

## **[JennisonDryden Sample Retirement Plan]**

*Performance Results as of December 31, 2007*

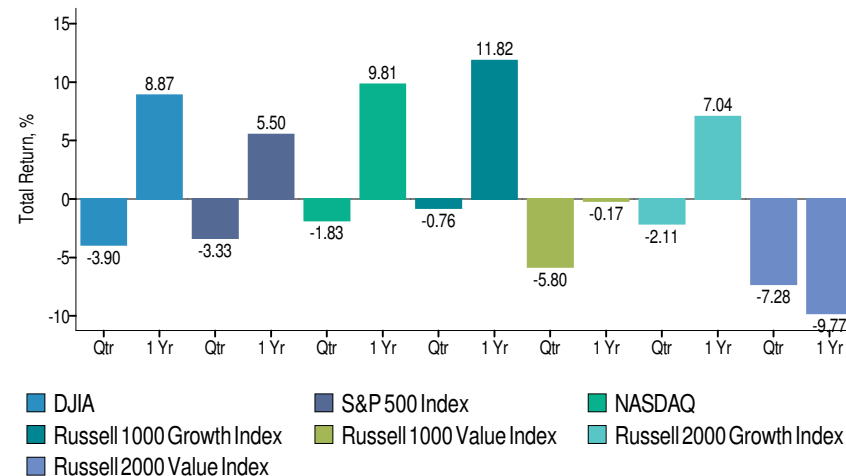
### **Investment Review**

# Market Commentary

## Domestic Equity Market Review

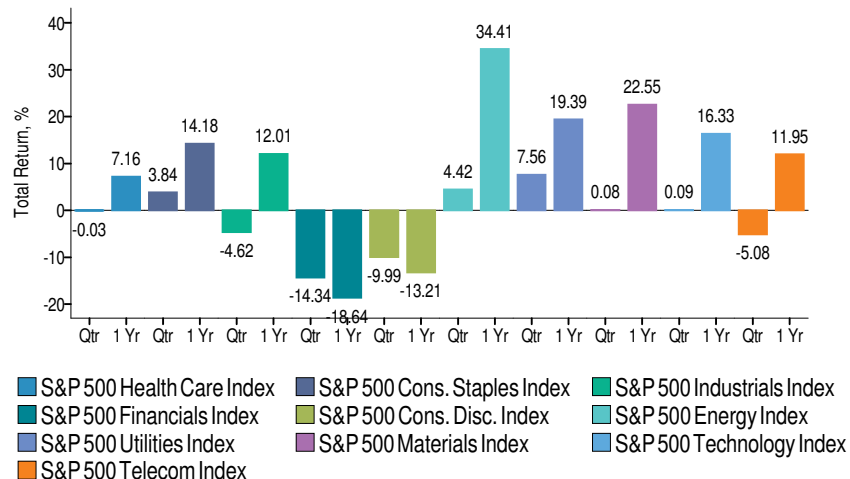
- The S&P 500 Index and the Dow Jones Industrial Average reached record highs in October as investors bid up stock prices in anticipation that reductions in short-term interest rates by the Federal Reserve (the Fed) would ease tight credit conditions and stimulate the U.S. economy. But less than seven weeks later, worries about a possible economic recession in the United States and mounting credit woes at major financial companies sent both indices into a full-scale correction, traditionally defined as a decline of 10% from a recent high. The S&P 500 Index and the Dow Industrials both ended the quarter in negative territory, marking the first time in several years that stocks posted a fourth-quarter loss.
- Three sectors in the S&P 500 Index posted positive returns for the fourth quarter – utilities, energy, and consumer staples. Concerns about slowing economic growth and higher consumer prices helped less cyclical sectors like utilities, consumer staples, and healthcare. Worldwide demand for oil continued to outstrip supply, and crude oil futures peaked for the year, at a then record settlement high above \$98 a barrel in November.
- The financials sector had the largest decline within the S&P 500 Index, as subprime-mortgage related problems continued to mount. Large banks announced record-breaking third quarter losses. These losses represented the first quarterly deficit for Merrill Lynch since 2001, for Morgan Stanley in 21 years, and for Bear Stearns, the first in its 84-year history. Concerned that the U.S. economy was headed for a recession, investors beat down stocks in the consumer discretionary sector, particularly those of housing-related companies and auto manufacturers.

### U.S. EQUITY INDEX PERFORMANCE



Trailing period returns as of 12/31/07

### U.S. EQUITY SECTOR PERFORMANCE



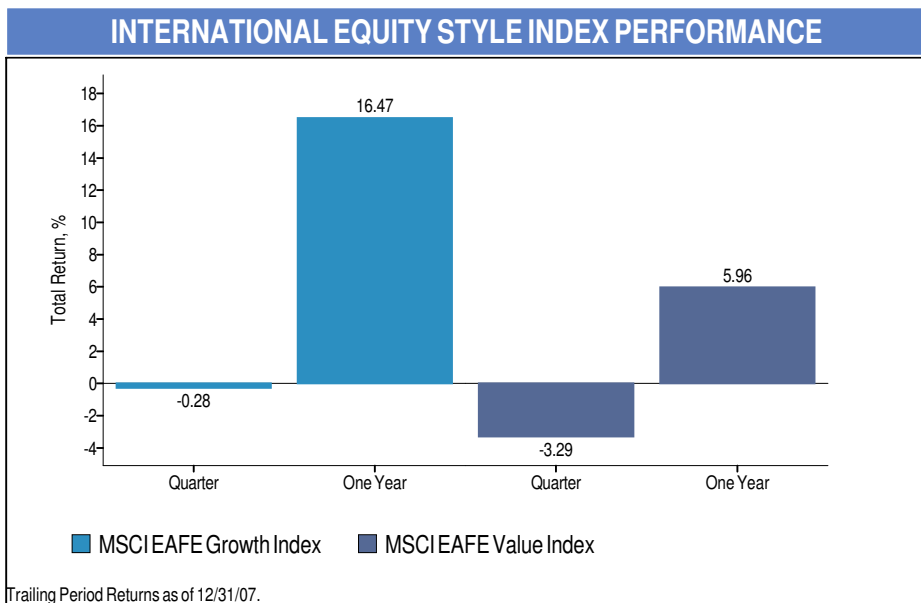
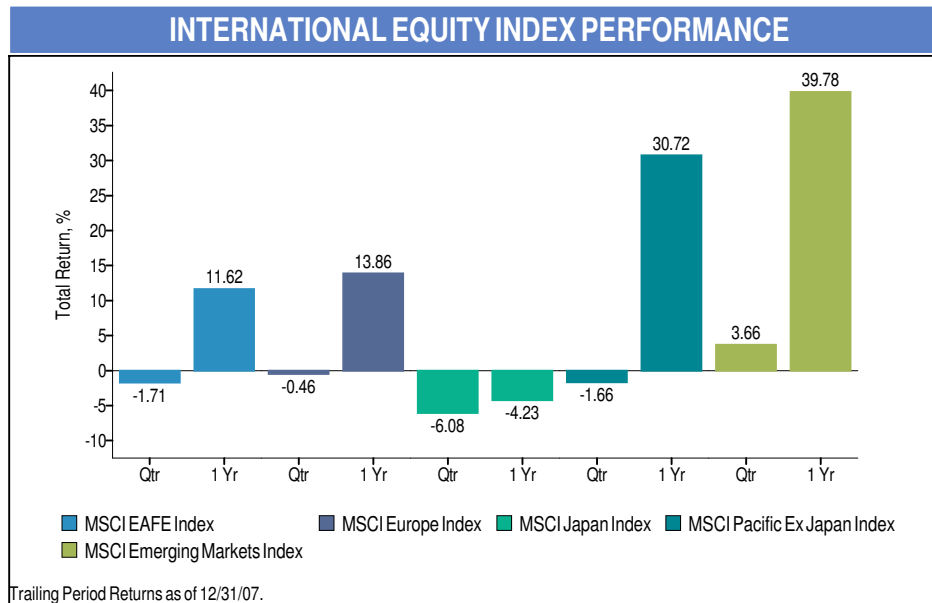
Trailing Period Returns as of 12/31/07.

- Crude oil, gold and agricultural commodities including wheat and corn saw multi-year price peaks in the fourth quarter, encouraging inflationary concerns. Strong demand from the fast growing economies of emerging market nations coupled with increased investor speculation contributed to rising prices. Industrial-related commodities like nickel and aluminum cooled slightly and even copper had a 17% loss in the fourth quarter, though it was up more than 6.0% for the year. A weakening U.S. dollar meant that oil and other commodity prices rose less in the currencies of other countries because many commodities are U.S. dollar-denominated. The greenback declined sharply during the quarter as the Fed cut short-term rates in October and December. Lower interest rates make the U.S. dollar less attractive to investors.
- Growth stocks outperformed value stocks across all market capitalizations within the S&P indexes for the fourth quarter and for 2007. For the quarter, returns were negative across all styles and market capitalizations. Value indexes were constrained by heavier weights in financial stocks, while growth indexes benefited from heavier weights in information technology stocks.
- Within the S&P indexes, mid-cap stocks led large caps by less than one percentage point but solidly beat small caps by almost four percentage points. As economic growth slowed, investors sought companies that they believe have the ability to grow their earnings faster. Historically mid-cap stocks have been perceived as having faster growth rates than large-cap stocks but more stable revenues than small-cap stocks.

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## International Equity Market Review

- Weighed down by the U.S. subprime mortgage debacle and associated credit crisis and by concern about slowing global economic growth, the Morgan Stanley Capital International Europe, Australasia and Far East Index (MSCI EAFE Index), which consists of stocks of developed countries excluding the United States and Canada, declined in the fourth quarter, measured in U.S. dollars. Generally, slowing corporate earnings, increasing inflation, and worries about financial institutions' exposure to U.S. subprime mortgages detracted from performance in most countries in the MSCI EAFE Index. Although the subprime crisis hit European banks hard, the European Central Bank worked to stabilize matters by pumping massive amounts of money into the financial system in the form of bank loans rather than cutting interest rates. Its refusal to cut rates in light of inflationary concerns supported the euro.
- The MSCI Europe Index declined in the fourth quarter, but the MSCI European Economic and Monetary Union (EMU) Index posted a positive return. The MSCI Euro Index, which measures the large-cap segment of EMU stocks, outperformed the broader MSCI EMU Index. Greece, Germany, and Spain outperformed the MSCI EMU Index for the quarter, but Ireland posted the worst return of EMU countries.
- The weakest region among the MSCI regional indexes for developed countries was the Nordic region, which includes Sweden, Norway, Denmark, and Finland. It lagged primarily on weakness in Sweden where economic growth is slowing. Japanese stocks detracted from the performance of the Far East and Pacific regional indexes. While Japan had relatively little exposure to subprime mortgage-related issues, a strengthening Japanese yen hurt its exports while imports increased amid rising oil prices.

