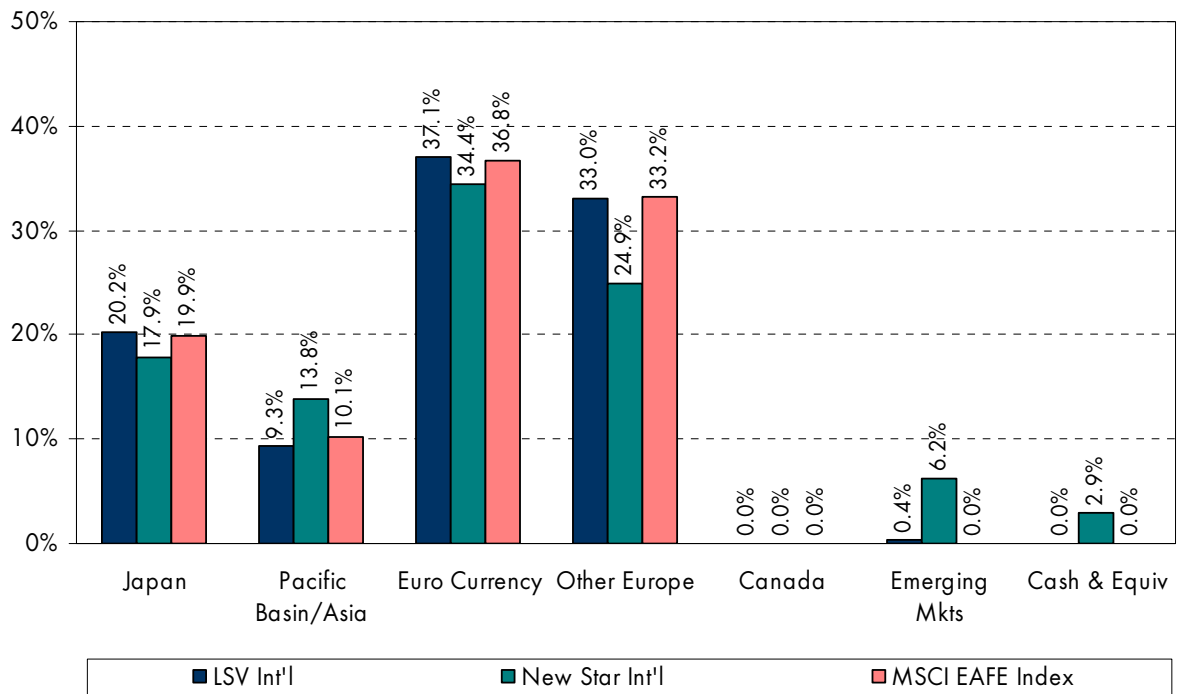
As of December 31, 2007

	SSgA Index		Russell 1000®		Gardner	Russell 1000®
	Plus	S&P 500	OFI Institutional	Value	Lewis	Growth
# of Stocks	266	500	70	618	47	689
Wghtd Avg Mkt Cap (\$000)	\$111,389	\$108,013	\$114,378	\$115,573	\$62,127	\$78,829
Median Mkt Cap (\$000)	\$13,230	\$12,797	\$13,681	\$5,200	\$27,766	\$5,858
P/E Ratio	16.4	17.6	13.5	15.2	23.4	21.6
Dividend Yield	2.0	2.0	2.8	2.7	0.7	1.1
5-Yr Earnings Growth	16.6	15.4	16.3	15.3	21.5	16.0
Sectors:						
<i>Energy</i>	13.0%	12.9%	16.7%	16.5%	6.2%	8.8%
<i>Materials</i>	4.0%	3.3%	5.5%	4.1%	4.2%	3.4%
<i>Industrials</i>	11.9%	11.5%	10.8%	10.6%	8.6%	13.0%
<i>Consumer Discretionary</i>	8.7%	8.5%	7.1%	7.2%	10.8%	11.2%
<i>Consumer Staples</i>	9.1%	10.2%	7.2%	8.7%	4.8%	10.3%
<i>Health Care</i>	12.4%	12.0%	8.8%	7.3%	21.2%	15.9%
<i>Financials</i>	16.5%	17.6%	28.3%	29.1%	10.8%	7.0%
<i>Information Technology</i>	17.2%	16.8%	3.1%	3.4%	27.7%	28.3%
<i>Telecomm. Services</i>	4.1%	3.6%	9.8%	6.5%	5.7%	0.7%
<i>Utilities</i>	3.3%	3.6%	2.8%	6.7%	0.0%	1.4%

	Lee Munder	Russell 2000®	Roxbury	Russell 2000®
	Investments	Value	Capital	Growth
# of Stocks	108	1,301	86	1,269
Wghtd Avg Mkt Cap (\$000)	\$1,551	\$1,213	\$1,867	\$1,585
Median Mkt Cap (\$000)	\$1,240	\$549	\$1,302	\$631
P/E Ratio	19.5	23.0	32.9	44.9
Dividend Yield	1.5	2.1	0.3	0.6
5-Yr Earnings Growth	8.6	8.5	17.5	11.4
Sectors:				
<i>Energy</i>	5.5%	6.2%	4.6%	7.2%
<i>Materials</i>	6.8%	7.3%	2.7%	4.0%
<i>Industrials</i>	15.8%	13.0%	13.6%	16.9%
<i>Consumer Discretionary</i>	8.5%	11.2%	9.9%	15.3%
<i>Consumer Staples</i>	7.8%	3.8%	4.2%	2.5%
<i>Health Care</i>	6.7%	6.0%	24.9%	21.7%
<i>Financials</i>	22.7%	31.9%	8.3%	7.7%
<i>Information Technology</i>	18.2%	13.0%	30.3%	23.0%
<i>Telecomm. Services</i>	0.0%	1.8%	1.5%	1.3%
<i>Utilities</i>	8.1%	5.9%	0.0%	0.5%

