



Montana Board of Investments

Investment Performance Analysis

Quarter Ended

December 31, 2007

Prepared By

Erik Williams

RVKuhns

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Montana Board of Investments
Comparative Performance - Pension Plans
As of December 31, 2007

	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
Public Employees' Retirement	-1.04	1.49	8.72	9.71	12.07	13.83	6.69	9.29	22.52	-9.75
Retirement Plans Custom Benchmark	-0.77	1.73	7.90	9.05	11.77	13.30	6.09	10.54	21.69	-10.11
Difference	-0.27	-0.24	0.82	0.66	0.30	0.53	0.60	-1.25	0.83	0.36
All Public Plans-Total Fund Median	-0.77	1.56	8.29	9.88	13.29	13.89	7.77	12.22	24.31	-8.94
Percentile Rank	70	53	40	53	70	51	80	91	65	68
Teachers' Retirement	-1.05	1.47	8.68	9.69	12.08	13.76	6.74	9.35	22.54	-9.87
Retirement Plans Custom Benchmark	-0.77	1.73	7.90	9.05	11.77	13.30	6.09	10.54	21.69	-10.11
Difference	-0.28	-0.26	0.78	0.64	0.31	0.46	0.65	-1.19	0.85	0.24
All Public Plans-Total Fund Median	-0.77	1.56	8.29	9.88	13.29	13.89	7.77	12.22	24.31	-8.94
Percentile Rank	71	53	40	54	70	54	79	91	65	69
Police Retirement	-1.07	1.41	8.62	9.63	11.94	13.73	6.66	9.07	22.31	-9.49
Retirement Plans Custom Benchmark	-0.77	1.73	7.90	9.05	11.77	13.30	6.09	10.54	21.69	-10.11
Difference	-0.30	-0.32	0.72	0.58	0.17	0.43	0.57	-1.47	0.62	0.62
All Public Plans-Total Fund Median	-0.77	1.56	8.29	9.88	13.29	13.89	7.77	12.22	24.31	-8.94
Percentile Rank	74	56	42	55	72	55	81	92	66	65
Firefighters' Retirement	-1.05	1.44	8.63	9.63	11.96	13.73	6.65	9.08	22.41	-9.57
Retirement Plans Custom Benchmark	-0.77	1.73	7.90	9.05	11.77	13.30	6.09	10.54	21.69	-10.11
Difference	-0.28	-0.29	0.73	0.58	0.19	0.43	0.56	-1.46	0.72	0.54
All Public Plans-Total Fund Median	-0.77	1.56	8.29	9.88	13.29	13.89	7.77	12.22	24.31	-8.94
Percentile Rank	71	55	42	55	72	55	81	92	66	67
Sheriff's Retirement	-1.03	1.48	8.65	9.63	12.04	13.75	6.62	9.26	22.63	-9.73
Retirement Plans Custom Benchmark	-0.77	1.73	7.90	9.05	11.77	13.30	6.09	10.54	21.69	-10.11
Difference	-0.26	-0.25	0.75	0.58	0.27	0.45	0.53	-1.28	0.94	0.38
All Public Plans-Total Fund Median	-0.77	1.56	8.29	9.88	13.29	13.89	7.77	12.22	24.31	-8.94
Percentile Rank	69	53	40	55	71	54	83	91	65	68

Performance shown is net of fees. Performance is annualized for periods greater than one year.
Retirement Plans Custom Benchmark is comprised of 45% S&P 1500 Super Composite Index, 15% MSCI All Country World ex U.S. Index (Net), 30% Lehman Brothers Aggregate Bond Index, 5% S&P 1500+4% and 5% 1 Month LIBOR Rate Index.
All Public Plans - Total Fund Median is reported gross of fees.

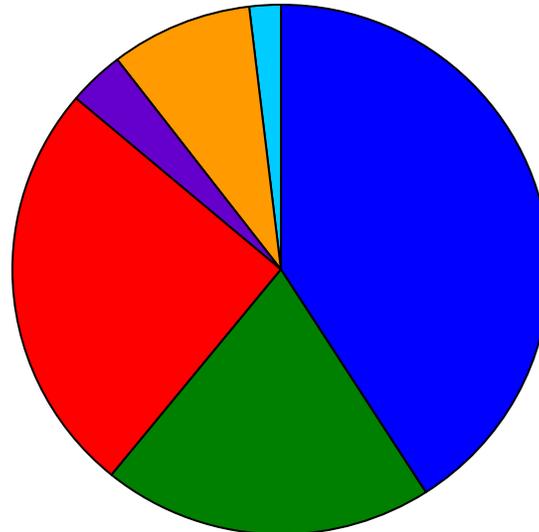
Montana Board of Investments
Comparative Performance - Pension Plans
As of December 31, 2007

	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
Highway Patrol Retirement	-1.03	1.51	8.74	9.70	12.11	13.83	6.65	9.34	22.68	-10.01
Retirement Plans Custom Benchmark	-0.77	1.73	7.90	9.05	11.77	13.30	6.09	10.54	21.69	-10.11
Difference	-0.26	-0.22	0.84	0.65	0.34	0.53	0.56	-1.20	0.99	0.10
All Public Plans-Total Fund Median	-0.77	1.56	8.29	9.88	13.29	13.89	7.77	12.22	24.31	-8.94
Percentile Rank	69	53	40	54	70	51	81	91	65	73
Game Wardens' Retirement	-1.03	1.49	8.65	9.52	11.89	13.66	6.38	8.97	22.54	-9.39
Retirement Plans Custom Benchmark	-0.77	1.73	7.90	9.05	11.77	13.30	6.09	10.54	21.69	-10.11
Difference	-0.26	-0.24	0.75	0.47	0.12	0.36	0.29	-1.57	0.85	0.72
All Public Plans-Total Fund Median	-0.77	1.56	8.29	9.88	13.29	13.89	7.77	12.22	24.31	-8.94
Percentile Rank	69	53	40	59	72	59	87	92	65	61
Judges' Retirement	-1.03	1.49	8.69	9.65	12.05	13.78	6.61	9.25	22.65	-9.79
Retirement Plans Custom Benchmark	-0.77	1.73	7.90	9.05	11.77	13.30	6.09	10.54	21.69	-10.11
Difference	-0.26	-0.24	0.79	0.60	0.28	0.48	0.52	-1.29	0.96	0.32
All Public Plans-Total Fund Median	-0.77	1.56	8.29	9.88	13.29	13.89	7.77	12.22	24.31	-8.94
Percentile Rank	69	53	40	55	70	53	83	91	65	68
Volunteer Firefighter's Retirement	-1.04	1.56	8.80	9.64	12.02	13.82	6.44	9.12	22.61	-6.28
Retirement Plans Custom Benchmark	-0.77	1.73	7.90	9.05	11.77	13.30	6.09	10.54	21.69	-10.11
Difference	-0.27	-0.17	0.90	0.59	0.25	0.52	0.35	-1.42	0.92	3.83
All Public Plans-Total Fund Median	-0.77	1.56	8.29	9.88	13.29	13.89	7.77	12.22	24.31	-8.94
Percentile Rank	70	50	39	55	71	51	85	92	65	24

Performance shown is net of fees. Performance is annualized for periods greater than one year.
Retirement Plans Custom Benchmark is comprised of 45% S&P 1500 Super Composite Index, 15% MSCI All Country World ex U.S. Index (Net), 30% Lehman Brothers Aggregate Bond Index, 5% S&P 1500+4% and 5% 1 Month LIBOR Rate Index.
All Public Plans - Total Fund Median is reported gross of fees.