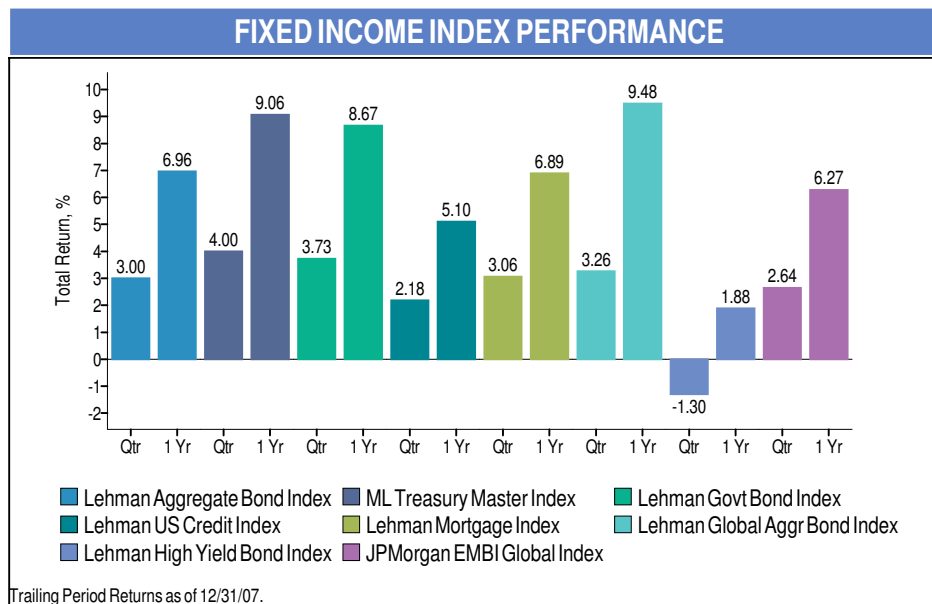


- Within the MSCI EAFE Index, four sectors posted positive returns – utilities, telecommunication services, consumer staples, and energy. Defensive sectors, such as utilities and providers of basic goods purchased by consumers even when economic growth slows, did well. Telecommunication stocks benefited from the prospect of industry consolidation and new product innovation. Within the energy sector, oil, gas and consumable fuels benefited from higher crude oil prices.
- Cyclical industries and sectors including information technology, financials, industrials, consumer discretionary, and materials declined in the quarter. Automakers were hit by a round of profit taking after a strong year, which saw gains based on cost-cutting endeavors and merger-and-acquisition activity. Although exports generally held up, some export- and energy-reliant companies were hurt by higher energy prices and the euro's strength against the U.S. dollar, the Japanese yen, and the Chinese yuan. Within the materials sector, the mining industry, sensitive to economic trends, fell on threats of a global economic slowdown, though some companies benefited from continued consolidation as cash-rich companies looked to make acquisitions. Within healthcare, pharmaceuticals declined on general weakness in drug development efforts.
- The MSCI Emerging Markets Index in U.S. dollar terms posted a positive return in the fourth quarter, as the Federal Reserve's reductions in short-term interest rates lent support to emerging market stocks. Betting that emerging markets are decoupling from the U.S. economy, investors plowed money into the fastest growing economies with the idea that they would continue to grow even if the U.S. economy lost steam.

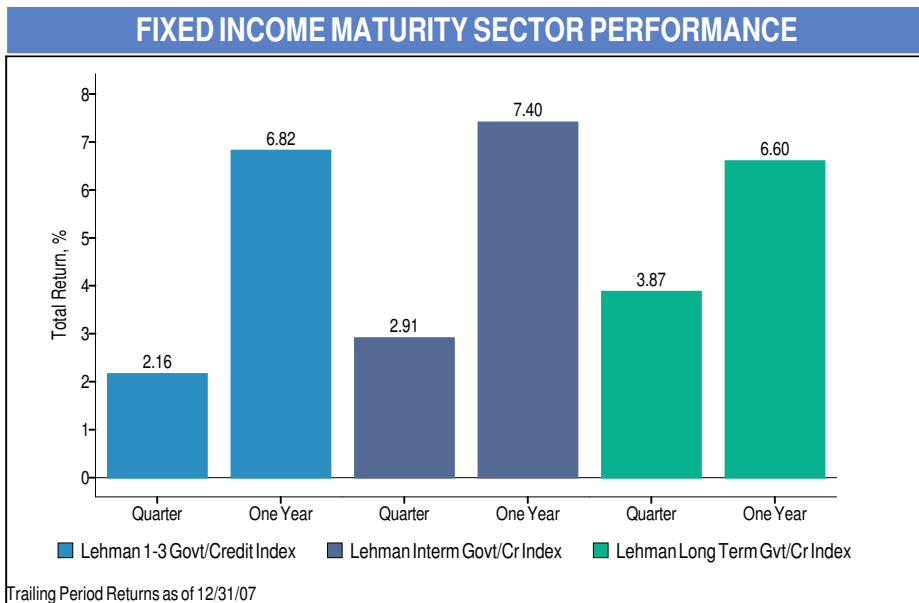
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## Fixed Income Market Review

- Among key developments in the U.S. bond market in the fourth quarter was a renewed flight to quality to safe-haven investments. The bond market had begun the period with a somewhat bullish tone because the Federal Reserve (the Fed) had recently reduced short-term interest rates by a half point. Lower rates were intended to help prevent the U.S. economic expansion from being derailed as a meltdown in debt securities linked to risky mortgages had escalated into a full-fledged credit crisis in the summer. In late October, the Fed cut rates another quarter point. Nevertheless, market conditions deteriorated dramatically in November. Investors were spooked by a flood of credit-rating downgrades on subprime mortgage-related debt securities and by financial institutions' mounting losses and write-downs on them. There was also concern the U.S. economy was headed for a recession if banks grew more reluctant to lend money and if consumers tightened their purse strings in response to the housing slump.
- Risk-averse investors flocked to U.S. Treasury securities in November, boosting their prices. By contrast, prices fell on high yield corporate "junk" bonds and on investment grade bonds of banks, brokerage firms, financial companies, insurance companies, and homebuilders. In December, concern about the economy led the Fed to cut rates another quarter point. When all was said and done, Treasuries easily outperformed other sectors of the U.S. bond market in the fourth quarter. High yield corporate bonds finished in the red, pulled down by big losses on bonds of financial institutions, restaurants, retailers, and homebuilders, among others. Investment-grade corporate bonds, as measured by the Lehman Brothers U.S. Credit Index, managed to end the quarter in the black, but the financial institutions sector underperformed the utilities and industrials sectors.



- Among securitized sectors in the Lehman Brothers U.S. Aggregate Bond Index, residential mortgage-backed securities posted the best return followed by commercial mortgage-backed securities and asset-backed securities. The latter ended the period in the red as heavy losses on securities backed by home equity loans wiped out modest positive returns on securities backed by credit card payments and other assets.
- Bond markets outside of the United States were also affected by the risk-averse investment environment and difficulty selling some types of bonds at equitable prices. Emerging market bonds finished the fourth quarter in the black, but country returns varied widely. For example, Kazakhstan and Pakistan posted losses, while Ecuador and Argentina posted gains. The asset class, though volatile, was generally supported by continued global economic growth, largely market-friendly economic policies of developing countries, rising prices for commodities exported by some developing nations, and healthy foreign exchange reserves.
- The Lehman Brothers Global Aggregate Index (unhedged in U.S. dollars) benefited from a weak U.S. dollar that lost ground to many currencies in the fourth quarter due to the rate cuts and slowing economic growth in the United States. Reducing rates tends to weaken a nation's currency because bank deposits denominated in that currency pay lower, less attractive rates. Of the three key components of this index, the Asian-Pacific Aggregate performed best in the quarter followed by the Pan-Euro Aggregate and the U.S. Aggregate.



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# Plan Summary

# PLAN SUMMARY

Morningstar Category	Investment Option / Benchmark	Average Annual Total Return % as of 12/31/07					Inception Date	Std Dev 5 Years	Alpha 5 Years	Sharpe 5 Years	Gross Expense Ratio	Net Expense Ratio*	
		YTD	1 Year	3 Years	5 Years	10 Years							
Intermediate Government	Dryden Government Income A	5.31	5.31	3.51	3.06	4.97	6.31	01/22/1990	3.61	-0.68	0.00	1.04	0.99
	<i>Lehman Interm Govt Bond Index</i>	8.45	8.45	4.62	3.69	5.54			2.98	0.00	0.20		
	<i>MStar Intermediate Government Median</i>	6.13	6.13	3.88	3.32	5.01			3.04	-0.40	0.08	1.06	0.95
Intermediate-term Bond	Dryden Total Return Bond A	5.37	5.37	4.04	4.66	4.95	6.35	01/10/1995	3.62	0.23	0.42	1.06	0.85
	<i>Lehman Aggregate Bond Index</i>	6.96	6.96	4.56	4.42	5.97			3.59	0.00	0.37		
	<i>MStar Intermediate-term Bond Median</i>	5.21	5.21	3.70	4.04	5.17			3.51	-0.35	0.26	1.08	0.94
Large Value	American Funds Washington Mutual A	3.97	3.97	8.32	11.94	7.18	12.69	07/31/1952	8.26	-1.02	1.03	0.60	0.60
	Jennison Value A	2.43	2.43	12.37	15.98	7.10	11.22	01/22/1990	10.05	1.14	1.22	1.00	0.97
	<i>Russell 1000 Value Index</i>	-0.17	-0.17	9.31	14.62	7.68			9.21	0.00	1.19		
	<i>MStar Large Value Median</i>	1.82	1.82	8.36	13.10	6.63			9.19	-0.84	1.05	1.33	1.21
Large Blend	<b>Jennison 20/20 Focus A</b>	<b>10.02</b>	<b>10.02</b>	<b>15.19</b>	<b>18.01</b>	<b>NA</b>	<b>9.15</b>	<b>07/01/1998</b>	<b>10.77</b>	<b>3.67</b>	<b>1.31</b>	<b>1.23</b>	<b>1.18</b>
	Dryden Stock Index A	4.99	4.99	8.03	12.20	NA	1.54	11/18/1999	8.58	-0.54	1.03	0.51	0.49
	<i>S&amp;P 500 Index</i>	5.50	5.50	8.61	12.83	5.91			8.61	0.00	1.09		
	<i>MStar Large Blend Median</i>	5.46	5.46	8.41	12.36	5.59			8.80	-0.33	1.03	1.35	1.25
Large Growth	American Funds Grth Fund of Amer A	10.95	10.95	12.03	15.91	11.44	15.73	11/30/1973	9.59	3.67	1.27	0.64	0.61
	Jennison Growth A	11.19	11.19	8.76	12.69	5.00	7.61	11/02/1995	11.05	-0.60	0.86	1.07	1.05
	<i>Russell 1000 Growth Index</i>	11.82	11.82	8.69	12.11	3.83			9.08	0.00	0.97		
	<i>MStar Large Growth Median</i>	12.90	12.90	8.87	12.51	5.22			10.03	0.15	0.91	1.43	1.28

\* Please refer to the appendix for the Expense Disclosures which includes the expense waivers.

