



**2009 SEMIANNUAL REPORT**

# **TIAA-CREF LIFE FUNDS**

**JUNE 30, 2009**

Financial statements (unaudited)

Growth Equity

Growth & Income

International Equity

Large-Cap Value

Small-Cap Equity

Stock Index

Social Choice Equity

Real Estate Securities

Bond

Money Market

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## PERFORMANCE OVERVIEW AS OF JUNE 30, 2009

The TIAA-CREF Life Funds serve as underlying investment vehicles for certain variable annuity and variable life separate accounts. The returns of the TIAA-CREF Life Funds shown in this report do not reflect the administrative expense and the mortality and expense risk charges deducted by these separate accounts. Because of these additional deductions, the returns that contractholders of these separate accounts will experience are lower, for the same periods, than the figures shown here.

	Inception date	Total return		Average annual total return	
		1 year	5 years	10 years	since inception
<b>EQUITIES</b>					
Growth Equity Fund	4/3/2000	-27.58%	-1.61%	—	-7.51%
Growth & Income Fund	4/3/2000	-23.23	1.71	—	-2.04
International Equity Fund	4/3/2000	-35.27	1.12	—	-2.33
Large-Cap Value Fund	10/28/2002	-24.56	-1.14	—	4.56
Small-Cap Equity Fund	10/28/2002	-25.56	-2.08	—	6.30
Stock Index Fund	1/4/1999	-26.29	-1.79	-1.43%	-0.29
Social Choice Equity Fund	4/3/2000	-25.15	-1.48	—	-2.50
Real Estate Securities Fund	10/28/2002	-43.91	-3.97	—	3.60
<b>FIXED INCOME</b>					
Bond Fund	7/8/2003	2.92	3.83	—	3.42
Money Market Fund*	7/8/2003	1.59	3.53	—	3.12 <sup>†</sup>

### NET ANNUALIZED YIELD

(30-day period ended 6/30/2009)

	Effective
Bond Fund	4.43%

### NET ANNUALIZED YIELD

(7-day period ended 6/30/2009)

	Current	Effective
Money Market Fund*	0.43%	0.43%

\* Investments in the TIAA-CREF Life Money Market Fund are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency (not including the fund's participation in the U.S. Treasury Department's Temporary Guarantee Program for Money Market Funds; see page 46). Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund. The current yield more closely reflects current earnings than does the total return.

<sup>†</sup> The performance shown above is computed from August 2003. (For more information, see page 45.)

The returns in this report show past performance, which is no guarantee of future results. 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), or call 800 223-1200.

# UNDERSTANDING YOUR TIAA-CREF LIFE FUNDS REPORT

This report contains information about the TIAA-CREF Life Funds and describes the funds' results for the six months ended June 30, 2009. The report contains five main sections:

- The performance overview on the inside front cover shows the funds' returns over a variety of time periods.
- The report on the TIAA-CREF Life Funds from Edward Grzybowski, the chief investment officer of Teachers Advisors, Inc., the funds' investment adviser, explains how returns among various types of investments differed during the six-month period.
- The fund performance section compares each fund's return with the return of that fund's benchmark index. This section includes fund profiles that provide fund statistics at a glance, as well as portfolio composition tables that show breakdowns of each fund's holdings by industry and security type.
- The summary portfolios of investments list the industries and types of securities in which each fund had investments as of June 30, 2009, and the largest individual holdings the fund held on that date.
- The financial statements contain detailed information about the operations and financial condition of each fund.

*As always, you should carefully consider the investment objectives, risks, charges and expenses of any fund before investing. For a prospectus that contains this and other important information, please visit our website at [tiaa-cref.org](http://tiaa-cref.org), or call 800 223-1200. We urge you to read the prospectus carefully before investing.*

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# REPORT ON THE TIAA-CREF LIFE FUNDS

During the first six months of 2009, stock prices in most major markets rose on signs that the world-wide economic slowdown was easing.

The MSCI World Index, which tracks stock performance in 23 developed nations, including the United States, posted a gain of 6.4%, in dollar terms. The broad U.S. market, as measured by the Russell 3000® Index, gained 4.2%, while foreign stocks, as measured by the MSCI EAFE Index, climbed 8.0%, in terms of dollars.

After outperforming stocks in 2008, bonds lagged stocks for the first half of 2009. The Barclays Capital U.S. Aggregate Bond Index, which tracks the broad U.S. investment-grade, fixed-rate bond market, posted a return of 1.9%. A renewed demand for corporate bonds and commercial mortgage-backed securities drove their prices higher; these two sectors returned 8.3% and 10.4%, respectively. At the same time, prices for Treasury bonds fell, and they posted a return of -4.3%.

For the second quarter of 2009, the nation's gross domestic product was 3.9% lower than it had been a year earlier, adjusted for inflation. In this challenging economy, companies cut their staffs, pushing the official unemployment rate to 9.5% by the end of June.

However, cost cutting improved companies' profitability. The Commerce Department reported that corporate profits rose by 5.3% in the first quarter of 2009, although they remained weak compared with those of twelve months earlier.

## **Six of the Life Funds beat their benchmarks**

Nine of the ten TIAA-CREF Life Funds posted positive results for the first half of 2009, and six of them outperformed their benchmarks.

It is our strategy to be fully invested in each asset class in which we operate, and that enabled our stock-based funds to participate in the market's rally from the day it began on March 10.

In absolute terms, the strongest gains of the period came from the Growth Equity Fund, which benefited from investors' preference for growth stocks over value issues. The fund returned 10.1% but lagged its benchmark.

In terms of relative performance, the Large-Cap Value Fund did best. While its benchmark dropped 2.9% during the six-month period, the fund posted a return of 7.6%—more than ten percentage points better than the index.

Returns for the other stock-based funds ranged from -13.5% for the Real Estate Securities Fund to 6.1% for the International Equity Fund.

The Bond Fund outpaced its benchmark, with a return of 2.4%, and the Money Market Fund's 0.39% return was greater than the prevailing money market average, as measured by iMoneyNet.

### **Pursuing consistent growth through diversification**

Despite their gains during the first half of 2009, U.S. stocks were still down 26.6% for the twelve months ended June 30, 2009, as measured by the Russell 3000 Index. For the ten-year period, their average annual return was -1.5%.

However, the average annual return for U.S. investment-grade bonds during the same ten years was 6.0%, as measured by the Barclays Capital U.S. Aggregate Bond Index.

These returns run sharply counter to investors' expectations. During the period from 1926 to 2008, large-cap U.S. stocks have produced a compound annual return of 9.6%, while government bonds have returned 5.7%.

While no investment strategy can guarantee against loss, diversifying your assets helps your portfolio to benefit when the markets perform in unexpected ways. Diversification can help to limit your losses when declines occur in one investment area but not in others. It can also help ensure that, when a given area does well, you will be able to share in its rewards.



*Edward J. Grzybowski  
Chief Investment Officer  
Teachers Advisors, Inc.*

TIAA-CREF offers a range of investment options that includes stocks, bonds and the money market. With stocks, we also give you the opportunity to diversify among both domestic and foreign stocks.

If you would like help finding the mix best suited to your financial needs, time horizon and attitude towards risk, please visit our website, or call TIAA-CREF.

A handwritten signature in dark ink that reads "Edward J. Grzybowski". The signature is fluid and cursive.

**Edward J. Grzybowski**  
Chief Investment Officer  
Teachers Advisors, Inc.

# MORE INFORMATION ON THE TIAA-CREF LIFE FUNDS

## Portfolio holdings

Securities and Exchange Commission (SEC) rules intended to provide investors with more meaningful information about fund performance allow investment companies to list the top holdings of each fund in their annual and semiannual reports instead of providing complete portfolio listings. The funds file complete portfolio listings with the SEC, and they are available to the public.

You can obtain a complete list of the TIAA-CREF Life Funds' holdings (called "TIAA-CREF Life Funds Schedules of Investments") as of the most recently completed fiscal quarter (currently for the period ended June 30, 2009) in the following ways:

- By visiting our website at [tiaa-cref.org](http://tiaa-cref.org); or
- By calling us at 800 842-2776 to request a copy, which will be provided free of charge.

You can also obtain a complete list of the TIAA-CREF Life Funds' holdings as of the most recently completed fiscal quarter, and for prior quarter-ends, from the SEC. (Form N-CSR lists holdings as of December 31 or June 30; Form N-Q lists holdings as of March 31 or September 30.) Copies of these forms are available:

- Through the Electronic Data Gathering and Retrieval System (EDGAR) on the SEC's website at [www.sec.gov](http://www.sec.gov); or
- From the SEC's Office of Investor Education and Advocacy. (Call 202 551-8090 for more information.)

## Proxy voting

TIAA-CREF Life Funds' ownership of stock gives it the right to vote on proxy issues of companies in which it invests. A description of our proxy voting policies and procedures can be found on our website at [tiaa-cref.org](http://tiaa-cref.org) or on the SEC website at [www.sec.gov](http://www.sec.gov). You can also call us at 800 223-1200 to request a free copy. A report of how the funds voted during the most recently completed twelve-month period ended June 30 can be found on our website or on Form N-PX at [www.sec.gov](http://www.sec.gov).

## Contacting TIAA-CREF

There are three easy ways to contact us: by e-mail, using the Contact Us link at the top of our home page; by mail at TIAA-CREF, 730 Third Avenue, New York, NY 10017-3206; or by phone at 800 223-1200.

## Fund management

TIAA-CREF Life Funds are managed by the portfolio management teams of Teachers Advisors, Inc. The members of these teams are responsible for the day-to-day investment management of the funds.

## SPECIAL TERMS

**Agency securities** are bonds issued by U.S. government-backed entities such as the Federal National Mortgage Association (Fannie Mae).

**Asset-backed securities** are bonds backed by loans or by the outstanding amounts owed to a bank, credit card company or other lender.

**Benchmarks (benchmark indexes)** are groups of securities, such as the Russell 3000® Index or MSCI EAFE Index, whose performance can be used as a standard by which to judge the performance of a fund.\*

**Commercial paper** refers to short-term debt obligations issued to investors by banks, corporations or other borrowers. Maturities range from 1 to 270 days.

**Emerging markets** are countries with relatively low per capita income levels and above-average economic growth rates or prospects for growth.

**Expense ratio** is a measure of the annual amount that investors pay for the management of a mutual fund. It is expressed as a percentage of the fund's average net assets and does not include front-end or back-end sales charges, if any, or trading costs.

**Market capitalization** is the total value of a company's outstanding stock, calculated by multiplying the number of outstanding shares by the current market price per share.

**Maturity date** is the date on which the principal amount of a note, bond or other debt instrument becomes due or payable.

**Mortgage-backed securities** are bonds that represent an interest in a pool of mortgages usually issued by the Government National Mortgage Association (Ginnie Mae), Fannie Mae or other U.S. government-backed entities.

**Overweight holding** is a security that forms a larger percentage of a fund, in terms of market capitalization, than that security's percentage of the benchmark.

**Portfolio turnover rate** is calculated by dividing the value of securities bought or sold during the fiscal year (whichever is less) by the average value of the portfolio during that period.

**Price/earnings (P/E) ratio** is calculated by dividing the market value of a portfolio's assets by its earnings per share over a twelve-month period.

**Relative performance** is the return of a fund in relation to that of its benchmark.

**Securities** is a general name for stocks (also known as "equities"), bonds (also known as "fixed-income securities") or other investments.

**Total return** is the amount an investment provides to investors after expenses are deducted. Total return is expressed as a percentage. It includes any interest or dividends, as well as any change in the market value of the investment.

**Underweight holding** is a security that forms a smaller percentage of a fund, in terms of market capitalization, than that security's percentage of the benchmark.

\* Russell 3000 is a trademark and service mark of Russell Investment Group. TIAA-CREF products are not promoted or sponsored by, or affiliated with, Russell Investment Group. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. This report is not approved, reviewed or produced by MSCI. EAFE stands for Europe, Australasia, Far East. You cannot invest directly in any index.

## IMPORTANT INFORMATION ABOUT EXPENSES

Shareholders in the TIAA-CREF Life Funds incur only one of two potential types of costs.

- Shareholders incur no transaction costs, including sales charges (loads) on purchases, on reinvested dividends or on other distributions. There are also no redemption fees or exchange fees.
- However, they do incur ongoing costs, including management fees.

The TIAA-CREF Life Funds are the underlying investment vehicles for certain variable life insurance and variable annuity contracts issued by TIAA-CREF Life Insurance Company. These contracts have additional administrative expense fees and mortality and expense risk charges. Because of these additional deductions, the costs to investors will be higher than the figures shown in the expense examples.

The examples that appear on the performance pages are intended to help you understand your ongoing costs (in U.S. dollars) of investing in each fund. The examples are also designed to help you compare these costs with the ongoing costs of investing in other funds.

The examples assume \$1,000 was invested on January 1, 2009, and held for six months until June 30, 2009.

### Actual expenses

The first line in each table uses the fund's actual expenses and its actual rate of return. You may use the information in this line, together with the amount you invested at the beginning of the period, to estimate the expenses that you paid over the six-month period.

Simply divide your fund value by \$1,000 (for example, an \$8,600 fund value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading "Expenses paid" to estimate the expenses you paid during the six-month period.

### Hypothetical example for comparison purposes

The second line in the table shows hypothetical fund values and expenses based on the fund's actual expense ratio for the six-month period and an assumed 5% per year rate of return before expenses. This was not the fund's actual return.

This hypothetical example cannot be used to estimate the actual expenses you paid for the period but rather allows you to compare the ongoing costs of investing in this fund with the costs of other funds. To do so, compare our 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

# GROWTH EQUITY FUND

## PERFORMANCE IN THE SIX MONTHS ENDED JUNE 30, 2009

The Growth Equity Fund returned 10.14% for the period, compared with the 11.53% return of its benchmark, the Russell 1000® Growth Index.

### Large-cap growth jumps, as large-cap value stumbles

For the six-month period, large-cap growth stocks strongly outperformed large-cap value issues, which lost 2.87%, as measured by the Russell 1000 Value Index. This reverses a protracted trend: During the decade that ended on December 31, 2008, large-cap value had outpaced large-cap growth in eight out of ten years.

For the ten years ended June 30, 2009, the Russell 1000 Growth Index posted an average annual return of -4.18%—more than four percentage points behind the -0.15% average annual return of the Russell 1000 Value Index.

### Technology drives the benchmark's climb

Eleven of the benchmark's twelve industry sectors achieved positive returns for the six-month period, with four scoring double-digit gains. Returns were propelled chiefly by the 26.7% return of the technology sector, which made up more than one quarter of the benchmark's market capitalization as of June 30, 2009. The next two

largest contributions came from "other energy" and the consumer discretionary sectors, which returned 24.2% and 7.2%, respectively. Together these three sectors constituted nearly half of the benchmark's market capitalization.

### Stock selections trim return

The fund underperformed its benchmark because of unfavorable stock selections. These included positions in educational provider Apollo Group, General Mills and Wells Fargo that were overweight, relative to their benchmark weightings, and an underweight in drug maker Schering-Plough.

The negative effects of these holdings were partially offset by a number of successful stock selections, including overweights in Goldman Sachs and Coach, a maker of fashion accessories. An underweight position in Wal-Mart also aided relative results.

On June 30, 2009, foreign securities made up 8.37% of the fund's total portfolio investments. Many of these securities were held as American Depositary Receipts, which are receipts for shares of a foreign stock traded on a U.S. exchange.

# GROWTH EQUITY FUND

## INVESTMENT OBJECTIVE

The fund seeks a favorable long-term return, mainly through capital appreciation, primarily from equity securities.

## PRINCIPAL INVESTMENT RISKS

The fund is subject to market risk, company risk, large-cap risk, style risk, active management risk, quantitative analysis risk, foreign investment risk and growth investing risk. The fund is also subject to the risks of investing in companies involved in reorganizations and other special situations. For a detailed discussion of risk, please see the prospectus.

## THE FUND'S BENCHMARK

The Russell 1000® Growth Index is a subset of the Russell 1000 Index, which measures the performance of the stocks of the 1,000 largest companies in the Russell 3000® Index, based on market capitalization. The Russell 1000 Growth Index measures the performance of those stocks of the Russell 1000 Index with higher price/book ratios and higher relative forecasted growth rates. You cannot invest directly in these indexes.

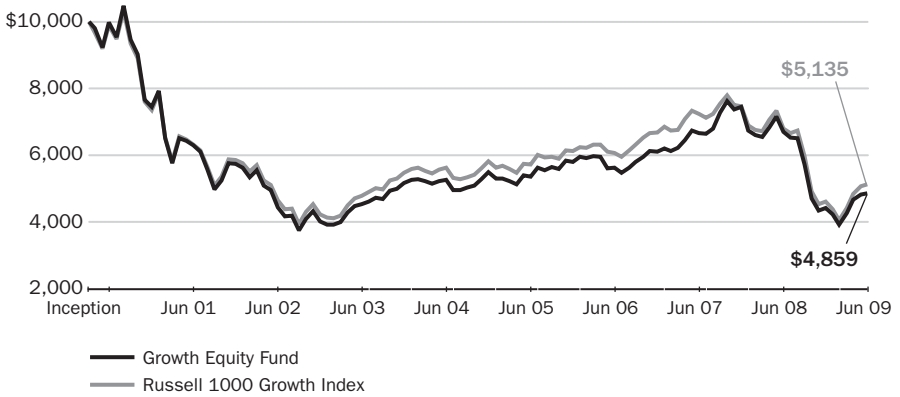
## PERFORMANCE AS OF JUNE 30, 2009

	Total return		Average annual total return	
	6 months	1 year	5 years	since inception
<b>Growth Equity Fund</b> (inception: 4/3/2000)	10.14%	-27.58%	-1.61%	-7.51%
Russell 1000 Growth Index	11.53	-24.50	-1.83	-6.96

*The returns in this report show past performance, which is no guarantee of future results. 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).*

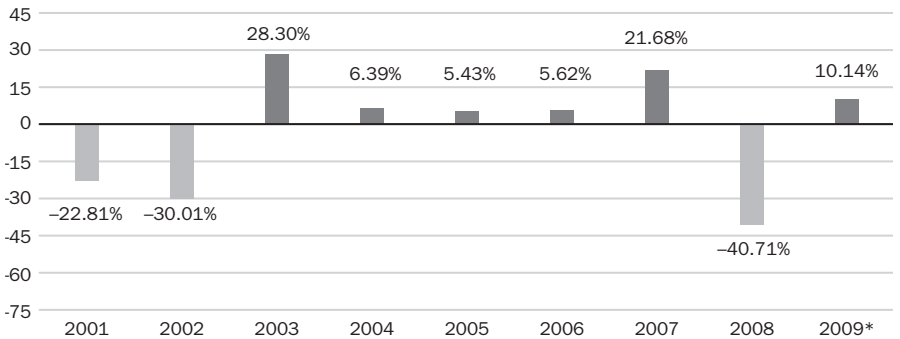
Russell 1000 and Russell 3000 are trademarks and service marks of Russell Investment Group. TIAA-CREF products are not promoted or sponsored by, or affiliated with, Russell Investment Group.

## \$10,000 SINCE APRIL 3, 2000 INCEPTION



An investment of \$10,000 in this fund on April 3, 2000, would be worth \$4,859 as of June 30, 2009, including reinvestment of dividends and distributions. For the purpose of comparison, the graph also shows the change in the value of the fund's benchmark during the same period.

## CALENDAR YEAR TOTAL RETURN



\* For the six months ended June 30, 2009

# GROWTH EQUITY FUND

## EXPENSE EXAMPLE

Six months ended June 30, 2009

Growth Equity Fund	Starting fund value (1/1/09)	Ending fund value (6/30/09)	Expenses paid* (1/1/09–6/30/09)
Actual return	\$1,000.00	\$ 1,101.40	\$1.35
5% annual hypothetical return	1,000.00	1,023.49 <sup>†</sup>	1.30

\* “Expenses paid” is equal to the fund’s annualized expense ratio of 0.26%, multiplied by the average fund value over the six-month period, multiplied by 181/365. There were 181 days in the first half of 2009.

<sup>†</sup> Ending fund value for the hypothetical example would be \$1,024.79 before expenses. The table shows the value after subtraction of expenses in order to be comparable with the ending fund value shown for the fund’s actual return.

For more information about this expense example, please see page 6.

## FUND PROFILE

Net assets	\$27.29 million
Number of holdings	87
Portfolio turnover rate (not annualized)	145%
Weighted median market capitalization	\$35.9 billion
P/E ratio (weighted 12-month trailing average)	20.0
Dividend yield	1.21%
2009 expense ratio <sup>‡</sup>	0.26%

<sup>‡</sup> The fund’s annualized expense ratio does not include the administrative, mortality and expense risk charges that are deducted under variable annuity and variable life insurance contracts that use the TIAA-CREF Life Funds. For more information on fund deductions and expenses, please see the variable product prospectus.

## PORTFOLIO COMPOSITION

	% of net assets
Technology	32.8
Consumer products & services	31.5
Health care	11.9
Financial	10.3
Manufacturing & materials	6.6
Energy	5.3
Other assets & liabilities, net	1.6
Total	100.0

## HOLDINGS BY COMPANY SIZE

	% of portfolio investments
Over \$15 billion	67.27
\$4 billion–\$15 billion	30.25
Under \$4 billion	2.48
Total	100.00

# GROWTH & INCOME FUND

## PERFORMANCE IN THE SIX MONTHS ENDED JUNE 30, 2009

The Growth & Income Fund returned 5.46% for the period, compared with the 3.16% return of its benchmark, the S&P 500® Index.

### Large-cap stocks underperform the broad equity market

For the six-month period, the S&P 500 Index trailed the broad-based Russell 3000® Index, which returned 4.20%. This reflected the fact that, unlike the S&P 500, the Russell 3000 included a considerable number of mid-cap stocks. The mid-cap segment of the Russell 3000, which made up more than a quarter of that index, rose 9.96%.

For the ten years ended June 30, 2009, the S&P 500 Index posted an average annual return of -2.22%—significantly less than the -1.46% return of the Russell 3000 Index over the same period.

### Technology drives the benchmark's climb

During the six months, four of the S&P 500's ten industry sectors gained ground. The largest advance occurred in the information technology sector, which returned 24.9%. This sector made up almost one-fifth of the benchmark's market capitalization as of June 30, 2009. The materials and consumer discretionary sectors rose 13.9% and 8.6%, respectively.

These solid gains were partly offset by weakness in the benchmark's

second and third largest sectors, health care (up 0.2%) and financials (down 3.4%). The poorest performing sectors were industrials (down 5.9%) and telecommunications services (down 4.0%).

### Fund outshines benchmark

The fund's return surpassed its benchmark's by more than two percentage points on the strength of well-performing security selections that included a number of nonbenchmark stocks. Among these were British mining giant Rio Tinto, educational media distributor Discovery Communications and Brazilian energy supplier Petrobras. An overweight position in energy supplier Weatherford International also boosted returns.

In contrast, an underweight position in Wells Fargo and positions in two nonbenchmark stocks, health-care and consumer products company Chatterm and insurance giant ACE, trimmed returns slightly.

On June 30, 2009, foreign securities made up 6.19% of the fund's total portfolio investments. Many of these securities were held as American Depositary Receipts, which are receipts for shares of a foreign stock traded on a U.S. exchange.

# GROWTH & INCOME FUND

## INVESTMENT OBJECTIVE

The fund seeks a favorable long-term total return through both capital appreciation and investment income primarily from income-producing equity securities.

## PRINCIPAL INVESTMENT RISKS

The fund is subject to market risk, company risk, large-cap risk, style risk, quantitative analysis risk, active management risk, foreign investment risk and growth investing risk. The fund is also subject to the risks associated with stocks paying relatively high dividends; they may underperform other stocks during periods of rapid market appreciation. For a detailed discussion of risk, please see the prospectus.

## THE FUND'S BENCHMARK

The S&P 500® Index is a market-capitalization-weighted index of the stocks of 500 leading companies in major industries of the U.S. economy. You cannot invest directly in this index.

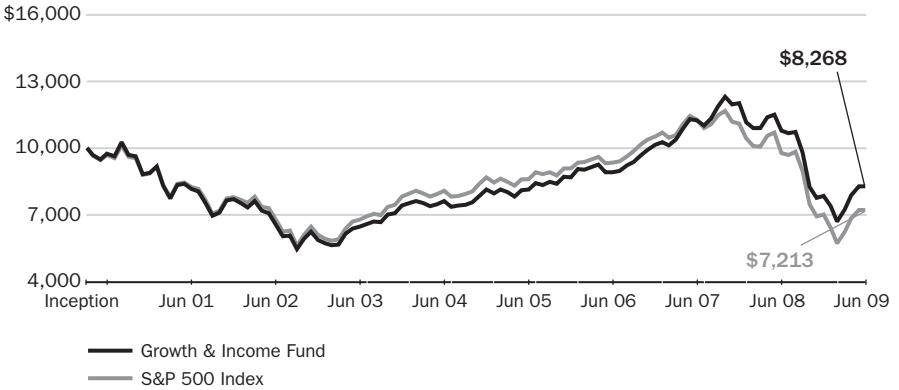
## PERFORMANCE AS OF JUNE 30, 2009

	Total return		Average annual total return	
	6 months	1 year	5 years	since inception
<b>Growth &amp; Income Fund</b> (inception: 4/3/2000)	5.46%	-23.23%	1.71%	-2.04%
S&P 500 Index	3.16	-26.21	-2.24	-3.47

*The returns in this report show past performance, which is no guarantee of future results. 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).*

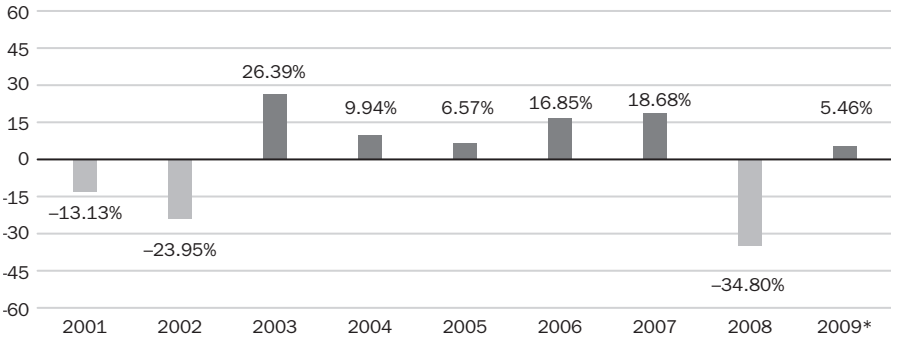
S&P 500 is a registered trademark and service mark of the McGraw-Hill Companies.

**\$10,000 SINCE APRIL 3, 2000 INCEPTION**



An investment of \$10,000 in this fund on April 3, 2000, would be worth \$8,268 as of June 30, 2009, including reinvestment of dividends and distributions. For the purpose of comparison, the graph also shows the change in the value of the fund's benchmark during the same period.

**CALENDAR YEAR TOTAL RETURN**



\* For the six months ended June 30, 2009

# GROWTH & INCOME FUND

## EXPENSE EXAMPLE

Six months ended June 30, 2009

Growth & Income Fund	Starting fund value (1/1/09)	Ending fund value (6/30/09)	Expenses paid* (1/1/09–6/30/09)
Actual return	\$1,000.00	\$1,054.60	\$1.22
5% annual hypothetical return	1,000.00	1,023.59 <sup>†</sup>	1.20

\* “Expenses paid” is equal to the fund’s annualized expense ratio of 0.24%, multiplied by the average fund value over the six-month period, multiplied by 181/365. There were 181 days in the first half of 2009.

<sup>†</sup> Ending fund value for the hypothetical example would be \$1,024.79 before expenses. The table shows the value after subtraction of expenses in order to be comparable with the ending fund value shown for the fund’s actual return.

For more information about this expense example, please see page 6.

## FUND PROFILE

Net assets	\$54.65 million
Number of holdings	161
Portfolio turnover rate (not annualized)	83%
Weighted median market capitalization	\$38.2 billion
P/E ratio (weighted 12-month trailing average)	19.2
Dividend yield	1.87%
2009 expense ratio <sup>‡</sup>	0.24%

<sup>‡</sup> The fund’s annualized expense ratio does not include the administrative, mortality and expense risk charges that are deducted under variable annuity and variable life insurance contracts that use the TIAA-CREF Life Funds. For more information on fund deductions and expenses, please see the variable product prospectus.

## PORTFOLIO COMPOSITION

	% of net assets
Consumer products & services	24.6
Technology	20.7
Financial	14.5
Manufacturing & materials	13.8
Energy	11.8
Health care	11.0
Utilities	3.2
Other assets & liabilities, net	0.4
<b>Total</b>	<b>100.0</b>

## HOLDINGS BY COMPANY SIZE

	% of portfolio investments
Over \$15 billion	70.01
\$4 billion–\$15 billion	17.04
Under \$4 billion	12.95
<b>Total</b>	<b>100.00</b>

# INTERNATIONAL EQUITY FUND

## PERFORMANCE IN THE SIX MONTHS ENDED JUNE 30, 2009

The International Equity Fund returned 6.12% for the period, compared with the 7.95% return of its benchmark, the MSCI EAFE Index.

### Foreign stocks eclipse U.S. shares in global rally

Amid signs that the pace of global economic decline was beginning to ease, nearly every stock market represented in the EAFE index, which tracks stocks in 21 developed foreign nations, posted positive returns in the first half of 2009. Gains came in the second quarter, when the index soared 25.43% in dollar terms, following a 13.94% loss in the first quarter.

For the six-month period, the return of the EAFE index was significantly higher than the 4.20% gain of the Russell 3000® Index, which measures the broad U.S. stock market. The rising value of the euro, pound and yen, relative to the dollar, magnified foreign stock gains for U.S. investors. In terms of local currencies, the EAFE advanced 16.92% in the second quarter and 5.12% for the six-month period.

For the ten years ended June 30, 2009, the average annual return of the EAFE index was 1.18% in dollars, versus -1.46% for the Russell 3000 Index.

### Pacific stocks lead the pack

For the period, the benchmark's Pacific segment rose 9.7% in dollar terms. Japanese stocks returned

only 2.6%, while other Pacific markets surged 29.0%. The benchmark's European segment gained 7.0% in dollars. British, French and German stocks had divergent returns of 13.0%, 2.1% and -0.6%, respectively.

### Stock selections detract from return

The fund lagged its benchmark primarily because of several unfavorable stock selections. Among the largest detractors from relative performance were a nonbenchmark position in Wells Fargo and overweight positions in German drug maker Bayer, Swiss financial services provider UBS and German postal service Deutsche Post. Avoiding two financial services providers, Britain's Barclays and Spain's Banco Santander, also hurt relative performance.

Positive contributors to relative performance included a position in Taiwanese electronics company Hon Hai Precision Industry, a nonbenchmark stock, and overweights in Swiss banking giant Credit Suisse and U.K.-based software firm Autonomy. Avoiding two Swiss pharmaceutical companies, Novartis and Roche, also helped.

As of June 30, 2009, stocks of companies in emerging markets, which are not in the benchmark, made up about 8.3% of the fund's total portfolio investments.

# INTERNATIONAL EQUITY FUND

## INVESTMENT OBJECTIVE

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

## PRINCIPAL INVESTMENT RISKS

The fund is subject to foreign investment risk, market risk, quantitative analysis risk, active management risk, company risk and small-cap risk. For a detailed discussion of risk, please see the prospectus.

## THE FUND'S BENCHMARK

The MSCI EAFE® (Europe, Australasia, Far East) Index measures the performance of the leading stocks in 21 developed countries outside North America. You cannot invest directly in this index.