**Montana Board of Investments
Public Employees' Retirement
Asset Allocation by Segment
As of December 31, 2007**

December 31, 2007 : \$4,135,944,698

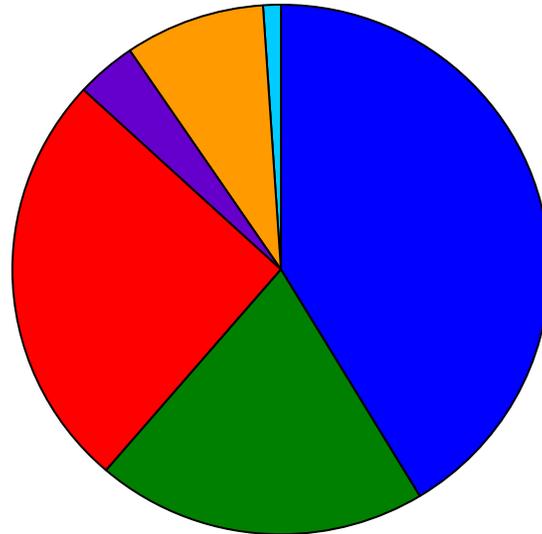


Segments	Market Value (\$)	Allocation (%)
■ Domestic Equity	1,693,037,082	40.93
■ International Equity	825,792,057	19.97
■ Domestic Fixed Income	1,044,667,503	25.26
■ Real Estate	141,185,757	3.41
■ Alternative Investment	353,707,597	8.55
■ Cash Equivalent	77,554,702	1.88

Allocations shown may not sum up to 100% exactly due to rounding.

**Montana Board of Investments
Teachers' Retirement
Asset Allocation by Segment
As of December 31, 2007**

December 31, 2007 : \$3,197,108,903

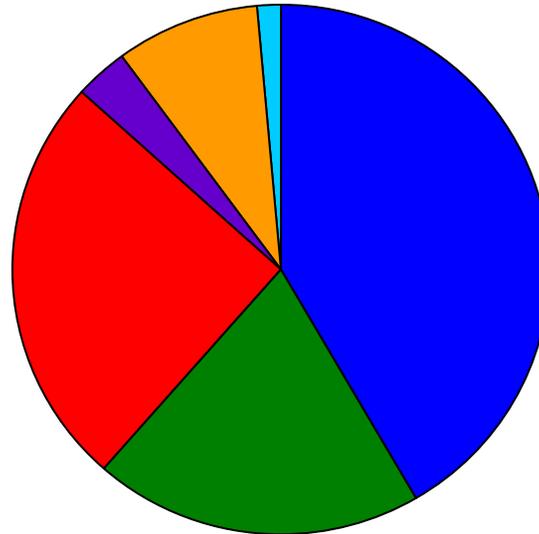


Segments	Market Value (\$)	Allocation (%)
■ Domestic Equity	1,322,412,143	41.36
■ International Equity	635,034,836	19.86
■ Domestic Fixed Income	821,005,462	25.68
■ Real Estate	113,688,305	3.56
■ Alternative Investment	271,033,243	8.48
■ Cash Equivalent	33,934,914	1.06

Allocations shown may not sum up to 100% exactly due to rounding.

**Montana Board of Investments
Police Retirement
Asset Allocation by Segment
As of December 31, 2007**

December 31, 2007 : \$209,816,742

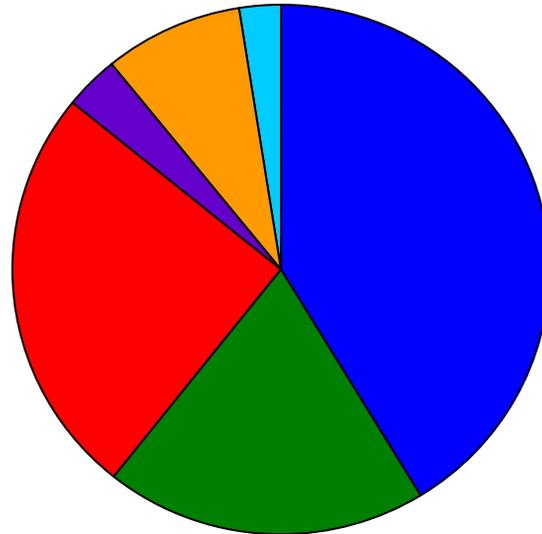


Segments	Market Value (\$)	Allocation (%)
■ Domestic Equity	87,386,358	41.65
■ International Equity	41,608,562	19.83
■ Domestic Fixed Income	52,986,551	25.25
■ Real Estate	6,788,082	3.24
■ Alternative Investment	18,022,303	8.59
■ Cash Equivalent	3,024,886	1.44

Allocations shown may not sum up to 100% exactly due to rounding.

**Montana Board of Investments
 Sheriff's Retirement
 Asset Allocation by Segment
 As of December 31, 2007**

December 31, 2007 : \$200,600,509

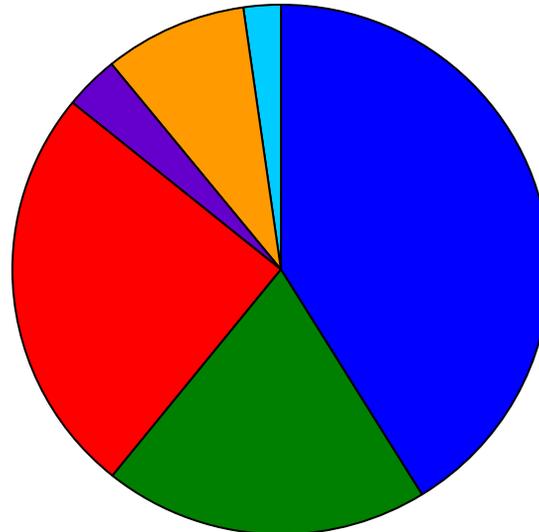


Segments	Market Value (\$)	Allocation (%)
■ Domestic Equity	82,791,895	41.27
■ International Equity	38,836,998	19.36
■ Domestic Fixed Income	50,680,536	25.26
■ Real Estate	6,541,416	3.26
■ Alternative Investment	16,881,765	8.42
■ Cash Equivalent	4,867,899	2.43

Allocations shown may not sum up to 100% exactly due to rounding.