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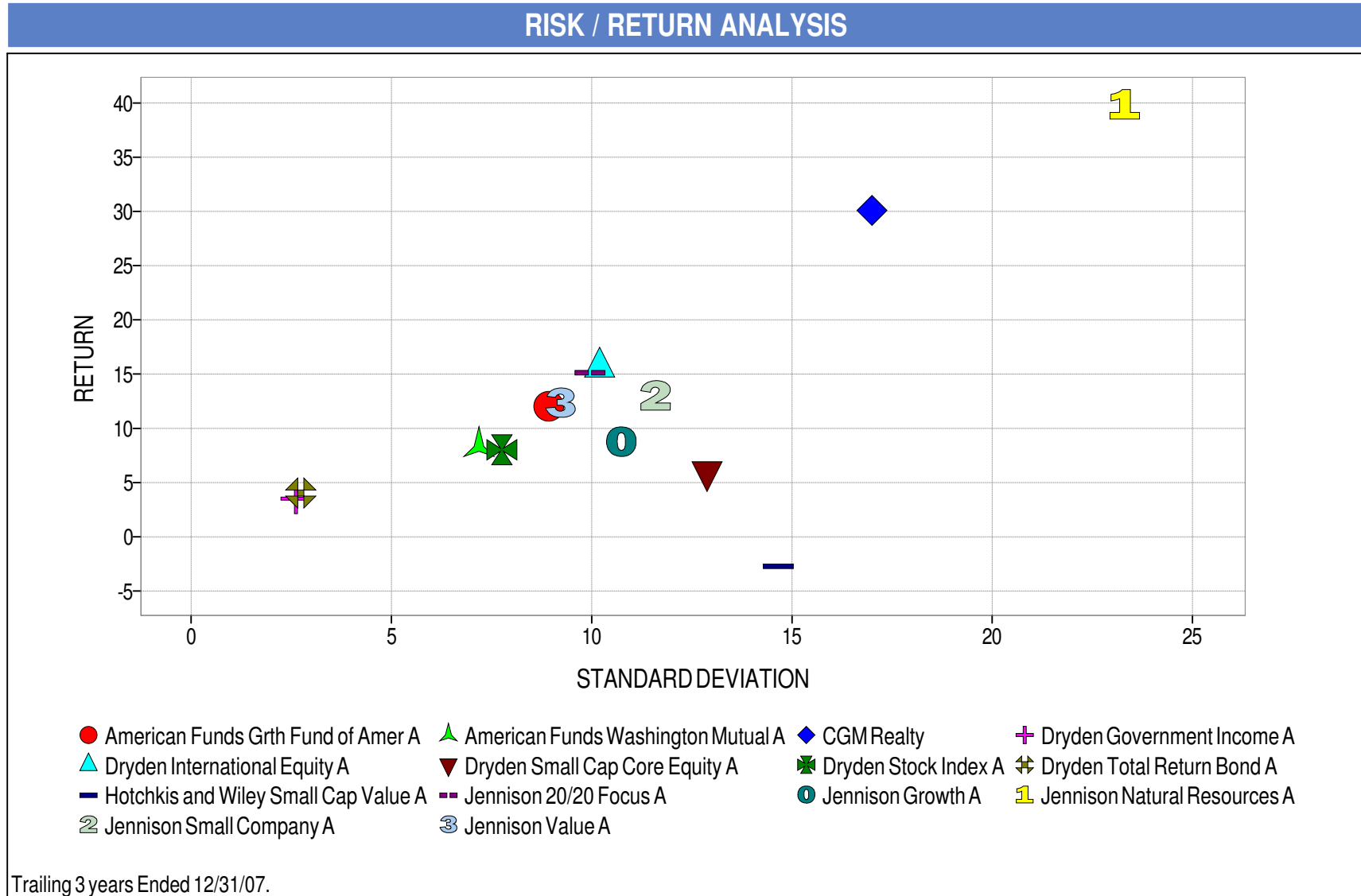
Morningstar Category	Investment Option / Benchmark	Average Annual Total Return % as of 12/31/07					Inception Date	Std Dev 5 Years	Alpha 5 Years	Sharpe 5 Years	Gross Expense Ratio	Net Expense Ratio*	
		YTD	1 Year	3 Years	5 Years	10 Years							
Small Value	Hotchkis and Wiley Small Cap Value A	-18.97	-18.97	-2.66	13.76	NA	15.53	10/06/2000	15.71	-2.13	0.70	1.26	1.26
	<i>Russell 2000 Value Index</i>	-9.77	-9.77	5.27	15.80	9.06			13.76	0.00	0.91		
	<i>MStar Small Value Median</i>	-6.43	-6.43	5.22	14.72	8.84			12.80	0.31	0.90	1.61	1.45
Small Blend	Dryden Small Cap Core Equity A	-2.82	-2.82	6.01	15.60	6.89	6.87	11/10/1997	13.68	0.37	0.90	1.22	1.17
	<i>Russell 2000 Index</i>	-1.56	-1.56	6.80	16.24	7.08			14.44	0.00	0.90		
	<i>MStar Small Blend Median</i>	-1.82	-1.82	6.37	15.38	8.30			13.49	0.37	0.90	1.45	1.36
Small Growth	Jennison Small Company A	9.63	9.63	13.03	20.22	7.19	11.83	01/22/1990	12.54	5.85	1.29	1.17	1.12
	<i>Russell 2000 Growth Index</i>	7.04	7.04	8.11	16.49	4.32			15.63	0.00	0.86		
	<i>MStar Small Growth Median</i>	7.82	7.82	7.89	15.48	7.26			14.99	0.48	0.84	1.63	1.50
Foreign Large Blend	Dryden International Equity A	8.74	8.74	15.64	22.38	NA	-0.05	03/01/2000	11.47	-0.53	1.56	1.45	1.40
	<i>MSCI EAFE Index</i>	11.62	11.62	17.32	22.09	9.04			10.72	0.00	1.64		
	<i>MStar Foreign Large Blend Median</i>	12.23	12.23	16.77	20.25	8.01			11.12	-1.64	1.43	1.59	1.47
Specialty-Real Estate	CGM Realty	34.42	34.42	30.10	41.45	20.47	21.42	05/13/1994	20.41	23.93	1.66	0.88	0.88
	<i>DJ Wilshire REIT Index</i>	-17.56	-17.56	8.46	18.27	11.06			16.90	0.00	0.90		
	<i>MStar Specialty-Real Estate Median</i>	-16.34	-16.34	8.22	18.02	10.49			16.06	0.47	0.92	1.53	1.40
Specialty-Natural Res	Jennison Natural Resources A	46.14	46.14	39.87	36.66	22.99	15.37	01/22/1990	20.65	6.12	1.48	1.24	1.22
	<i>S&amp;P 500 Energy Index</i>	34.41	34.41	29.92	29.36	14.83			17.64	0.00	1.38		
	<i>MStar Specialty-Natural Resources Median</i>	37.18	37.18	30.01	30.70	15.88			18.91	1.81	1.36	1.58	1.49

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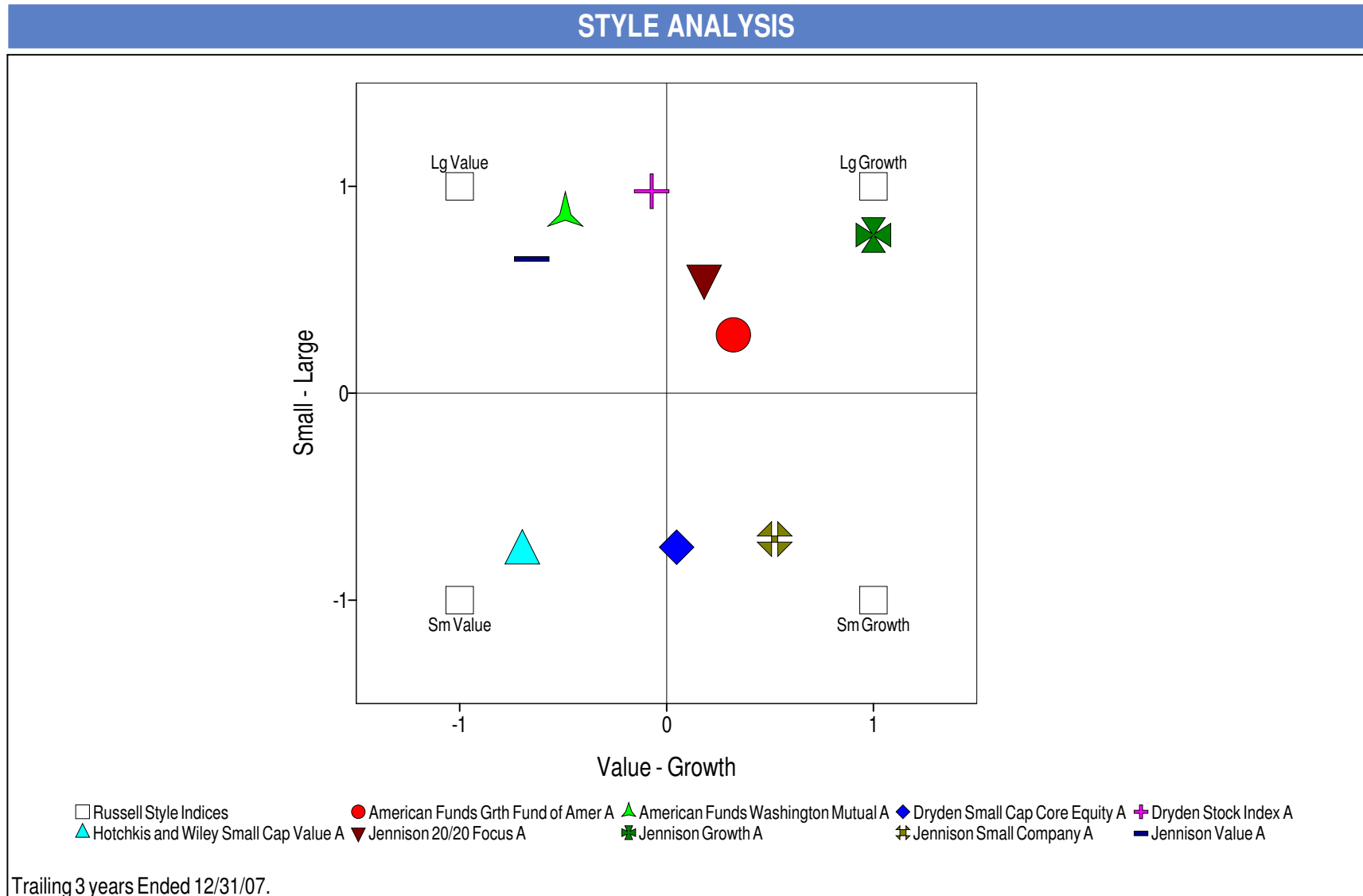


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## High Level Summary

Morningstar Category	Current Funds	Funds for Consideration
Intermediate Government	Dryden Government Income A	-
Intermediate-term Bond	Dryden Total Return Bond A	-
Large Value	American Funds Washington Mutual A	-
-	Jennison Value A	-
Large Blend	Dryden Stock Index A	Jennison 20/20 Focus A
Large Growth	American Funds Grth Fund of Amer A	-
-	Jennison Growth A	-
Small Value	Hotchkis and Wiley Small Cap Value A	-
Small Blend	Dryden Small Cap Core Equity A	-
Small Growth	Jennison Small Company A	-
Foreign Large Blend	Dryden International Equity A	-
Specialty-Real Estate	CGM Realty	-
Specialty-Natural Res	Jennison Natural Resources A	-

**Investors should consider the fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the fund. Contact your financial professional for a prospectus, and read it carefully before investing.**

# Investment Options Review

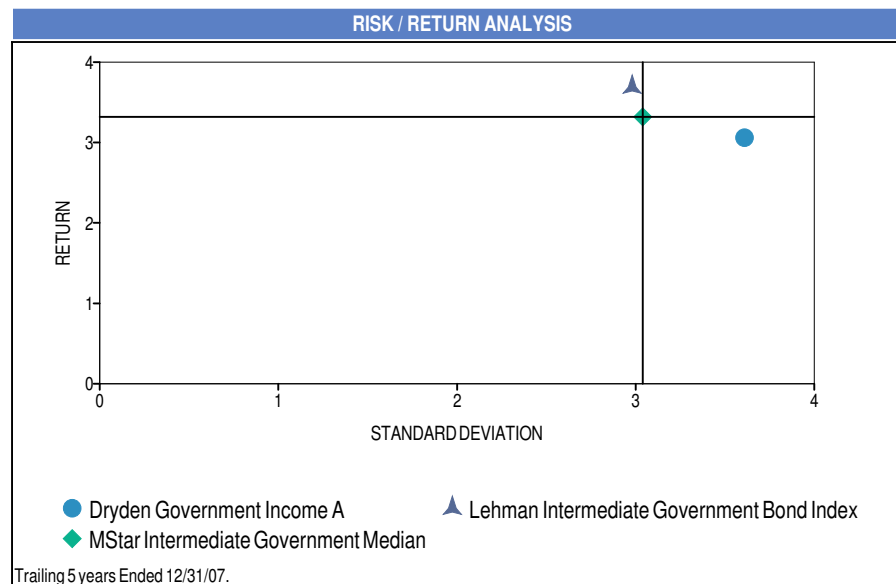
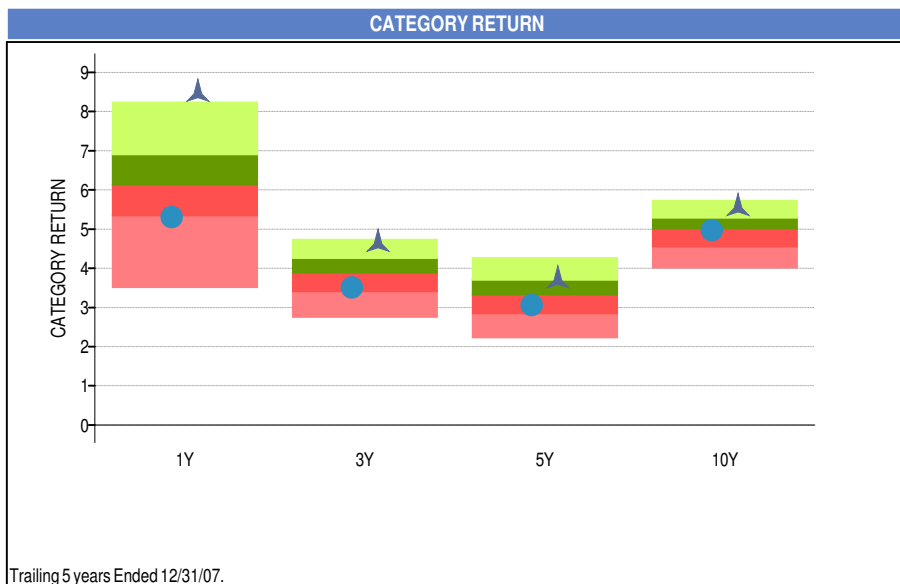
# Intermediate Government

