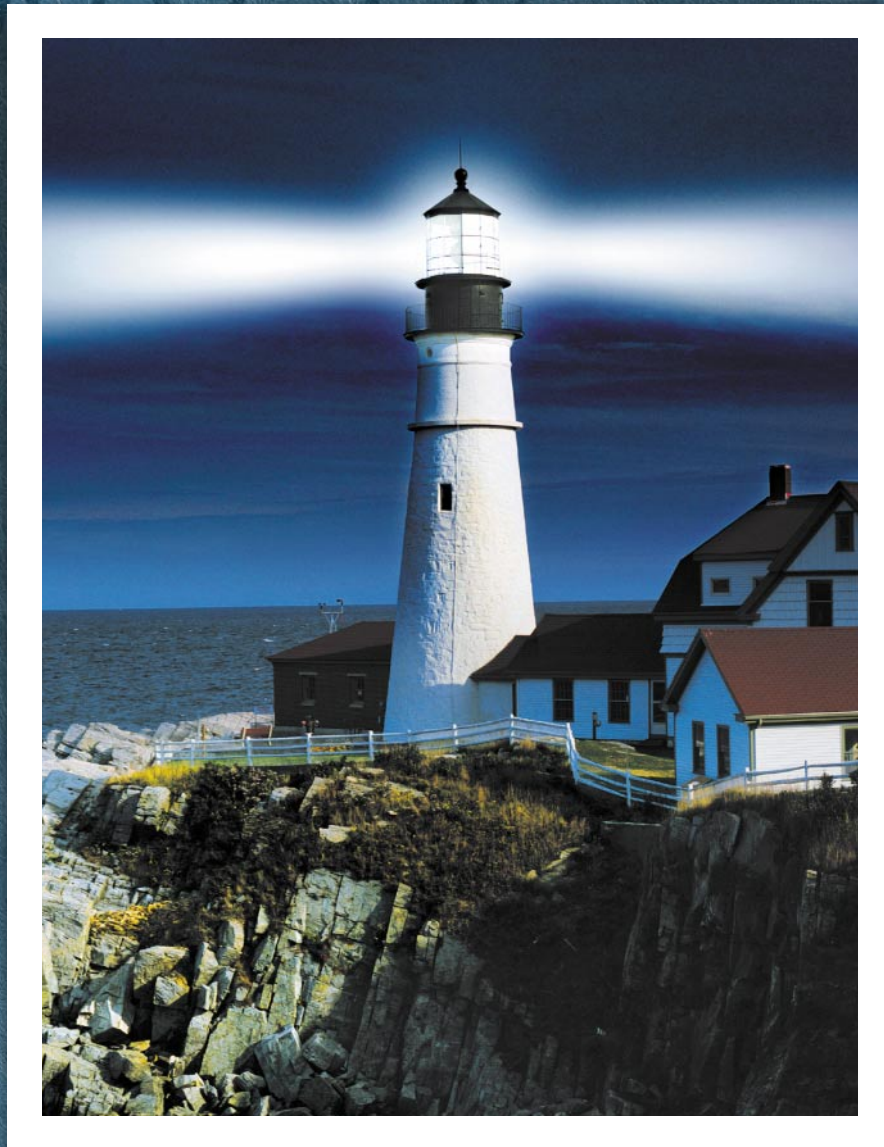




*401(k) & 457 Plans
Roth & Traditional IRAs
Investment Options*



2005

Charting Your Course

www.urs.org

Plan Ahead to Get Ahead!