**Montana Board of Investments
Firefighters' Retirement
Asset Allocation by Segment
As of December 31, 2007**

December 31, 2007 : \$201,436,700

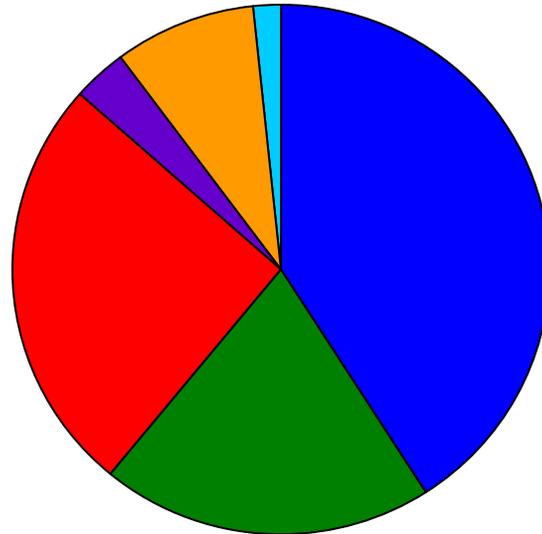


Segments	Market Value (\$)	Allocation (%)
■ Domestic Equity	82,947,161	41.18
■ International Equity	39,539,576	19.63
■ Domestic Fixed Income	50,529,898	25.08
■ Real Estate	6,469,843	3.21
■ Alternative Investment	17,347,531	8.61
■ Cash Equivalent	4,602,691	2.28

Allocations shown may not sum up to 100% exactly due to rounding.

**Montana Board of Investments
Highway Patrol Retirement
Asset Allocation by Segment
As of December 31, 2007**

December 31, 2007 : \$103,528,378

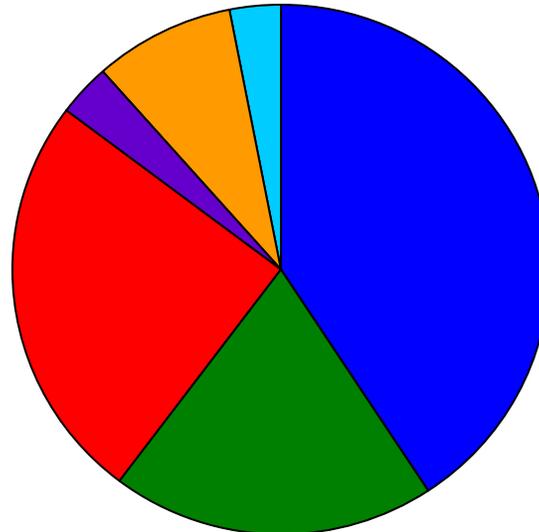


Segments	Market Value (\$)	Allocation (%)
■ Domestic Equity	42,380,970	40.94
■ International Equity	20,698,929	19.99
■ Domestic Fixed Income	26,487,895	25.59
■ Real Estate	3,403,920	3.29
■ Alternative Investment	8,852,400	8.55
■ Cash Equivalent	1,704,264	1.65

Allocations shown may not sum up to 100% exactly due to rounding.

**Montana Board of Investments
Game Wardens' Retirement
Asset Allocation by Segment
As of December 31, 2007**

December 31, 2007 : \$76,055,709

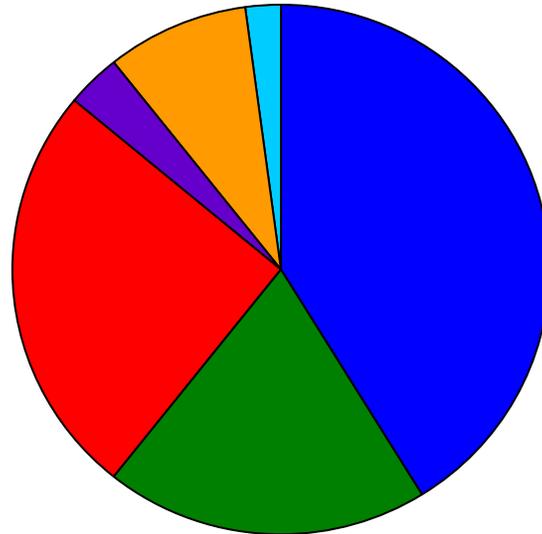


Segments	Market Value (\$)	Allocation (%)
■ Domestic Equity	30,992,549	40.75
■ International Equity	14,843,114	19.52
■ Domestic Fixed Income	18,980,987	24.96
■ Real Estate	2,463,436	3.24
■ Alternative Investment	6,469,139	8.51
■ Cash Equivalent	2,306,484	3.03

Allocations shown may not sum up to 100% exactly due to rounding.

**Montana Board of Investments
Judges' Retirement
Asset Allocation by Segment
As of December 31, 2007**

December 31, 2007 : \$62,772,012

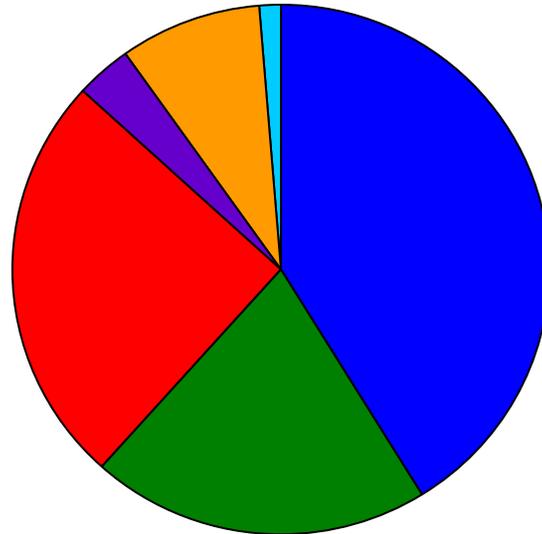


Segments	Market Value (\$)	Allocation (%)
■ Domestic Equity	25,820,860	41.13
■ International Equity	12,272,803	19.55
■ Domestic Fixed Income	15,931,494	25.38
■ Real Estate	2,059,343	3.28
■ Alternative Investment	5,342,415	8.51
■ Cash Equivalent	1,345,097	2.14

Allocations shown may not sum up to 100% exactly due to rounding.

**Montana Board of Investments
Volunteer Firefighter's Retirement
Asset Allocation by Segment
As of December 31, 2007**

December 31, 2007 : \$27,077,086



Segments	Market Value (\$)	Allocation (%)
■ Domestic Equity	11,159,441	41.21
■ International Equity	5,508,138	20.34
■ Domestic Fixed Income	6,832,255	25.23
■ Real Estate	905,573	3.34
■ Alternative Investment	2,330,252	8.61
■ Cash Equivalent	341,427	1.26

Allocations shown may not sum up to 100% exactly due to rounding.

