

Performance for the Quarter and Year-to-Date ended December 31, 2006

The Federal Open Markets Committee (FOMC) met for the last time of the year on December 12, 2006. They voted to maintain a federal funds rate of 5.25%. In their statement, the FOMC noted that economic growth had continued to slow at the end of the year “partly reflecting a substantial cooling of the housing market.” Also affecting the U.S. economy during the fourth quarter were the mid-term congressional elections. Democrats gained control over both the House and Senate by a narrow margin. With a divided government, political uncertainty has entered the market. However, many investors are predicting a stalemate between the Republican President and Democratic Congress for the next two years.

Internationally, the Thai market had a 15% one-day drop in late December when the Thai government attempted to impose a currency regulation that put restrictions on foreign investments, including stocks. After the drastic market reaction, the Thai government reversed its decision. Fortunately, emerging markets were not greatly impacted by this fall-out, and in fact, emerging markets continued to produce healthy returns in the fourth quarter. The MSCI Emerging Markets Net Dividend Index ended the quarter up 17.6%.

Often thought of as a phenomenon, an inverted yield curve became the norm in 2006. With the pending uncertainty of inflation reported by the FOMC, investors shied away from longer-term notes. In addition, the U.S. saw a decrease in demand from pension funds and foreign central banks for long-term bonds, which contributed to the drop in rates.

For the quarter ending December 31, 2006, all of the General Board funds produced positive returns. In addition, for the second quarter in a row all funds produced positive returns for the year-to-date, one, two, and three-year periods. The year’s best performing fund was the Domestic Bond Fund with a return of 6.8%, ending 2.1% ahead of its benchmark.

Fund and Benchmark Performance for Periods Ended December 31, 2006

General Board Funds	Quarter	YTD	1 Year	2 Years	3 Years	5 Years	Inception
Multiple Asset Fund ¹	6.0%	13.8%	13.8%	11.2%	11.3%	NA	10.2%
<i>Custom Benchmark</i> ²	5.6%	13.4%	13.4%	10.1%	10.4%	NA	9.3%
Domestic Stock	6.6%	15.3%	15.3%	10.2%	10.7%	6.8%	6.2%
<i>Russell 3000 Index</i>	7.1%	15.7%	15.7%	10.8%	11.2%	7.2%	6.3%
Domestic Bond	2.5%	6.8%	6.8%	4.3%	4.3%	5.2%	5.9%
<i>Lehman Aggregate (blend)</i> ³	1.5%	4.7%	4.7%	3.5%	3.8%	5.0%	5.9%
Inflation Protection Fund ⁴	-0.8%	0.7%	0.7%	1.7%	3.9%	NA	3.9%
<i>BCGI Infltn-Lnkd Indx</i>	-1.3%	0.5%	0.5%	1.6%	3.9%	NA	3.9%
Stable Value Fund ⁵	1.1%	4.3%	4.3%	4.1%	3.8%	NA	3.7%
<i>Ryan Labs GIC Index</i>	1.0%	3.8%	3.8%	3.5%	3.3%	NA	3.1%
Balanced Social Values Plus	3.8%	6.4%	6.4%	5.6%	5.2%	4.1%	4.5%
<i>Custom Benchmark</i> ⁶	4.9%	11.4%	11.4%	8.1%	8.3%	6.0%	6.2%
International Stock	12.3%	25.4%	25.4%	21.6%	18.8%	13.7%	10.5%
<i>MSCI Blend</i> ⁷	11.2%	26.7%	26.7%	19.9%	20.0%	15.0%	8.4%

¹Inception for Multiple Asset Fund is 5/1/2002.

² On January 1, 2006, the benchmark for the Multiple Asset Fund became 45% Russell 3000 Index, 20% MSCI All Country World Index ex USA Index, 25% Lehman U.S. Universal Index ex-Mortgage Backed Securities, and 10% U.S. Barclays Capital Global Inflation Linked Bond Index. Prior to this date, the benchmark had been 47% Russell 3000 Index, 15% MSCI EAFE Index, 3% MSCI Emerging Markets Index, and 35% Lehman U.S. Universal Index. The benchmark data reported above is a blend of the two benchmarks based on the period for which the respective benchmark applies.

