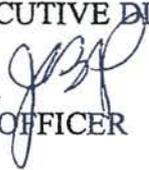




FEDERAL RETIREMENT THRIFT INVESTMENT BOARD
1250 H Street, NW Washington, DC 20005

October 8, 2010

MEMORANDUM FOR THE EXECUTIVE DIRECTOR

FROM: JAMES B. PETRICK 
CHIEF FINANCIAL OFFICER

SUBJECT: QUARTERLY FINANCIAL ASSESSMENT OF TSP'S PRIMARY
VENDORS – OCTOBER 2010

The Board has requested that each quarter we review the TSP's primary vendors and report on their financial standing. This quarter, we have again reviewed Serco Group, R.R. Donnelley & Sons, MetLife, BlackRock Inc., and The Active Network, Inc. We have replaced Switch & Data, Inc. with Equinix Inc. as part of the review given its acquisition of Switch & Data, Inc. which closed in the second quarter of 2010.

For each vendor we have analyzed the following:

1. Current Financial Condition:

Our financial analysis consists of a review of the vendor's key financial statistics from their current income statement and balance sheet for the most recent quarter available to determine their overall financial stability. For this report, we are using available data for the period through June 30, 2010. We determine whether there is evidence of stable or growing income (i.e., the profitability of the company). We also review the current balance sheet to determine: 1) the current ratio of assets to liabilities to ascertain the vendor's ability to meet short term liquidity needs, and 2) the ratio of total debt to total assets to ascertain the prospects for longer term profitability. Then, we look for significant changes from prior to current periods to identify trends that may require further explanation. For comparative purposes, we have included information from the first six months of 2010, year-end 2009, the first six months of 2009, and year-end 2008.

2. Dun & Bradstreet Credit Score:

We continue our practice of reviewing the Dun & Bradstreet credit scores. These scores predict the likelihood of a firm paying in a severely delinquent manner (90+ days past term) over the next twelve months. The score range is 1-5 with 1 being the lowest risk and 5 the highest risk of the firm paying in a severely delinquent manner. While this score has some descriptive value in terms of the firm's current relationship with its creditors and can disclose potential financial problems, it should only be considered one part of a firm's overall financial picture.

3. Significant Events:

This section includes a description of any significant items that could impact the company's financial situation, such as significant pending litigation, mergers and acquisitions, or major stock issuances or redemptions.

4. Risk Mitigation:

This section describes the risk to the TSP if the vendor were to become unable to meet the terms of the TSP's contract and what steps we would take to mitigate the risk to ongoing TSP operations.

Attachments

Serco Services Inc. (a subsidiary of Serco Group plc)

General Information: Serco Group plc is a business services company based in Hook, North Hampshire in the United Kingdom. Serco was founded in 1929 as a United Kingdom division of the Radio Corporation of America and initially provided services to the cinema industry. It changed its name to Serco in 1987 and has been a London Stock Exchange listed company since 1988. Serco established its North American business in 1988 when it was incorporated as Serco North America.

In 2005, Serco acquired Resource Consultants Inc. (RCI), which expanded its capabilities in information technology (IT) services, systems engineering, strategic consulting and HR-focused business process management. Then, in 2008 Serco acquired SI International, further broadening its capabilities in IT and professional services in North America and gaining new federal government and DoD relationships. Serco now employs more than 11,500 people in over 100 locations across North America, doing business in the U.S. under the name of its U.S. subsidiary, Serco Services Inc.

Serco Services Inc. is the prime contractor for operating both FRTIB data centers, designing and developing integrated software applications in support of, as well as operating and maintaining the TSP record keeping system, providing incoming mail, data entry and imaging support, and operating the Clintwood Call Center. Serco Services Inc. also administers the accounting, court ordered payments, death benefits, and payroll office liaison functions. Serco Services Inc. relies on subcontracting support as follows: Jacob and Sundstrum, Inc. for systems programming support for both the primary and secondary data centers; SunGard for TSP record keeping support and maintenance of the core record keeping capabilities contained in its commercial-off-the-shelf proprietary software packages, and for incoming mail, data entry and imaging support.