**Montana Board of Investments
Comparative Performance - Pools
Composites
As of December 31, 2007**

	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
Domestic Equity Composite	-3.14	-1.54	5.46	8.07	12.35	14.03	4.95	9.17	29.93	-24.61
S&P 1500 Super Composite Index	-3.40	-1.81	5.47	8.72	13.24	15.34	5.65	11.78	29.60	-21.31
<i>Difference</i>	0.26	0.27	-0.01	-0.65	-0.89	-1.31	-0.70	-2.61	0.33	-3.30
US Equity (SA+CF) Median	-3.11	-2.09	6.41	9.78	15.73	14.99	8.23	14.55	33.71	-20.00
Percentile Rank	51	46	57	72	87	57	79	82	68	75
Dom Large Cap Equity Comp	-2.97	-1.09	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
S&P 500 Index (Cap Weighted)	-3.33	-1.37	5.49	8.62	12.83	15.80	4.91	10.88	28.68	-22.10
<i>Difference</i>	0.36	0.28	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Core/Large Cap Equity (SA+CF) Median	-2.86	-1.32	6.26	9.45	13.47	15.75	6.73	11.65	28.84	-21.34
Percentile Rank	53	45	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dom Mid Cap Equity Comp	-3.75	-5.34	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R Mid Cap Index	-3.55	-3.92	5.60	11.09	18.21	15.26	12.65	20.22	40.06	-16.18
<i>Difference</i>	-0.20	-1.42	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Mid Cap Equity (SA+CF) Median	-2.79	-2.95	8.80	11.71	17.87	13.55	11.98	18.03	36.89	-15.79
Percentile Rank	67	68	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dom Small Cap Equity Comp	-4.91	-6.18	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R 2000 Index	-4.58	-7.53	-1.57	6.80	16.25	18.37	4.55	18.33	47.25	-20.48
<i>Difference</i>	-0.33	1.35	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Small Cap Equity (SA+CF) Median	-5.08	-7.12	1.94	8.53	17.41	15.66	7.86	19.12	46.08	-17.25
Percentile Rank	49	45	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Performance shown is gross of fees. Performance is annualized for periods greater than one year.
International custom benchmark is comprised of the MSCI EAFE through 12/31/2006, and is the MSCI ACW Ex US Thereafter.

**Montana Board of Investments
Comparative Performance - Pools
Composites
As of December 31, 2007**

	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
International Equity Composite	-2.06	1.58	15.02	18.92	22.11	28.52	13.78	18.89	35.77	-13.06
International Custom Benchmark	-0.66	3.92	16.65	19.05	23.16	26.86	14.02	20.70	39.17	-15.66
<i>Difference</i>	<i>-1.40</i>	<i>-2.34</i>	<i>-1.63</i>	<i>-0.13</i>	<i>-1.05</i>	<i>1.66</i>	<i>-0.24</i>	<i>-1.81</i>	<i>-3.40</i>	<i>2.60</i>
International Active Equity (SA+CF) Median	-0.79	1.99	13.05	18.33	22.95	26.64	16.04	19.67	37.79	-14.54
Percentile Rank	69	54	43	44	56	38	69	57	61	41
Int'l Dev LCV Equity Comp	-4.09	-1.01	N/A							
MSCI ACW Ex US Value Index (Net)	-1.97	0.81	12.31	19.30	25.63	29.74	16.53	25.08	47.34	-14.93
<i>Difference</i>	<i>-2.12</i>	<i>-1.82</i>	<i>N/A</i>							
International Value Equity (SA+CF) Median	-1.74	-0.60	9.94	16.83	23.46	28.05	14.59	23.23	41.69	-9.09
Percentile Rank	79	55	N/A							
Int'l Dev LCC Equity Comp	-1.13	2.70	N/A							
MSCI ACW Ex US Index (Net)	-0.66	3.92	16.65	19.88	24.02	26.65	16.62	20.91	40.83	-14.95
<i>Difference</i>	<i>-0.47</i>	<i>-1.22</i>	<i>N/A</i>							
International Core Equity (SA+CF) Median	-1.21	2.36	13.09	18.70	22.65	27.25	16.23	18.99	36.93	-14.22
Percentile Rank	47	47	N/A							
Int'l Dev LCG Equity Comp	-0.81	5.09	N/A							
MSCI ACW Ex US Growth Index (Net)	0.59	7.02	21.03	20.42	22.33	23.61	16.71	16.73	34.42	-14.99
<i>Difference</i>	<i>-1.40</i>	<i>-1.93</i>	<i>N/A</i>							
International Growth Equity (SA+CF) Median	0.00	4.61	16.56	19.50	22.00	24.99	17.12	18.07	34.77	-16.97
Percentile Rank	63	46	N/A							
Int'l Dev Small Cap Equity Comp	-6.68	-8.54	N/A							
MSCI EAFE Sm Cap Index (Net)	-4.84	-9.12	1.45	15.17	26.50	19.31	26.19	31.45	61.34	-7.83
<i>Difference</i>	<i>-1.84</i>	<i>0.58</i>	<i>N/A</i>							
International Small Cap Equity (SA+CF) Median	-4.98	-5.53	8.27	21.05	30.02	29.09	26.19	29.75	57.23	-5.08
Percentile Rank	64	70	N/A							

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Comparative Performance - Pools
Composites
As of December 31, 2007**

	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
Real Estate Comp	1.43	3.52	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NCREIF ODCE Index (Net) (Asset Wtd Avg)	1.81	5.56	14.74	16.70	14.03	15.27	20.17	12.01	8.28	4.58
<i>Difference</i>	<i>-0.38</i>	<i>-2.04</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
Retirement Funds Bond Pool (RFBP)	2.50	5.17	6.76	5.18	5.95	5.21	3.58	5.34	8.94	11.94
LB Aggregate Bond Index	3.00	5.93	6.97	4.56	4.42	4.33	2.43	4.34	4.10	10.25
<i>Difference</i>	<i>-0.50</i>	<i>-0.76</i>	<i>-0.21</i>	<i>0.62</i>	<i>1.53</i>	<i>0.88</i>	<i>1.15</i>	<i>1.00</i>	<i>4.84</i>	<i>1.69</i>
US Broad Market Fixed Income (SA+CF) Median	2.60	5.34	6.61	4.65	4.74	4.64	2.77	4.71	4.93	9.96
Percentile Rank	56	57	45	10	9	20	8	19	10	6
Trust Funds Bond Pool (TFBP)	2.72	5.33	6.79	5.26	5.80	5.22	3.79	5.31	7.94	12.33
LB Aggregate Bond Index	3.00	5.93	6.97	4.56	4.42	4.33	2.43	4.34	4.10	10.25
<i>Difference</i>	<i>-0.28</i>	<i>-0.60</i>	<i>-0.18</i>	<i>0.70</i>	<i>1.38</i>	<i>0.89</i>	<i>1.36</i>	<i>0.97</i>	<i>3.84</i>	<i>2.08</i>
US Broad Market Fixed Income (SA+CF) Median	2.60	5.34	6.61	4.65	4.74	4.64	2.77	4.71	4.93	9.96
Percentile Rank	45	51	45	9	11	20	6	20	15	4
Short Term Investment Pool (STIP)	1.33	2.75	5.55	4.67	3.33	5.11	3.36	1.46	1.24	1.98
1 Month LIBOR Index	1.23	2.59	5.28	4.62	3.31	5.13	3.46	1.54	1.20	1.76
<i>Difference</i>	<i>0.10</i>	<i>0.16</i>	<i>0.27</i>	<i>0.05</i>	<i>0.02</i>	<i>-0.02</i>	<i>-0.10</i>	<i>-0.08</i>	<i>0.04</i>	<i>0.22</i>