## International Equity Portfolio Characteristics

Country Allocation as of December 31, 2007



Sector Allocation as of December 31, 2007

	LSV International	New Star International	MSCI EAFE	Total International
# of Stocks	201	94	1,211	272
Wghtd Avg Mkt Cap (\$000)	\$57,889	\$65,016	\$64,334	\$61,542
Median Mkt Cap (\$000)	\$6,880	\$28,211	\$6,123	\$12,556
P/E Ratio	11.7	15.3	14.6	13.3
Dividend Yield	3.6	2.5	2.8	3.1
4-Yr Earnings Growth	11.8	11.9	11.2	11.8
Sectors:				
<i>Energy</i>	12.0%	10.5%	7.9%	11.2%
<i>Materials</i>	10.6%	10.6%	9.9%	10.6%
<i>Industrials</i>	11.6%	13.2%	12.1%	12.4%
<i>Consumer Discretionary</i>	13.4%	14.9%	10.9%	14.2%
<i>Consumer Staples</i>	2.9%	3.8%	8.5%	3.3%
<i>Health Care</i>	5.9%	6.3%	6.3%	6.1%
<i>Financials</i>	31.1%	22.7%	26.9%	26.8%
<i>Information Technology</i>	2.8%	7.9%	5.5%	5.4%
<i>Telecomm. Services</i>	9.2%	6.3%	6.2%	7.7%
<i>Utilities</i>	0.7%	3.7%	6.0%	2.2%

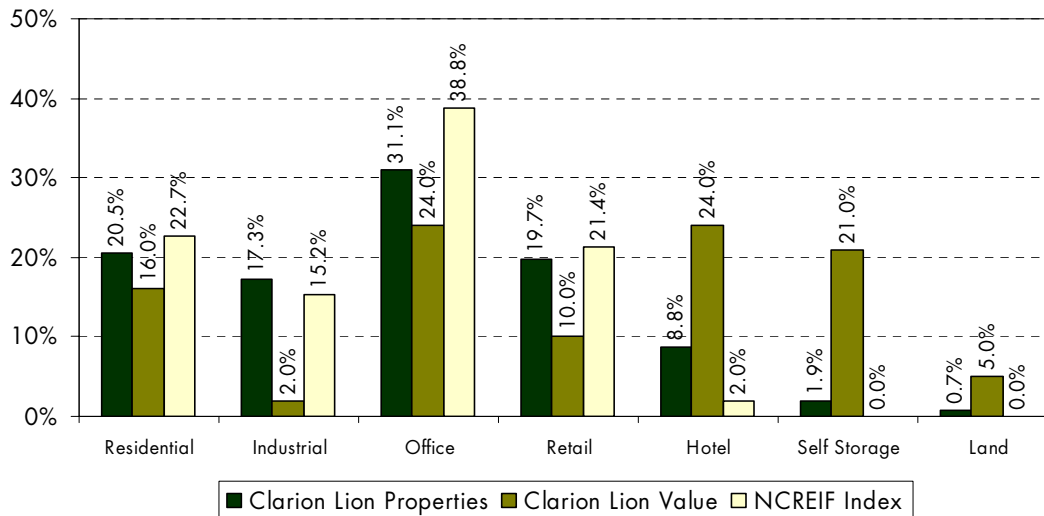
## Portfolio Characteristics – Real Estate

As of December 31, 2007

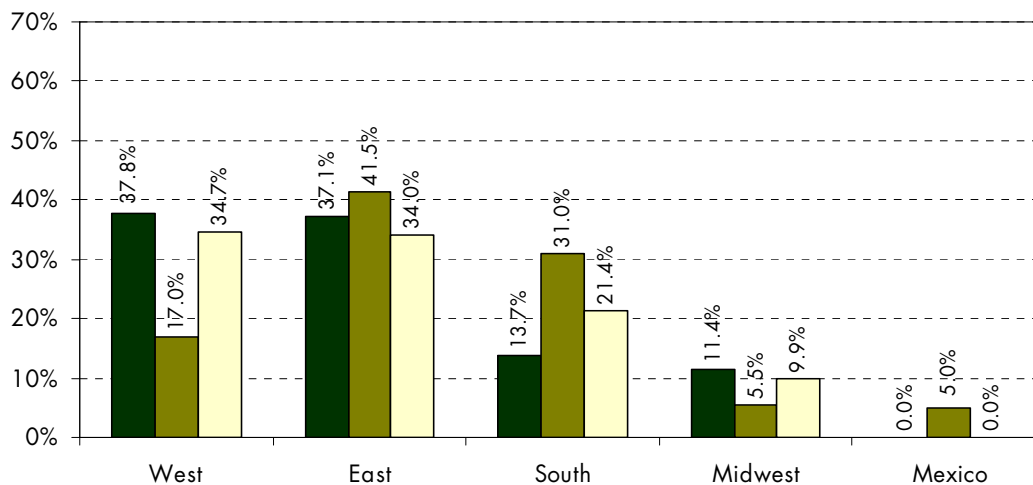
	Clarion Lion Property	Clarion Lion Value Property
Gross Asset Value	\$7.2 Billion	\$1,028.1 Million
Net Asset Value	\$4.1 Billion	\$414.1 Million
Leverage Ratio	38.8%	60.7%
Number of Investments	166	23*
Number of Markets	35	48
Portfolio Occupancy	92.6%	...
Number of Investors	162	32

\* Number of properties is 132.