Assessment: Serco Group plc is a profitable company with a large portfolio of business in the U.S. and the U.K. Serco Services Inc. has an extensive portfolio of U.S. Federal government contracts, and now serves all branches of the U.S. military, numerous civilian agencies and the intelligence community. We find no indication at this time that Serco Services Inc. is unable to fulfill its contractual obligations to the TSP.

Current Financial Condition:

- **Income Statement:** For the six-month period ending June 30, 2010, Serco Group plc reported revenues of £2.1 billion, an increase of 10 percent from the £1.9 billion reported in the same period of 2009. Net profit through June 30, 2010 was £74.4 million, an increase of 21 percent from the £61.4 million reported in the first six months of 2009.
- **Balance Sheet:** At June 30, 2010, Total Assets were £2.6 billion, an increase of 5 percent from the £2.5 billion reported at year-end 2009. Total Liabilities were £1.9 billion, a 4 percent increase from the £1.8 billion reported at year-end 2009.
- **Cash Flow:** At June 30, 2010, cash and cash equivalents totaled £313.8 million, a 2 percent decrease from £319.4 million at year-end 2009.

- **Current Ratio:** The Current Ratio (Current Assets/Current Liabilities) remained flat from 1.2 reported at year-end 2009.
- **Leverage:** At June 30, 2010, Total Liabilities as a percent of Total Assets remained flat at 73 percent reported at year-end 2009.

Dun & Bradstreet Credit Score Class: As of September 30, 2010, the credit score for Serco Services Inc. as a subsidiary of Serco Group plc, was 2, (slight risk), compared to a credit score of 3 (moderate risk) reported in the prior quarter.

Stock Performance: Serco Group plc's closing share price on September 30, 2010, was £616.00, down slightly from its 52-week high of £616.50 on April 26, 2010. The 52-week low was £485.60 on October 2, 2009.

SAS 70 Report: There is no SAS 70 report available.

Significant Events:

- September 17, 2010 - Serco Services received a contract with the U.S. Navy's Fleet and Industrial Supply Center Norfolk to perform hazardous material management services and provide consolidated program support, a one-year base contract valued about \$88 million.
- September 17, 2010 - Serco Group plc announced that its joint venture, DMS Maritime, has renewed its contract to support the Royal Australian Navy with a broad range of harbor and offshore services, a ten-year contract valued at more than A\$500 million.
- September 9, 2010 - Serco Group plc was awarded a new contract to support the Naval Operational Logistics Support Center (NOLSC) with program management and technical services, one-year base period with a total value of \$44 million.

Risk Mitigation: Should Serco Services Inc. cease operations, we could issue letter contracts (an agreement to be negotiated at a later point) on an emergency basis to: a) Jacob and Sundstrum to continue systems programming and possibly expand support to data center operations, and; b) Sungard to continue incoming mail, data entry, software application management, and other operations to maintain the TSP record keeping system, accounting, legal, and Agency interface operations.

If Serco Services Inc. were unable to operate the Clintwood call center, The Active Network Inc.'s call center in Frostburg, MD, could serve as a temporary backup.

The Agency is continuing to develop the requirements for a new statement of work (SOW) for the recompetition of Serco record keeping services. This effort was delayed due to relocating the Agency's primary data center while keeping the TSP modernization initiative on track. We are currently planning to conduct the competition in FY 2011.