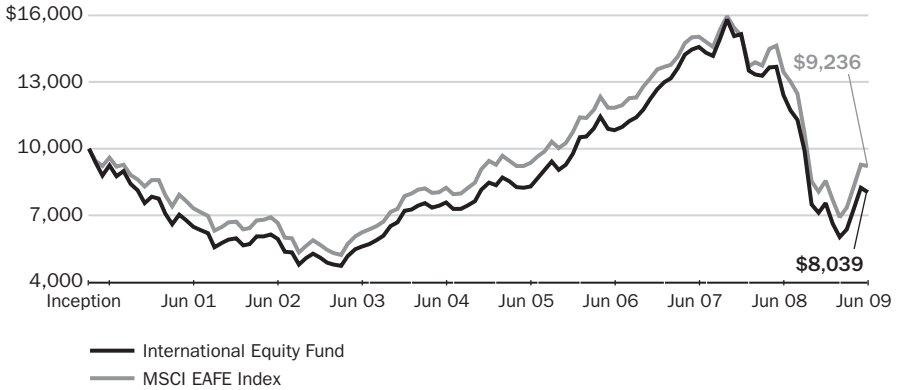
## PERFORMANCE AS OF JUNE 30, 2009

	Total return		Average annual total return	
	6 months	1 year	5 years	since inception
<b>International Equity Fund</b> (inception: 4/3/2000)	6.12%	-35.27%	1.12%	-2.33%
MSCI EAFE Index	7.95	-31.35	2.31	-0.86

*The returns in this report show past performance, which is no guarantee of future results. 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).*

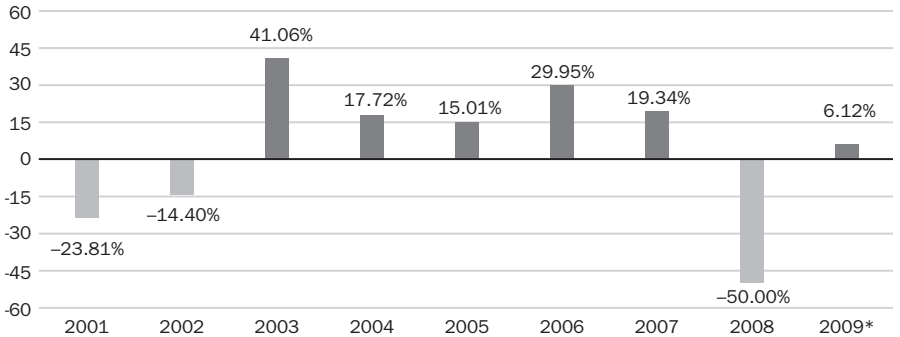
MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. This report is not approved, reviewed or produced by MSCI.

### \$10,000 SINCE APRIL 3, 2000 INCEPTION



An investment of \$10,000 in this fund on April 3, 2000, would be worth \$8,039 as of June 30, 2009, including reinvestment of dividends and distributions. For the purpose of comparison, the graph also shows the change in the value of the fund's benchmark during the same period.

### CALENDAR YEAR TOTAL RETURN



\* For the six months ended June 30, 2009

# INTERNATIONAL EQUITY FUND

## EXPENSE EXAMPLE

Six months ended June 30, 2009

International Equity Fund	Starting fund value (1/1/09)	Ending fund value (6/30/09)	Expenses paid* (1/1/09–6/30/09)
Actual return	\$1,000.00	\$ 1,061.20	\$ 1.53
5% annual hypothetical return	1,000.00	1,023.29 <sup>†</sup>	1.51

\* “Expenses paid” is equal to the fund’s annualized expense ratio of 0.30%, multiplied by the average fund value over the six-month period, multiplied by 181/365. There were 181 days in the first half of 2009.

<sup>†</sup> Ending fund value for the hypothetical example would be \$1,024.79 before expenses. The table shows the value after subtraction of expenses in order to be comparable with the ending fund value shown for the fund’s actual return.

For more information about this expense example, please see page 6.

## FUND PROFILE

Net assets	\$72.70 million
Number of holdings	140
Portfolio turnover rate (not annualized)	63%
Weighted median market capitalization	\$19.7 billion
P/E ratio (weighted 12-month trailing average)	25.7
Dividend yield	3.02%
2009 expense ratio <sup>‡</sup>	0.30%

<sup>‡</sup> The fund’s annualized expense ratio does not include the administrative, mortality and expense risk charges that are deducted under variable annuity and variable life insurance contracts that use the TIAA-CREF Life Funds. For more information on fund deductions and expenses, please see the variable product prospectus.

## HOLDINGS BY COMPANY SIZE

	% of portfolio investments
Over \$15 billion	60.30
\$4 billion–\$15 billion	26.87
Under \$4 billion	12.83
Total	100.00

## HOLDINGS BY COUNTRY

Country	% of portfolio investments
United Kingdom	25.7
Japan	16.0
Germany	14.3
Switzerland	10.8
Finland	5.4
Netherlands	4.0
Sweden	3.4
United States	3.3
Taiwan	3.2
9 other nations	13.9
Total	100.0

## PORTFOLIO COMPOSITION

	% of net assets
Manufacturing & materials	29.7
Consumer products & services	25.9
Financial	25.4
Energy	8.5
Technology	5.7
Utilities	3.4
Other assets & liabilities, net	1.4
Total	100.0

# LARGE-CAP VALUE FUND

## PERFORMANCE IN THE SIX MONTHS ENDED JUNE 30, 2009

The Large-Cap Value Fund returned 7.61% for the period, compared with the -2.87% return of its benchmark, the Russell 1000® Value Index.

### Large-cap value dips while large-cap growth soars

For the six-month period, large-cap value stocks significantly underperformed large-cap growth issues, which returned 11.53%, as measured by the Russell 1000 Growth Index. This reverses a protracted trend: During the decade that ended on December 31, 2008, large-cap value had outpaced large-cap growth eight years out of ten.

For the ten years ended June 30, 2009, the Russell 1000 Value Index posted an average annual return of -0.15%, while the Russell 1000 Growth Index returned -4.18%.

### Oil sector depresses benchmark

For the period, six of the Russell 1000 Value Index's twelve industry sectors registered negative returns, with two producing double-digit losses. Results were driven by an 11.3% decline in its integrated oils sector. Losses of 6.5% in the financial sector and 22.9% in the miscellaneous "other" sector also played a major role. The latter included General Electric, which lost nearly one-quarter of its market value during the period.

The best performance was the 26.7% gain from technology, but that

sector amounted to less than 3% of the index, in terms of market capitalization on June 30, 2009.

### The fund climbs while the index drops

While the fund's benchmark had a negative return for the six months, the fund was strongly positive, outpacing the index by more than ten percentage points. These gains were made possible by successful stock selections, including overweight holdings, relative to the benchmark, in Bermuda-based insurer XL Capital and data storage device-maker Brocade Communications. An underweight in Exxon Mobil and a non-benchmark position in British mining giant Rio Tinto also aided returns.

These positive contributions were partly offset by several detractors from relative performance. They included Wells Fargo, which was held as an overweighted and an underweighted position at various times during the period, as well as an underweight holding in Freeport-McMoRan and overweighted in Delta Airlines and General Mills.

On June 30, 2009, foreign securities made up 11.45% of the fund's total portfolio investments. Many of these securities were held as American Depositary Receipts, which are receipts for shares of a foreign stock traded on a U.S. exchange.

# LARGE-CAP VALUE FUND

## INVESTMENT OBJECTIVE

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

## PRINCIPAL INVESTMENT RISKS

The fund is subject to market risk, company risk, large-cap risk, style risk, quantitative analysis risk, active management risk, foreign investment risk and value investing risk. For a detailed discussion of risk, please see the prospectus.

## THE FUND'S BENCHMARK

The Russell 1000® Value Index is a subset of the Russell 1000 Index, which measures the performance of the stocks of the 1,000 largest companies in the Russell 3000® Index, based on market capitalization. The Russell 1000 Value Index measures the performance of those stocks of the Russell 1000 Index with lower price/book ratios and lower relative forecasted growth rates. You cannot invest directly in these indexes.

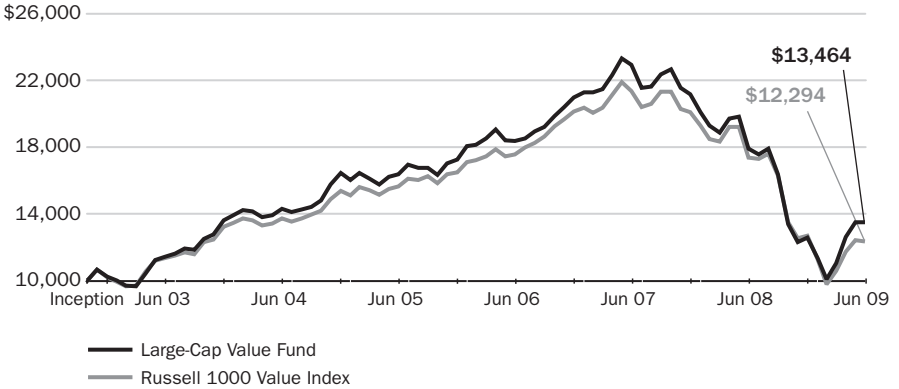
## PERFORMANCE AS OF JUNE 30, 2009

	Total return		Average annual total return	
	6 months	1 year	5 years	since inception
<b>Large-Cap Value Fund</b> (inception: 10/28/2002)	7.61%	-24.56%	-1.14%	4.56%
Russell 1000 Value Index	-2.87	-29.03	-2.13	3.14

*The returns in this report show past performance, which is no guarantee of future results. 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).*

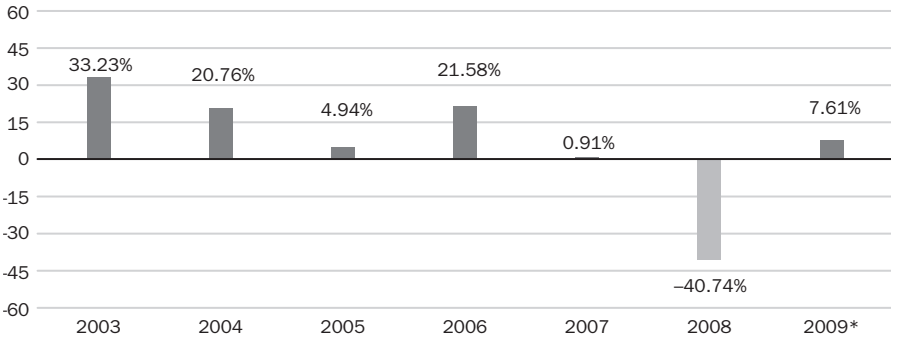
Russell 1000 and Russell 3000 are trademarks and service marks of Russell Investment Group. TIAA-CREF products are not promoted or sponsored by, or affiliated with, Russell Investment Group.

**\$10,000 SINCE OCTOBER 28, 2002 INCEPTION**



An investment of \$10,000 in this fund on October 28, 2002, would be worth \$13,464 as of June 30, 2009, including reinvestment of dividends and distributions. For the purpose of comparison, the graph also shows the change in the value of the fund's benchmark during the same period.

**CALENDAR YEAR TOTAL RETURN**



\* For the six months ended June 30, 2009

# LARGE-CAP VALUE FUND

## EXPENSE EXAMPLE

Six months ended June 30, 2009

Large-Cap Value Fund	Starting fund value (1/1/09)	Ending fund value (6/30/09)	Expenses paid* (1/1/09–6/30/09)
Actual return	\$1,000.00	\$ 1,076.10	\$1.29
5% annual hypothetical return	1,000.00	1,023.54 <sup>†</sup>	1.25

\* “Expenses paid” is equal to the fund’s annualized expense ratio of 0.25%, multiplied by the average fund value over the six-month period, multiplied by 181/365. There were 181 days in the first half of 2009.

<sup>†</sup> Ending fund value for the hypothetical example would be \$1,024.79 before expenses. The table shows the value after subtraction of expenses in order to be comparable with the ending fund value shown for the fund’s actual return.

For more information about this expense example, please see page 6.

## FUND PROFILE

Net assets	\$44.38 million
Number of holdings	201
Portfolio turnover rate (not annualized)	91%
Weighted median market capitalization	\$23.8 billion
P/E ratio (weighted 12-month trailing average)	23.5
Dividend yield	2.25%
2009 expense ratio <sup>‡</sup>	0.25%

<sup>‡</sup> The fund’s annualized expense ratio does not include the administrative, mortality and expense risk charges that are deducted under variable annuity and variable life insurance contracts that use the TIAA-CREF Life Funds. For more information on fund deductions and expenses, please see the variable product prospectus.

## PORTFOLIO COMPOSITION

	% of net assets
Financial	22.8
Consumer products & services	18.8
Energy	15.6
Manufacturing & materials	14.8
Technology	10.6
Health care	10.2
Utilities	5.5
Other assets & liabilities, net	1.7
<b>Total</b>	<b>100.0</b>

## HOLDINGS BY COMPANY SIZE

	% of portfolio investments
Over \$15 billion	61.80
\$4 billion–\$15 billion	18.44
Under \$4 billion	19.76
<b>Total</b>	<b>100.00</b>

# SMALL-CAP EQUITY FUND

## PERFORMANCE IN THE SIX MONTHS ENDED JUNE 30, 2009

The Small-Cap Equity Fund returned 2.61% for the period, compared with the 2.64% return of its benchmark, the Russell 2000® Index.

### Small-cap stocks lag the broader market

For the six-month period, small-cap issues underperformed the broad U.S. stock market, which rose 4.20%, as measured by the Russell 3000® Index.

During the first quarter of 2009, small caps continued to struggle amid a challenging investment environment. The Russell 2000 Index fell 14.95%, lagging the broader market, which lost 10.80%. In the second quarter, however, small-cap issues rebounded with the rest of the market. The Russell 2000 rose 20.69%, versus a 16.82% advance for the Russell 3000. This marked the largest quarterly advance for the small-cap index since the second quarter of 2003, when it gained 23.42%.

For the ten years ended June 30, 2009, the Russell 2000 Index posted an average annual gain of 2.38%—nearly four percentage points greater than the -1.46% average return of the Russell 3000 Index.

### Technology and consumer discretionary keep returns positive

During the period, seven of the benchmark's twelve industry sectors posted gains, including two that recorded double-digit advances. In particular, the index was boosted by

strong performance from its technology and consumer discretionary sectors, which gained 28.8% and 19.6%, respectively. Together, these sectors made up about 30% of the benchmark's total market capitalization on June 30, 2009.

The biggest detraction from performance came from the benchmark's largest sector, financials (down 16.9%), which made up more than one-fifth of the index. Lackluster results from the utilities and autos and transportation sectors also weighed on the index.

### Fund closely tracks its benchmark

The fund's return was in line with that of its benchmark, with the positive effects of successful stock selections countered by others that hurt relative performance. Positive contributions came from overweight positions in technology companies 3Com, Global Cash Access Holdings and Tessera Technologies.

Other positions detracted from relative performance, including overweight holdings in Crawford & Co., an insurance services provider, and HealthSpring, a managed-care company. An underweight in technology firm Palm also trimmed relative results.

The fund continued to use proprietary quantitative models to select small-cap stocks that appeared to be attractively priced.

# SMALL-CAP EQUITY FUND

## INVESTMENT OBJECTIVE

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

## PRINCIPAL INVESTMENT RISKS

The fund is subject to market risk, company risk, small-cap/mid-cap risk, active management risk and quantitative analysis risk. For a detailed discussion of risk, please see the prospectus.

## THE FUND'S BENCHMARK

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.

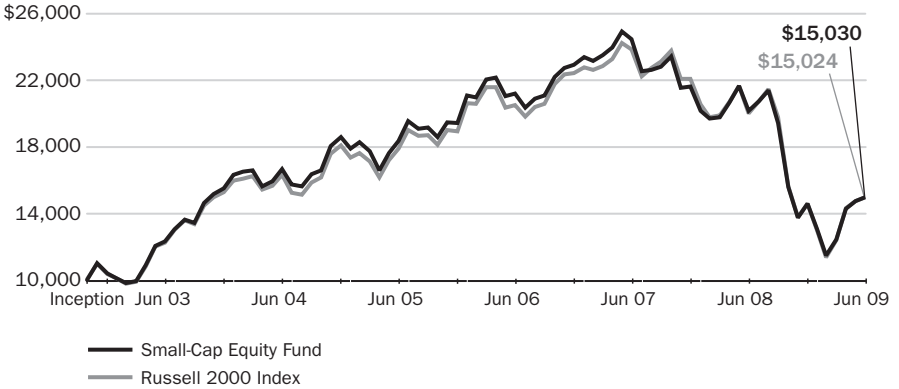
## PERFORMANCE AS OF JUNE 30, 2009

	Total return		Average annual total return	
	6 months	1 year	5 years	since inception
<b>Small-Cap Equity Fund</b> (inception: 10/28/2002)	2.61%	-25.56%	-2.08%	6.30%
Russell 2000 Index	2.64	-25.01	-1.71	6.29

*The returns in this report show past performance, which is no guarantee of future results. 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).*

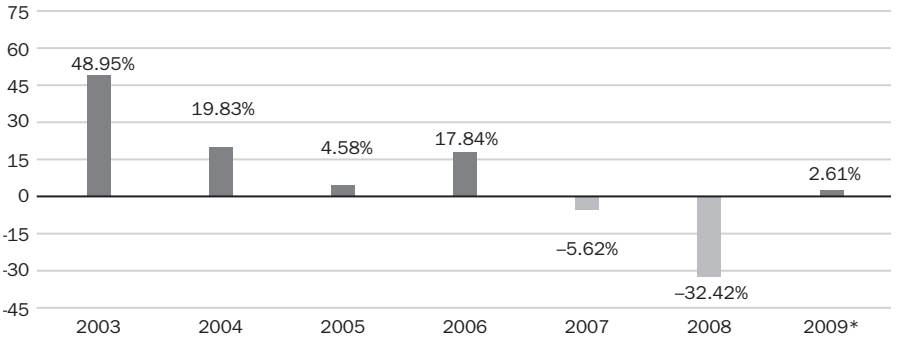
Russell 2000 and Russell 3000 are trademarks and service marks of Russell Investment Group. TIAA-CREF products are not promoted or sponsored by, or affiliated with, Russell Investment Group.

**\$10,000 SINCE OCTOBER 28, 2002 INCEPTION**



An investment of \$10,000 in this fund on October 28, 2002, would be worth \$15,030 as of June 30, 2009, including reinvestment of dividends and distributions. For the purpose of comparison, the graph also shows the change in the value of the fund's benchmark during the same period.

**CALENDAR YEAR TOTAL RETURN**



\* For the six months ended June 30, 2009

# SMALL-CAP EQUITY FUND

## EXPENSE EXAMPLE

Six months ended June 30, 2009

Small-Cap Equity Fund	Starting fund value (1/1/09)	Ending fund value (6/30/09)	Expenses paid* (1/1/09–6/30/09)
Actual return	\$1,000.00	\$ 1,026.10	\$0.55
5% annual hypothetical return	1,000.00	1,024.24 <sup>†</sup>	0.55

\* “Expenses paid” is equal to the fund’s annualized expense ratio of 0.11%, multiplied by the average fund value over the six-month period, multiplied by 181/365. There were 181 days in the first half of 2009.

<sup>†</sup> Ending fund value for the hypothetical example would be \$1,024.79 before expenses. The table shows the value after subtraction of expenses in order to be comparable with the ending fund value shown for the fund’s actual return.

For more information about this expense example, please see page 6.

## FUND PROFILE

Net assets	\$34.53 million
Number of holdings	780
Portfolio turnover rate (not annualized)	56%
Weighted median market capitalization	\$0.7 billion
P/E ratio (weighted 12-month trailing average)	24.6
Dividend yield	1.38%
2009 expense ratio <sup>‡</sup>	0.11%

<sup>‡</sup> The fund’s annualized expense ratio does not include the administrative, mortality and expense risk charges that are deducted under variable annuity and variable life insurance contracts that use the TIAA-CREF Life Funds. For more information on fund deductions and expenses, please see the variable product prospectus.

## PORTFOLIO COMPOSITION

	% of net assets
Manufacturing & materials	21.7
Technology	20.7
Consumer products & services	20.3
Financial	18.0
Health care	11.1
Energy	4.3
Utilities	4.2
Other assets & liabilities, net	-0.3
<b>Total</b>	<b>100.0</b>

## HOLDINGS BY COMPANY SIZE

	% of portfolio investments
Under \$4 billion	100.00
<b>Total</b>	<b>100.00</b>

# STOCK INDEX FUND

## PERFORMANCE IN THE SIX MONTHS ENDED JUNE 30, 2009

The Stock Index Fund returned 4.28% for the period, compared with the 4.20% return of its benchmark, the Russell 3000® Index.

### Stocks surge in the second quarter

The broad-based Russell 3000 Index began 2009 having suffered its worst calendar year since the index began in 1979, but it ended the six-month period solidly in the plus column. Amid rising unemployment, depressed corporate profits and ongoing problems in the financial sector, the index dropped 10.80% in the first quarter of 2009, its sixth consecutive quarterly decline.

Financial conditions eased somewhat in the second quarter, when programs initiated by the Federal Reserve and other central banks began to stimulate the flow of credit. As a result, many investors abandoned the safety of U.S. Treasury securities for the potentially higher returns of stocks and corporate bonds, and the Russell 3000 Index soared 16.82%—its best quarterly return since 1998.

Foreign stocks, as measured by the MSCI EAFE Index, rose 7.95% for the period, after suffering steeper declines than domestic issues in 2008. For the ten years ended June 30, 2009, however, the average annual return of the Russell 3000 Index was -1.46%, versus 1.18% for the EAFE.

### Tech stocks drive the benchmark

Eight of the benchmark's twelve industry sectors recorded positive returns for the period, with three posting double-digit gains. The advance was primarily driven by the 26.9% surge of the benchmark's largest sector—technology—which made up more than one-sixth of the index on June 30, 2009. The “other energy” and materials and processing sectors rose 18.0% and 11.9%, respectively.

The ongoing uncertainty in the markets was demonstrated by declines in the integrated oils sector, which dropped 11.1%, and in financials, down 4.0%.

### Largest stocks generally decline

Although the Russell 3000 Index scored positive results for the six months, four of its five largest stocks lost ground. Only Microsoft, benefiting from the rally in tech stocks, gained; it rose 24.6%. In descending order according to market capitalization, the other four stocks performed as follows: Exxon Mobil, -10.1%; Johnson & Johnson, -2.3%; Procter & Gamble, -15.1%; and AT&T, -9.3%.

For the period, the fund outperformed its benchmark, despite the effects of expenses and of some cash holdings for liquidity. The fund had a risk profile similar to that of its benchmark.

# STOCK INDEX FUND

## INVESTMENT OBJECTIVE

The fund seeks a favorable long-term total return, mainly from capital appreciation, by investing primarily in a portfolio of equity securities selected to track the overall U.S. equity markets.

## PRINCIPAL INVESTMENT RISKS

The fund is subject to market risk, company risk, foreign investment risk, large-cap risk, small-cap/mid-cap risk, quantitative analysis risk and index risk. For a detailed discussion of risk, please see the prospectus.

## THE FUND'S BENCHMARK

The Russell 3000® Index measures the performance of the stocks of the 3,000 largest publicly traded U.S. companies, based on market capitalization. The index measures the performance of about 98% of the total market capitalization of the publicly traded U.S. equity market. You cannot invest directly in this index.

## PERFORMANCE AS OF JUNE 30, 2009

	Total return		Average annual total return	
	6 months	1 year	5 years	10 years
<b>Stock Index Fund</b> (inception: 1/4/1999)	4.28%	-26.29%	-1.79%	-1.43%
Russell 3000 Index	4.20	-26.56	-1.84	-1.46

*The returns in this report show past performance, which is no guarantee of future results. 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).*

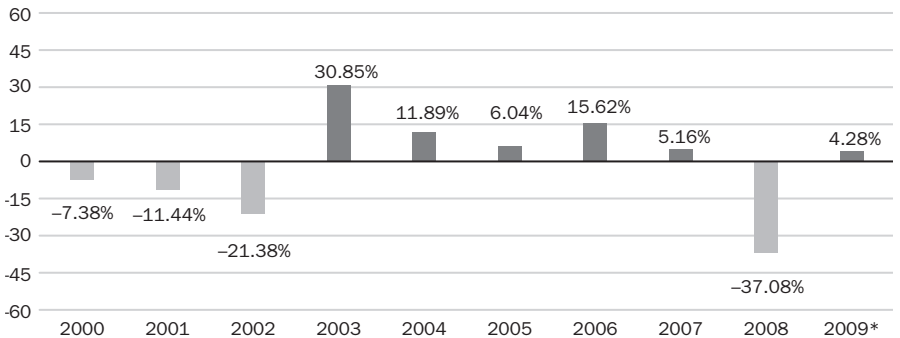
Russell 3000 is a trademark and service mark of Russell Investment Group. TIAA-CREF products are not promoted or sponsored by, or affiliated with, Russell Investment Group.

## \$10,000 OVER 10 YEARS



An investment of \$10,000 in this fund on June 30, 1999, would be worth \$8,662 as of June 30, 2009, including reinvestment of dividends and distributions. For the purpose of comparison, the graph also shows the change in the value of the fund's benchmark during the same period.

## CALENDAR YEAR TOTAL RETURN



\* For the six months ended June 30, 2009

# STOCK INDEX FUND

## EXPENSE EXAMPLE

Six months ended June 30, 2009

Stock Index Fund	Starting fund value (1/1/09)	Ending fund value (6/30/09)	Expenses paid* (1/1/09–6/30/09)
Actual return	\$1,000.00	\$1,042.80	\$0.30
5% annual hypothetical return	1,000.00	1,024.49 <sup>†</sup>	0.30

\* “Expenses paid” is equal to the fund’s annualized expense ratio of 0.06%, multiplied by the average fund value over the six-month period, multiplied by 181/365. There were 181 days in the first half of 2009.

<sup>†</sup> Ending fund value for the hypothetical example would be \$1,024.79 before expenses. The table shows the value after subtraction of expenses in order to be comparable with the ending fund value shown for the fund’s actual return.

For more information about this expense example, please see page 6.

## FUND PROFILE

Net assets	\$123.08 million
Number of holdings	2,861
Portfolio turnover rate (not annualized)	6%
Weighted median market capitalization	\$24.2 billion
P/E ratio (weighted 12-month trailing average)	18.4
Dividend yield	2.19%
2009 expense ratio <sup>‡</sup>	0.06%

<sup>‡</sup> The fund’s annualized expense ratio does not include the administrative, mortality and expense risk charges that are deducted under variable annuity and variable life insurance contracts that use the TIAA-CREF Life Funds. For more information on fund deductions and expenses, please see the variable product prospectus.

## PORTFOLIO COMPOSITION

	% of net assets
Consumer products & services	22.3
Technology	20.0
Financial	15.8
Manufacturing & materials	14.6
Health care	10.5
Energy	10.3
Utilities	4.4
Other assets & liabilities, net	2.1
<b>Total</b>	<b>100.0</b>

## HOLDINGS BY COMPANY SIZE

	% of portfolio investments
Over \$15 billion	59.79
\$4 billion–\$15 billion	19.20
Under \$4 billion	21.01
<b>Total</b>	<b>100.00</b>

# SOCIAL CHOICE EQUITY FUND

## PERFORMANCE IN THE SIX MONTHS ENDED JUNE 30, 2009

The Social Choice Equity Fund returned 5.68% for the period, compared with the 4.20% return of its benchmark, the Russell 3000® Index. The fund screens investments according to social criteria, while the benchmark does not.

### Exclusion of major stocks boosts the fund's relative performance

Because of its social screens, the fund did not invest in a number of stocks that were included in the Russell 3000 Index. Avoiding these stocks produced mixed results, but the net effect was to increase the fund's return, relative to that of its benchmark.

The fund outpaced its benchmark by nearly one-and-a-half percentage points, in part because it excluded three major energy companies: Exxon Mobil, ConocoPhillips and Chevron. These stocks returned -10.1%, -16.5% and -8.0%, respectively, considerably lower than the 4.20% return of the Russell 3000 Index. Avoiding General Electric (down 23.0%), AT&T (down 9.3%), Citigroup (down 56.2%) and Wal-Mart (down 11.0%) also aided relative returns.

In contrast, the exclusion of Apple, which rose 65.1% during the first half of the year, was the portfolio's biggest detractor from relative performance. Avoiding Schlumberger Limited, an oil field service provider that rose

29.6%, also hurt relative returns, as did the absence of two large financial companies: JPMorgan Chase and Morgan Stanley.

### Statistical techniques help mitigate risk

Because the fund's social screens prevent it from investing in some of the stocks within the Russell 3000, the fund's managers use statistical techniques to help ensure that the risk characteristics of the portfolio resemble those of the index. One such method is to overweight or underweight specific stocks relative to each one's percentage of capitalization within the benchmark.

During the six-month period, the fund's relative performance was enhanced by overweight positions in a number of companies, including Goldman Sachs, which jumped 81.1% on a pair of stronger than expected earnings reports. Other overweight holdings that helped included chemical company Rohm and Haas, biotechnology firm Genentech and telecommunications company Qualcomm.

Overweight positions that detracted from relative performance included Aflac, a health and life insurance provider; Pepco Holdings, a diversified energy company; and Chubb, a property and casualty insurer.

# SOCIAL CHOICE EQUITY FUND

## INVESTMENT OBJECTIVE

The fund seeks a favorable long-term total return that reflects the investment performance of the overall U.S. stock market while giving special consideration to certain social criteria.

## PRINCIPAL INVESTMENT RISKS

The fund is subject to market risk, company risk, foreign investment risk, small-cap/mid-cap risk and index risk. The fund also is exposed to risks arising from the fact that because its social criteria exclude securities of certain issuers for non-financial reasons, the fund may forgo some market opportunities available to funds that don't use these criteria. For a detailed discussion of risk, please see the prospectus.

## THE FUND'S BENCHMARK

The Russell 3000® Index measures the performance of the stocks of the 3,000 largest publicly traded U.S. companies, based on market capitalization. The index measures the performance of about 98% of the total market capitalization of the publicly traded U.S. equity market. You cannot invest directly in this index.

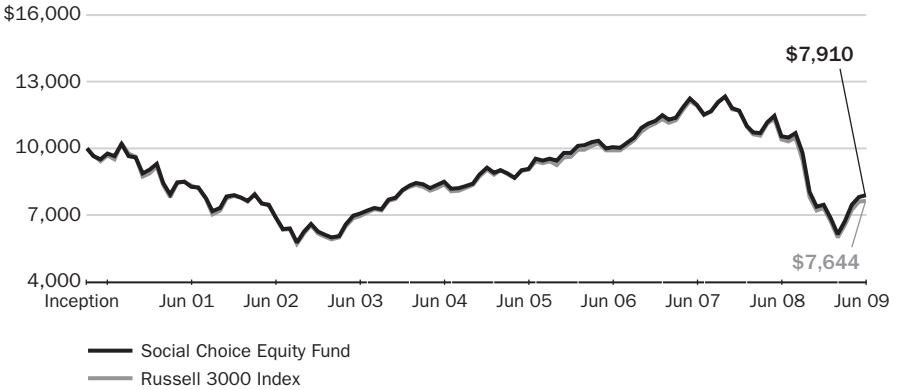
## PERFORMANCE AS OF JUNE 30, 2009

	Total return		Average annual total return	
	6 months	1 year	5 years	since inception
<b>Social Choice Equity Fund</b> (inception: 4/3/2000)	5.68%	-25.15%	-1.48%	-2.50%
Russell 3000 Index	4.20	-26.56	-1.84	-2.87

*The returns in this report show past performance, which is no guarantee of future results. 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).*

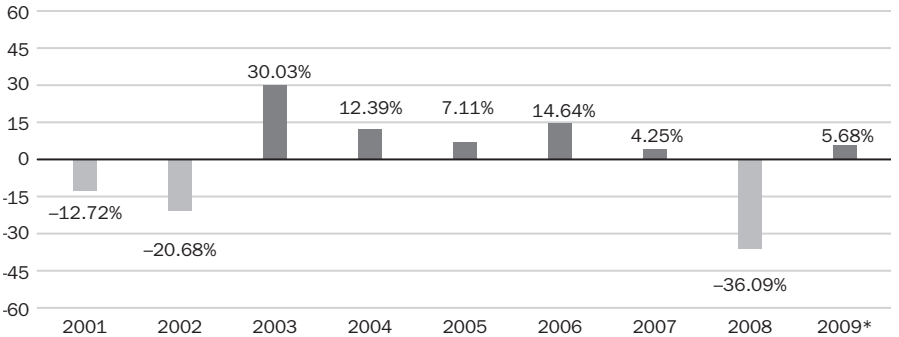
Russell 3000 is a trademark and service mark of Russell Investment Group. TIAA-CREF products are not promoted or sponsored by, or affiliated with, Russell Investment Group.

**\$10,000 SINCE APRIL 3, 2000 INCEPTION**



An investment of \$10,000 in this fund on April 3, 2000, would be worth \$7,910 as of June 30, 2009, including reinvestment of dividends and distributions. For the purpose of comparison, the graph also shows the change in the value of the fund's benchmark during the same period.

**CALENDAR YEAR TOTAL RETURN**



\* For the six months ended June 30, 2009

# SOCIAL CHOICE EQUITY FUND

## EXPENSE EXAMPLE

Six months ended June 30, 2009

Social Choice Equity Fund	Starting fund value (1/1/09)	Ending fund value (6/30/09)	Expenses paid* (1/1/09–6/30/09)
Actual return	\$1,000.00	\$ 1,056.80	\$0.41
5% annual hypothetical return	1,000.00	1,024.39 <sup>†</sup>	0.40

\* “Expenses paid” is equal to the fund’s annualized expense ratio of 0.08%, multiplied by the average fund value over the six-month period, multiplied by 181/365. There were 181 days in the first half of 2009.

<sup>†</sup> Ending fund value for the hypothetical example would be \$1,024.79 before expenses. The table shows the value after subtraction of expenses in order to be comparable with the ending fund value shown for the fund’s actual return.