Morningstar Category	Investment Option / Benchmark	Average Annual Total Return % as of 12/31/07					Inception Date	Std Dev 5 Years	Alpha 5 Years	Sharpe 5 Years	Gross Expense Ratio	Net Expense Ratio*	
		YTD	1 Year	3 Years	5 Years	10 Years							
Intermediate Government	Dryden Government Income A	5.31	5.31	3.51	3.06	4.97	6.31	01/22/1990	3.61	-0.68	0.00	1.04	0.99
	<i>Lehman Intern Govt Bond Index</i>	8.45	8.45	4.62	3.69	5.54			2.98	0.00	0.20		
	<i>MStar Intermediate Government Median</i>	6.13	6.13	3.88	3.32	5.01			3.04	-0.40	0.08	1.06	0.95

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	Rank within Morningstar Category	1 Year	3 Years	5 Years	10 Years	Std Dev	Alpha	Sharpe
Intermediate Government	Dryden Government Income A	76	68	65	55	78	71	65
	NUMBER OF FUNDS IN CATEGORY	399	367	344	228			

Morningstar category rankings are based on total return, do not include sales charges and are calculated against all active funds in each fund's respective Morningstar category. Bolded funds are options for consideration.



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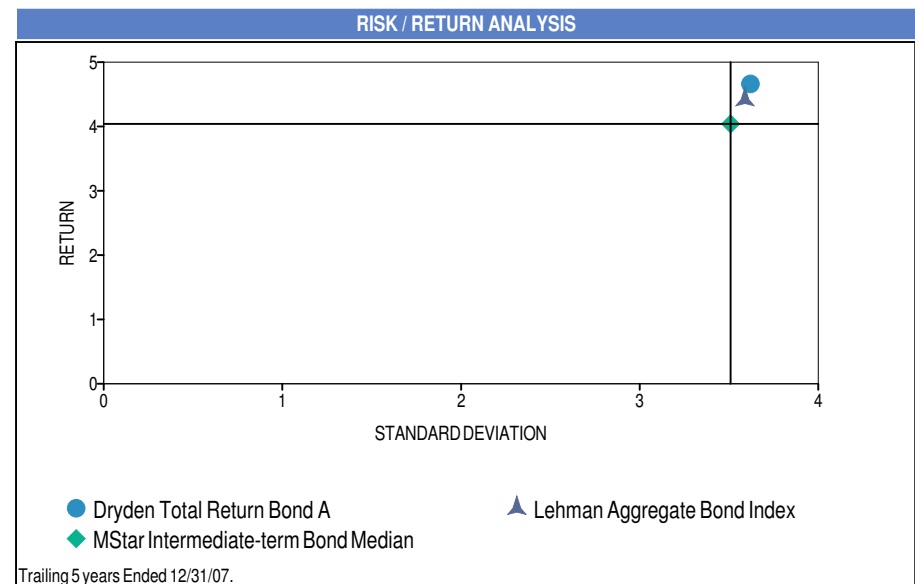
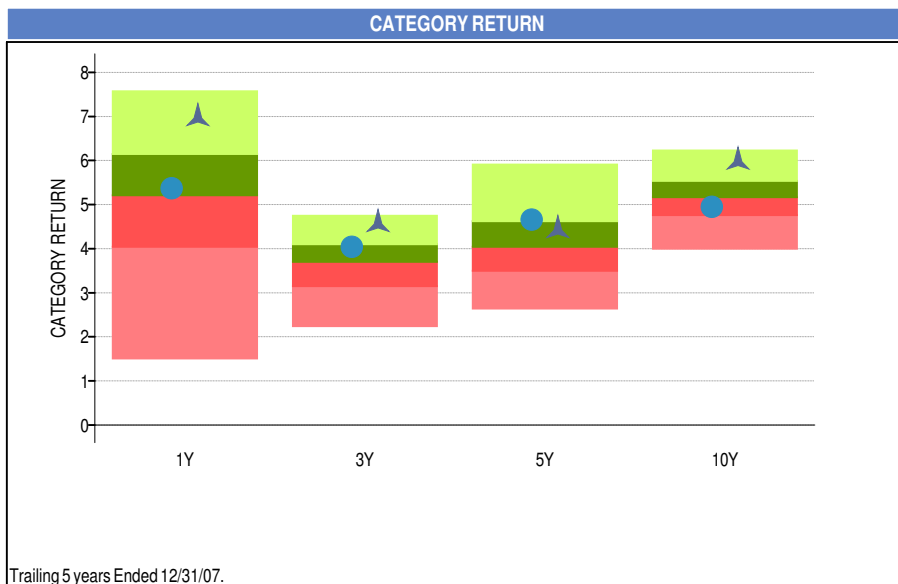
# Intermediate-term Bond

Morningstar Category	Investment Option / Benchmark	Average Annual Total Return % as of 12/31/07					Inception Date	Std Dev 5 Years	Alpha 5 Years	Sharpe 5 Years	Gross Expense Ratio	Net Expense Ratio*	
		YTD	1 Year	3 Years	5 Years	10 Years							
Intermediate-term Bond	Dryden Total Return Bond A	5.37	5.37	4.04	4.66	4.95	6.35	01/10/1995	3.62	0.23	0.42	1.06	0.85
	<i>Lehman Aggregate Bond Index</i>	6.96	6.96	4.56	4.42	5.97			3.59	0.00	0.37		
	<i>MStar Intermediate-term Bond Median</i>	5.21	5.21	3.70	4.04	5.17			3.51	-0.35	0.26	1.08	0.94

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	Rank within Morningstar Category	1 Year	3 Years	5 Years	10 Years	Std Dev	Alpha	Sharpe
Intermediate-term Bond	Dryden Total Return Bond A	45	28	25	64	64	25	25
	NUMBER OF FUNDS IN CATEGORY	1101	964	826	420			

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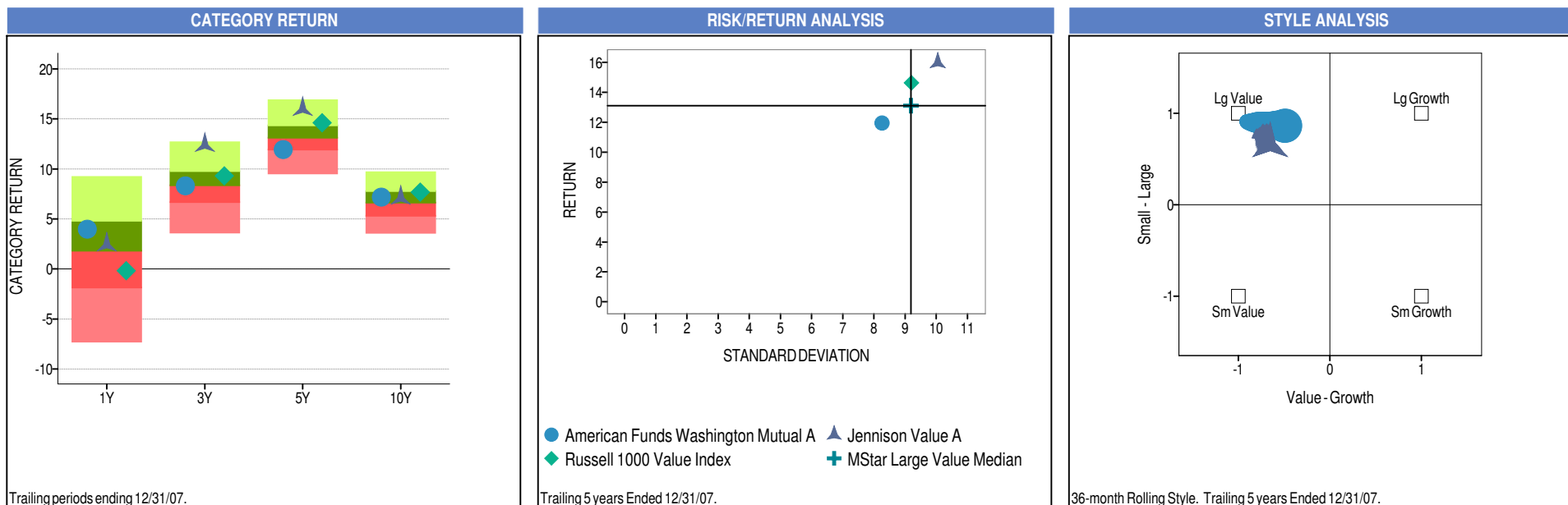
# Large Value

Morningstar Category	Investment Option / Benchmark	Average Annual Total Return % as of 12/31/07					Inception Date	Std Dev 5 Years	Alpha 5 Years	Sharpe 5 Years	Gross Expense Ratio	Net Expense Ratio*	
		YTD	1 Year	3 Years	5 Years	10 Years							
Large Value	American Funds Washington Mutual A	3.97	3.97	8.32	11.94	7.18	12.69	07/31/1952	8.26	-1.02	1.03	0.60	0.60
	Jennison Value A	2.43	2.43	12.37	15.98	7.10	11.22	01/22/1990	10.05	1.14	1.22	1.00	0.97
	Russell 1000 Value Index	-0.17	-0.17	9.31	14.62	7.68			9.21	0.00	1.19		
	MStar Large Value Median	1.82	1.82	8.36	13.10	6.63			9.19	-0.84	1.05	1.33	1.21

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Morningstar Category	Rank within Morningstar Category	1 Year	3 Years	5 Years	10 Years	Std Dev	Alpha	Sharpe
		Large Value	American Funds Washington Mutual A	30	51	75	38	14
	Jennison Value A	46	6	9	40	82	14	18
	NUMBER OF FUNDS IN CATEGORY	1430	1159	920	420			

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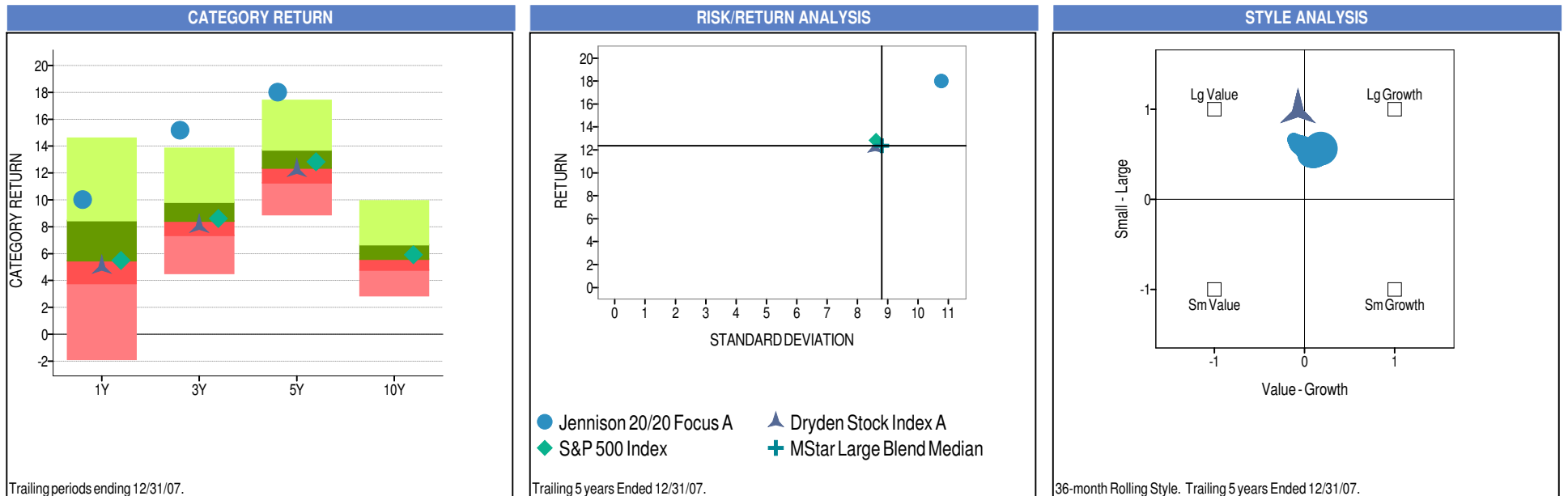
# Large Blend

