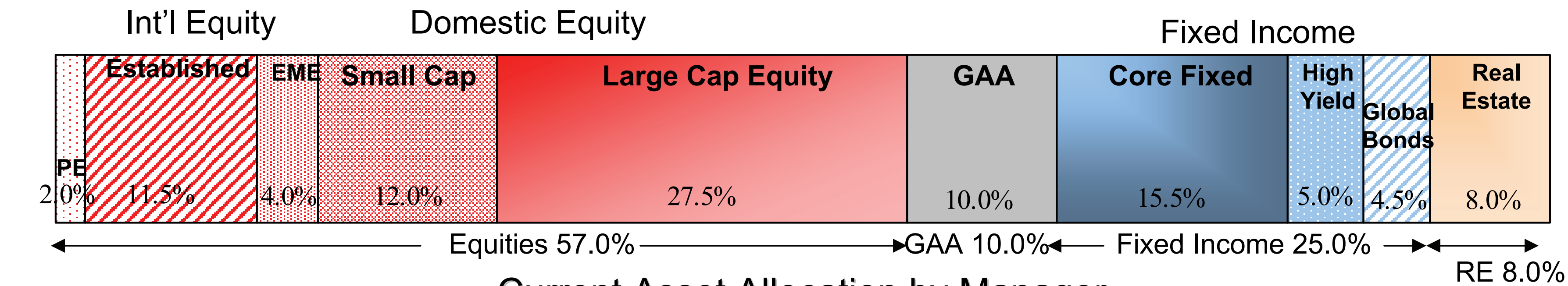
State Teachers' Retirement System of Vermont

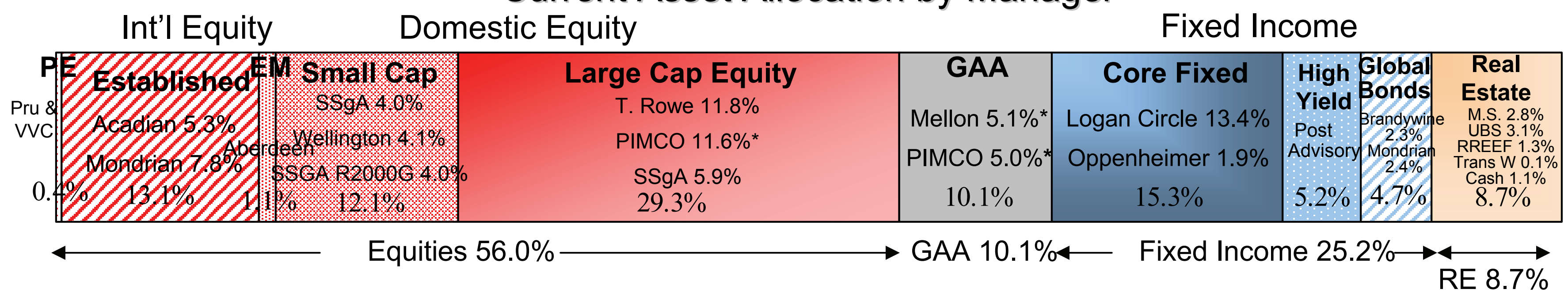
Plan Asset Allocation

As of March 31, 2008

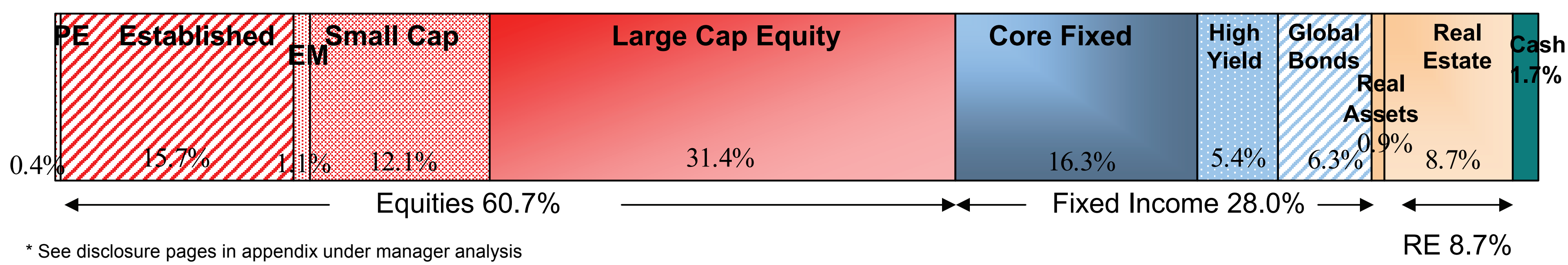
Target Asset Allocation



Current Asset Allocation by Manager



Current Asset Allocation by Asset Class



* See disclosure pages in appendix under manager analysis

Numbers may not add up to 100% due to rounding.