By Property Type



By Geographic Region

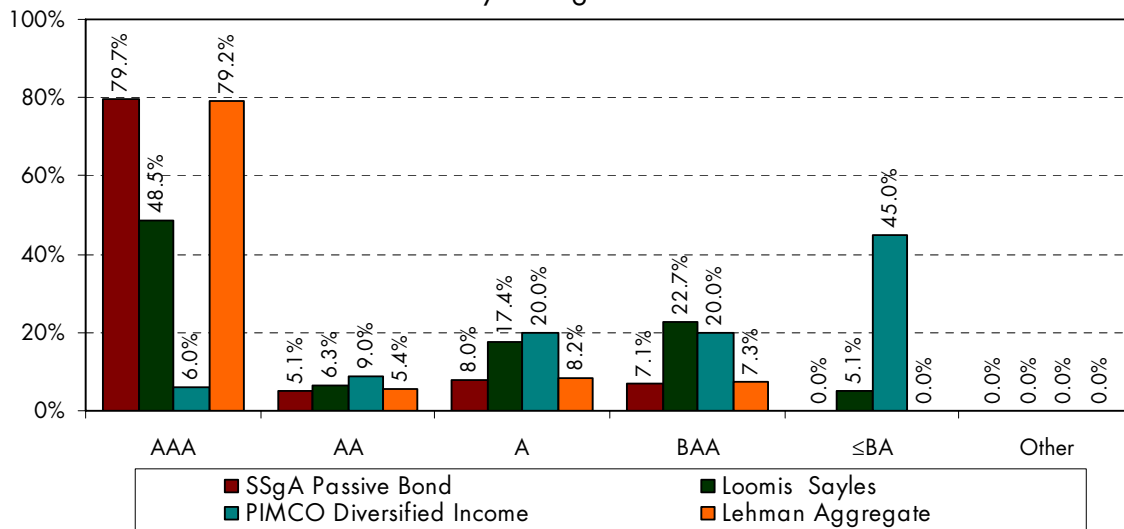


## Fixed Income Characteristics

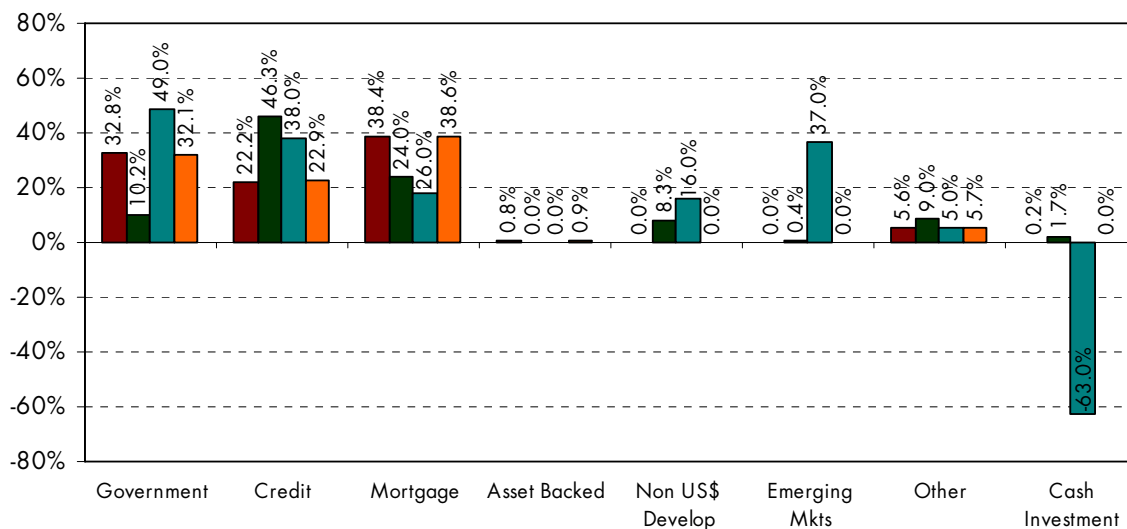
As of December 31, 2007

	<b>SSgA Passive Bond</b>	<b>Loomis Sayles</b>	<b>PIMCO Diversified Income</b>	<b>Lehman Aggregate</b>
Effective Duration (years)	4.4	5.9	6.5	4.4
Average Quality	AA+	AA+	BAA-	AA+
Yield to Maturity	4.9%	6.0%	6.0%	4.9%
Effective Maturity (years)	6.9	9.9	11.1	7.1

Quality Rating Allocation



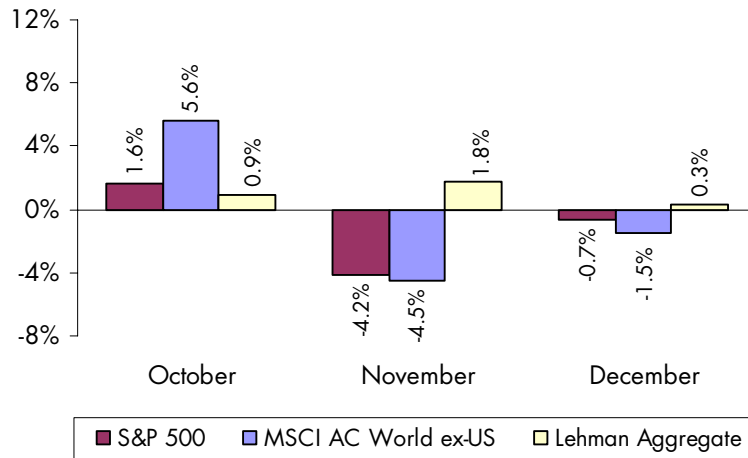
Sector Allocation



# Capital Markets

The 4<sup>th</sup> quarter was eventful, to say the least. Markets sold off as investors became increasingly concerned that distress in housing would spill over into the general economy. The quarter was characterized by a seemingly endless amount of negative headlines related to housing, sub-prime lending, Banks and Insurers, the Federal Reserve, consumer confidence, etc.

