NDPERS
457
Companion Plan
Quarterly Report
4th Quarter
10/1/2012 – 12/31/2012

North Dakota Public Employees Retirement System
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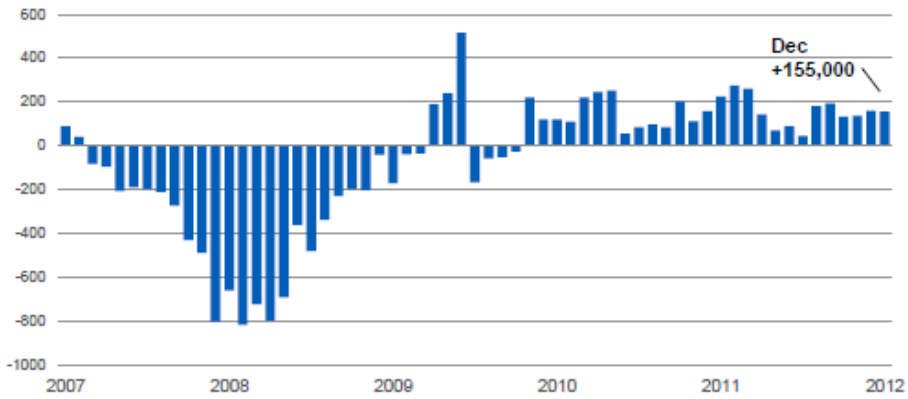
Economic overview (4Q12)

- Despite Hurricane Sandy, November elections, and the looming "fiscal cliff," the U.S. economy showed evidence of continued improvement in Q4, remaining on a slow-to-moderate growth path.
  - In December, real GDP for Q3 was revised upward, to 3.1% from 2.7%.
  - Housing starts, home sales, and home prices rose during Q4, in some cases reaching multi-year highs.
  - The economy added 453,000 jobs in Q4, for a total of 1.84 million in 2012. Unemployment was 7.8% at year-end.
  - Auto sales totaled 15.3 million units on an annualized basis in December, capping a very strong year.
- In Europe, despite high unemployment and recessionary conditions, Q4 brought some signs of stabilization. Fears of an imminent euro breakup diminished.
- After a mid-year soft patch, the Chinese economy appeared poised for renewed stronger growth. Optimism was boosted by confidence that China's new leaders will pursue stimulative policies.
- Entering 2013, we expect to see 2+% average GDP growth in the U.S. this year—subject to change given ongoing fiscal policy and debt negotiations.

Total nonfarm payrolls

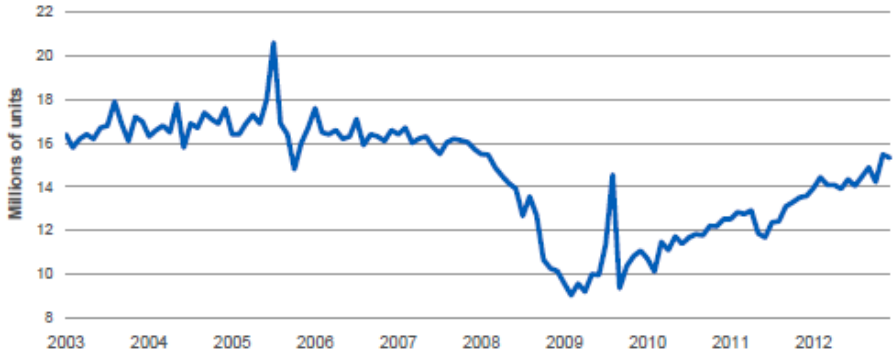
Net change, monthly, seasonally adjusted, through December 2012



Source: Bureau of Labor Statistics

U.S. light vehicle sales

Monthly, seasonally adjusted at an annual rate



Source: Bureau of Economic Analysis

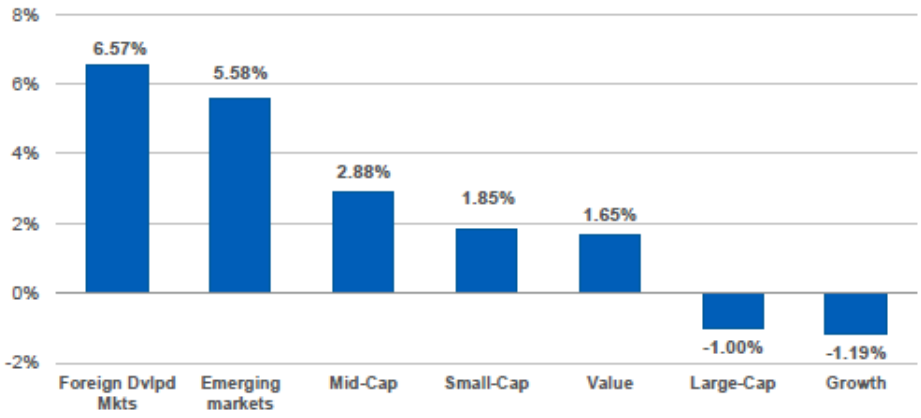
Equity markets (4Q12)

- Equities produced mixed results in Q4. U.S. markets were generally flat to slightly negative, while non-U.S. markets posted solid returns as risk appetites increased.
- For 2012 as a whole, U.S. and global equities were broadly positive, with most markets recording double-digit gains.
- The S&P 500 Index returned -0.38% in Q4 but was up 16% for the full year. Sector gains were led by Financials (+28.04%) and Consumer Discretionary (+23.30%), while Utilities (+0.01%) and Energy (+3.92%) were the weakest performers.
- Based on full-year returns for Russell market cap and style indexes, mid caps (+17.28%) topped both small caps (+16.35%) and large caps (+16.04%), while value (+17.55%) outpaced growth (+15.21%).
- Foreign developed- and emerging-market equities climbed 6.57% and 5.58%, respectively, in Q4, and 17.32% and 18.22%, respectively, for the year as whole, based on MSCI indexes.
- The MSCI Europe Index gained 19.12% for the year, in part reflecting an easing of sovereign debt concerns.
- The MSCI Japan Index returned 8.18% in 2012, with most of this gain coming in Q4. Pacific markets ex-Japan surged 24.57% for the year.

* U.S. equity returns represented by Russell 3000, 2000, Top 200, Mid-Cap, 3000 Growth, and 3000 Value Indexes; foreign developed-market equity returns represented by MSCI EAFE Index; emerging-market equity returns represented by MSCI Emerging Markets Index.

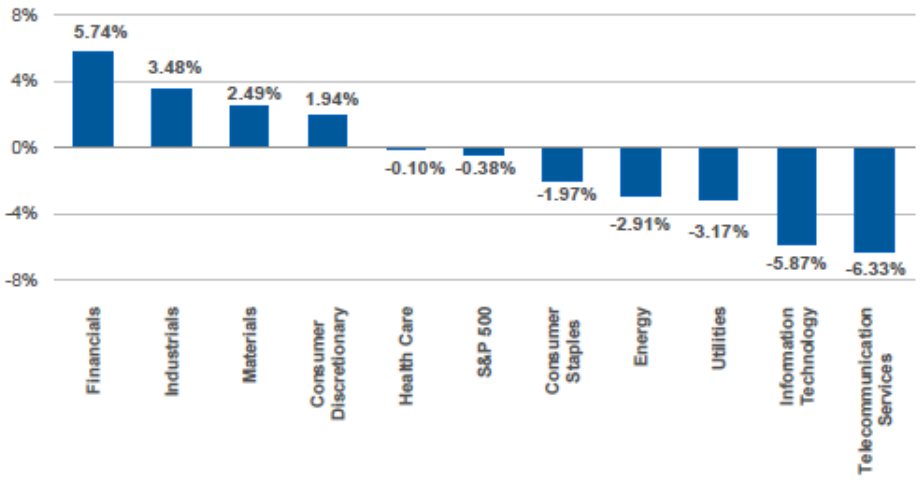
Equity market returns*

Quarter ended 12/31/2012



S&P 500 sector returns

Quarter ended 12/31/2012

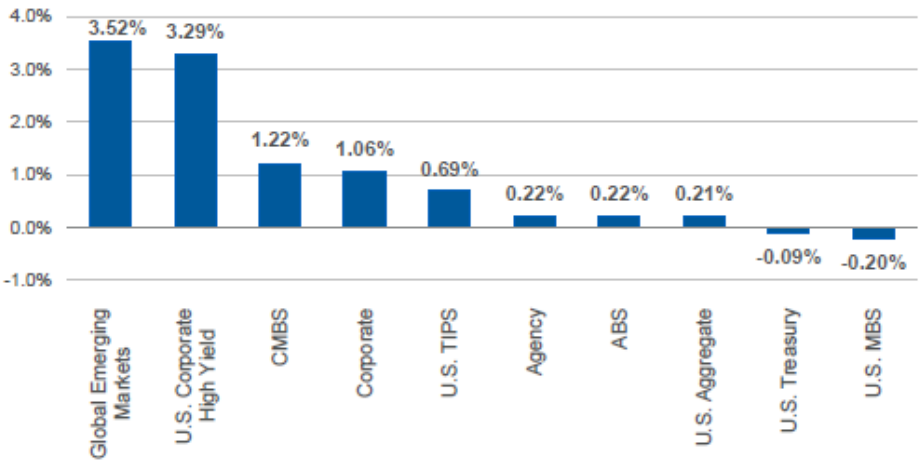


Fixed-income markets (4Q12)

- Fixed-income returns were modestly positive in Q4, reflecting improving economic conditions and a perceived reduction in global risks.
- The Barclays U.S. Aggregate Bond Index, a broad measure of investment-grade fixed-income performance, returned 0.21% in Q4 and 4.21% for the full year.
- Treasury rates rose during the quarter. The daily closing yield on the bellwether 10-year U.S. Treasury stood at 1.64% as Q4 began, rose to as high as 1.86% during the period, and settled at 1.78% by quarter-end.
- These yield increases drove slightly negative Q4 returns for Treasuries and other high-quality fixed-income securities.
- Meanwhile, "spread" sectors (higher-yielding, non-Treasury instruments) outperformed for the quarter and the year, as investors absorbed a large volume of corporate bond issuance in search of incremental yield.
- Spanish and Italian government bond yields fell in Q4 amid declining fears over Europe's ongoing sovereign debt problems.
- Based on Barclays indexes, global emerging-market bonds (+18.14%), U.S. high-yield (+15.81%) and investment-grade corporate bonds (+9.82%), and commercial mortgage-backed securities (+9.66%) handily beat Treasuries (+1.99%) for 2012 as a whole.