	401(k) <i>Lower tax bill now!</i> Tax deferred Pay income tax when withdrawn	457 <i>Lower tax bill now!</i> Tax deferred Pay income tax when withdrawn	Roth IRA <i>Tax-free growth!</i> After-tax deposits Tax-free withdrawals	Traditional IRA <i>Tax deferred growth!</i> May be tax-deductible Pay income tax when withdrawn
Deposits				
Payroll-deduction <i>(if allowed by employer)</i>	✓	✓	✓	✓
Rollovers	✓	✓	✓	✓
Transfers	✓	✓	✓	✓
Personal deposits <i>(certified check or money order)</i>			✓	✓
Withdrawals	<ul style="list-style-type: none"> ■ Termination ■ Age 59½ if still employed ■ Hardship 	<ul style="list-style-type: none"> ■ Termination ■ Age 70½ if still employed ■ Unforeseeable Emergency 	■ Any time	■ Any time
Penalty-Free Withdrawals	Yes – if withdrawn after age 59½, or if you work into the the calendar year you turn age 55	Yes	Contributions: Yes Earnings: Yes – if the account has been open more than 5 years and if withdrawn after age 59½ or for exceptions such as <ul style="list-style-type: none"> ■ first home ■ higher education ■ payout based on life expectancy 	Yes – if withdrawn after age 59½ or for exceptions such as <ul style="list-style-type: none"> ■ first home ■ higher education ■ payout based on life expectancy
Loan Provision	Yes	Yes	No	No
Annual Contribution Limits				
2005	\$14,000	\$14,000	\$4,000	\$4,000
2006	\$15,000	\$15,000	\$4,000	\$4,000
With Age 50+ Catch-Up Provision				
2005	\$18,000	\$18,000	\$4,500	\$4,500
2006	\$20,000	\$20,000	\$5,000	\$5,000
Special 457 Catch-Up Provision	The three years prior to the year you qualify to retire, your limit on 457 contributions is double the standard limit (depending on past contributions). For example, you could contribute \$28,000 in 2005; \$30,000 in 2006, etc. <i>Note: You cannot use the 457 "Age 50+ Catch-Up" the same period as the "Special Catch-Up."</i>			

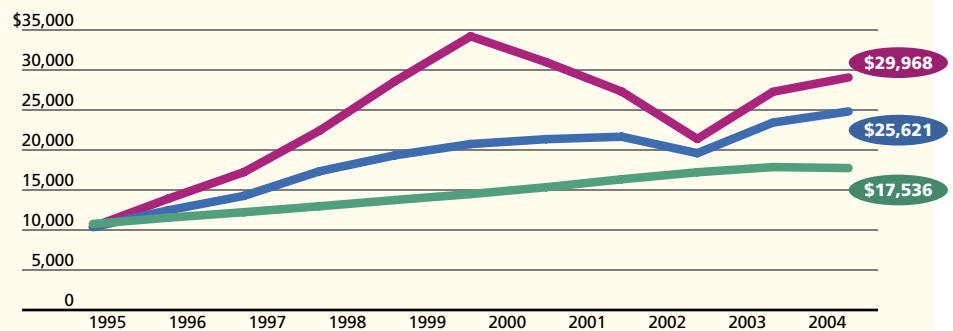
Watch Your Money Grow

\$10,000 Invested for 10 Years

This chart shows how much money you would have at the end of 2004 if you had invested \$10,000 on December 31, 1994, in the following fund options:

- Stock Index Fund (S&P 500)
- Balanced Fund (Stock and Bond Mix)
- Income Fund (Stable Value)

Based on returns shown on the preceding pages.



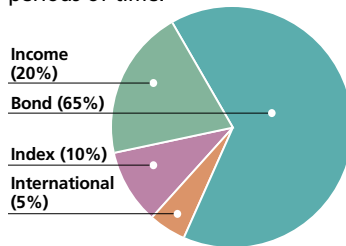
The URS Fact Sheets, which provide more detailed information about each fund, are available on our web site at www.urs.org.