Asset Breakdown

	Domestic Large Core	Domestic Small Core	Domestic Small Value	Domestic Small Growth	Core Fixed	High Yield	Int'l Equity	Global Bonds	Real Estate	Alt Invest	Private Investment	Cash	Total
Composite	$448,822	$61,496	$62,251	$60,989	$233,944	$79,994	$216,607	$71,411	$132,741	$155,376	$5,851	$670	$1,530,153
T. Rowe	181,192	0	0	0	0	0	0	0	0	0	0	0	$181,192
PIMCO	177,707	0	0	0	0	0	0	0	0	0	0	0	$177,707
SSgA Equal Wgt	89,923	0	0	0	0	0	0	0	0	0	0	0	$89,923
SSgA R-2500	0	61,496	0	0	0	0	0	0	0	0	0	0	$61,496
Wellington	0	0	62,251	0	0	0	0	0	0	0	0	0	$62,251
SSgA R-2000 Growth	0	0	0	60,989	0	0	0	0	0	0	0	0	$60,989
Acadian	0	0	0	0	0	0	80,601	0	0	0	0	0	$80,601
Mondrian	0	0	0	0	0	0	119,656	0	0	0	0	0	$119,656
Aberdeen	0	0	0	0	0	0	16,350	0	0	0	0	0	$16,350
Logan Circle	0	0	0	0	204,314	0	0	0	0	0	0	0	$204,314
Oppenheimer	0	0	0	0	29,625	0	0	0	0	0	0	0	$29,625
Post Advisory	0	0	0	0	0	79,994	0	0	0	0	0	0	$79,994
Mondrian	0	0	0	0	0	0	0	36,312	0	0	0	0	$36,312
Brandywine	0	0	0	0	0	0	0	35,099	0	0	0	0	$35,099
Morgan Stanely	0	0	0	0	0	0	0	0	43,432	0	0	0	$43,432
UBS Realty	0	0	0	0	0	0	0	0	48,156	0	0	0	$48,156
RREEF	0	0	0	0	0	0	0	0	21,823	0	0	0	$21,823
Transwestern	0	0	0	0	0	0	0	0	1,962	0	0	0	$1,962
Real Estate Cash	0	0	0	0	0	0	0	0	17,368	0	0	0	$17,368
Mellon GA 1	0	0	0	0	0	0	0	0	0	78,283	0	0	$78,283
PIMCO AA	0	0	0	0	0	0	0	0	0	77,093	0	0	$77,093
Pru & VVC	0	0	0	0	0	0	0	0	0	0	5,851	0	$5,851
Vermont Investment	0	0	0	0	5	0	0	0	0	0	0	670	$675
(Dollars in 000's)													