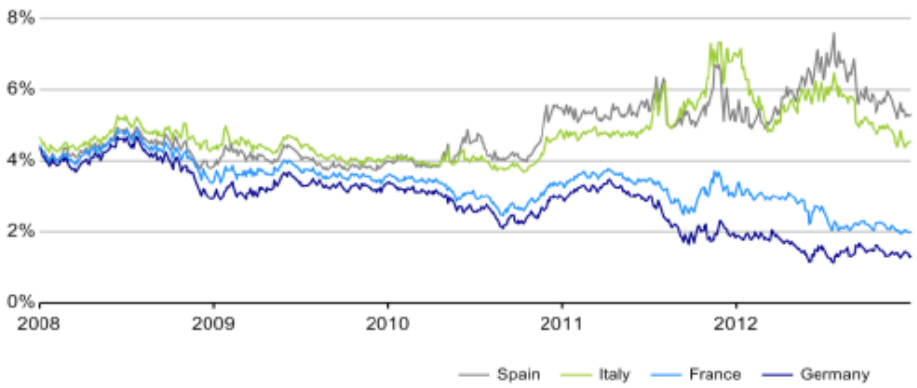
Fixed-Income Market Returns*

Quarter ended 12/31/2012



10-year government bond yields

Germany and France vs. Italy and Spain, through 12/31/2012



Source: Deutsche Bank Research

* Source: Bond market segments are represented by respective Barclays indexes and related subsets. Segments shown include U.S. Treasury, Agencies, Mortgage-Backed Securities (MBS), Barclays U.S. Aggregate Bond Index, Barclays Global Emerging Markets Bonds Index (Global EM), Corporate Bonds, Asset-Backed Securities (ABS), U.S. High-Yield, Inflation-Linked, and Commercial Mortgage-Backed Securities (CMBS).

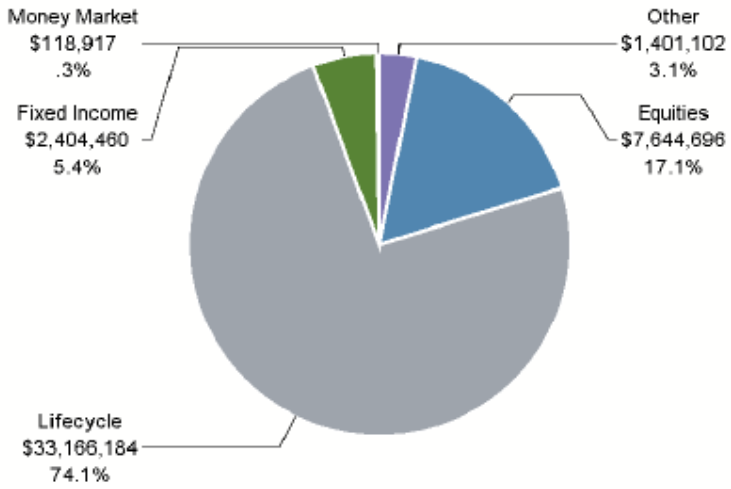
Plan Summary

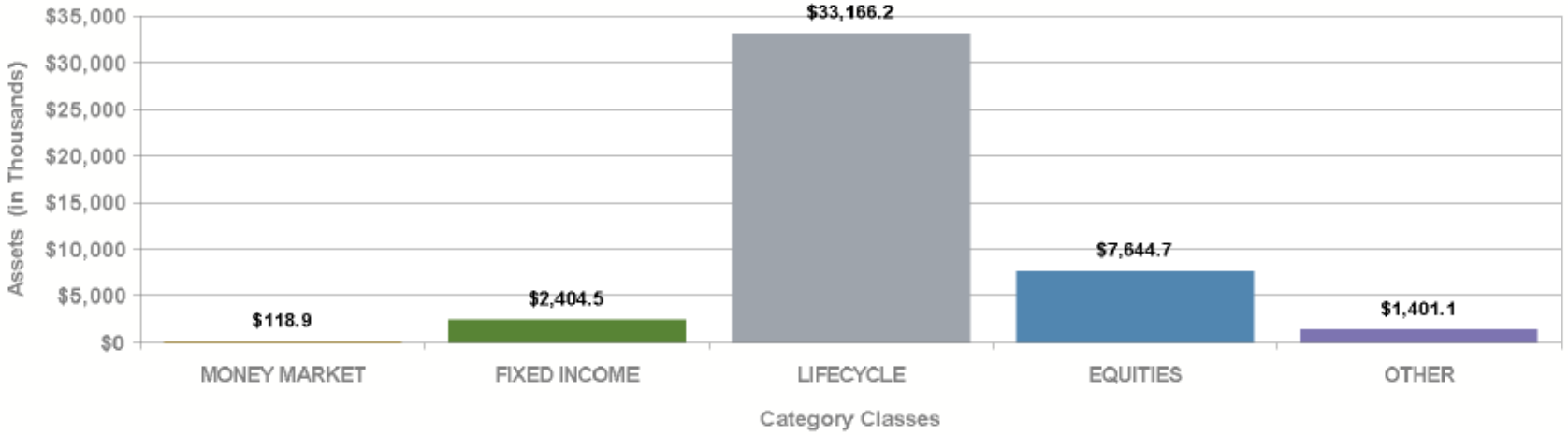
457(b)	Assets
TIAA-CREF Lifecycle 2025 Fund Retirement	$7,308,935
TIAA-CREF Lifecycle 2020 Fund Retirement	$7,053,532
TIAA-CREF Lifecycle 2015 Fund Retirement	$6,426,360
TIAA-CREF Lifecycle 2030 Fund Retirement	$3,940,140
TIAA-CREF Lifecycle 2010 Fund Retirement	$2,501,270
TIAA-CREF Lifecycle 2035 Fund Retirement	$2,235,968
TIAA-CREF Lifecycle 2040 Fund Retirement	$1,874,733
TIAA-CREF Lifecycle 2045 Fund Retirement	$1,180,430
Vanguard Total International Stock Index Fund Signal	$1,161,437
PIMCO Total Return Fund Admin	$1,117,175
Allianz NFJ Small Cap Value Fund Administrative	$1,026,125
Vanguard 500 Index Fund Signal	$956,599
Wells Fargo Stable Return Fund - J	$954,610
Wells Fargo Advantage Growth Fund Administrator	$574,108
Columbia Mid Cap Index Fund A	$559,510
PIMCO Real Return Fund Administrative	$550,190
TIAA-CREF Lifecycle 2050 Fund Retirement	$548,918
Templeton Global Bond Fund Advisor	$489,312
Franklin Growth Fund Advisor	$456,123
Self Directed Brokerage Account	$446,492
T. Rowe Price Equity Income Fund	$408,582
Hartford Dividend and Growth Fund R5	$374,104
Cohen & Steers Realty Shares	$371,247
T. Rowe Price Capital Appreciation Fund Advisor	$352,857
Brown Capital Management Small Company Fund Institutional	$297,674
Oppenheimer Developing Markets Fund Y	$283,288
Prudential High Yield Fund Z	$247,783
Prudential Jennison Mid-Cap Growth Fund Z	$171,864
RidgeWorth Mid Cap Value Equity Fund I	$155,878
Parnassus Small Cap Fund	$151,151
Mutual Global Discovery Fund Z	$134,049
Vanguard Dividend Growth Fund Investor	$119,655
Vanguard Prime Money Market Fund Investor	$118,917
ASTON/Fairpointe Mid Cap Fund I	$90,446
TIAA-CREF Lifecycle Retirement Income Fund Retirement	$64,832
TIAA-CREF Lifecycle 2055 Fund Retirement	$31,065
TIAA-CREF Money Market Fund Retirement	$0
Total	**$44,735,360**