³Benchmark for the Domestic Bond Fund became the Lehman Universal ex-MBS Index on January 1, 2006. Prior to this date, the benchmark had been the Lehman Aggregate Bond Index from January 1, 2003 through December 31, 2005, and the Lehman Intermediate Aggregate Bond Index prior to January 1, 2003. The benchmark data reported above is a blend of the three benchmarks based on the period for which each respective benchmark applies.

⁴Inception for Inflation Protection Fund is 12/31/2003.

⁵Inception for Stable Value Fund is 11/30/2002.

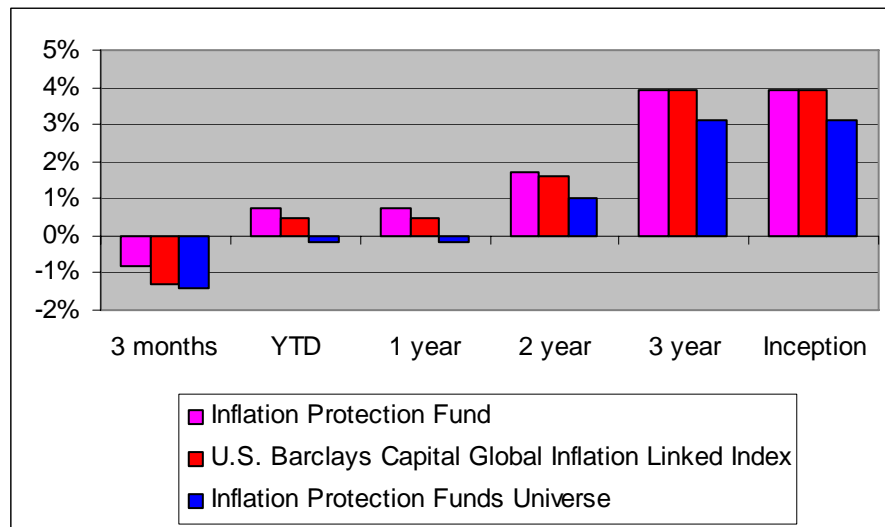
⁶Benchmark for the Balanced Social Values Plus Fund is 60% Russell 3000, 30% Lehman Aggregate Bond Index and 10% Merrill Lynch 3 month Treasury Bills Index.

⁷Benchmark for the International Stock Fund became the MSCI All Country World Index ex USA (MSCI ACWI ex USA) on January 1, 2006. Prior to this date, the benchmark had been the MSCI EAFE Index. The benchmark data reported above is a blend of the two benchmarks based on the period for which each respective benchmark applies.

The charts below compare the performance of each of the General Board funds (except for the Stable Value Fund, for which there is no comparable data) with similar funds reported in the Standard and Poor's universe of mutual fund returns. The row called "Number of Funds" indicates how many mutual funds similar to the General Board's fund appear in the Standard and Poor's database. The row called "Rank" indicates the percentile rank of the General Board's fund when compared to similar mutual funds. For example, a rank of 30% means that the General Board's fund performed in the top 30% of a universe of similar mutual funds.

Recent and Long-Term Returns: Inflation Protection Fund Compared with Standard and Poor's Universe