Horizon Funds

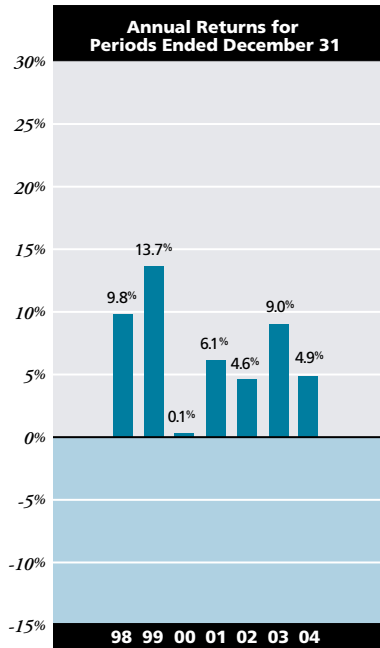
A Horizon Fund asset allocation is designed to help those who want to diversify their portfolios. If you select one of the three Horizon Funds, your balance or contributions will be allocated to the indicated investment options. The Horizon Funds will automatically rebalance quarterly when target ranges are exceeded.

Short Horizon Fund

The Short Horizon Fund is designed for investors with an investment time frame of **5 years**. This fund provides a relatively conservative investment with a more stable rate of return. However, with reduced market risk, there is generally a lower rate of return over longer periods of time.

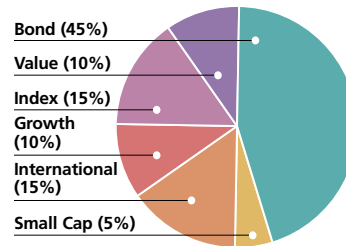


Average Annual Returns for Periods Ended Dec. 31, 2004			
1 Year	3 Years	5 Years	
4.9%	6.2%	4.9%	

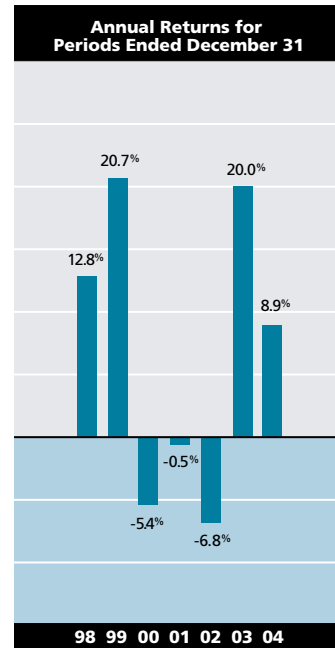


Medium Horizon Fund

The Medium Horizon Fund is designed for investors planning to withdraw their funds in **5 to 10 years**. This fund emphasizes moderate risk and moderate earnings potential. It has more risk than the Short Horizon Fund but less than the Long Horizon Fund.

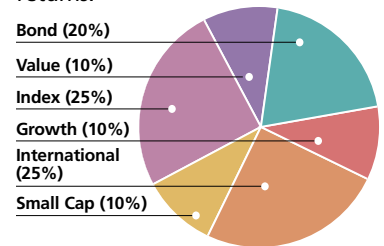


Average Annual Returns for Periods Ended Dec. 31, 2004			
1 Year	3 Years	5 Years	
8.9%	6.8%	2.8%	

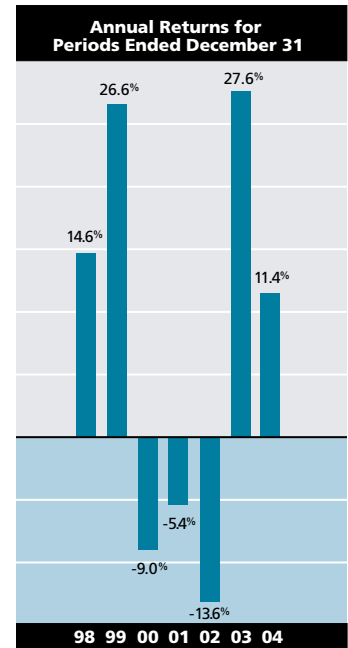


Long Horizon Fund

The Long Horizon Fund is designed for investors with **10 or more years** to invest before withdrawing their funds. This fund offers the potential for higher returns over a long period of time. There is higher market risk with the Long Horizon Fund, along with higher potential returns.



Average Annual Returns for Periods Ended Dec. 31, 2004			
1 Year	3 Years	5 Years	
11.4%	7.1%	1.2%	



► Past performance does not guarantee future results.

