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FOR IMMEDIATE RELEASE

SBCERA EARNS RECORD \$1 BILLION FOR FISCAL YEAR

SAN BERNARDINO, Calif. (September 21, 2007) — The San Bernardino County Employees' Retirement Association (SBCERA) recorded earnings of more than \$1 billion for its fiscal year ending June 30, 2007.

"Our Board and members can't help but be proud of the accomplishments of our Fund," reported SBCERA Board Chairman, Marvin Reiter. "This year's performance speaks well to our core values. This Board is focused on doing things right and delivering strong consistent performance for the benefit of our members and Plan sponsors."

The total net return for the Fund during this time period was 19.7%. This performance ranked the Fund in the 6th percentile of the ICC (Independent Consultants Cooperative) Total Fund Universe for the year. As an alliance of 18 independent investment consulting firms and State Street Bank, the ICC is subscribed to by the Federal Reserve and the Employee Benefits Research Institute. It boasts the industry's largest and most robust performance universe.

SBCERA's longer term performance in the ICC Total Fund Universe is in the top quartile, with three and five-year returns ranking in the 9th and 21st percentiles, respectively. Over the one-year period ending 6/30/07, the Fund outperformed its policy index by 180 basis points and bested the allocation index by 290 basis points.

"While we are very happy with the overall annual performance of the Fund, we are particularly pleased by the fact that the Fund had no down months during the period— including those difficult months of February and June," said SBCERA Trustee and Investment Committee Chair Dick Larsen. "Instead, the Fund was up 0.48% and 0.33%, respectively, while the Russell 3000 broad stock market index was down during those months. The Fund's performance during difficult months is testimony to the direction that we have taken over the last few years of increasing portfolio diversification and reducing our dependence on strong equity markets." As the Treasurer-Tax Collector for San Bernardino County, Larsen is an ex officio member of the Board of Retirement.

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SBCERA finished its fiscal year with over \$6.2 billion in assets and has a current annual actuarial rate-of-return assumption of 8.0%. The Plan's 2007 fiscal year-end asset allocation included 49.9% in public equities, 15.8% in fixed income, 11.3% in real estate and 8.2% in private equity.

The San Bernardino County Employees' Retirement Association (SBCERA) provides its members and their beneficiaries with retirement and related benefits and services which they have earned, commensurate with their years of service and compensation. The Board of Retirement's responsibilities and functions are governed by the applicable provisions of the California Government Code, along with the bylaws and regulations of SBCERA. It is the responsibility of those charged with administration of the Association to diversify the investments of the system so as to minimize the risk of loss and to maximize the rate of return.

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