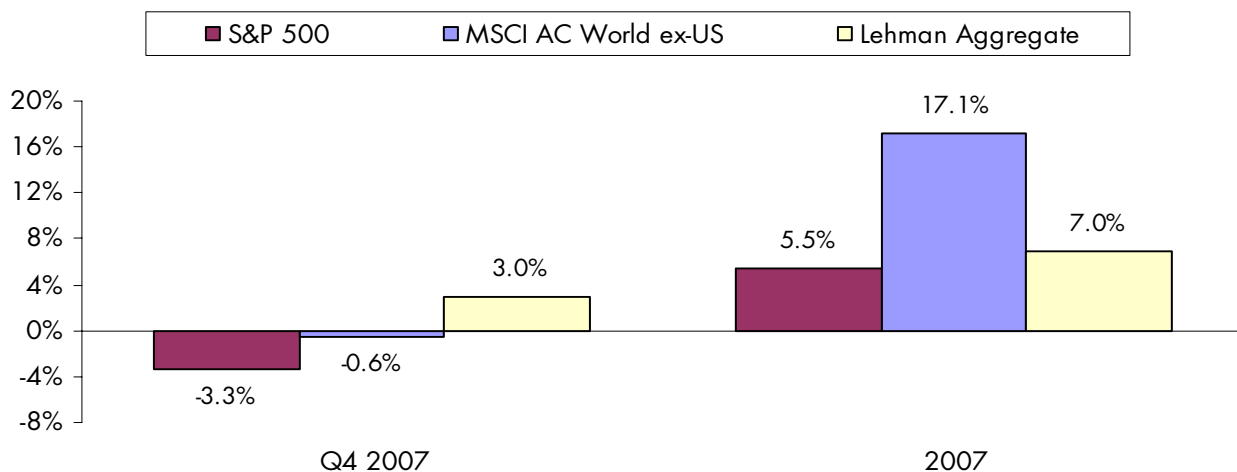
**Fourth Quarter 2007**



Source: Ibbotson Associates

After a solid October, numerous negatives weighed on S&P 500 performance, including generally falling earnings, increasing unemployment (5.0% unemployment rate), and slowing GDP growth (0.6%).

Bonds (as denoted by the Lehman Aggregate) out-performed stocks during the 4<sup>th</sup> quarter. Though negative, International markets (MSCI AC World ex-US) out-performed domestic markets (S&P 500) both during the 4<sup>th</sup> quarter and provided solid double digit returns for 2007 in total.



Source: Ibbotson Associates

# U.S Equity Markets

**S&P 500 Price Index: Fourth Quarter 2007**

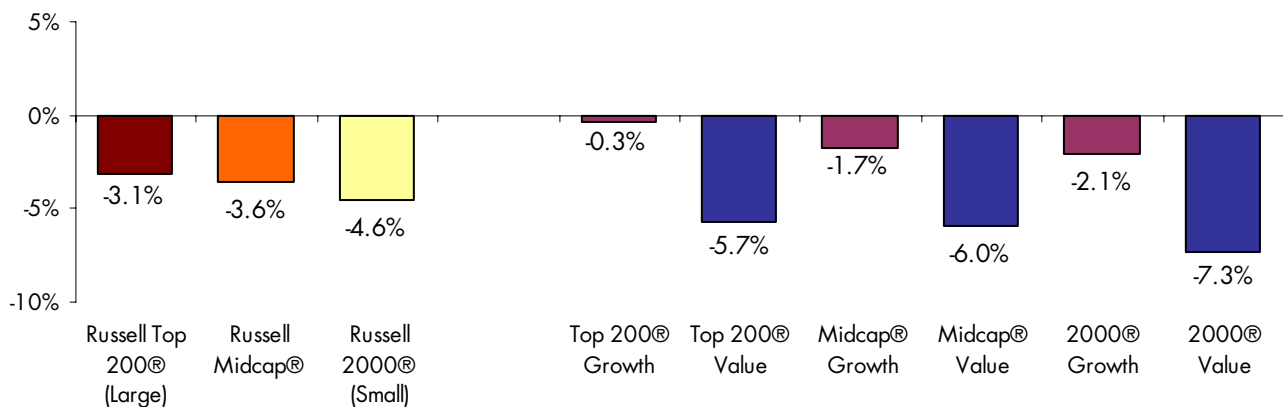


Source: Standard & Poor's

Fourth quarter S&P 500 performance was dominated by the interplay between a slowing economy, tightening credit and the Federal Reserve's activities to work to stimulate growth. Stocks sold off over 6.2% from their 2007 peak on October 9<sup>th</sup>, 2008, with accelerated selling after the Federal Reserve's October 31<sup>st</sup> meeting, during which it cut the Fed Funds rate by 25 bps. Markets rallied strongly in late November as the Federal Reserve hinted of additional rate cuts.

Although returns were negative across the board, large cap stocks and Growth as a style continued outperformance through the fourth quarter. For the year, large stocks (as denoted by the Russell 200) were up 5.9%, as compared to small stocks (Russell 2000), which depreciated by 1.6%. The style disparity for 2007 was pronounced – Russell 3000 Growth earned 11.4%, versus -1.0% for Russell 1000 Value.

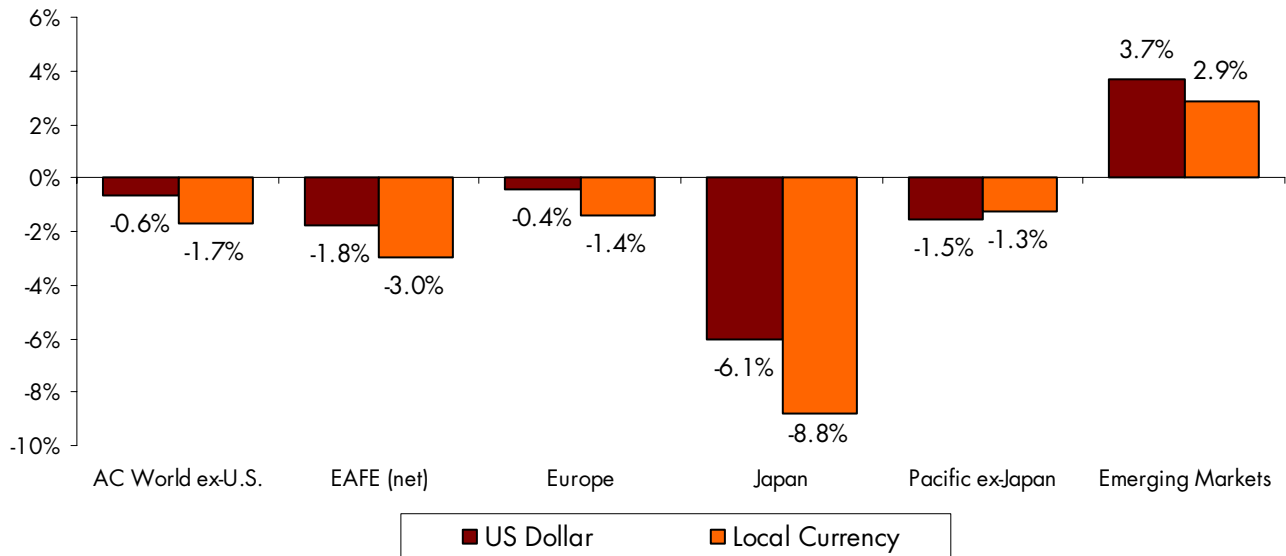
**Russell Indexes: Fourth Quarter 2007**