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Comparative Performance
As of December 31, 2007**

	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
Private Equity Pool (MTPEP)	0.90	7.38	25.33	18.92	21.84	19.16	12.60	23.68	29.12	N/A
S&P 1500 + 4%	-2.40	0.19	9.47	12.72	17.24	19.34	9.65	15.78	33.60	-17.31
Difference	3.30	7.19	15.86	6.20	4.60	-0.18	2.95	7.90	-4.48	N/A

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**Montana Board of Investments
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Managers
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	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
Barrow Hanley	-4.18	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R 1000 Value Index	-5.80	-6.03	-0.17	9.32	14.63	22.25	7.05	16.49	30.03	-15.52
<i>Difference</i>	1.62	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Value/Large Cap Equity (SA+CF) Median	-4.26	-4.42	3.00	9.84	14.98	18.87	8.14	15.32	30.84	-17.23
Percentile Rank	48	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Quantitative Mgmt	-5.52	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R 1000 Value Index	-5.80	-6.03	-0.17	9.32	14.63	22.25	7.05	16.49	30.03	-15.52
<i>Difference</i>	0.28	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Value/Large Cap Equity (SA+CF) Median	-4.26	-4.42	3.00	9.84	14.98	18.87	8.14	15.32	30.84	-17.23
Percentile Rank	70	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BGI Equity Index Fund A	-3.31	-1.32	5.56	8.68	12.89	15.85	4.97	10.93	28.79	-22.07
S&P 500 Index (Cap Weighted)	-3.33	-1.37	5.49	8.62	12.83	15.80	4.91	10.88	28.68	-22.10
<i>Difference</i>	0.02	0.05	0.07	0.06	0.06	0.05	0.06	0.05	0.11	0.03
US Core/Large Cap Equity (SA+CF) Median	-2.86	-1.32	6.26	9.45	13.47	15.75	6.73	11.65	28.84	-21.34
Percentile Rank	63	51	63	72	70	45	79	61	52	67
INTECH Enhanced Plus	-0.49	1.49	7.58	N/A	N/A	N/A	N/A	N/A	N/A	N/A
S&P 500 Index (Cap Weighted)	-3.33	-1.37	5.49	8.62	12.83	15.80	4.91	10.88	28.68	-22.10
<i>Difference</i>	2.84	2.86	2.09	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Core/Large Cap Equity (SA+CF) Median	-2.86	-1.32	6.26	9.45	13.47	15.75	6.73	11.65	28.84	-21.34
Percentile Rank	16	21	34	N/A	N/A	N/A	N/A	N/A	N/A	N/A
T. Rowe U.S. Structured Research	-3.55	-1.25	6.38	N/A	N/A	N/A	N/A	N/A	N/A	N/A
S&P 500 Index (Cap Weighted)	-3.33	-1.37	5.49	8.62	12.83	15.80	4.91	10.88	28.68	-22.10
<i>Difference</i>	-0.22	0.12	0.89	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Core/Large Cap Equity (SA+CF) Median	-2.86	-1.32	6.26	9.45	13.47	15.75	6.73	11.65	28.84	-21.34
Percentile Rank	71	47	49	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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**Montana Board of Investments
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Managers
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	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
Goldman Sachs Enhanced Large Cap	-4.39	-3.54	2.28	N/A	N/A	N/A	N/A	N/A	N/A	N/A
S&P 500 Index (Cap Weighted)	-3.33	-1.37	5.49	8.62	12.83	15.80	4.91	10.88	28.68	-22.10
<i>Difference</i>	-1.06	-2.17	-3.21	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Core/Large Cap Equity (SA+CF) Median	-2.86	-1.32	6.26	9.45	13.47	15.75	6.73	11.65	28.84	-21.34
Percentile Rank	82	80	86	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Western Asset U.S. Index Plus	-7.69	-8.34	-2.23	N/A	N/A	N/A	N/A	N/A	N/A	N/A
S&P 500 Index (Cap Weighted)	-3.33	-1.37	5.49	8.62	12.83	15.80	4.91	10.88	28.68	-22.10
<i>Difference</i>	-4.36	-6.97	-7.72	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Core/Large Cap Equity (SA+CF) Median	-2.86	-1.32	6.26	9.45	13.47	15.75	6.73	11.65	28.84	-21.34
Percentile Rank	99	98	99	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Columbus Circle Investors	4.17	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R 1000 Growth Index	-0.77	3.41	11.81	8.68	12.11	9.07	5.26	6.30	29.75	-27.88
<i>Difference</i>	4.94	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Growth/Large Cap Equity (SA+CF) Median	-0.24	4.76	13.23	9.88	13.60	9.11	7.35	9.30	28.88	-24.64
Percentile Rank	7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Rainier Investment	0.81	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R 1000 Growth Index	-0.77	3.41	11.81	8.68	12.11	9.07	5.26	6.30	29.75	-27.88
<i>Difference</i>	1.58	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Growth/Large Cap Equity (SA+CF) Median	-0.24	4.76	13.23	9.88	13.60	9.11	7.35	9.30	28.88	-24.64
Percentile Rank	34	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Renaissance Investment	-1.36	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R 1000 Growth Index	-0.77	3.41	11.81	8.68	12.11	9.07	5.26	6.30	29.75	-27.88
<i>Difference</i>	-0.59	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Growth/Large Cap Equity (SA+CF) Median	-0.24	4.76	13.23	9.88	13.60	9.11	7.35	9.30	28.88	-24.64
Percentile Rank	67	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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Managers
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	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
Artisan Partners	-5.38	-9.54	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R Mid Cap Value Index	-5.97	-9.30	-1.42	10.11	17.92	20.22	12.65	23.71	38.07	-9.65
<i>Difference</i>	0.59	-0.24	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Value/Mid Cap Equity (SA+CF) Median	-4.02	-7.25	3.57	10.54	17.73	17.69	10.92	20.15	37.22	-11.24
Percentile Rank	71	75	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BGI Mid Cap Equity Index Fund	-2.65	-3.48	8.12	10.41	N/A	10.46	12.71	N/A	N/A	N/A
S&P Mid Cap 400 Index (Cap Weighted)	-2.73	-3.57	7.98	10.27	16.20	10.32	12.55	16.50	35.64	-14.51