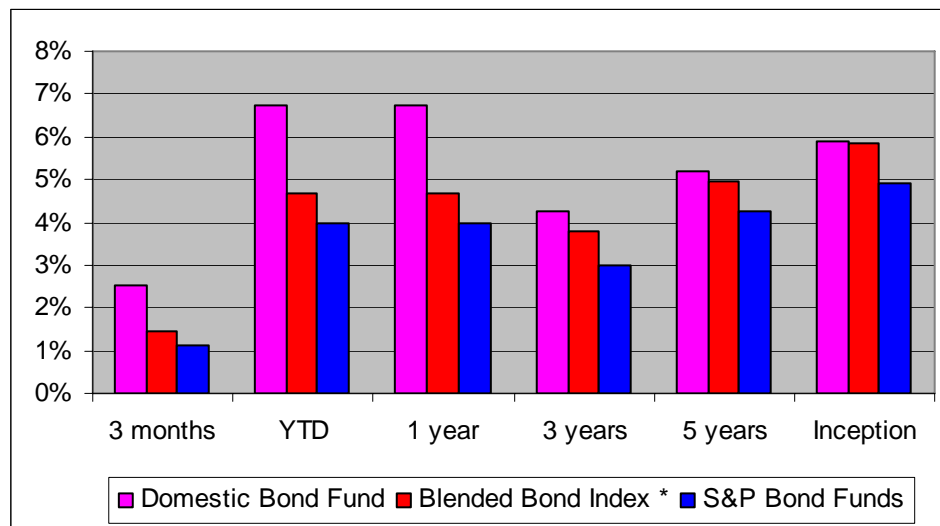
For the fourth quarter 2006, the Inflation Protection Fund had a return of -0.8%; however, the fund finished 0.5% ahead of its benchmark. For the year as a whole, inflation protected securities produced modest returns as a result of the FOMC's battle against inflation. In February of 2006, the General Board allocated ten percent of the fund to commodities, allowing the fund to attain returns above its benchmark and universe of inflation protection funds. For the year, the commodities portion of the fund gained 4.3%. The total fund ended the year with a gain of 0.7%.



Compound Annual Returns for the Periods Ending December 31, 2006	<u>3 months</u>	<u>YTD</u>	<u>1 Year</u>	<u>2 Year</u>	<u>3 Year</u>	<u>Inception</u>
Inflation Protection Fund	-0.8%	0.7%	0.7%	1.7%	3.9%	3.9%
U.S. Barclays Capital Global Inflation Linked Index	-1.3%	0.5%	0.5%	1.6%	3.9%	3.9%
Inflation Protection Funds Universe	-1.4%	-0.2%	-0.2%	1.0%	3.1%	3.1%
Number of Funds	123	116	116	97	64	64
Rank	7%	11%	11%	11%	6%	6%

Recent and Long-Term Returns: Domestic Bond Fund Compared with Standard and Poor's Universe

For the quarter ending December 31, 2006, the Domestic Bond Fund exceeded its benchmark by a full percent. Compared to the fund's performance benchmark, the Domestic Bond Fund was the General Board's top performing fund for the year, surpassing its benchmark by 2.1%. The fund's performance ranked in the top 2% of the Standard and Poor's universe of short, intermediate, and long-term bond funds for the fourth quarter and for the year. With the U.S. dollar remaining weak in the fourth quarter, the fund continued to benefit from its exposure to bonds denominated in currencies other than the dollar. Additionally, the fund benefited from its exposure to debt from lesser developed countries as their economies strengthened given continued improvements in the world's economy.



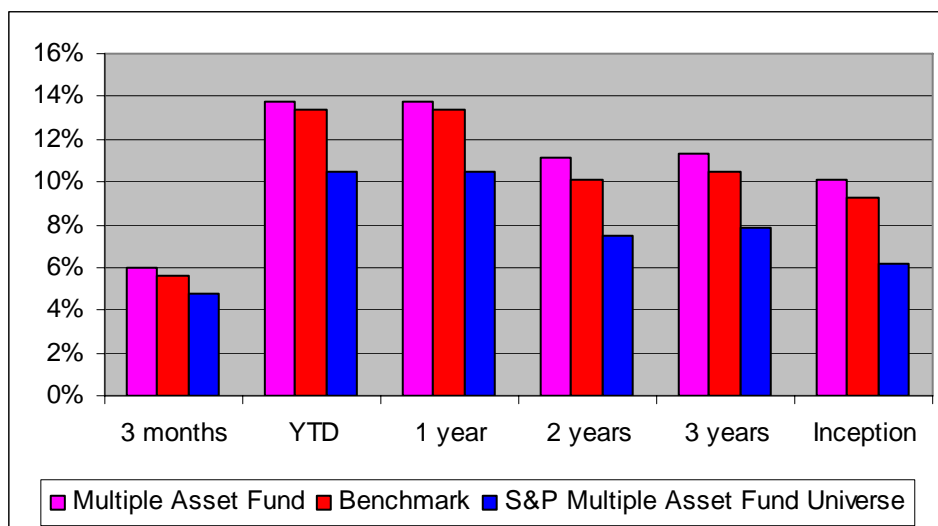
Compound Annual Returns for the Periods Ending December 31, 2006	<u>3 months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>Inception</u>
Domestic Bond Fund	2.5%	6.8%	6.8%	4.3%	5.2%	5.9%
Blended Bond Index *	1.5%	4.7%	4.7%	3.8%	5.0%	5.9%
S&P Bond Funds	1.1%	4.0%	4.0%	3.0%	4.2%	4.9%
Number of Funds	1,396	1,347	1,347	1,144	869	486
Rank	2%	2%	2%	7%	16%	8%