Source: Ibbotson Associates

# International Equity Markets

**MSCI Indexes: Fourth Quarter 2007**

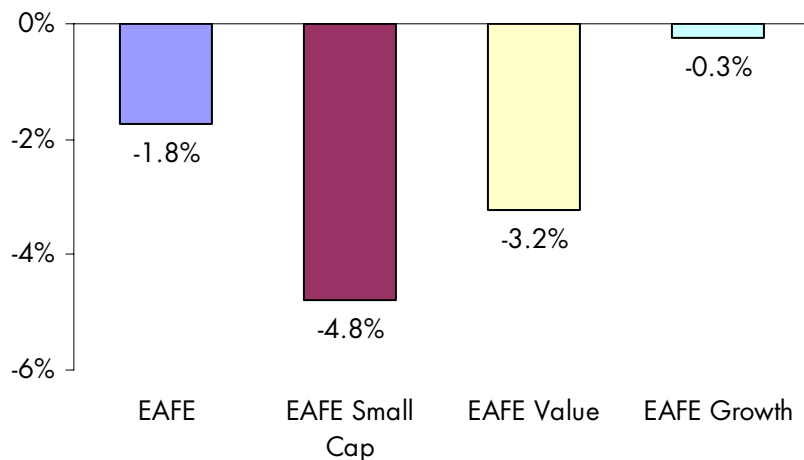


Source: MSCI

The U.S. dollar depreciated relative to most currencies during the 4<sup>th</sup> quarter. There has been a distinct theme throughout 2007 of Emerging Market out-performance. For the year, Emerging Markets appreciated by almost 40%, EAFE appreciated by approximately 14%, and the All-Country World Ex-US appreciated by approximately 17%. EM EMEA and Latin America were the key performance drivers for Emerging Markets in the 4<sup>th</sup> Quarter. Developed markets continued to be weighed down by concerns about a potential economic slowdown.

The EAFE index acted similarly to the US from a style perspective.

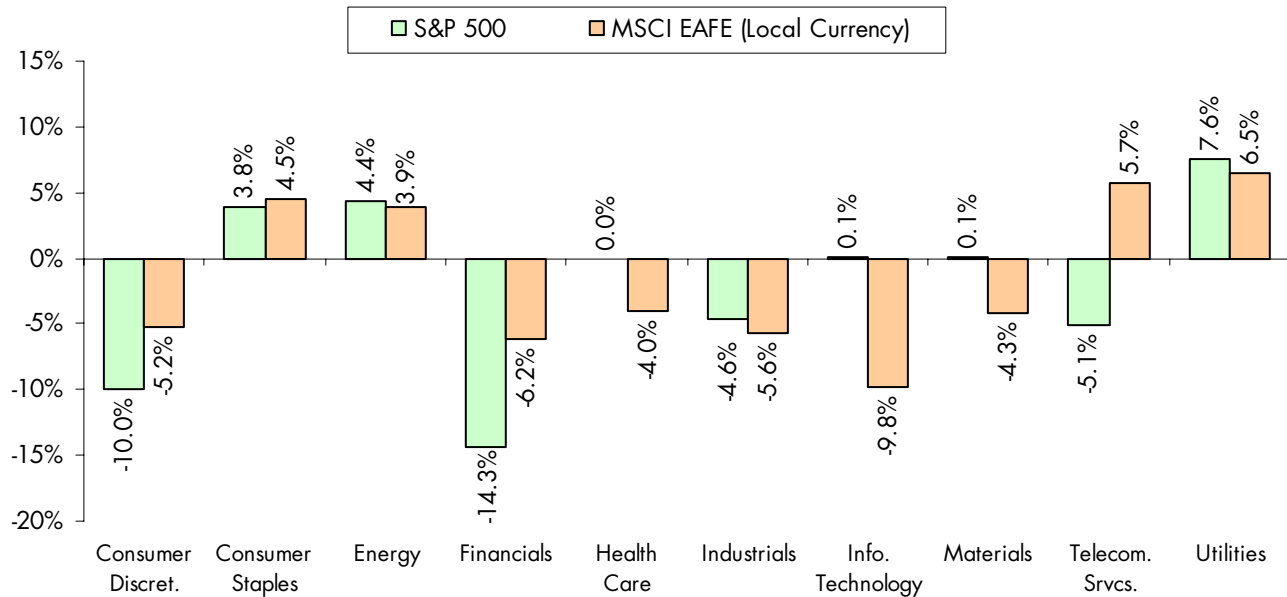
**MSCI Indexes: Fourth Quarter 2007  
(Returns in US Dollars)**



Source: MSCI

# Equity Sector Performance

## Sector Performance: Fourth Quarter 2007



Source: Ibbotson Associates, MSCI

The Consumer Discretionary and Financials sectors continued to under-perform in the 4<sup>th</sup> quarter and were the two sole negative performers in 2007 with Consumer Discretionary down 14% and Financials down 21%.

Within Financials, concerns abounded with respect to sub-prime exposure, credit portfolio write-downs and the earnings short-falls prompting significant capital infusions in several companies, including UBS, Citigroup, Morgan Stanley, Merrill Lynch, and Bear Stearns, among others.

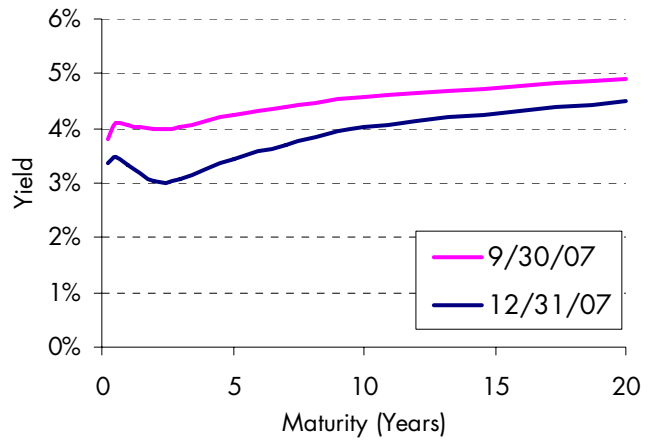
Consumer Discretionary continued to be weighed down by concerns about housing, employment, and the potential for recession. Housing starts, existing home sales and home values continued to fall, the unemployment rate ticked up to 5.0%, and Q4 real GDP growth came in at 0.6%.