PLAN ASSETS

BY CATEGORY CLASS

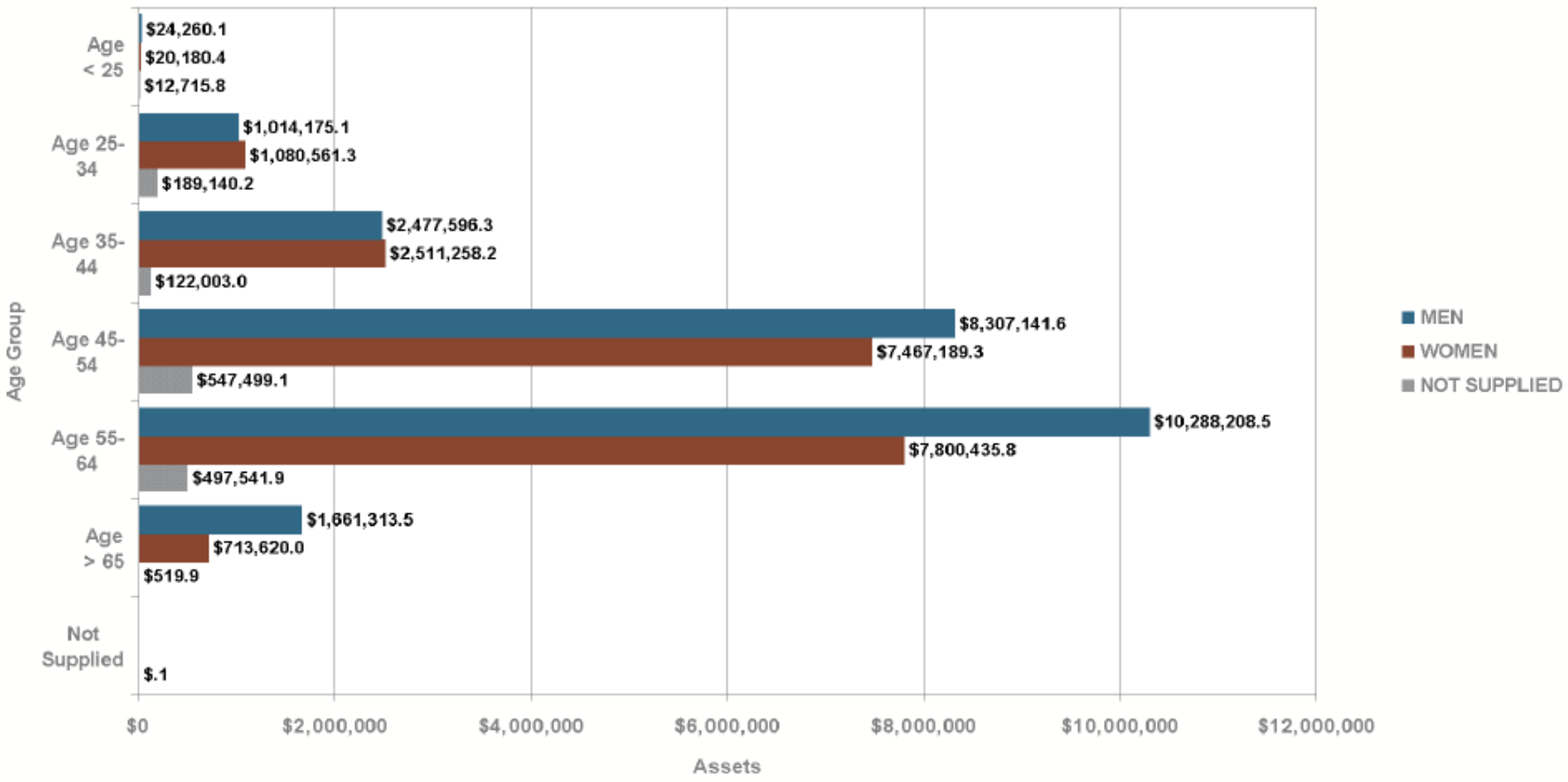
Total Plan Assets:	**$44,735,360**
Average Account Balance:	**$10,738**
Default Fund:	**AGE-BASED LIFECYCLE FUNDS Retirement**





PLAN ASSETS

BY AGE AND GENDER

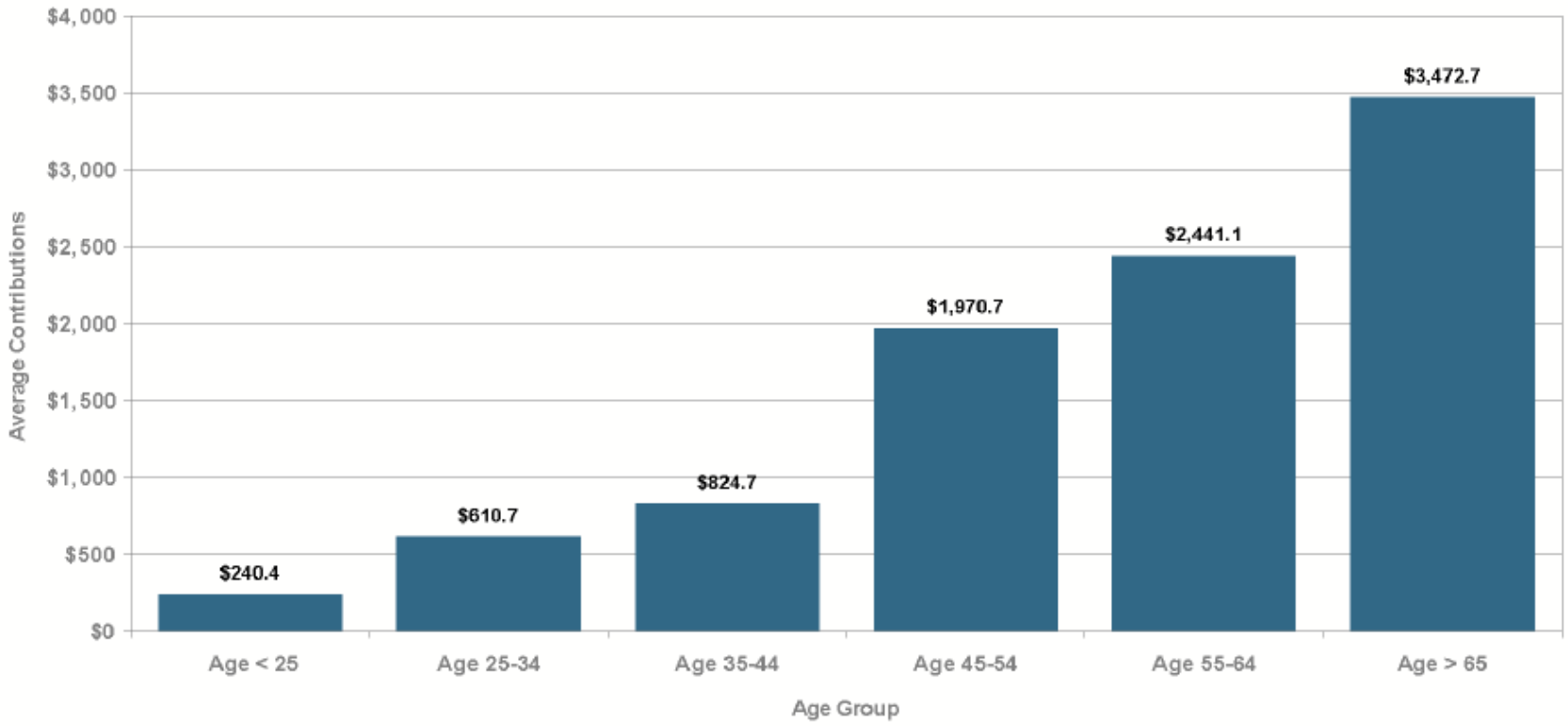


ASSETS	Age < 25	Age 25-34	Age 35-44	Age 45-54	Age 55-64	Age > 65	Not Supplied	Totals
MEN	$24,260	$1,014,175	$2,477,596	$8,307,142	$10,288,209	$1,661,314	$0	$23,772,695
WOMEN	$20,180	$1,080,561	$2,511,258	$7,467,189	$7,800,436	$713,620	$0	$19,593,245
NOT SUPPLIED	$12,716	$189,140	$122,003	$547,499	$497,542	$520	$0	$1,369,420
TOTALS	$57,156	$2,283,877	$5,110,857	$16,321,830	$18,586,186	$2,375,453	$0	$44,735,360

CONTRIBUTIONS

BY AGE – AVERAGE CONTRIBUTIONS

Average Active Contributions:	$1,391



NDPERS 401(a) Defined Contribution Plan & 457 Companion Plan - TIAA-CREF

INITIAL OFFERING:

	VALUE	BLEND	GROWTH	
	Hartford Dividend & Growth	Vanguard 500 Index Signal	Franklin Growth Adv	
	T.Rowe Price Equity Income	Vanguard Dividend Growth	Wells Fargo Adv Growth Adm	
				LARGE
	RidgeWorth Mid Cap Value Equity I	ASTON/Fairpointe Mid Cap I	Prudential Jennison Mid Cap Growth Z	
		Columbia Mid Cap Index A		
				MEDIUM
	Allianz NFJ Small Cap Value	Parnassus Small Cap	Brown Capital Mgmt Small Co Inv	
				SMALL

BALANCED FUND:	T.Rowe Price Capital Appreciation		
INCOME FUNDS:	Wells Fargo Stable Value Fund J	Vanguard Prime Money Market	
BOND FUNDS:	PIMCO Total Return Bond Fund	Prudential High Yield Z	
	PIMCO Real Return Admin Bond Fund	Templeton Global Bond	
REAL ESTATE:	Cohen & Steers Realty Shares		
INTERNATIONAL FUNDS:	Mutual Global Discovery Z	Vanguard Total Intl Stock Index	Oppenheimer Developing Markets Y
LIFESTYLE FUNDS:	TIAA-CREF Lifecycle Ret Income	TIAA-CREF Lifecycle 2025	TIAA-CREF Lifecycle 2045
	TIAA-CREF Lifecycle 2010	TIAA-CREF Lifecycle 2030	TIAA-CREF Lifecycle 2050
	TIAA-CREF Lifecycle 2015	TIAA-CREF Lifecycle 2035	TIAA-CREF Lifecycle 2055
	TIAA-CREF Lifecycle 2020	TIAA-CREF Lifecycle 2040	

FUND STYLE CHANGES:

	VALUE	BLEND	GROWTH	
				LARGE
	ASTON/Fairpointe Mid Cap I			**MEDIUM**
				SMALL

OTHER FUNDS:

CURRENT LINEUP:

	VALUE	BLEND	GROWTH	
	Hartford Dividend & Growth	Vanguard 500 Index Signal	Franklin Growth Adv	
	T.Rowe Price Equity Income	Vanguard Dividend Growth	Wells Fargo Adv Growth Adm	
				LARGE
	RidgeWorth Mid Cap Value Equity I		Prudential Jennison Mid Cap Growth Z	
	ASTON/Fairpointe Mid Cap I	Columbia Mid Cap Index A		
				MEDIUM
	Allianz NFJ Small Cap Value	Parnassus Small Cap	Brown Capital Mgmt Small Co Inv	
				SMALL

BALANCED FUND:	T.Rowe Price Capital Appreciation		
INCOME FUNDS:	Wells Fargo Stable Value Fund J	Vanguard Prime Money Market	
BOND FUNDS:	PIMCO Total Return Bond Fund	Prudential High Yield Z	
	PIMCO Real Return Admin Bond Fund	Templeton Global Bond	
REAL ESTATE:	Cohen & Steers Realty Shares		
INTERNATIONAL FUNDS:	Mutual Global Discovery Z	Vanguard Total Intl Stock Index	Oppenheimer Developing Markets Y
LIFESTYLE FUNDS:	TIAA-CREF Lifecycle Ret Income	TIAA-CREF Lifecycle 2025	TIAA-CREF Lifecycle 2045
	TIAA-CREF Lifecycle 2010	TIAA-CREF Lifecycle 2030	TIAA-CREF Lifecycle 2050
	TIAA-CREF Lifecycle 2015	TIAA-CREF Lifecycle 2035	TIAA-CREF Lifecycle 2055
	TIAA-CREF Lifecycle 2020	TIAA-CREF Lifecycle 2040	