Morningstar Category	Investment Option / Benchmark	Average Annual Total Return % as of 12/31/07					Inception Date	Std Dev 5 Years	Alpha 5 Years	Sharpe 5 Years	Gross Expense Ratio	Net Expense Ratio*	
		YTD	1 Year	3 Years	5 Years	10 Years							
Large Blend	<b>Jennison 20/20 Focus A</b>	<b>10.02</b>	<b>10.02</b>	<b>15.19</b>	<b>18.01</b>	<b>NA</b>	<b>9.15</b>	<b>07/01/1998</b>	<b>10.77</b>	<b>3.67</b>	<b>1.31</b>	<b>1.23</b>	<b>1.18</b>
	Dryden Stock Index A	4.99	4.99	8.03	12.20	NA	1.54	11/18/1999	8.58	-0.54	1.03	0.51	0.49
	S&P 500 Index	5.50	5.50	8.61	12.83	5.91			8.61	0.00	1.09		
	MStar Large Blend Median	5.46	5.46	8.41	12.36	5.59			8.80	-0.33	1.03	1.35	1.25

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Morningstar Category	Rank within Morningstar Category	1 Year	3 Years	5 Years	10 Years	Std Dev	Alpha	Sharpe
Large Blend	<b>Jennison 20/20 Focus A</b>	<b>18</b>	<b>3</b>	<b>4</b>	<b>-</b>	<b>91</b>	<b>5</b>	<b>6</b>
	Dryden Stock Index A	60	62	57	-	32	58	50
NUMBER OF FUNDS IN CATEGORY		2088	1620	1279	594			

Morningstar category rankings are based on total return, do not include sales charges and are calculated against all active funds in each fund's respective Morningstar category. Bolded funds are options for consideration.



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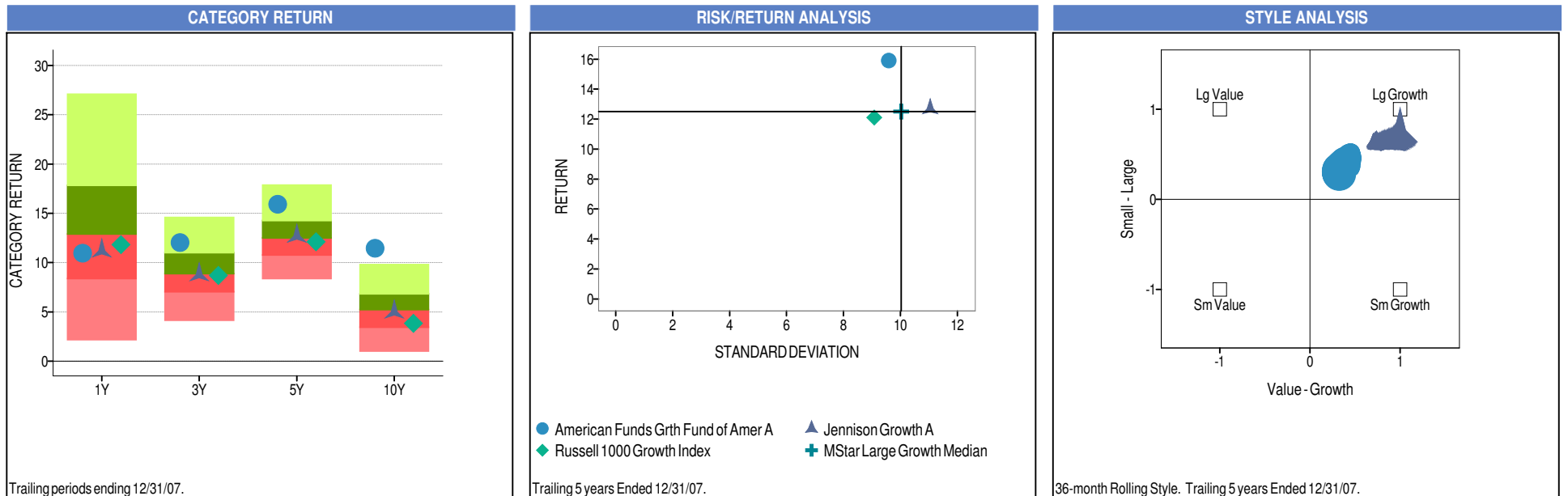
# Large Growth

Morningstar Category	Investment Option / Benchmark	Average Annual Total Return % as of 12/31/07					Inception Date	Std Dev 5 Years	Alpha 5 Years	Sharpe 5 Years	Gross Expense Ratio	Net Expense Ratio*	
		YTD	1 Year	3 Years	5 Years	10 Years							
Large Growth	American Funds Grth Fund of Amer A	10.95	10.95	12.03	15.91	11.44	15.73	11/30/1973	9.59	3.67	1.27	0.64	0.61
	Jennison Growth A	11.19	11.19	8.76	12.69	5.00	7.61	11/02/1995	11.05	-0.60	0.86	1.07	1.05
	Russell 1000 Growth Index	11.82	11.82	8.69	12.11	3.83			9.08	0.00	0.97		
	MStar Large Growth Median	12.90	12.90	8.87	12.51	5.22			10.03	0.15	0.91	1.43	1.28

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Morningstar Category	Rank within Morningstar Category	1 Year	3 Years	5 Years	10 Years	Std Dev	Alpha	Sharpe
		Large Growth	American Funds Grth Fund of Amer A	65	17	13	3	35
	Jennison Growth A	63	53	48	55	70	64	60
	NUMBER OF FUNDS IN CATEGORY	1743	1445	1216	558			

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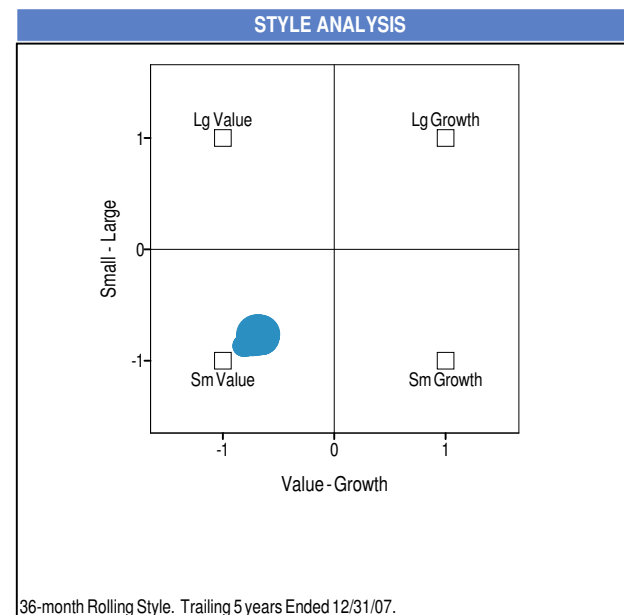
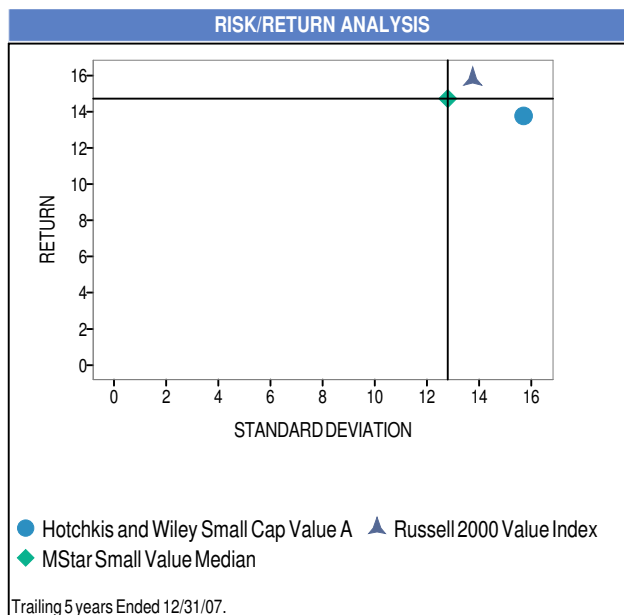
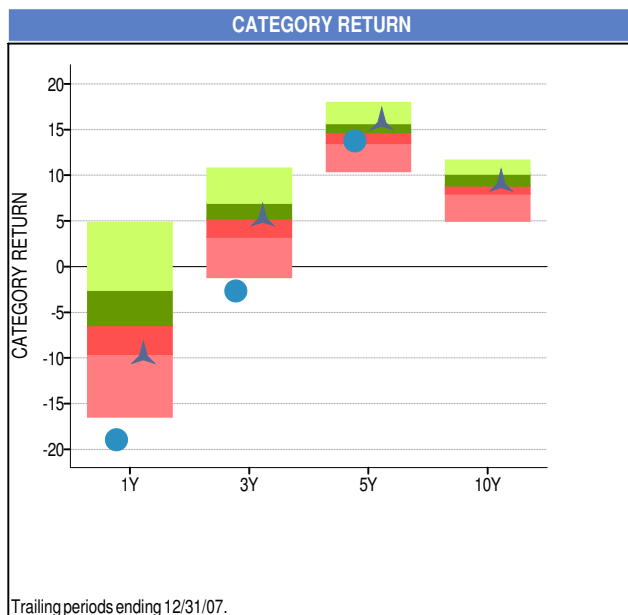
# Small Value

Morningstar Category	Investment Option / Benchmark	Average Annual Total Return % as of 12/31/07					Inception Date	Std Dev 5 Years	Alpha 5 Years	Sharpe 5 Years	Gross Expense Ratio	Net Expense Ratio*	
		YTD	1 Year	3 Years	5 Years	10 Years							
Small Value	Hotchkis and Wiley Small Cap Value A	-18.97	-18.97	-2.66	13.76	NA	15.53	10/06/2000	15.71	-2.13	0.70	1.26	1.26
	Russell 2000 Value Index	-9.77	-9.77	5.27	15.80	9.06			13.76	0.00	0.91		
	MStar Small Value Median	-6.43	-6.43	5.22	14.72	8.84			12.80	0.31	0.90	1.61	1.45

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Morningstar Category	Rank within Morningstar Category	1 Year	3 Years	5 Years	10 Years	Std Dev	Alpha	Sharpe
Small Value	Hotchkis and Wiley Small Cap Value A	99	99	72	-	97	87	88
	NUMBER OF FUNDS IN CATEGORY	440	332	261	95			