<i>Difference</i>	0.08	0.09	0.14	0.14	N/A	0.14	0.16	N/A	N/A	N/A
US Core/Mid Cap Equity (SA+CF) Median	-3.30	-3.84	8.01	10.75	16.48	12.24	12.69	17.65	35.65	-13.81
Percentile Rank	38	40	43	55	N/A	68	50	N/A	N/A	N/A
Martingale Asset Mgmt.	-4.71	-7.29	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R Mid Cap Index	-3.55	-3.92	5.60	11.09	18.21	15.26	12.65	20.22	40.06	-16.18
<i>Difference</i>	-1.16	-3.37	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Core/Mid Cap Equity (SA+CF) Median	-3.30	-3.84	8.01	10.75	16.48	12.24	12.69	17.65	35.65	-13.81
Percentile Rank	80	84	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TimesSquare Capital Mgmt.	-1.42	0.51	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R Mid Cap Growth Index	-1.70	0.41	11.43	11.39	17.90	10.66	12.10	15.48	42.71	-27.41
<i>Difference</i>	0.28	0.10	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Growth/Mid Cap Equity (SA+CF) Median	-1.06	3.07	17.26	13.58	18.37	10.51	12.15	15.60	37.29	-23.90
Percentile Rank	57	69	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
Vaughan Nelson Mgmt.	-1.79	-2.05	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R 2000 Value Index	-7.28	-13.08	-9.78	5.27	15.80	23.48	4.71	22.25	46.03	-11.43
<i>Difference</i>	5.49	11.03	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Value/Small Cap Equity (SA+CF) Median	-6.14	-10.61	-2.50	7.91	17.43	18.78	8.07	22.19	45.38	-9.28
Percentile Rank	5	5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
DFA US Small Cap Trust	-5.60	-8.76	-2.55	7.11	N/A	17.34	7.47	20.27	N/A	N/A
S&P Small Cap 600 Index (Cap Weighted)	-6.45	-8.16	-0.30	7.32	16.04	15.12	7.68	22.65	38.80	-14.63
<i>Difference</i>	0.85	-0.60	-2.25	-0.21	N/A	2.22	-0.21	-2.38	N/A	N/A
US Core/Small Cap Equity (SA+CF) Median	-6.00	-8.62	-1.12	7.13	16.63	16.19	7.79	20.62	44.73	-14.83
Percentile Rank	47	52	69	51	N/A	36	54	54	N/A	N/A
NorthPointe Capital	-6.73	-6.17	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R 2000 Growth Index	-2.10	-2.09	7.05	8.11	16.50	13.35	4.15	14.31	48.54	-30.26
<i>Difference</i>	-4.63	-4.08	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Growth/Small Cap Equity (SA+CF) Median	-2.87	-0.95	11.37	10.38	17.80	11.87	7.60	13.28	47.97	-26.47
Percentile Rank	86	84	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
Acadian Asset Non-US Equity	-4.23	-1.43	13.62	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI ACW Ex US Value Index (Net)	-1.97	0.81	12.31	19.30	25.63	29.74	16.53	25.08	47.34	-14.93
<i>Difference</i>	-2.26	-2.24	1.31	N/A	N/A	N/A	N/A	N/A	N/A	N/A
International Active Value Equity (SA+CF) Median	-1.75	-0.26	10.70	17.02	23.68	28.42	14.66	23.72	42.36	-9.24
Percentile Rank	81	65	22	N/A	N/A	N/A	N/A	N/A	N/A	N/A
AllianceBernstein International Value	-3.97	-0.56	14.10	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI ACW Ex US Value Index (Net)	-1.97	0.81	12.31	19.30	25.63	29.74	16.53	25.08	47.34	-14.93
<i>Difference</i>	-2.00	-1.37	1.79	N/A	N/A	N/A	N/A	N/A	N/A	N/A
International Active Value Equity (SA+CF) Median	-1.75	-0.26	10.70	17.02	23.68	28.42	14.66	23.72	42.36	-9.24
Percentile Rank	80	56	21	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Batterymarch International Equity	-2.77	2.09	15.39	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI ACW Ex US Index (Net)	-0.66	3.92	16.65	19.88	24.02	26.65	16.62	20.91	40.83	-14.95
<i>Difference</i>	-2.11	-1.83	-1.26	N/A	N/A	N/A	N/A	N/A	N/A	N/A
International Active Core Equity (SA+CF) Median	-0.63	3.49	15.41	18.85	22.54	27.36	17.44	17.85	36.27	-14.66
Percentile Rank	78	67	52	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Julius Baer Int'l Equity II	2.25	4.90	19.28	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI ACW Ex US Index (Net)	-0.66	3.92	16.65	19.88	24.02	26.65	16.62	20.91	40.83	-14.95
<i>Difference</i>	2.91	0.98	2.63	N/A	N/A	N/A	N/A	N/A	N/A	N/A
International Active Core Equity (SA+CF) Median	-0.63	3.49	15.41	18.85	22.54	27.36	17.44	17.85	36.27	-14.66
Percentile Rank	9	29	23	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BGI Global Ex-US Alpha Tilts Fund	-2.07	1.51	14.39	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI ACW Ex US Index (Net)	-0.66	3.92	16.65	19.88	24.02	26.65	16.62	20.91	40.83	-14.95
<i>Difference</i>	-1.41	-2.41	-2.26	N/A	N/A	N/A	N/A	N/A	N/A	N/A
International Active Core Equity (SA+CF) Median	-0.63	3.49	15.41	18.85	22.54	27.36	17.44	17.85	36.27	-14.66
Percentile Rank	73	72	58	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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Managers
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	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
Martin Currie	-1.96	5.71	19.78	N/A						
MSCI ACW Ex US Growth Index (Net)	0.59	7.02	21.03	20.42	22.33	23.61	16.71	16.73	34.42	-14.99
<i>Difference</i>	<i>-2.55</i>	<i>-1.31</i>	<i>-1.25</i>	<i>N/A</i>						
International Active Growth Equity (SA+CF) Median	0.07	5.14	17.41	19.82	21.92	24.85	17.36	17.52	34.20	-17.48
Percentile Rank	83	46	38	N/A						
Hansberger Global Investors	1.29	6.21	20.89	N/A						
MSCI ACW Ex US Growth Index (Net)	0.59	7.02	21.03	20.42	22.33	23.61	16.71	16.73	34.42	-14.99
<i>Difference</i>	<i>0.70</i>	<i>-0.81</i>	<i>-0.14</i>	<i>N/A</i>						
International Active Growth Equity (SA+CF) Median	0.07	5.14	17.41	19.82	21.92	24.85	17.36	17.52	34.20	-17.48
Percentile Rank	33	42	31	N/A						
Principal Global Investors	-2.40	2.14	14.87	N/A						
MSCI ACW Ex US Growth Index (Net)	0.59	7.02	21.03	20.42	22.33	23.61	16.71	16.73	34.42	-14.99
<i>Difference</i>	<i>-2.99</i>	<i>-4.88</i>	<i>-6.16</i>	<i>N/A</i>						
International Active Growth Equity (SA+CF) Median	0.07	5.14	17.41	19.82	21.92	24.85	17.36	17.52	34.20	-17.48
Percentile Rank	85	70	69	N/A						