Serco Group
Income Statement
(In £ millions)

	Six Months	Year Ended	Six Months	Year Ended
	Ended	12/31/2009	Ended	12/31/2008
	6/30/2010	Audited	6/30/2009	Audited
	Unaudited		Unaudited	
Revenue	2,140.3	3,970.0	1,949.8	3,123.5
Cost of sales	(1,824.2)	(3,383.2)	(1,664.1)	(2,666.7)
Gross profit	316.1	586.8	285.7	456.8
Administrative expenses	(191.7)	(357.1)	(175.7)	(291.6)
Other expenses – amortisation of intangibles arising on acquisition				-
Total administrative expenses	(191.7)	(357.1)	(175.7)	(291.6)
Operating profit	124.4	229.7	110.0	165.2
Investment revenue and finance costs	(14.2)	(35.0)	(17.7)	(19.9)
Adjusted Profit before tax	110.2	194.7	92.3	145.3
Amortisation of acquired intangibles	(8.8)	(17.6)	(8.9)	(9.2)
Profit before tax	101.4	177.1	83.4	136.1
Tax	(27.0)	(46.9)	(22.0)	(36.5)
Profit for the period	74.4	130.2	61.4	99.6

Serco Group
Balance Sheet
(In £ millions)

	6/30/2010	12/31/2009	6/30/2009	12/31/2008
	Unaudited	Audited	Unaudited	Audited
Assets				
Current assets				
Cash and cash equivalents	313.8	319.4	237.2	250.8
Derivative financial instruments	4.1	1.4	0.8	5.0
Trade and other receivables	804.3	720.9	714.2	725.7
Inventories	62.7	65.9	54.4	50.2
Total current assets	<u>1,184.9</u>	<u>1,107.6</u>	<u>1,006.6</u>	<u>1,031.7</u>
Non-current assets				
Goodwill	925.7	898.4	900.3	963.2
Other intangible assets	146.4	164.4	171.9	192.7
Property, plant and equipment	129.9	129.2	117.5	115.4
Trade and other receivables	206.5	181.4	141.1	121.1
Retirement benefit assets	-	-	-	62.4
Deferred tax assets	50.2	48.0	42.7	20.0
Derivative financial instruments	3.6	2.5	3.9	5.6
Total non-current assets	<u>1,462.3</u>	<u>1,423.9</u>	<u>1,377.4</u>	<u>1,480.4</u>
Total assets	<u>2,647.2</u>	<u>2,531.5</u>	<u>2,384.0</u>	<u>2,512.1</u>
Liabilities				
Current liabilities				
Trade and other payables	871.0	771.6	746.8	756.2
Current tax liabilities	19.0	14.1	20.7	19.5
Obligations under finance leases	7.3	6.0	5.1	4.5
Loans	105.9	110.7	42.2	36.8
Derivative financial instruments	5.6	5.5	8.6	4.2
Total current liabilities	<u>1,008.8</u>	<u>907.9</u>	<u>823.4</u>	<u>821.2</u>
Non-current liabilities				
Trade and other payables	21.8	23.1	26.2	32.7
Obligations under finance leases	19.1	18.0	17.1	12.7
Loans	498.3	543.2	605.8	710.9
Derivative financial instruments	2.8	1.7	2.4	0.4
Retirement benefit obligations	319.6	294.2	210.0	177.1
Provisions	41.0	42.3	40.5	45.9
Deferred tax liabilities	8.6	9.0	21.3	25.9
Total Long-term liabilities	<u>911.2</u>	<u>931.5</u>	<u>923.3</u>	<u>1,005.6</u>
Total liabilities	<u>1,920.0</u>	<u>1,839.4</u>	<u>1,746.7</u>	<u>1,826.8</u>
Equity				
Share capital	9.8	9.8	9.7	9.7
Share premium account	305.5	304.1	301.7	301.1
Capital redemption reserve	0.1	0.1	0.1	0.1
Retained earnings	496.8	444.1	384.3	339.8
Retirement benefit obligations reserve	(163.1)	(150.0)	(112.9)	(47.7)
Share-based payment reserve	54.4	49.6	42.4	40.0
Own shares reserve	(28.3)	(13.0)	(17.3)	(19.7)
Hedging and translation reserve	51.9	47.3	29.2	61.9
Equity attributable to equity holders of the parent	-	-	-	685.2
Minority interest	0.1	0.1	0.1	0.1
Total equity	<u>727.2</u>	<u>692.1</u>	<u>637.3</u>	<u>685.3</u>
Total liabilities and shareholders' equity	<u>2,647.2</u>	<u>2,531.5</u>	<u>2,384.0</u>	<u>2,512.1</u>
Current ratio: Current assets/Current liabilities	1.2	1.2	1.2	1.3
Leverage: Total liabilities/Total assets	0.73	0.73	0.73	0.73