NDPERS Investment Benchmarks - 4th Quarter 2012

	Quarter	Y-T-D	1-Year	3-Year	5-Year
Stable Value / Money Market Fund					
Vanguard Prime Money Market - VMMXX	**0.01%**	**0.04%**	**0.04%**	**0.05%**	**0.68%**
Wells Fargo Stable Return Fund J - WFSJ#	**0.28%**	**1.21%**	**1.21%**	**1.66%**	**2.26%**
3 Month T-Bill Index	0.02%	0.07%	0.07%	0.09%	0.45%
Fixed Income Fund					
PIMCO Real Return Admin - PARRX	**0.93%**	**8.98%**	**8.98%**	**9.26%**	**7.64%**
PIMCO Total Return Bond Fund - PTRAX	**1.10%**	**10.08%**	**10.08%**	**7.48%**	**8.07%**
Barclays Aggregate Bond Index	0.21%	4.21%	4.21%	6.19%	5.95%
Taxable Bond Fund Universe	1.24%	8.21%	8.21%	7.01%	5.89%
Prudential High Yield Z - PHYZX	**3.01%**	**14.16%**	**14.16%**	**11.23%**	**9.71%**
ML High Yield Bond Fund Index	3.23%	15.59%	15.59%	11.60%	10.01%
High Yield Bond Fund Universe	3.07%	14.67%	14.67%	10.49%	8.02%
Templeton Global Bond Adv - TGBAX	**3.83%**	**16.15%**	**16.15%**	**8.68%**	**10.25%**
Citi World Govt Bond Index	1.71%	1.65%	1.65%	4.37%	5.27%
World Bond Fund Universe	0.85%	8.09%	8.09%	6.02%	5.89%
Real Esate Fund					
Cohen & Steers Realty Shares - CSRSX	**2.04%**	**15.72%**	**15.72%**	**16.03%**	**6.31%**
FTSE NAREIT All Equity REITs Index	3.11%	19.70%	19.70%	18.37%	5.74%
Real Estate Fund Universe	2.32%	17.60%	17.60%	17.29%	4.86%
Balanced Fund					
T.Rowe Price Capital Appreciation - PACLX	**1.74%**	**14.34%**	**14.34%**	**10.20%**	**5.22%**
60% Large Cap Value Univ & 40% Taxable Bond Universe	1.08%	12.03%	12.03%	8.22%	2.55%
60% Russell 1000 Value & 40% Agg Bond Index	1.00%	12.19%	12.19%	8.99%	2.73%
Large Cap Equities - Value					
Hartford Dividend & Growth - HDGTX	**0.39%**	**13.33%**	**13.33%**	**9.04%**	**1.90%**
T.Rowe Price Equity Income - PRFDX	**1.92%**	**17.25%**	**17.25%**	**10.26%**	**1.58%**
Russell 1000 Value Index	1.52%	17.51%	17.51%	10.86%	0.59%
Large Cap Value Fund Universe	0.98%	14.57%	14.57%	9.02%	0.32%
Large Cap Equities - Blend					
Vanguard 500 Index Signal - VIFSX	**-0.38%**	**15.97%**	**15.97%**	**10.85%**	**1.68%**
Vanguard Dividend Growth Fund - VDIGX	**-0.40%**	**10.39%**	**10.39%**	**10.41%**	**4.05%**
S&P 500 Index	-0.38%	16.00%	16.00%	10.87%	1.66%
Large Cap Blend Fund Universe	0.49%	14.96%	14.96%	9.05%	0.68%
Large Cap Equities - Growth					
Wells Fargo Adv Growth Adm - SGRKX	**-2.40%**	**16.89%**	**16.89%**	**17.01%**	**7.24%**
Russell 3000 Growth Index	-1.19%	15.21%	15.21%	11.46%	3.15%
Franklin Growth Adv - FCGAX	**1.30%**	**13.98%**	**13.98%**	**9.81%**	**3.55%**
Russell 1000 Growth Index	-1.32%	15.26%	15.26%	11.35%	3.12%
Large Cap Growth Fund Universe	-0.64%	15.34%	15.34%	9.30%	1.12%
Mid Cap Equities - Value					
RidgeWorth Mid Cap Value Equity I - SMVTX	**6.02%**	**21.79%**	**21.79%**	**12.95%**	**6.67%**
Russell Mid Cap Value	3.93%	18.51%	18.51%	13.39%	3.79%
Mid Cap Value Fund Universe	3.35%	16.60%	16.60%	10.77%	2.87%
Mid Cap Equities - Blend					
Columbia Mid Cap Index A - NTIAX	**3.46%**	**17.31%**	**17.31%**	**13.11%**	**4.76%**
S&P Mid Cap 400	3.61%	17.88%	17.88%	13.62%	5.15%
ASTON/Fairpointe Mid Cap I - ABMIX	**2.89%**	**16.75%**	**16.75%**	**10.49%**	**5.18%**
Wilshire 4500 Index	3.07%	17.99%	17.99%	13.27%	3.95%
Mid Cap Blend Fund Universe	3.38%	16.15%	16.15%	10.83%	2.27%
Mid Cap Equities - Growth					
Prudential Jennison Mid Cap Growth Z - PEGZX	**0.14%**	**16.24%**	**16.24%**	**12.72%**	**5.27%**
Russell Mid Cap Growth	1.69%	15.81%	15.81%	12.91%	3.23%
Mid Cap Growth Fund Universe	1.18%	14.07%	14.07%	11.08%	1.73%

Fund Returns in RED do not meet both benchmarks. **Fund Returns in BLACK meet both benchmarks.**

NDPERS Investment Benchmarks - 4th Quarter 2012

	Quarter	Y-T-D	1-Year	3-Year	5-Year
Small Cap Equities - Value					
Allianz NFJ Small Cap Value - PVADX	**2.73%**	**10.54%**	**10.54%**	**12.24%**	**5.26%**
Russell 2000 Value Index	3.22%	18.05%	18.05%	11.57%	3.55%
Small Value Fund Universe	3.75%	16.00%	16.00%	11.04%	4.20%
Small Cap Equities - Blend					
Parnassus Small Cap - PARSX	**4.99%**	**18.41%**	**18.41%**	**12.15%**	**8.53%**
Russell 2000 Index	1.85%	16.35%	16.35%	12.25%	3.56%
Small Blend Fund Universe	2.54%	15.46%	15.46%	11.88%	3.09%
Small Cap Equities - Growth					
Brown Capital Mgmt Small Co Inv - BCSIX	**2.51%**	**17.47%**	**17.47%**	**12.96%**	**7.95%**
Russell 2000 Growth Index	0.45%	14.59%	14.59%	12.82%	3.49%
Small Growth Fund Universe	-0.03%	13.15%	13.15%	11.74%	2.55%
International Equity Funds					
Mutual Global Discovery Z - MDISX	**2.47%**	**13.65%**	**13.65%**	**7.19%**	**1.88%**
Vanguard Total Intl Stock Index Inv - VGTSX	**6.69%**	**18.21%**	**18.21%**	**N/A**	**N/A**
MSCI EAFE	6.57%	17.32%	17.32%	3.56%	-3.69%
International Stock Fund Universe	5.67%	17.91%	17.91%	4.87%	-2.56%
Oppenheimer Developing Markets Y - ODVYX	**4.61%**	**21.29%**	**21.29%**	**8.27%**	**3.81%**
MSCI Emerging Markets Index	5.58%	18.22%	18.22%	4.66%	-0.92%
Diversified Emerging Mkts Universe	6.10%	18.15%	18.15%	4.26%	-2.16%
Asset Allocation Funds:					
TIAA-CREF Lifecycle Ret Income - TLIRX	**1.47%**	**11.27%**	**11.27%**	**7.96%**	**3.81%**
Income Benchmark	1.10%	9.80%	9.80%	7.35%	3.67%
TIAA-CREF Lifecycle 2010 - TCLEX	**1.71%**	**12.27%**	**12.27%**	**8.31%**	**3.00%**
2010 Benchmark	1.13%	10.54%	10.54%	7.61%	3.28%
TIAA-CREF Lifecycle 2015 - TCLIX	**1.87%**	**13.31%**	**13.31%**	**8.55%**	**2.54%**
2015 Benchmark	1.17%	11.22%	11.22%	7.84%	2.95%
TIAA-CREF Lifecycle 2020 - TCLTX	**2.08%**	**14.28%**	**14.28%**	**8.76%**	**1.99%**
2020 Benchmark	1.24%	12.05%	12.05%	8.09%	2.55%
TIAA-CREF Lifecycle 2025 - TCLFX	**2.19%**	**15.24%**	**15.24%**	**8.91%**	**1.44%**
2025 Benchmark	1.30%	12.88%	12.88%	8.35%	2.15%
TIAA-CREF Lifecycle 2030 - TCLNX	**2.28%**	**16.21%**	**16.21%**	**8.99%**	**0.81%**
2030 Benchmark	1.40%	13.80%	13.80%	8.60%	1.73%
TIAA-CREF Lifecycle 2035 - TCLRX	**2.51%**	**17.01%**	**17.01%**	**9.08%**	**0.58%**
2035 Benchmark	1.52%	14.77%	14.77%	8.85%	1.31%
TIAA-CREF Lifecycle 2040 - TCLOX	**2.57%**	**17.37%**	**17.37%**	**9.14%**	**0.64%**
2040 Benchmark	1.57%	15.16%	15.16%	8.95%	1.14%
TIAA-CREF Lifecycle 2045 - TTFRX	**2.55%**	**17.26%**	**17.26%**	**9.07%**	**0.33%**
2045 Benchmark	1.57%	15.16%	15.16%	8.95%	1.14%
TIAA-CREF Lifecycle 2050 - TLFRX	**2.48%**	**17.24%**	**17.24%**	**9.07%**	**0.29%**
2050 Benchmark	1.57%	15.16%	15.16%	8.95%	1.14%
TIAA-CREF Lifecycle 2055 - TTRLX	**2.50%**	**17.30%**	**17.30%**	**N/A**	**N/A**
2055 Benchmark	1.57%	15.16%	15.16%	8.95%	1.14%