*Benchmark for the Domestic Bond Fund became the Lehman Universal ex-MBS Index on January 1, 2006. Prior to this date, the benchmark had been the Lehman Aggregate Bond Index from January 1, 2003 through December 31, 2005, and the Lehman Intermediate Aggregate Bond Index prior to January 31, 2003. The benchmark data reported above is a blend of the three benchmarks based on the period for which each respective benchmark applies.

Recent and Long-Term Returns: Multiple Asset Fund Compared with Standard and Poor's Universe

The Multiple Asset Fund represents a pre-specified mix of four of the General Board funds with a target allocation of 45% Domestic Stock Fund, 20% International Stock Fund, 25% Domestic Bond Fund, and 10% Inflation Protection Fund. When these differences in allocations exceed the pre-specified limits, the Multiple Asset Fund is rebalanced by selling shares of the over-allocated funds and purchasing shares of the under-allocated funds

For the quarter ending December 31, 2006, the Multiple Asset Fund surpassed its benchmark by 0.4%. This performance can be attributed to its 25% allocation to the Domestic Bond Fund, which performed extremely well. The Domestic Bond Fund finished 1% ahead of its benchmark for the fourth quarter and 2.1% ahead of its benchmark for the year. The graph and table below show that the Multiple Asset Fund has produced returns ahead of its benchmark and the median return of its S&P universe of over 2,000 funds for the quarter, year-to-date, one-year, two-year, and three-year periods.



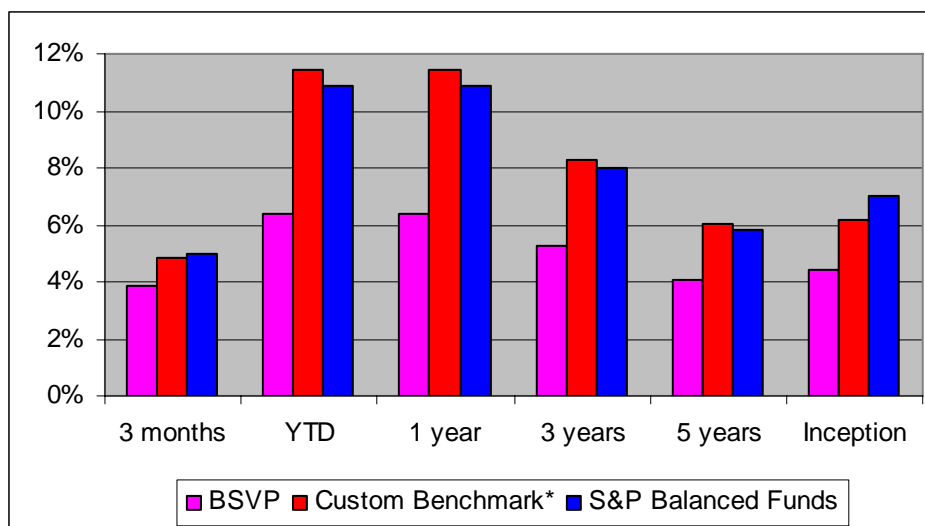
Fund inception for the Multiple Asset Fund is May 1, 2002.