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	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
BGI MSCI Europe Index Fund	-0.44	1.26	14.18	18.89	N/A	34.08	9.77	21.26	N/A	N/A
MSCI Europe Index (US Currency) (Net)	-0.46	1.22	13.86	18.55	22.78	33.72	9.42	20.88	38.54	-18.38
<i>Difference</i>	0.02	0.04	0.32	0.34	N/A	0.36	0.35	0.38	N/A	N/A
European Equity (SA+CF) Median	-1.19	-0.72	13.12	19.61	24.55	34.39	11.10	22.26	38.15	-16.18
Percentile Rank	44	40	44	63	N/A	59	70	58	N/A	N/A
Nomura Asset Management	-3.83	4.90	15.93	18.60	N/A	14.70	25.45	18.89	N/A	N/A
MSCI AC Pacific Index (Net)	-4.20	2.58	12.35	16.93	21.46	15.67	23.02	18.21	39.84	-8.78
<i>Difference</i>	0.37	2.32	3.58	1.67	N/A	-0.97	2.43	0.68	N/A	N/A
Pacific Basin Equity (SA+CF) Median	-1.80	4.95	18.06	19.36	N/A	14.71	24.01	20.04	39.06	-7.12
Percentile Rank	77	51	56	57	N/A	51	41	75	N/A	N/A
AXA Rosenberg Int'l Small Cap	-8.17	-10.46	2.11	N/A	N/A	N/A	N/A	N/A	N/A	N/A
S&P/Citi World EM Ex US Index (Gross)	-4.61	-5.00	7.32	19.25	27.41	29.42	22.10	28.76	53.73	-7.29
<i>Difference</i>	-3.56	-5.46	-5.21	N/A	N/A	N/A	N/A	N/A	N/A	N/A
International Small Cap Equity (SA+CF) Median	-4.98	-5.53	8.27	21.05	30.02	29.09	26.19	29.75	57.23	-5.08
Percentile Rank	88	85	79	N/A	N/A	N/A	N/A	N/A	N/A	N/A
DFA Int'l Small Cap Fund	-5.42	-6.91	5.94	17.35	N/A	24.78	22.24	N/A	N/A	N/A
MSCI EAFE Sm Cap Index (Net)	-4.84	-9.12	1.45	15.17	26.50	19.31	26.19	31.45	61.34	-7.83
<i>Difference</i>	-0.58	2.21	4.49	2.18	N/A	5.47	-3.95	N/A	N/A	N/A
International Small Cap Equity (SA+CF) Median	-4.98	-5.53	8.27	21.05	30.02	29.09	26.19	29.75	57.23	-5.08
Percentile Rank	55	60	63	77	N/A	78	71	N/A	N/A	N/A

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	1 Quarter	Jul-2007 To Dec-2007	1 Year	3 Years	5 Years	2006	2005	2004	2003	2002
Group Benefits	1.48	3.11	5.81	4.52	3.55	4.92	2.85	1.48	2.73	5.14
Subsequent Injury Fund	2.22	4.49	6.55	4.48	3.67	5.01	1.94	1.85	3.09	8.65
State Fund Insurance	1.78	4.42	6.63	5.06	5.45	6.08	2.53	4.82	7.24	6.83
Old Fund Insurance	1.84	4.13	6.72	4.63	3.91	4.86	2.36	1.72	3.98	9.18
Abandoned Mine Trust	2.23	4.39	6.56	4.58	3.70	4.71	2.49	1.82	2.96	7.92
Trust and Legacy Account	2.67	5.26	6.76	5.35	5.72	5.16	4.15	5.48	7.07	12.39
Endowment for Children	2.41	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BPA Mitigation Trust Fund	2.23	4.35	6.51	4.51	3.60	4.86	2.21	1.78	2.71	7.00
FWP Real Property Trust	2.61	5.14	6.67	5.07	4.38	5.11	3.46	3.01	3.72	8.32
Montana Pole	2.42	4.75	6.53	5.03	4.53	5.09	3.51	3.43	4.13	8.08
Older Montanans Trust	2.22	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Streamside Tailings Operable Unit	2.54	5.93	7.29	5.44	5.25	5.14	3.93	4.61	5.31	11.00
UCFRB Restoration Fund	2.62	5.15	6.77	5.28	5.56	5.07	4.00	5.07	6.93	11.69
UCFRB Assess/Litig Cost Rec	2.69	5.28	6.76	5.37	5.75	5.15	4.21	5.50	7.18	12.46
Weed Control Trust	2.51	4.66	6.92	4.65	3.81	4.67	2.40	1.83	3.32	8.41
Wildlife Habitat Trust	2.62	5.14	6.74	5.18	4.53	5.18	3.66	3.43	3.69	7.43
Tobacco Trust Fund	2.69	5.28	6.82	5.35	5.69	5.21	4.03	5.83	6.60	12.03
Zortman/Landusky LT H20	7.05	11.95	10.59	7.00	7.52	2.96	7.59	10.77	5.89	24.66
Z/L Long Term H20 Trust Fund	6.08	12.35	11.41	N/A	N/A	6.49	N/A	N/A	N/A	N/A
Resource Indemnity Trust	2.69	5.28	6.75	5.36	5.75	5.14	4.20	5.51	7.18	12.38
Coal Tax Park Acquisition	2.65	5.21	6.71	5.35	5.72	5.13	4.21	5.42	7.14	12.35
Coal Tax Cultural Trust Fund	2.68	5.21	6.70	5.42	5.74	5.16	4.41	5.40	7.05	12.30
Permanent Coal Trust Fund	2.06	4.04	6.22	5.54	5.76	5.40	5.00	5.60	6.57	9.59
Treasure State Reg. Water System	2.65	5.22	6.71	5.36	5.65	5.16	4.22	5.45	6.74	12.00
Treasure State Endowment	2.66	5.21	6.77	5.46	5.79	5.23	4.39	5.67	6.90	11.11
Big Sky Economic Development Fund	2.65	5.22	6.71	N/A	N/A	5.16	N/A	N/A	N/A	N/A
Treasurers	1.35	2.85	5.54	4.37	3.26	4.89	2.72	1.32	1.89	3.40
FWP License Account	1.37	2.83	5.53	4.44	3.36	4.90	2.90	1.40	2.13	4.59
University of Montana	1.25	2.70	5.39	4.64	3.69	5.27	3.29	1.44	3.13	N/A
Montana Tech-UM Agency Funds	1.39	2.89	5.50	4.70	N/A	5.08	3.54	2.16	N/A	N/A
Montana State University	1.47	3.05	5.58	4.72	N/A	5.14	3.46	N/A	N/A	N/A

Performance shown is gross of fees. Performance is annualized for periods greater than one year.

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Statistics Definitions

Alpha - A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. It is a measure of the portfolio's historical performance not explained by movements of the market or a portfolio's non-systematic return.