Energy and Utilities continued strong performance through 2007, achieving 32% and 16% returns for 2007, respectively in the S&P 500. Oil continued to trade at elevated prices, finishing the year at \$97.94 per barrel, up from \$61.05 at the beginning of 2007.

# Fixed Income Markets

Treasury yields fell across the curve while the yield curve steepened as a general flight to quality continued through the fourth quarter. Efforts to increase liquidity drove down rates on the short end. The long end of the curve did not fall as dramatically, as concerns about inflation mitigated the impact of monetary stimulus provided by the Federal Reserve. To give a sense of the magnitude of falling rates during all of 2007, rates on the short end of the curve fell by almost 200 bps, whereas rates out towards 20 years fell by about 50 bps over 2007.

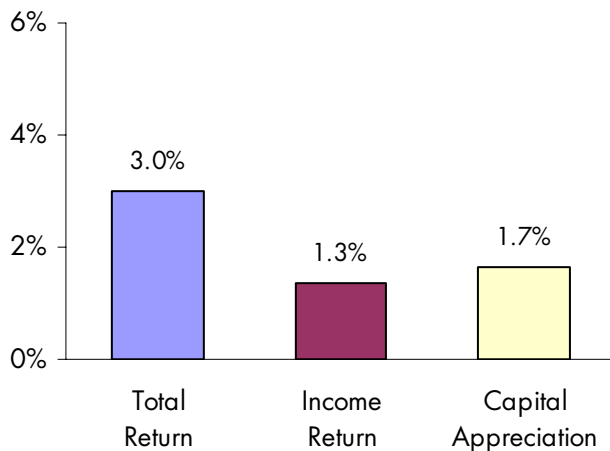
**Treasury Yield Curve**



Source: US Treasury Department

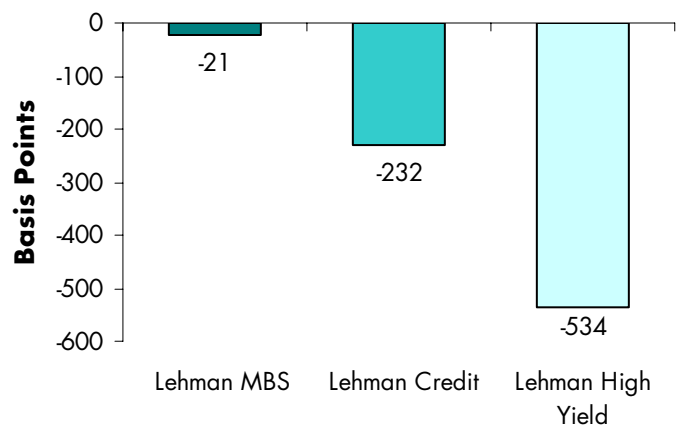
Although positive for both the quarter and the year (7.0%), the Lehman Aggregate continued to trail Treasuries on a relative basis. Spread sectors continued their under-performance through the 4<sup>th</sup> quarter as default concerns rose, as evidenced below. For the year the Lehman MBS, Lehman Credit, and Lehman High Yield Indices earned 6.9%, 5.1%, and 1.9%, respectively.

**Lehman Aggregate Bond Index: Fourth Quarter 2007**



Source: Ibbotson Associates

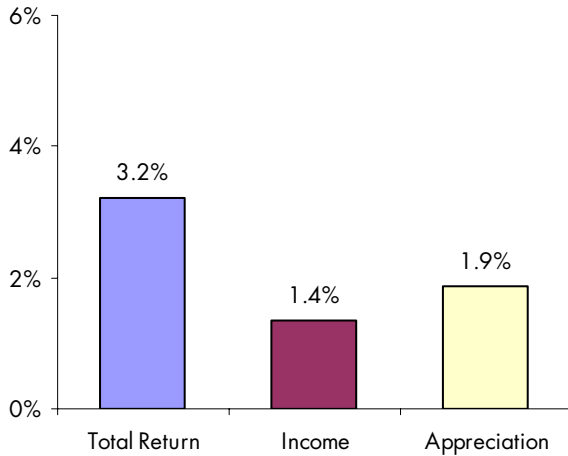
**Excess Returns over Treasuries: Fourth Quarter 2007**



Source: Lehman Brothers

# Real Estate Markets

**NCREIF Property Index Returns:  
Fourth Quarter 2007**



Returns are preliminary. Source: NCREIF

Commercial real estate, measured by the NCREIF Property Index (National Council of Real Estate Investment Fiduciaries) produced solid returns for the third quarter, with a total return of 3.2%. Appreciation was once again the driver of performance, accounting for 1.9% of returns, while the Income component contributed 1.4%. The NCREIF Property Index returned 15.9% for calendar 2007, with appreciation accounting for 9.9% of the return.

Cap rates have started to increase in certain property types and regions. Tertiary markets and those markets that benefited most from the condo conversion craze are showing the most weakness. Absolutely all segments of the real estate market and all regions performed well. Apartments and the South region showed the weakest results while Hotels, Retail and the West region continue to provide solid returns.