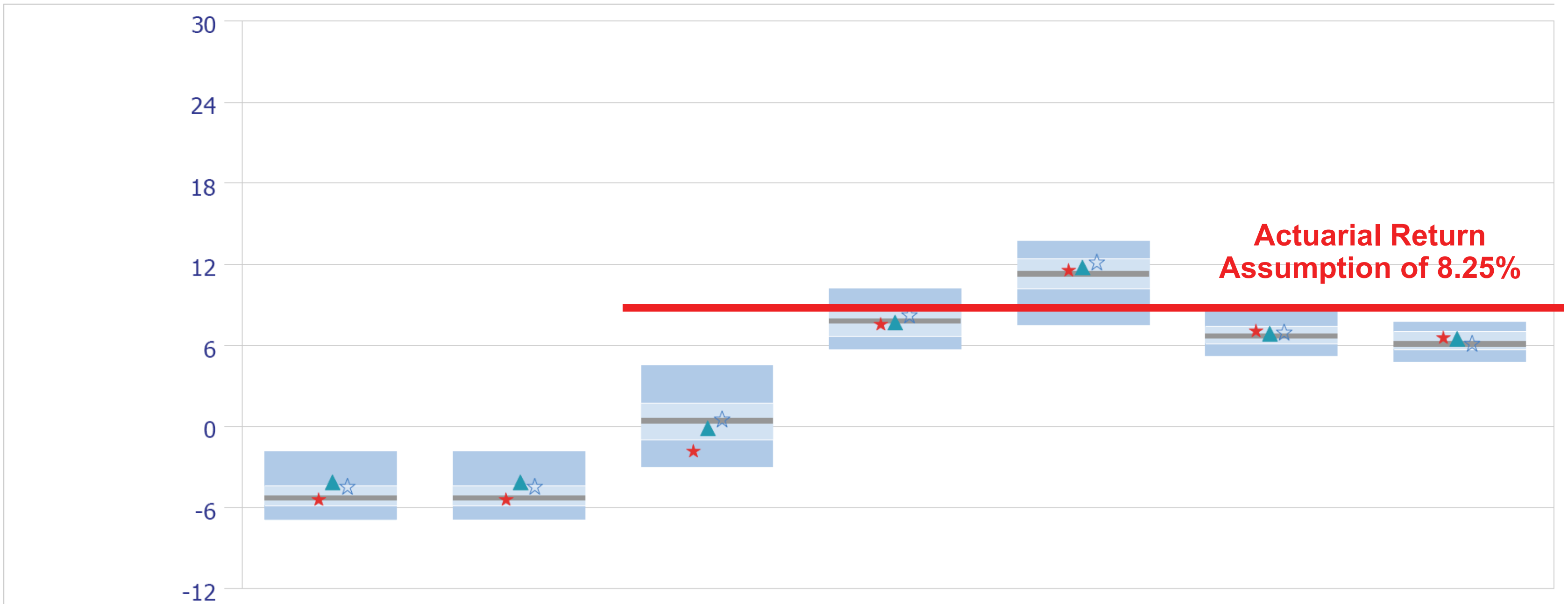
Total Fund Asset Growth Summary

Periods Ending March 31, 2008

TEACHERS' RETIREMENT SYSTEM COMPOSITE

	Last Quarter	Year to Date	Last Twelve Months	Since Inception 03/2001
Beginning Market Value	1,638,863	1,638,863	1,593,269	1,106,102
Net External Growth	-20,244	-20,244	-37,224	-200,260
Return on Investment	-88,466	-88,466	-25,892	624,311
Income Received	202	202	418	140,510
Gain/Loss	-88,668	-88,668	-26,310	483,801
Ending Market Value	1,530,153	1,530,153	1,530,153	1,530,153
Return	-5.4%	-5.4%	-1.8%	

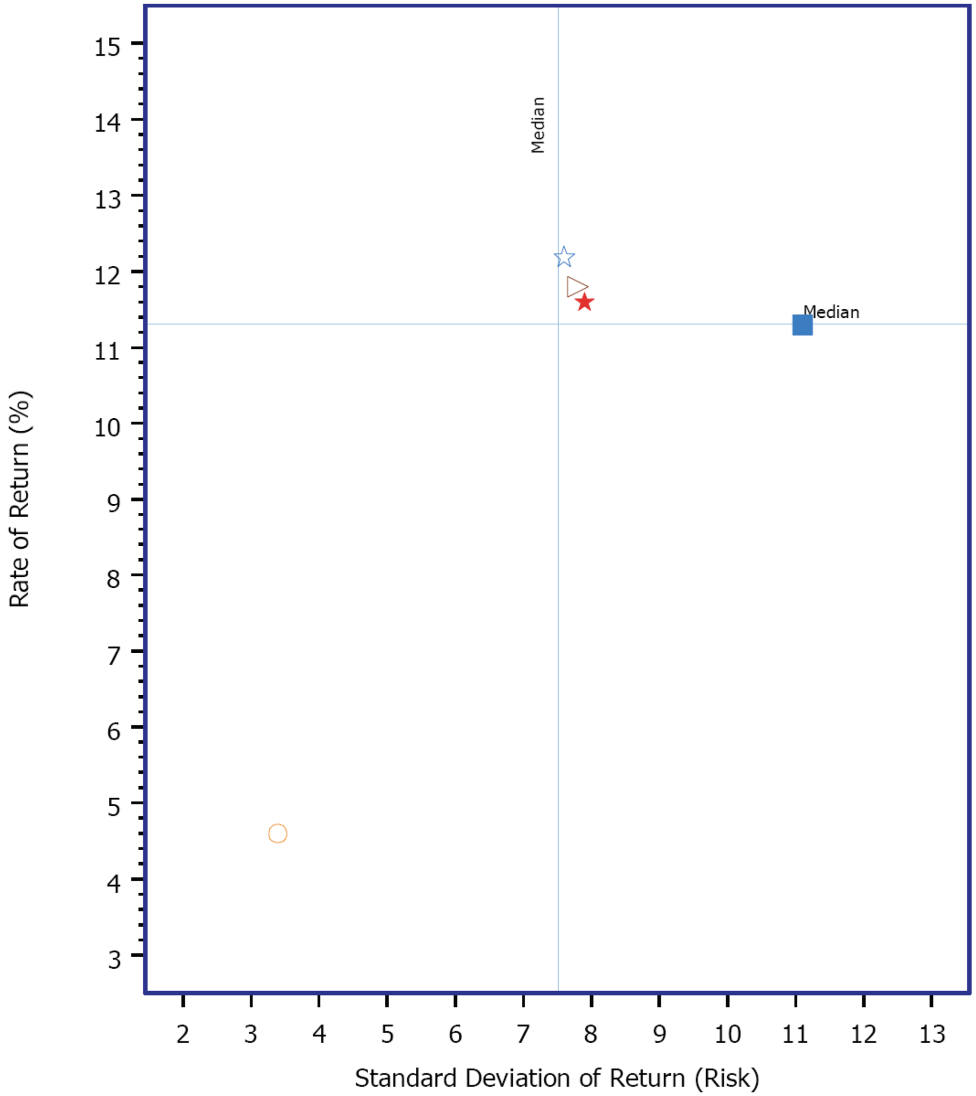
Total Public Funds – Total Rates of Return