Alpha Ratio - A measure of a portfolio's non-systematic return per unit of downside risk. It is measured by dividing the alpha of a portfolio by the downside risk. The non-systematic return is a measure of a portfolio's historical performance not explained by movements of the market.

Average Quality - Bond quality ratings are reported using the investment managers' and the index providers' preferred rating agency. There are two primary rating agencies in the U.S. *Moody's* assigns ratings on a system that employs up to four symbols (consisting of letters and numbers) such as, Aaa, Aa2, etc., with Aaa being the highest or safest rating. *Standard & Poor's (S&P)* employs a system that uses + and - along with letters such as AAA, AA+, etc. The two rating agencies' systems are summarized below:

<u>S&P</u>	<u>Moody's</u>	<u>Explanation</u>
Higher Credit Quality - Investment Grade		
AAA	Aaa	Prime grade, highest safety
AA+	Aa1	High credit quality
AA	Aa2	
AA-	Aa3	
A+	A1	Upper-medium credit quality
A	A2	
A-	A3	
BBB+	Baa1	Lower-medium credit quality
BBB	Baa2	
BBB-	Baa3	
Lower Credit Quality - Speculative Grade		
BB+	Ba1	Speculative - low quality
BB	Ba2	
BB-	Ba3	
	B1	Highly speculative
B	B2	
	B3	
Extremely Low Credit Quality - High Speculative or in Default		
CCC+	Caa	Very high risk, poor quality
CCC		
CC	Ca	May be in default soon
C	C	Very speculative
CI		For income bonds - interest not being paid
D		Securities already in default

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Beta - A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk.

Buy and Hold Attribution - At the beginning of the time period under analysis, the manager and benchmark portfolios are broken down into segments (i.e., styles, sectors, countries, and regions) based on the desired type of attribution. One assumes zero turn-over to the manager and benchmark portfolios throughout the period and calculates the segment returns ("buy and hold returns") to arrive at performance attribution. Country, region, sector, and style allocations are as of the date one quarter prior to the reporting date, and the returns shown are for those segments throughout the quarter reported. The following is the methodology for segment classification:

- **Country/Region** - Stocks will be classified by their domicile country/region, as defined by Worldscope data.
- **Sector** - Stocks will be classified by their primary sector, as defined by Worldscope data.
- **Style** - Stocks will be classified into the following style boxes: large/mid/small vs. growth/neutral/value. Stocks will be classified along large/mid/small categories at the time of the Frank Russell index rebalancing, using the index market cap boundaries as cutoff points. Stocks will be classified along growth/neutral/value categories at the time of the Frank Russell index rebalancing, using the price/book ratio as supplied by Worldscope. Stocks in the Russell 3000 Index portfolio will be sorted by price/book ratio; names with the highest price/book ratio that make up 1/3 of the total market capitalization will be assigned to the growth category, names that make up the subsequent 1/3 of the total market capitalization will be assigned to the neutral category, while the balance of the names will be assigned to the value category.

Consistency - The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the product's performance.

Convexity - A measure of the shape of the curve that describes the relationship between bond prices and bond yields.

Coupon Rate - The percentage rate of interest paid on a bond or fixed income security; it is typically paid twice per year.

Current Yield - The annual income of a security divided by the security's current price.

Down Market Capture - Down market by definition is negative benchmark return and down market capture represents the ratio in % terms of the average portfolios return over the benchmark during the down market period. The lower the value of the down market capture the better the product's performance.

Downside Risk - A measure similar to standard deviation, but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.

Earnings Per Share - It is backward looking, calculated using the one year current EPS divided by the one year EPS five years ago.

Excess Return vs. Market - Average of the monthly arithmetic difference between the manager's return and the benchmark return over a specified time period, shown on an annualized basis.

Excess Return vs. Risk Free - Average of the monthly arithmetic difference between the manager's return and the risk-free return over a specified time period, shown on an annualized basis.

Excess Risk - A measure of the standard deviation of a portfolio's performance relative to the risk free return.

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Gain/Loss - The net increase or decrease in the market value of a portfolio excluding its Net Cash Flow for a given period.

Information Ratio - Measured by dividing the active rate of return by the tracking error. The higher the information ratio, the more value-added contribution by the manager.

Modified Duration - The approximate percentage change in a bond's price for a 100 basis point change in yield.

Net Cash Flow - The sum, in dollars, of a portfolio's contributions and withdrawals. This includes all management fees and expenses only when performance shown is gross of fees.

Peer Groups - RVK utilizes the Mellon Analytical Solutions Trust Universe and the RogersCasey Manager Universe for peer comparison and rankings. The Mellon Analytical Solutions Trust Universe, which is used for comparison of Total Fund composite results, utilizes actual client returns compiled from consultant and custodial data. The RogersCasey Manager Universe database includes performance and other quantitative data for over 1,400 investment management firms, over 17,000 investment products, including separate accounts, commingled funds, and mutual funds, and 160 standard peer groups.

Peer Group Definitions

SA = Separately Managed Fund

CF = Commingled Fund

MF = Mutual Fund

Peer Group Rankings

1 = Highest

100 = Lowest

Portfolio Duration - The weighted average duration of all the bonds in a given portfolio, weighted by their dollar values.

Region Attribution - Calculated using the Morgan Stanley Capital International (MSCI) region standards.

Return - Compounded rate of return for the period.

%Return - The time-weighted rate of return of a portfolio for a given period.

R-Squared - The percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. High R-Squared means a higher correlation of the portfolio's performance to the appropriate benchmark.

Sector Attribution - Calculated using the Industry Classification Benchmark (ICB).

Sharpe Ratio - Represents the excess rate of return over the risk-free return, divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.

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Simple Alpha - The difference between the manager's return and the benchmark's return.

Spread Duration - A measure of the price sensitivity of a bond to a 100 basis-point movement of the bond's spread relative to Treasuries.

Standard Deviation - A statistical measure of the range of a portfolio's performance. The variability of a return around its average return over a specified time period.

Tracking Error - A measure of the standard deviation of a portfolio's performance relative to the performance of an appropriate market benchmark.

Treynor Ratio - Similar to Sharpe ratio, but focuses on beta rather than excess risk (standard deviation). Treynor ratio represents the excess rate of return over the risk-free rate divided by the beta. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.

Unit Value - The dollar value of a portfolio, assuming an initial nominal investment of \$100, growing at the compounded rate of %Return for a given period.

Up Market Capture - Up market by definition is positive benchmark return and up market capture represents the ratio in % terms of the average portfolios return over the benchmark during the up market period. The higher the value of the up market capture the better the product's performance.

Yield to Maturity - The rate of return achieved on a bond or other fixed income security assuming the security is bought and held to maturity and that the coupon interest paid over the life of the bond will be reinvested at the same rate of return.

Yield to Worst - The bond yield calculated by using the worst possible yield taking into consideration all call, put, and optional sink dates.