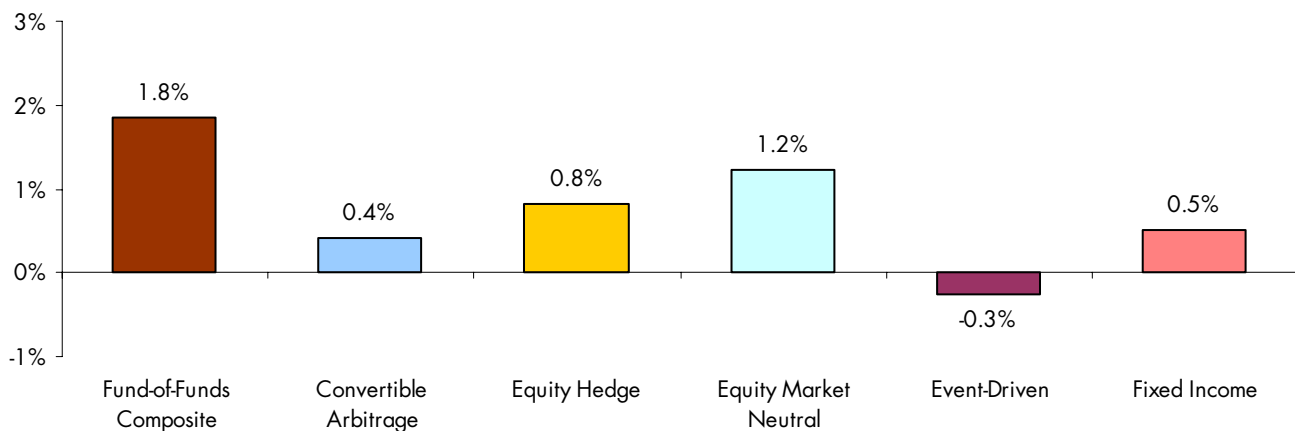
**NPI Property Type & Regional Returns:  
Fourth Quarter 2007**



Returns are preliminary. Source: NCREIF

# Hedge Fund Markets

## Hedge Fund Research Index Returns: Fourth Quarter 2007



Returns are preliminary. Source: Hedge Fund Research

Hedge funds as a whole performed well despite falling equity prices and widening credit spreads during the 4<sup>th</sup> quarter of 2007, continuing strong performance experienced earlier in the year. As a point of context, the Funds of Funds Composite earned 10.1% for 2007. Strong strategies included Equity Hedge (up 10.7% in 2007) and Event-Driven (up 6.9%). All of the strategies earned positive returns in 2007.

Although equity prices declined and volatility spiked during the quarter, these weren't necessarily negatives for the Equity Hedge and Equity Market Neutral strategies. Volatility tends to be a key ingredient of success for managers in these types of strategies, and increasing volatility tends to lead to a larger opportunity set. Equity Hedge, which has some long exposure to equity markets and thus is affected by changes in stock market prices, under-performed Equity Market Neutral, a strategy that attempts to neutralize equity market exposure.

Convertible Arbitrage managers achieved positive performance during the quarter, as spiking volatility (positive for the strategy) offset widening credit spreads and very high issuance (\$52 billion).

Fixed Income managers benefited generally from the dislocation that has been occurring in the credit markets, particularly in trades related to the sub-prime and asset-backed securities (ABS) markets.

It should be quickly noted that Event-Driven managers achieved negative returns for the quarter as tightening credit availability and a mixed economic backdrop put a damper on M&A activity.

# Capital Markets: Trailing Period Returns

Index	Periods Ending December 31, 2007					
	Quarter	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>US Equities</b>						
S&P 500	-3.3%	5.5%	5.5%	8.6%	12.8%	5.9%
Russell 3000 <sup>®</sup>	-3.3%	5.1%	5.1%	8.9%	13.6%	6.2%
Russell Top 200 <sup>®</sup> (Large Cap)	-3.1%	5.9%	5.9%	8.3%	11.7%	5.0%
Russell MidCap <sup>®</sup>	-3.6%	5.6%	5.6%	11.1%	18.2%	9.9%
Russell 2000 <sup>®</sup> (Small Cap)	-4.6%	-1.6%	-1.6%	6.8%	16.3%	7.1%
Russell 1000 <sup>®</sup> Value	-5.8%	-0.2%	-0.2%	9.3%	14.6%	7.7%
Russell 1000 <sup>®</sup> Growth	-0.8%	11.8%	11.8%	8.7%	12.1%	3.8%
Russell 2000 <sup>®</sup> Value	-7.3%	-9.8%	-9.8%	5.3%	15.8%	9.1%
Russell 2000 <sup>®</sup> Growth	-2.1%	7.1%	7.1%	8.1%	16.5%	4.3%
<b>Non-US Equities (In US dollars)</b>						
MSCI AC World ex. U.S.	-0.6%	17.1%	17.1%	20.4%	24.5%	10.1%
MSCI EAFE (net)	-1.8%	11.2%	11.2%	16.8%	21.6%	8.7%
MSCI Europe	-0.4%	14.4%	14.4%	19.1%	23.3%	10.0%
MSCI Japan	-6.0%	-5.6%	-5.6%	8.0%	14.8%	4.5%
MSCI Pacific ex Japan	-1.5%	31.7%	31.7%	26.3%	30.9%	14.1%
MSCI Emerging Markets	3.7%	39.8%	39.8%	35.6%	37.5%	14.5%
MSCI EAFE Value	-3.2%	6.5%	6.5%	16.9%	23.8%	11.1%
MSCI EAFE Growth	-0.3%	16.8%	16.8%	17.7%	20.3%	6.8%
<b>Fixed Income</b>						
LB Aggregate Bond	3.0%	7.0%	7.0%	4.6%	4.4%	6.0%
30-Day Treasury Bills	0.9%	4.7%	4.7%	4.1%	2.9%	3.5%
Citigroup 1-10 Yr Treasury	3.5%	8.8%	8.8%	4.6%	3.6%	5.4%
Citigroup 10+ Yr Treasury	5.7%	9.9%	9.9%	6.0%	5.6%	7.2%
Merrill Lynch TIPS	5.0%	11.6%	11.6%	4.9%	6.3%	7.5%
Lehman Government	3.7%	8.7%	8.7%	4.9%	4.1%	5.9%
Lehman Credit	2.2%	5.1%	5.1%	3.8%	4.8%	6.1%
Lehman Mortgage	3.1%	6.9%	6.9%	4.9%	4.5%	5.9%
Lehman High Yield	-1.3%	1.9%	1.9%	5.4%	10.9%	5.5%
Citigroup Non-US Gvt	3.9%	11.5%	11.5%	2.7%	7.5%	6.3%
Citigroup Non-US Gvt (Hedged)	1.9%	4.9%	4.9%	4.6%	4.1%	5.7%
JPM Emerging Mkt Debt+	2.7%	6.5%	6.5%	9.6%	13.6%	10.4%
<b>Real Estate</b>						
NAREIT Equity	-12.7%	-15.7%	-15.7%	8.5%	18.2%	10.5%
NCREIF Property	3.2%	15.9%	15.9%	17.5%	15.1%	12.9%
Inflation (CPI-U)	0.7%	4.1%	4.1%	3.3%	3.0%	2.7%

Periods longer than one year are annualized.