	One Quarter		Year to Date		One Year		Three Years		Five Years		Seven Years		Ten Years	
★ **TRS COMPOSITE**	-5.4	51	-5.4	51	-1.8	85	7.6	59	11.6	39	7.1	29	6.6	33
▲ *ALLOC INDEX*	-4.1	21	-4.1	21	-0.1	60	7.7	55	11.8	38	6.9	42	6.5	37
☆ *POLICY INDEX*	-4.4	24	-4.4	24	0.6	44	8.3	36	12.2	29	7.0	37	6.2	46
Median	-5.3	--	-5.3	--	0.4	--	7.8	--	11.3	--	6.7	--	6.1	--
Total Public Funds >$1 Billion Median	-5.3	--	-5.3	--	0.7	--	8.4	--	12.0	--	6.9	--	6.2	--

- *Policy Index: Measures the effectiveness of Plan Structure. (Target asset class weights X Return of the respective passive benchmark)*
- *Allocation Index: Measures the effectiveness of deviating from the target policy weights. (Policy Index - Allocation Index) Allocation Index = weighted average return of the actual asset class weights and the return of the respective passive benchmark.*
- *Composite: Actual composite return = actual asset class weights times the actual manager return. Measures the effectiveness of the managers. (Actual composite return - Allocation Index)*