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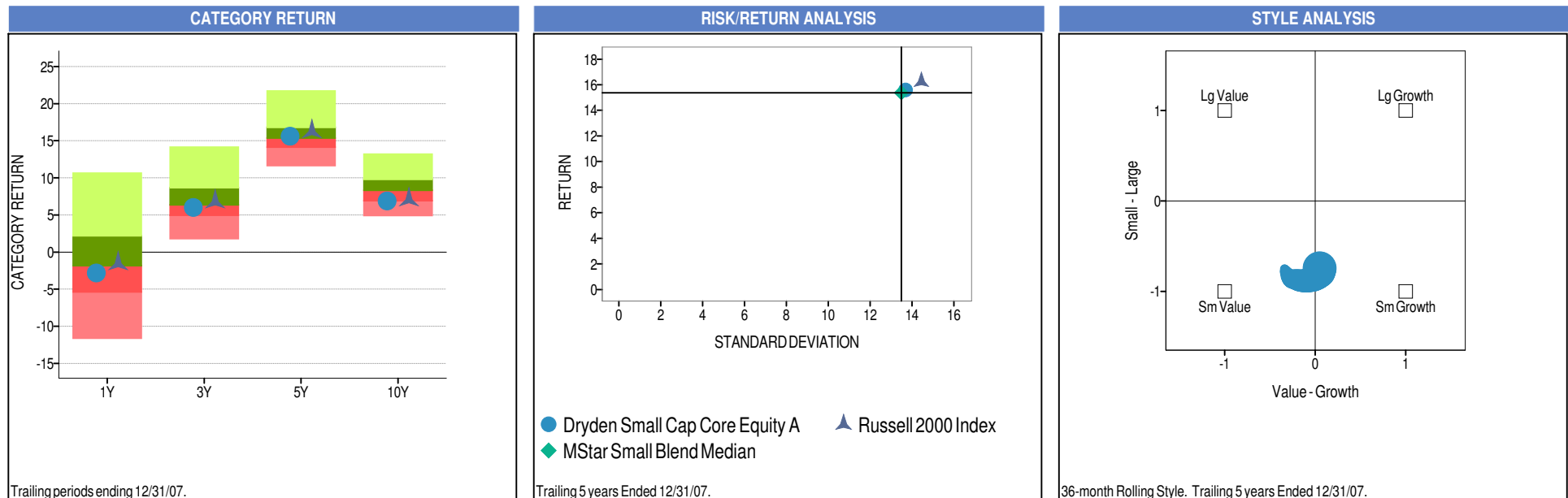
# Small Blend

Morningstar Category	Investment Option / Benchmark	Average Annual Total Return % as of 12/31/07					Inception Date	Std Dev 5 Years	Alpha 5 Years	Sharpe 5 Years	Gross Expense Ratio	Net Expense Ratio*	
		YTD	1 Year	3 Years	5 Years	10 Years							
Small Blend	Dryden Small Cap Core Equity A	-2.82	-2.82	6.01	15.60	6.89	6.87	11/10/1997	13.68	0.37	0.90	1.22	1.17
	Russell 2000 Index	-1.56	-1.56	6.80	16.24	7.08			14.44	0.00	0.90		
	MStar Small Blend Median	-1.82	-1.82	6.37	15.38	8.30			13.49	0.37	0.90	1.45	1.36

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	Rank within Morningstar Category	1 Year	3 Years	5 Years	10 Years	Std Dev	Alpha	Sharpe
Small Blend	Dryden Small Cap Core Equity A	60	58	47	77	57	50	48
	NUMBER OF FUNDS IN CATEGORY	647	521	410	168			

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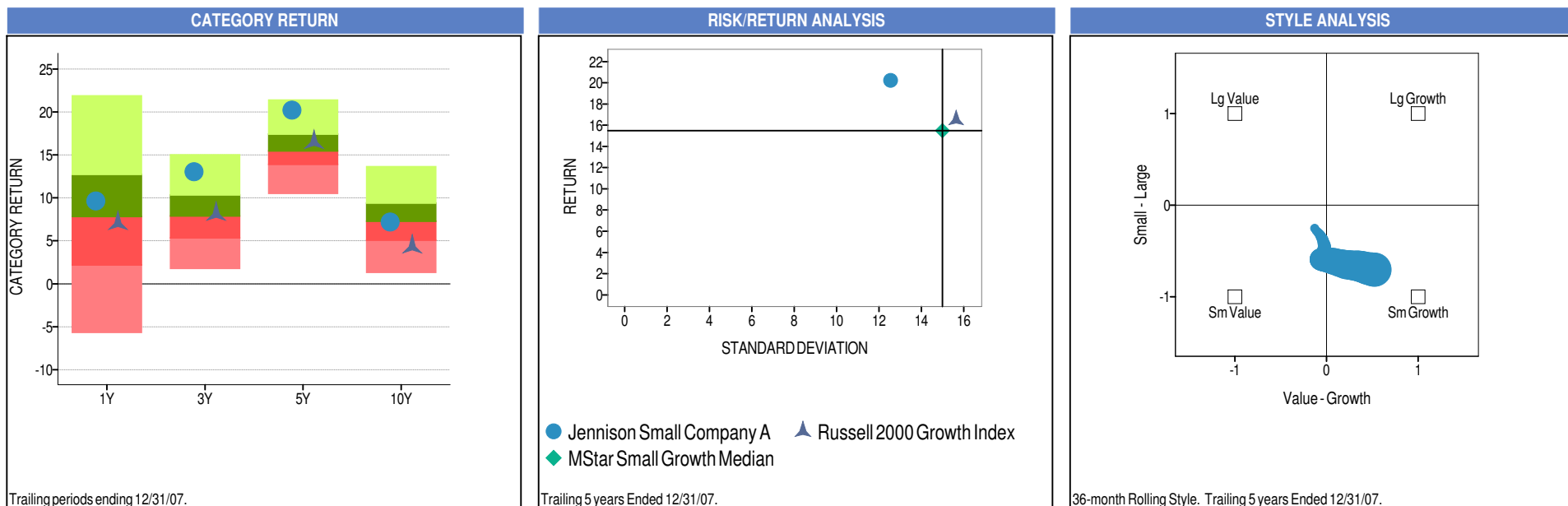
# Small Growth

Morningstar Category	Investment Option / Benchmark	Average Annual Total Return % as of 12/31/07					Inception Date	Std Dev 5 Years	Alpha 5 Years	Sharpe 5 Years	Gross Expense Ratio	Net Expense Ratio*	
		YTD	1 Year	3 Years	5 Years	10 Years							
Small Growth	Jennison Small Company A	9.63	9.63	13.03	20.22	7.19	11.83	01/22/1990	12.54	5.85	1.29	1.17	1.12
	Russell 2000 Growth Index	7.04	7.04	8.11	16.49	4.32			15.63	0.00	0.86		
	MStar Small Growth Median	7.82	7.82	7.89	15.48	7.26			14.99	0.48	0.84	1.63	1.50

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Morningstar Category	Rank within Morningstar Category	1 Year	3 Years	5 Years	10 Years	Std Dev	Alpha	Sharpe
		NUMBER OF FUNDS IN CATEGORY						
Small Growth	Jennison Small Company A	40	13	9	52	6	3	1
	NUMBER OF FUNDS IN CATEGORY	832	673	560	262			

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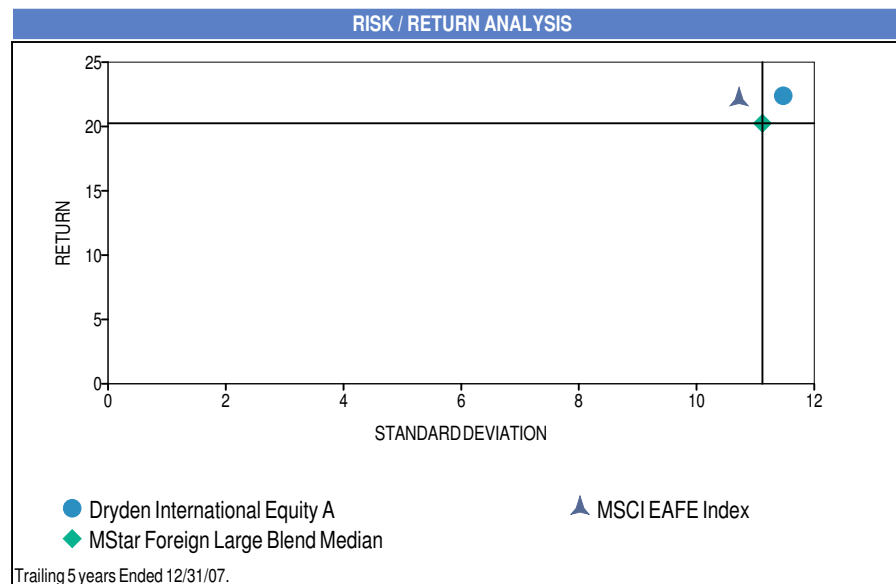
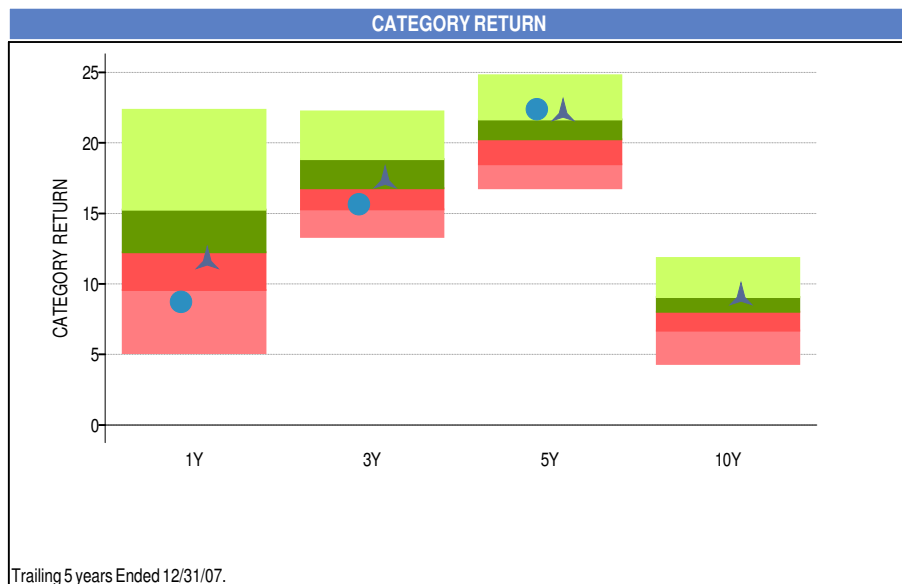
# Foreign Large Blend

Morningstar Category	Investment Option / Benchmark	Average Annual Total Return % as of 12/31/07					Inception Date	Std Dev 5 Years	Alpha 5 Years	Sharpe 5 Years	Gross Expense Ratio	Net Expense Ratio*
		YTD	1 Year	3 Years	5 Years	10 Years						
Foreign Large Blend	Dryden International Equity A	8.74	8.74	15.64	22.38	NA	03/01/2000	11.47	-0.53	1.56	1.45	1.40
	MSCI/EAFE Index	11.62	11.62	17.32	22.09	9.04		10.72	0.00	1.64		
	MStar Foreign Large Blend Median	12.23	12.23	16.77	20.25	8.01		11.12	-1.64	1.43	1.59	1.47

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	Rank within Morningstar Category	1 Year	3 Years	5 Years	10 Years	Std Dev	Alpha	Sharpe
Foreign Large Blend	Dryden International Equity A	80	71	16	-	73	28	25
	NUMBER OF FUNDS IN CATEGORY	746	565	464	232			

