

Maryland Teachers & State Employees Supplemental Retirement Plans

Investment Performance Report January 1, 2007 to March 31, 2007



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: 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 \$2,000 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 Options	2nd Qtr 07	1st Qtr 07	4th Qtr 06	3rd Qtr 06
283	Investment Contract Pool	4.850%	4.990%	4.730%	4.820%

VRU	Variable Investment Option	Morningstar Category	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Gross Expense Ratio	Since Inception	Inception Date
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VRU	Short-Term Investments
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569	Vngrd Prime Money Mkt Fd Inst Current Yield: 5.25%	N/A	5.30%	3.56%	2.67%	3.96%		4.61%	10/03/89
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VRU	Bonds
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654	PIMCO Total Return Fnd Inst Intermediate Term Bond Index <i>Lehman Brothers US Aggregate Bond</i>	Intermediate-Term Bond	6.35%	3.67%	5.75%	7.09%	0.43%	8.31%	05/11/87
			6.58%	3.31%	5.35%	6.46%			N/A

VRU	Balanced
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199	Fid Puritan Fnd Balanced Index <i>60% S&P 500/40% Lehman Brothers Aggregate Bond</i>	Moderate Allocation	12.43%	9.19%	7.91%	8.72%	0.63%	11.70%	04/16/47
			9.75%	7.38%	6.14%	7.84%			N/A

VRU	Large-Cap Stocks
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375	Neuberger Berman Equity Fnd Partners Fund Inst Large Cap Blend Index <i>Standard & Poor's 500 Index</i>	Large Blend	9.37%	15.11%	9.94%	8.87%	0.69%	15.05%	01/17/75
			11.83%	10.06%	6.27%	8.20%			N/A

300	Legg Mason Value Trst IC Large Cap Blend Index <i>Standard & Poor's 500 Index</i>	Large Blend	4.56%	8.62%	9.31%	12.70%	0.69%	17.00%	12/01/94
			11.83%	10.06%	6.27%	8.20%			N/A

565	Vngrd Instl Index Fd Inst Large Cap Blend Index <i>Standard & Poor's 500 Index</i>	Large Blend	11.80%	10.05%	6.28%	8.25%	0.03%	10.95%	07/31/90
			11.83%	10.06%	6.27%	8.20%			N/A

259	Growth Fnd of America A Large Cap Growth Index <i>Russell 1000 Growth</i>	Large Growth	7.78%	11.61%	8.59%	13.04%	0.66%	15.36%	11/30/73
			7.06%	7.01%	3.48%	5.51%			N/A

575	Wash Mut Investors Fnd A Large Cap Value Index <i>Russell 1000 Value</i>	Large Value	14.09%	10.10%	6.99%	9.64%	0.60%	12.78%	07/31/52
			16.83%	14.42%	10.25%	10.85%			N/A

VRU	Mid-Cap Stocks
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156	Drey MidCap Index Fnd Mid Cap Index <i>Russell Midcap Blend</i>	Mid-Cap Blend	7.91%	12.85%	10.17%	13.68%	0.50%	14.00%	06/19/91
			11.79%	15.72%	12.91%	12.71%			N/A

708	Van Kampen Midcap Growth Fnd A Mid Cap Growth Index <i>Russell Midcap Growth</i>	Mid-Cap Growth	2.99%	14.83%	8.79%	11.60%	1.34%	15.03%	12/27/95
			6.90%	12.41%	9.45%	9.44%			N/A

656	LordAbbett MidCap Value A Mid Cap Value Index <i>Russell Midcap Value</i>	Mid-Cap Value	13.82%	14.12%	11.05%	14.85%	1.15%	13.40%	06/28/83
			17.13%	18.58%	15.22%	14.00%			N/A

