



PRESS RELEASE
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Contact: Bill Wallace
Director of Communications
512-225-3722

TMRS INVESTMENT OVERVIEW FOR 2008

Investment performance for the Texas Municipal Retirement System (TMRS) at year end was down from last year, but the fund's position in bonds helped mitigate the return. The income rate of return for the \$14.6 billion fund was 5.89%.

TMRS has completed the first stage of an asset diversification plan approved by the system's Board of Trustees in 2007, moving away from the fund's traditional 100% fixed income portfolio. By December 31, 2008, approximately 12% of the fund was invested in passive equity index funds: 6% in the Russell 3000 and 6% in the MSCI-EAFE. The remaining 88% of the fund is invested in fixed-income securities. Total Return for the year was -1.30%.

TMRS is a centrally administered retirement program that provides benefits to more than 830 Texas cities.

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