For more information about this expense example, please see page 6.

## FUND PROFILE

Net assets	\$24.54 million
Number of holdings	787
Portfolio turnover rate (not annualized)	15%
Weighted median market capitalization	\$18.7 billion
P/E ratio (weighted 12-month trailing average)	19.2
Dividend yield	2.26%
2009 expense ratio <sup>‡</sup>	0.08%

<sup>‡</sup> The fund’s annualized expense ratio does not include the administrative, mortality and expense risk charges that are deducted under variable annuity and variable life insurance contracts that use the TIAA-CREF Life Funds. For more information on fund deductions and expenses, please see the variable product prospectus.

## PORTFOLIO COMPOSITION

	% of net assets
Consumer products & services	26.1
Technology	20.0
Financial	14.0
Manufacturing & materials	13.6
Health care	10.2
Energy	8.4
Utilities	7.1
Other assets & liabilities, net	0.6
<b>Total</b>	<b>100.0</b>

## HOLDINGS BY COMPANY SIZE

	% of portfolio investments
Over \$15 billion	56.11
\$4 billion–\$15 billion	26.82
Under \$4 billion	17.07
<b>Total</b>	<b>100.00</b>

# REAL ESTATE SECURITIES FUND

## PERFORMANCE IN THE SIX MONTHS ENDED JUNE 30, 2009

The Real Estate Securities Fund returned -13.45% for the period, compared with the -12.21% return of its benchmark, the FTSE NAREIT Equity REITs Index.

### REITs continue to languish in a challenging market environment

Against the backdrop of a deepening economic downturn, REITs fell 37.73% during 2008. REITs continued to struggle in the first quarter of 2009, posting a 31.87% decline, as persistent weakness in the global economic and credit markets, rising unemployment and weak consumer spending continued to dampen the overall demand for retail and office space.

REITs, however, roared back during the second quarter of the year, advancing 28.85%, as investor hopes of an improving economic outlook led to a strong rally in the capital markets.

Effective April 1, 2009, the Real Estate Securities Fund's benchmark changed to the FTSE NAREIT Equity REITs Index from the Dow Jones Wilshire Real Estate Securities Index. All benchmark returns cited here are those of the FTSE NAREIT Equity REITs Index.

### REITs trail the broad markets

For the six-month period, REITs significantly lagged both the 4.20% return of the broad U.S. stock market, as measured by the Russell 3000® Index, and the 1.90% return of the

U.S. investment-grade, fixed-rate bond market, as measured by the Barclays Capital U.S. Aggregate Bond Index.

For the five years ended June 30, 2009, the -2.73% average annual return of REITs trailed the -1.84% average return of the Russell 3000 Index and the 5.01% average annual gain of the Barclays Capital index.

### Stock selections lower the fund's return

The fund's disappointing absolute return trailed its benchmark's, in part because of underweight positions in Digital Realty Trust, an owner and manager of technology-related real estate, and HRPT Properties Trust, a REIT that owns and leases office buildings. The exclusion of DuPont Fabros Technology, a data center owner, and PS Business Parks, a commercial office and industrial property manager, also detracted from the fund's relative return.

These results were partly offset by positive contributions to relative performance from overweight positions in SL Green, an office REIT, and Simon Property Group, a retail property owner. Underweight holdings in Apartment Investment and Management Company, Cedar Shopping Centers and Inland Real Estate, a retail property REIT, also aided relative performance.

# REAL ESTATE SECURITIES FUND

## INVESTMENT OBJECTIVE

The fund seeks to obtain a favorable long-term total return through both capital appreciation and current income, by investing primarily in equity and fixed-income securities of companies principally engaged in or related to the real estate industry.

## PRINCIPAL INVESTMENT RISKS

The fund is subject to the risks of real estate investing as well as active management risk, market risk, foreign investment risk, company risk, interest-rate risk and income volatility risk. The fund is also subject to the risks of concentrating investments in a single industry, holding securities of relatively few issuers and investing in smaller companies. For a detailed discussion of risk, please see the prospectus.

## THE FUND'S BENCHMARK

The FTSE NAREIT Equity REITs Index measures the performance of publicly traded real estate investment trusts in the United States that own, manage and lease investment-grade commercial real estate. You cannot invest directly in this index.\*

## PERFORMANCE AS OF JUNE 30, 2009

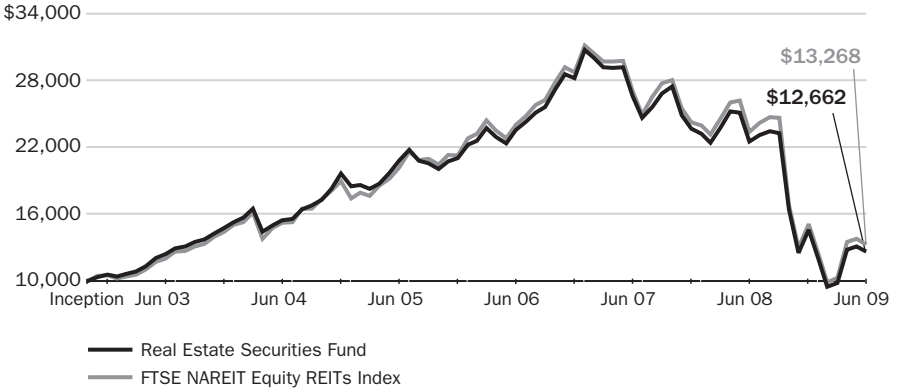
	Total return		Average annual total return	
	6 months	1 year	5 years	since inception
<b>Real Estate Securities Fund</b> (inception: 10/28/2002)	-13.45%	-43.91%	-3.97%	3.60%
FTSE NAREIT Equity REITs Index (new)*	-12.21	-43.29	-2.73	4.33
Dow Jones Wilshire Real Estate Securities Index (old)†	-12.89	-45.74	-3.40	4.16

*The returns in this report show past performance, which is no guarantee of future results. 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).*

\* Please note that effective April 1, 2009, the Real Estate Securities Fund's benchmark changed to the FTSE NAREIT Equity REITs Index.

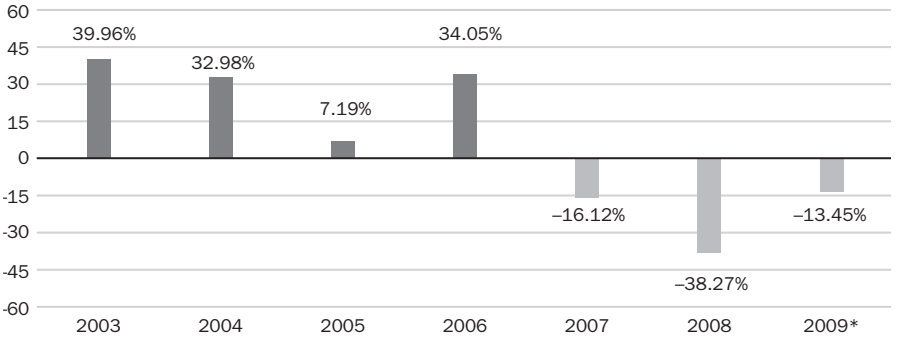
† This was the fund's benchmark through March 31, 2009.

**\$10,000 SINCE OCTOBER 28, 2002 INCEPTION**



An investment of \$10,000 in this fund on October 28, 2002, would be worth \$12,662 as of June 30, 2009, including reinvestment of dividends and distributions. For the purpose of comparison, the graph also shows the change in the value of the fund’s benchmark during the same period.

**CALENDAR YEAR TOTAL RETURN**



\* For the six months ended June 30, 2009

# REAL ESTATE SECURITIES FUND

## EXPENSE EXAMPLE

Six months ended June 30, 2009

Real Estate Securities Fund	Starting fund value (1/1/09)	Ending fund value (6/30/09)	Expenses paid* (1/1/09–6/30/09)
Actual return	\$1,000.00	\$ 865.50	\$1.20
5% annual hypothetical return	1,000.00	1,023.49 <sup>†</sup>	1.30

\* “Expenses paid” is equal to the fund’s annualized expense ratio of 0.26%, multiplied by the average fund value over the six-month period, multiplied by 181/365. There were 181 days in the first half of 2009.

<sup>†</sup> Ending fund value for the hypothetical example would be \$1,024.79 before expenses. The table shows the value after subtraction of expenses in order to be comparable with the ending fund value shown for the fund’s actual return.

For more information about this expense example, please see page 6.

## FUND PROFILE

Net assets	\$36.85 million
Number of holdings	75
Portfolio turnover rate (not annualized)	25%
Weighted median market capitalization	\$3.8 billion
P/E ratio (weighted 12-month trailing average)	38.1
Dividend yield	5.82%
2009 expense ratio <sup>‡</sup>	0.26%

<sup>‡</sup> The fund’s annualized expense ratio does not include the administrative, mortality and expense risk charges that are deducted under variable annuity and variable life insurance contracts that use the TIAA-CREF Life Funds. For more information on fund deductions and expenses, please see the variable product prospectus.

## PORTFOLIO COMPOSITION

	% of net assets
Specialized	30.7
Retail	23.8
Residential	14.7
Office	12.5
Diversified	9.0
Industrial	5.3
Office electronics	1.7
Mortgage	0.1
Other assets & liabilities, net	2.2
<b>Total</b>	<b>100.0</b>

## HOLDINGS BY COMPANY SIZE

	% of portfolio investments
\$4 billion–\$15 billion	46.40
Under \$4 billion	53.60
<b>Total</b>	<b>100.00</b>

# BOND FUND

## PERFORMANCE IN THE SIX MONTHS ENDED JUNE 30, 2009

The Bond Fund returned 2.40% for the period, compared with the 1.90% return of its benchmark, the Barclays Capital U.S. Aggregate Bond Index.

### Bonds post modest gains

During the first half of 2009, unemployment rose, corporate profits remained weak and problems in the financial sector persisted. In response, the Federal Reserve kept the target federal funds rate (the interest rate U.S. commercial banks charge one another for overnight loans) near 0%. To fund the government's recovery efforts, the central bank announced plans to purchase U.S. Treasury securities.

The Barclays Capital U.S. Aggregate Bond Index, which measures the broad U.S. investment-grade, fixed-rate bond market, returned just 0.12% for the first quarter of 2009, when investors worried that the increased issuance of Treasuries could depress their prices. As investor concerns receded in the second quarter, bonds rallied, and the index gained 1.78%.

### Treasuries bow to corporates

With Treasury yields low and signs appearing that the Fed's efforts were starting to pay off, fixed-income investors again sought the higher returns of corporate and other non-government securities. Sectors

of the benchmark that had previously performed poorly now excelled, while former top performers languished. Asset-backed securities surged 15.78% for the period, while commercial mortgage-backed securities rose 10.36% and corporate bonds gained 8.32%. Conversely, the high flyers of 2008—U.S. Treasury and agency securities—lost 4.30% and 0.04%, respectively.

As their prices fell, Treasury yields rose. The yield on 2-year Treasury notes rose to 1.11% on June 30, 2009, from 0.76% at year-end 2008. The yield on 10-year Treasury notes soared to 3.53% from 2.25%.

### Sector positions help the fund

The fund topped its benchmark for the period primarily because of advantageous sector weightings, relative to the Barclays Capital index. Overweight holdings in corporate and asset-backed securities, which had dampened the fund's return in 2008, boosted its performance during the period, as did an underweight position in flagging U.S. Treasury securities. Overweight investments in higher-yielding, lower-quality debt securities further contributed to the fund's outperformance. However, an underweight position in commercial mortgage-backed securities reduced returns slightly.

# BOND FUND

## INVESTMENT OBJECTIVE

The fund seeks as favorable a long-term total return through income as is consistent with preserving capital, primarily from investment-grade, fixed-income securities.

## PRINCIPAL INVESTMENT RISKS

The fund is subject to interest-rate risk, prepayment risk, extension risk, company risk, income volatility risk, credit risk, call risk, foreign investment risk, active management risk, and market volatility and liquidity risk. The fund is also subject to the risk of using a mortgage dollar roll investment strategy. For a detailed discussion of risk, please see the prospectus.

## THE FUND'S BENCHMARK

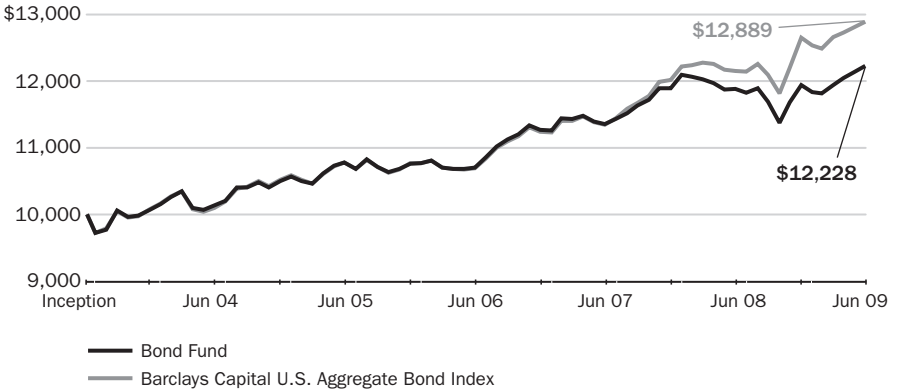
The Barclays Capital U.S. Aggregate Bond Index measures the performance of the U.S. investment-grade, fixed-rate bond market, including government and credit securities, agency mortgage pass-through securities, asset-backed securities and commercial mortgage-backed securities. You cannot invest directly in this index.

## PERFORMANCE AS OF JUNE 30, 2009

	Total return		Average annual total return	
	6 months	1 year	5 years	since inception
<b>Bond Fund</b> (inception: 7/8/2003)	2.40%	2.92%	3.83%	3.42%
Barclays Capital U.S. Aggregate Bond Index	1.90	6.05	5.01	4.33

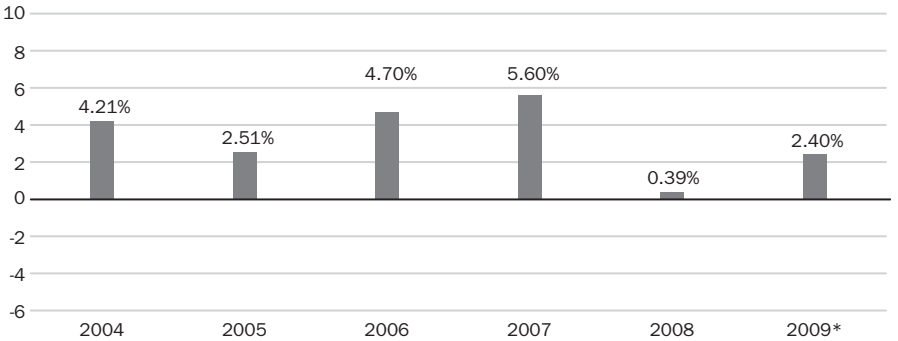
*The returns in this report show past performance, which is no guarantee of future results. Returns and the principal value of your investment will fluctuate. Current performance may be higher or lower than that shown, and you may have a gain or a loss when you redeem your shares. For current performance information, including performance to the most recent month-end, please visit [tiaa-cref.org](http://tiaa-cref.org).*

**\$10,000 SINCE JULY 8, 2003 INCEPTION**



An investment of \$10,000 in this fund on July 8, 2003, would be worth \$12,228 as of June 30, 2009, including reinvestment of dividends and distributions. For the purpose of comparison, the graph also shows the change in the value of the fund's benchmark during the same period.

**CALENDAR YEAR TOTAL RETURN**



\* For the six months ended June 30, 2009

# BOND FUND

## EXPENSE EXAMPLE

Six months ended June 30, 2009

Bond Fund	Starting fund value (1/1/09)	Ending fund value (6/30/09)	Expenses paid* (1/1/09–6/30/09)
Actual return	\$1,000.00	\$ 1,024.00	\$0.50
5% annual hypothetical return	1,000.00	1,024.29 <sup>†</sup>	0.50

\* “Expenses paid” is equal to the fund’s annualized expense ratio of 0.10%, multiplied by the average fund value over the six-month period, multiplied by 181/365. There were 181 days in the first half of 2009.

<sup>†</sup> Ending fund value for the hypothetical example would be \$1,024.79 before expenses. The table shows the value after subtraction of expenses in order to be comparable with the ending fund value shown for the fund’s actual return.

For more information about this expense example, please see page 6.

## FUND PROFILE

Net assets	\$100.58 million
Number of issues	533
Portfolio turnover rate (not annualized)	110%
Average quality	Aa1/AA+
Option-adjusted duration	4.33 years
Average coupon	4.69%
Average yield to maturity	5.25%
Average maturity	5.79 years
2009 expense ratio <sup>‡</sup>	0.10%

<sup>‡</sup> The fund’s annualized expense ratio does not include the administrative, mortality and expense risk charges that are deducted under variable annuity and variable life insurance contracts that use the TIAA-CREF Life Funds. For more information on fund deductions and expenses, please see the variable product prospectus.

## PORTFOLIO COMPOSITION

	% of net assets
Mortgage-backed securities <sup>§</sup>	35.4
Corporate bonds	24.1
U.S. Treasury securities	16.8
U.S. agency securities	9.5
Foreign government & corporate bonds denominated in U.S. dollars	4.9
Asset-backed securities	3.3
Commercial mortgage-backed securities	3.2
Other assets & liabilities, net	2.8
<b>Total</b>	<b>100.0</b>

<sup>§</sup> Includes mortgage pass-through securities and collateralized mortgage obligations

# MONEY MARKET FUND

## PERFORMANCE IN THE SIX MONTHS ENDED JUNE 30, 2009

The Money Market Fund returned 0.39% for the period, compared with the 0.14% return of the iMoneyNet Money Fund Report Averages™—All Taxable, a simple average of over 1,000 taxable money market funds. The iMoneyNet average is not an index, and its return reflects the deduction of expenses charged by the funds included in the average.

### The credit market slowly revives

The downturn in the U.S. economy stretched into 2009. Gross domestic product contracted in the first quarter—its third consecutive quarterly decline. Unemployment rose steadily, reaching 9.5% in June. Instability in the financial sector restrained the flow of credit during much of the year's first half.

The Federal Reserve responded by keeping its target federal funds rate—the interest rate commercial U.S. banks charge one another for overnight loans—near 0%. It also continued to guarantee the purchase of certain hard-to-sell securities. At the same time, the federal government required the nation's largest banks to undergo “stress tests” to assure that they were sufficiently capitalized to weather a prolonged downturn. By mid-year, a number of banks had strengthened their positions, and lending activity increased.

### LIBOR falls as conditions improve

As the credit market gradually unlocked, the LIBOR declined, and businesses were paying a smaller premium to borrow cash. (LIBOR, an indication of the interest rates that banks expect to pay to other banks for loans on the London market, is the most widely used benchmark for short-term rates.) For the six-month period, the one-month LIBOR fell from 0.44% to 0.31%; the twelve-month LIBOR dropped from 2.00% to 1.61%.

### The fund seeks high yield and low risk

At opportune times during the period, the fund purchased fixed-rate government securities with longer maturities to benefit from their higher yields. On June 30, 2009, the fund's weighted average maturity was 70 days, versus 50 days for the average iMoneyNet fund. To limit risk, the fund maintained the high credit quality of its portfolio and restricted its holdings of corporate debt securities to those with short-term maturities. It also increased its holdings in certificates of deposit, maintained its level of investments in U.S. agency securities and slightly reduced its position in commercial paper. For greater flexibility, the fund invested in floating-rate agency securities.

On June 30, 2009, foreign securities made up 20.37% of the fund's total portfolio investments.

# MONEY MARKET FUND

## INVESTMENT OBJECTIVE

The fund seeks high current income consistent with maintaining liquidity and preserving capital.

## PRINCIPAL INVESTMENT RISKS

The fund is subject to current income risk, market risk, company risk, interest-rate risk, prepayment risk, extension risk and income volatility risk. *An investment in the fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency (not including the fund's participation in the U.S. Treasury Department's Temporary Guarantee Program for Money Market Funds; see page 46). Although the fund will attempt to maintain a stable net asset value of \$1.00 per share, it is possible to lose money by investing in the fund.* For a detailed discussion of risk, please see the prospectus.

## NET ANNUALIZED YIELD FOR THE 7 DAYS ENDED JUNE 30, 2009\*

	Current yield	Effective yield
<b>Money Market Fund</b>	0.43%	0.43%
iMoneyNet Money Fund Report Averages™—All Taxable	0.11	0.11

The current yield more closely reflects current earnings than does the total return.

\* iMoneyNet reports its 7-day yields as of Tuesday of each week.

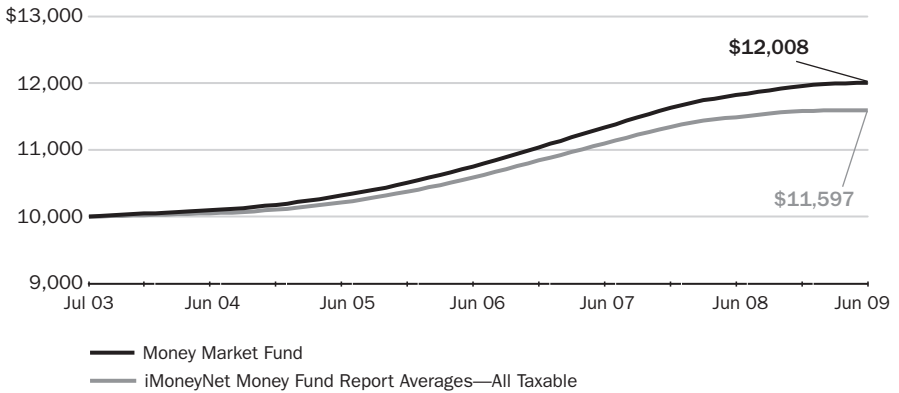
## PERFORMANCE AS OF JUNE 30, 2009

	Total return		Average annual total return	
	6 months	1 year	5 years	since inception
<b>Money Market Fund</b> (inception: 7/8/2003)	0.39%	1.59%	3.53%	3.12%†
iMoneyNet Money Fund Report Averages— All Taxable	0.14	0.91	2.91	2.53†

*The returns in this report show past performance, which is no guarantee of future results. 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).*

† The performance shown above and in the accompanying graph is computed from August 2003.

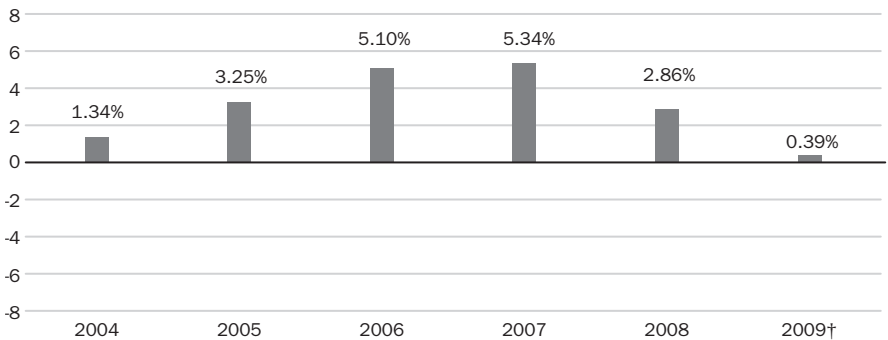
## \$10,000 SINCE JULY 31, 2003



An investment of \$10,000 in this fund on July 31, 2003, would be worth \$12,008 as of June 30, 2009, including reinvestment of dividends and distributions. For the purpose of comparison, the graph also shows the change in the value of the average iMoneyNet fund during the same period.\*

\* The graph above begins on July 31, 2003, rather than the fund's inception date of July 8, 2003, because the iMoneyNet return is calculated only on a monthly basis.

## CALENDAR YEAR TOTAL RETURN



† For the six months ended June 30, 2009

# MONEY MARKET FUND

## EXPENSE EXAMPLE

Six months ended June 30, 2009

Money Market Fund	Starting fund value (1/1/09)	Ending fund value (6/30/09)	Expenses paid* (1/1/09–6/30/09)
Actual return	\$1,000.00	\$1,003.90	\$0.50
5% annual hypothetical return	1,000.00	1,024.29 <sup>†</sup>	0.50

\* “Expenses paid” is equal to the fund’s annualized expense ratio of 0.10%, multiplied by the average fund value over the six-month period, multiplied by 181/365. There were 181 days in the first half of 2009.

<sup>†</sup> Ending fund value for the hypothetical example would be \$1,024.79 before expenses. The table shows the value after subtraction of expenses in order to be comparable with the ending fund value shown for the fund’s actual return.

For more information about this expense example, please see page 6.

## FUND PROFILE

Net assets	\$105.23 million
2009 expense ratio <sup>‡</sup>	0.10%

<sup>‡</sup> The fund’s annualized expense ratio does not include the administrative, mortality and expense risk charges that are deducted under variable annuity and variable life insurance contracts that use the TIAA-CREF Life Funds. For more information on fund deductions and expenses, please see the variable product prospectus.

## PORTFOLIO COMPOSITION

	% of net assets
Commercial paper	52.4
U.S. agency securities	29.4
Certificates of deposit	9.8
Floating-rate securities, U.S. agency	4.9
Banker’s acceptances	3.7
Other assets & liabilities, net	-0.2
Total	100.0

## U.S. TREASURY DEPARTMENT’S TEMPORARY GUARANTEE PROGRAM

The fund is a participant in the U.S. Treasury Department’s Temporary Guarantee Program for Money Market Funds (the “Program”), which provides a guarantee, to the extent that program funds are available, to the fund’s shareholders based on the number of fund shares they owned at the close of business on September 19, 2008, if the fund “breaks the buck” (its net asset value falls below \$0.995 and is not immediately cured), liquidates its holdings and such liquidated proceeds are less than \$1.00 per share. Any increase in owned shares after this date will not be guaranteed. If the number of owned shares changes between September 19 and the date of liquidation, the shares guaranteed will be the number owned at the close of business on September 19 or the number of fund shares held by the shareholder of record when the fund breaks the buck, whichever is less. The program has been extended through September 18, 2009. Please see [www.treas.gov](http://www.treas.gov) for more information.

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED)

GROWTH EQUITY FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>COMMON STOCKS</b>			
<b>AMUSEMENT AND RECREATION SERVICES</b>			
11,544	Walt Disney Co	\$ 269,322	0.99%
		269,322	0.99
<b>BUILDING MATERIALS AND GARDEN SUPPLIES</b>			
23,387	Lowe's Cos, Inc	453,942	1.66
		453,942	1.66
<b>BUSINESS SERVICES</b>			
10,242	* Adobe Systems, Inc	289,849	1.06
1,958	* Google, Inc (Class A)	825,473	3.02
16,283	* Intuit, Inc	458,529	1.68
59,035	Microsoft Corp	1,403,262	5.14
15,129	Omnicom Group, Inc	477,774	1.75
10,056	* Salesforce.com, Inc	383,838	1.41
25,464	* Symantec Corp	396,220	1.45
7,956	Visa, Inc (Class A)	495,341	1.82
16,934	* Yahoo!, Inc	265,186	0.97
	Other	254,619	0.94
		5,250,091	19.24
<b>CHEMICALS AND ALLIED PRODUCTS</b>			
6,257	* Amgen, Inc	331,246	1.21
9,690	Colgate-Palmolive Co	685,471	2.51
18,988	* Gilead Sciences, Inc	889,397	3.25
4,741	Johnson & Johnson	269,289	0.99
6,957	Novartis AG. (ADR)	283,776	1.04
3,634	Praxair, Inc	258,268	0.95
6,789	Shire plc (ADR)	281,608	1.03
17,126	Teva Pharmaceutical Industries Ltd (ADR)	844,996	3.10
	Other	521,429	1.92
		4,365,480	16.00
<b>COMMUNICATIONS</b>			
		296,508	1.09
<b>DEPOSITORY INSTITUTIONS</b>			
21,005	Bank of America Corp	277,266	1.02
35,935	Western Union Co	589,334	2.15
	Other	81,557	0.30
		948,157	3.47
<b>EATING AND DRINKING PLACES</b>			
6,981	McDonald's Corp	401,338	1.47
7,794	Yum! Brands, Inc	259,852	0.95
	Other	206,224	0.76
		867,414	3.18
<b>EDUCATIONAL SERVICES</b>			
8,453	* Apollo Group, Inc (Class A)	601,177	2.20
		601,177	2.20

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## GROWTH EQUITY FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>ELECTRONIC AND OTHER ELECTRIC EQUIPMENT</b>			
11,034	Analog Devices, Inc	\$ 273,423	1.00%
6,362 *	Apple Computer, Inc	906,139	3.32
27,731 *	Cisco Systems, Inc	516,906	1.89
2,035 *	First Solar, Inc	329,914	1.21
41,012	Intel Corp	678,749	2.49
14,651	Qualcomm, Inc	662,225	2.43
7,618 *	Research In Motion Ltd	541,259	1.98
	Other	109,672	0.40
		4,018,287	14.72
<b>ENGINEERING AND MANAGEMENT SERVICES</b>			
		229,645	0.84
<b>FOOD AND KINDRED PRODUCTS</b>			
6,118	Kellogg Co	284,915	1.04
14,503	PepsiCo, Inc	797,085	2.92
		1,082,000	3.96
<b>FURNITURE AND HOME FURNISHINGS STORES</b>			
12,883 *	Bed Bath & Beyond, Inc	396,152	1.45
		396,152	1.45
<b>GENERAL MERCHANDISE STORES</b>			
9,195	TJX Companies, Inc	289,275	1.06
		289,275	1.06
<b>HEALTH SERVICES</b>			
4,348 *	Express Scripts, Inc	298,925	1.10
		298,925	1.10
<b>HOLDING AND OTHER INVESTMENT OFFICES</b>			
		49,229	0.18
<b>HOTELS AND OTHER LODGING PLACES</b>			
		62,706	0.23
<b>INDUSTRIAL MACHINERY AND EQUIPMENT</b>			
16,078	International Game Technology	255,640	0.94
	Other	41,803	0.15
		297,443	1.09
<b>INSTRUMENTS AND RELATED PRODUCTS</b>			
2,559	Alcon, Inc	297,151	1.08
7,267 *	Illumina, Inc	282,977	1.04
6,002	Rockwell Collins, Inc	250,463	0.92
5,654	Roper Industries, Inc	256,183	0.94
	Other	395,157	1.45
		1,481,931	5.43
<b>INSURANCE CARRIERS</b>			
7,933	Aflac, Inc	246,637	0.90
	Other	121,725	0.45
		368,362	1.35
<b>LEATHER AND LEATHER PRODUCTS</b>			
21,598	Coach, Inc	580,554	2.13
		580,554	2.13

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *concluded*

## GROWTH EQUITY FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
MISCELLANEOUS MANUFACTURING INDUSTRIES		\$ 69,713	0.26%
MISCELLANEOUS RETAIL			
6,791	* Amazon.com, Inc	568,135	2.08
17,185	CVS Corp	547,686	2.01
		1,115,821	4.09
NONDEPOSITORY INSTITUTIONS		144,599	0.53
OIL AND GAS EXTRACTION			
5,091	Apache Corp	367,316	1.35
5,391	Occidental Petroleum Corp	354,782	1.30
11,030	Schlumberger Ltd	596,833	2.18
	Other	124,478	0.46
		1,443,409	5.29
PAPER AND ALLIED PRODUCTS		194,515	0.71
PRINTING AND PUBLISHING		188,651	0.69
SECURITY AND COMMODITY BROKERS			
5,469	Goldman Sachs Group, Inc	806,349	2.95
		806,349	2.95
TRANSPORTATION EQUIPMENT			
5,000	United Technologies Corp	259,800	0.96
	Other	241,340	0.88
		501,140	1.84
TRANSPORTATION SERVICES		192,405	0.71
<b>TOTAL COMMON STOCKS</b> (Cost \$27,317,554)		<b>26,863,202</b>	<b>98.44</b>
<b>TOTAL PORTFOLIO</b> (Cost \$27,317,554)		<b>26,863,202</b>	<b>98.44</b>
OTHER ASSET & LIABILITIES, NET		426,358	1.56
<b>NET ASSETS</b>		<b>\$27,289,560</b>	<b>100.00%</b>

The following abbreviation is used in portfolio descriptions:

ADR American Depository Receipt

\* Non-income producing

For ease of presentation, we have grouped a number of industry classification categories together in the Summary portfolio of investments. Note that the funds use more specific industry categories in following their investment limitations in industry concentrations.

