

State of California Savings Plus Program

4th Quarter 2006 Performance Results of Investment Options - Without Plan Charges



The following are the percentage changes in Net Assets (with capital gains and income dividends reinvested) without reduction for Plan Charges for the respective periods ended **December 31, 2006**. The Plan charges a graduated monthly administrative fee ranging between \$.01 and \$4.05 depending on the market value of the account. If the administrative fees were reflected, fund performance would be slightly reduced.

The results shown represent past performance and do not represent expected future performance or experience. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the data quoted. Performance data current to the most recent month-end may be obtained by visiting: sppforu.com.

Please consider the fund's investment objectives, risks, and charges and expenses carefully before investing. The prospectus/fact sheets contain this and other important information about the investment company. Prospectuses/fact sheets are available by calling (866) 566-4777. Read the prospectus/fact sheet carefully before investing.

Some mutual funds may impose a short term trade fee. Some funds may be subject to a trade restriction policy. Please read the prospectus/fact sheets carefully. Please see other important disclosures at the end of this report.

Mutual Funds and Indices Category*	Ticker Symbol	NAV 12/31/06	Total Return		Average Annual Return			Inception to Date
			3 Month	1 Year	3 Year	5 Year	10 Year	
Bond								
Vanguard Total Bond Market Index Fund (Instl Shares) (09/95)								
Intermediate-Term Bond	VBTIX	\$9.99	1.38%	4.40%	3.76%	4.76%	6.09%	6.14%
<i>Lehman Brothers Aggregate Bond Index</i>			1.24%	4.33%	3.70%	5.06%	6.24%	
Large Cap								
SPP Large Cap Managed Fund – Growth(11/73) ¹								
(The Growth Fund of America (Class R5 Shares))								
Large Growth	RGAFX	\$32.81	6.51%	11.24%	12.66%	8.31%	13.24%	15.74%
<i>Russell 1000 Growth Index</i>			5.93%	9.07%	6.87%	2.69%	5.44%	
Mid Cap								
Savings Plus Mid Cap Blend Fund (01/98) ²								
(CRM Mid Cap Value Fund (Instl Shares))								
Mid Blend	CRIMX	\$29.84	8.10%	17.26%	16.53%	13.35%	N/A	16.30%
<i>Russell Mid-Cap Index</i>			7.67%	15.26%	16.00%	12.88%	12.14%	
Small Cap								
Hartford Small Company HLS Fund (Class IA Shares) (08/96) ³								
Small Growth	HIASX	\$19.07	10.05%	14.47%	15.82%	11.06%	10.59%	10.91%
<i>Russell 2500 Growth Index</i>			8.24%	12.26%	11.64%	7.62%	7.11%	
Asset Allocation								
Gartmore Inv. Dest. Conservative Fund (Svc. Class) (03/00) ⁴								
Conservative Allocation	NDCSX	\$10.31	2.32%	6.11%	4.69%	4.42%	N/A	3.91%
<i>Composite Conservative Benchmark</i>			2.48%	7.34%	5.45%	5.02%	6.09%	
Gartmore Inv. Dest. Moderately Conservative Fund (Svc. Class) (03/00) ⁴								
Moderate Allocation	NSDCX	\$10.56	3.56%	8.50%	6.64%	5.69%	N/A	3.98%
<i>Composite Moderately Conservative Benchmark</i>			3.80%	9.56%	7.50%	6.56%	7.43%	
Gartmore Inv. Dest. Moderate Fund (Svc. Class) (03/00) ⁴								
Moderate Allocation	NSDMX	\$10.97	4.96%	11.39%	8.71%	6.82%	N/A	3.84%
<i>Composite Moderate Benchmark</i>			5.19%	12.50%	9.58%	7.81%	8.22%	
Gartmore Inv. Dest. Moderately Aggressive Fund (Svc. Class) (03/00) ⁴								
Large Growth	NDMSX	\$11.09	6.38%	14.44%	11.15%	8.22%	N/A	3.59%
<i>Composite Moderately Aggressive Benchmark</i>			6.67%	15.54%	12.11%	9.37%	9.03%	
Gartmore Inv. Dest. Aggressive Fund (Svc. Class) (03/00) ⁴								
Large Growth	NDASX	\$10.96	7.60%	16.83%	12.83%	9.07%	N/A	3.20%
<i>Composite Aggressive Benchmark</i>			7.80%	17.94%	13.81%	10.25%	9.35%	