Income Benchmark is comprised of 30% Wilshire 5000, 10% MSCI EAFE, 40% LB Agg, 10% ML HY Bond, 10% 3 Month T-Bill
2010 Benchmark is comprised of 36% Wilshire 5000, 12% MSCI EAFE, 38.4% LB Agg, 6.8% ML HY Bond, 6.8% 3 Month T-Bill
2015 Benchmark is comprised of 41.1% Wilshire 5000, 13.7% MSCI EAFE, 35.6% LB Agg, 4.8% ML HY Bond, 4.8% 3 Month T-Bill
2020 Benchmark is comprised of 47.1% Wilshire 5000, 15.7% MSCI EAFE, 31.6% LB Agg, 2.8% ML HY Bond, 2.8% 3 Month T-Bill
2025 Benchmark is comprised of 53.1% Wilshire 5000, 17.7% MSCI EAFE, 27.6% LB Agg, .8% ML HY Bond, .8% 3 Month T-Bill
2030 Benchmark is comprised of 59.1% Wilshire 5000, 19.7% MSCI EAFE, 21.2% LB Agg
2035 Benchmark is comprised of 65.1% Wilshire 5000, 21.7% MSCI EAFE, 13.2% LB Agg
2040 Benchmark is comprised of 67.5% Wilshire 5000, 22.5% MSCI EAFE, 10% LB Agg
2045 Benchmark is comprised of 67.5% Wilshire 5000, 22.5% MSCI EAFE, 10% LB Agg
2050 Benchmark is comprised of 67.5% Wilshire 5000, 22.5% MSCI EAFE, 10% LB Agg
2055 Benchmark is comprised of 67.5% Wilshire 5000, 22.5% MSCI EAFE, 10% LB Agg

Wilshire 5000 Index	0.10%	16.06%	16.06%	11.15%	2.03%
MSCI EAFE	6.57%	17.32%	17.32%	3.56%	-3.69%
Barclays Aggregate Bond Index	0.21%	4.21%	4.21%	6.19%	5.95%
ML High Yield Bond Fund Index	3.23%	15.59%	15.59%	11.60%	10.01%
3 Month T-Bill Index	0.02%	0.07%	0.07%	0.09%	0.45%

Fund Returns in RED do not meet both benchmarks. **Fund Returns in BLACK meet both benchmarks.**

NDPERS Mutual Fund Research - 12/31/2012

Large Value

Fund	Symbol	Assets	Inception	Manager Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank 3 - Year	Category Rank 5 - Year	Average Return 3-month	Average Return 1-Year	Average Return 3-Year	Average Return 5-Year	Average Return 10-Year	Standard=S&P 500 Index R-Squared	Beta	Alpha	Standard Deviation	Sharpe Ratio
Hartford Dividend & Growth	HDGTX	6.8 Billion	12/22/2006	Team	0.75%	1.94	28%	13.2	4-Stars	49	23	0.39	13.33	9.04	1.90	N/A	98	0.95	-1.20	14.68	0.66
T.Rowe Price Equity Income	PRFDX	24.5 Billion	10/31/1985	26 years	0.68%	2.12	15%	14.1	4-Stars	29	25	1.92	17.25	10.26	1.58	7.22	97	1.01	-0.63	15.68	0.70

Large Blend

Fund	Symbol	Assets	Inception	Manager Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank 3 - Year	Category Rank 5 - Year	Average Return 3-month	Average Return 1-Year	Average Return 3-Year	Average Return 5-Year	Average Return 10-Year	Standard=S&P 500 Index R-Squared	Beta	Alpha	Standard Deviation	Sharpe Ratio
T.Rowe Price Capital Appreciation (Balanced)	PACLX	13.8 Billion	3/6/1990	5 Years	1.00%	1.52	81%	16.0	4-Stars	5	2	1.74	14.34	10.20	5.22	N/A				10.83	0.94
Vanguard 500 Index Signal	VIFSX	7.0 Billion	9/29/2006	19 Years	0.05%	2.17	4%	14.5	4-Stars	16	28	-0.38	15.97	10.85	1.68	N/A	100	1.00	-0.02	15.30	0.74
Vanguard Dividend Growth	VDIGX	11.8 Billion	2/1/2006	7 Years	0.31%	2.21	13%	13.7	5-Stars	19	4	-0.40	10.39	10.41	4.05	8.84	95	0.78	1.70	12.18	0.87

Large Growth

Fund	Symbol	Assets	Inception	Manager Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank 3 - Year	Category Rank 5 - Year	Average Return 3-month	Average Return 1-Year	Average Return 3-Year	Average Return 5-Year	Average Return 10-Year	Standard=S&P 500 Index R-Squared	Beta	Alpha	Standard Deviation	Sharpe Ratio
Wells Fargo Adv Growth Adm	SGRKX	10.6 Billion	8/30/2002	11 Years	0.96%	0.00	47%	22.9	5-Stars	1	1	-2.40	16.89	17.01	7.24	12.30	88	1.11	4.61	18.20	0.95
Franklin Growth Adv	FCGAX	6.9 Billion	12/31/1996	Team	0.69%	0.45	4%	16.9	4-Stars	47	14	1.30	13.98	9.81	3.55	8.57	96	1.02	-1.07	15.84	0.66

Medium Value

Fund	Symbol	Assets	Inception	Manager Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank 3 - Year	Category Rank 5 - Year	Average Return 3-month	Average Return 1-Year	Average Return 3-Year	Average Return 5-Year	Average Return 10-Year	Standard=S&P 500 Index R-Squared	Beta	Alpha	Standard Deviation	Sharpe Ratio
RidgeWorth Mid Cap Value Equity I	SMVTX	2.4 Billion	11/30/2001	9 Years	1.04%	1.43	182%	16.6	4-Stars	23	5	6.02	21.79	12.95	6.67	11.71	91	1.30	-0.60	20.91	0.68

Medium Blend

Fund	Symbol	Assets	Inception	Manager Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank 3 - Year	Category Rank 5 - Year	Average Return 3-month	Average Return 1-Year	Average Return 3-Year	Average Return 5-Year	Average Return 10-Year	Standard=S&P 500 Index R-Squared	Beta	Alpha	Standard Deviation	Sharpe Ratio
Columbia Mid Cap Index A	NTIAX	2.5 Billion	5/31/2000	Team	0.45%	1.16	15%	17.8	4-Stars	16	12	3.46	17.31	13.11	4.76	10.12	93	1.14	0.86	18.13	0.76
ASTON/Fairpointe Mid Cap I	ABMIX	3.3 Billion	7/6/2004	Team	0.86%	1.12	28%	13.8	3-Stars	66	7	2.89	16.75	10.49	5.18	N/A	89	1.28	-2.64	20.76	0.58

Medium Growth

Fund	Symbol	Assets	Inception	Manager Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank 3 - Year	Category Rank 5 - Year	Average Return 3-month	Average Return 1-Year	Average Return 3-Year	Average Return 5-Year	Average Return 10-Year	Standard=S&P 500 Index R-Squared	Beta	Alpha	Standard Deviation	Sharpe Ratio
Prudential Jennison Mid Cap Growth Z	PEGZX	7.6 Billion	12/31/1996	6 Years	0.76%	0.36	49%	21.3	5-Stars	30	17	0.14	16.24	12.72	5.27	12.77	89	0.96	2.17	15.54	0.84

Small Value

Fund	Symbol	Assets	Inception	Manager Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank 3 - Year	Category Rank 5 - Year	Average Return 3-month	Average Return 1-Year	Average Return 3-Year	Average Return 5-Year	Average Return 10-Year	Standard=S&P 500 Index R-Squared	Beta	Alpha	Standard Deviation	Sharpe Ratio
Allianz NFJ Small Cap Value Admin	PVADX	7.1 Billion	11/1/1995	Team	1.03%	1.43	26%	13.9	5-Stars	26	35	2.73	10.54	12.24	5.26	11.13	90	0.97	1.64	15.60	0.81

Small Blend

Fund	Symbol	Assets	Inception	Manager Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank 3 - Year	Category Rank 5 - Year	Average Return 3-month	Average Return 1-Year	Average Return 3-Year	Average Return 5-Year	Average Return 10-Year	Standard=S&P 500 Index R-Squared	Beta	Alpha	Standard Deviation	Sharpe Ratio
Parnassus Small Cap	PARSX	0.7 Billion	4/29/2005	Team	1.20%	0.00	40%	20.9	4-Stars	57	3	4.99	18.41	12.15	8.53	N/A	84	1.28	-0.94	21.35	0.64

Small Growth

Fund	Symbol	Assets	Inception	Manager Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank 3 - Year	Category Rank 5 - Year	Average Return 3-month	Average Return 1-Year	Average Return 3-Year	Average Return 5-Year	Average Return 10-Year	Standard=S&P 500 Index R-Squared	Beta	Alpha	Standard Deviation	Sharpe Ratio
Brown Capital Mgmt Small Co Inv	BCSIX	1.6 Billion	1/2/1996	Team	1.21%	0.00	21%	27.1	5-Stars	27	3	2.51	17.47	12.96	7.95	11.83	78	1.11	1.28	19.16	0.73

