

Maryland Teachers & State Employees Supplemental Retirement Plans



Investment Performance Report March 1, 2006 to June 30, 2006

The results shown represent past performance and do not represent expected future performance or experience. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's units or shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the data quoted.

Performance data current to the most recent month-end may be obtained by visiting: www.marylanddc.com. Please consider the fund's investment objectives, risks, and charges and expenses carefully before investing. The underlying fund prospectuses contain this and other information about the investment company.

Prospectuses are available by calling 1-800-545-4730. Read carefully before investing. The rates of return do not reflect a maximum deduction of a 0.28% annual plan asset fee, which, if reflected, would reduce the performance shown. No account will be charged more than \$1900 for the year. The rates for the Investment Contract Pool are after the deduction of any carrier charges. Please see other important disclosures at the end of this report.

VRU	Fixed Investment Option	3 rd Qtr. '06	2 nd Qtr. '06	1 st Qtr. '06	4 th Qtr. '05
283	Investment Contract Pool	4.820%	4.520%	4.650%	4.590%

VRU	Variable Investment Options	Morningstar Category	Average Annual Return				Since Inception	Inception Date
			1 Year	3 Year	5 Year	10 Year		
Cash								
569	Vngrd Prime MoneyMkt Fd IS CURRENT YIELD: 4.92%	N/A	4.03%	2.24%	2.09%	3.68%	6.52%	06/04/75
	Money Market Index Citigroup 3-month T-bill		3.95%	2.31%	2.16%	3.68%		N/A
Bonds								
171	Fed US G'tSc Fnd 2-5 Ys IS	Short Government	-0.42%	0.61%	3.76%	4.98%	7.01%	02/18/83
	Government Bond Index Lehman Brothers Intermediate Government Bond		0.07%	1.22%	4.11%	5.50%		N/A
654	PIMCO TotalReturn Fnd Inst	Intermediate-Term Bond	-0.85%	2.56%	5.90%	6.99%	8.28%	05/11/87
	Intermediate Term Bond Index Lehman Brothers US Aggregate Bond		-0.81%	2.05%	4.97%	6.22%		N/A
Balanced								
199	Fid Puritan Fnd	Moderate Allocation	8.24%	9.89%	5.59%	8.46%	11.63%	04/16/47
	Balanced Index 60% S&P 500/40% Lehman Brothers Aggregate Bond		4.83%	7.57%	3.78%	7.82%		N/A
216	DWS ValBld Fnd IC	Moderate Allocation	2.65%	8.34%	2.53%	8.91%	9.50%	11/02/95
	Balanced Index 70% S&P 500/30% Lehman Brothers Aggregate Bond		5.78%	8.48%	3.49%	7.99%		N/A
Large-Cap Stocks								
185	Fid Grwth & Incm Fnd	Large Blend	5.37%	7.89%	1.32%	7.11%	12.95%	12/30/85
300	Legg Mason Value Trst IC	Large Blend	3.72%	10.76%	3.62%	14.53%	17.17%	12/01/94
565	Vngrd Instl Index Fd Inst	Large Blend	8.62%	11.20%	2.50%	8.30%	10.61%	07/31/90
	Large Cap Blend Index Standard & Poor's 500 Index		8.63%	11.22%	2.49%	8.32%		N/A
259	Growth Fnd of America A	Large Growth	15.40%	15.16%	4.88%	13.02%	15.42%	11/30/73
	Large Cap Growth Index Russell 1000 Growth		6.12%	8.35%	-0.76%	5.42%		N/A
575	Wash Mut Investors Fnd A	Large Value	8.97%	10.96%	4.88%	9.80%	12.70%	07/31/52
	Large Cap Value Index Russell 1000 Value		12.10%	15.70%	6.90%	10.85%		N/A
Mid-Cap Stocks								
156	Drey MidCap Index Fnd	Mid-Cap Blend	12.57%	17.61%	8.78%	13.23%	13.92%	06/19/91
	Mid Cap Index Russell Midcap Blend		13.66%	19.87%	9.92%	12.06%		N/A
150	Del Grp Trend Fund IC	Mid-Cap Growth	11.50%	11.73%	3.39%	8.66%	9.39%	10/03/68
708	Van Kampen Midcap Growth Fnd	Mid-Cap Growth	17.83%	18.99%	5.96%	12.51%	15.27%	12/27/95
	Mid Cap Growth Index Russell Midcap Growth		13.04%	16.86%	4.76%	8.46%		N/A
656	LordAbbett MidCap Value A	Mid-Cap Value	6.72%	16.67%	9.79%	14.57%	13.08%	06/28/83
	Mid Cap Value Index Russell Midcap Value		14.25%	22.10%	13.01%	13.59%		N/A
Small-Cap Stocks								
526	T. Rowe Pr Sml Cap Stk Fnd	Small Blend	15.85%	17.57%	9.50%	11.25%	13.78%	06/01/56
	Small Cap Blend Index Russell 2000		14.58%	18.70%	8.50%	9.05%		N/A
707	Mainstay Sml Cap Opp Fnd	Small Cap Value	9.91%	25.41%	16.92%	13.96%	12.34%	01/12/87
	Value Index Russell 2000		14.61%	21.01%	13.09%	13.26%		N/A
International Stocks								
166	EuroPacific Growth Fnd A	Foreign Large Blend	28.36%	24.53%	10.08%	10.32%	13.63%	04/16/84
	International Index MSCI EAFE (Net)		26.56%	23.94%	10.02%	6.39%		N/A

**Nationwide Fixed Annuity [457 plan only]
Average Quarterly Annualized Crediting Yields**

This option is closed to deferrals and transfers from other investment options.