Total Fund Risk / Return Analysis – 5 Years*

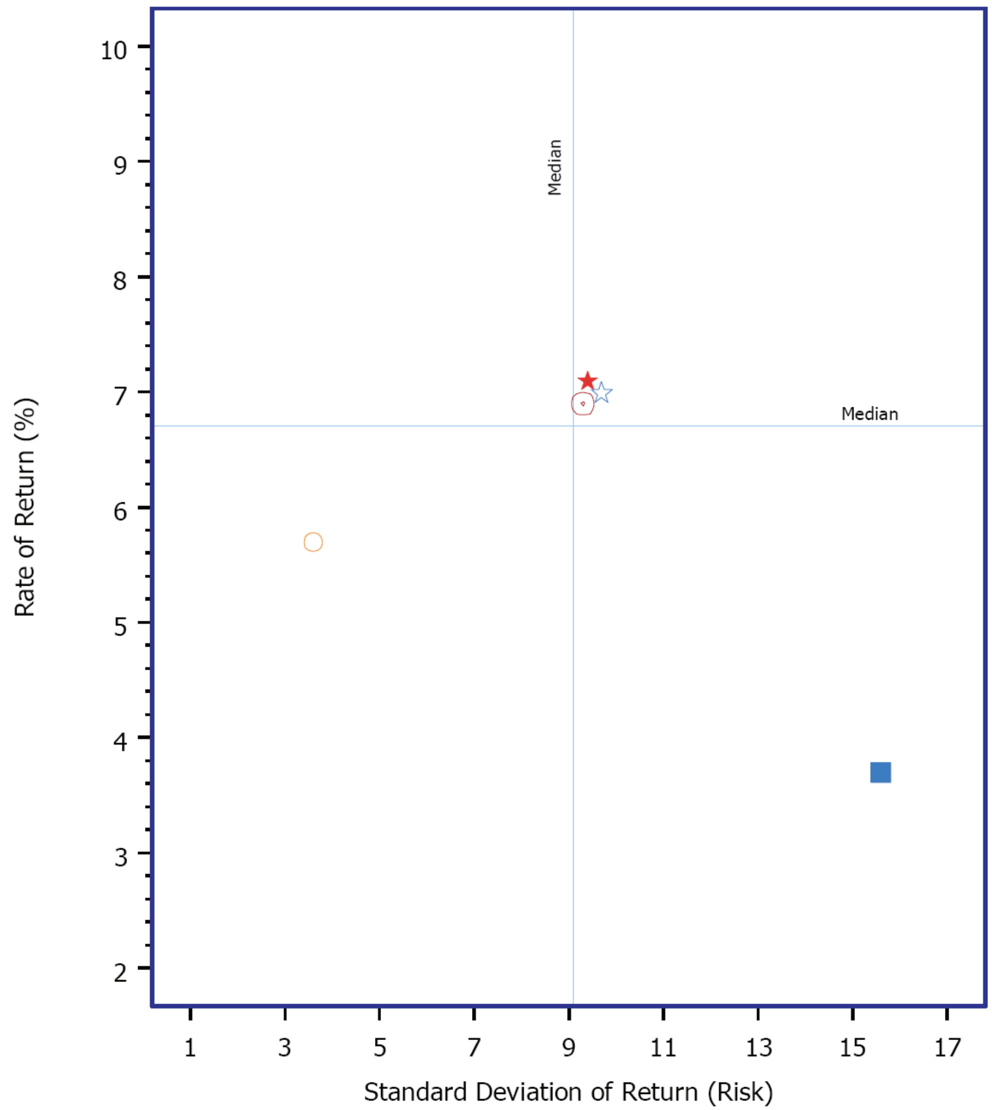


	Return		Standard Deviation		Sharpe Ratio	
★ **TRS COMPOSITE**	11.6	39	7.9	69	1.0	52
▷ *ALLOC INDEX*	11.8	38	7.8	66	1.1	37
☆ *POLICY INDEX*	12.2	29	7.6	54	1.2	25
■ *S&P 500*	11.3	49	11.1	100	0.7	98
○ *LB AGGREGATE*	4.6	100	3.4	1	0.4	100
Median	11.3	--	7.5	--	1.1	--

Funded status as of Fiscal Year 2007 = 84.9%

*Ranked under Total Public Plans

Total Fund Risk / Return Analysis – 7 Years*

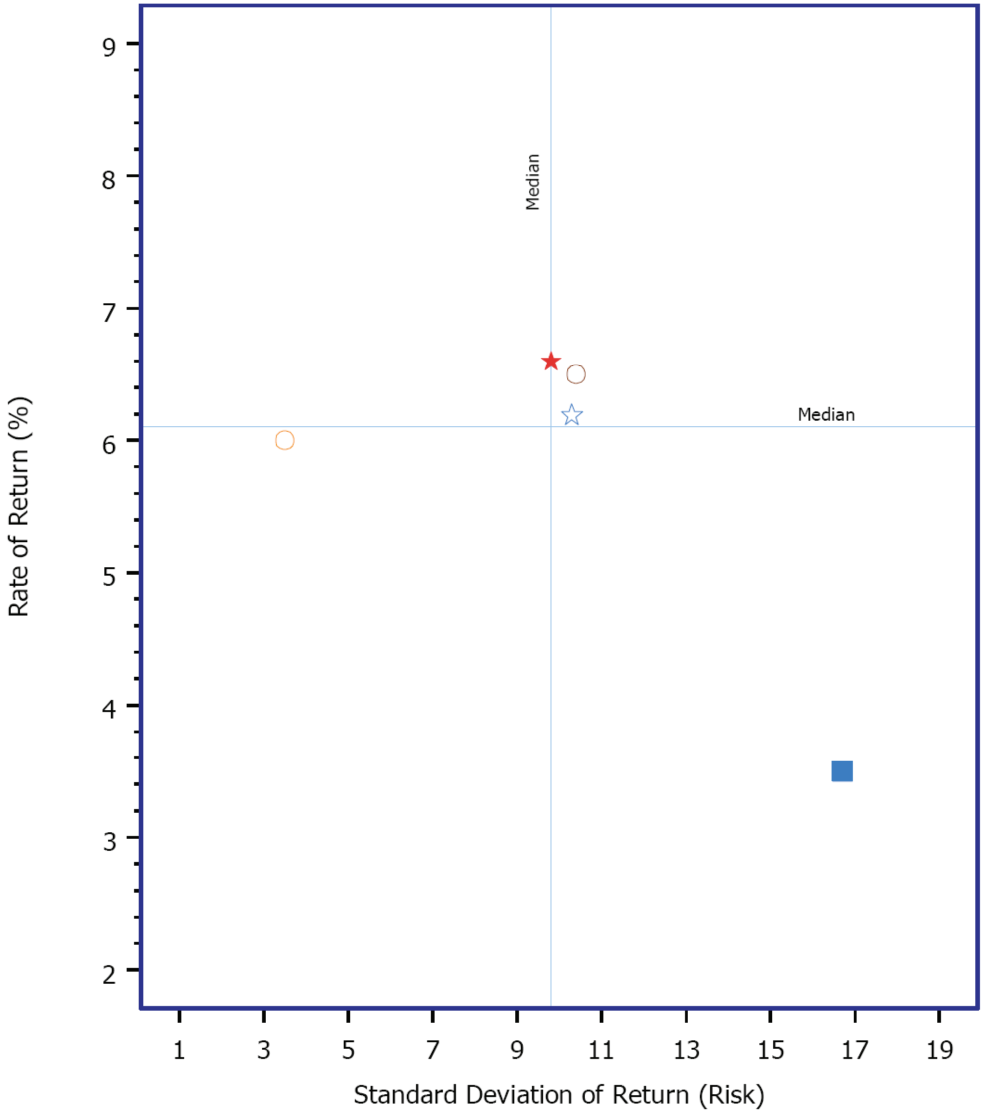


	Return		Standard Deviation		Sharpe Ratio	
TRS COMPOSITE	7.1	29	9.4	58	0.5	40
ALLOC INDEX	6.9	42	9.3	53	0.4	48
POLICY INDEX	7.0	37	9.7	66	0.4	49
S&P 500	3.7	100	15.6	100	0.1	100
LB AGGREGATE	5.7	85	3.6	1	0.7	1
Median	6.7	--	9.1	--	0.4	--