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED)

GROWTH & INCOME FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>COMMON STOCKS</b>			
AMUSEMENT AND RECREATION SERVICES		\$ 277,627	0.51%
APPAREL AND ACCESSORY STORES		150,570	0.28
APPAREL AND OTHER TEXTILE PRODUCTS		847,389	1.55
BUILDING MATERIALS AND GARDEN SUPPLIES			
17,194	Home Depot, Inc	406,294	0.74
		406,294	0.74
<b>BUSINESS SERVICES</b>			
1,021	* Google, Inc (Class A)	430,443	0.79
54,337	Microsoft Corp	1,291,590	2.35
17,622	Oracle Corp	377,463	0.69
25,027	* Symantec Corp	389,420	0.71
	Other	1,868,213	3.43
		4,357,129	7.97
<b>CHEMICALS AND ALLIED PRODUCTS</b>			
8,084	Abbott Laboratories	380,271	0.70
12,240	* Amgen, Inc	647,986	1.19
6,484	Colgate-Palmolive Co	458,678	0.84
14,458	* Gilead Sciences, Inc	677,213	1.24
22,083	Johnson & Johnson	1,254,313	2.29
5,550	Monsanto Co	412,587	0.75
60,678	Pfizer, Inc	910,170	1.66
16,115	Procter & Gamble Co	823,477	1.51
22,939	Schering-Plough Corp	576,228	1.05
	Other	1,909,127	3.50
		8,050,050	14.73
COAL MINING		79,263	0.15
<b>COMMUNICATIONS</b>			
34,831	AT&T, Inc	865,202	1.58
16,317	Verizon Communications, Inc	501,421	0.92
	Other	1,082,801	1.98
		2,449,424	4.48
<b>DEPOSITORY INSTITUTIONS</b>			
76,535	Bank of America Corp	1,010,262	1.85
33,028	JPMorgan Chase & Co	1,126,585	2.07
27,285	Wells Fargo & Co	661,934	1.21
	Other	1,484,494	2.71
		4,283,275	7.84
<b>EATING AND DRINKING PLACES</b>			
6,820	McDonald's Corp	392,081	0.72
	Other	400,285	0.73
		792,366	1.45
<b>ELECTRIC, GAS, AND SANITARY SERVICES</b>			
10,303	PG&E Corp	396,047	0.72

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## GROWTH & INCOME FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>ELECTRIC, GAS, AND SANITARY SERVICES – continued</b>			
16,408	Republic Services, Inc	\$ 400,519	0.73%
	Other	1,322,943	2.43
		<hr/> 2,119,509	<hr/> 3.88
<b>ELECTRONIC AND OTHER ELECTRIC EQUIPMENT</b>			
6,248	* Apple Computer, Inc	889,903	1.63
46,696	* Cisco Systems, Inc	870,413	1.59
66,858	General Electric Co	783,576	1.43
55,144	Intel Corp	912,634	1.67
16,347	Qualcomm, Inc	738,884	1.35
	Other	621,680	1.14
		<hr/> 4,817,090	<hr/> 8.81
<b>ENGINEERING AND MANAGEMENT SERVICES</b>			
		351,632	0.64
<b>FOOD AND KINDRED PRODUCTS</b>			
13,597	Coca-Cola Co	652,520	1.19
12,659	PepsiCo, Inc	695,739	1.27
	Other	1,133,093	2.08
		<hr/> 2,481,352	<hr/> 4.54
<b>GENERAL BUILDING CONTRACTORS</b>			
		167,798	0.31
<b>GENERAL MERCHANDISE STORES</b>			
19,343	Wal-Mart Stores, Inc	936,975	1.72
	Other	361,229	0.66
		<hr/> 1,298,204	<hr/> 2.38
<b>HEALTH SERVICES</b>			
11,478	* Medco Health Solutions, Inc	523,512	0.97
	Other	419,615	0.76
		<hr/> 943,127	<hr/> 1.73
<b>INDUSTRIAL MACHINERY AND EQUIPMENT</b>			
39,186	* EMC Corp	513,337	0.94
14,680	Hewlett-Packard Co	567,382	1.03
7,888	International Business Machines Corp	823,666	1.50
	Other	2,328,636	4.28
		<hr/> 4,233,021	<hr/> 7.75
<b>INSTRUMENTS AND RELATED PRODUCTS</b>			
8,650	Baxter International, Inc	458,104	0.84
43,780	* Boston Scientific Corp	443,929	0.81
	Other	400,836	0.73
		<hr/> 1,302,869	<hr/> 2.38
<b>INSURANCE CARRIERS</b>			
9,165	ACE Ltd	405,368	0.74
8,228	* WellPoint, Inc	418,724	0.77
	Other	909,891	1.66
		<hr/> 1,733,983	<hr/> 3.17

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## GROWTH & INCOME FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>LEGAL SERVICES</b>			
7,582	* FTI Consulting, Inc	\$ 384,559	0.70%
		384,559	0.70
<b>METAL MINING</b>			
		590,247	1.08
<b>MISCELLANEOUS MANUFACTURING INDUSTRIES</b>			
		167,194	0.31
<b>MISCELLANEOUS RETAIL</b>			
		770,665	1.41
<b>MOTION PICTURES</b>			
		601,040	1.10
<b>NONDEPOSITORY INSTITUTIONS</b>			
		423,315	0.77
<b>OIL AND GAS EXTRACTION</b>			
11,350	Anadarko Petroleum Corp	515,177	0.94
30,523	Halliburton Co	631,825	1.16
5,854	Occidental Petroleum Corp	385,252	0.70
	Other	1,550,860	2.84
		3,083,114	5.64
<b>PAPER AND ALLIED PRODUCTS</b>			
		82,655	0.15
<b>PETROLEUM AND COAL PRODUCTS</b>			
13,931	Chevron Corp	922,929	1.69
31,285	Exxon Mobil Corp	2,187,134	4.00
	Other	279,339	0.51
		3,389,402	6.20
<b>RAILROAD TRANSPORTATION</b>			
8,026	Union Pacific Corp	417,834	0.76
		417,834	0.76
<b>SECURITY AND COMMODITY BROKERS</b>			
4,959	Goldman Sachs Group, Inc	731,155	1.34
16,184	Legg Mason, Inc	394,566	0.72
	Other	341,550	0.62
		1,467,271	2.68
<b>STONE, CLAY, AND GLASS PRODUCTS</b>			
		212,232	0.39
<b>TOBACCO PRODUCTS</b>			
9,925	Philip Morris International, Inc	432,929	0.79
		432,929	0.79
<b>TRANSPORTATION EQUIPMENT</b>			
8,408	Goodrich Corp	420,148	0.77
13,862	Honeywell International, Inc	435,267	0.80
	Other	437,563	0.80
		1,292,978	2.37
<b>TOTAL COMMON STOCKS</b>		(Cost \$58,657,877)	<b>54,457,407</b>
			<b>99.64</b>
<b>TOTAL PORTFOLIO</b>		(Cost \$58,657,877)	<b>54,457,407</b>
<b>OTHER ASSET &amp; LIABILITIES, NET</b>			<b>194,143</b>
			<b>0.36</b>
<b>NET ASSETS</b>			<b>\$54,651,550</b>
			<b>100.00%</b>

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *concluded*

## GROWTH & INCOME FUND ■ JUNE 30, 2009

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\* Non-income producing

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For ease of presentation, we have grouped a number of industry classification categories together in the Summary portfolio of investments. Note that the funds use more specific industry categories in following their investment limitations in industry concentrations.

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED)

INTERNATIONAL EQUITY FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>COMMON STOCKS</b>			
<b>BUSINESS SERVICES</b>			
39,617	Adecco S.A.	\$ 1,650,237	2.26%
69,106	* Autonomy Corp plc	1,633,771	2.25
	Other	84,829	0.12
		<u>3,368,837</u>	<u>4.63</u>
<b>CHEMICALS AND ALLIED PRODUCTS</b>			
90,014	Lanxess AG.	2,230,035	3.06
48,785	Reckitt Benckiser Group plc	2,220,021	3.05
	Other	914,424	1.27
		<u>5,364,480</u>	<u>7.38</u>
<b>COMMUNICATIONS</b>			
352,169	BT Group plc	588,078	0.81
8,700	Nippon Telegraph & Telephone Corp	354,015	0.49
	Other	322,978	0.44
		<u>1,265,071</u>	<u>1.74</u>
<b>DEPOSITORY INSTITUTIONS</b>			
42,637	HDFC Bank Ltd	1,328,952	1.83
119,927	HSBC Holdings plc	991,452	1.36
130,600	ING Groep NV	1,313,997	1.81
125,400	Mitsubishi UFJ Financial Group, Inc	778,421	1.07
16,600	Sumitomo Mitsui Financial Group, Inc	677,199	0.93
127,739	* UBS A.G. (Switzerland)	1,562,424	2.16
51,991	Wells Fargo & Co	1,261,302	1.73
	Other	306,840	0.42
		<u>8,220,587</u>	<u>11.31</u>
<b>EDUCATIONAL SERVICES</b>			
		4,007	0.01
<b>ELECTRIC, GAS, AND SANITARY SERVICES</b>			
54,600	Fortum Oyj	1,242,380	1.70
12,600	Tokyo Electric Power Co, Inc	324,368	0.45
	Other	912,418	1.26
		<u>2,479,166</u>	<u>3.41</u>
<b>ELECTRONIC AND OTHER ELECTRIC EQUIPMENT</b>			
507,150	Hon Hai Precision Industry Co, Ltd	1,568,904	2.16
33,300	Hosiden Corp	424,827	0.58
177,787	Nokia Oyj	2,603,822	3.57
171,774	Smiths Group plc	1,982,457	2.73
75,800	Taiwan Semiconductor Manufacturing Co Ltd (ADR)	713,278	0.98
	Other	633,672	0.88
		<u>7,926,960</u>	<u>10.90</u>
<b>ENGINEERING AND MANAGEMENT SERVICES</b>			
10,340	Tecan Group AG.	403,018	0.55
		<u>403,018</u>	<u>0.55</u>
<b>FOOD AND KINDRED PRODUCTS</b>			
48,373	InBev NV	1,746,717	2.40

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## INTERNATIONAL EQUITY FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>FOOD AND KINDRED PRODUCTS – continued</b>			
15,000	Toyo Suisan Kaisha Ltd	\$ 309,389	0.43%
	Other	28,795	0.04
		2,084,901	2.87
<b>FOOD STORES</b>			
		252,131	0.35
<b>GENERAL BUILDING CONTRACTORS</b>			
12,151	Vinci S.A.	545,217	0.75
		545,217	0.75
<b>HEAVY CONSTRUCTION, EXCEPT BUILDING</b>			
16,700	Saipem S.p.A.	406,234	0.56
		406,234	0.56
<b>HOLDING AND OTHER INVESTMENT OFFICES</b>			
107,692	iShares MSCI Taiwan Index Fund	1,086,612	1.48
	Other	536,275	0.75
		1,622,887	2.23
<b>INDUSTRIAL MACHINERY AND EQUIPMENT</b>			
66,387	ASML Holding NV	1,435,148	1.97
8,854	Rheinmetall AG.	383,183	0.53
131,026	SKF AB (B Shares)	1,613,484	2.21
	Other	698,611	0.97
		4,130,426	5.68
<b>INSTRUMENTS AND RELATED PRODUCTS</b>			
17,870	Phonak Holding AG.	1,452,230	2.00
	Other	53,065	0.07
		1,505,295	2.07
<b>INSURANCE AGENTS, BROKERS AND SERVICE</b>			
		47,117	0.06
<b>INSURANCE CARRIERS</b>			
		213,531	0.29
<b>METAL MINING</b>			
28,615	Anglo American plc	830,210	1.14
43,000	Rio Tinto plc	1,489,153	2.06
	Other	251,351	0.34
		2,570,714	3.54
<b>NONDEPOSITORY INSTITUTIONS</b>			
		141,187	0.19
<b>OIL AND GAS EXTRACTION</b>			
114,166	BG Group plc	1,912,067	2.63
839,000	CNOOC Ltd	1,040,353	1.43
55,800	Tullow Oil plc	860,645	1.18
	Other	136,233	0.19
		3,949,298	5.43
<b>PAPER AND ALLIED PRODUCTS</b>			
		25,785	0.04

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## INTERNATIONAL EQUITY FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>PETROLEUM AND COAL PRODUCTS</b>			
210,374	BP plc	\$ 1,653,701	2.27%
	Other	149,607	0.21
		<b>1,803,308</b>	<b>2.48</b>
<b>PRIMARY METAL INDUSTRIES</b>			
		171,740	0.24
<b>RAILROAD TRANSPORTATION</b>			
7,100	East Japan Railway Co	428,203	0.58
	Other	505,735	0.70
		<b>933,938</b>	<b>1.28</b>
<b>RUBBER AND MISCELLANEOUS PLASTIC PRODUCTS</b>			
62,951	Bayer AG.	3,375,237	4.64
101,670	Hankook Tire Co Ltd	1,328,785	1.83
178,627	SSL International plc	1,522,283	2.09
	Other	93,258	0.13
		<b>6,319,563</b>	<b>8.69</b>
<b>SECURITY AND COMMODITY BROKERS</b>			
59,180	Credit Suisse Group	2,701,512	3.72
40,490	Deutsche Boerse AG.	3,139,980	4.32
137,800	Hong Kong Exchanges and Clearing Ltd	2,146,110	2.95
	Other	181,093	0.25
		<b>8,168,695</b>	<b>11.24</b>
<b>STONE, CLAY, AND GLASS PRODUCTS</b>			
33,000	NGK Insulators Ltd	674,833	0.93
	Other	14,636	0.02
		<b>689,469</b>	<b>0.95</b>
<b>TRANSPORTATION EQUIPMENT</b>			
395,229	BAE Systems plc	2,201,031	3.03
16,300 *	Honda Motor Co Ltd	450,075	0.62
14,720	Toyota Motor Corp	560,776	0.77
	Other	150,807	0.21
		<b>3,362,689</b>	<b>4.63</b>
<b>WATER TRANSPORTATION</b>			
		65,085	0.09
<b>WHOLESALE TRADE-DURABLE GOODS</b>			
56,549	Assa Abloy AB (Class B)	787,984	1.08
36,899	ThyssenKrupp AG.	915,700	1.26
	Other	508,773	0.70
		<b>2,212,457</b>	<b>3.04</b>
<b>WHOLESALE TRADE-NONDURABLE GOODS</b>			
253,443	Foster's Group Ltd	1,051,755	1.45
	Other	59,169	0.08
		<b>1,110,924</b>	<b>1.53</b>
<b>TOTAL COMMON STOCKS</b>		<i>(Cost \$81,635,452)</i>	
		<b>71,364,717</b>	<b>98.16</b>

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *concluded*

INTERNATIONAL EQUITY FUND ■ JUNE 30, 2009

Shares	Company		Value	% of net assets
<b>RIGHTS/WARRANTS</b>				
	METAL MINING		\$ 298,266	0.41%
	<b>TOTAL RIGHTS/WARRANTS</b>	<i>(Cost \$212,448)</i>	<b>298,266</b>	<b>0.41</b>
	<b>TOTAL PORTFOLIO</b>	<i>(Cost \$81,847,900)</i>	<b>71,662,983</b>	<b>98.57</b>
	OTHER ASSET & LIABILITIES, NET		1,038,296	1.43
	<b>NET ASSETS</b>		<b>\$72,701,279</b>	<b>100.00%</b>

The following abbreviations are used in portfolio descriptions:

ADR American Depositary Receipt

plc Public Limited Company

\* Non-income producing

For ease of presentation, we have grouped a number of industry classification categories together in the Summary portfolio of investments. Note that the funds use more specific industry categories in following their investment limitations in industry concentrations.

# SUMMARY OF MARKET VALUES BY COUNTRY (UNAUDITED)

INTERNATIONAL EQUITY FUND ■ JUNE 30, 2009

Country	Value	% of market value
<b>DOMESTIC</b>		
UNITED STATES	\$ 2,347,914	3.28%
<b>TOTAL DOMESTIC</b>	<b>2,347,914</b>	<b>3.28</b>
<b>FOREIGN</b>		
AUSTRALIA	1,343,963	1.88
BELGIUM	1,746,717	2.44
CHINA	1,040,353	1.45
FINLAND	3,846,202	5.37
FRANCE	610,530	0.85
GERMANY	10,218,142	14.26
HONG KONG	2,146,110	2.99
INDIA	1,328,952	1.85
ITALY	406,234	0.57
JAPAN	11,473,981	16.01
KOREA, REPUBLIC OF	1,328,785	1.85
NETHERLANDS	2,884,879	4.03
SINGAPORE	91,463	0.13
SWEDEN	2,401,468	3.35
SWITZERLAND	7,769,421	10.84
TAIWAN	2,282,182	3.18
UNITED KINGDOM	18,395,687	25.67
<b>TOTAL FOREIGN</b>	<b>69,315,069</b>	<b>96.72</b>
<b>TOTAL PORTFOLIO</b>	<b>\$71,662,983</b>	<b>100.00%</b>

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED)

## LARGE-CAP VALUE FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>COMMON STOCKS</b>			
AMUSEMENT AND RECREATION SERVICES		\$ 302,632	0.68%
APPAREL AND ACCESSORY STORES		132,730	0.30
APPAREL AND OTHER TEXTILE PRODUCTS			
6,128	VF Corp	339,185	0.77
	Other	625	0.00**
		339,810	0.77
BUILDING MATERIALS AND GARDEN SUPPLIES			
17,219	Lowe's Cos, Inc	334,221	0.76
	Other	138,944	0.31
		473,165	1.07
BUSINESS SERVICES		654,891	1.48
CHEMICALS AND ALLIED PRODUCTS			
7,525	* Amgen, Inc	398,374	0.90
23,771	Dow Chemical Co	383,664	0.86
13,776	Johnson & Johnson	782,476	1.75
7,692	Novartis AG. (ADR)	313,757	0.71
47,468	Pfizer, Inc	712,019	1.59
8,596	Teva Pharmaceutical Industries Ltd (ADR)	424,127	0.96
9,794	Wyeth	444,550	0.99
	Other	1,842,522	4.17
		5,301,489	11.93
COMMUNICATIONS			
60,081	AT&T, Inc	1,492,412	3.36
174,667	BT Group plc	291,673	0.66
26,551	Comcast Corp (Class A)	384,724	0.87
15,192	Verizon Communications, Inc	466,850	1.05
	Other	212,380	0.48
		2,848,039	6.42
DEPOSITORY INSTITUTIONS			
84,612	Bank of America Corp	1,116,878	2.51
88,188	Citigroup, Inc	261,918	0.59
28,576	JPMorgan Chase & Co	974,727	2.19
10,704	State Street Corp	505,229	1.13
7,500	Sumitomo Mitsui Financial Group, Inc	305,964	0.69
21,465	TCF Financial Corp	286,987	0.65
20,200	US Bancorp	361,984	0.82
42,237	Wells Fargo & Co	1,024,670	2.30
	Other	690,825	1.57
		5,529,182	12.45
EATING AND DRINKING PLACES		358,150	0.81
ELECTRIC, GAS, AND SANITARY SERVICES			
22,513	Republic Services, Inc	549,541	1.23
	Other	2,354,331	5.31
		2,903,872	6.54

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## LARGE-CAP VALUE FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>ELECTRONIC AND OTHER ELECTRIC EQUIPMENT</b>			
84,415	General Electric Co	\$ 989,344	2.22%
31,464	Intel Corp	520,729	1.17
67,977	Motorola, Inc	450,688	1.02
	Other	808,986	1.83
		2,769,747	6.24
<b>ENGINEERING AND MANAGEMENT SERVICES</b>			
		261,324	0.59
<b>FABRICATED METAL PRODUCTS</b>			
		258,277	0.58
<b>FOOD AND KINDRED PRODUCTS</b>			
6,950	General Mills, Inc	389,338	0.88
14,125	Kraft Foods, Inc (Class A)	357,928	0.81
15,094	Unilever plc (ADR)	354,709	0.80
	Other	644,740	1.45
		1,746,715	3.94
<b>FOOD STORES</b>			
		40,021	0.09
<b>FORESTRY</b>			
		141,402	0.32
<b>GENERAL BUILDING CONTRACTORS</b>			
724 *	NVR, Inc	363,730	0.82
		363,730	0.82
<b>GENERAL MERCHANDISE STORES</b>			
9,240	Target Corp	364,703	0.82
	Other	11,169	0.03
		375,872	0.85
<b>HEALTH SERVICES</b>			
6,990	McKesson Corp	307,560	0.69
	Other	208,961	0.47
		516,521	1.16
<b>HOLDING AND OTHER INVESTMENT OFFICES</b>			
		396,643	0.89
<b>INDUSTRIAL MACHINERY AND EQUIPMENT</b>			
5,550	SPX Corp	271,784	0.61
	Other	1,444,668	3.26
		1,716,452	3.87
<b>INSTRUMENTS AND RELATED PRODUCTS</b>			
46,001 *	Boston Scientific Corp	466,450	1.05
	Other	149,530	0.34
		615,980	1.39
<b>INSURANCE CARRIERS</b>			
20,996	Principal Financial Group	395,565	0.90
7,710	Travelers Cos, Inc	316,418	0.72
	Other	1,640,915	3.68
		2,352,898	5.30

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## LARGE-CAP VALUE FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>METAL MINING</b>			
39,556	Anglo American plc	\$ 1,147,641	2.58%
	Other	162,697	0.37
		1,310,338	2.95
<b>MISCELLANEOUS MANUFACTURING INDUSTRIES</b>			
		104,765	0.24
<b>MISCELLANEOUS RETAIL</b>			
		26,293	0.06
<b>MOTION PICTURES</b>			
15,952	Time Warner, Inc	401,831	0.91
	Other	182,364	0.41
		584,195	1.32
<b>NONDEPOSITORY INSTITUTIONS</b>			
102,430	Chimera Investment Corp	357,482	0.81
	Other	289,898	0.65
		647,380	1.46
<b>OIL AND GAS EXTRACTION</b>			
4,154	Apache Corp	299,711	0.68
4,159	EOG Resources, Inc	282,479	0.64
8,580	Occidental Petroleum Corp	564,650	1.26
8,972	Petroleo Brasileiro S.A. (ADR)	367,673	0.83
5,465	Schlumberger Ltd	295,711	0.67
	Other	1,525,823	3.44
		3,336,047	7.52
<b>PAPER AND ALLIED PRODUCTS</b>			
		291,102	0.66
<b>PETROLEUM AND COAL PRODUCTS</b>			
17,748	Chevron Corp	1,175,805	2.65
6,261	ConocoPhillips	263,338	0.59
24,615	Exxon Mobil Corp	1,720,834	3.87
11,039	Marathon Oil Corp	332,605	0.75
	Other	101,084	0.23
		3,593,666	8.09
<b>PIPELINES, EXCEPT NATURAL GAS</b>			
		9,357	0.02
<b>PRIMARY METAL INDUSTRIES</b>			
		128,625	0.29
<b>PRINTING AND PUBLISHING</b>			
		133,184	0.30
<b>RAILROAD TRANSPORTATION</b>			
		48,783	0.11
<b>REAL ESTATE</b>			
		130,500	0.29
<b>RUBBER AND MISCELLANEOUS PLASTIC PRODUCTS</b>			
		105,120	0.24
<b>SECURITY AND COMMODITY BROKERS</b>			
4,097	Goldman Sachs Group, Inc	604,062	1.37
14,794	Legg Mason, Inc	360,678	0.81
	Other	225,527	0.50
		1,190,267	2.68
<b>TRANSPORTATION BY AIR</b>			
		233,188	0.53

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *concluded*

## LARGE-CAP VALUE FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>TRANSPORTATION EQUIPMENT</b>			
7,178	Magna International, Inc-Class A	\$ 303,198	0.69%
	Other	758,540	1.70
		<u>1,061,738</u>	<u>2.39</u>
<b>TRANSPORTATION SERVICES</b>			
		<u>188,693</u>	<u>0.43</u>
<b>TRUCKING AND WAREHOUSING</b>			
		<u>37,040</u>	<u>0.08</u>
<b>WHOLESALE TRADE-DURABLE GOODS</b>			
		<u>50,030</u>	<u>0.11</u>
	<b>TOTAL COMMON STOCKS</b> (Cost \$48,168,481)	<b>43,609,853</b>	<b>98.26</b>
	<b>TOTAL PORTFOLIO</b> (Cost \$48,168,481)	<b>43,609,853</b>	<b>98.26</b>
	OTHER ASSET & LIABILITIES, NET	772,682	1.74
	<b>NET ASSETS</b>	<b>\$44,382,535</b>	<b>100.00%</b>

The following abbreviations are used in portfolio description:

ADR American Depositary Receipt

plc Public Limited Company

\* Non-income producing

\*\* Percentage represents less than 0.01%

For ease of presentation, we have grouped a number of industry classification categories together in the Summary portfolio of investments. Note that the funds use more specific industry categories in following their investment limitations in industry concentrations.

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED)

SMALL-CAP EQUITY FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>COMMON STOCKS</b>			
	AGRICULTURAL PRODUCTION-LIVESTOCK	\$ 101,218	0.29%
	AMUSEMENT AND RECREATION SERVICES		
4,882 *	Bally Technologies, Inc	146,070	0.43
	Other	184,967	0.53
		331,037	0.96
	APPAREL AND ACCESSORY STORES	904,535	2.62
	APPAREL AND OTHER TEXTILE PRODUCTS	111,569	0.32
	AUTO REPAIR, SERVICES AND PARKING	204,874	0.59
	AUTOMOTIVE DEALERS AND SERVICE STATIONS	28,672	0.08
	BUSINESS SERVICES		
43,704 *	3Com Corp	205,845	0.61
6,865 *	DynCorp International, Inc (Class A)	115,263	0.34
12,716 *	Quest Software, Inc	177,260	0.52
9,589 *	Rent-A-Center, Inc	170,971	0.51
8,311 *	TeleTech Holdings, Inc	125,912	0.37
21,662 *	TIBCO Software, Inc	155,316	0.46
10,865 *	Valueclick, Inc	114,300	0.33
	Other	3,286,183	9.45
		4,351,050	12.59
	CHEMICALS AND ALLIED PRODUCTS		
8,730 *	Emergent Biosolutions, Inc	125,101	0.36
4,435 *	Onyx Pharmaceuticals, Inc	125,332	0.36
	Other	1,806,635	5.24
		2,057,068	5.96
	COAL MINING	7,954	0.02
	COMMUNICATIONS	767,374	2.22
	DEPOSITORY INSTITUTIONS		
8,535	Community Bank System, Inc	124,269	0.35
5,392	Prosperity Bancshares, Inc	160,842	0.46
3,344	UMB Financial Corp	127,104	0.36
	Other	2,030,605	5.90
		2,442,820	7.07
	EATING AND DRINKING PLACES		
4,563	Bob Evans Farms, Inc	131,141	0.39
3,990 *	CEC Entertainment, Inc	117,625	0.34
6,870 *	Cheesecake Factory	118,851	0.34
	Other	374,188	1.08
		741,805	2.15
	EDUCATIONAL SERVICES	134,609	0.39
	ELECTRIC, GAS, AND SANITARY SERVICES		
7,950	Avista Corp	141,590	0.41
4,651	Laclede Group, Inc	154,088	0.45

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## SMALL-CAP EQUITY FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>ELECTRIC, GAS, AND SANITARY SERVICES – continued</b>			
3,345	New Jersey Resources Corp	\$ 123,899	0.36%
3,570	Nicor, Inc	123,593	0.36
6,791	NorthWestern Corp	154,562	0.44
5,214	Southwest Gas Corp	115,803	0.34
	Other	785,261	2.27
		<b>1,598,796</b>	<b>4.63</b>
<b>ELECTRONIC AND OTHER ELECTRIC EQUIPMENT</b>			
15,794	* Arris Group, Inc	192,056	0.57
9,083	* EnerSys	165,220	0.49
14,020	* Skyworks Solutions, Inc	137,116	0.41
7,118	* Tessera Technologies, Inc	180,014	0.53
	Other	2,442,980	7.02
		<b>3,117,386</b>	<b>9.02</b>
<b>ENGINEERING AND MANAGEMENT SERVICES</b>			
7,810	* Isis Pharmaceuticals, Inc	128,865	0.38
	Other	768,395	2.22
		<b>897,260</b>	<b>2.60</b>
<b>FABRICATED METAL PRODUCTS</b>			
5,568	CIRCOR International, Inc	131,460	0.38
	Other	417,436	1.21
		<b>548,896</b>	<b>1.59</b>
<b>FISHING, HUNTING, AND TRAPPING</b>			
		<b>23,644</b>	<b>0.07</b>
<b>FOOD AND KINDRED PRODUCTS</b>			
		<b>424,001</b>	<b>1.23</b>
<b>FOOD STORES</b>			
		<b>297,173</b>	<b>0.86</b>
<b>FURNITURE AND FIXTURES</b>			
		<b>103,674</b>	<b>0.30</b>
<b>FURNITURE AND HOME FURNISHINGS STORES</b>			
		<b>122,013</b>	<b>0.35</b>
<b>GENERAL BUILDING CONTRACTORS</b>			
		<b>219,373</b>	<b>0.64</b>
<b>GENERAL MERCHANDISE STORES</b>			
11,152	* 99 Cents Only Stores	151,444	0.44
	Other	169,433	0.49
		<b>320,877</b>	<b>0.93</b>
<b>HEALTH SERVICES</b>			
		<b>383,888</b>	<b>1.11</b>
<b>HEAVY CONSTRUCTION, EXCEPT BUILDING</b>			
		<b>193,455</b>	<b>0.56</b>
<b>HOLDING AND OTHER INVESTMENT OFFICES</b>			
6,371	LTC Properties, Inc	130,287	0.39
3,532	PS Business Parks, Inc	171,091	0.51
4,762	Sovran Self Storage, Inc	117,145	0.35
	Other	1,559,274	4.48
		<b>1,977,797</b>	<b>5.73</b>
<b>HOTELS AND OTHER LODGING PLACES</b>			
		<b>112,555</b>	<b>0.33</b>
<b>INDUSTRIAL MACHINERY AND EQUIPMENT</b>			
6,441	* EnPro Industries, Inc	116,003	0.33

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## SMALL-CAP EQUITY FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>INDUSTRIAL MACHINERY AND EQUIPMENT – continued</b>			
4,890 *	Riverbed Technology, Inc	\$ 113,399	0.33%
5,994	Robbins & Myers, Inc	115,386	0.32
	Other	913,319	2.66
		1,258,107	3.64
<b>INSTRUMENTS AND RELATED PRODUCTS</b>			
5,324 *	Fossil, Inc	128,202	0.37
8,130	STERIS Corp	212,030	0.62
	Other	1,471,108	4.26
		1,811,340	5.25
<b>INSURANCE AGENTS, BROKERS AND SERVICE</b>			
		36,974	0.11
<b>INSURANCE CARRIERS</b>			
5,047 *	Argo Group International Holdings Ltd	142,426	0.42
9,477	Assured Guaranty Ltd	117,325	0.34
5,190 *	Molina Healthcare, Inc	124,145	0.36
	Other	914,254	2.64
		1,298,150	3.76
<b>LEATHER AND LEATHER PRODUCTS</b>			
		200,346	0.58
<b>LEGAL SERVICES</b>			
		45,072	0.13
<b>LOCAL AND INTERURBAN PASSENGER TRANSIT</b>			
4,570 *	Emergency Medical Services Corp (Class A)	168,267	0.49
		168,267	0.49
<b>METAL MINING</b>			
		79,051	0.23
<b>MISCELLANEOUS MANUFACTURING INDUSTRIES</b>			
		65,552	0.19
<b>MISCELLANEOUS RETAIL</b>			
		554,456	1.61
<b>MOTION PICTURES</b>			
		85,442	0.25
<b>NONDEPOSITORY INSTITUTIONS</b>			
20,312	Apollo Investment Corp	121,872	0.36
	Other	206,900	0.59
		328,772	0.95
<b>NONMETALLIC MINERALS, EXCEPT FUELS</b>			
		49,968	0.14
<b>OIL AND GAS EXTRACTION</b>			
9,729 *	Willbros Group, Inc	121,710	0.34
	Other	838,289	2.44
		959,999	2.78
<b>PAPER AND ALLIED PRODUCTS</b>			
4,321	Schweitzer-Mauduit International, Inc	117,573	0.35
	Other	229,596	0.66
		347,169	1.01
<b>PERSONAL SERVICES</b>			
		64,724	0.19
<b>PETROLEUM AND COAL PRODUCTS</b>			
		209,132	0.61
<b>PRIMARY METAL INDUSTRIES</b>			
		391,646	1.13

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *concluded*

## SMALL-CAP EQUITY FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
	PRINTING AND PUBLISHING	\$ 168,166	0.49%
	REAL ESTATE	75,226	0.22
	RUBBER AND MISCELLANEOUS PLASTIC PRODUCTS	182,340	0.53
	SECURITY AND COMMODITY BROKERS		
6,750 *	Knight Capital Group, Inc (Class A)	115,087	0.32
	Other	335,196	0.98
		450,283	1.30
	SOCIAL SERVICES	2,703	0.01
	SPECIAL TRADE CONTRACTORS		
7,410 *	EMCOR Group, Inc	149,089	0.43
	Other	262,461	0.76
		411,550	1.19
	STONE, CLAY, AND GLASS PRODUCTS	106,590	0.31
	TRANSPORTATION BY AIR	335,111	0.97
	TRANSPORTATION EQUIPMENT		
3,431	Triumph Group, Inc	137,239	0.41
	Other	765,792	2.21
		903,031	2.62
	TRANSPORTATION SERVICES	79,330	0.23
	TRUCKING AND WAREHOUSING	252,352	0.73
	WATER TRANSPORTATION	90,775	0.26
	WHOLESALE TRADE-DURABLE GOODS		
3,615	Owens & Minor, Inc	158,409	0.46
6,284 *	PSS World Medical, Inc	116,317	0.34
	Other	305,688	0.88
		580,414	1.68
	WHOLESALE TRADE-NONDURABLE GOODS		
3,698 *	United Stationers, Inc	128,986	0.37
	Other	375,648	1.09
		504,634	1.46
	<b>TOTAL COMMON STOCKS</b> (Cost \$38,068,891)	<b>34,622,045</b>	<b>100.26</b>
	<b>TOTAL PORTFOLIO</b> (Cost \$38,068,891)	<b>34,622,045</b>	<b>100.26</b>
	OTHER ASSET & LIABILITIES, NET	(89,513)	(0.26)
	<b>NET ASSETS</b>	<b>\$34,532,532</b>	<b>100.00%</b>

\* Non-income producing

For ease of presentation, we have grouped a number of industry classification categories together in the Summary portfolio of investments. Note that the funds use more specific industry categories in following their investment limitations in industry concentrations.