Serco Group
Cash Flow Statement
(In £ millions)

	Six Months	Year Ended	Six Months	Year Ended
	Ended	12/31/2009	Ended	12/31/2008
	6/30/2010	Audited	6/30/2009	Audited
	Unaudited		Unaudited	
Net cash inflow/(outflow) from operating activities	150.8	235.1	104.2	162.6
Net cash inflow/(outflow) from investing activities	(13.6)	(64.5)	(35.6)	(348.5)
Net cash inflow/(outflow) from financing activities	(145.5)	(96.7)	(69.0)	230.0
Change in cash and cash equivalents	<u>(8.3)</u>	<u>73.9</u>	<u>(0.4)</u>	<u>44.1</u>
Net exchange gain	<u>2.7</u>	<u>(5.3)</u>	<u>(13.2)</u>	<u>21.7</u>
Cash and cash equivalents at beginning of period	<u>319.4</u>	<u>250.8</u>	<u>250.8</u>	<u>185.0</u>
Cash and cash equivalents at end of period	313.8	319.4	237.2	250.8

BlackRock, Inc.

General Information: BlackRock, Inc. is one of the leading investment management companies in the U.S. The firm's products include a spectrum of fixed income and mutual funds, as well as investment tools, outsourcing and advisory services to institutional investors. It also offers risk management and investment technology services to insurance companies, finance companies, pension funds, foundations, REITs, commercial and mortgage banks, savings institutions and government agencies.

As of June 30, 2010, BlackRock's assets under management totaled US\$3.151 trillion across equity, fixed income, cash management, alternative investment, real estate and advisory strategies. BlackRock is publicly-traded, with Bank of America, PNC Financial Services, and Barclays PLC holding 34.1%, 24.6%, and 19.9% of its shares respectively, with the remainder owned by institutional and individual investors, as well as BlackRock employees. The company acquired Barclays Global Investors (BGI) in December 2009 under the BlackRock name, making it the largest money manager in the world.

Assessment: BlackRock is a stable and profitable financial manager. They continue to conduct business for the TSP without error or disruption. We have found no indication that BlackRock cannot meet its commitments to the TSP.

Current Financial Condition:

- **Income Statement:** For the six-month period ending June 30, 2010, BlackRock reported total revenue of \$4.0 billion which increased 100 percent from \$2.0 billion for the same period in 2009. The Company reported a Net Income of \$855 million, up 183 percent from a Net Income of \$302 million reported for the same period in 2009.
- **Balance Sheet:** As of June 30, 2010, Total Assets of \$162.3 billion were reported, a decrease of \$15.7 billion from \$178.0 billion reported at year-end 2009. Total Liabilities reported were \$137.0 billion, down \$16.4 billion from the \$153.4 billion reported at year-end 2009.
- **Cash Flow:** As of June 30, 2010, the Company reported cash and cash equivalents of \$2.2 billion, a decrease of \$2.5 billion from the \$4.7 billion reported at year-end 2009. Cash and cash equivalents, excluding cash held by consolidated sponsored investment funds and consolidated Variable Interest Entities (VIEs)¹ decreased as a result of \$0.3 billion of cash inflows from operating activities, \$2.4 billion of cash outflows from financing activities, and \$0.4 billion of cash outflows from investing activities and foreign exchange rate changes.
- **Current Ratio:** N.A. (BlackRock Inc. does not present current assets and current liabilities in its balance sheet presentation).

¹ A Variable Interest Entity (VIE) is a term used by the United States Financial Accounting Standards Board in FIN 46 to refer to an entity (the investee) in which the investor holds a controlling interest which is not based on the majority of voting rights.

- **Leverage:** As of June 30, 2010, Total Liabilities reported were 84.4 percent of Total Assets, compared to 86.2 percent at year-end 2009.