International

Fund	Symbol	Assets	Inception	Manager Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank 3 - Year	Category Rank 5 - Year	Average Return 3-month	Average Return 1-Year	Average Return 3-Year	Average Return 5-Year	Average Return 10-Year	Standard=EAFE Index R-Squared	Standard=EAFE Index Beta	Standard=EAFE Index Alpha	Standard Deviation	Sharpe Ratio
Mutual Global Discovery Z	MDISX	18.1 Billion	12/31/1992	Team	1.01%	1.87	34%	12.1	5-Stars	36	13	2.47	13.65	7.19	1.88	10.60	92	0.61	4.39	12.57	0.61
Vanguard Total Intl Stock Index Inv	VGTSX	68.4 Billion	4/29/1996	3 Years	0.22%	2.92	3%	10.5	4-Stars	50	40	6.69	18.21	N/A	N/A	N/A	97	1.01	0.36	20.17	0.28
Oppenheimer Developing Markets Y	ODVYX	31.2 Billion	9/7/2005	4 Years	1.03%	0.71	20%	6.6	5-Stars	5	1	4.61	21.29	8.27	3.81	N/A	81	0.93	4.95	20.43	0.48

Lifestyle / Others

Fund	Symbol	Assets	Inception	Manager Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank 3 - Year	Category Rank 5 - Year	Average Return 3-month	Average Return 1-Year	Average Return 3-Year	Average Return 5-Year	Average Return 10-Year	Standard=S&P 500 Index R-Squared	Standard=S&P 500 Index Beta	Standard=S&P 500 Index Alpha	Standard Deviation	Sharpe Ratio
Vanguard Prime Money Market	VMMXX	121.7 Billion		9 Years	0.16%	0.01						0.01	0.04	0.05	0.68	1.83				0.01	-3.60
Wells Fargo Stable Return Fund J	WFSJ	27.5 Billion	10/1/1985		0.85%							0.28	1.21	1.66	2.26	3.04	N/A	N/A	N/A	N/A	N/A
PIMCO Real Return Bond Fund	PARRX	25.7 Billion	4/28/2000	3 Years	0.70%	2.40	129%		4-Stars	7	3	0.93	8.98	9.26	7.64	6.86	N/A	N/A	N/A	4.58	1.94
PIMCO Total Return Bond Fund	PTRAX	285.4 Billion	9/8/1994	22 Years	0.71%	3.87	584%		5-Stars	30	12	1.10	10.08	7.48	8.07	6.55	N/A	N/A	N/A	3.24	2.22
Prudential High Yield Z	PHYZX	2.9 Billion	3/1/1996	Team	0.62%	6.97	48%	2.4	5-Stars	19	9	3.01	14.16	11.23	9.71	9.97	N/A	N/A	N/A	6.60	1.64
Templeton Global Bond Adv	TGBAX	66.5 Billion	12/31/1996	Team	0.64%	5.97	42%		5-Stars	10	1	3.83	16.15	8.68	10.25	10.84	N/A	N/A	N/A	9.79	0.89
Cohen & Steers Realty Shares	CSRSX	4.8 Billion	7/2/1991	Team	0.96%	2.00	90%	40.1	4-Stars	80	14	2.04	15.72	16.03	6.31	12.70	N/A	N/A	N/A	18.48	0.89
TIAA-CREF Lifecycle Ret Income	TLIRX	187 Million	11/30/2007	Team	0.64%	2.47	13%	15.2	4-Stars	11	19	1.47	11.27	7.96	3.81	N/A	N/A	N/A	N/A	6.88	1.14
TIAA-CREF Lifecycle 2010	TCLEX	864 Million	10/15/2004	Team	0.66%	2.24	13%	15.2	4-Stars	8	33	1.71	12.27	8.31	3.00	N/A	N/A	N/A	N/A	8.57	0.96
TIAA-CREF Lifecycle 2015	TCLIX	1.3 Billion	10/15/2004	Team	0.67%	2.27	11%	15.2	3-Stars	9	34	1.87	13.31	8.55	2.54	N/A	N/A	N/A	N/A	9.96	0.86
TIAA-CREF Lifecycle 2020	TCLTX	1.6 Billion	10/15/2004	Team	0.69%	2.16	8%	15.3	3-Stars	16	49	2.08	14.28	8.76	1.99	N/A	N/A	N/A	N/A	11.33	0.79
TIAA-CREF Lifecycle 2025	TCLFX	1.6 Billion	10/15/2004	Team	0.71%	2.05	7%	15.3	3-Stars	14	43	2.19	15.24	8.91	1.44	N/A	N/A	N/A	N/A	12.77	0.73
TIAA-CREF Lifecycle 2030	TCLNX	1.5 Billion	10/15/2004	Team	0.72%	1.86	5%	15.3	3-Stars	17	59	2.28	16.21	8.99	0.81	N/A	N/A	N/A	N/A	14.20	0.67
TIAA-CREF Lifecycle 2035	TCLRX	1.5 Billion	10/15/2004	Team	0.73%	1.66	4%	15.3	3-Stars	14	55	2.51	17.01	9.08	0.58	N/A	N/A	N/A	N/A	15.56	0.63
TIAA-CREF Lifecycle 2040	TCLOX	2.0 Billion	10/15/2004	Team	0.74%	1.62	5%	15.3	3-Stars	16	40	2.57	17.37	9.14	0.64	N/A	N/A	N/A	N/A	15.79	0.63
TIAA-CREF Lifecycle 2045	TTFRX	474 Million	11/30/2007	Team	0.74%	1.78	9%	15.3	3-Stars	15	64	2.55	17.26	9.07	0.33	N/A	N/A	N/A	N/A	15.80	0.62
TIAA-CREF Lifecycle 2050	TLFRX	259 Million	11/30/2007	Team	0.74%	1.77	6%	15.3	3-Stars	17	63	2.48	17.24	9.07	0.29	N/A	N/A	N/A	N/A	15.75	0.62
TIAA-CREF Lifecycle 2055	TTRLX	25 Million	4/29/2011	Team	0.74%	1.74	44%	15.3	N/A	N/A	N/A	2.50	17.30	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

R-squared - This compares a fund's performance to a given index. If R-squared is 100, the fund moves in lockstep with the index to which it is being compared. Generally, a higher R-squared will indicate a more useful beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance.

Beta - This compares a fund's volatility to a given index. If beta is greater than 1, the fund is more volatile than the index to which it is being compared. If beta is lower than 1, the fund is less volatile than the index. If a fund's R-squared is low, beta is less reliable as a predictor of volatility.

Alpha - This is a measure of risk-adjusted performance. The higher a fund's alpha, the better it has done. A fund's alpha is only reliable when its R-squared is relatively high.

Standard Deviation - The higher this number is, the more volatile the fund's returns have been. It indicates how much the fund has deviated from its mean total return over the past three years.

Sharpe Ratio - This measure combines standard deviation and mean total return to show a risk-adjusted measure of the fund's performance. The higher this number is, the better. As a rule of thumb, a Sharpe ratio of more than 1.00 is very good.

TIAA-CREF Quarterly Performance

North Dakota Public Employees Retirement System

457 Deferred Compensation Companion Plan

Investments Performance as of 12/31/2012

Before making your investment choices and completing your enrollment form, you should consider the investment objectives, risks, charges and expenses carefully. Please call 877 518-9161 for a paper copy of the prospectus that contains this and other information. Please read the prospectus carefully before investing. To view the prospectuses online, go to tiaa-cref.org/PRO and enter your Plan ID: 405546. You can also view TIAA-CREF's privacy policy, business continuity statement, and frequent trading policy at tiaa-cref.org/PRO.

The performance data quoted represents past performance, and is no guarantee of future results. Your returns and the principal value of your investment will fluctuate so that your mutual fund shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. For performance current to the most recent month-end, go to tiaa-cref.org/planinvestmentoptions and enter your Plan ID: 405546 or call 800 TIAA-CREF (800 842-2273). Performance may reflect waivers or reimbursements of certain expenses. Absent these waivers or reimbursement arrangements, performance results would have been lower. Since Inception performance shown is cumulative for periods less than one year.

Equities

				Total Returns		Average Annual Total Returns					Total Annual Operating Expenses	
MUTUAL FUND	Investment Number	Ticker Symbol	Inception Date	3-Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception	Gross/Net	Fee Waiver Expiration
Allianz NFJ Small Cap Value Fund –Administrative [40, 45]	1881	PVADX	11/01/95	2.73%	10.54%	10.54%	12.24%	5.26%	11.13%	11.45%	1.12%/1.04%	10/31/13
Benchmark: Russell 2000 Value Index				*3.22%*	*18.05%*	*18.05%*	*11.57%*	*3.55%*	*9.50%*	*9.62%*		
Aston/Fairpointe Mid Cap Fund–I [40]	1588	ABMIX	07/06/04	2.89%	16.75%	16.75%	10.49%	5.18%	–	8.19%	0.89%/0.89%	–
Benchmark: S&P MidCap 400 Index				*3.61%*	*17.88%*	*17.88%*	*13.62%*	*5.15%*	–	*8.16%*		
Brown Capital Management Small Company Fund –Institutional [40, 1203]	1525	BCSIX	07/23/92	2.51%	17.47%	17.47%	12.96%	7.95%	11.83%	11.25%	1.35%/1.35%	–
Benchmark: Russell 2000 Index				*1.85%*	*16.35%*	*16.35%*	*12.25%*	*3.56%*	*9.72%*	*9.11%*		
Cohen & Steers Realty Shares [40]	1306	CSRSX	07/02/91	2.04%	15.72%	15.72%	16.03%	6.31%	12.70%	12.23%	1.03%/1.03%	–
Benchmark: FTSE NAREIT All Equity REITs Index				*3.11%*	*19.70%*	*19.70%*	*18.37%*	*5.74%*	*11.78%*	*11.52%*		
Columbia Mid Cap Index Fund–A [40, 45]	1236	NTIAX	05/31/00	3.46%	17.31%	17.31%	13.11%	4.76%	10.12%	7.19%	0.68%/0.46%	06/30/13
Benchmark: S&P MidCap 400 Index				*3.61%*	*17.88%*	*17.88%*	*13.62%*	*5.15%*	*10.53%*	*7.65%*		
Franklin Growth Fund–Advisor [40, 46]	1586	FCGAX	12/31/96	1.30%	13.98%	13.98%	9.81%	3.55%	8.57%	6.41%	0.69%/0.68%	–
Benchmark: S&P 500 Index				*-0.38%*	*16.00%*	*16.00%*	*10.87%*	*1.66%*	*7.10%*	*6.08%*		
Hartford Dividend and Growth Fund–R5 [40, 45]	1890	HDGTX	12/21/06	0.39%	13.33%	13.33%	9.04%	1.90%	–	3.04%	0.76%/0.75%	02/28/13
Benchmark: S&P 500 Index				*-0.38%*	*16.00%*	*16.00%*	*10.87%*	*1.66%*	–	*2.38%*		
Mutual Global Discovery Fund–Z [40]	1167	MDISX	12/31/92	2.47%	13.65%	13.65%	7.19%	1.88%	10.60%	12.10%	1.01%/1.01%	–
Benchmark: S&P 500 Index				*-0.38%*	*16.00%*	*16.00%*	*10.87%*	*1.66%*	*7.10%*	*8.22%*		
Oppenheimer Developing Markets Fund–Y [40]	1591	ODVYX	09/07/05	4.61%	21.29%	21.29%	8.27%	3.81%	–	12.76%	1.03%/1.03%	–
Benchmark: MSCI Emerging Markets Index				*5.58%*	*18.22%*	*18.22%*	*4.66%*	*-0.92%*	–	*9.85%*		