► Risk is defined as the frequency and severity of fluctuation in the fund's value.

Income Fund

The Income Fund is a stable value option and the most conservative of the investment choices. Approximately 50% is invested in products consisting of fixed income securities (e.g., corporate bonds, Treasury debt) insured by a third party, which reduces risk and smooths return fluctuations. The remaining amount is invested in money market and similar funds.

Investment Manager

American Express

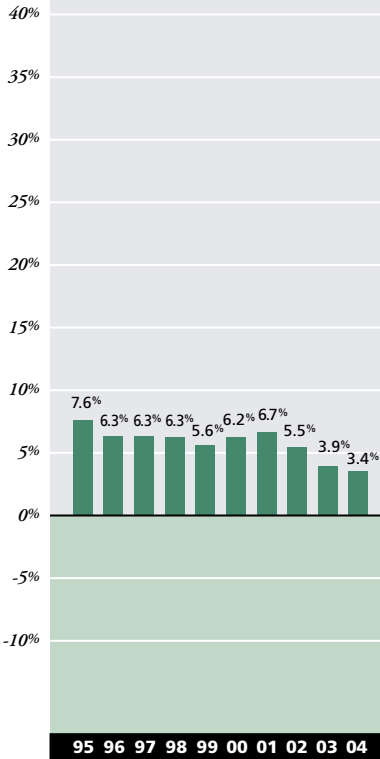
Sample of Portfolio Securities

AET Federal Income Fund
AET Money Market Fund
Investment Contracts

Average Annual Returns for Periods Ended Dec. 31, 2004

1 Year	3 Years	5 Years	10 Years
3.4%	4.3%	5.1%	5.8%

Annual Returns for Periods Ended December 31



Bond Fund

The Bond Fund invests in a diversified portfolio consisting of U.S. government obligations, mortgage and asset-backed securities, corporate bonds, and short-term funds. This fund's returns are affected by changes in interest rates.

Investment Manager

Dodge & Cox

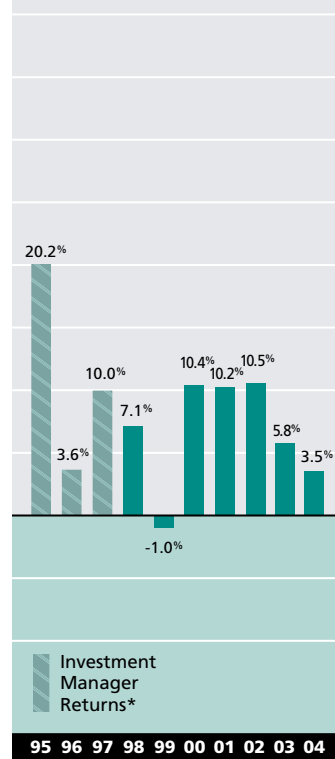
Sample of Portfolio Securities

US Treasury and Gov't. Agency
Ford Motor Credit
AT&T Corp.

Average Annual Returns for Periods Ended Dec. 31, 2004

1 Year	3 Years	5 Years	10* Years
3.5%	6.5%	8.0%	8.1%

Annual Returns for Periods Ended December 31



Balanced Fund

The Balanced Fund invests in a portfolio consisting of approximately 60% stocks, 35% bonds, and 5% short-term funds. This fund is considered less risky than most stock investments but has higher risk than most fixed income investments.