Funded status as of Fiscal Year 2007 = 84.9%

*Ranked under Public Plans

Total Fund Risk / Return Analysis – 10 Years*



	Return		Standard Deviation		Sharpe Ratio	
★ **TRS COMPOSITE**	6.6	33	9.8	51	0.3	38
○ *ALLOC INDEX*	6.5	37	10.4	73	0.3	44
☆ *POLICY INDEX*	6.2	46	10.3	64	0.3	53
■ *S&P 500*	3.5	100	16.7	100	0.1	100
○ *LB AGGREGATE*	6.0	56	3.5	1	0.6	1
Median	6.1	--	9.8	--	0.3	--

Funded status as of Fiscal Year 2007 = 84.9%

*Ranked under Total Public Plans

VPIC Total Performance Summary

Vermont Pension Investment Committee (VPIC)

Investment Performance "Flash" Report
Periods Ending March 31, 2008

	Quarter	Public Rank	Large Rank	Last Year	Public Rank	Large Rank	Last 3 Years	Public Rank	Large Rank	Last 5 Years	Public Rank	Large Rank	Fiscal YTD	Market Value	% of Total Portfolio	Fee
Teachers' Composite																
Teachers' Composite	(5.4)%	51	48	(1.8)%	85	87	7.6%	59	75	11.6%	39	68	(5.6)%	$1,530,152,945	100%	0.38%
Allocation Index	(4.1)%			(0.1)%			7.7%			11.8%			(3.7)%			
Policy Index	(4.4)%			0.6%			8.3%			12.2%			(3.2)%			
Employees' Composite																
Employees' Composite	(5.4)%	50	47	(1.5)%	80	82	7.6%	57	74	11.4%	41	70	(5.1)%	$1,297,338,441	100%	0.37%
Allocation Index	(4.0)%			(0.1)%			7.7%			11.7%			(3.4)%			
Policy Index	(3.9)%			1.0%			8.0%			11.9%			(2.4)%			
Municipal Composite																
Municipal Composite	(5.4)%	50		(1.6)%	82		8.1%	41		11.1%	58		(5.1)%	$317,918,136	100%	0.38%
Allocation Index	(3.9)%			0.1%			7.8%			11.7%			(3.1)%			
Policy Index	(3.8)%			1.2%			8.5%			12.1%			(2.2)%			
Burlington Composite																
Burlington Composite	(5.4)%	51		(1.8)%	85		7.4%	64		10.4%	73		(6.7)%	$119,041,984	100%	0.38%
Policy Index	(4.9)%			(0.1)%			7.0%			10.6%			(3.6)%			

Note: Returns are gross of manager fees. Results for periods longer than one year are annualized.

VPIC Manager Performance Summary

Vermont Pension Investment Committee (VPIC)