VRU	Variable Investment Option	Morningstar Category	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Gross Expense Ratio	Since Inception	Inception Date
VRU Small-Cap Stocks									
526	T. Rowe Pr Sml Cap Stk Fnd	Small Blend	4.10%	12.47%	10.19%	12.02%	0.92%	13.77%	06/01/56
	Small Cap Blend Index <i>Russell 2000</i>		5.91%	12.00%	10.95%	10.23%			N/A
726	Vanguard Sml Cap Growth Index Fnd	Sml-Cap Growth	3.88%	11.97%	11.76%	N/A	0.08%	9.68%	05/24/00
	Small Cap Growth Index <i>Russell 2000 Growth</i>		1.56%	9.41%	7.88%	6.31%			N/A
727	Vanguard Sml Cap Value Index Fnd IS	Small-Cap Value	9.54%	14.16%	11.19%	N/A	0.23%	10.14%	05/21/98
	Small Cap Value Index <i>Russell 2000 Value</i>		10.38%	14.47%	13.61%	13.46%			N/A
VRU International Stocks									
166	EuroPacific Growth Fnd A	Foreign Large Blend	16.63%	19.41%	15.51%	11.00%	0.82%	13.95%	04/16/84
	International Index <i>MSCI EAFE (Net)</i>		20.20%	19.83%	15.78%	8.31%			N/A
VRU Retirement Funds									
724	T. Rowe Price Retirement Income Fund	Large-Cap Blend	8.71%	7.29%	N/A	N/A	0.56%	9.95%	09/30/02
	<i>Combined Index Portfolio Income</i>		8.60%	6.99%	N/A	N/A			N/A
715	T. Rowe Price Retirement Income 2005	Large-Cap Blend	9.59%	8.80%	N/A	N/A	0.61%	8.40%	02/27/04
	<i>Combined Index Portfolio 2005</i>		9.64%	8.33%	N/A	N/A			N/A
716	T. Rowe Price Retirement Income 2010	Large-Cap Blend	10.30%	9.78%	N/A	N/A	0.65%	13.65%	09/30/02
	<i>Combined Index Portfolio 2010</i>		10.37%	9.16%	N/A	N/A			N/A
717	T. Rowe Price Retirement Income 2015	Large-Cap Blend	10.73%	10.48%	N/A	N/A	0.69%	9.96%	02/27/04
	<i>Combined Index Portfolio 2015</i>		10.92%	9.76%	N/A	N/A			N/A
718	T. Rowe Price Retirement Income 2020	Large-Cap Blend	11.24%	11.20%	N/A	N/A	0.72%	15.74%	09/30/02
	<i>Combined Index Portfolio 2020</i>		11.45%	10.36%	N/A	N/A			N/A
719	T. Rowe Price Retirement Income 2025	Large-Cap Growth	11.58%	11.81%	N/A	N/A	0.74%	11.21%	02/27/04
	<i>Combined Index Portfolio 2025</i>		11.87%	11.00%	N/A	N/A			N/A
720	T. Rowe Price Retirement Income 2030	Large-Cap Growth	11.77%	12.46%	N/A	N/A	0.76%	17.26%	09/30/02
	<i>Combined Index Portfolio 2030</i>		12.15%	11.64%	N/A	N/A			N/A
721	T. Rowe Price Retirement Income 2035	Large-Cap Growth	11.78%	12.42%	N/A	N/A	0.76%	11.73%	02/27/04
	<i>Combined Index Portfolio 2035</i>		12.23%	11.68%	N/A	N/A			N/A
722	T. Rowe Price Retirement Income 2040	Large-Cap Growth	11.82%	12.48%	N/A	N/A	0.76%	17.35%	09/30/02
	<i>Combined Index Portfolio 2040</i>		12.23%	11.68%	N/A	N/A			N/A
723	T. Rowe Price Retirement Income 2045	Large-Cap Growth	11.74%	N/A	N/A	N/A	0.76%	15.11%	05/31/05
	<i>Combined Index Portfolio 2045</i>		12.23%	N/A	N/A	N/A			N/A
728	T. Rowe Price Retirement Income 2050	Not Yet Available	N/A	N/A	N/A	N/A	0.76%	1.70%	12/29/06
	<i>Combined Index Portfolio 2050</i>		N/A	N/A	N/A	N/A			N/A
729	T. Rowe Price Retirement Income 2055	Not Yet Available	N/A	N/A	N/A	N/A	0.76%	1.70%	12/29/06
	<i>Combined Index Portfolio 2055</i>		N/A	N/A	N/A	N/A			N/A

**Nationwide Fixed Annuity (457 plan only)
Average Quarterly Annualized Crediting**

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

2nd Qtr 07	1st Qtr 07	4th Qtr 06	3rd Qtr 06
4.60%	4.65%	4.70%	4.70%

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 \$2,000 in 2007. 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 2007 minimum guaranteed yield is 4.15%

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

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

	2nd Qtr 07	1st Qtr 07	4th Qtr 06
Dig Fund	4.00%	4.00%	4.00%
36-Mo. Certificate	4.00%	4.00%	4.00%
60-Mo. Certificate	4.00%	4.10%	4.10%
84-Mo. Certificate	4.00%	4.25%	4.25%

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

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

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

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Securities offered through Nationwide Investment Services Corporation, member NASD.

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.

T. Rowe Price Retirement Income Funds: The performance and risks of each Retirement Fund will directly correspond to the performance and risks of the underlying funds in which it invests. By investing in many underlying funds, the Retirement Funds have partial exposure to the risks of many different areas of the market. The more a Retirement Fund allocates to stock funds, the greater the expected risk. Underlying fund expenses are proportional to the expenses of the acquired funds in which they invest.

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.

Bond funds: Bond funds have the same interest rate, inflation and credit risks that are associated with the underlying bonds owned by the fund.

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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