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED)

STOCK INDEX FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>COMMON STOCKS</b>			
AGRICULTURAL PRODUCTION-CROPS		\$ 6,688	0.01%
AGRICULTURAL PRODUCTION-LIVESTOCK		9,480	0.01
AGRICULTURAL SERVICES		3,731	0.00**
AMUSEMENT AND RECREATION SERVICES			
22,432	Walt Disney Co	523,338	0.43
	Other	195,084	0.15
		718,422	0.58
APPAREL AND ACCESSORY STORES		709,448	0.58
APPAREL AND OTHER TEXTILE PRODUCTS		427,255	0.35
AUTO REPAIR, SERVICES AND PARKING		67,597	0.05
AUTOMOTIVE DEALERS AND SERVICE STATIONS		272,843	0.22
BUILDING MATERIALS AND GARDEN SUPPLIES			
20,468	Home Depot, Inc	483,659	0.40
	Other	406,595	0.32
		890,254	0.72
BUSINESS SERVICES			
2,891	* Google, Inc (Class A)	1,218,816	1.00
93,214	Microsoft Corp	2,215,696	1.81
46,150	Oracle Corp	988,532	0.81
	Other	5,038,098	4.07
		9,461,142	7.69
CHEMICALS AND ALLIED PRODUCTS			
18,622	Abbott Laboratories	875,978	0.72
12,278	* Amgen, Inc	649,996	0.54
23,891	Bristol-Myers Squibb Co	485,226	0.40
6,032	Colgate-Palmolive Co	426,704	0.36
12,236	Eli Lilly & Co	423,855	0.34
10,982	* Gilead Sciences, Inc	514,396	0.43
33,272	Johnson & Johnson	1,889,849	1.55
25,455	Merck & Co, Inc	711,721	0.59
6,590	Monsanto Co	489,900	0.41
81,524	Pfizer, Inc	1,222,859	1.00
35,193	Procter & Gamble Co	1,798,361	1.47
19,637	Schering-Plough Corp	493,280	0.41
16,063	Wyeth	729,099	0.60
	Other	4,239,050	3.32
		14,950,274	12.14
COAL MINING		252,118	0.20
COMMUNICATIONS			
71,238	AT&T, Inc	1,769,551	1.45
34,714	Comcast Corp (Class A)	503,006	0.42

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## STOCK INDEX FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>COMMUNICATIONS – continued</b>			
34,264	Verizon Communications, Inc	\$ 1,052,932	0.87%
	Other	2,068,896	1.64
		5,394,385	4.38
<b>DEPOSITORY INSTITUTIONS</b>			
92,378	Bank of America Corp	1,219,389	1.00
14,364	Bank of New York Mellon Corp	421,008	0.35
45,383	JPMorgan Chase & Co	1,548,013	1.27
57,418	Wells Fargo & Co	1,392,960	1.14
	Other	3,128,866	2.50
		7,710,236	6.26
<b>EATING AND DRINKING PLACES</b>			
13,320	McDonald's Corp	765,766	0.63
	Other	647,543	0.52
		1,413,309	1.15
<b>EDUCATIONAL SERVICES</b>			
		303,439	0.25
<b>ELECTRIC, GAS, AND SANITARY SERVICES</b>			
		5,596,059	4.55
<b>ELECTRONIC AND OTHER ELECTRIC EQUIPMENT</b>			
10,761	* Apple Computer, Inc	1,532,688	1.26
69,706	* Cisco Systems, Inc	1,299,319	1.07
127,843	General Electric Co	1,498,319	1.23
67,433	Intel Corp	1,116,016	0.92
19,975	Qualcomm, Inc	902,870	0.74
	Other	3,343,902	2.66
		9,693,114	7.88
<b>ENGINEERING AND MANAGEMENT SERVICES</b>			
		1,193,280	0.97
<b>FABRICATED METAL PRODUCTS</b>			
		678,221	0.55
<b>FISHING, HUNTING, AND TRAPPING</b>			
		1,007	0.00**
<b>FOOD AND KINDRED PRODUCTS</b>			
27,952	Coca-Cola Co	1,341,416	1.10
17,791	Kraft Foods, Inc (Class A)	450,824	0.37
18,797	PepsiCo, Inc	1,033,083	0.85
	Other	1,977,709	1.58
		4,803,032	3.90
<b>FOOD STORES</b>			
		390,899	0.32
<b>FORESTRY</b>			
		112,443	0.09
<b>FURNITURE AND FIXTURES</b>			
		154,241	0.13
<b>FURNITURE AND HOME FURNISHINGS STORES</b>			
		322,974	0.26
<b>GENERAL BUILDING CONTRACTORS</b>			
		238,921	0.19
<b>GENERAL MERCHANDISE STORES</b>			
26,694	Wal-Mart Stores, Inc	1,293,056	1.05
	Other	1,066,303	0.87
		2,359,359	1.92

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## STOCK INDEX FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
HEALTH SERVICES		\$ 1,456,276	1.18%
HEAVY CONSTRUCTION, EXCEPT BUILDING		41,291	0.03
HOLDING AND OTHER INVESTMENT OFFICES			
40,049	iShares Russell 3000 Index Fund	2,155,837	1.76
	Other	2,148,359	1.74
		4,304,196	3.50
HOTELS AND OTHER LODGING PLACES		285,614	0.23
INDUSTRIAL MACHINERY AND EQUIPMENT			
28,874	Hewlett-Packard Co	1,115,979	0.92
15,955	International Business Machines Corp	1,666,020	1.36
	Other	3,549,442	2.86
		6,331,441	5.14
INSTRUMENTS AND RELATED PRODUCTS			
13,516	Medtronic, Inc	471,572	0.39
	Other	3,829,843	3.10
		4,301,415	3.49
INSURANCE AGENTS, BROKERS AND SERVICE		388,324	0.32
INSURANCE CARRIERS		3,903,035	3.17
JUSTICE, PUBLIC ORDER AND SAFETY		37,440	0.03
LEATHER AND LEATHER PRODUCTS		149,520	0.12
LEGAL SERVICES		38,210	0.03
LOCAL AND INTERURBAN PASSENGER TRANSIT		3,719	0.00**
LUMBER AND WOOD PRODUCTS		21,340	0.02
METAL MINING		642,761	0.52
MISCELLANEOUS MANUFACTURING INDUSTRIES		164,842	0.13
MISCELLANEOUS RETAIL			
17,574	CVS Corp	560,082	0.46
	Other	1,255,198	1.01
		1,815,280	1.47
MOTION PICTURES		785,010	0.64
NONDEPOSITORY INSTITUTIONS		730,857	0.59
NONMETALLIC MINERALS, EXCEPT FUELS		87,668	0.07
OIL AND GAS EXTRACTION			
9,787	Occidental Petroleum Corp	644,083	0.53
14,476	Schlumberger Ltd	783,297	0.65
	Other	3,800,924	3.07
		5,228,304	4.25
PAPER AND ALLIED PRODUCTS		538,032	0.44
PERSONAL SERVICES		183,392	0.15
PETROLEUM AND COAL PRODUCTS			
24,218	Chevron Corp	1,604,442	1.30

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

STOCK INDEX FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
PETROLEUM AND COAL PRODUCTS — continued			
17,889	ConocoPhillips	\$ 752,410	0.61%
59,014	Exxon Mobil Corp	4,125,668	3.36
	Other	814,872	0.66
		<u>7,297,392</u>	<u>5.93</u>
PIPELINES, EXCEPT NATURAL GAS		131,790	0.11
PRIMARY METAL INDUSTRIES		1,077,954	0.88
PRINTING AND PUBLISHING		366,545	0.30
RAILROAD TRANSPORTATION		909,212	0.74
REAL ESTATE		99,407	0.08
RUBBER AND MISCELLANEOUS PLASTIC PRODUCTS		177,590	0.14
SECURITY AND COMMODITY BROKERS			
6,078	Goldman Sachs Group, Inc	896,141	0.74
15,359	Morgan Stanley	437,885	0.37
	Other	1,652,161	1.32
		<u>2,986,187</u>	<u>2.43</u>
SOCIAL SERVICES		6,698	0.01
SPECIAL TRADE CONTRACTORS		113,392	0.09
STONE, CLAY, AND GLASS PRODUCTS			
8,386	3M Co	503,998	0.41
	Other	171,875	0.14
		<u>675,873</u>	<u>0.55</u>
TEXTILE MILL PRODUCTS		33,148	0.03
TOBACCO PRODUCTS			
23,685	Philip Morris International, Inc	1,033,140	0.84
	Other	625,032	0.51
		<u>1,658,172</u>	<u>1.35</u>
TRANSPORTATION BY AIR		441,099	0.36
TRANSPORTATION EQUIPMENT			
10,100	United Technologies Corp	524,795	0.44
	Other	2,117,240	1.71
		<u>2,642,035</u>	<u>2.15</u>
TRANSPORTATION SERVICES		242,117	0.20
TRUCKING AND WAREHOUSING		551,263	0.45
WATER TRANSPORTATION		294,211	0.24
WHOLESALE TRADE-DURABLE GOODS		460,459	0.37
WHOLESALE TRADE-NONDURABLE GOODS		740,846	0.60
<b>TOTAL COMMON STOCKS</b>		<i>(Cost \$149,628,069)</i>	<b>120,477,528 97.88</b>
<b>TOTAL PORTFOLIO</b>		<i>(Cost \$149,628,069)</i>	<b>120,477,528 97.88</b>
OTHER ASSET & LIABILITIES, NET		2,605,276	2.12
<b>NET ASSETS</b>		<b>\$123,082,804</b>	<b>100.00%</b>

**SUMMARY PORTFOLIO OF INVESTMENTS** (UNAUDITED) *concluded*

**STOCK INDEX FUND ■ JUNE 30, 2009**

- 
- \* Non-income producing
  - \*\* Percentage represents less than 0.01%
- 

For ease of presentation, we have grouped a number of industry classification categories together in the Summary portfolio of investments. Note that the funds use more specific industry categories in following their investment limitations in industry concentrations.

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED)

SOCIAL CHOICE EQUITY FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>COMMON STOCKS</b>			
<b>AMUSEMENT AND RECREATION SERVICES</b>			
9,268	Walt Disney Co	\$ 216,222	0.88%
	Other	4,344	0.02
		220,566	0.90
<b>APPAREL AND ACCESSORY STORES</b>			
		157,414	0.64
<b>APPAREL AND OTHER TEXTILE PRODUCTS</b>			
2,767	Nike, Inc (Class B)	143,275	0.59
	Other	27,399	0.11
		170,674	0.70
<b>AUTO REPAIR, SERVICES AND PARKING</b>			
		10,371	0.04
<b>AUTOMOTIVE DEALERS AND SERVICE STATIONS</b>			
		39,595	0.16
<b>BUILDING MATERIALS AND GARDEN SUPPLIES</b>			
8,293	Home Depot, Inc	195,963	0.79
	Other	104,242	0.43
		300,205	1.22
<b>BUSINESS SERVICES</b>			
4,312	Automatic Data Processing, Inc	152,817	0.61
853 *	Google, Inc (Class A)	359,616	1.46
25,876	Microsoft Corp	615,072	2.50
	Other	663,694	2.72
		1,791,199	7.29
<b>CHEMICALS AND ALLIED PRODUCTS</b>			
2,059	Air Products & Chemicals, Inc	132,991	0.54
4,832 *	Amgen, Inc	255,806	1.04
10,211	Bristol-Myers Squibb Co	207,385	0.84
2,745	Colgate-Palmolive Co	194,181	0.79
4,533 *	Gilead Sciences, Inc	212,326	0.87
9,090	Johnson & Johnson	516,312	2.10
9,480	Merck & Co, Inc	265,061	1.08
2,336	Praxair, Inc	166,020	0.68
9,492	Procter & Gamble Co	485,041	1.98
5,626	Schering-Plough Corp	141,325	0.58
	Other	669,037	2.71
		3,245,485	13.21
<b>COMMUNICATIONS</b>			
10,550	Verizon Communications, Inc	324,203	1.33
	Other	825,636	3.35
		1,149,839	4.68
<b>DEPOSITORY INSTITUTIONS</b>			
5,554	Bank of New York Mellon Corp	162,787	0.66
8,529	US Bancorp	152,840	0.62
16,481	Wells Fargo & Co	399,828	1.63
	Other	571,860	2.34
		1,287,315	5.25

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

**SOCIAL CHOICE EQUITY FUND ■ JUNE 30, 2009**

Shares	Company	Value	% of net assets
<b>EATING AND DRINKING PLACES</b>			
4,678	McDonald's Corp	\$ 268,939	1.10%
	Other	98,775	0.40
		<hr/> 367,714	<hr/> 1.50
<b>EDUCATIONAL SERVICES</b>			
		4,328	0.02
<b>ELECTRIC, GAS, AND SANITARY SERVICES</b>			
		1,677,695	6.83
<b>ELECTRONIC AND OTHER ELECTRIC EQUIPMENT</b>			
20,753 *	Cisco Systems, Inc	386,835	1.57
21,550	Intel Corp	356,652	1.45
7,497	Texas Instruments, Inc	159,685	0.65
	Other	454,831	1.86
		<hr/> 1,358,003	<hr/> 5.53
<b>ENGINEERING AND MANAGEMENT SERVICES</b>			
4,100	Accenture Ltd (Class A)	137,185	0.56
	Other	100,206	0.41
		<hr/> 237,391	<hr/> 0.97
<b>FABRICATED METAL PRODUCTS</b>			
4,243	Illinois Tool Works, Inc	158,433	0.64
	Other	59,281	0.25
		<hr/> 217,714	<hr/> 0.89
<b>FOOD AND KINDRED PRODUCTS</b>			
2,456	General Mills, Inc	137,585	0.56
2,828	Kellogg Co	131,700	0.54
7,819	Kraft Foods, Inc (Class A)	198,133	0.81
5,994	PepsiCo, Inc	329,431	1.34
	Other	202,046	0.82
		<hr/> 998,895	<hr/> 4.07
<b>FOOD STORES</b>			
		70,473	0.29
<b>FORESTRY</b>			
		30,308	0.12
<b>FURNITURE AND FIXTURES</b>			
		48,548	0.20
<b>FURNITURE AND HOME FURNISHINGS STORES</b>			
		70,122	0.29
<b>GENERAL BUILDING CONTRACTORS</b>			
		9,524	0.04
<b>GENERAL MERCHANDISE STORES</b>			
4,138	Target Corp	163,327	0.66
	Other	231,889	0.95
		<hr/> 395,216	<hr/> 1.61
<b>HEALTH SERVICES</b>			
		142,861	0.58
<b>HEAVY CONSTRUCTION, EXCEPT BUILDING</b>			
		10,876	0.04
<b>HOLDING AND OTHER INVESTMENT OFFICES</b>			
		380,441	1.55
<b>HOTELS AND OTHER LODGING PLACES</b>			
		65,848	0.27
<b>INDUSTRIAL MACHINERY AND EQUIPMENT</b>			
9,067	Hewlett-Packard Co	350,439	1.43

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## SOCIAL CHOICE EQUITY FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>INDUSTRIAL MACHINERY AND EQUIPMENT – continued</b>			
4,531	International Business Machines Corp	\$ 473,126	1.92%
	Other	733,771	3.00
		<u>1,557,336</u>	<u>6.35</u>
<b>INSTRUMENTS AND RELATED PRODUCTS</b>			
3,487	Baxter International, Inc	184,672	0.74
5,217	Emerson Electric Co	169,031	0.68
5,711	Medtronic, Inc	199,256	0.80
	Other	743,172	3.06
		<u>1,296,131</u>	<u>5.28</u>
<b>INSURANCE AGENTS, BROKERS AND SERVICE</b>			
		<u>89,975</u>	<u>0.37</u>
<b>INSURANCE CARRIERS</b>			
4,120	Travelers Cos, Inc	169,084	0.69
3,413 *	WellPoint, Inc	173,687	0.71
	Other	683,834	2.78
		<u>1,026,605</u>	<u>4.18</u>
<b>LEATHER AND LEATHER PRODUCTS</b>			
		<u>34,481</u>	<u>0.14</u>
<b>LEGAL SERVICES</b>			
		<u>4,818</u>	<u>0.02</u>
<b>LUMBER AND WOOD PRODUCTS</b>			
		<u>128</u>	<u>0.00**</u>
<b>METAL MINING</b>			
		<u>40,616</u>	<u>0.17</u>
<b>MISCELLANEOUS MANUFACTURING INDUSTRIES</b>			
		<u>55,419</u>	<u>0.23</u>
<b>MISCELLANEOUS RETAIL</b>			
5,906	CVS Corp	188,225	0.77
4,606	Walgreen Co	135,416	0.55
	Other	205,626	0.84
		<u>529,267</u>	<u>2.16</u>
<b>MOTION PICTURES</b>			
		<u>28,714</u>	<u>0.12</u>
<b>NONDEPOSITORY INSTITUTIONS</b>			
5,740	American Express Co	133,397	0.54
	Other	112,565	0.46
		<u>245,962</u>	<u>1.00</u>
<b>NONMETALLIC MINERALS, EXCEPT FUELS</b>			
		<u>54,317</u>	<u>0.22</u>
<b>OIL AND GAS EXTRACTION</b>			
2,322	Apache Corp	167,531	0.69
2,988	Devon Energy Corp	162,846	0.66
4,290	XTO Energy, Inc	163,621	0.68
	Other	1,113,899	4.51
		<u>1,607,897</u>	<u>6.54</u>
<b>PAPER AND ALLIED PRODUCTS</b>			
2,545	Kimberly-Clark Corp	133,434	0.54
	Other	98,726	0.41
		<u>232,160</u>	<u>0.95</u>
<b>PERSONAL SERVICES</b>			
		<u>6,334</u>	<u>0.03</u>

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *concluded*

SOCIAL CHOICE EQUITY FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>PETROLEUM AND COAL PRODUCTS</b>			
2,750	Hess Corp	\$ 147,813	0.60%
5,440	Marathon Oil Corp	163,907	0.68
	Other	38,301	0.15
		<u>350,021</u>	<u>1.43</u>
<b>PIPELINES, EXCEPT NATURAL GAS</b>			
8,117	Spectra Energy Corp	137,340	0.56
		<u>137,340</u>	<u>0.56</u>
<b>PRIMARY METAL INDUSTRIES</b>			
		<u>360,677</u>	<u>1.47</u>
<b>PRINTING AND PUBLISHING</b>			
		<u>103,663</u>	<u>0.42</u>
<b>RAILROAD TRANSPORTATION</b>			
		<u>247,829</u>	<u>1.01</u>
<b>REAL ESTATE</b>			
		<u>6,947</u>	<u>0.03</u>
<b>RUBBER AND MISCELLANEOUS PLASTIC PRODUCTS</b>			
		<u>10,931</u>	<u>0.04</u>
<b>SECURITY AND COMMODITY BROKERS</b>			
		<u>694,118</u>	<u>2.83</u>
<b>SOCIAL SERVICES</b>			
		<u>3,130</u>	<u>0.01</u>
<b>SPECIAL TRADE CONTRACTORS</b>			
		<u>16,578</u>	<u>0.07</u>
<b>STONE, CLAY, AND GLASS PRODUCTS</b>			
3,544	3M Co	212,994	0.86
	Other	15,523	0.07
		<u>228,517</u>	<u>0.93</u>
<b>TEXTILE MILL PRODUCTS</b>			
		<u>2,330</u>	<u>0.01</u>
<b>TRANSPORTATION BY AIR</b>			
		<u>175,691</u>	<u>0.72</u>
<b>TRANSPORTATION EQUIPMENT</b>			
		<u>284,313</u>	<u>1.16</u>
<b>TRANSPORTATION SERVICES</b>			
		<u>15,536</u>	<u>0.06</u>
<b>TRUCKING AND WAREHOUSING</b>			
3,769	United Parcel Service, Inc (Class B)	188,412	0.77
		<u>188,412</u>	<u>0.77</u>
<b>WATER TRANSPORTATION</b>			
		<u>20,176</u>	<u>0.08</u>
<b>WHOLESALE TRADE-DURABLE GOODS</b>			
		<u>149,305</u>	<u>0.61</u>
<b>WHOLESALE TRADE-NONDURABLE GOODS</b>			
		<u>137,288</u>	<u>0.56</u>
	<b>TOTAL COMMON STOCKS</b>	<i>(Cost \$31,111,137)</i>	<b>24,401,582 99.42</b>
	<b>TOTAL PORTFOLIO</b>	<i>(Cost \$31,111,137)</i>	<b>24,401,582 99.42</b>
	OTHER ASSET & LIABILITIES, NET		<u>142,046 0.58</u>
	<b>NET ASSETS</b>		<b><u>\$24,543,628 100.00%</u></b>

\* Non-income producing

\*\* Percentage represents less than 0.01%

For ease of presentation, we have grouped a number of industry classification categories together in the Summary portfolio of investments. Note that the funds use more specific industry categories in following their investment limitations in industry concentrations.

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED)

REAL ESTATE SECURITIES FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
<b>COMMON STOCKS</b>			
<b>FORESTRY</b>			
20,600	Rayonier, Inc	\$ 748,810	2.03%
		748,810	2.03
<b>HOLDING AND OTHER INVESTMENT OFFICES</b>			
13,300	Alexandria Real Estate Equities, Inc	476,007	1.29
40,100	AMB Property Corp	754,281	2.05
23,000	American Campus Communities, Inc	510,140	1.38
20,200	AvalonBay Communities, Inc	1,129,988	3.07
38,506	Boston Properties, Inc	1,836,736	4.98
15,200	BRE Properties, Inc (Class A)	361,152	0.98
11,730	Camden Property Trust	323,748	0.88
15,000	Corporate Office Properties Trust	439,950	1.19
44,000	DCT Industrial Trust, Inc	179,520	0.49
35,716	Developers Diversified Realty Corp	174,294	0.47
17,200	Digital Realty Trust, Inc	616,620	1.67
25,000	Douglas Emmett, Inc	224,750	0.61
13,300	EastGroup Properties, Inc	439,166	1.19
7,800	Equity Lifestyle Properties, Inc	290,004	0.79
46,400	Equity Residential	1,031,472	2.80
7,700	Essex Property Trust, Inc	479,171	1.30
21,700	Federal Realty Investment Trust	1,117,984	3.03
62,000	HCP, Inc	1,313,780	3.56
22,594	Health Care REIT, Inc	770,455	2.09
15,000	Healthcare Realty Trust, Inc	252,450	0.69
13,600	Highwoods Properties, Inc	304,232	0.83
7,400	Home Properties, Inc	252,340	0.68
23,000	Hospitality Properties Trust	273,470	0.74
143,000	Host Marriott Corp	1,199,770	3.26
6,000	iShares Cohen & Steers Realty Majors Index Fund	215,640	0.59
7,000	iShares Dow Jones US Real Estate Index Fund	226,380	0.61
95,000	Kimco Realty Corp	954,750	2.59
19,500	Liberty Property Trust	449,280	1.22
21,427	Macerich Co	377,329	1.02
9,000	Mack-Cali Realty Corp	205,200	0.56
5,600	Mid-America Apartment Communities, Inc	205,576	0.56
58,286	Mission West Properties, Inc	398,093	1.08
16,885	National Retail Properties, Inc	292,955	0.79
26,000	Nationwide Health Properties, Inc	669,240	1.82
15,500	Omega Healthcare Investors, Inc	240,560	0.65
40,000	Plum Creek Timber Co, Inc	1,191,200	3.23
23,800	Post Properties, Inc	319,872	0.87
8,400	Potlatch Corp	204,036	0.55
73,594	Prologis	593,168	1.61
29,700	Public Storage, Inc	1,944,756	5.28
24,000	Realty Income Corp	526,080	1.43
21,500	Regency Centers Corp	750,565	2.04
30,500	Senior Housing Properties Trust	497,760	1.35
73,892	Simon Property Group, Inc	3,800,266	10.32

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *concluded*

## REAL ESTATE SECURITIES FUND ■ JUNE 30, 2009

Shares	Company	Value	% of net assets
HOLDING AND OTHER INVESTMENT OFFICES – continued			
19,097	SL Green Realty Corp	\$ 438,085	1.19%
7,000	Tanger Factory Outlet Centers, Inc	227,010	0.62
41,000	UDR, Inc	423,530	1.15
38,258	Ventas, Inc	1,142,384	3.10
47,459	Vornado Realty Trust	2,137,079	5.80
	Other	2,050,895	5.55
		<u>35,233,169</u>	<u>95.60</u>
NONDEPOSITORY INSTITUTIONS			
		–	–**
REAL ESTATE			
		68,923	0.19
	<b>TOTAL COMMON STOCKS</b> (Cost \$54,738,637)	<b>36,050,902</b>	<b>97.82</b>
	<b>TOTAL PORTFOLIO</b> (Cost \$54,738,637)	<b>36,050,902</b>	<b>97.82</b>
	OTHER ASSET & LIABILITIES, NET	802,677	2.18
	<b>NET ASSETS</b>	<b>\$36,853,579</b>	<b>100.00%</b>

The following abbreviation is used in portfolio description:

REIT Real Estate Investment Trust

\*\* Percentage represents less than 0.01%

For ease of presentation, we have grouped a number of industry classification categories together in the Summary portfolio of investments. Note that the funds use more specific industry categories in following their investment limitations in industry concentrations.

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED)

BOND FUND ■ JUNE 30, 2009

Principal	Issuer		Rating†	Value	% of net assets
<b>BONDS</b>					
<b>CORPORATE BONDS</b>					
	AMUSEMENT AND RECREATION SERVICES			\$ 211,236	0.21%
	APPAREL AND ACCESSORY STORES			25,988	0.03
	BUILDING MATERIALS AND GARDEN SUPPLIES			25,686	0.03
	BUSINESS SERVICES			435,491	0.43
	CHEMICALS AND ALLIED PRODUCTS			1,294,618	1.28
	COMMUNICATIONS			3,145,260	3.13
<b>DEPOSITORY INSTITUTIONS</b>					
\$1,000,000	Bank of America Corp	2.380%, 06/22/12	Aaa	1,010,003	1.01
	Bank of America Corp	5.750%–7.630%, 05/15/14–06/01/19		218,879	0.22
1,000,000	Citigroup, Inc	2.130%, 04/30/12	Aaa	1,004,391	1.00
	Citigroup, Inc	5.100%–8.500%, 09/29/11–03/05/38		572,438	0.57
900,000	g Depfa ACS Bank	5.130%, 03/16/37	Aa2	569,375	0.57
500,000	KeyBank NA	3.200%, 06/15/12	Aaa	516,884	0.51
500,000	Regions Bank	3.250%, 12/09/11	Aaa	518,783	0.52
500,000	Sovereign Bank	2.750%, 01/17/12	Aaa	506,678	0.50
	Other			3,168,974	3.13
				8,086,405	8.03
	ELECTRIC, GAS, AND SANITARY SERVICES			2,198,181	2.18
	ELECTRONIC AND OTHER ELECTRIC EQUIPMENT			419,303	0.42
	ENGINEERING AND MANAGEMENT SERVICES			102,063	0.10
	FABRICATED METAL PRODUCTS			25,121	0.02
	FOOD AND KINDRED PRODUCTS			601,021	0.60
	FOOD STORES			156,050	0.16
	GENERAL MERCHANDISE STORES			328,791	0.32
	HOLDING AND OTHER INVESTMENT OFFICES			276,593	0.28
	INDUSTRIAL MACHINERY AND EQUIPMENT			789,854	0.79
	INSTRUMENTS AND RELATED PRODUCTS			205,899	0.20
	INSURANCE CARRIERS			1,015,395	1.01
	METAL MINING			153,994	0.15
	MISCELLANEOUS MANUFACTURING INDUSTRIES			102,796	0.10
	MISCELLANEOUS RETAIL			27,923	0.03
	MOTION PICTURES			43,785	0.04
<b>NONDEPOSITORY INSTITUTIONS</b>					
500,000	General Electric Capital Corp	2.250%, 03/12/12	Aaa	504,425	0.50
	General Electric Capital Corp	2.200%–5.900%, 02/15/12–06/04/14		702,706	0.70
700,000	GMAC, Inc	2.200%, 12/19/12	Aaa	697,179	0.69
	Other			2,000,245	2.00
				3,904,555	3.89

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## BOND FUND ■ JUNE 30, 2009

Principal	Issuer		Rating†	Value	% of net assets
OIL AND GAS EXTRACTION				\$ 1,214,689	1.20%
PAPER AND ALLIED PRODUCTS				35,678	0.04
PETROLEUM AND COAL PRODUCTS				770,189	0.77
PIPELINES, EXCEPT NATURAL GAS				146,883	0.15
PRIMARY METAL INDUSTRIES				226,157	0.23
PRINTING AND PUBLISHING				126,760	0.13
RAILROAD TRANSPORTATION				231,975	0.23
SECURITY AND COMMODITY BROKERS					
\$ 450,000	Goldman Sachs Group, Inc	7.500%, 02/15/19	A1	481,847	0.48
	Other			1,900,887	1.89
				2,382,734	2.37
STONE, CLAY, AND GLASS PRODUCTS				130,215	0.13
TOBACCO PRODUCTS				112,832	0.11
TRANSPORTATION EQUIPMENT				210,526	0.21
WHOLESALE TRADE-NONDURABLE GOODS				110,083	0.11
<b>TOTAL CORPORATE BONDS</b> (Cost \$29,147,916)				<b>29,274,723</b>	<b>29.11</b>
<b>GOVERNMENT BONDS</b>					
AGENCY SECURITIES					
550,000	Federal Home Loan Mortgage Corp (FHLMC)	3.250%, 07/16/10	Aaa	565,440	0.56
1,500,000	FHLMC	5.130%, 10/18/16	Aaa	1,642,721	1.64
500,000	FHLMC	3.750%, 03/27/19	Aaa	491,322	0.49
	FHLMC	2.500%-2.500%, 04/23/14-04/23/14		295,251	0.29
600,000	Federal Farm Credit Bank (FFCB)	2.630%, 04/21/11	Aaa	615,595	0.61
1,100,000	Federal National Mortgage Association (FNMA)	1.380%, 04/28/11	Aaa	1,102,847	1.10
	FNMA	3.250%-3.250%, 08/12/10-08/12/10		102,938	0.10
500,000	Federal Home Loan Bank (FHLB)	5.000%, 11/17/17	Aaa	532,057	0.53
				5,348,171	5.32
FOREIGN GOVERNMENT BONDS					
500,000	Province of Saskatchewan Canada	8.000%, 02/01/13	Aa1	576,534	0.57
1,000,000	Province of Ontario Canada	2.630%, 01/20/12	Aa1	1,016,835	1.02
	Province of Ontario Canada	3.130%-4.100%, 09/08/10-06/16/14		499,914	0.49
	Other			2,066,453	2.05
				4,159,736	4.13
MORTGAGE BACKED					
477,514	Federal Home Loan Mortgage Corp Gold (FGLMC)	6.000%, 11/01/33		501,847	0.50
509,484	FGLMC	5.500%, 04/01/37		526,674	0.52
606,223	FGLMC	5.500%, 05/01/37		626,677	0.62
	h FGLMC	4.000%-6.500%, 02/01/19-06/01/39		2,651,850	2.63

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## BOND FUND ■ JUNE 30, 2009

Principal	Issuer		Rating†	Value	% of net assets
MORTGAGE BACKED — continued					
\$ 485,361	h,i Federal Home Loan Mortgage Corp (FHLMC)	5.800%, 07/01/36		\$ 507,835	0.50%
	i FHLMC	3.730%–6.080%, 02/01/36–05/01/37		1,301,965	1.29
1,610,572	Federal National Mortgage Association (FNMA)	4.560%, 01/01/15		1,668,096	1.65
489,723	FNMA	4.500%, 04/01/24		500,415	0.50
795,135	FNMA	5.500%, 07/01/33		825,069	0.82
443,784	FNMA	5.500%, 07/01/33		460,491	0.46
619,627	FNMA	6.000%, 10/01/33		652,557	0.65
1,191,568	FNMA	5.500%, 11/01/33		1,236,427	1.22
569,537	FNMA	5.000%, 03/01/34		582,686	0.58
1,016,008	FNMA	5.000%, 03/01/34		1,039,463	1.03
2,199,250	FNMA	5.000%, 09/01/34		2,248,304	2.23
477,672	FNMA	5.500%, 02/01/37		494,087	0.49
1,638,496	FNMA	5.500%, 02/01/38		1,693,688	1.67
527,109	FNMA	5.500%, 02/01/38		544,865	0.54
981,442	FNMA	4.500%, 02/01/39		980,764	0.98
488,448	FNMA	5.000%, 03/01/39		498,045	0.50
1,993,550	FNMA	4.500%, 04/01/39		1,991,974	1.97
	i FNMA	4.000%–7.500%, 06/01/13–05/01/39		11,189,304	11.12
	Government National Mortgage Association (GNMA)	5.000%–6.230%, 07/15/33–09/15/43		2,062,514	2.07
				<b>34,785,597</b>	<b>34.58</b>
U.S. TREASURY SECURITIES					
500,000	United States Treasury Bond	5.250%, 02/15/29		562,345	0.56
1,195,000	United States Treasury Note	0.880%, 03/31/11		1,193,366	1.19
1,565,000	United States Treasury Note	1.380%, 05/15/12		1,556,205	1.55
635,000	United States Treasury Note	2.000%, 11/30/13		625,673	0.62
4,652,000	United States Treasury Note	1.880%, 04/30/14		4,514,254	4.49
1,838,000	United States Treasury Note	2.250%, 05/31/14		1,813,297	1.80
860,000	United States Treasury Note	2.630%, 02/29/16		834,536	0.83
1,100,000	United States Treasury Note	2.380%, 03/31/16		1,048,180	1.04
1,100,000	United States Treasury Note	3.250%, 05/31/16		1,104,813	1.10
776,000	United States Treasury Note	2.750%, 02/15/19		726,771	0.72
775,000	United States Treasury Note	3.130%, 05/15/19		749,572	0.75
	h United States Treasury Note	0.880%–3.500%, 05/31/11–02/15/39		1,510,468	1.50
	Other			640,527	0.64
				<b>16,880,007</b>	<b>16.79</b>
	<b>TOTAL GOVERNMENT BONDS</b> (Cost \$60,349,121)			<b>61,173,511</b>	<b>60.82</b>
	<b>TOTAL BONDS</b> (Cost \$89,497,037)			<b>90,448,234</b>	<b>89.93</b>

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *concluded*

BOND FUND ■ JUNE 30, 2009

Principal	Issuer		Rating†	Value	% of net assets
<b>STRUCTURED ASSETS</b>					
ASSET BACKED					
\$ 554,055	Centex Home Equity Series 2002-A (Class AF6)	5.540%, 01/25/32	Aaa	\$ 468,607	0.47%
1,000,000	Flagstar Home Equity Loan Trust Series 2007-1A (Class AF3)	5.780%, 01/25/35	B3	462,462	0.46
550,000	Chase Issuance Trust Series 2008-A9 (Class A9)	4.260%, 05/15/13	Aaa	565,838	0.57
	Other			1,820,857	1.80
				3,317,764	3.30
OTHER MORTGAGE BACKED				4,019,477	3.99
<b>TOTAL STRUCTURED ASSETS</b> (Cost \$9,510,293)				<b>7,337,241</b>	<b>7.29</b>
Shares					
<b>PREFERRED STOCKS</b>					
MORTGAGE BACKED				29,866	0.03
<b>TOTAL PREFERRED STOCKS</b> (Cost \$569,550)				<b>29,866</b>	<b>0.03</b>
<b>TOTAL PORTFOLIO</b> (Cost \$99,576,881)				<b>97,815,346</b>	<b>97.25</b>
OTHER ASSET & LIABILITIES, NET				2,767,905	2.75
<b>NET ASSETS</b>				<b>\$100,583,251</b>	<b>100.00%</b>

† As provide by Moody's Investors Service (unaudited)

g Security is exempt from registration under Rule 144(A) of the Securities Act of 1933 and may be resold in transactions exempt from registration to qualified institutional buyers. At June 30, 2009, the value of this security amounted to \$569,375, or 0.57% of net assets.

h These securities are purchased on a delayed delivery basis.

i Floating or variable rate security. Coupon rate represents the rate at period end.