Dun & Bradstreet Credit Score Class: As of September 30, 2010, the credit score was 2 (slight risk) compared to a credit score of 3 (moderate risk) in the previous quarter.

Stock Performance: BlackRock Inc.'s closing share price on September 30, 2010, was \$170.25, down from its 52-week high of \$243.80 on January 11, 2010. The 52-week low was \$138.42 on July 1, 2010.

SAS 70 Report: Price Waterhouse Coopers' SAS-70 reported on the Processing of Transactions results (January 1, 2009 through November 30, 2009), as of December 18, 2009, and identified no areas of concern for BlackRock.

Significant Events: None.

Risk Mitigation: BlackRock has assumed the management of the TSP's bond and equity funds. The company is subject to the same contract provisions as Barclays. TSP assets are held in commingled trust funds, which cannot be accessed by BlackRock's creditors. In the event of bankruptcy by BlackRock, the actual securities could be transferred by the Agency to another investment manager. There is a risk during the transition period that the TSP might be unable to invest and disinvest participants' money in a timely fashion. Additionally, there may be transaction costs associated with transferring the assets to another investment manager, but this risk is mitigated by the terms of the current contract with BlackRock, which provides for the transfer in kind of the TSP assets.

BlackRock, Inc.
Income Statement
(in \$ millions)

	Six Months Ended 06/30/10 Unaudited	Year Ended 12/31/09 Audited	Six Months Ended 06/30/09 Unaudited	Year Ended 12/31/08 Audited
Revenue				
Investment advisory, administration fees and securities lending revenue				
Related parties	2,311	2,616	1,139	2,962
Other third parties	1,234	1,210	518	1,295
	<hr/>	<hr/>	<hr/>	<hr/>
Investment advisory, administration fees and securities lending revenue	3,545	3,826	1,657	4,257
Investment advisory performance fees	100	202	28	177
<i>BlackRock Solutions</i> and advisory	227	477	247	393
Distribution fees	60	100	48	139
Other revenue	95	95	36	98
Total revenue	<hr/> 4,027	<hr/> 4,700	<hr/> 2,016	<hr/> 5,064
Expenses				
Employee compensation and benefits	1,482	1,802	741	1,815
Distribution and servicing costs				
Related parties	128	368	199	495
Other third parties	69	109	53	96
Amortization of deferred mutual fund sales commissions	53	100	53	130
Direct fund expenses	235	95	28	86
General and administration	629	779	316	665
Restructuring charges	-	22	22	38
Amortization of intangible assets	80	147	72	146
Total expenses	<hr/> 2,676	<hr/> 3,422	<hr/> 1,484	<hr/> 3,471
Operating income	<hr/> 1,351	<hr/> 1,278	<hr/> 532	<hr/> 1,593
Non-operating income (expense)				
Net gain (loss) on investments	24	42	(84)	(573)
Net gain (loss) on consolidated variable interest entities	(28)			
Interest and dividend income	9	20	12	65
Interest expense	(78)	(68)	(30)	(69)
Total non-operating income (expense)	<hr/> (73)	<hr/> (6)	<hr/> (102)	<hr/> (577)
Income before income taxes	1,278	1,272	430	1,016
Income tax expense	461	375	124	387
Net income	<hr/> 817	<hr/> 897	<hr/> 306	<hr/> 629
Less: Net income (loss) attributable to redeemable non-controlling interest	2	2	1	(1)
Less: Net income (loss) attributable to nonredeemable non-controlling interests	(40)	20	3	(154)
Net income	<hr/> 855	<hr/> 875	<hr/> 302	<hr/> 784

BlackRock, Inc.
Balance Sheet
(In \$ millions)