Compound Annual Returns for the Periods Ending December 31, 2006	<u>3 months</u>	<u>YTD</u>	<u>1 Year</u>	<u>2 Year</u>	<u>3 Year</u>	<u>Inception</u>
Multiple Asset	6.0%	13.8%	13.8%	11.2%	11.3%	10.2%
Benchmark	5.6%	13.4%	13.4%	10.1%	10.4%	9.3%
S&P Multiple Asset Universe	4.8%	10.5%	10.5%	7.5%	7.8%	6.2%
Number of Funds	2,559	2,344	2,344	1,986	1,605	1,010
Rank	23%	15%	15%	6%	8%	8%

* On January 1, 2006, the benchmark for the Multiple Asset Fund became 45% Russell 3000 Index, 20% MSCI All Country World Index ex USA Index, 25% Lehman U.S. Universal Index ex-Mortgage Backed Securities, and 10% U.S. Barclays Capital Global Inflation Linked Bond Index. Prior to this date, the benchmark had been 47% Russell 3000 Index, 15% MSCI EAFE Index, 3% MSCI Emerging Markets Index, and 35% Lehman U.S. Universal Index. The benchmark data reported above is a blend of the two benchmarks based on the period for which the respective benchmark applies.

Recent and Long-Term Returns: Balanced Social Values Fund Compared with Standard and Poor's Universe

For the last quarter of 2006, the Balanced Social Values Plus Fund produced a return below its benchmark by 1.1%. The fund holds a larger percentage of growth stocks than its benchmark, which more closely represents the overall market. While growth stocks generated positive returns in the fourth quarter, they did not generate returns at the same pace as the rest of the market.

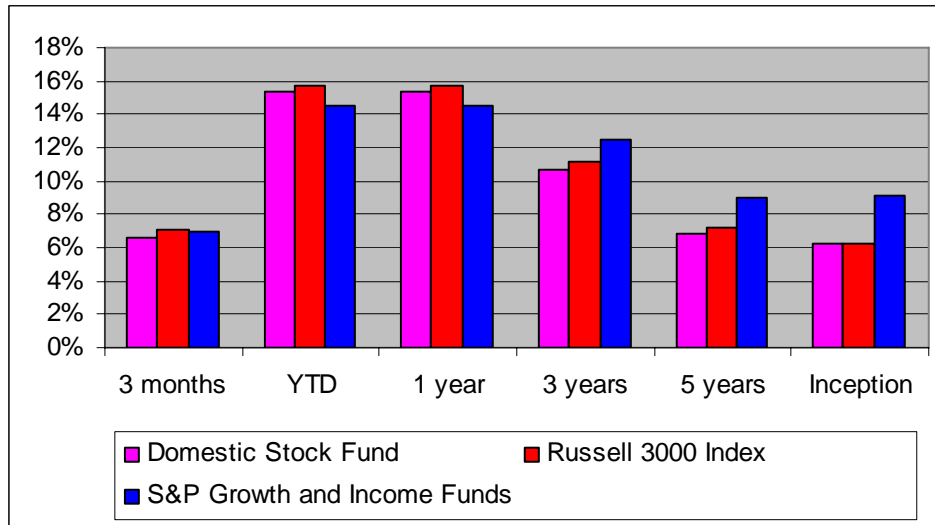


Compound Annual Returns for the Periods Ending December 31, 2006	<u>3 months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>Inception</u>
BSVP	3.8%	6.4%	6.4%	5.2%	4.1%	4.5%
Custom Benchmark *	4.9%	11.4%	11.4%	8.3%	6.0%	6.2%
S&P Balanced Funds	5.0%	10.9%	10.9%	8.0%	5.8%	7.0%
Number of Funds	1,125	1,034	1,034	715	502	249
Rank	89%	97%	97%	95%	88%	75%

*Benchmark for the Balanced Social Values Plus Fund is 60% Russell 3000, 30% Lehman Aggregate Bond Index and 10% Merrill Lynch 3 month Treasury Bills Index.