Source: Ibbotson Associates

# Capital Markets: Calendar Year Returns

Index	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
<b>US Equities</b>										
S&P 500	5.5%	15.8%	4.9%	10.9%	28.7%	-22.1%	-11.9%	-9.1%	21.0%	28.6%
Russell 3000®	5.1%	15.7%	6.1%	12.0%	31.1%	-21.5%	-11.5%	-7.5%	20.9%	24.1%
Russell Top 200® (Large Cap)	5.9%	15.5%	3.8%	8.3%	26.7%	-23.4%	-14.6%	-12.1%	21.8%	34.0%
Russell MidCap®	5.6%	15.3%	12.7%	20.2%	40.1%	-16.2%	-5.6%	8.3%	18.2%	10.1%
Russell 2000® (Small Cap)	-1.6%	18.4%	4.6%	18.3%	47.3%	-20.5%	2.5%	-3.0%	21.3%	-2.6%
Russell 1000® Value	-0.2%	22.2%	7.1%	16.5%	30.0%	-15.5%	-5.6%	7.0%	7.4%	15.6%
Russell 1000® Growth	11.8%	9.1%	5.3%	6.3%	29.8%	-27.9%	-20.4%	-22.4%	33.2%	38.7%
Russell 2000® Value	-9.8%	23.5%	4.7%	22.3%	46.0%	-11.4%	14.0%	22.8%	-1.5%	-6.5%
Russell 2000® Growth	7.1%	13.3%	4.2%	14.3%	48.5%	-30.3%	-9.2%	-22.4%	43.1%	1.2%
<b>Non-US Equities (In US dollars)</b>										
MSCI AC World ex. U.S.	17.1%	27.2%	17.1%	21.4%	41.4%	-14.7%	-19.5%	-15.1%	30.9%	14.5%
MSCI EAFE (net)	11.2%	26.3%	13.5%	20.3%	38.6%	-15.9%	-21.4%	-14.2%	27.0%	20.0%
MSCI Europe	14.4%	34.4%	9.9%	21.4%	39.1%	-18.1%	-19.6%	-8.1%	16.2%	28.9%
MSCI Japan	-5.6%	6.2%	25.6%	16.2%	36.0%	-9.8%	-29.5%	-28.3%	63.1%	5.1%
MSCI Pacific ex Japan	31.7%	33.2%	14.8%	29.6%	47.0%	-5.8%	-9.4%	-15.2%	43.2%	-6.2%
MSCI Emerging Markets	39.8%	32.6%	34.5%	26.0%	56.3%	-6.0%	-2.4%	-30.6%	66.4%	-25.3%
MSCI EAFE Value	6.5%	31.1%	14.4%	24.9%	46.0%	-15.6%	-18.2%	-2.8%	24.5%	18.1%
MSCI EAFE Growth	16.8%	22.7%	13.6%	16.5%	32.5%	-15.8%	-24.4%	-24.4%	29.7%	22.5%
<b>Fixed Income</b>										
LB Aggregate Bond	7.0%	4.3%	2.4%	4.3%	4.1%	10.3%	8.4%	11.6%	-0.8%	8.7%
30-Day Treasury Bills	4.7%	4.8%	3.0%	1.2%	1.0%	1.7%	3.8%	5.9%	4.7%	4.9%
Citigroup 1-10 Yr Treasury	8.8%	3.5%	1.6%	2.0%	2.1%	9.2%	8.1%	10.2%	0.5%	8.6%
Citigroup 10+ Yr Treasury	9.9%	1.9%	6.5%	7.7%	2.5%	16.7%	4.2%	20.3%	-8.7%	13.5%
Merrill Lynch TIPS	11.6%	0.5%	2.8%	8.5%	8.3%	17.0%	8.0%	13.2%	2.5%	3.9%
Lehman Government	8.7%	3.5%	2.6%	3.5%	2.4%	11.5%	7.2%	13.2%	-2.3%	9.9%
Lehman Credit	5.1%	4.3%	2.0%	5.3%	7.7%	10.5%	10.4%	9.4%	-1.9%	8.6%
Lehman Mortgage	6.9%	5.2%	2.6%	4.7%	3.1%	8.7%	8.2%	11.2%	1.9%	7.0%
Lehman High Yield	1.9%	11.9%	2.7%	11.1%	29.0%	-1.4%	5.3%	-5.9%	2.4%	1.9%
Citigroup Non-US Gvt	11.5%	6.9%	-9.2%	12.1%	18.5%	22.0%	-3.5%	-2.6%	-5.1%	17.8%
Citigroup Non-US Gvt (Hedged)	4.9%	3.1%	5.7%	5.2%	1.9%	6.9%	6.1%	9.6%	2.9%	11.5%
JPM Emerging Mkt Debt+	6.5%	10.5%	11.9%	11.8%	28.8%	14.2%	-0.8%	15.6%	26.0%	-14.4%
<b>Real Estate</b>										
NAREIT Equity	-15.7%	35.1%	12.2%	31.6%	37.1%	3.8%	13.9%	26.4%	-4.6%	-17.5%
NCREIF Property	15.9%	16.6%	20.1%	14.5%	9.0%	6.8%	7.3%	12.3%	11.4%	16.3%
Inflation (CPI-U)	4.1%	2.5%	3.4%	3.3%	1.9%	2.3%	1.6%	3.4%	2.7%	1.6%

Source: Ibbotson Associates