For ease of presentation, we have grouped a number of industry classification categories together in the Summary portfolio of investments. Note that the funds use more specific industry categories in following their investment limitations in industry concentrations.

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED)

MONEY MARKET FUND ■ JUNE 30, 2009

Principal	Issuer		Value	% net assets
<b>GOVERNMENT BONDS</b>				
U.S. TREASURY SECURITIES				
\$1,000,000	United States Treasury Note	2.880%, 06/30/10	\$ 1,023,625	0.97%
<b>TOTAL GOVERNMENT BONDS</b> (Cost \$1,023,625)			<b>1,023,625</b>	<b>0.97</b>
<b>SHORT-TERM INVESTMENTS</b>				
BANKER'S ACCEPTANCES				
3,050,000	Bank of America NA	07/13/09-10/20/09	3,045,644	2.89
	Other		956,435	0.91
			4,002,079	3.80
CERTIFICATES OF DEPOSIT				
1,000,000	Banco Bilbao Vizcaya Argentaria S.A.	0.730%, 11/12/09	1,000,018	0.95
1,000,000	Banco Bilbao Vizcaya Argentaria S.A.	0.610%, 12/08/09	1,000,021	0.94
1,230,000	Banco Bilbao Vizcaya Argentaria S.A.	0.640%-1.250%, 11/30/09-12/30/09	1,230,631	1.17
1,000,000	CALYON	0.490%, 10/01/09	1,000,051	0.95
1,000,000	Lloyds TSB Bank plc	0.730%, 07/09/09	1,000,005	0.95
1,000,000	Toronto-Dominion Bank	1.900%, 07/20/09	1,000,000	0.95
1,000,000	Toronto-Dominion Bank	0.850%, 09/22/09	1,000,000	0.95
	Other		3,093,452	2.95
			10,324,178	9.81
COMMERCIAL PAPER				
1,000,000	Abbott Laboratories	07/30/09	999,855	0.95
1,000,000	BNP Paribas Finance, Inc	07/29/09	999,783	0.95
1,260,000	Coca-Cola Co	07/20/09	1,259,721	1.19
1,000,000	Corporate Asset Funding Co, Inc	08/07/09	999,332	0.95
1,000,000	Eli Lilly & Co	08/10/09	999,389	0.95
1,280,000	Fairway Finance LLC	07/15/09	1,279,870	1.22
1,550,000	Fairway Finance LLC	07/06/09-07/09/09	1,549,842	1.47
2,000,000 p	GECC-TLGP	07/02/09	1,999,961	1.91
1,435,000 p	GECC-TLGP	07/13/09	1,434,665	1.36
1,000,000	ING US Funding LLC	10/23/09	998,575	0.96
1,450,000	ING US Funding LLC	07/27/09-11/30/09	1,448,400	1.37
1,255,000	Nestle Capital Corp	07/29/09	1,254,785	1.20
1,459,000	Old Line Funding LLC	07/24/09	1,458,767	1.38
980,000	Old Line Funding LLC	08/17/09	979,552	0.93
1,055,000	PACCAR Financial Corp	08/06/09	1,054,684	1.00
1,600,000	PACCAR Financial Corp	08/14/09-09/17/09	1,599,167	1.52
1,000,000	Private Export Funding Corp	08/20/09	999,208	0.96
1,670,000	Private Export Funding Corp	07/20/09-12/11/09	1,668,371	1.58
1,000,000	Rabobank USA Financial Corp	07/01/09	1,000,000	0.94
1,973,000	Rabobank USA Financial Corp	08/19/09-11/25/09	1,971,451	1.88
1,000,000	Ranger Funding Co LLC	07/17/09	999,889	0.95
1,150,000	Royal Bank of Scotland plc	07/31/09	1,149,713	1.10
1,735,000	Sheffield Receivables Corp	07/14/09	1,734,718	1.64
1,410,000	Shell International Finance BV	09/24/09	1,409,234	1.34
1,000,000	Svensk Exportkredit AB	07/07/09	999,759	0.95
1,000,000	Toyota Motor Credit Corp	07/21/09	999,845	0.95

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *continued*

## MONEY MARKET FUND ■ JUNE 30, 2009

Principal	Issuer		Value	% net assets
COMMERCIAL PAPER - continued				
\$1,000,000	Toyota Motor Credit Corp	07/30/09	\$ 999,750	0.95%
1,000,000	Unilever Capital Corp	07/07/09	999,965	0.95
1,000,000	Unilever Capital Corp	08/18/09	999,640	0.95
1,000,000	Unilever Capital Corp	09/21/09	999,453	0.95
1,500,000	Variable Funding Capital Co LLC	07/28/09	1,499,662	1.43
1,200,000	Lloyds TSB Bank plc	07/01/09-09/24/09	1,199,124	1.14
1,416,000	Govco LLC	07/20/09-08/21/09	1,415,414	1.35
1,555,000	Park Avenue Receivables Corp	07/10/09-08/05/09	1,554,772	1.48
1,723,000	Kitty Hawk Funding Corp	07/08/09-07/10/09	1,722,891	1.64
	Other		10,500,219	9.97
			55,139,426	52.41
U.S. GOVERNMENT AND AGENCIES DISCOUNT NOTES				
1,525,000	Federal Farm Credit Bank (FFCB)	07/28/09-11/17/09	1,522,540	1.45
1,400,000	Federal Home Loan Bank (FHLB)	08/25/09	1,399,550	1.34
960,000	FHLB	09/18/09	958,883	0.91
1,000,000	FHLB	09/23/09	999,463	0.95
6,606,000	FHLB	08/04/09-06/22/10	6,595,401	6.25
1,000,000	Federal Home Loan Mortgage Corp (FHLMC)	08/11/09	999,363	0.94
1,000,000	FHLMC	09/01/09	998,932	0.95
1,000,000	FHLMC	11/17/09	997,683	0.95
1,000,000	FHLMC	11/20/09	996,805	0.95
3,724,000	FHLMC	07/06/09-02/08/10	3,719,232	3.54
1,020,000	Federal National Mortgage Association (FNMA)	08/03/09	1,019,504	0.97
1,500,000	FNMA	09/01/09	1,498,579	1.43
1,050,000	FNMA	10/16/09	1,048,533	1.00
1,070,000	FNMA	12/21/09	1,067,121	1.02
1,000,000	FNMA	12/22/09	997,438	0.95
4,055,000	FNMA	07/23/09-04/01/10	4,044,744	3.83
			28,863,771	27.43
U.S. GOVERNMENT AND AGENCIES VARIABLE NOTES				
1,500,000	i Federal Home Loan Bank (FHLB)	0.650%, 09/10/09	1,500,001	1.42
1,000,000	i FHLB	0.850%, 02/26/10	1,000,000	0.95
1,000,000	i Federal Home Loan Mortgage Corp (FHLMC)	0.880%, 02/04/10	1,000,000	0.95
1,000,000	i FHLMC	0.820%, 02/09/10	1,000,436	0.95
	Other		616,554	0.59
			5,116,991	4.86

# SUMMARY PORTFOLIO OF INVESTMENTS (UNAUDITED) *concluded*

## MONEY MARKET FUND ■ JUNE 30, 2009

Principal	Issuer		Value	% net assets
U.S. TREASURY BILLS				
\$1,000,000	United States Treasury Bill	10/08/09	\$ 999,271	0.95%
<b>TOTAL SHORT-TERM INVESTMENTS</b> (Cost \$104,445,716)			<b>104,445,716</b>	<b>99.26</b>
<b>TOTAL PORTFOLIO</b> (Cost \$105,469,341)			<b>105,469,341</b>	<b>100.23</b>
OTHER ASSETS & LIABILITIES, NET			(244,325)	(0.23)
<b>NET ASSETS</b>			<b>\$105,225,016</b>	<b>100.00%</b>

The following abbreviations are used in portfolio description:

LLC Limited Liability Company

plc Public Limited Company

i Floating rate or variable rate securities reflect the rate in effect as of June 30, 2009.

p Security participates in the FDIC Temporary Liquidity Guarantee Program.

For ease of presentation, we have grouped a number of industry classification categories together in the Summary portfolio of investments. Note that the funds use more specific industry categories in following their investment limitations in industry concentrations.

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# STATEMENTS OF ASSETS AND LIABILITIES (UNAUDITED)

TIAA-CREF LIFE FUNDS ■ JUNE 30, 2009

	Growth Equity Fund
<b>ASSETS</b>	
Portfolio investments, at cost	\$ 27,317,554
Net unrealized depreciation of portfolio investments	(454,352)
Portfolio investments, at value	26,863,202
Cash	293,891
Cash – foreign*	1
Receivable from securities transactions	408,320
Receivable from Fund shares sold	160,386
Dividends and interest receivable	10,856
Reclaims receivable	7,447
Prepaid Insurance	–
<b>Total assets</b>	<b>27,744,103</b>
<b>LIABILITIES</b>	
Management fees payable	5,582
Trustee fees payable	694
Accrued expense payable	227
Due to custodian	–
Payable for securities transactions	447,561
Payable for Fund shares redeemed	479
Payable for variation margin on futures contracts	–
<b>Total liabilities</b>	<b>454,543</b>
<b>NET ASSETS</b>	<b>\$ 27,289,560</b>
<b>NET ASSETS CONSIST OF:</b>	
Paid-in-capital	\$ 72,010,709
Undistributed net investment income	152,267
Accumulated net realized gain (loss) on total investments	(44,419,264)
Net unrealized depreciation on total investments	(454,152)
<b>NET ASSETS</b>	<b>\$ 27,289,560</b>
Outstanding shares of beneficial interest, unlimited shares authorized (\$0.0001 par value)	2,347,859
<b>Net asset value per share</b>	<b>\$11.62</b>
*Cost:	\$ 1

Growth & Income Fund	International Equity Fund	Large-Cap Value Fund	Small-Cap Equity Fund
\$58,657,877 (4,200,470)	\$ 81,847,900 (10,184,917)	\$ 48,168,481 (4,558,628)	\$ 38,068,891 (3,446,846)
54,457,407	71,662,983	43,609,853	34,622,045
181,461	—	1,490,635	—
8,002	2,514,964	313	—
637,572	349,989	1,186,144	2,628,921
—	90,298	—	1,922
56,354	66,196	60,810	36,801
—	79,175	89	—
—	—	—	—
<b>55,340,796</b>	<b>74,763,605</b>	<b>46,347,844</b>	<b>37,289,689</b>
10,381	17,526	8,551	2,885
694	694	694	694
227	227	227	227
—	1,809,746	—	84,402
656,964	233,795	1,944,930	2,455,962
20,980	338	10,907	212,987
—	—	—	—
<b>689,246</b>	<b>2,062,326</b>	<b>1,965,309</b>	<b>2,757,157</b>
<b>\$54,651,550</b>	<b>\$ 72,701,279</b>	<b>\$ 44,382,535</b>	<b>\$ 34,532,532</b>
\$76,045,869	\$137,577,368	\$ 69,579,257	\$ 54,194,342
569,331	3,853,713	957,434	181,063
(17,763,425)	(58,552,286)	(21,595,529)	(16,396,027)
(4,200,225)	(10,177,516)	(4,558,627)	(3,446,846)
<b>\$54,651,550</b>	<b>\$ 72,701,279</b>	<b>\$ 44,382,535</b>	<b>\$ 34,532,532</b>
2,801,282	5,995,341	2,307,613	1,870,585
<b>\$19.51</b>	<b>\$12.13</b>	<b>\$19.23</b>	<b>\$18.46</b>
\$ 8,069	\$ 2,507,288	\$ 315	\$ —

# STATEMENTS OF ASSETS AND LIABILITIES (UNAUDITED)

TIAA-CREF LIFE FUNDS ■ JUNE 30, 2009

	Stock Index Fund
<b>ASSETS</b>	
Portfolio investments, at cost	\$149,628,069
Net unrealized depreciation of portfolio investments	(29,150,541)
Portfolio investments, at value	120,477,528
Cash	2,816,273
Receivable from securities transactions	2,377,818
Receivable from Fund shares sold	—
Dividends and interest receivable	161,867
Reclaims receivable	114
Prepaid Insurance	—
<b>Total assets</b>	<b>125,833,600</b>
<b>LIABILITIES</b>	
Management fees payable	6,117
Trustee fees payable	694
Accrued expense payable	227
Due to custodian	—
Payable for securities transactions	2,683,256
Payable for Fund shares redeemed	46,392
Payable for variation margin on futures contracts	14,110
<b>Total liabilities</b>	<b>2,750,796</b>
<b>NET ASSETS</b>	<b>\$123,082,804</b>
<b>NET ASSETS CONSIST OF:</b>	
Paid-in-capital	\$160,666,194
Undistributed net investment income (loss)	1,816,600
Accumulated net realized gain (loss) on total investments	(10,193,402)
Net unrealized depreciation on total investments	(29,206,588)
<b>NET ASSETS</b>	<b>\$123,082,804</b>
Outstanding shares of beneficial interest, unlimited shares authorized (\$.0001 par value)	6,087,598
<b>Net asset value per share</b>	<b>\$20.22</b>

Social Choice Equity Fund	Real Estate Securities Fund	Bond Fund	Money Market Fund
\$31,111,137 (6,709,555)	\$ 54,738,637 (18,687,735)	\$ 99,576,881 (1,761,535)	\$105,469,341 —
24,401,582	36,050,902	97,815,346	105,469,341
117,915	581,803	1,578,614	4,434
2,402,906	162,264	1,761,091	—
—	14,126	58,564	6,805
31,044	152,575	750,196	33,302
—	144	32	—
—	—	—	9,390
<b>26,953,447</b>	<b>36,961,814</b>	<b>101,963,844</b>	<b>105,523,272</b>
1,419	7,778	8,210	5,338
694	694	694	694
227	227	227	227
—	—	—	—
2,403,457	93,818	1,361,698	—
4,022	5,718	9,764	291,997
—	—	—	—
<b>2,409,819</b>	<b>108,235</b>	<b>1,380,593</b>	<b>298,256</b>
<b>\$24,543,628</b>	<b>\$ 36,853,579</b>	<b>\$100,583,251</b>	<b>\$105,225,016</b>
\$33,573,398	\$ 81,698,969	\$104,012,763	\$105,224,304
479,958	(147,790)	2,186,871	71
(2,800,173)	(26,009,834)	(3,854,848)	641
(6,709,555)	(18,687,766)	(1,761,535)	—
<b>\$24,543,628</b>	<b>\$ 36,853,579</b>	<b>\$100,583,251</b>	<b>\$105,225,016</b>
1,373,179	2,794,942	4,200,664	105,224,305
<b>\$17.87</b>	<b>\$13.19</b>	<b>\$23.94</b>	<b>\$1.00</b>

# STATEMENTS OF OPERATIONS (UNAUDITED)

TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD ENDED JUNE 30, 2009

	Growth Equity Fund
<b>INVESTMENT INCOME</b>	
Dividends	\$ 176,275
Foreign taxes withheld	(2,420)
Interest	8
<b>Total income</b>	<b>173,863</b>
<b>EXPENSES</b>	
Investment management fees	30,918
Trustee fees and expenses	644
Interest expense	266
Capital gains tax expense	—
Other expenses	682
<b>Net expenses</b>	<b>32,510</b>
<b>Net investment income</b>	<b>141,353</b>
<b>NET REALIZED AND UNREALIZED GAIN (LOSS) ON TOTAL INVESTMENTS</b>	
Realized gain (loss):	
Portfolio investments	(2,991,575)
Futures transactions	—
Foreign currency transactions	(3,473)
<b>Net realized gain (loss) on total investments</b>	<b>(2,995,048)</b>
Change in unrealized appreciation (depreciation) on:	
Portfolio investments	5,358,451
Futures transactions	—
Translation of assets (other than portfolio investments) and liabilities denominated in foreign currencies	116
<b>Net change in unrealized appreciation (depreciation) on total investments</b>	<b>5,358,567</b>
<b>Net realized and unrealized gain (loss) on total investments</b>	<b>2,363,519</b>
<b>Net increase (decrease) in net assets resulting from operations</b>	<b>\$ 2,504,872</b>

Growth & Income Fund	International Equity Fund	Large-Cap Value Fund	Small-Cap Equity Fund
\$ 569,204	\$ 1,277,058	\$ 541,753	\$ 217,380
(1,535)	(113,149)	(1,475)	—
—	720	17	—
<b>567,669</b>	<b>1,164,629</b>	<b>540,295</b>	<b>217,380</b>
57,802	92,356	46,174	15,742
644	644	644	644
38	2,840	542	193
—	66,724	—	—
1,082	742	1,082	1,282
<b>59,566</b>	<b>163,306</b>	<b>48,442</b>	<b>17,861</b>
<b>508,103</b>	<b>1,001,323</b>	<b>491,853</b>	<b>199,519</b>
(5,083,233)	(12,284,866)	(2,002,257)	(6,142,503)
—	—	—	—
(443)	(84,455)	5,376	—
<b>(5,083,676)</b>	<b>(12,369,321)</b>	<b>(1,996,881)</b>	<b>(6,142,503)</b>
7,214,379	15,321,170	4,481,617	6,685,977
—	—	—	—
270	30,220	75	—
7,214,649	15,351,390	4,481,692	6,685,977
2,130,973	2,982,069	2,484,811	543,474
<b>\$2,639,076</b>	<b>\$ 3,983,392</b>	<b>\$ 2,976,664</b>	<b>\$ 742,993</b>

# STATEMENTS OF OPERATIONS (UNAUDITED)

TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD ENDED JUNE 30, 2009

	Stock Index Fund
<b>INVESTMENT INCOME</b>	
Dividends	\$ 1,334,858
Foreign taxes withheld	(27)
Interest	360
<b>Total income</b>	<b>1,335,191</b>
<b>EXPENSES</b>	
Investment management fees	33,058
Trustee fees and expenses	644
Interest expense	129
Capital gains tax expense	—
Other expenses	1,282
<b>Net expenses</b>	<b>35,113</b>
<b>Net investment income</b>	<b>1,300,078</b>
<b>NET REALIZED AND UNREALIZED GAIN (LOSS) ON TOTAL INVESTMENTS</b>	
Realized gain (loss):	
Portfolio investments	(2,633,931)
Futures transactions	267,464
Foreign currency transactions	(5)
<b>Net realized gain (loss) on total investments</b>	<b>(2,366,472)</b>
Change in unrealized appreciation (depreciation) on:	
Portfolio investments	6,007,065
Futures transactions	(56,042)
Translation of assets (other than portfolio investments) and liabilities denominated in foreign currencies	(4)
<b>Net change in unrealized appreciation (depreciation) on total investments</b>	<b>5,951,019</b>
<b>Net realized and unrealized gain (loss) on total investments</b>	<b>3,584,547</b>
<b>Net increase (decrease) in net assets resulting from operations</b>	<b>\$ 4,884,625</b>

Social Choice Equity Fund	Real Estate Securities Fund	Bond Fund	Money Market Fund
\$ 275,407	\$ 736,993	\$ 1,551	\$ —
(1)	(1,245)	—	—
—	17	2,232,374	504,366
<b>275,406</b>	<b>735,765</b>	<b>2,233,925</b>	<b>504,366</b>
7,779	43,134	47,772	34,045
644	644	644	644
80	140	108	9
—	—	—	—
682	682	682	22,886
<b>9,185</b>	<b>44,600</b>	<b>49,206</b>	<b>57,584</b>
<b>266,221</b>	<b>691,165</b>	<b>2,184,719</b>	<b>446,782</b>
(1,679,445)	(3,118,934)	52,296	560
—	—	—	—
(1)	—	—	—
<b>(1,679,446)</b>	<b>(3,118,934)</b>	<b>52,296</b>	<b>560</b>
2,656,089	(3,344,746)	155,315	—
—	—	—	—
—	18	—	—
2,656,089	(3,344,728)	155,315	—
976,643	(6,463,662)	207,611	560
<b>\$ 1,242,864</b>	<b>\$(5,772,497)</b>	<b>\$2,392,330</b>	<b>\$447,342</b>

# STATEMENTS OF CHANGES IN NET ASSETS

TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	Growth Equity Fund	
	June 30, 2009	December 31, 2008
	(unaudited)	
<b>OPERATIONS</b>		
Net investment income	\$ 141,353	\$ 333,908
Net realized gain (loss) on total investments	(2,995,048)	(6,411,532)
Net change in unrealized appreciation (depreciation) on total investments	5,358,567	(10,867,961)
Net increase (decrease) from operations	2,504,872	(16,945,585)
<b>DISTRIBUTION TO SHAREHOLDERS (Note 5)</b>		
From net investment income	—	(304,213)
From net realized gain on total investments	—	—
Total distributions	—	(304,213)
<b>SHAREHOLDER TRANSACTIONS</b>		
Subscriptions	4,240,930	10,863,483
Reinvestments of distributions	—	304,213
Redemptions	(3,956,958)	(11,792,821)
Net increase (decrease) from shareholder transactions	283,972	(625,125)
Net increase (decrease) in net assets	2,788,844	(17,874,923)
<b>NET ASSETS</b>		
Beginning of period	24,500,716	42,375,639
<b>End of period</b>	<b>\$27,289,560</b>	<b>\$ 24,500,716</b>
Undistributed net investment income included in net assets	\$ 152,267	\$ 10,914
<b>CHANGE IN FUND SHARES</b>		
Shares outstanding, beginning of period	2,321,892	2,351,772
Shares sold	405,112	716,552
Shares reinvested	—	29,167
Shares redeemed	(379,145)	(775,599)
Net increase (decrease) from shareholder transactions	25,967	(29,880)
Shares outstanding, end of period	2,347,859	2,321,892

Growth & Income Fund		International Equity Fund	
June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
(unaudited)		(unaudited)	
\$ 508,103	\$ 1,298,033	\$ 1,001,323	\$ 3,138,416
(5,083,676)	(2,342,325)	(12,369,321)	(46,314,506)
7,214,649	(27,465,069)	15,351,390	(31,054,510)
2,639,076	(28,509,361)	3,983,392	(74,230,600)
—	(1,232,315)	—	(44,925)
—	—	—	(3,175,432)
—	(1,232,315)	—	(3,220,357)
2,522,787	9,747,804	5,896,880	16,007,106
—	1,232,315	—	3,220,357
(3,745,408)	(11,837,675)	(5,418,792)	(33,581,374)
(1,222,621)	(857,556)	478,088	(14,353,911)
1,416,455	(30,599,232)	4,461,480	(91,804,868)
53,235,095	83,834,327	68,239,799	160,044,667
<b>\$54,651,550</b>	<b>\$ 53,235,095</b>	<b>\$ 72,701,279</b>	<b>\$ 68,239,799</b>
\$ 569,331	\$ 61,228	\$ 3,853,713	\$ 2,852,390
2,877,398	2,844,439	5,970,193	6,663,208
138,164	402,583	547,395	859,460
—	67,896	—	287,789
(214,280)	(477,520)	(522,247)	(1,840,264)
(76,116)	(7,041)	25,148	(693,015)
2,801,282	2,837,398	5,995,341	5,970,193

# STATEMENTS OF CHANGES IN NET ASSETS

TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	Large-Cap Value Fund	
	June 30, 2009	December 31, 2008
	(unaudited)	
<b>OPERATIONS</b>		
Net investment income	\$ 491,853	\$ 1,454,094
Net realized gain (loss) on total investments	(1,996,881)	(19,006,046)
Net change in unrealized appreciation (depreciation) on total investments	4,481,692	(10,944,979)
Net increase (decrease) from operations	2,976,664	(28,496,931)
<b>DISTRIBUTION TO SHAREHOLDERS (Note 5)</b>		
From net investment income	—	(924,132)
From net realized gain on total investments	—	(519,566)
Total distributions	—	(1,443,698)
<b>SHAREHOLDER TRANSACTIONS</b>		
Subscriptions	4,597,362	8,638,893
Reinvestments of distributions	—	1,443,698
Redemptions	(3,493,812)	(11,190,107)
Net increase (decrease) from shareholder transactions	1,103,550	(1,107,516)
Net increase (decrease) in net assets	4,080,214	(31,048,145)
<b>NET ASSETS</b>		
Beginning of period	40,302,321	71,350,466
<b>End of period</b>	<b>\$44,382,535</b>	<b>\$ 40,302,321</b>
Undistributed net investment income included in net assets	\$ 957,434	\$ 465,581
<b>CHANGE IN FUND SHARES</b>		
Shares outstanding, beginning of period	2,254,922	2,279,364
Shares sold	260,100	331,687
Shares reinvested	—	82,403
Shares redeemed	(207,410)	(438,532)
Net increase (decrease) from shareholder transactions	52,690	(24,442)
Shares outstanding, end of period	2,307,613	2,254,922

Small-Cap Equity Fund		Stock Index Fund	
June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
(unaudited)		(unaudited)	
\$ 199,519	\$ 650,144	\$ 1,300,078	\$ 3,341,112
(6,142,503)	(8,796,829)	(2,366,472)	(4,973,662)
6,685,977	(8,818,950)	5,951,019	(65,630,093)
742,993	(16,965,635)	4,884,625	(67,262,643)
—	(679,349)	—	(2,868,460)
—	—	—	(221,501)
—	(679,349)	—	(3,089,961)
2,004,216	7,958,161	13,301,569	15,384,081
—	679,349	—	3,089,961
(2,823,577)	(8,251,873)	(8,041,837)	(19,522,105)
(819,361)	385,637	5,259,732	(1,048,063)
(76,368)	(17,259,347)	10,144,357	(71,400,667)
34,608,900	51,868,247	112,938,447	184,339,114
<b>\$34,532,532</b>	<b>\$ 34,608,900</b>	<b>\$123,082,804</b>	<b>\$112,938,447</b>
\$ 181,063	\$ (15,443)	\$ 1,816,600	\$ 516,522
1,923,369	1,909,111	5,823,325	5,814,633
118,465	328,495	732,122	588,717
—	38,998	—	162,629
(171,249)	(353,235)	(467,849)	(742,654)
(52,784)	14,258	264,273	8,692
1,870,585	1,923,369	6,087,598	5,823,325

# STATEMENTS OF CHANGES IN NET ASSETS

TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	Social Choice Equity Fund	
	June 30, 2009	December 31, 2008
	(unaudited)	
<b>OPERATIONS</b>		
Net investment income	\$ 266,221	\$ 659,040
Net realized gain (loss) on total investments	(1,679,446)	(931,677)
Net change in unrealized appreciation (depreciation) on total investments	2,656,089	(13,322,154)
Net increase (decrease) from operations	1,242,864	(13,594,791)
<b>DISTRIBUTION TO SHAREHOLDERS (Note 5)</b>		
From net investment income	—	(446,427)
From net realized gain on total investments	—	(124,901)
Total distributions	—	(571,328)
<b>SHAREHOLDER TRANSACTIONS</b>		
Subscriptions	784,797	2,558,061
Reinvestments of distributions	—	571,328
Redemptions	(1,421,584)	(2,908,341)
Net increase (decrease) from shareholder transactions	(636,787)	221,048
Net increase (decrease) in net assets	606,077	(13,945,071)
<b>NET ASSETS</b>		
Beginning of period	23,937,551	37,882,622
<b>End of period</b>	<b>\$24,543,628</b>	<b>\$ 23,937,551</b>
Undistributed net investment income included in net assets	\$ 479,958	\$ 213,737
<b>CHANGE IN FUND SHARES</b>		
Shares outstanding, beginning of period	1,415,895	1,396,635
Shares sold	48,297	110,247
Shares reinvested	—	34,480
Shares redeemed	(91,013)	(125,467)
Net increase (decrease) from shareholder transactions	(42,716)	19,260
Shares outstanding, end of period	1,373,179	1,415,895

Real Estate Securities Fund		Bond Fund	
June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
(unaudited)		(unaudited)	
\$ 691,165	\$ 1,903,435	\$ 2,184,719	\$ 4,741,292
(3,118,934)	(21,122,885)	52,296	(2,732,912)
(3,344,728)	(8,451,792)	155,315	(1,723,747)
(5,772,497)	(27,671,242)	2,392,330	284,633
—	(2,911,239)	—	(4,741,808)
—	—	—	—
—	(2,911,239)	—	(4,741,808)
2,164,513	8,623,675	9,924,527	15,005,262
—	2,911,239	—	4,741,808
(3,184,300)	(12,057,843)	(3,686,430)	(9,998,479)
(1,019,787)	(522,929)	6,238,097	9,748,591
(6,792,284)	(31,105,410)	8,630,427	5,291,416
43,645,863	74,751,273	91,952,824	86,661,408
<b>\$36,853,579</b>	<b>\$ 43,645,863</b>	<b>\$100,583,251</b>	<b>\$91,952,824</b>
\$ (147,790)	\$ (740,211)	\$ 2,186,871	\$ 2,152
2,862,976	2,821,270	3,933,289	3,529,610
192,393	341,472	425,057	611,040
—	195,648	—	201,865
(260,427)	(495,414)	(157,682)	(409,226)
(68,034)	41,706	267,375	403,679
2,794,942	2,862,976	4,200,664	3,933,289

# STATEMENTS OF CHANGES IN NET ASSETS

*concluded*

## TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	Money Market Fund	
	June 30, 2009	December 31, 2008
	(unaudited)	
<b>OPERATIONS</b>		
Net investment income	\$ 446,782	\$ 3,014,576
Net realized gain (loss) on total investments	560	567
Net change in unrealized appreciation (depreciation) on total investments	—	—
Net increase (decrease) from operations	447,342	3,015,143
<b>DISTRIBUTION TO SHAREHOLDERS (Note 5)</b>		
From net investment income	(446,782)	(3,014,576)
From net realized gain on total investments	—	—
Total distributions	(446,782)	(3,014,576)
<b>SHAREHOLDER TRANSACTIONS</b>		
Subscriptions	48,008,016	75,913,003
Reinvestments of distributions	446,785	3,014,605
Redemptions	(60,552,075)	(62,050,733)
Net increase (decrease) from shareholder transactions	(12,097,274)	16,876,875
Net increase (decrease) in net assets	(12,096,714)	16,877,442
<b>NET ASSETS</b>		
Beginning of period	117,321,730	100,444,288
<b>End of period</b>	<b>\$105,225,016</b>	<b>\$117,321,730</b>
Undistributed net investment income included in net assets	\$ 71	\$ 71
<b>CHANGE IN FUND SHARES</b>		
Shares outstanding, beginning of period	117,321,579	100,444,703
Shares sold	48,008,016	75,913,004
Shares reinvested	446,785	3,014,605
Shares redeemed	(60,552,075)	(62,050,733)
Net increase (decrease) from shareholder transactions	(12,097,274)	16,876,876
Shares outstanding, end of period	105,224,305	117,321,579

# FINANCIAL HIGHLIGHTS

TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	Growth Equity Fund					
	6/30/09	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04
	(unaudited)					
<b>FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD</b>						
Net asset value, beginning of period	\$ 10.55	\$ 18.02	\$ 14.91	\$ 14.23	\$ 13.58	\$ 12.88
<b>Gain (loss) from investment operations:</b>						
Net investment income(a)	0.06	0.14	0.13	0.11	0.09	0.12
Net realized and unrealized gain (loss) on total investments	1.01	(7.48)	3.10	0.69	0.65	0.70
Total gain (loss) from investment operations	1.07	(7.34)	3.23	0.80	0.74	0.82
<b>Less distributions from:</b>						
Net investment income	—	(0.13)	(0.12)	(0.12)	(0.09)	(0.12)
Net realized gains	—	—	—	—	—	—
Total distributions	—	(0.13)	(0.12)	(0.12)	(0.09)	(0.12)
Net asset value, end of period	\$ 11.62	\$ 10.55	\$ 18.02	\$ 14.91	\$ 14.23	\$ 13.58
<b>TOTAL RETURN</b>	<b>10.14%(b)</b>	<b>(40.71%)</b>	<b>21.68%</b>	<b>5.62%</b>	<b>5.43%</b>	<b>6.39%</b>
<b>RATIOS AND SUPPLEMENTAL DATA</b>						
Net assets at end of period (in thousands)	\$27,290	\$24,501	\$42,376	\$28,180	\$29,517	\$28,282
Ratio of expenses to average net assets	0.26%(c)	0.28%	0.26%	0.25%	0.26%	0.25%
Ratio of net investment income to average net assets	1.14%(c)	0.98%	0.81%	0.79%	0.66%	0.95%
Portfolio turnover rate	145%(b)	253%	154%	98%	106%	79%

(a) Based on average shares outstanding.