Investment Performance "Flash" Report
Periods Ending March 31, 2008

	Quarter	Rank	Last Year	Rank	Last 3 Years	Rank	Last 5 Years	Rank	Fiscal YTD	Market Value	% of ERS Portfolio	% of TRS Portfolio	% of MRS Portfolio	% of BRS Portfolio	VPIC Inception Date	Annual Fee
Large Cap Equity																
Large Cap Equity Composite - Employees'	(9.3)%	48	(5.8)%	61	6.7%	37	11.5%	68	(11.4)%	$334,221,920	25.8%	-	-			
Large Cap Equity Composite - Teachers'	(9.2)%	42	(6.6)%	67	5.8%	60	11.0%	85	(12.0)%	$448,821,994	-	29.3%	-			
Large Cap Equity Composite - Municpial	(9.3)%	47	(5.8)%	61	8.2%	24	11.9%	62	(11.4)%	$80,870,082	-	-	25.4%			
Standard & Poors 500	*(9.4)%*		*(5.1)%*		*5.9%*		*11.3%*		*(10.7)%*							
T. Rowe	(9.1)%	41	(4.2)%	33	n/a		n/a		(10.4)%	$363,211,149	10.4%	11.8%	10.3%	12.0%	Dec-05	0.30%
PIMCO	(9.9)%	69	(5.1)%	46	n/a		n/a		(10.5)%	$356,642,180	10.2%	11.6%	10.1%	11.8%	Dec-05	0.33%
Standard & Poors 500	*(9.4)%*		*(5.1)%*		*5.9%*		*11.3%*		*(10.7)%*							
SSgA	(8.5)%	29	(10.7)%	94	n/a		n/a		(15.4)%	$179,499,274	5.1%	5.9%	5.0%	5.9%	Dec-05	0.05%
S&P 500 Equal Weighted	*(8.6)%*		*(9.8)%*		*5.9%*		*15.0%*		*(14.8)%*							
Small Cap Equity																
Small Cap Equity Composite - Employees'	(9.7)%	69	(11.0)%	51	4.2%	72	13.1%	87	(15.1)%	$158,014,882	12.2%	-	-			
Small Cap Equity Composite - Teachers'	(9.6)%	69	(11.0)%	52	3.7%	76	12.7%	89	(15.2)%	$184,735,949	-	12.1%	-			
Small Cap Equity Composite - Municpial	(9.6)%	69	(11.0)%	51	3.6%	76	13.3%	86	(15.1)%	$33,259,001	-	-	10.5%			
Russell 2000	*(9.9)%*		*(13.0)%*		*5.1%*		*14.9%*		*(16.7)%*							
SSgA 2500	(9.4)%	66	(11.2)%	55	n/a		n/a		(15.3)%	$129,801,168	4.0%	4.0%	3.5%	4.1%	Dec-05	0.07%
Russell 2500	*(9.4)%*		*(11.3)%*		*6.0%*		*15.7%*		*(15.5)%*							
Wellington	(6.4)%	53	(12.7)%	43	7.4%	23	n/a		(15.4)%	$131,183,331	4.1%	4.1%	3.4%	4.1%	Dec-05	0.49%
Russell 2000 Value	*(6.5)%*		*(16.9)%*		*4.3%*		*15.4%*		*(18.7)%*							
SSgA Russell 2000 Growth	(12.9)%	51	(9.0)%	51	n/a		n/a		(14.7)%	$129,626,035	4.1%	4.0%	3.5%	4.1%	Dec-06	0.10%
Russell 2000 Growth	*(12.8)%*		*(8.9)%*		*5.7%*		*14.2%*		*(14.6)%*							
International Equity																
International Equity Composite - Employees'	(8.9)%	53	(2.0)%	59	15.4%	40	21.6%	73	(9.2)%	$ 173,627,903	13.4%	-	-			
International Equity Composite - Teachers'	(8.7)%	46	(1.7)%	57	15.4%	40	22.7%	57	(8.7)%	$ 200,257,637	-	13.1%	-			
International Equity Composite - Municpial	(8.9)%	53	(2.0)%	59	14.9%	45	21.5%	75	(9.2)%	$ 41,853,276	-	-	13.2%			
Acadian	(9.6)%	70	(3.6)%	73	n/a		n/a		(11.7)%	$194,941,745	6.7%	5.3%	6.6%	5.3%	Oct-05	0.48%
Mondrian	(8.2)%	38	(0.5)%	46	14.8%	46	23.8%	41	(6.7)%	$236,775,471	6.7%	7.8%	6.6%	8.1%	Oct-05	0.36%
EAFE (After Taxes)	*(8.9)%*		*(2.7)%*		*13.3%*		*21.4%*		*(8.6)%*							
CITI EPAC	*(9.2)%*		*(1.2)%*		*14.0%*		*21.9%*		*(8.0)%*							
Aberdeen	n/a		n/a		n/a		n/a		n/a	$35,107,016	1.1%	1.1%	1.1%	1.1%	Jan-08	0.85%
MSCI EM	*(11.0)%*		*21.3%*		*29.2%*		*35.5%*		*5.5%*							
Core Fixed Income																
Logan Circle**	(2.3)%	97	0.3%	95	3.3%	97	4.0%	94	0.8%	$517,236,227	17.7%	13.4%	21.1%	13.4%	Apr-06	0.33%
Oppenheimer	n/a		n/a		n/a		n/a		n/a	$75,000,000	2.6%	1.9%	3.1%	1.9%	Mar-08	
LB Aggregate	*2.2%*		*7.7%*		*5.5%*		*4.6%*		*8.2%*							
High Yield Fixed Income																
Post Advisory	(2.6)%	72	(0.8)%	41	5.4%	51	n/a		(1.5)%	$170,004,435	5.2%	5.2%	5.1%	5.0%	Apr-06	0.42%
LB High Yield	*(3.0)%*		*(3.7)%*		*4.9%*		*8.6%*		*(3.9)%*							
Global Fixed Income																
Global FI Composite - Employees'	6.0%	33	16.5%	32	n/a		n/a		16.8%	$ 60,830,961	4.7%	-	-			
Global FI Composite - Teachers'	6.0%	33	16.5%	32	n/a		n/a		16.8%	$ 71,411,457	-	4.7%	-			
Global FI Composite - Municpial	5.9%	33	16.3%	32	n/a		n/a		16.6%	$ 8,274,400	-	-	2.6%			
Brandywine	1.8%	69	11.7%	60	n/a		n/a		10.5%	$71,546,836	2.3%	2.3%	1.3%	2.2%	May-06	0.42%
Mondrian**	10.1%	13	21.1%	9	8.4%	4	8.5%	50	23.4%	$74,312,896	2.4%	2.4%	1.3%	2.3%	May-06	0.36%
CITI WGBI	*9.7%*		*20.3%*		*7.3%*		*8.1%*		*22.2%*							

Note: Returns are gross of manager fees. Results for periods longer than one year are annualized.
* Performance results should be consider preliminary.
** Annualized returns includes historic performance from Delaware, which includes the legacy global portfolio.

