

## SMALL-CAP EQUITY FUND

AS OF 12/31/2009

<b>GROSS / NET EXPENSE CHARGE</b> 0.78% / 0.78%	<b>NET ASSETS OF FUND</b> \$713.39 million	<b>RETIREMENT CLASS INCEPTION DATE</b> 10/01/2002	<b>CUSIP</b> 87244W821	<b>TICKER SYMBOL</b> TRSEX	<b>BENCHMARK INDEX</b> Russell 2000® Index
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## INVESTMENT OBJECTIVE

The fund seeks a favorable long-term total return, mainly through capital appreciation, primarily from equity securities of smaller domestic companies.

## PORTFOLIO STRATEGIES

- Using proprietary mathematical models to evaluate stocks, invests at least 80% of its assets in equity securities of smaller domestic companies that appear to have favorable prospects for significant long-term capital appreciation.
- These models weigh many different variables, including the valuation of the stock versus its peers or the market, and earnings and growth prospects.
- Seeks to add incremental return over that of its benchmark, while also managing the relative risk of the fund versus its benchmark.

## FUND MANAGEMENT

The Small-Cap Equity Fund is managed by the quantitative portfolio management team of Teachers Advisors, Inc. Team members are jointly responsible for the day-to-day management of the fund.

Call our Enrollment Hotline:

**800 842-2888** (weekdays 8 am to 10 pm ET,  
Saturdays 9 am to 6 pm ET)

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## PERFORMANCE

	TOTAL RETURN			AVERAGE ANNUAL TOTAL RETURN	
	3 Month	YTD	1 Year	5 Year	Since Inception
Small-Cap Equity Fund	4.01%	26.58%	26.58%	-0.70%	8.34%
Russell 2000 Index	3.87	27.17	27.17	0.51	9.00

**Shares held less than 60 calendar days may be subject to a 2% redemption fee. Please see the prospectus for details. The fund performance shown does not reflect the deduction of this fee. Had the fee been deducted, returns would have been lower.**

**The returns here show past performance, which is no guarantee of future results. The returns do not reflect taxes that a shareholder would pay on fund distributions or the sale of fund shares. Returns and the principal value of your investment will fluctuate. Current performance may be higher or lower than that shown, and you may have a gain or a loss when you redeem your shares. For current performance information, including performance to the most recent month-end, please visit [tiaa-cref.org](http://tiaa-cref.org).**

## TOP 10 HOLDINGS

Issuer	% Net Assets
Prosperity Bancshares Inc	0.63
Unisys Corp	0.62
E*Trade Financial Corp	0.61
EMCOR Group Inc	0.60
HealthSouth Corp	0.57
Equity LifeStyle Properties Inc	0.55
Watson Wyatt Worldwide Inc	0.52
Tupperware Brands Corp	0.51
Dress Barn Inc	0.50
PSS World Medical Inc	0.49

## HOLDINGS BY COMPANY SIZE

	% Portfolio Investments
\$4 billion-\$15 billion	0.85
Under \$4 billion	99.15

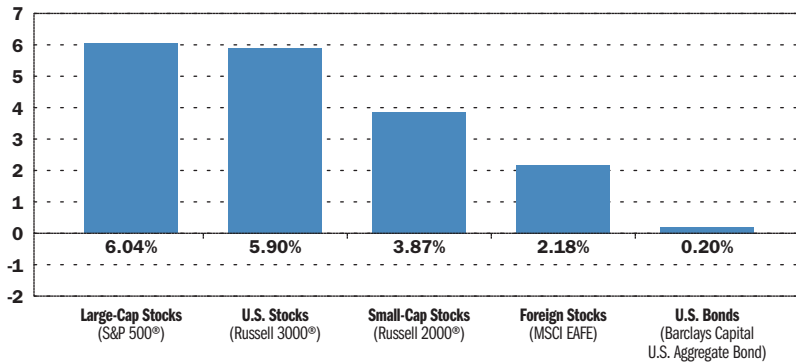
## PORTFOLIO COMPOSITION

	% Net Assets
Manufacturing & Materials	23.2
Consumer Products & Services	20.5
Financial	18.7
Technology	18.1
Health Care	11.7
Energy	4.3
Utilities	3.5

## KEY RISK MEASURES

	3 Years
Beta (vs. benchmark)	0.97
Standard Deviation (annualized)	24.61

## RETURNS FOR MAJOR BENCHMARKS FOR QUARTER ENDED 12/31/2009



The bar graph above shows the returns of several leading market indexes. This allows you to compare the performance of your investment with several areas of the financial marketplace during the last quarter.

### STOCKS WITH LARGEST EFFECTS ON PERFORMANCE DURING THE QUARTER (Weightings are in relation to the portfolio's benchmark. Overweights may include nonbenchmark stocks.): Small-Cap Equity Fund

	POSITIVE EFFECTS	NEGATIVE EFFECTS
<b>OVERWEIGHTS</b>	Unisys Corp AsialInfo Holdings Inc World Acceptance Corp	Corinthian Colleges Inc ValueClick Inc Knight Capital Group Inc
<b>UNDERWEIGHTS</b>	Palm Inc PrivateBancorp Inc STEC Inc	NutriSystem Inc Chattem Inc Skechers USA Inc

### IMPORTANT INFORMATION

Investing in this fund involves a number of risks. Small-company securities may experience steeper fluctuations in price than those of larger companies. These securities may also have to be sold at a discount from their current market prices or in small lots over an extended period. For a detailed discussion of risk, consult the prospectus.

**TIAA-CREF Individual & Institutional Services, LLC, and Teachers Personal Investors Services, Inc., members FINRA, distribute securities products. You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877 518-9161 for a prospectus that contains this and other information. Please read the prospectus carefully before investing.**

The TIAA-CREF Funds offer four classes of shares. The performance returns included in this material are those of the Retirement Class of shares. Teachers Personal Investors Services, Inc., is the principal underwriter of the Retirement Class shares of TIAA-CREF Funds.

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### EXPENSES

Expenses are an important aspect of investing. To pay for the operation and management of a fund, each investor is charged an expense fee, which is calculated as a percentage of the amount the investor has in the fund. Even if the fund loses money during a period, the fee is still charged. Although an annual expense fee may seem relatively small, its effect on performance over time can be substantial. TIAA-CREF has some of the lowest expense charges in the industry.\*

\* Morningstar Direct (December 2009) based on Morningstar expense comparisons by category.

### ABOUT THIS FUND'S BENCHMARK(S)

The Russell 2000 Index measures the performance of the stocks of the 2,000 smallest companies in the Russell 3000 Index, based on market capitalization. You cannot invest directly in these indexes.

### TIAA-CREF: FINANCIAL SERVICES FOR THE GREATER GOOD®

TIAA-CREF's investment philosophy seeks to deliver consistent growth for our investors year after year. Since 1918, we have helped millions of people at America's academic, medical, cultural and research institutions plan for the future. TIAA-CREF is one of the largest financial services organizations in the world, with \$414 billion in combined assets under management as of December 31, 2009.