(b) The percentages shown for this period are not annualized.

(c) The percentages shown for this period are annualized.

# FINANCIAL HIGHLIGHTS

continued

## TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	Growth & Income Fund					
	6/30/09	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04
(unaudited)						
<b>FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD</b>						
Net asset value, beginning of period	\$ 18.50	\$ 29.06	\$ 24.82	\$ 21.56	\$ 20.49	\$ 18.93
<b>Gain (loss) from investment operations:</b>						
Net investment income(a)	0.18	0.46	0.43	0.37	0.29	0.32
Net realized and unrealized gain (loss) on total investments	0.83	(10.58)	4.21	3.26	1.06	1.56
Total gain (loss) from investment operations	1.01	(10.12)	4.64	3.63	1.35	1.88
<b>Less distributions from:</b>						
Net investment income	—	(0.44)	(0.40)	(0.37)	(0.28)	(0.32)
Net realized gains	—	—	—	—	—	—
Total distributions	—	(0.44)	(0.40)	(0.37)	(0.28)	(0.32)
Net asset value, end of period	\$ 19.51	\$ 18.50	\$ 29.06	\$ 24.82	\$ 21.56	\$ 20.49
<b>TOTAL RETURN</b>	<b>5.46%(b)</b>	<b>(34.80%)</b>	<b>18.68%</b>	<b>16.85%</b>	<b>6.57%</b>	<b>9.94%</b>
<b>RATIOS AND SUPPLEMENTAL DATA</b>						
Net assets at end of period (in thousands)	\$54,652	\$53,235	\$83,834	\$59,798	\$51,627	\$47,748
Ratio of expenses to average net assets	0.24%(c)	0.23%	0.24%	0.23%	0.23%	0.23%
Ratio of net investment income to average net assets	2.02%(c)	1.87%	1.56%	1.63%	1.41%	1.66%
Portfolio turnover rate	83%(b)	135%	88%	119%	205%	85%

(a) Based on average shares outstanding.

(b) The percentages shown for this period are not annualized.

(c) The percentages shown for this period are annualized.

# FINANCIAL HIGHLIGHTS

continued

## TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	International Equity Fund					
	6/30/09	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04
(unaudited)						
<b>FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD</b>						
Net asset value, beginning of period	\$ 11.43	\$ 24.02	\$ 25.01	\$ 19.54	\$ 17.25	\$ 14.93
<b>Gain (loss) from investment operations:</b>						
Net investment income(a)	0.17	0.51	0.42	0.35	0.31	0.29
Net realized and unrealized gain (loss) on total investments	0.53	(12.53)	4.26	5.50	2.28	2.35
Total gain (loss) from investment operations	0.70	(12.02)	4.68	5.85	2.59	2.64
<b>Less distributions from:</b>						
Net investment income	—	(0.01)	(0.53)	(0.38)	(0.30)	(0.32)
Net realized gains	—	(0.56)	(5.14)	—	—	—
Total distributions	—	(0.57)	(5.67)	(0.38)	(0.30)	0.32
Net asset value, end of period	\$ 12.13	\$ 11.43	\$ 24.02	\$ 25.01	\$ 19.54	\$ 17.25
<b>TOTAL RETURN</b>	<b>6.12%(b)</b>	<b>(50.00%)</b>	<b>19.34%</b>	<b>29.95%</b>	<b>15.01%</b>	<b>17.72%</b>
<b>RATIO OF EXPENSES TO AVERAGE NET ASSETS</b>						
Net assets at end of period (in thousands)	\$72,701	\$68,240	\$160,045	\$111,142	\$72,597	\$52,151
Ratio of expenses to average net assets	0.30%(c)	0.32%	0.33%	0.29%	0.31%	0.29%
Ratio of net investment income to average net assets	3.35%(c)	2.79%	1.51%	1.59%	1.75%	1.87%
Portfolio turnover rate	63%(b)	185%	190%	146%	153%	158%

(a) Based on average shares outstanding.

(b) The percentages shown for this period are not annualized.

(c) The percentages shown for this period are annualized.

# FINANCIAL HIGHLIGHTS

continued

## TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	Large-Cap Value Fund					
	6/30/09	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04
	(unaudited)					
<b>FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD</b>						
Net asset value, beginning of period	\$ 17.87	\$ 31.30	\$ 36.02	\$ 32.04	\$ 33.07	\$ 31.62
<b>Gain (loss) from investment operations:</b>						
Net investment income(a)	0.22	0.66	0.71	0.64	0.72	0.74
Net realized and unrealized gain (loss) on total investments	1.14	(13.42)	(0.34)	6.26	0.95	5.82
Total gain (loss) from investment operations	1.36	(12.76)	0.37	6.90	1.67	6.56
<b>Less distributions from:</b>						
Net investment income	—	(0.43)	(0.76)	(0.61)	(0.70)	(0.67)
Net realized gains	—	(0.24)	(4.33)	(2.31)	(2.00)	(4.44)
Total distributions	—	(0.67)	(5.09)	(2.92)	(2.70)	(5.11)
Net asset value, end of period	\$ 19.23	\$ 17.87	\$ 31.30	\$ 36.02	\$ 32.04	\$ 33.07
<b>TOTAL RETURN</b>	<b>7.61%(b)</b>	<b>(40.74%)</b>	<b>0.91%</b>	<b>21.58%</b>	<b>4.94%</b>	<b>20.76%</b>
<b>RATIOS AND SUPPLEMENTAL DATA</b>						
Net assets at end of period (in thousands)	\$44,383	\$40,302	\$71,350	\$66,917	\$49,028	\$42,428
Ratio of expenses to average net assets	0.25%(c)	0.26%	0.27%	0.24%	0.25%	0.24%
Ratio of net investment income to average net assets	2.56%(c)	2.60%	1.88%	1.83%	2.17%	2.23%
Portfolio turnover rate	91%(b)	172%	133%	102%	112%	149%

(a) Based on average shares outstanding.

(b) The percentages shown for this period are not annualized.

(c) The percentages shown for this period are annualized.

# FINANCIAL HIGHLIGHTS

continued

## TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	Small-Cap Equity Fund					
	6/30/09	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04
	(unaudited)					
<b>FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD</b>						
Net asset value, beginning of period	\$ 17.99	\$ 27.17	\$ 32.12	\$ 30.02	\$ 33.43	\$ 32.98
<b>Gain (loss) from investment operations:</b>						
Net investment income(a)	0.10	0.34	0.37	0.37	0.33	0.39
Net realized and unrealized gain (loss) on total investments	0.37	(9.16)	(2.10)	4.95	1.30	6.17
Total gain (loss) from investment operations	0.47	(8.82)	(1.73)	5.32	1.63	6.56
<b>Less distributions from:</b>						
Net investment income	—	(0.36)	(0.44)	(0.38)	(0.37)	(0.39)
Net realized gains	—	—	(2.69)	(2.84)	(4.67)	(5.72)
Return of capital	—	—	(0.09)	—	—	—
Total distributions	—	(0.36)	(3.22)	(3.22)	(5.04)	(6.11)
Net asset value, end of period	\$ 18.46	\$ 17.99	\$ 27.17	\$ 32.12	\$ 30.02	\$ 33.43
<b>TOTAL RETURN</b>	<b>2.61%(b)</b>	<b>(32.42%)</b>	<b>(5.62%)</b>	<b>17.84%</b>	<b>4.58%</b>	<b>19.83%</b>
<b>RATIO OF EXPENSES TO AVERAGE NET ASSETS</b>						
Net assets at end of period (in thousands)	\$34,533	\$34,609	\$51,868	\$57,190	\$45,332	\$42,194
Ratio of expenses to average net assets	0.11%(c)	0.11%	0.11%	0.10%	0.12%	0.10%
Ratio of net investment income to average net assets	1.27%(c)	1.45%	1.13%	1.12%	1.01%	1.13%
Portfolio turnover rate	56%(b)	123%	135%	246%	400%	221%

(a) Based on average shares outstanding.

(b) The percentages shown for this period are not annualized.

(c) The percentages shown for this period are annualized.

# FINANCIAL HIGHLIGHTS

continued

## TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	Stock Index Fund					
	6/30/09	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04
(unaudited)						
<b>FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD</b>						
Net asset value, beginning of period	\$ 19.39	\$ 31.70	\$ 30.94	\$ 27.45	\$ 26.31	\$ 23.93
<b>Gain (loss) from investment operations:</b>						
Net investment income(a)	0.22	0.58	0.59	0.51	0.46	0.46
Net realized and unrealized gain (loss) on total investments	0.61	(12.34)	1.02	3.77	1.14	2.38
Total gain (loss) from investment operations	0.83	(11.76)	1.61	4.28	1.60	2.84
<b>Less distributions from:</b>						
Net investment income	—	(0.51)	(0.6)	(0.52)	(0.46)	(0.45)
Net realized gains	—	(0.04)	(0.25)	(0.27)	—	(0.01)
Total distributions	—	(0.55)	(0.85)	(0.79)	(0.46)	(0.46)
Net asset value, end of period	\$ 20.22	\$ 19.39	\$ 31.70	\$ 30.94	\$ 27.45	\$ 26.31
<b>TOTAL RETURN</b>	<b>4.28%(b)</b>	<b>(37.08%)</b>	<b>5.16%</b>	<b>15.62%</b>	<b>6.04%</b>	<b>11.89%</b>
<b>RATIOS AND SUPPLEMENTAL DATA</b>						
Net assets at end of period (in thousands)	\$123,083	\$112,938	\$184,339	\$171,015	\$152,936	\$143,222
Ratio of expenses to average net assets	0.06%(c)	0.06%	0.06%	0.06%	0.06%	0.06%
Ratio of net investment income to average net assets	2.36%(c)	2.19%	1.82%	1.75%	1.73%	1.88%
Portfolio turnover rate	6%(b)	7%	13%	14%	8%	12%

(a) Based on average shares outstanding.

(b) The percentages shown for this period are not annualized.

(c) The percentages shown for this period are annualized.

# FINANCIAL HIGHLIGHTS

continued

## TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	Social Choice Equity Fund					
	6/30/09	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04
(unaudited)						
<b>FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD</b>						
Net asset value, beginning of period	\$ 16.91	\$ 27.12	\$ 26.94	\$ 24.02	\$ 22.75	\$ 20.60
<b>Gain (loss) from investment operations:</b>						
Net investment income(a)	0.19	0.48	0.51	0.43	0.38	0.39
Net realized and unrealized gain (loss) on total investments	0.77	(10.28)	0.64	3.08	1.24	2.16
Total gain (loss) from investment operations	0.96	(9.80)	1.15	3.51	1.62	2.55
<b>Less distributions from:</b>						
Net investment income	—	(0.32)	(0.51)	(0.43)	(0.35)	(0.40)
Net realized gains	—	(0.09)	(0.46)	(0.16)	—	—
Total distributions	—	(0.41)	(0.97)	(0.59)	(0.35)	(0.40)
Net asset value, end of period	\$ 17.87	\$ 16.91	\$ 27.12	\$ 26.94	\$ 24.02	\$ 22.75
<b>TOTAL RETURN</b>	<b>5.68%(b)</b>	<b>(36.09%)</b>	<b>4.25%</b>	<b>14.64%</b>	<b>7.11%</b>	<b>12.39%</b>
<b>RATIOS AND SUPPLEMENTAL DATA</b>						
Net assets at end of period (in thousands)	\$24,544	\$23,938	\$37,883	\$35,931	\$32,557	\$27,605
Ratio of expenses to average net assets	0.08%(c)	0.07%	0.07%	0.07%	0.07%	0.07%
Ratio of net investment income to average net assets	2.40%(c)	2.06%	1.81%	1.69%	1.63%	1.82%
Portfolio turnover rate	15%(b)	17%	12%	19%	8%	5%

(a) Based on average shares outstanding.

(b) The percentages shown for this period are not annualized.

(c) The percentages shown for this period are annualized.

# FINANCIAL HIGHLIGHTS

continued

## TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	Real Estate Securities Fund					
	6/30/09	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04
(unaudited)						
<b>FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD</b>						
Net asset value, beginning of period	\$ 15.24	\$ 26.50	\$ 38.04	\$ 30.98	\$ 33.89	\$ 30.00
<b>Gain (loss) from investment operations:</b>						
Net investment income (a)	0.25	0.70	0.60	0.82	0.96	1.45
Net realized and unrealized gain (loss) on total investments	(2.30)	(10.87)	(6.68)	9.63	1.51	8.40
Total gain (loss) from investment operations	(2.05)	(10.17)	(6.08)	10.45	2.47	9.85
<b>Less distributions from:</b>						
Net investment income	—	(1.09)	(1.31)	(1.09)	(1.38)	(1.26)
Net realized gains	—	—	(4.15)	(2.30)	(4.00)	(4.70)
Total distributions	—	(1.09)	(5.46)	(3.39)	(5.38)	(5.96)
Net asset value, end of period	\$ 13.19	\$ 15.24	\$ 26.50	\$ 38.04	\$ 30.98	\$ 33.89
<b>TOTAL RETURN</b>	<b>(13.45%)</b>	<b>(b)(38.27%)</b>	<b>(16.12%)</b>	<b>34.05%</b>	<b>7.19%</b>	<b>32.98%</b>
<b>RATIOS AND SUPPLEMENTAL DATA</b>						
Net assets at end of period (in thousands)	\$36,854	\$43,646	\$74,751	\$104,705	\$70,659	\$63,899
Ratio of expenses to average net assets	0.26%(c)	0.26%	0.27%	0.25%	0.29%	0.25%
Ratio of net investment income to average net assets	4.01%(c)	2.94%	1.62%	2.30%	2.80%	4.41%
Portfolio turnover rate	25%(b)	97%	111%	117%	239%	315%

(a) Based on average shares outstanding.

(b) The percentages shown for this period are not annualized.

(c) The percentages shown for this period are annualized.

# FINANCIAL HIGHLIGHTS

continued

## TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	Bond Fund					
	6/30/09	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04
(unaudited)						
<b>FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD</b>						
Net asset value, beginning of period	\$ 23.38	\$ 24.55	\$ 24.41	\$ 24.44	\$ 24.88	\$ 24.74
<b>Gain (loss) from investment operations:</b>						
Net investment income(a)	0.53	1.29	1.29	1.21	1.10	0.95
Net realized and unrealized gain (loss) on total investments	0.03	(1.19)	0.07	(0.06)	(0.48)	0.09
Total gain from investment operations	0.56	0.10	1.36	1.15	0.62	1.04
<b>Less distributions from:</b>						
Net investment income	–	(1.27)	(1.22)	(1.18)	(1.06)	(0.90)
Net realized gains	–	–	–	–	–	–
Total distributions	–	(1.27)	(1.22)	(1.18)	(1.06)	(0.90)
Net asset value, end of period	\$ 23.94	\$ 23.38	\$ 24.55	\$ 24.41	\$ 24.44	\$ 24.88
<b>TOTAL RETURN</b>	<b>2.40%(b)</b>	<b>0.39%</b>	<b>5.60%</b>	<b>4.70%</b>	<b>2.51%</b>	<b>4.21%</b>
<b>RATIOS AND SUPPLEMENTAL DATA</b>						
Net assets at end of period (in thousands)	\$100,583	\$91,953	\$86,661	\$71,761	\$66,434	\$58,375
Ratio of expenses to average net assets	0.10%(c)	0.10%	0.10%	0.10%	0.10%	0.10%
Ratio of net investment income to average net assets	4.57%(c)	5.27%	5.18%	4.88%	4.35%	3.78%
Portfolio turnover rate	110%(b)	92%	97%	76%	78%	103%

(a) Based on average shares outstanding.

(b) The percentages shown for this period are not annualized.

(c) The percentages shown for this period are annualized.

# FINANCIAL HIGHLIGHTS

concluded

## TIAA-CREF LIFE FUNDS ■ FOR THE PERIOD OR YEAR ENDED

	Money Market Fund					
	6/30/09	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04
	(unaudited)					
<b>FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD</b>						
Net asset value, beginning of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
<b>Gain (loss) from investment operations:</b>						
Net investment income(a)	0.00(d)	0.03	0.05	0.05	0.03	0.01
Total gain from investment operations	0.00(d)	0.03	0.05	0.05	0.03	0.01
<b>Less distributions from:</b>						
Net investment income	0.00(d)	(0.03)	(0.05)	(0.05)	(0.03)	(0.01)
Total distributions	0.00(d)	(0.03)	(0.05)	(0.05)	(0.03)	(0.01)
Net asset value, end of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
<b>TOTAL RETURN</b>	<b>0.39%(b)</b>	<b>2.86%</b>	<b>5.34%</b>	<b>5.10%</b>	<b>3.25%</b>	<b>1.34%</b>
<b>RATIOS AND SUPPLEMENTAL DATA</b>						
Net assets at end of period (in thousands)	\$105,225	\$117,322	\$100,444	\$53,894	\$37,185	\$26,371
Ratio of expenses to average net assets	0.10%(c)	0.07%	0.06%	0.06%	0.06%	0.06%
Ratio of net investment income to average net assets	0.79%(c)	2.80%	5.19%	4.99%	3.24%	1.35%

(a) Based on average shares outstanding.

(b) The percentages shown for this period are not annualized.

(c) The percentages shown for this period are annualized.

(d) Amount represents less than \$0.01 per share.

# NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

## TIAA-CREF LIFE FUNDS

### Note 1—organization and significant accounting policies

TIAA-CREF Life Funds (the “Funds” or individually, the “Fund”) is a Delaware statutory trust that was organized on August 13, 1998, and is registered with the Securities and Exchange Commission (“Commission”) under the Investment Company Act of 1940 as an open-end management investment company. The Funds consist of ten series (each referred to as a “Fund”). Certain registered separate accounts (the “Account”) of TIAA-CREF Life Insurance Company (“TIAA-CREF Life”), which is a wholly owned subsidiary of Teachers Insurance and Annuity Association of America (“TIAA”), have various sub-accounts which correspond to and invest in the Funds. Additionally, at the commencement of operations of each of these Funds, TIAA, an affiliate, invested in each Fund.

As of June 30, 2009, TIAA-CREF Life and TIAA had investments in the Funds as follows:

Fund	Investments in Funds Held By TIAA-CREF Life		Investments in Funds Held By TIAA		Percentage of Net Assets
Growth Equity	\$ 27,289,560	100.0%	\$ —	—%	100.0%
Growth & Income	45,257,279	82.8	9,394,272	17.2	100.0
International Equity	54,783,206	75.4	17,918,073	24.6	100.0
Large-Cap Value	27,532,335	62.0	16,850,200	38.0	100.0
Small-Cap Equity	18,811,470	54.5	15,721,061	45.5	100.0
Stock Index	123,082,804	100.0	—	—	100.0
Social Choice Equity	16,149,030	65.8	8,394,597	34.2	100.0
Real Estate Securities	19,270,430	52.3	17,583,149	47.7	100.0
Bond	40,506,228	40.3	60,077,022	59.7	100.0
Money Market	105,225,016	100.0	—	—	100.0

The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) which may require the use of estimates made by management and the evaluation of subsequent events through August 25, 2009. Actual results may differ from those estimates. The following is a summary of the significant accounting policies consistently followed by the Funds.

**Accounting for investments and investment income:** Securities transactions are accounted for as of the trade date. Interest income is recorded as earned and includes accretion of discounts and amortization of premiums using the effective yield method. Dividend income is recorded on the ex-dividend date or, for certain foreign securities, as soon thereafter as the Funds are informed of the ex-dividend date. Realized gains and losses on securities transactions are based upon the specific identification method.

Distributions received from Real Estate Investment Trusts (“REITs”) are recorded on the ex-dividend date. Each REIT reports annually the tax character of its distributions. Dividend income, realized gains and unrealized appreciation (depreciation) reflect the amounts of taxable income, capital gain and return of capital reported by each REIT, and management’s estimates of such amounts for REIT distributions for which actual information has not been reported.

## NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

**Dollar roll transactions:** The Funds may enter into mortgage dollar rolls in which the Fund sells mortgage securities for delivery in the current month, realizing a gain (loss), and simultaneously contracts to repurchase somewhat similar (same type, coupon, and maturity) securities on a specified future date. During the roll period, the Fund forgoes principal and interest paid on the securities. The Fund is compensated by the interest earned on the cash proceeds of the initial sale and by the lower repurchase price at the future date. The difference between the sale proceeds and the lower repurchase price is recorded as a realized gain. The Fund maintains a segregated account, the dollar value of which is at least equal to its obligations with respect to dollar rolls.

**Cash:** The Funds hold cash with the custodian. The Funds are charged a fee for overdrafts.

**Foreign currency transactions and translation:** Assets, including investments, and liabilities denominated in foreign currencies are translated into U.S. dollar values each day at the prevailing exchange rate, using the mean of the bid and asked prices of such currencies against U.S. dollars as quoted by a major bank. Purchases and sales of securities, income, and expenses are translated into U.S. dollars at the prevailing exchange rate on the date of the transaction. The effect of changes in foreign currency exchange rates on realized and unrealized security gains and losses is reflected as a component of security gains and losses.

**Forward foreign currency contracts:** The Funds are subject to foreign currency exchange rate risk in the normal course of pursuing its investment objectives. The Funds may use forward foreign currency contracts to facilitate transactions in securities denominated in foreign currencies. Such contracts are entered into directly with counterparty and are “marked-to-market” at the end of each day’s trading. The Funds are also exposed to credit risk associated with counterparty nonperformance on these forward foreign currency contracts which is typically limited to the unrealized gain on each open contract.

These contracts may involve market risk in excess of the unrealized gain or loss reflected in the Statements of Assets and Liabilities. There were no open forward foreign currency contracts for the period ended June 30, 2009.

**Securities lending:** The Funds may lend portfolio securities to qualified financial institutions and brokers. By lending such securities, the Funds attempt to increase their net investment income through the receipt of interest (after rebates and fees) on collateral. Such income is reflected separately on the Statements of Operations. The value of loaned securities and the liability to return the cash collateral received are reflected on the Statements of Assets and Liabilities. Lending Funds’ securities exposes the Funds to risks such as the following: (i) the borrower may fail to return the loaned securities, (ii) the borrower may not be able to provide additional collateral, (iii) the Funds may experience delays in recovery of the loaned securities or delays in access to collateral, or (iv) the Funds may experience losses related to the investment collateral. To minimize these risks, these loans are secured by collateral equal to at least 102% of the market value of the securities loaned for U.S.

securities and 105% of the market value of the securities loaned for foreign securities. However, these percentages are subject to daily market fluctuations.

Due to such fluctuations, there may be times when the loans may become under collateralized or over collateralized. The lending agent will execute collateral calls the next business day in instances where market movement has made the collateral insufficient. The Funds are indemnified from borrower default by the lending agent, and as such are protected from loss caused by these market fluctuations. All cash collateral is invested in the State Street Navigator Securities Lending Prime Portfolio. As of June 30, 2009, the Funds were not participating in the securities lending program.

**Futures contracts:** The Funds are subject to equity price risk and interest rate risk in the normal course of pursuing its investment objectives. The Funds may use futures contracts to manage exposure to the equity and credit markets or for cash management purposes to remain highly invested in these markets while minimizing transaction costs. Buying futures contracts tends to increase exposure to the underlying instrument/index, while selling futures contracts tends to decrease exposure to the underlying instrument/index or hedge other investments. Initial margin deposits are made upon entering into a futures contract and variation margin payments are made or received reflecting changes in the value of the futures contracts. Futures contracts are valued at the last sale price as of the close of the board of trade or exchange on which they are traded. Daily changes in the value of such contracts are reflected in net unrealized gains and losses. Gains or losses are realized upon the expiration or closing of the futures contracts, or if the counterparties do not perform in accordance with contractual provisions. With futures, there is minimal counterparty credit risk to the Funds since futures are exchange traded and the exchange's clearinghouse, as counterparty to all exchange traded futures, guarantees the futures against default.

**Securities purchased on a when-issued or delayed delivery basis:** The Funds may purchase securities on a when-issued or delayed-delivery basis. Securities purchased or sold on a when-issued or delayed-delivery basis may be settled a month or more after trade date; interest income is not accrued until settlement date. At the time a Fund enters into such transactions, it is required to have segregated assets with a current value at least equal to the amount of its when-issued or delayed-delivery purchase commitments.

**Treasury Inflation-Protected Securities:** The Funds may invest in Treasury Inflation-Protected Securities ("TIPS"), specially structured bonds in which the principal amount is adjusted daily to keep pace with inflation, as measured by the U.S. Consumer Price Index. The adjustments for interest income due to inflation are reflected in interest income in the Statement of Operations.

**Restricted securities:** Restricted securities held by the Funds, if any, may not be sold except in exempt transactions or in a public offering registered under the Securities Act of 1933. The risk of investing in such securities is generally greater than the risk of investing in securities that are widely held and publicly traded.

## NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

**Distributions to shareholders:** Distributions to shareholders, which are determined in accordance with income tax regulations, are recorded on the ex-dividend date.

Undistributed net investment income and accumulated net realized gain (loss) on investments may include temporary and permanent book and tax differences. Temporary differences will reverse in subsequent periods and are generally due to differing book and tax treatments for the timing and recognition of gains and losses on securities, forwards, and futures, including Post October losses. Permanent differences will result in reclassifications among the respective components of net assets and are generally due to REITs adjustments, foreign currency transactions, distribution reclassification, and gains on certain equity securities designated and issued by “passive foreign investment companies”.

**Income taxes:** The Funds intend to continue to qualify as regulated investment companies under Subchapter M of the Internal Revenue Code (“Code”) and will not be subject to income taxes to the extent that they distribute all taxable income each year and comply with various other Code requirements. Therefore, no federal income tax provision is required.

The timing and character of income and capital gain distributions are determined in accordance with income tax regulations, which may differ from U.S. GAAP. Reclassifications are made to a Fund’s capital accounts for permanent tax differences to reflect income and gains available for distribution (or available capital loss carryforwards) under income tax regulations.

**Foreign taxes:** The Funds may be subject to foreign taxes on income, gains on investments or currency repatriation, a portion of which may be recoverable. The Funds will accrue such taxes and recoveries as applicable, based upon the current interpretation of tax rules and regulations that exist in the markets in which the Funds invest.

**Transactions with affiliates:** The Funds may purchase or sell investment securities in transactions with affiliated entities under procedures adopted by the Board of Trustees, pursuant to the Investment Company Act of 1940. These transactions are effected at market rates without incurring broker commissions.

**Valuation of investments:** Portfolio investments are valued at fair value utilizing various valuation methods approved by the Board of Trustees. U.S. GAAP establishes a hierarchy that prioritizes market inputs to valuation methods. The three levels of inputs are:

- Level 1—quoted prices in active markets for identical securities
- Level 2—other significant observable inputs (including quoted prices for similar securities, interest rates, credit risk, etc.)
- Level 3—significant unobservable inputs (including the Fund’s own assumptions in determining the fair value of investments)

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security,

whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

A description of the valuation techniques applied to the Funds major categories of assets and liabilities measured at fair value follows.

**Exchange-Traded Equity Securities, Common and Preferred Stock**—Equity securities listed or traded on a national market or exchange are valued based on their sale price on such market or exchange at the close of business on the date of valuation, or at the mean of the closing bid and asked prices if no sale is reported. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. Foreign investments are valued at the closing values of such securities as of the date of valuation under the generally accepted valuation method in the country where traded, converted to U.S. dollars at the prevailing rates of exchange on the date of valuation. If events materially affecting the value of foreign securities occur between the time when the exchange on which they are traded closes and the time when the Funds net assets are calculated, such securities may be valued at fair value in accordance with procedures adopted by the Board of Trustees. Foreign securities are generally categorized in Level 2 of the fair value hierarchy.

**Debt Securities**—Debt securities will generally be valued using prices provided by a pricing service which may employ various indications of value including but not limited to broker-dealer quotations. Certain debt securities, other than money market instruments, are valued based on the most recent bid price or the equivalent quoted yield for such securities (or those of comparable maturity, quality and type). Debt securities are generally categorized in Level 2 of the fair value hierarchy; in instances where prices, yields, or any other key inputs are unobservable, they are categorized in Level 3 of the hierarchy.

**Short-Term Investments**—Short-term investments (other than those in the Money Market Fund) with maturities of 60 days or less are valued at amortized cost. Short-term investments with maturities in excess of 60 days are valued in the same manner as debt securities. Short-term investments are generally categorized in Level 2 of the fair value hierarchy. Short-term investments in the Money Market Fund are all valued at amortized cost. Money Market Fund investments are categorized as Level 2 in the fair value hierarchy.