VPIC Manager Performance Summary

State of Vermont

Investment Performance "Flash" Report
Periods Ending March 31, 2008

	Quarter	Rank	Last Year	Rank	Last 3 Years	Rank	Last 5 Years	Rank	Fiscal YTD	Market Value	% of ERS Portfolio	% of TRS Portfolio	% of MRS Portfolio	% of BRS Portfolio	VPIC Inception Date	Annual Fee
Real Estate^																
Total Real Estate											6.8%	8.7%	7.6%	8.6%		
Morgan Stanley	3.1%	14	14.2%	25	18.2%	23	16.9%	31	7.6%	$83,523,157	2.2%	2.8%	2.5%	2.8%	Sep-06	0.88%
UBS Realty	1.6%	28	11.8%	48	16.0%	44	15.0%	47	5.9%	$92,607,423	2.5%	3.1%	2.8%	3.1%	Sep-06	0.90%
RREEF	-0.8%	89	13.6%	30	n/a		n/a		6.0%	$41,968,252	1.1%	1.4%	1.3%	1.4%	Sep-06	
Transwestern / Aslan	-0.9%	89	6.4%	69	n/a		n/a		-6.1%	$3,772,751	0.1%	0.1%	0.1%	0.1%	Sep-06	
Real Estate Cash	0.9%	41	5.0%	71	n/a		n/a		3.5%	$33,400,843	0.9%	1.1%	1.0%	1.1%	Sep-06	
*NCREIF Property Index^*	*1.6%*		*13.6%*		*16.8%*		*15.1%*		*8.6%*							
Private Investment																
Pru & VVC	1.5%		5.5%		11.6%		4.7%		10.5%	$5,850,524	0.0%	0.4%	0.0%	0.0%		
Vermont Investments	10.8%		11.1%		(13.5)%		(4.1)%		11.1%	$2,511,711	0.2%	0.0%	0.0%	0.0%		
Alternative Investments	0.0%		n/a		n/a		n/a		0.0%	$767,390	0.0%	0.0%	0.2%	0.0%		
RMK Timber^	2.2%		3.5%		20.7%		13.2%		7.0%	$2,637,070	0.2%	0.0%	0.0%	0.0%		1.00%
*NCREIF Timber Index^*	*9.4%*		*18.4%*		*17.1%*		*14.0%*		*16.3%*							
Global Asset Allocation																
GAA Composite - Employees'	(3.4)%		(0.3)%		n/a		n/a		(1.1)%	$155,376,798	10.2%	-	-			
GAA Composite - Teachers'	(3.4)%		(0.3)%		n/a		n/a		(1.1)%	$155,376,798	-	10.2%	-			
GAA Composite - Municipal	(3.4)%		(0.3)%		n/a		n/a		(1.2)%	$32,148,594	-	-	10.1%			
Pimco All Asset	0.5%		7.4%		n/a		n/a		6.5%	$164,876,852	5.1%	5.0%	5.0%	4.9%	May-06	0.83%
T-Bill + 5%	*1.9%*		*9.6%*		*9.5%*		*8.3%*		*6.9%*							
Mellon Global Alpha	(7.6)%		(7.9)%		n/a		n/a		(8.7)%	$166,341,718	5.1%	5.1%	5.1%	4.9%	May-06	0.65%
60%MSCI World / 40% CITI WGBI	*(4.1)%*		*1.5%*		*7.9%*		*11.3%*		*(1.7)%*							
Cash																
Employees' Cash	0.9%		5.9%		6.4%		4.8%		4.3%	$182,098	0.0%	0.0%	0.0%	0.0%		
Teachers' Cash	1.0%		6.0%		5.2%		4.6%		4.3%	$674,840	0.0%	0.0%	0.0%	0.0%		
Municipal Cash	0.9%		5.9%		4.9%		4.2%		4.2%	$192,069	0.0%	0.0%	0.1%	0.0%		
Burlington Cash	1.0%		n/a		n/a		n/a		n/a	$257,043	0.0%	0.0%	0.0%	0.2%		
90 Day U.S. T-Bills	*0.9%*		*4.6%*		*4.4%*		*3.2%*		*3.3%*							

Note: Returns are gross of manager fees. Results for periods longer than one year are annualized.

^ Performance reported on a quarterly basis. NCREIF is available 25 days after quarter end.