	06/30/10	12/31/09	06/30/09	12/31/08
	Unaudited	Audited	Unaudited	Audited
Assets				
Cash and cash equivalents	2,183	4,708	2,305	2,032
Accounts receivable	1,989	1,730	1,067	901
Due from related parties	158	189	104	309
Investments	1,463	1,049	957	1,429
Separate account assets	105,476	119,629	3,131	2,623
Assets of consolidated variable interest entities				
Cash and cash equivalents	61	-	-	-
Bank loans and other investments	1,290	-	-	-
Collateral held under securities lending agreements	18,304	19,335	-	-
Deferred mutual fund sales commissions, net	91	103	111	135
Property and equipment (net of accumulated depreciation)	433	445	252	260
Intangible assets (net of accumulated amortization)	17,586	17,648	6,371	6,441
Goodwill	12,640	12,570	5,723	5,533
Other assets	592	588	388	261
Total assets	162,266	177,994	20,409	19,924
Liabilities				
Accrued compensation and benefits	798	1,482	386	826
Accounts payable and accrued liabilities	1,099	845	628	545
Due to related parties	178	439	119	103
Short-term borrowings	444	2,234	200	200
Liabilities of consolidated variable interest entities				
Borrowings	1,215	-	-	-
Other liabilities	6	-	-	-
Convertible debentures	71	243	247	245
Long-term borrowings	3,191	3,191	695	697
Separate account liabilities	105,476	119,629	3,131	2,623
Collateral liability under securities lending agreements	18,304	19,335	-	-
Deferred tax liabilities	5,601	5,526	1,767	1,826
Other liabilities	635	468	263	299
Total liabilities	137,018	153,392	7,436	7,364
Temporary equity				
Redeemable non-controlling interests	94	49	13	266
Convertible debentures	-	-	2	-
Total temporary equity	94	49	15	266
Permanent Equity				
BlackRock, Inc. stockholders' equity				
Common stock	1	1	1	1
Preferred stock	1	1	1	-
Additional paid-in capital	22,284	22,127	10,891	10,473
Retained earnings	2,902	2,436	2,076	1,982
Appropriated retained earnings	89	-	-	-
Accumulated other comprehensive (loss)	(186)	(96)	(81)	(186)
Escrow shares, common, at cost	(137)	(137)	(143)	(143)
Treasury stock, common, at cost	-	(3)	-	(58)
Total BlackRock, Inc. stockholders' equity	24,954	24,329	12,745	12,069
Nonredeemable non-controlling interests	159	224	213	225
Nonredeemable non-controlling interests of consolidated variable interest entities	41	-	-	-
Total permanent equity	25,154	24,553	12,958	12,294
Total liabilities, temporary equity and permanent equity	162,266	177,994	20,409	19,924
Total liabilities/Total assets	84.4%	86.2%	36.4%	37.0%

BlackRock, Inc.
Statement of Cash Flows
(in \$ millions)

	Six Months	Year Ended	Six Months	Year Ended
	Ended	12/31/09	Ended	12/31/08
	06/30/10	12/31/09	06/30/09	12/31/08
	Unaudited	Audited	Unaudited	Audited
Net cash inflow/(outflow) from operating activities	310	1,399	274	1,916
Net cash inflow/(outflow) from investing activities	(402)	(5,519)	18	(394)
Net cash inflow/(outflow) from financing activities	(2,372)	6,749	(105)	(887)
Change in cash and cash equivalents	<u>(2,525)</u>	<u>2,676</u>	<u>273</u>	<u>376</u>
Cash and cash equivalents - beginning of the period	<u>4,708</u>	<u>2,032</u>	<u>2,032</u>	<u>1,656</u>
Cash and cash equivalents - end of the period	2,183	4,708	2,305	2,032

Equinix Inc.

General Information: Equinix, Inc. is a U.S. based public corporation that provides network-neutral data centers (IBX or “Internet Business Exchange”) and interconnection services. The company offers collocation, traffic exchange, and outsourced IT infrastructure solutions to enterprises, content companies, systems integrators and network service providers. Equinix operates 90 data centers across 35 major metropolitan areas in 11 countries in North America, Europe and Asia-Pacific. In the U.S., data centers are in 22 metropolitan areas. Data centers are located in France, Germany, Netherlands, Switzerland, UK, Hong Kong, China, Singapore, Japan, and Australia. More than 200 different carriers and ISPs now participate in Equinix IBX centers.