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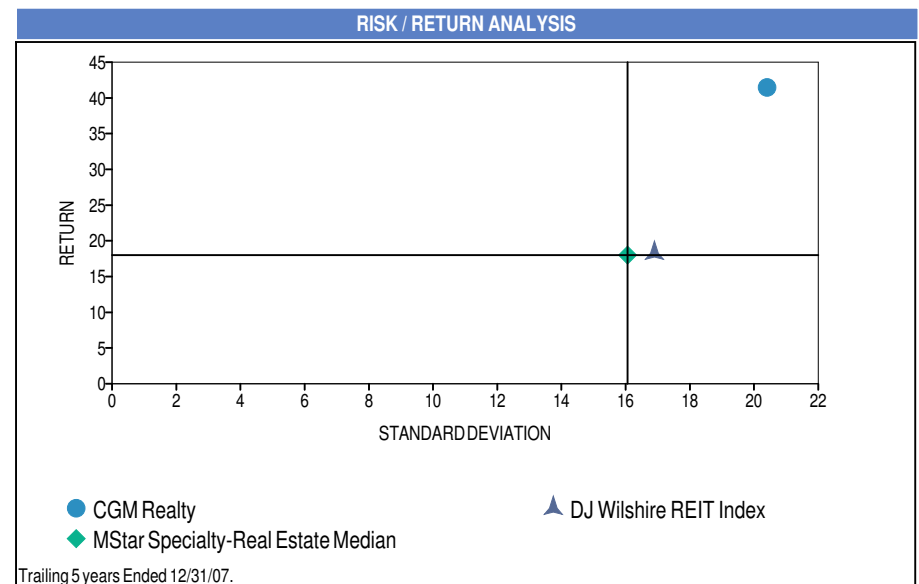
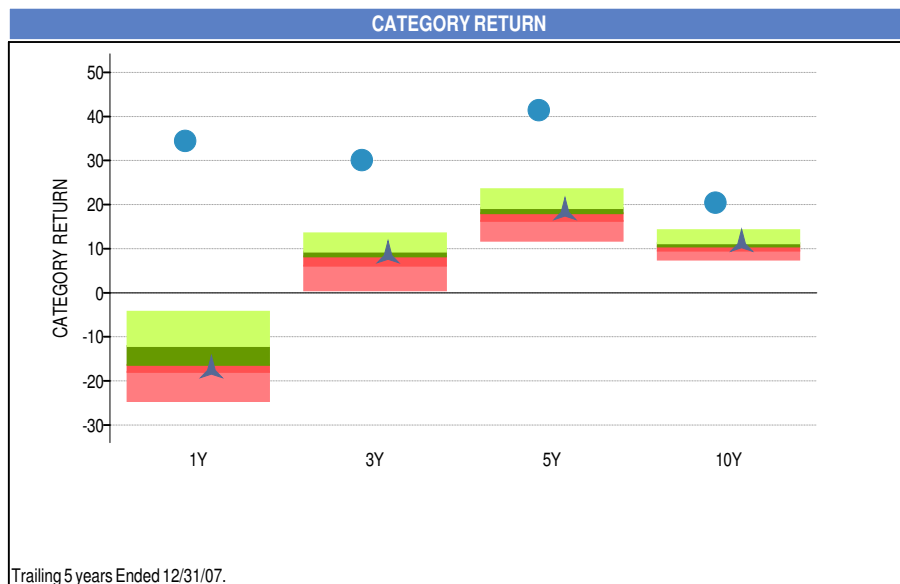
# Specialty-Real Estate

Morningstar Category	Investment Option / Benchmark	Average Annual Total Return % as of 12/31/07					Inception Date	Std Dev 5 Years	Alpha 5 Years	Sharpe 5 Years	Gross Expense Ratio	Net Expense Ratio*	
		YTD	1 Year	3 Years	5 Years	10 Years							
Specialty-Real Estate	CGM Realty	34.42	34.42	30.10	41.45	20.47	21.42	05/13/1994	20.41	23.93	1.66	0.88	0.88
	DJ Wilshire REIT Index	-17.56	-17.56	8.46	18.27	11.06			16.90	0.00	0.90		
	MStar Specialty-Real Estate Median	-16.34	-16.34	8.22	18.02	10.49			16.06	0.47	0.92	1.53	1.40

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	Rank within Morningstar Category	1 Year	3 Years	5 Years	10 Years	Std Dev	Alpha	Sharpe
Specialty-Real Estate	CGM Realty	1	1	1	1	99	1	1
	NUMBER OF FUNDS IN CATEGORY	374	266	192	83			

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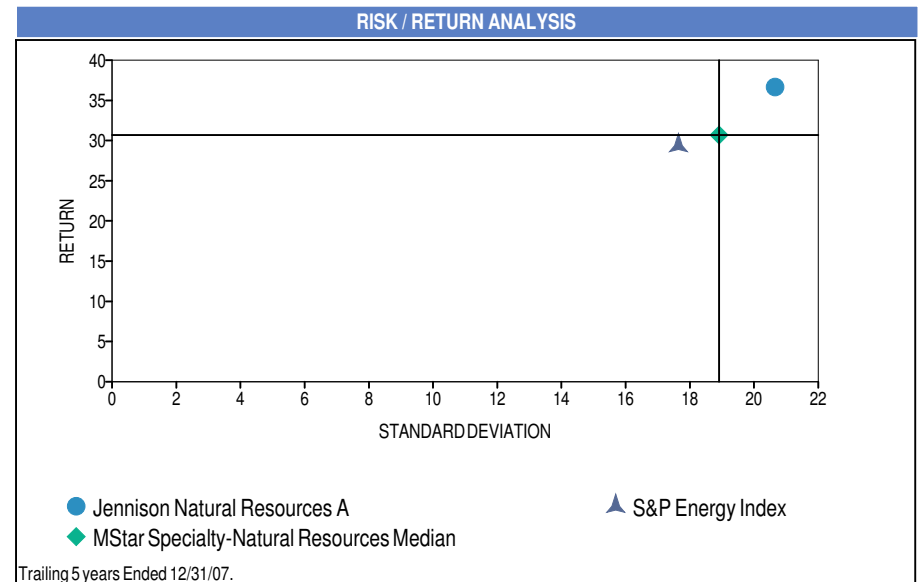
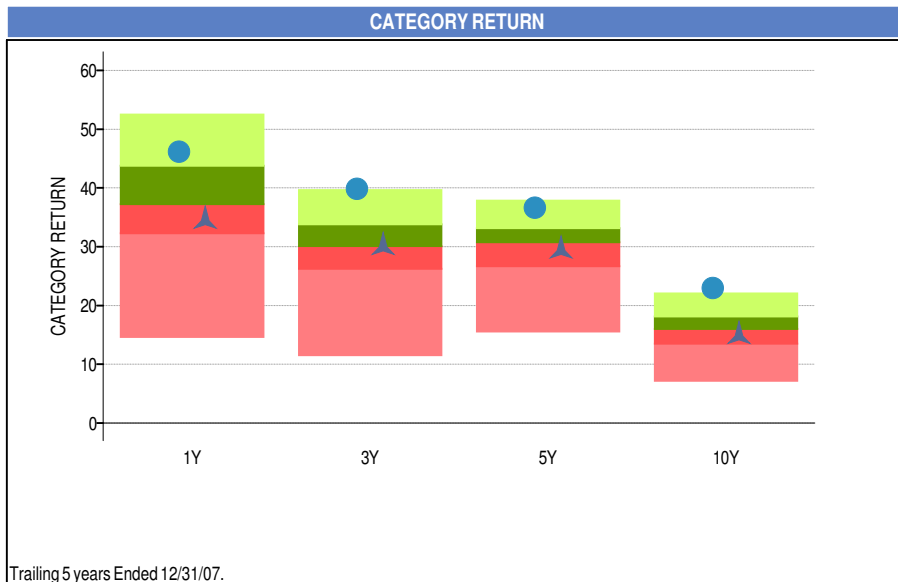
# Specialty-Natural Res

Morningstar Category	Investment Option / Benchmark	Average Annual Total Return % as of 12/31/07					Inception Date	Std Dev 5 Years	Alpha 5 Years	Sharpe 5 Years	Gross Expense Ratio	Net Expense Ratio*	
		YTD	1 Year	3 Years	5 Years	10 Years							
Specialty-Natural Res	Jennison Natural Resources A	46.14	46.14	39.87	36.66	22.99	15.37	01/22/1990	20.65	6.12	1.48	1.24	1.22
	S&P 500 Energy Index	34.41	34.41	29.92	29.36	14.83			17.64	0.00	1.38		
	MStar Specialty-Natural Resources Median	37.18	37.18	30.01	30.70	15.88			18.91	1.81	1.36	1.58	1.49

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	Rank within Morningstar Category	1 Year	3 Years	5 Years	10 Years	Std Dev	Alpha	Sharpe
Specialty-Natural Res	Jennison Natural Resources A	12	3	9	2	77	16	20
	NUMBER OF FUNDS IN CATEGORY	190	138	99	65			

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# Appendix



## EXPENSE DISCLOSURES

Fund Name	Waiver Type	Exp Waiver Amount	Exp Waiver Expiration Date
American Funds Grth Fund of Amer A	12b-1 Fee	0.03	NA
American Funds Washington Mutual A	NA	NA	NA
CGM Realty	NA	NA	NA
Dryden Government Income A	Total Expense	0.05	NA
Dryden International Equity A	12b-1 Fee	0.05	02/28/2007
Dryden Small Cap Core Equity A	12b-1 Fee	0.05	02/28/2008
Dryden Stock Index A	12b-1 Fee	0.02	02/01/2008
Dryden Total Return Bond A	12b-1 Fee	0.21	03/31/2008
Hotchkis and Wiley Small Cap Value A	NA	NA	NA
Jennison 20/20 Focus A	12b-1 Fee	0.05	05/31/2008
Jennison Growth A	Management Fee	0.02	01/31/2009
Jennison Natural Resources A	Management Fee	0.02	09/29/2007
Jennison Small Company A	Total Expense	0.05	01/31/2008
Jennison Value A	12b-1 Fee	0.03	NA

# INDEX DEFINITIONS

A market index is an unmanaged portfolio of securities such as stocks and bonds. An index is often used as a comparative benchmark for managed portfolios such as mutual funds. These indices are presented to help you evaluate the performance of the broad market which they represent, and provide you with an understanding of that market's historic long-term performance, and a broad indication of price movement. Individual investors cannot invest directly in an index. Past performance is not indicative of future results.

## Fixed Income Indices

- JP Morgan Emerging Market Bond Global Index tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds.
- Lehman Brothers Aggregate Index covers the U.S. investment-grade fixed-rate bond market, including government and credit securities, agency mortgage pass-through securities, asset-backed securities, and commercial mortgage-based securities.
- Lehman Brothers U.S. Government Bond Index is comprised of both the Treasury and Agency indices.
- Lehman Brothers 1-3 Year Government Bond Index includes the Treasury Bond and the Agency Bond indices that have maturities of one to three years.
- Lehman Brothers 1-3 Year Government/Credit Index includes the Lehman Brothers Government and Lehman Brothers Corporate Bond indices that have maturities of one to three years.
- Lehman Brothers U.S. Credit Bond Index is comprised of publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements.
- Lehman Brothers Intermediate U.S. Government/Credit Index is composed of all bonds covered by the Lehman Brothers U.S. Government Bond and U.S. Credit Indices with maturities between 1 and 9.99 years. The index includes all publicly issued, fixed rate, nonconvertible investment-grade corporate debt. Issues are rated at least Baa by Moody's Investors Service or BBB by S&P, if unrated by Moody's. Collateralized Mortgage Obligations (CMO's) are not included. Total return comprises price appreciation/depreciation and income as a percentage of the original investment.
- Lehman Brothers Long Term Government/Credit Index includes the Government and Corporate indices that have maturities of 10 years or longer.
- Lehman Brothers Mortgage Backed Securities Index covers the mortgage-backed passthrough securities of Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).
- Lehman Brothers High Yield Index is a weighted index comprised of all fixed income securities having a maximum quality rating of Ba1 (including defaulted issues), a minimum outstanding amount of \$150 million and at least one year to maturity.
- Lehman Brothers Global Aggregate Bond Index provides a broad-based measure of the global investment-grade fixed income markets. The three major components of this index are the U.S. Aggregate, the Pan-European Aggregate, and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds, Canadian Government securities, and USD investment grade 144A securities.
- Lehman Brothers Intermediate Government Bond Index includes those indices found in the Lehman Brothers Government Index that have a maturity of one to three years.
- Lehman Brothers Municipal Bond Index serves as a benchmark for long-term, investment-grade, tax-exempt municipal bonds. The returns we publish for the index are total returns, which include reinvestment of dividends.
- Lehman Brothers Long Term Government Bond Index includes those indexes found in the LB Government index, which have a maturity of 10 years or more. The returns we publish for the index are total returns, which include reinvestment of dividends.
- Merrill Lynch Treasury Master Index includes approximately 160 issues in the form of publicly placed, coupon-bearing US Treasury debt. Issues must carry a term to maturity of at least one year, and par amounts outstanding must be no less than \$10 million at the start and at the close of the performance measurement period. Flower bonds are excluded. Sub-indexes are calculated for a variety of maturities, including: 1-2.99 years; 3-4.99 years; and 5-6.99 years.