Investment Managers

Dodge & Cox / Alliance Capital

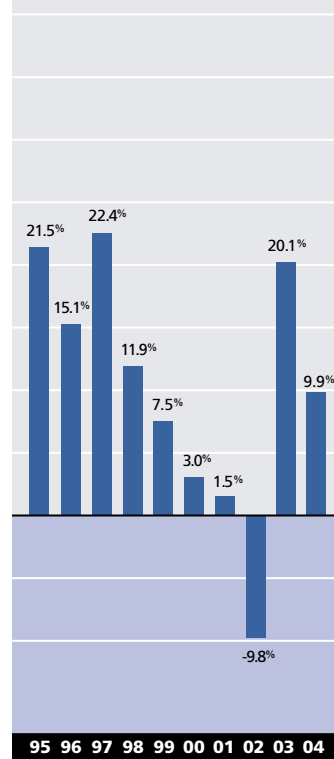
Sample of Portfolio Securities

McDonald's
Hewlett-Packard
General Electric Bonds

Average Annual Returns for Periods Ended Dec. 31, 2004

1 Year	3 Years	5 Years	10 Years
9.9%	6.0%	4.5%	9.9%

Annual Returns for Periods Ended December 31



Large Cap Stock Value Fund

The Large Cap Stock Value Fund invests in a diversified portfolio of common stocks that appear to be undervalued by the stock market but have a favorable outlook for long-term growth.

Investment Manager

Dodge & Cox

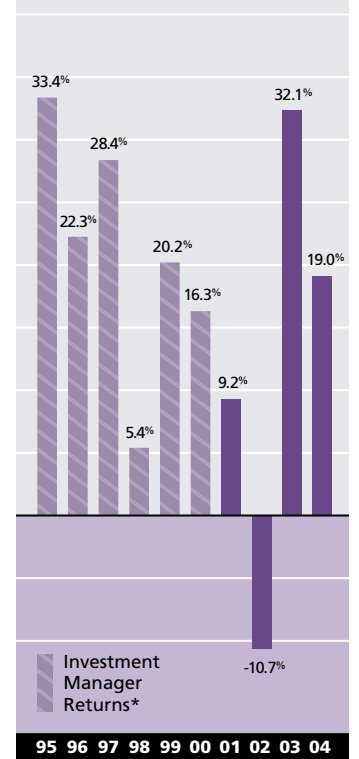
Sample of Portfolio Securities

FedEx
Comcast
Dow Chemical

Average Annual Returns for Periods Ended Dec. 31, 2004

1 Year	3 Years	5* Years	10* Years
19.0%	12.0%	12.4%	16.9%

Annual Returns for Periods Ended December 31



*These funds were not offered to URS participants during the periods indicated. The historical returns

Large Cap Stock Index Fund

The Large Cap Stock Index Fund invests in stocks included in the S&P 500 Index. This index is widely regarded as the standard for measuring the performance of large capitalization stocks. The Large Cap Stock Index Fund represents a broad range of industries in the U.S. economy.

Investment Manager

Utah Retirement Systems

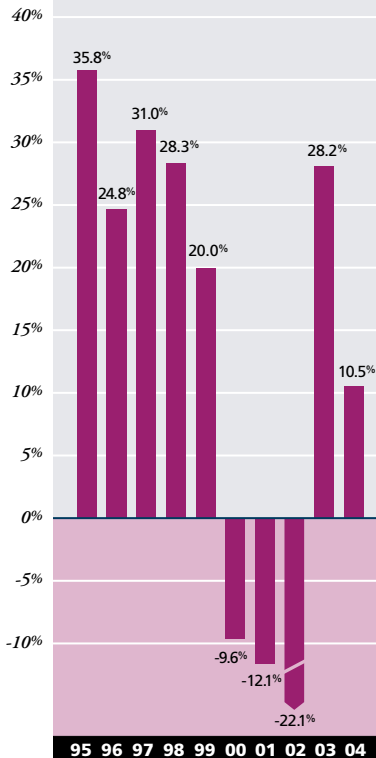
Sample of Portfolio Securities

IBM
Exxon Mobil
Wal-Mart

Average Annual Returns for Periods Ended Dec. 31, 2004

1 Year	3 Years	5 Years	10 Years
10.5%	3.3%	-2.6%	11.6%

Annual Returns for Periods Ended December 31



Large Cap Stock Growth Fund

The Large Cap Stock Growth Fund emphasizes capital appreciation and seeks to identify companies with future relative earnings strength at a reasonable valuation. The portfolio is actively managed to react quickly to changing company fundamentals and prevailing market forces.