Recent and Long-Term Returns: Domestic Stock Fund Compared with Standard and Poor's Universe

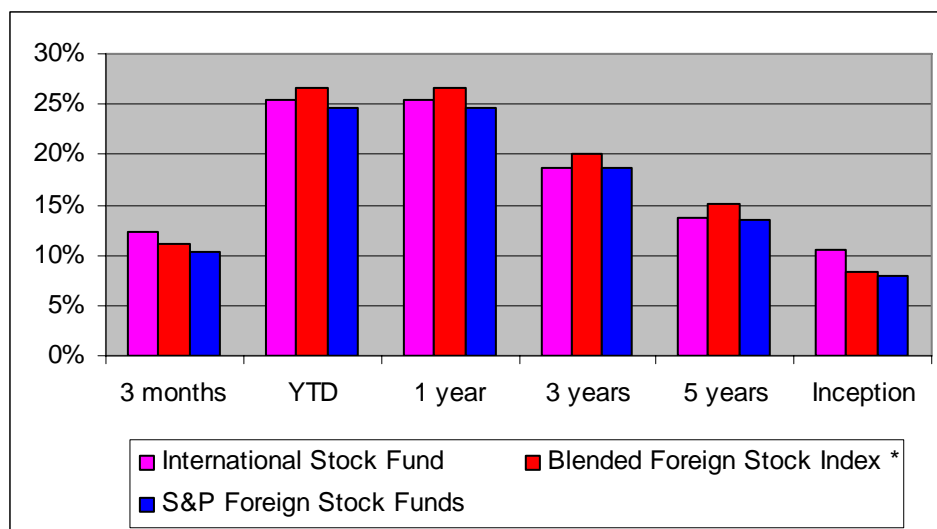
For the quarter ending December 31, 2006, the Domestic Stock Fund returned 6.6%, which was 0.5% below its benchmark. As a group, the Domestic Stock Fund's investment managers had a higher exposure to stocks that are traditionally considered "growth" stocks because they are expected to grow earnings at a rate faster than the overall economy. Growth stocks have underperformed the broad market for seven years and the consensus of the General Board's investment managers is that these stocks are undervalued by the market.



Compound Annual Returns for the Periods Ending December 31, 2006	<u>3 months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>Inception</u>
Domestic Stock Fund	6.6%	15.3%	15.3%	10.7%	6.8%	6.2%
Russell 3000 Index	7.1%	15.7%	15.7%	11.2%	7.2%	6.3%
S&P Growth and Income Funds	7.0%	14.6%	14.6%	12.4%	9.1%	9.2%
Number of Funds	2,445	2,415	2,415	2,158	1,857	1,079
Rank	59%	45%	45%	67%	72%	83%

Recent and Long-Term Returns: International Stock Fund Compared with Standard and Poor's Universe

For the fourth quarter 2006, the International Stock Fund had a robust return of 12.3%, ahead of its benchmark by 1.1%. This was a strong year for international and emerging markets. The fund had a one year return of 25.4%, slightly below its benchmark, but ahead of the median return of its S&P universe. Similar to the Domestic Stock Fund, the International Stock Fund is weighted more heavily with growth stocks in comparison to its index.



Compound Annual Returns for the Periods Ending December 31, 2005	<u>3 months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>Inception</u>
International Stock Fund	12.3%	25.4%	25.4%	18.8%	13.7%	10.5%
Blended Foreign Stock Index	11.2%	26.7%	26.7%	20.0%	15.0%	8.4%
S&P Foreign Stock Funds	10.3%	24.7%	24.7%	18.7%	13.5%	7.9%
Number of Funds	1,040	933	933	783	635	337
Rank	10%	41%	41%	49%	48%	17%

*Benchmark for the International Stock Fund became the MSCI All Country World Index ex USA (MSCI ACWI ex USA) on January 1, 2006. Prior to this date, the benchmark had been the MSCI EAFE Index. The benchmark data reported above is a blend of the two benchmarks based on the period for which each respective benchmark applies.

For further information on and returns of the investment strategy of the General Board's funds, please see the [Investment Funds Description](#) booklet, available on the General Board's Web site.

Disclosure: Past performance is not a predictor of future results. The General Board highly recommends that participants consult with a fee-only financial planner to develop a savings plan that is best suited to the participant's individual life circumstance and risk tolerance.