



Alaska Target 2015 Fund

Defined Contribution

Internal Revenue Code
(IRC) Section 401(a)

Investment Option Detail Sheet

Alaska Target 2015
Fund

A fund that buys and holds a diversified mix of stocks, bonds and cash for investors planning to retire or begin withdrawing money around or after the year 2015 and/or those investors who have a moderate to high tolerance for risk.

Fund descriptions and the fund's top ten holdings are updated approximately every 6 months. Fund return results are reported quarterly and are included with participant account statements.

For information on available investment options, please visit our Web site at www.state.ak.us/drb. Under "Programs", click on the "Supplemental Annuity Plan" line; then on the next page, under "Publications", click on "Investment Option Detail Sheets". Please Note: Adobe Acrobat Reader is required to download and view Investment Option Detail Sheets. You can print a copy of any sheet directly from your Web browser; if you are unable to do so, please call DRB.

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Investment Objective

To provide a diversified mix of stocks, bonds and cash for long-term investors with a higher tolerance for risk. The fund is designed to gradually invest more conservatively, with an emphasis on capital preservation, as the year 2015 approaches.

How the Fund Works

Currently the fund buys and holds a mix of domestic and international stocks (including small-cap stocks), investment-grade bonds and federally guaranteed mortgages and money market instruments. The fund gradually shifts to a more conservative asset mix with an emphasis on capital preservation.

Investor Profile

Those planning to retire or begin withdrawing money for other reasons around or after the year 2015 and/or investors with a higher tolerance for risk.

Fund Benchmark

Returns for the Alaska Target Date Funds cannot be directly compared to any one index. The Custom Target Benchmark consists of each underlying fund's benchmark, weighted according to the "strategic" weight as set forth in the current guidelines, based on historical rates of return of certain benchmarks as proxies for the asset classes represented in each fund. The specific benchmarks include (and for the current period are): Standard & Poor's 500 Index (55.75%), Russell 2500 Index (5.25%), MSCI Europe, Australasia, Far East (EAFE) Index (0.50%), Lehman Brothers Government/Credit Bond Index (21.625%), Lehman Brothers Mortgage Index (2.375%), and 90-day Treasury bills (14.50%). The figures represent changing on a quarterly basis the asset mix in each fund to approach a predetermined allocation at each target date. The overall asset mix becomes more conservative (i.e. more heavily weighted with fixed income and

money market securities) as the target date approaches.

Fund Management

T. Rowe Price manages the Alaska Target 2015 Fund. T. Rowe Price, founded in 1937, is a leading investment manager in the United States. The T. Rowe Price family of companies has over \$292 billion in assets under management.

The fund is designed to provide investors with a simple way to hold a diversified portfolio, which gradually becomes more conservative as the year 2015 draws near. Professional money managers shift assets gradually between asset classes to take advantage of market conditions.

Since these classes respond to different market forces, one class doing poorly may be offset by another class doing well. The fund's assets are spread across and within asset classes.

As with any investment, the market value of this fund may go up and down over the short term. Investors should be prepared to accept year-to-year changes in returns, including declining values. Historical returns, however, demonstrate that a long-term investment across varying asset classes may provide substantial protection against below-average returns in one class while potentially providing income and capital appreciation from classes not often included in a retirement portfolio.

Registration with the Securities and Exchange Commission is not required for the Alaska Supplemental Annuity Plan.

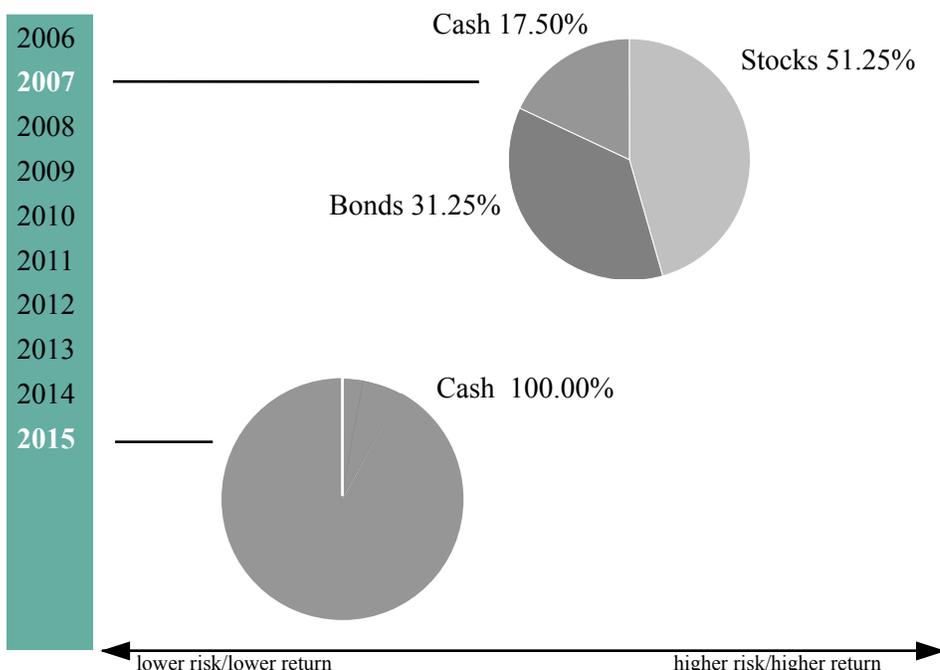
Past performance is never a guarantee of future results.

T. Rowe Price Associates, Inc. is registered as an investment adviser under the Investment Advisers Act of 1940.

For more information about the risks of investing, please read your "Plan Information" booklet.

State of Alaska Supplemental Annuity Plan

Alaska Target 2015 Fund (managed by T. Rowe Price)



The Fund in 2007:

- Broadly diversified in stocks, bonds and money market instruments (cash)
- Moderate to high potential return
- May have moderate ups and downs in value over the short term

The Fund in 2015:

- Invested in money market instruments (cash)
- Share price value should remain relatively stable
- Low potential return

Top 10 Equity Holdings as of 03/31/2007

	% of portfolio
1. ExxonMobil Corporation	1.73%
2. General Electric Co	1.48
3. Citigroup Inc	1.01
4. Microsoft Corp	1.00
5. AT&T Inc	0.99
6. Bank of America Corp	0.92
7. Procter & Gamble	0.84
8. Altria Group Inc	0.73
9. American Intl Group	0.73
10. Johnson & Johnson	0.73

Top 10 Bond Holdings as of 03/31/2007

	% of portfolio
1. US Treasury Bonds/Notes	11.15%
2. GNMA Pass-Throughs	3.00
3. FHLMC Agency Debt	2.82
4. FNMA Agency Debt	1.87
5. Tennessee Valley Authority	0.61
6. General Electric	0.30
7. CIT Group Inc	0.24
8. Goldman Sachs	0.24
9. Bank of America Corp	0.21
10. European Investment Bank	0.21

IMPORTANT NOTE: Whenever you initiate a trade, there is a possibility the fund company may reject or delay your trade due to a number of circumstances due to extreme market conditions. If a trade is rejected, then the dollar amount will be reinvested in the original fund at the next calculated unit/net asset value after the trade is rejected. This can cause a gain or loss to your account, when units/shares are repurchased on a different day.