# INDEX DEFINITIONS

## Morgan Stanley Capital International (MSCI) Indices

- MSCI EAFE Index is a weighted, unmanaged index of the performance of 1,100 securities in major overseas stock markets of Europe, Australasia, and the Far East.
- MSCI EAFE Growth Index includes those firms in the MSCI EAFE Index with higher Price/Book Value (P/BV) ratios relative to their respective MSCI country index.
- MSCI EAFE Value Index includes those firms in the MSCI EAFE Index with lower Price/Book Value (P/BV) ratios relative to their respective MSCI country index.
- MSCI World Index is a weighted, unmanaged index of the performance of approximately 1,500 securities listed on the stock exchanges of the U.S., Europe, Australia, and the Far East.
- MSCI Europe Index is a free-float-adjusted market-capitalization index that is designed to measure developed market equity performance in Europe.
- MSCI Japan Index measures the performance of Japan's stock market.
- MSCI Pacific ex. Japan index measures the performance of stock markets in Australia, Hong Kong, New Zealand, and Singapore, and Malaysia.
- MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The MSCI Emerging Markets Index consisted of the following 26 emerging market country indices: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Jordan, Korea, Malaysia, Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, Turkey and Venezuela.
- MSCI Latin America Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in Latin America. The MSCI EM Latin America Index consisted of the following 7 emerging market country indices: Argentina, Brazil, Chile, Colombia, Mexico, Peru and Venezuela.
- MSCI AC Pacific Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance in the Pacific region. The MSCI AC Pacific Index consisted of the following 12 emerging and developed market countries: Australia, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, New Zealand, Philippines, Singapore, Taiwan, and Thailand.

## Russell Style Indices

The Russell 3000® Index measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 90% of the investable U.S. equity market. Subsets of this index include the Russell 2000® Index, which measures the performance of the 2,000 smallest companies in the Russell 3000, the Russell 1000® Index, which measures the performance of the 1,000 largest companies in the Russell 3000, and the Russell Midcap Index, which measures the performance of the 800 smallest companies in the Russell 1000. The Russell 2000 Value Index, Russell 1000 Value Index and Russell Midcap Value Index measure the performance of those companies in the respective broad index with lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Growth Index, Russell 1000 Growth Index and Russell Midcap Growth Index measure the performance of those companies in the respective broad index with higher price-to-book ratios and higher forecasted growth values.

## Standard & Poor's Indices

The Standard & Poor's 500® is an unmanaged capitalization-weighted index of 500 stocks generally representative of large companies (as measured by market capitalization). The Standard & Poor's Midcap 400® and Smallcap 600® are unmanaged indices generally representative of mid-sized and small companies respectively. Investors cannot invest directly in an index.

- S&P Health Care Index encompasses two main industry groups. The first includes companies who manufacture health care equipment and supplies or provide health care related services, including distributors of health care products, providers of basic health-care services, and owners and operators of health care facilities and organizations. The second regroups companies primarily involved in the research, development, production and marketing of pharmaceuticals and biotechnology products.
- S&P Consumer Staples Index includes companies that tend to be less sensitive to economic cycles. It includes manufacturing and distributors of food, beverages and tobacco and producers of non-durable household goods and personal products. It also includes food and drug retailing companies.
- S&P Industrials Index includes companies whose businesses manufacture and distribute capital goods, including aerospace and defense, construction, engineering and building products, electrical and industrial machinery. It also includes companies who provide commercial services and supplies, including printing, employment, environmental, office services and transportation services including airlines, couriers, marine, road, and rail and transportation infrastructure.
- S&P Financials Index contains companies involved in activities such as banking, consumer finance, investment banking and brokerage, asset management, insurance and investment, and real estate, including REITs.

# INDEX DEFINITIONS

## Standard & Poor's Indices cont.

- S&P Consumer Discretionary Index includes companies that tend to be most sensitive to economic cycles. Its manufacturing segment includes automotive, household durable goods, textile and apparel, and leisure equipment. The services segment includes hotels, restaurants and other leisure facilities, media production and services and consumer retailing.
- S&P Energy Index encompasses two main industry groups. The first includes companies who manufacture oil rigs, drilling equipment and other energy-related services and equipment, including seismic data collection. The second group includes the exploration, production, marketing, refining and/or transportation of oil and gas products.
- S&P Utilities Index encompasses those companies considered electric, gas or water utilities, or companies that operate as independent producers and/or distributors of power. This sector includes both nuclear and non-nuclear facilities.
- S&P Materials Index includes companies that manufacture chemicals, construction materials, glass, paper, forest products and related packaging products, metals, minerals and mining companies, including producers of steel.
- S&P Technology Index encompasses companies in two main industry groups. The first group includes technology software & services, including companies that primarily develop software in various fields such as the Internet, applications, systems and/or database managements and companies that provide information technology consulting and services. The second group includes technology hardware & equipment, including manufacturing and distributors of communications equipment, computers and peripherals, electronic equipment and related instruments, and semiconductor equipment and products.
- S&P Telecommunication Services Index contains companies that provide communications services primarily through a fixed-line, cellular, wireless, high bandwidth and/or fiber optic cable network.

## Other Indices:

- NASDAQ Composite Index measures the performance of all issues listed on the NASDAQ Stock Market, except for rights, warrants, units, and convertible debentures.
- Dow Jones Industrial Average (DJIA) is a price weighted average of 30 blue-chip stocks that are generally leaders in their industry and are listed on the New York Stock Exchange.
- Wilshire REIT Index measures U.S. publicly traded Real Estate Investment Trusts. It is a subset of the Wilshire Real Estate Securities Index. Companies included in the index must derive at least 75% of total revenue from the ownership and operation of real estate assets and have real estate assets of at least \$100 million, as well as a market capitalization of at least \$100 million.
- 60% S&P 500 Index/40% Lehman Brothers Aggregate Bond Index is an unmanaged, weighted average composite composed of 60% S&P 500 Index (measuring U.S. equities) and 40% Lehman Brothers Aggregate Bond Index (measuring U.S. bonds with maturities of at least one year).
- 60% Lehman Brothers Aggregate Bond Index / 40% S&P 500 Index is an unmanaged, weighted average composite composed of 60% Lehman Brothers Aggregate Bond Index (measuring U.S. bonds with maturities of at least one year) and 40% S&P 500 Index (measuring U.S. equities).
- 60% MSCI World Index / 40% Lehman Brothers Global Aggregate Bond Index is an unmanaged, weighted average composite of 60% MSCI World Index and 40% Lehman Brothers Global Aggregate Bond Index.

# RISK DISCLOSURES

**Government Funds** - U.S. Government guarantee applies only to the underlying securities of the fund's portfolio and not to the value of the fund's shares.

**High Yield Bond Funds** - High yield bonds, commonly known as junk bonds, are subject to a high level of credit and market risk.

**Global/International Funds** - Foreign investing involves the risk of currency fluctuation and the impact of social, political and economic change.

**Emerging Markets Funds** - Investments in emerging markets involve heightened risks related to currency fluctuation and the impact of social, political and economic change, in addition to the risks associated with these markets' smaller size and lesser liquidity.

**Geographic Concentration Funds** - Focusing its investments in certain geographical regions will increase the fund's vulnerability to developments in those regions.

**Sector Funds** - Focusing its investments in certain economic sectors will increase the fund's vulnerability to any single economic, political or regulatory development.

**Real Estate Funds** - Investing in real estate poses risks related to an individual property, credit risk and interest rate fluctuations.

**Small-cap Funds** - Small-cap stocks have limited marketability and may be subject to more abrupt or erratic market movements than large-cap stocks.

**Mid-cap Funds** - Mid-cap stocks have limited marketability and may be subject to more abrupt or erratic market movements than large-cap stocks.

**Non-Diversified Funds** - A non-diversified fund involves greater risk, because a loss resulting from a particular security will have a greater impact on the fund's overall performance.

**Mortgage-backed Securities** – Certain fixed income funds may invest in mortgage-backed securities, which are subject to prepayment and extension risks.

**Fund Participation in IPOs** – Certain funds may participate in initial public offerings ("IPO") which may increase the fund's performance. As the fund's assets grow, the impact of these IPO investments on returns will decline.

**Derivative Investing** – Certain funds may invest in derivative securities, which may carry market, credit and liquidity risks.

**High Turnover** - High portfolio turnover may result in higher transaction costs, can affect the fund's performance, and have adverse tax consequences.

## Alpha

Alpha is a measure of a fund's risk-adjusted return. Alpha can be used to directly measure the value added or subtracted by a fund's manager. It is calculated by measuring the difference between a fund's actual returns and its expected performance given its level of market risk as measured by beta. An alpha of 1.0 means the fund produced a return 1% higher than its beta would predict. An alpha of -1.0 means the fund produced a return 1% lower.

## Expense Ratio

The expense ratio is the percentage of fund assets paid for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the Fund. Expense ratios are reflected in the funds' performance. Sales charges are not included in the expense ratio. Expense ratios are provided by Morningstar, Inc.

## Growth Stocks

Investors employing a growth investment strategy buy stocks of companies with a recent history of increasing earnings, in anticipation that earnings momentum will continue. Growth stocks are often characterized by high valuation ratios (e.g., price-to-earnings ratios).

## Standard Deviation

This statistic measures the dispersion of returns spread around their historical average. In other words, how widely a portfolio's returns varied over a certain period of time. 68% of all monthly values would fall within one standard deviation of the average, while 95% of all values would fall within two standard deviations of the average.

## Sharpe Ratio

This statistic measures the quality of the returns for an investment on a risk-adjusted basis over a given period. It is defined as the excess returns of an investment divided by the standard deviation of returns. Excess returns are the returns of the investment minus the risk-free rate of return offered in the market, typically measured by short-term government instruments such as 3-month T-Bills. For two funds to have the same Sharpe Ratio, the fund with greater volatility must also deliver greater returns.

Sharpe Ratio =  $\text{Excess Returns} / \text{Risk} = (\text{Returns on the Investment} - \text{Returns on T-Bills}) / \text{Standard Deviation}$

## Value Stocks

Investors employing a value investment strategy buy stocks of companies they believe are under-priced based on their fundamental ability to generate earnings, in anticipation that the price performance of the stock will reverse. Value stocks are often characterized by low valuation ratios (e.g., price-to-earnings ratios).

## Risk-Return Charts

A Risk/Return chart shows the relationship between the return of a manager and its associated risk as represented by standard deviation. The ideal plot in this chart is in the upper left corner, indicating that the fund outperformed the benchmark or category median with less risk.

## Style Analysis Charts

In 1988, Nobel Laureate William F. Sharpe developed the theory of returns based style analysis. Returns based style analysis determines a manager's style, both past and present, by comparing the manager's performance to the returns of selected style-pure indices. For US equity investments, Russell indices are typically used to show correlation to value/growth styles and large/small stocks. Funds are plotted based on how well the manager's performance correlates with the style indices over time. Larger symbols represent more recent time periods. Note that this type of analysis examines past returns, not the current portfolio holdings or stated investment objectives.

## Fund Rank Charts

In order to measure a fund's performance relative to a style specific benchmark and peer group or universe, funds and benchmarks are plotted relative to where they would rank within a given fund category. For example, the top line of the bar (light green shading) indicates the top 5th percentile return of the category. The 25th percentile return of the category is indicated by the second line (where the dark green shading begins). The median or 50th percentile return of the category is indicated by the third line (where the dark red shading begins). The 75th percentile return of the category is indicated by the fourth line (where the light red shading begins). The bottom line of the bar indicates the 95th percentile return of the category.

Morningstar category rankings are calculated by MPI Stylus using Morningstar's institutional feed. The Morningstar rankings calculated with the institutional feed may differ from those provided in Morningstar Principia.