Financial Services

Investment products, insurance and annuity products: are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

Equities

MUTUAL FUND	Investment Number	Ticker Symbol	Inception Date	Total Returns 3-Month	Total Returns YTD	Average Annual Total Returns 1 Year	3 Year	5 Year	10 Year	Since Inception	Total Annual Operating Expenses Gross/Net	Fee Waiver Expiration
Pamassus Small Cap Fund [40, 45]	1527	PARSX	04/29/05	4.99%	18.41%	18.41%	12.15%	8.53%	–	8.34%	1.22%/1.20%	05/01/13
Benchmark: Russell 2000 Index				*1.85%*	*16.35%*	*16.35%*	*12.25%*	*3.56%*	–	*6.54%*		
Prudential Jennison Mid-Cap Growth Fund–Z [40]	621	PEGZX	12/31/96	0.14%	16.24%	16.24%	12.72%	5.27%	12.77%	9.79%	0.76%/0.76%	–
Benchmark: Russell Midcap Growth Index				*1.69%*	*15.81%*	*15.81%*	*12.91%*	*3.23%*	*10.32%*	*7.07%*		
RidgeWorth Mid Cap Value Equity Fund–I [40, 137]	1284	SMVIX	11/30/01	6.02%	21.79%	21.79%	12.95%	6.67%	11.71%	8.64%	1.07%/1.07%	–
Benchmark: Russell Midcap Value Index				*3.93%*	*18.51%*	*18.51%*	*13.39%*	*3.79%*	*10.63%*	*8.94%*		
T. Rowe Price Capital Appreciation Fund–Advisor [40, 45]	395	PACLX	12/31/04	1.74%	14.34%	14.34%	10.20%	5.22%	–	6.35%	1.02%/1.01%	–
Benchmark: S&P 500 Index				*-0.38%*	*16.00%*	*16.00%*	*10.87%*	*1.66%*	–	*4.22%*		
T. Rowe Price Equity Income Fund [40]	1660	PRFDX	10/31/85	1.92%	17.25%	17.25%	10.26%	1.58%	7.22%	10.69%	0.68%/0.68%	–
Benchmark: S&P 500 Index				*-0.38%*	*16.00%*	*16.00%*	*10.87%*	*1.66%*	*7.10%*	*10.25%*		
Vanguard 500 Index Fund–Signal [40]	296	VIFSX	09/29/06	-0.38%	15.97%	15.97%	10.85%	1.68%	–	3.27%	0.05%/0.05%	–
Benchmark: S&P 500 Index				*-0.38%*	*16.00%*	*16.00%*	*10.87%*	*1.66%*	–	*3.26%*		
Vanguard Dividend Growth Fund–Investor [40]	1734	VDIGX	05/15/92	-0.40%	10.39%	10.39%	10.41%	4.05%	8.84%	7.23%	0.31%/0.31%	–
Benchmark: Russell 1000 Index				*0.12%*	*16.42%*	*16.42%*	*11.12%*	*1.92%*	*7.52%*	*8.56%*		
Vanguard Total International Stock Index Fund –Signal [40]	1716	VTSGX	11/29/10	6.69%	18.21%	18.21%	–	–	–	3.85%	0.18%/0.18%	–
Benchmark: MSCI All Country World ex USA Investable Market Index				*5.74%*	*17.04%*	*17.04%*	–	–	–	*3.69%*		
Wells Fargo Advantage Growth Fund –Administrator [40, 45]	1888	SGRIX	09/03/02	-2.40%	16.89%	16.89%	17.01%	7.24%	12.30%	11.68%	1.05%/0.97%	11/30/13
Benchmark: Russell 3000 Growth Index				*-1.19%*	*15.21%*	*15.21%*	*11.46%*	*3.15%*	*7.69%*	*7.03%*		

Fixed Income

MUTUAL FUND	Investment Number	Ticker Symbol	Inception Date	Total Returns 3-Month	Total Returns YTD	Average Annual Total Returns 1 Year	3 Year	5 Year	10 Year	Since Inception	Total Annual Operating Expenses Gross/Net	Fee Waiver Expiration
PIMCO Real Return Fund–Administrative [40, 51]	1820	PARRX	04/28/00	0.93%	8.98%	8.98%	9.26%	7.64%	6.86%	7.85%	0.72%/0.70%	–
Benchmark: Barclays U.S. Treasury Inflation Protected Securities (TIPS) Index (Series-L)				*0.69%*	*6.98%*	*6.98%*	*8.90%*	*7.04%*	*6.65%*	*7.71%*		
PIMCO Total Return Fund–Admin [40]	583	PTRAX	09/08/94	1.10%	10.08%	10.08%	7.48%	8.07%	6.55%	7.46%	0.71%/0.71%	–
Benchmark: Barclays U.S. Aggregate Bond Index				*0.21%*	*4.21%*	*4.21%*	*6.19%*	*5.95%*	*5.18%*	*6.53%*		
Prudential High Yield Fund–Z [16, 40]	1887	PHYZX	03/01/96	3.01%	14.16%	14.16%	11.23%	9.71%	9.97%	6.83%	0.62%/0.62%	–
Benchmark: Merrill Lynch U.S. High-Yield Master II Index				*3.23%*	*15.59%*	*15.59%*	*11.60%*	*10.01%*	*10.39%*	*7.55%*		
Templeton Global Bond Fund–Advisor [40, 45]	1255	TGBAX	12/31/96	3.83%	16.15%	16.15%	8.68%	10.25%	10.84%	8.61%	0.66%/0.65%	–
Benchmark: Citi World Government Bond Index USD				*-1.71%*	*1.65%*	*1.65%*	*4.37%*	*5.27%*	*6.04%*	*5.60%*		

Money Market

MUTUAL FUND	Investment Number	Ticker Symbol	Inception Date	Current 7-day Yield *	Total Returns 3-Month	Total Returns YTD	Average Annual Total Returns 1 Year	3 Year	5 Year	10 Year	Since Inception	Total Annual Operating Expenses Gross/Net	Fee Waiver Expiration
Vanguard Prime Money Market Fund –Investor [31, 40, 77]	338	VMMXX	06/04/75	0.03%	0.01%	0.04%	0.04%	0.05%	0.68%	1.83%	5.67%	0.16%/0.16%	–
Benchmark: Citi 3-Month Treasury Bill Index				–	*0.02%*	*0.07%*	*0.07%*	*0.09%*	*0.45%*	*1.69%*	–		

* The current yield more closely reflects the earnings of this investment choice.

Investment products, insurance and annuity products: are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