(Please refer to the end of this report for all special messages indicated within)

Separate Accounts, Comingled Funds, Composites and Indices Category*	NAV 12/31/06	Total Return		Average Annual Return			Inception to Date
		3 Month	1 Year	3 Year	5 Year	10 Year	
Fixed Income/Cash							
Savings Pool (01/01) ⁵							
FDIC Insured		1.28%	4.90%	3.08%	2.36%	N/A	2.65%
<i>90-Day LIBOR minus 0.20%</i>		1.28%	4.90%	3.08%	2.36%	N/A	
Dwight Asset Management Stable Value Fund (06/89) ⁶							
Stable Value		1.21%	4.74%	4.60%	4.96%	5.59%	6.25%
<i>Lehman Bros. 1-3 Year Govt. Index</i>		0.98%	4.12%	2.30%	2.97%	4.79%	
Large Cap							
Savings Plus Large Cap Value Fund (08/05) ⁷							
Large Value	\$12.37	8.22%	21.87%	N/A	N/A	N/A	16.66%
<i>Savings Plus Large Cap Value Composite⁸</i>		8.04%	22.16%	14.18%	11.21%	N/A	9.65%
<i>Russell 1000 Value Index</i>		8.00%	22.25%	15.09%	10.86%	11.00%	
Savings Plus Large Cap Blend Fund (08/05) ⁹							
Large Blend	\$12.25	7.27%	16.11%	N/A	N/A	N/A	15.84%
<i>Savings Plus Large Cap Blend Composite¹⁰</i>		6.72%	15.08%	12.11%	7.38%	N/A	2.18%
<i>Russell 1000 Index</i>		6.95%	15.46%	10.98%	6.82%	8.64%	
CalPERS S&P 500 Index Fund (11/91) ¹¹							
Large Blend	\$27.70	6.73%	15.84%	10.43%	6.18%	8.32%	10.42%
<i>Standard & Poor's 500 Index (S&P 500)</i>		6.70%	15.79%	10.44%	6.19%	8.42%	
Mid Cap							
SPP Mid Cap Managed Fund — Value (10/06) ¹²							
Mid Value	\$10.79	N/A	N/A	N/A	N/A	N/A	7.80%
<i>Savings Plus Mid Cap Value Composite¹³</i>		8.90%	20.50%	16.30%	15.31%	14.64%	15.96%
<i>Russell Mid-Cap Value Index</i>		8.50%	20.22%	18.77%	15.88%	13.65%	
SPP Mid Cap Managed Fund — Growth (10/06) ¹⁴							
Mid Growth	\$10.43	N/A	N/A	N/A	N/A	N/A	4.40%
<i>Savings Plus Mid Cap Growth Composite¹⁵</i>		5.59%	6.95%	13.46%	9.84%	11.95%	13.12%
<i>Russell Mid-Cap Growth Index</i>		6.95%	10.66%	12.73%	8.22%	8.62%	
Small Cap							
Savings Plus Small Cap Value Fund (12/05) ^{3, 16}							
Small Value	\$11.41	7.95%	15.25%	N/A	N/A	N/A	13.26%
<i>Savings Plus Small Cap Value Composite¹⁷</i>		8.03%	15.53%	N/A	N/A	N/A	16.47%
<i>Russell 2500 Value Index</i>		9.14%	20.18%	16.33%	15.51%	13.70%	
SPP Small Cap Managed Fund — Blend (10/06) ^{3, 18}							
Small Blend	\$10.74	N/A	N/A	N/A	N/A	N/A	6.90%
<i>Savings Plus Small Cap Blend Composite¹⁹</i>		10.44%	16.37%	14.60%	15.44%	N/A	16.71%
<i>Russell 2500 Index</i>		8.70%	16.16%	14.10%	12.19%	11.26%	
International							
SPP International Managed Fund (10/06) ^{20, 21}							
Foreign Stock	\$11.04	N/A	N/A	N/A	N/A	N/A	9.40%
<i>Savings Plus International Composite²²</i>		9.77%	27.73%	20.60%	15.84%	9.56%	10.18%
<i>MSCI EAFE Index Net Dividends</i>		10.35%	26.34%	19.93%	14.98%	7.71%	