3 rd Qtr '06	2 nd Qtr '06	1 st Qtr '06	4 th Qtr '05
4.70%	4.75%	4.80%	4.85%

Note: The above yields were supplied by Nationwide Retirement Solutions. They are a weighted average of all money held in this investment option, which consists of seven separate pools. The yields do not reflect the deduction of the annual asset fee. The annual asset fee is 0.28%. No account will be charged more than \$1,900 for the year. The actual yield credited to your account may be higher or lower than the yield reflected above. The Nationwide Fixed Group Annuity is issued by Nationwide Life Insurance Company, Columbus, OH. Contract #GA-P9860. The 2006 minimum guaranteed yield is 4.25%.

**Great West Certificates [403(b) plan only]
Quarterly Effective Gross Annual Rates**

This option is closed to deferrals and transfers from other investment options.

	3 rd Qtr '06	2 nd Qtr '06	1 st Qtr '06
DIG Fund	4.00%	4.00%	4.00%
36-Mo. Certificate	4.40%	4.00%	4.00%
60-Mo. Certificate	4.50%	4.00%	4.00%
84-Mo. Certificate	4.60%	4.00%	4.00%

Note: The rates do not reflect the deduction of the annual asset fee. The annual asset fee is 0.28%. No account will be charged more than \$1,900 for the year.

Contact us.

**Enrollment and Information Hotline
1-877-628-2499**

For information about the match, to enroll in the 457, 401(k) and 403(b) plans, or to change your contribution amount

**Nationwide Retirement Solutions Web Site
www.MarylandDC.com**

For information about the 457, 401(k), 403(b), and 401(a) plans, to enroll, to change your contribution amount, to get 24-hour account information, to make investment option exchanges and allocation changes

**Nationwide Retirement Solutions Baltimore Office
410-252-7201 or 1-800-966-6355**

To enroll in the 457, 401(k) and 403(b) plans, to change your deferral amount, for mutual fund prospectuses or annual reports, for investment option booklets, or to arrange a meeting with a representative

**Nationwide Retirement Solutions Customer Service Center
1-800-545-4730**

For account information, to make investment option exchanges and allocation changes, to change address, name or beneficiary, for payout calculations in the 457, 401(k) and 403(b) and 401(a) plans, and for financial hardship inquiries

**Maryland Teachers & State Employees Supplemental Retirement Agency
Automated Performance Line & "Question/Suggestion Box-By-Phone"
410-767-8740 or 1-800-543-5605**

For information about the Maryland Supplemental Retirement Plans, for investment option booklets, to arrange educational seminars and for other general information

**MSRP Web Site
www.msrp.state.md.us**

For the latest MSRP news. Information available on the Board of Trustees and staff, newsletters, investment options booklets, legislation updates, and more

RISK DISCLOSURES

Money market funds: Investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other federal government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

The money market current yield is the annualized historical yield for the 7-day period ending on the last day of the calendar quarter. Yield quotation more closely reflects the current earnings of the money market fund than the total return quotation.

International/emerging markets funds: Investing internationally involves risks not associated with investing solely in the U.S., such as currency fluctuation, political risk, differences in accounting and the limited availability of information.

Small company funds: Stocks of small or emerging companies may have less liquidity than those of larger, established companies and may be subject to greater price volatility and risk than the overall stock market.

High yield bond funds: Portfolios that invest in high-yield securities are subject to greater credit risk and price fluctuations than portfolios that invest in higher-quality securities.

Non-diversified funds: Funds that concentrate in a specific sector or focus on a relatively small number of securities may be subject to greater volatility than a more diversified investment.

Government bond funds: While the fund invests primarily in the securities of the U.S. government and its agencies, the fund's value is not guaranteed by these entities.

Real estate funds: Real estate investing entails the risks of real estate business generally, including sensitivity to economic and business cycles, changing demographic patterns and government actions.

Some mutual funds may impose a short term trade fee. Please read the underlying prospectuses carefully.

IMPORTANT DISCLOSURES

Investment Contract Pool available for 457, 401(k) and 401(a) plans only.

Vanguard Prime Money Market Fund available through 403(b) plan only.

Investing may involve market risk, including the possible loss of principal.

Inception Date is the date the underlying fund was established.

Some mutual funds may impose a short term trade fee. Some funds may be subject to a trade restriction policy. Please read the underlying prospectus carefully.

Market indices have been provided for comparison purposes only; they are unmanaged and no fees and expenses have been reflected here. Individuals cannot invest directly in an index.

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