Multi-Asset

MUTUAL FUND	Investment Number	Ticker Symbol	Inception Date	Total Returns 3-Month	Total Returns YTD	Average Annual Total Returns 1 Year	3 Year	5 Year	10 Year	Since Inception	Total Annual Operating Expenses Gross/Net	Fee Waiver Expiration
TIAA-CREF Lifecycle 2010 Fund—Retirement [45, 132]	135	TCLEX	10/15/04	1.71%	12.27%	12.27%	8.31%	3.00%	–	5.26%	0.85%/0.66%	09/30/13
Benchmark: Lifecycle 2010 Fund Composite Index				*0.98%*	*10.37%*	*10.37%*	*8.06%*	*3.41%*	–	*5.44%*		
Benchmark: Barclays U.S. Aggregate Bond Index				*0.21%*	*4.21%*	*4.21%*	*6.19%*	*5.95%*	–	*5.34%*		
TIAA-CREF Lifecycle 2015 Fund—Retirement [45, 132]	136	TCLIX	10/15/04	1.87%	13.31%	13.31%	8.55%	2.54%	–	5.25%	0.85%/0.67%	09/30/13
Benchmark: Lifecycle 2015 Fund Composite Index				*1.07%*	*11.22%*	*11.22%*	*8.28%*	*2.95%*	–	*5.40%*		
Benchmark: Russell 3000 Index				*0.25%*	*16.42%*	*16.42%*	*11.20%*	*2.04%*	–	*5.74%*		
TIAA-CREF Lifecycle 2020 Fund—Retirement [45, 132]	137	TCLTX	10/15/04	2.08%	14.28%	14.28%	8.76%	1.99%	–	5.09%	0.87%/0.69%	09/30/13
Benchmark: Lifecycle 2020 Fund Composite Index				*1.18%*	*12.21%*	*12.21%*	*8.51%*	*2.48%*	–	*5.25%*		
Benchmark: Russell 3000 Index				*0.25%*	*16.42%*	*16.42%*	*11.20%*	*2.04%*	–	*5.74%*		
TIAA-CREF Lifecycle 2025 Fund—Retirement [45, 132]	138	TCLFX	10/15/04	2.19%	15.24%	15.24%	8.91%	1.44%	–	4.92%	0.89%/0.71%	09/30/13
Benchmark: Lifecycle 2025 Fund Composite Index				*1.29%*	*13.19%*	*13.19%*	*8.72%*	*1.99%*	–	*5.09%*		
Benchmark: Russell 3000 Index				*0.25%*	*16.42%*	*16.42%*	*11.20%*	*2.04%*	–	*5.74%*		
TIAA-CREF Lifecycle 2030 Fund—Retirement [45, 132]	139	TCLNX	10/15/04	2.28%	16.21%	16.21%	8.99%	0.81%	–	4.68%	0.90%/0.72%	09/30/13
Benchmark: Lifecycle 2030 Fund Composite Index				*1.41%*	*14.18%*	*14.18%*	*8.90%*	*1.47%*	–	*4.92%*		
Benchmark: Russell 3000 Index				*0.25%*	*16.42%*	*16.42%*	*11.20%*	*2.04%*	–	*5.74%*		
TIAA-CREF Lifecycle 2035 Fund—Retirement [45, 132]	140	TCLRX	10/15/04	2.51%	17.01%	17.01%	9.08%	0.58%	–	4.75%	0.91%/0.73%	09/30/13
Benchmark: Lifecycle 2035 Fund Composite Index				*1.53%*	*15.18%*	*15.18%*	*9.07%*	*1.31%*	–	*5.01%*		
Benchmark: Russell 3000 Index				*0.25%*	*16.42%*	*16.42%*	*11.20%*	*2.04%*	–	*5.74%*		
TIAA-CREF Lifecycle 2040 Fund—Retirement [45, 132]	141	TCLOX	10/15/04	2.57%	17.37%	17.37%	9.14%	0.64%	–	5.02%	0.92%/0.74%	09/30/13
Benchmark: Lifecycle 2040 Fund Composite Index				*1.59%*	*15.54%*	*15.54%*	*9.13%*	*1.34%*	–	*5.24%*		
Benchmark: Russell 3000 Index				*0.25%*	*16.42%*	*16.42%*	*11.20%*	*2.04%*	–	*5.74%*		
TIAA-CREF Lifecycle 2045 Fund—Retirement [45, 132]	522	TTFRX	11/30/07	2.55%	17.26%	17.26%	9.07%	0.33%	–	0.28%	0.97%/0.74%	09/30/13
Benchmark: Lifecycle 2045 Fund Composite Index				*1.59%*	*15.54%*	*15.54%*	*9.13%*	*1.35%*	–	*1.15%*		
Benchmark: Russell 3000 Index				*0.25%*	*16.42%*	*16.42%*	*11.20%*	*2.04%*	–	*1.89%*		
TIAA-CREF Lifecycle 2050 Fund—Retirement [45, 132]	525	TLFRX	11/30/07	2.48%	17.24%	17.24%	9.07%	0.29%	–	0.24%	1.01%/0.74%	09/30/13
Benchmark: Lifecycle 2050 Fund Composite Index				*1.59%*	*15.54%*	*15.54%*	*9.13%*	*1.35%*	–	*1.15%*		
Benchmark: Russell 3000 Index				*0.25%*	*16.42%*	*16.42%*	*11.20%*	*2.04%*	–	*1.89%*		
TIAA-CREF Lifecycle 2055 Fund—Retirement [45, 132]	1738	TTRLX	04/29/11	2.50%	17.30%	17.30%	–	–	–	2.21%	1.56%/0.74%	09/30/13
Benchmark: Lifecycle 2055 Fund Composite Index				*1.59%*	*15.54%*	*15.54%*	–	–	–	*2.78%*		
Benchmark: Russell 3000 Index				*0.25%*	*16.42%*	*16.42%*	–	–	–	*4.33%*		
TIAA-CREF Lifecycle Retirement Income Fund —Retirement [45, 132]	528	TLIRX	11/30/07	1.47%	11.27%	11.27%	7.96%	3.81%	–	3.74%	0.91%/0.64%	09/30/13
Benchmark: Lifecycle Retirement Income Fund Composite Index				*0.88%*	*9.37%*	*9.37%*	*7.77%*	*4.31%*	–	*4.18%*		
Benchmark: Barclays U.S. Aggregate Bond Index				*0.21%*	*4.21%*	*4.21%*	*6.19%*	*5.95%*	–	*5.90%*		

TIAA CREF
Financial Services

Investment products, insurance and annuity products: are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

Other

COLLECTIVE FUND	Investment Number	Ticker Symbol	Inception Date	Total Returns 3-Month	YTD	Average Annual Total Returns 1 Year	3 Year	5 Year	10 Year	Since Inception	Total Annual Operating Expenses Gross/Net	Fee Waiver Expiration
Wells Fargo Stable Return Fund - J [34, 37, 40, 86]	1389	--	10/01/85	0.28%	1.21%	1.21%	1.66%	2.26%	3.04%	5.23%	1.05%/1.05%	--

TIAA CREF Financial Services

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A NOTE ABOUT RISK

Equity mutual funds generally carry a higher degree of risk than fixed income funds and accounts. This risk is heightened for funds that invest in small and mid-cap stocks and foreign securities.

Fixed income mutual funds are not guaranteed and are subject to interest rate, inflation and credit risks. Funds that invest in non-investment grade securities (i.e. high-yield) present special risks, including significantly higher interest rate and credit risk.

Mutual funds that invest in real estate securities are subject to various risks, including fluctuation in property values, higher expenses or lower income than expected, and potential environmental problems and liability.

More detailed information on risks applicable to a particular investment option can be found in the prospectus or other product literature.

About the Benchmark

A benchmark provides an investor with a point of reference to evaluate an investment's performance. One common type of benchmark used to compare investment performance is called an index. Indexes are unmanaged portfolios of securities designed to track the performance of a particular segment of the market. For example, a large cap stock fund or account will usually be compared to an index that tracks a portfolio of large-cap stocks. Conversely, a bond fund or account is typically compared to an index that tracks a portfolio of bonds that is comparable to the fund or account's portfolio in terms of credit quality, maturity and liquidity. Each mutual fund or account shown in the chart includes performance information for an index that the advisor determined provides a fair comparison of the fund or account's investment performance. Indexes are for comparison purposes only. You cannot invest directly in any index. Index returns do not reflect a deduction for fees or expenses.

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Important Information

16 The comparative indices used for this investment product have been provided by Morningstar, Inc. and may not match those that appear in other websites or publications.

77 An investment in the fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other U.S. government agency. The fund will attempt to maintain a stable net asset value of $1.00 per share, but it is possible to lose money by investing in the fund.

31 The 7-day money market yield listed more closely reflects the current earnings of the money market mutual fund(s) than does the total return.

40 Accumulations in funds not managed by TIAA-CREF may be subject to administrative charges. These charges are subject to change. Please review current documents related to your plan.

132 As Target Retirement Date Funds are actively managed, their asset allocations are subject to change and may vary from those indicated. They invest in many underlying funds and are exposed to the risks of different areas of the market. The higher a fund's allocation to stocks, the greater the risk. After the target date has been reached, some of these funds may be merged into a fund with a more stable asset allocation. In addition to the fund level expenses these funds are also subject to the expenses of their underlying investments. Please consult the prospectus for more complete information.

34 The Wells Fargo Stable Return Fund is a collective investment trust fund for which Wells Fargo Bank, N.A. ("Wells Fargo") is the investment advisor and trustee. Galliard Capital Management, Inc., a wholly-owned subsidiary of Wells Fargo, serves as subadvisor to the Fund. The Fund charges an annualized fee for investment and administrative services equivalent to 0.85% of assets invested in the Fund. From this fee, the Fund will pay a fee equivalent to 0.50% of assets invested in the Fund to the Recordkeeper for administrative and recordkeeping services performed by it, or its agents, related to the purchase, sale and holding of fund units. The difference between the Fund's total annual operating expenses (expense ratio) and the investment and administrative services fee described above is attributable to investment contract fees (wrap fees), acquired fund fees, subadvisor investment management expenses, audit, valuation and 5500 fees. Fund returns reflect all income, realized and unrealized capital gains and losses and all annual fund operating expenses. The Fund is not insured by the FDIC, Federal Reserve Bank, nor guaranteed by Wells Fargo or any affiliate, including Galliard Capital Management. Past performance is not an indication of how the investment will perform in the future. For additional details, please visit https://www.galliard.com/reports/srf_disclosure.pdf or refer to the Fund fact sheet.

37 Data provided by Galliard Capital Management. Neither TIAA-CREF nor its affiliates has independently verified the accuracy or completeness of this information.

45 The net annual expense reflects a contractual reimbursement of various expenses, which will remain in effect until terminated. Had fees not been waived and/or expenses reimbursed currently or in the past, returns would have been lower. Please see the prospectus for details.

46 The net annual expense reflects a voluntary reimbursement of various expenses, which will remain in effect until terminated. Had fees not been waived and/or expenses reimbursed currently or in the past, returns would have been lower. Please see the prospectus for details.

51 The net expense ratio reflects total annual fund operating expenses excluding interest expense. If interest expense was included, returns would have been lower. Please see the prospectus for details.

86 The Wells Fargo Stable Return Fund is not insured or guaranteed by any governmental agency. Investments in the fund are subject to the various risks associated with investing in investment contracts, which include default, interest-rate, and liquidity risk. Default risk is the risk that companies or individuals will not be able to make their required payments on debt obligations. Interest rate risk is the risk that interest payments of debt securities may become less competitive during periods of rising interest rates and declining bond prices. Liquidity risk is the risk that illiquid securities may be difficult to sell at their fair market value. Before investing, please see the fund's Disclosure Document for more detailed information about these and other risks.

137 Prior to December 1, 2012, the fund was known as Wells Fargo Advantage Total Return Bond Fund.

1203 Shares held less than 60 calendar days may be subject to a 2.00% redemption fee. Please see the prospectus for details. The fund performance shown does not reflect the deduction of this fee. Had the fee been deducted, returns would have been lower.