Variable Annuity and Index** Category*	NAV 12/31/06	Total Return		Average Annual Return			Inception to Date
		3 Month	1 Year	3 Year	5 Year	10 Year	
Socially Responsible							
Savings Plus Socially Responsible Fund (03/94) ²³ (Neuberger Berman Socially Responsive Fund)							
Large Blend	\$18.59	7.20%	14.21%	11.63%	9.76%	8.89%	10.83%
<i>Russell 1000 Index</i>		6.95%	15.46%	10.98%	6.82%	8.64%	

(Please refer to the end of this report (reverse of this page) for all special messages indicated within)

END NOTES

- (1) The SPP Large Cap Managed Fund – Growth is Savings Plus' descriptor for the Growth Fund of America, which is a registered mutual fund.
- (2) The Savings Plus Mid Cap Blend Fund is Savings Plus' descriptor for the CRM Mid Cap Value Fund, which is a registered mutual fund.
- (3) Small company funds involve increased risk and volatility.
- (4) The Gartmore Investor Destinations Funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the Investor Destination Funds, you are indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.
- (5) The FDIC insured option offers a guaranteed interest rate based upon the 3-month LIBOR, and is adjusted quarterly. Offered by Washington Mutual Bank and City National Bank (California).
- (6) Effective January 1, 2001, Dwight Asset Management Co. assumed responsibilities for management of the Fund from Morley Capital Management, Inc.
- (7) The Savings Plus Large Cap Value Fund is a Bernstein US Diversified Value portfolio of assets managed specifically for your plan. Only the participants of your plan can invest in the Portfolio. This is not a mutual fund. Please see the fact sheet for more information.
- (8) The Savings Plus Large Cap Value Composite represents the Bernstein Investment Research and Management Diversified Value Composite. Because the Savings Plus Large Cap Value Fund is a newly created investment option as of August 12, 2005, it has a limited performance history. However the investment manager has historical results for its own composite portfolios, which are managed with similar investment objectives, strategies, and risks as the Savings Plus Large Cap Value Fund is expected to have. These returns are provided for your information and are net of fees. Individuals cannot invest directly in a composite. See the fact sheet for all composite disclosures.
- (9) The Savings Plus Large Cap Blend Fund is an Enhanced US Large Cap separately managed portfolio of assets managed by Goldman Sachs Asset Management specifically for the Savings Plus Program. This is not a mutual fund. Please see the fact sheet for more information.
- (10) The Savings Plus Large Cap Blend Composite represents the Goldman Sachs Asset Management Enhanced US Large Cap Composite. Because the Savings Plus Large Cap Blend Fund is a newly created investment option as of August 12, 2005, it has a limited performance history. However the investment manager has historical results for its own composite portfolios, which are managed with similar investment objectives, strategies, and risks as the Savings Plus Large Cap Blend Fund is expected to have. These returns are provided for your information and are net of fees. Individuals cannot invest directly in a composite. Information pertaining to fees can be found on the fund fact sheet.
- (11) Since January 1, 2000, returns are calculated net of expenses using a daily time-weighted methodology. Prior to January 1, 2000, returns are calculated gross of fees using an internal rate of return methodology.
- (12) The SPP Mid Cap Managed Fund-Value is a separately managed portfolio of assets managed by T. Rowe Price specifically for the Savings Plus Program. This is not a mutual fund. Please see the fact sheet for more information.
- (13) The Savings Plus Mid Cap Value Composite represents the T. Rowe Price Mid Cap Value Composite. Because the SPP Mid Cap Managed Fund-Value is a newly created investment option as of October 11, 2006, it has a limited performance history. However the investment manager has historical results for their own composite portfolio, which is managed with similar investment objectives, strategies, and risks as the SPP Mid Cap Managed Fund-Value is expected to have. The returns are provided for your information and are net of fees. Individuals cannot invest directly in a composite. Information pertaining to fees can be found on the fund fact sheet.
- (14) The SPP Mid Cap Managed Fund-Growth is a separately managed portfolio of assets managed by T. Rowe Price specifically for the Savings Plus Program. This is not a mutual fund. Please see the fact sheet for more information.