Investment Manager

Alliance Capital

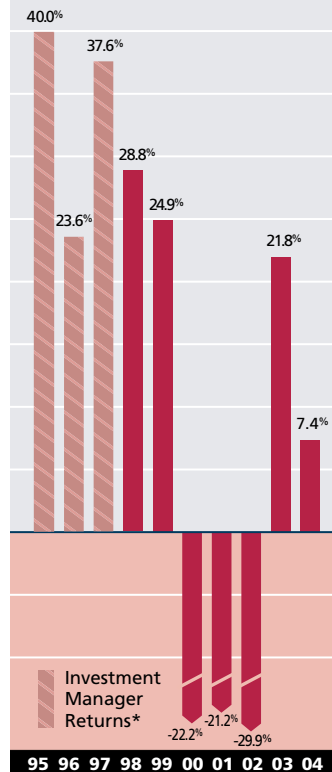
Sample of Portfolio Securities

eBay
Yahoo!
Lowes

Average Annual Returns for Periods Ended Dec. 31, 2004

1 Year	3 Years	5 Years	10* Years
7.4%	-2.9%	-10.9%	12.1%

Annual Returns for Periods Ended December 31



International Fund

The International Fund invests primarily in stocks of companies outside the United States. The fund generally emphasizes strong, well-managed companies in Europe, Canada, Australia, and the Far East. This fund offers international diversification but adds currency risk and country risk not found in a domestic fund.

Investment Manager

Capital Guardian Trust

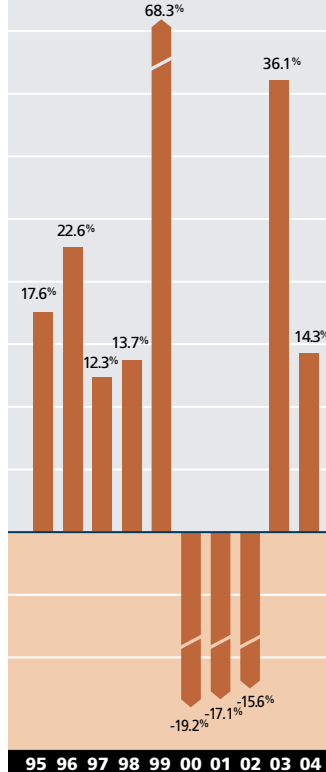
Sample of Portfolio Securities

Vodafone (UK)
Royal Dutch Petroleum (Netherlands)
Novartis (Switzerland)

Average Annual Returns for Periods Ended Dec. 31, 2004

1 Year	3 Years	5 Years	10 Years
14.3%	9.5%	-2.5%	10.5%

Annual Returns for Periods Ended December 31



Small Cap Stock Fund

The Small Cap Stock Fund is invested in a broad cross-section of U.S. small companies whose size (market capitalization) falls within the smallest 8% of the market universe. The market universe is comprised of companies listed on the NYSE, AMEX, and NASDAQ.

Investment Manager

Dimensional Fund Advisors

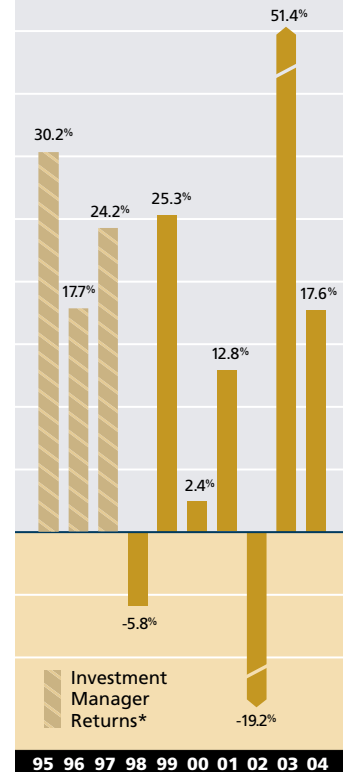
Sample of Portfolio Securities

Ask Jeeves Inc.
Tesoro Petroleum
InfoSpace Inc.