**Investments in Registered Investment Companies**—These investments are valued at their net asset value on the valuation date. Net asset value of underlying funds is calculated as of the close of business of the New York Stock Exchange. These investments are categorized in Level 1 of the fair value hierarchy.

## NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

**Futures Contracts**—Stock and bond index futures and options, which are traded on commodities exchanges, are valued at the last sale price as of the close of such commodities exchanges and are categorized in Level 1 of the fair value hierarchy.

The portfolio securities for which market quotations are not readily available are valued at fair value, as determined in good faith using procedures approved by the Board of Trustees.

The following is a summary of the inputs used to value the Funds' investments as of June 30, 2009:

	Level 1	Level 2	Level 3	Total
<b>Growth Equity</b>				
Domestic Common Stocks	\$ 26,863,202	\$ —	\$—	\$ 26,863,202
<b>Total</b>	<b>\$ 26,863,202</b>	<b>—</b>	<b>\$—</b>	<b>\$ 26,863,202</b>
<b>Growth &amp; Income</b>				
Domestic Common Stocks	\$ 53,402,880	\$ —	\$—	\$ 53,402,880
Foreign Common Stocks	—	1,054,527	—	1,054,527
<b>Total</b>	<b>\$ 53,402,880</b>	<b>\$ 1,054,527</b>	<b>\$—</b>	<b>\$ 54,457,407</b>
<b>International Equity</b>				
Domestic Common Stocks	\$ 3,061,192	\$ —	\$—	\$ 3,061,192
Foreign Common Stocks	—	68,601,791	—	68,601,791
<b>Total</b>	<b>\$ 3,061,192</b>	<b>\$68,601,791</b>	<b>\$—</b>	<b>\$ 71,662,983</b>
<b>Large-Cap Value</b>				
Domestic Common Stocks	\$ 41,319,514	\$ —	\$—	\$ 41,319,514
Foreign Common Stocks	—	2,290,339	—	2,290,339
<b>Total</b>	<b>\$ 41,319,514</b>	<b>\$ 2,290,339</b>	<b>\$—</b>	<b>\$ 43,609,853</b>
<b>Small-Cap Equity</b>				
Domestic Common Stocks	\$ 34,622,045	\$ —	\$—	\$ 34,622,045
<b>Total</b>	<b>\$ 34,622,045</b>	<b>\$ —</b>	<b>\$—</b>	<b>\$ 34,622,045</b>
<b>Stock Index</b>				
Domestic Common Stocks	\$120,477,528	\$ —	\$—	\$120,477,528
Futures Contracts*	(56,042)	—	—	(56,042)
<b>Total</b>	<b>\$120,421,486</b>	<b>\$ —</b>	<b>\$—</b>	<b>\$120,421,486</b>
<b>Social Choice Equity</b>				
Domestic Common Stocks	\$ 24,401,582	\$ —	\$—	\$ 24,401,582
<b>Total</b>	<b>\$ 24,401,582</b>	<b>\$ —</b>	<b>\$—</b>	<b>\$ 24,401,582</b>
<b>Real Estate Securities</b>				
Domestic Common Stocks	\$ 36,050,902	\$ —	\$—	\$ 36,050,902
<b>Total</b>	<b>\$ 36,050,902</b>	<b>\$ —</b>	<b>\$—</b>	<b>\$ 36,050,902</b>

	Level 1	Level 2	Level 3	Total
<b>Bond</b>				
Corporate Bonds	\$ —	\$ 29,274,723	\$—	\$ 29,274,723
Government Bonds	—	61,173,516	—	61,173,516
Structured Assets	—	7,337,241	—	7,337,241
Preferred Stocks	29,866	—	—	29,866
<b>Total</b>	<b>\$29,866</b>	<b>\$ 97,785,480</b>	<b>\$—</b>	<b>\$ 97,815,346</b>
<b>Money Market</b>				
Short-term Investments	\$ —	\$105,469,341	\$—	\$105,469,341
<b>Total</b>	<b>\$ —</b>	<b>\$105,469,341</b>	<b>\$—</b>	<b>\$105,469,341</b>

\* Futures contracts are derivatives instruments not reflected in the portfolio of investments. They are valued at the unrealized appreciation/depreciation on the instrument.

**Indemnification:** In the normal course of business, each Fund enters into contracts that contain a variety of representations and warranties and which provide general indemnities. A Fund's maximum exposure under these arrangements is unknown, as this would involve future claims against the Fund that have not yet occurred. Also, under the Funds' organizational documents, the trustees and officers of the Funds are indemnified against certain liabilities that may arise out of their duties to the Funds. However, based on experience, the Funds expect the risk of loss due to these warranties and indemnities to be remote.

## Note 2—investment advisory fees and other transactions with affiliates

Teachers Advisors, Inc. ("Advisors"), a wholly owned subsidiary of TIAA and a registered investment adviser, provides investment advisory services for the Funds pursuant to an Investment Management Agreement between Advisors and the Funds. Under the terms of the Investment Management Agreement, each Fund pays a fee for investment management services, based on the average daily net assets of each Fund. For the period ended June 30, 2009, Advisors received the following annualized percentage of each Fund's average daily net assets:

Fund	Investment Management Fee
Growth Equity	0.25%
Growth & Income	0.23%
International Equity	0.29%
Large-Cap Value	0.24%
Small-Cap Equity	0.10%
Stock Index	0.06%
Social Choice Equity	0.07%
Real Estate Securities	0.25%
Bond	0.10%
Money Market	0.06%

Total investment management fees incurred for each Fund for the period ended June 30, 2009, are reflected in the Statements of Operations.

## NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

### Note 3—investments

At June 30, 2009, net unrealized appreciation (depreciation) based on aggregate cost of portfolio investments for federal income tax purposes, consisting of gross unrealized appreciation and gross unrealized depreciation, was as follows:

Fund	Tax Cost	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation/ Depreciation
Growth Equity	\$ 27,629,591	\$ 1,363,678	\$ (2,130,067)	\$ (766,389)
Growth & Income	60,178,683	1,439,302	(7,160,578)	(5,721,276)
International Equity	84,078,514	2,469,212	(14,884,743)	(12,415,531)
Large-Cap Value	50,676,439	2,143,415	(9,210,001)	(7,066,586)
Small-Cap Equity	38,414,109	2,445,412	(6,237,476)	(3,792,064)
Stock Index	153,254,979	13,845,956	(46,623,407)	(32,777,451)
Social Choice Equity	31,325,287	2,460,731	(9,384,436)	(6,923,705)
Real Estate Securities	58,427,204	726,521	(23,102,823)	(22,376,302)
Bond	99,612,462	2,242,311	(4,039,426)	(1,797,115)

At June 30, 2009, the following Fund held open futures contracts:

Fund	Future	Number of Contracts	Market Value	Expiration Date	Unrealized Loss	
Stock Index	E-mini S&P 400 Index	3	\$ 173,010	September 2009	\$ (5,630)	
	E-mini S&P 500 Index	46	2,105,650	September 2009	(44,762)	
	Russell 2000 Mini Index	5	253,600	September 2009	(5,650)	
					\$2,532,260	\$(56,042)

For the period ended June 30, 2009, purchases and sale proceeds of investments, other than short-term investments, were as follows:

Fund	Non-Government Purchases	Government Purchases	Non-Government Sales	Government Sales
Growth Equity	\$35,963,211	\$ —	\$35,828,774	\$ —
Growth & Income	42,157,784	—	42,591,932	—
International Equity	42,991,674	—	39,895,348	—
Large-Cap Value	36,489,014	—	35,502,046	—
Small-Cap Equity	17,985,572	—	18,441,282	—
Stock Index	10,818,342	—	6,161,256	—
Social Choice Equity	3,391,213	—	3,563,692	—
Real Estate Securities	8,729,601	—	8,685,277	—
Bond	25,793,614	92,926,676	16,244,511	86,114,493

### Note 4—trustee fees

Each Fund pays the trustees, all of whom are independent, certain remuneration for their services, plus travel and other expenses incurred in attending Board meetings. Trustees may elect to participate in a deferred compensation plan and defer all or a portion of their compensation. In addition, trustees also participate in a long-term compensation plan. Amounts deferred may be invested notionally in

certain TIAA-CREF products selected by the trustees. Trustees' fees, including any deferred and long-term compensation, incurred for the period ended June 30, 2009, are reflected in the Statements of Operations.

### Note 5—distributions to shareholders

The tax character of distributions paid to shareholders during the year ended December 31, 2008 was as follows:

Fund	2008		Total
	Ordinary Income	Long-Term Capital Gain	
Growth Equity	\$ 304,213	\$ —	\$ 304,213
Growth & Income	1,232,315	—	1,232,315
International Equity	1,034,921	2,185,436	3,220,357
Large-Cap Value	924,126	519,572	1,443,698
Small-Cap Equity	679,349	—	679,349
Stock Index	2,868,444	221,517	3,089,961
Social Choice Equity	447,703	123,625	571,328
Real Estate Securities	2,911,239	—	2,911,239
Bond	4,741,808	—	4,741,808
Money Market	3,014,576	—	3,014,576

As of December 31, 2008, the components of accumulated earnings on a tax basis were as follows:

Fund	Undistributed (Overdistributed) Ordinary Income	Undistributed Long-Term Capital Gains	Unrealized Appreciation (Depreciation)	Capital Loss Carryover	Post-October Losses	Total
Growth Equity	\$ 10,391	\$—	\$ (6,446,849)	\$(38,336,978)	\$(2,452,585)	\$(47,226,021)
Growth & Income	51,001	—	(12,111,208)	(9,217,322)	(2,755,866)	(24,033,395)
International Equity	2,924,038	—	(30,190,198)	(31,802,921)	(9,790,401)	(68,859,482)
Large-Cap Value	465,902	—	(12,407,289)	(11,633,785)	(4,598,806)	(28,173,978)
Small-Cap Equity	24,923	—	(10,763,637)	(6,711,680)	(2,810,729)	(20,261,123)
Stock Index	552,541	—	(38,909,306)	(3,841,370)	(275,334)	(42,473,469)
Social Choice Equity	223,471	—	(9,475,902)	(832,737)	(188,233)	(10,273,401)
Real Estate Securities	99,097	—	(22,151,371)	(12,165,021)	(4,940,803)	(39,158,098)
Bond	2,152	—	(1,923,424)	(2,951,782)	(948,788)	(5,821,842)
Money Market	152	—	—	—	—	152

## NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

The difference between book basis and tax basis net investment income, net realized gains and unrealized appreciation and depreciation is attributable primarily to the tax deferral of losses on wash sales, the realization, for tax purposes, of unrealized gains on investments in passive foreign investment companies and the use of capital loss carryovers.

As of December 31, 2008, the following Funds had capital loss carryovers, which will expire as follows:

	<b>Growth Equity</b>	<b>Growth &amp; Income</b>	<b>International Equity</b>	<b>Large-Cap Value</b>	<b>Small-Cap Equity</b>
12/31/09	\$ 8,688,532	\$ —	\$ —	\$ —	\$ —
12/31/10	12,297,132	4,115,743	—	—	—
12/31/11	10,153,999	5,101,579	—	—	—
12/31/12	3,010,278	—	—	—	—
12/31/13	761,688	—	—	—	—
12/31/14	—	—	—	—	—
12/31/15	—	—	—	—	—
12/31/16	3,425,349	—	31,802,921	11,633,785	6,711,680
<b>Total</b>	<b>\$38,336,978</b>	<b>\$9,217,322</b>	<b>\$31,802,921</b>	<b>\$11,633,785</b>	<b>\$6,711,680</b>

	<b>Stock Index</b>	<b>Social Choice Equity</b>	<b>Real Estate Securities</b>	<b>Bond</b>
12/31/09	\$ —	\$ —	\$ —	\$ —
12/31/10	—	—	—	—
12/31/11	—	—	—	—
12/31/12	—	—	—	115,865
12/31/13	—	—	—	272,542
12/31/14	—	—	—	395,981
12/31/15	—	—	—	375,145
12/31/16	3,841,370	832,737	12,165,021	1,792,249
<b>Total</b>	<b>\$ 3,841,370</b>	<b>\$ 832,737</b>	<b>\$12,165,021</b>	<b>\$ 2,951,782</b>

There are no unrecognized tax benefits in the accompanying financial statements. The Funds are no longer subject to income tax examinations by tax authorities for the years before 2005.

### Note 6—line of credit

Each of the Funds, except the Bond and Money Market Fund, participates in a \$750 million unsecured revolving credit facility (Dated June 30, 2009) that can be used for temporary purposes, including, without limitation of, the funding of shareholder redemptions. Certain affiliated accounts and mutual funds, each of which is managed by Advisors, or an affiliate of Advisors, also participate in this facility. An annual commitment fee for the credit facility is borne by the participating funds. Interest associated with any borrowing under the facility is charged to the borrowing Funds at rates that are based on a specified rate of interest. The Funds are not liable for borrowings under the facility by affiliated

accounts or mutual funds. For the period ended June 30, 2009 there were no borrowings under this credit facility by the Funds.

**Note 7—money market guarantee program**

On October 7, 2008, the Board of Trustees of the TIAA-CREF Life Funds approved the participation of the TIAA-CREF Life Money Market Fund (the “Fund”) in the U.S. Department of Treasury’s Temporary Guarantee Program for Money Market Funds (the “Program”). To the extent Program funds are available, the Program will guarantee Fund shareholders that they will receive \$1.00 per Fund share they owned as of the close of business on September 19, 2008 if the Fund “breaks the buck” (meaning its NAV falls below \$0.995 and is not immediately restored), liquidates its holdings and such liquidation proceeds are less than \$1.00 per share.

The program would only protect the lesser of (i) Fund shares held by a shareholder of record on September 19, 2008, or (ii) the number of Fund shares held by the shareholder of record when the Fund breaks the buck. Shares acquired by investors after September 19, 2008, are not eligible for protection under the program.

The funds will continue to participate in the Program until its expiration on September 18, 2009.

## **BOARD APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT**

Among its other duties, the Board of Trustees (the “Board” or the “Trustees”) of TIAA-CREF Life Funds (the “Trust”) is responsible for determining annually whether to renew the investment management agreement (the “Agreement”) between Teachers Advisors, Inc. (“TAI”) and the Trust on behalf of each of its series (the “Funds”). Under the Agreement, TAI is responsible for providing to (or obtaining for) each Fund all of the services necessary for its ordinary operation, including investment advisory, transfer agency, dividend disbursing, custody, accounting and administrative services.

Section 15(c) of the Investment Company Act of 1940 (the “1940 Act”) provides that, after an initial period, the Agreement for each Fund will remain in effect only if the Board, including a majority of those Trustees who have no direct or indirect interest in the Agreement, and who are not “interested persons” of the Trust, as that term is defined in the 1940 Act, annually renews that Agreement. All of the Trustees are deemed to be independent persons for this purpose.

### **OVERVIEW OF THE RENEWAL PROCESS**

The Board held a meeting on April 1, 2009, at which it considered the annual renewal of the Agreement using its previously-established process. As part of this process, the Board delegated certain duties to its Operations Committee. Among these duties, the Operations Committee works with management and legal counsel to the Trustees to develop additional guidelines and specific requests relating to the types of information to be provided to the Committee and to all Trustees in connection with the proposed contract renewals, and then to help evaluate the information provided in response to those guidelines. During a series of meetings held prior to April 1, 2009, the Operations Committee reviewed such guidelines and requests in consultation with management representatives and input from other Trustees and legal counsel to the Trustees and legal counsel to management, and then evaluated the information produced in accordance with those guidelines.

Among other matters, the Operations Committee followed guidelines regarding reports to be provided to all Trustees with respect to each Fund by the Global Fiduciary Review unit of Lipper, Inc. (“Lipper”). Lipper is an independent provider of investment company data that is widely recognized as a leading source of independent data used by independent directors and trustees of investment companies during their annual advisory contract renewal processes.

As a result of instructions by the Operations Committee on behalf of the Board, Lipper produced, among other information, extensive performance and expense comparison data regarding each Fund, including data relating to each Fund’s management fee rate, total expense ratios, short-term and long-term investment performance and, as applicable, brokerage commission costs and portfolio turnover rates. Lipper also compared much of this data for each Fund against a universe of investment companies and against a more selective peer group of mutual funds that underlie variable insurance products with similar investment

objectives and strategies, each of which was selected by Lipper, and, in the case of the investment performance data, against one or more appropriate broad-based benchmark indices. In each case, Lipper summarized the methodologies employed by it to provide the data contained in its reports. In addition, Lipper represented to the Board that its reports were designed specifically to provide the Board with the fee, expense and performance information that is necessary to help the Board satisfy its duties under Section 15 of the 1940 Act.

Among other matters, the Operations Committee also utilized a framework of factors that could be considered by the Trustees in order to evaluate the reasonableness of any profits earned by TAI with respect to its services to each Fund pursuant to the Agreement. In this connection, the Operations Committee emphasized that different Trustees could, and likely would, give different weight to different factors when evaluating the profits, if any, realized by TAI.

In advance of the Board meeting held on April 1, 2009, independent legal counsel for the Trustees requested on behalf of the Board, and TAI provided, extensive information that was designed to assist the Board in its consideration of whether to renew the Agreement for each Fund. In addition to the data provided by Lipper as described above, this information included, but was not limited to, the following: (1) further information relating to each Fund's investment performance, including performance ratings provided by Morningstar, Inc. ("Morningstar"), which is a widely recognized mutual fund ranking service, and a narrative analysis of each Fund's performance relative to its applicable benchmarks and peer groups, together with an explanation of any special events that had a material impact on performance during the prior year; (2) a description of any fee waiver or expense reimbursement arrangements that were in place during the prior year and the extent to which such arrangements would be continued or modified in the coming year; (3) a comparison of each Fund's fees under the Agreement as compared to any other comparable accounts managed by TAI or its affiliates; (4) any "fall-out" benefits that accrued to TAI or its affiliates due to their relationship with the Funds aside from TAI's direct fee payments pursuant to the Agreement; (5) information regarding TAI's financial resources, senior professional personnel, overall staffing levels, portfolio manager compensation arrangements, disaster recovery plans, insurance coverage, compliance programs, any material pending litigation or compliance issues, portfolio trading and best execution practices, and any actual and potential conflicts of interest identified by TAI in connection with rendering services to the Funds; (6) information as to any profits earned by TAI in connection with its services pursuant to the Agreement; (7) a copy of the Agreement and certain related service agreements between the Funds and affiliates of TAI; (8) a copy of TAI's SEC Form ADV registration statement (which was presented to the Trustees' counsel only); and (9) proposed narrative explanations of reasons why the Board should renew the Agreement.

In considering whether to renew the Agreement, the Board, with assistance from its Operations Committee, reviewed various factors with respect to each Fund,

## **BOARD APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT**

including: (1) the nature, extent and quality of services provided by TAI to each Fund; (2) the investment performance of each Fund; (3) the costs of the services provided to each Fund and the profits (if any) realized by TAI and its affiliates from their relationship with the Funds; (4) the extent to which economies of scale have been realized as each Fund grows; (5) whether the fee schedules set forth in the Agreement reflect any such economies of scale for the benefit of Fund investors; (6) comparisons of services and fees with contracts entered into by TAI with other clients; and (7) any other benefits derived or anticipated to be derived by TAI or its affiliates from their relationship with the Funds. As a general matter, the Trustees viewed these factors in their totality, with no single factor being the principal factor in determining whether to renew the Agreement.

In reaching its decisions regarding the renewal of the Agreement for each Fund, the Board took into account the information described above, other information provided to the Board in connection with this process, and relevant information provided to the Board and to its Committees on an ongoing basis in connection with the Board's general oversight duties with respect to the Funds. In addition, the Board received and considered information from K&L Gates LLP, its independent legal counsel, as to certain relevant guidelines that relate to the renewal process under Section 15(c) of the 1940 Act and certain other legal authorities.

While the Board considered the Agreement for all Funds at the same meeting on April 1, 2009, the Board received and considered Fund-specific information on a Fund-by-Fund basis and made its renewal determinations on a Fund-by-Fund basis. In deciding whether to renew each Agreement, each Trustee may have accorded different weight to different factors and, thus, each Trustee may have had a different basis for his or her ultimate decision to vote to renew each Fund's Agreement.

At its meeting on April 1, 2009, the Board voted unanimously to renew the particular Agreement for each Fund. Set forth below are the general factors the Board considered for all of the Funds, followed by an outline of the specific factors the Board considered for each particular Fund.

### **THE NATURE, EXTENT AND QUALITY OF SERVICES**

The Board considered that TAI is an experienced investment adviser that has managed the Funds since their operations commenced. Investment professionals at TAI also manage various accounts of the College Retirement Equities Fund ("CREF"). Under the Agreement, TAI is responsible for, among other duties: managing the assets of the Funds, including conducting research, recommending investments and placing orders to buy and sell securities for the Funds' investment portfolios; active daily monitoring of the investment portfolios by various personnel with specific responsibility for the particular types of investments in question; reporting on the investment performance of the Funds to the Boards on a regular basis and carrying out, or overseeing the provision of, various

administrative services to the Funds. The Board considered that TAI has carried out these responsibilities in a professional manner.

The Board also considered, among other factors, the performance of each of the Funds, as discussed below. In the course of its review of the quality of TAI's services, the Board examined the investment performance of each Fund and concluded that it was reasonable when compared with Fund benchmarks and peer groups of mutual funds that underlie variable insurance products, and that, in the case of underperforming Funds, TAI represented that it had taken or was planning to implement affirmative steps to enhance the investment performance.

In addition, the Board considered the nature and quality of non-portfolio management services provided by TAI and its affiliates. In this regard, the Board considered its ongoing review of the performance of certain affiliated and unaffiliated service providers, including improvements in services provided by those firms or outsourcing efforts to other firms.

## **INVESTMENT PERFORMANCE**

The Board considered the investment performance of each Fund, as applicable, over one-, two-, three-, four- and five-year periods, as applicable. The Board also considered each Fund's performance as compared to its peer groups and benchmark indices. In this regard, the Board considered that the financial markets had seen unprecedented decreases during the year that had adversely impacted the Funds' performance. However, despite these circumstances, the Funds' performance compared favorably to their benchmarks (after considering the effect of expenses incurred to operate the Funds) and, with some exceptions, ranked in the top three performance quintiles versus their peer groups of mutual funds that underlie variable insurance products. (For additional details regarding each Fund's performance, see the Fund-by-Fund synopsis below.) The Board considered that in those cases in which Funds had underperformed their benchmarks or peer groups of mutual funds that underlie variable insurance products, TAI had taken reasonable remedial actions or represented that it was in the process of taking such actions. Thus, the Board concluded that, under the totality of circumstances considered, the investment performance of each Fund was reasonable. The Board also considered its ongoing review of best execution and portfolio turnover practices of TAI with respect to certain Funds to assess whether those practices continue to be in the best interests of those Funds.

## **COST AND PROFITABILITY**

The Board considered financial and profitability data relating to TAI for the calendar year 2008. The Board considered each Fund's unitary fee structure under which TAI is obligated to provide (or arrange and pay for) all of the services necessary for each Fund's ordinary operations, including investment advisory, transfer agency, dividend disbursing, custody, accounting and administrative services. The Board considered TAI's profit calculations with respect to its

## **BOARD APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT**

services to each Fund both before and after taking into account the costs incurred directly or indirectly by TAI in connection with the distribution of shares of the Funds. The Board considered that TAI has consistently incurred losses based on its services to each of the Funds under the Agreement. Among other considerations, the Board acknowledged the reasonableness of having fee rates which permit TAI to maintain and improve the quality of services provided to the Funds. In this connection, the Board noted its ongoing review of the level of personnel and other resources available to portfolio management functions so as to assess whether sufficient resources are being devoted to these functions.

### **FEES CHARGED BY OTHER ADVISERS**

The Board considered information regarding fees paid to other advisers for managing similar funds that underlie variable insurance products, as analyzed by Lipper. The Board determined that the management fee rates charged to the Funds under the Agreement typically were lower or significantly lower than the management fee rates charged by many or most comparable mutual funds that underlie variable insurance products. Based on all factors considered, the Board determined that the fee rates under each Agreement were reasonable in relation to those charged by appropriate groups of comparable mutual funds that underlie variable insurance products.

### **ECONOMIES OF SCALE**

The Board considered whether TAI has or would experience economies of scale in connection with the operation of each Fund. In this connection, the Board considered that TAI had incurred operating losses with respect to its services provided to many of the Funds in 2008, and that the Funds had generally lost assets during the year due to the drop in the financial markets. The Board determined that current fee rates at current asset levels were low compared to peer groups of mutual funds that underlie variable insurance products. Thus, the Board determined that the Funds' fee schedules were reasonable in light of current economies of scale considerations and current asset levels.

### **FEE COMPARISON WITH OTHER TAI CLIENTS**

The Board considered that TAI and its affiliates provide similar investment management services to other affiliated investment companies. In addition, TAI manages large institutional client assets through unregistered commingled funds and separate accounts with similar investment strategies and investment staff. The Board considered the schedule of fees for each of these funds. The Board also considered TAI's representation that, while management fee rates may differ for comparable funds, this is due in part to the unitary nature of each Fund's fees and to the fact that some of the comparable funds are offered through products that charge additional fees to its investors. In this connection, the Board considered TAI's representation that because the comparable funds target different types of

investors and use different distribution channels, these factors justify different pricing schedules.

## **OTHER BENEFITS**

The Board also considered additional benefits to the Funds and to TAI and its affiliates arising from the Agreement. For example, TAI and its affiliates may benefit from the advisory relationship with the Funds to the extent this relationship results in potential investors viewing the TIAA-CREF group of companies as a leading retirement plan provider in the academic and nonprofit market and a single source for all their financial service needs. Also, certain Funds managed by TAI or its affiliates are managed in the same manner and by the same personnel as certain of the CREF Accounts, resulting in certain benefits associated with economies of scale. Additionally, the Funds may benefit from TAI's ability to acquire investment research related to its commission (i.e., soft dollar) arrangements.

## **FUND-BY FUND FACTORS**

The Funds' Trustees considered the following specific factors (among others) during their determination to renew the Agreement for each Fund described in this Report. If a Fund is described in the following discussions as being in the "1st" quintile, it is in the best of five groups (that is, the group has the best performance or the lowest expenses, as the case may be). References below to quintiles are based on data provided to the Board in the reports prepared by Lipper. All periods referenced below end as of December 31, 2008. Under the Morningstar rating system, 5 stars is the highest rating category and 1 star is the lowest rating category.

### **INTERNATIONAL EQUITY FUND**

- The Fund's contractual management fee is 0.29% of average daily net assets. The Fund utilizes a unitary pricing structure.
- The Fund's management fees and total expenses were in the 1st quintile of the group of comparable funds selected by Lipper for expense comparison purposes ("Expense Group") and the universe of comparable funds identified by Lipper for expense comparison purposes ("Expense Universe").
- For the one- and two-year periods, the Fund was in the 5th quintile of the universe of comparable funds identified by Lipper for expense comparison purposes ("Performance Universe") and in the 4th quintile of its Performance Universe during the three-, four- and five-year periods.
- The Fund received an Overall Morningstar Rating of 3 stars for the one-year period.
- TAI incurred a net loss with respect to its services to the Fund for the one-year period.

### **GROWTH EQUITY FUND**

- The Fund's contractual management fee is 0.25% of average daily net assets. The Fund utilizes a unitary pricing structure.

## **BOARD APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT**

- The Fund's management fees and total expenses were in the 1st quintile of its Expense Group and Expense Universe.
- For the one-year period, the Fund was in the 3rd quintile of its Performance Universe; for the two- and three-year periods, it was in the 1st quintile of its Performance Universe; and for the four- and five-year periods, it was in the 2nd quintile of its Performance Universe.
- The Fund received an Overall Morningstar Rating of 3 stars for the one-year period.
- TAI incurred a net loss with respect to its services to the Fund for the one-year period.

### **GROWTH & INCOME FUND**

- The Fund's contractual management fee is 0.23% of average daily net assets. The Fund utilizes a unitary pricing structure.
- The Fund's management fees and total expenses were in the 1st quintile of its Expense Group and Expense Universe.
- For the one-, two-, three-, four- and five-year periods, the Fund was in the 1st quintile of its Performance Universe.
- The Fund received an Overall Morningstar Rating of 5 stars for the one-year period.
- TAI incurred a net loss with respect to its services to the Fund for the one-year period.

### **LARGE-CAP VALUE FUND**

- The Fund's contractual management fee is 0.24% of average daily net assets. The Fund utilizes a unitary pricing structure.
- The Fund's management fees and total expenses were in the 1st quintile of its Expense Group and Expense Universe.
- For the one-, two-, three- and five-year periods, the Fund was in the 3rd quintile of the group of comparable funds selected by Lipper for performance comparison purposes ("Performance Group").
- For the one-, two- and four-year periods, the Fund was in the 4th quintile of its Performance Universe.
- The Fund received an Overall Morningstar Rating of 3 stars for the one-year period.
- TAI incurred a net loss with respect to its services to the Fund for the one-year period.

### **STOCK INDEX FUND**

- The Fund's contractual management fee is 0.06% of average daily net assets. The Fund utilizes a unitary pricing structure.
- The Fund's management fees and total expenses were in the 1st quintile of its Expense Group and Expense Universe.
- For the one-, two-, three- and four-year periods, the Fund was in the 2nd quintile of its Performance Universe, and in the 3rd quintile of its Performance Universe for the five-year period.

- The Fund received an Overall Morningstar Rating of 3 stars for the one-year period.
- TAI incurred a net loss with respect to its services to the Fund for the one-year period.

#### **SOCIAL CHOICE EQUITY FUND**

- The Fund's contractual management fee is 0.07% of average daily net assets. The Fund utilizes a unitary pricing structure.
- The Fund's management fees and total expenses were in the 1st quintile of its Expense Group and Expense Universe.
- For the one-, two- and three-year periods, the Fund was in the 1st, 2nd and 3rd respective quintiles of its Performance Group.
- For the one-, two-, three, four- and five-year periods, the Fund was in the 2nd quintile of its Performance Universe.
- The Fund received an Overall Morningstar Rating of 4 stars for the one-year period.
- TAI incurred a net loss with respect to its services to the Fund for the one-year period.

#### **SMALL-CAP EQUITY FUND**

- The Fund's contractual management fee is 0.10% of average daily net assets. The Fund utilizes a unitary pricing structure.
- The Fund's management fees and total expenses were in the 1st quintile of its Expense Group and Expense Universe.
- For the one-, two-, three- and four-year periods, the Fund was in the 1st, 3rd, 3rd, and 2nd respective quintiles of its Performance Group.
- For the one-, two- three-, four- and five-year periods, the Fund was in the 2nd, 3rd, 3rd, 3rd and 3rd respective quintiles of its Performance Universe.
- The Fund received an Overall Morningstar Rating of 3 stars for the one-year period.
- TAI incurred a net loss with respect to its services to the Fund for the one-year period.

#### **REAL ESTATE SECURITIES FUND**

- The Fund's contractual management fee is 0.25% of average daily net assets. The Fund utilizes a unitary pricing structure.
- The Fund's management fees and total expenses were in the 1st quintile of its Expense Group and Expense Universe.
- For the one-, two- and three-year periods, the Fund was in the 3rd quintile of its Performance Group.
- For the one- and two-year periods, the Fund was in the 2nd quintile of its Performance Universe, while the Fund ranked in the 3rd, 4th and 4th respective quintiles of its Performance Universe for the three-, four- and five-year periods.
- The Fund received an Overall Morningstar Rating of 3 stars for the one-year period.
- TAI incurred a net loss with respect to its services to the Fund for the one-year period.

# BOARD APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT

*concluded*

## **BOND FUND**

- The Fund's contractual management fee is 0.10% of average daily net assets. The Fund utilizes a unitary pricing structure.
- The Fund's management fees and total expenses were in the 1st quintile of its Expense Group and Expense Universe.
- For the one-, two-, three-, four- and five-year periods, the Fund was in the 2nd quintile of its Performance Group.
- For the one- and five-year periods, the Fund was in the 2nd quintile of its Performance Universe; and for the two-, three- and four-year periods it was in the 3rd quintile of its Performance Universe.
- The Fund received an Overall Morningstar Rating of 4 stars for the one-year period.
- TAI incurred a net loss with respect to its services to the Fund for the one-year period.

## **MONEY MARKET FUND**

- The Fund's contractual management fee is 0.06% of average daily net assets. The Fund utilizes a unitary pricing structure.
- The Fund's management fees and total expenses were in the 1st quintile of its Expense Group and Expense Universe.
- For the one-, two-, three-, four- and five-year periods, the Fund was in the 1st quintile of its Performance Universe.
- Money market funds are not rated by Morningstar.
- TAI incurred a net loss with respect to its services to the Fund for the one-year period.

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Based primarily on the foregoing factors and considerations, the Board renewed the Agreement.

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