- (15) The Savings Plus Mid Cap Growth Composite represents the T. Rowe Price Mid Cap Growth Composite. Because the SPP Mid Cap Managed Fund-Growth is a newly created investment option as of October 11, 2006, it has a limited performance history. However the investment manager has historical results for their own composite portfolio, which is managed with similar investment objectives, strategies, and risks as the SPP Mid Cap Managed Fund-Growth is expected to have. The returns are provided for your information and are net of fees. Individuals cannot invest directly in a composite. Information pertaining to fees can be found on the fund fact sheet.
- (16) The Savings Plus Small Cap Value is a separately managed portfolio of assets managed by Peregrine Capital Management, Inc. and Thompson, Siegel & Walmsley, Inc. specifically for the Savings Plus Program. This is not a mutual fund. Please see the fact sheet for more information.
- (17) The Savings Plus Small Cap Value Fund Composite represents the Peregrine Small Cap Value Composite and the Thompson, Siegel, & Walmsley Small-Mid Cap Value Composite. Because the Savings Plus Small Cap Value Fund is a newly created investment option as of December 7, 2005, it has a limited performance history. However the investment managers have historical results for their own composite portfolios, which are managed with similar investment objectives, strategies, and risks as the Savings Plus Small Cap Value Fund is expected to have. These returns are provided for your information and are net of fees. Individuals cannot invest directly in a composite. Information pertaining to fees can be found on the fund fact sheet.
- (18) The SPP Small Cap Managed Fund-Blend is a separately managed portfolio of assets managed by Fuller & Thaler Asset Management, Inc. specifically for the Savings Plus Program. This is not a mutual fund. Please see the fact sheet for more information.
- (19) The Savings Plus Small Cap Blend Composite represents the Fuller & Thaler Asset Management, Inc. Small Cap Blend Composite. Because the SPP Small Cap Managed Fund-Blend is a newly created investment option as of October 11, 2006, it has a limited performance history. However the investment manager has historical results for their own composite portfolio, which is managed with similar investment objectives, strategies, and risks as the SPP Small Cap Managed Fund-Blend is expected to have. The returns are provided for your information and are net of fees. Individuals cannot invest directly in a composite. Information pertaining to fees can be found on the fund fact sheet.
- (20) International investing involves additional risks including: political instability, currency fluctuations, differences in accounting standards, and foreign regulations.
- (21) The SPP International Managed Fund is a separately managed portfolio of assets managed by Philadelphia International Advisors LP specifically for the Savings Plus Program. This is not a mutual fund. Please see the fact sheet for more information.
- (22) The Savings Plus International Composite represents the Philadelphia International Advisors LP International Composite. Because the SPP International Managed Fund is a newly created investment option as of October 11, 2006, it has a limited performance history. However the investment manager has historical results for their own composite portfolio, which is managed with similar investment objectives, strategies, and risks as the SPP International Managed Fund is expected to have. The returns are provided for your information and are net of fees. Individuals cannot invest directly in a composite. Information pertaining to fees can be found on the fund fact sheet.
- (23) The Savings Plus Socially Responsible Fund is Savings Plus' descriptor for the Neuberger Berman Socially Responsive Fund, which is an underlying fund wrapped in a variable annuity. Since this option focuses its investment on companies in specific sectors, the option may involve a greater degree of risk than an investment with greater diversification.
 - Category determined by Nationwide Financial.
 - Variable annuity options are underlying investments of the Savings Plus Program's group variable annuity, an unregistered group variable annuity issued by Hartford Life Insurance Co. The contract numbers are GC-110216 (457 Plan) and GC-110217 (401(k) Plan). For the group annuity, returns are net of all product charges and underlying fund fees.

Market indices have been provided for comparison purposes only; they are unmanaged and no fees or expenses have been reflected here. Individuals cannot invest directly in an index. Some mutual funds may impose a short term trade fee. Please read the underlying prospectus carefully. Although gathered from reliable sources, data accuracy and completeness cannot be guaranteed.

The investment option results are calculated by Nationwide Retirement Solutions based on share prices and dividend information obtained from the Funds and Dow Jones & Company, Inc. Ask your Plan Representative for a current prospectus for each fund in which you are interested. The current prospectus presents more complete information, including fund charges and expenses. Read it carefully before investing.