Average Annual Returns for Periods Ended Dec. 31, 2004

1 Year	3 Years	5 Years	10* Years
17.6%	12.9%	10.7%	14.2%

Annual Returns for Periods Ended December 31



listed here are for the current money manager and do not represent the experience of URS participants.

Financial Markets (as of December 31, 2004)

URS Web Site:
www.urs.org
myURS

Below are some indices that can be used for comparative purposes:

General Market Rates of Return	One Year	Annualized		
		Three Years	Five Years	Ten Years
Treasury Bills Index	1.33%	1.42%	2.95%	4.11%
Lehman Aggregate Bond Index	4.33%	6.19%	7.71%	7.72%
Russell 1000 Value Index	16.49%	8.57%	5.27%	13.83%
S&P 500 Index	10.88%	3.59%	-2.30%	12.07%
Russell 1000 Growth Index	6.30%	-0.18%	-9.29%	9.59%
MSCI EAFE Index (International)	20.25%	11.89%	-1.14%	5.62%
Russell 2000 Index (Small Cap)	18.33%	11.48%	6.61%	11.54%

These indices are for comparative purposes only. They are not indicative of the rates of return you should expect from the funds in your defined contribution plans.

The investments described in this Performance Update are not FDIC insured; not deposits or obligations of, or guaranteed by, any financial institution; and not guaranteed by the Utah Retirement Systems or any government agency.

The past performance of any of these funds does not guarantee future results.

Utah Retirement Systems' employees are not registered securities advisors. They cannot offer investment advice or make recommendations. Because you make the investment decisions about your account, the plan's sponsor, trustees, and others associated with the investments may be relieved of liability for investment performance.

The investment managers shown in this Performance Update are as of December 31, 2004. Utah Retirement Systems reserves the right to change investment managers as needed.

Further information for each fund is available on the web at www.urs.org, or by calling (801) 366-7720 or (800) 688-401k.

Short-term Trading Fee

Because of costs generated by frequent trading and the potential impact on other participants' accounts, it is necessary to impose a short-term trading fee. Individuals, who transfer any or all of their current account among investment options more often than once every 30 days, will be charged 2% of their total plan balance for each additional trade. Each transfer starts a new 30-day period. Each savings plan is treated individually; for example, transfers in your 401(k) will not affect your ability to transfer funds in your 457 plan.

Manage your retirement account online anytime! Here's how:

- 1 Set up your URS PIN.**
(if you don't already have one)
Call (800) 688-4015 to set up your PIN. Select option 1 and follow the prompts.
- 2 Visit the URS web site at www.urs.org and click "myURS."**
- 3 Enter your URS ID.**
(typically your Social Security Number)
- 4 Enter your URS PIN.**
(the number you set up via the phone)
- 5 Then click "Log On."**

It's as easy as that!

Low Annual Fees

The fees shown here are deducted from earnings prior to posting and do not appear as separate items on your statement. Before you invest in any program, you should thoroughly investigate all fees.

Fund	Annual Investment Fees	Annual Administrative Fees	Total Annual Fees
Income	.14%	.27%	.41%
Bond	.37%	.27%	.64%
Balanced	.38%	.27%	.65%
Large Cap Stock Value	.44%	.27%	.71%
Large Cap Stock Index	.03%	.27%	.30%
Large Cap Stock Growth	.34%	.27%	.61%
International	.35%	.27%	.62%
Small Cap Stock	.41%	.27%	.68%
Short Horizon	.29%	.27%	.56%
Medium Horizon	.32%	.27%	.59%
Long Horizon	.29%	.27%	.56%

The Group Annuity Fund, which is closed to further contributions, is subject to 1.13% in annual investment fees and .27% in annual administration fees for a total of 1.4% in annual fees.

Note: An annual account maintenance fee of \$15 will be assessed to *inactive* accounts with combined 401(k) and 457 plan balances of less than \$5,000.



UTAH RETIREMENT SYSTEMS

Defined Contribution Department

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