Assessment: On May 3, 2010, Equinix completed its acquisition of Switch and Data, a transaction valued at about \$683.4 million. Equinix’s data center hosts services for the TSP at two sites. The Agency contracts with Equinix for both its primary data center in Northern Virginia, as well as its backup data center in western Pennsylvania.

Although profitability was impaired during the period as a result of the need to finance Switch and Data, revenue growth and market share remain strong. We have no indication that Equinix will be unable to perform its contractual commitments.

Current Financial Condition:

- **Income Statement:** For the six-month period ending June 30, 2010, Equinix reported total revenue of \$544.7 million, up 32 percent from the \$412.4 million reported for the same period in 2009. The Company reported Net Income of \$11.9 million, a decrease of 64 percent from the \$32.9 million reported in the same period in 2009.
- **Balance Sheet:** As of June 30, 2010, Total Assets of \$4.3 billion were reported, an increase of \$1.2 billion from \$3.0 billion reported at year-end 2009. Total Liabilities were \$2.5 billion, an increase of \$0.6 billion from the \$1.9 billion reported at year-end 2009.
- **Cash Flow:** Cash and cash equivalents were \$511.3 million at June 30, 2010, an increase of \$165.3 million from \$346.1 million reported at year-end 2009.
- **Current Ratio:** As of June 30, 2010, the Current Ratio (Current Assets/Current Liabilities) was 3.0 compared to 2.3 reported at year-end 2009.
- **Leverage:** As of June 30, 2010, Total Liabilities were 59.1 percent of Total Assets, a decrease from 61.1 percent at year-end 2009.

Dun & Bradstreet Credit Score Class: As of September 30, 2010, the credit score was 1 (lowest risk) compared to 2 (slight risk) reported in the prior quarter.

Stock Performance: Equinix's closing share price on September 30, 2010, was \$102.35, down from its 52-week high of \$110.57 on January 6, 2010. The 52-week low was \$76.29 on July 7, 2010.

SAS 70 Report: The latest independent auditor's report for Switch and Data for the period of July 8, 2009 to January 8, 2010, reveals that there are no relevant issues.

Significant Events:

- October 6, 2010 - Equinix trimmed its forecast, saying it lost more customers in North America than expected, as well as "greater than expected discounting" to close its contract renewals and disappointing revenue from a recent acquisition. The company said it expects third-quarter revenue to come in between \$328 million to \$330 million, down from an earlier estimate of revenue between \$335 million and \$338 million. Analysts had forecast Equinix to post quarterly sales of almost \$337 million. The company also lowered its full-year revenue outlook to \$1.22 billion from its prior forecast for sales of \$1.23 billion to \$1.24 billion.
- September 27, 2010 - Equinix, Inc. plans to build its third International Business Exchange (IBX) data center, called TY3, in Tokyo, Japan. The \$70 million, 79,600 gross-square-foot TY3 IBX data center is targeted for completion in mid-2011.

Risk Mitigation: The merger of Switch & Data with Equinix allows for a greater number of services available to the TSP, offering a more comprehensive solution to our data center needs. We are closely monitoring the Company's long-term viability, which includes periodic site visits and dialogue with onsite personnel to ascertain the condition and use of facilities, and timeliness of payrolls. We are also staying on top of market research regarding other companies that provide data center hosting services, and will evaluate the efficacy of using separate hosting companies when recompetition for these services takes place.

Equinix Inc.
Income Statement
(in \$ thousands)

	Six Months Ended 06/30/10 Unaudited	Year Ended 12/31/09 Audited	Six Months Ended 06/30/09 Unaudited	Year Ended 12/31/08 Audited
Revenues	544,743	882,509	412,399	704,680
Costs and operating expenses:				
Cost of revenues	295,632	483,420	230,339	414,799
Sales and marketing	48,381	63,584	30,772	66,913
General and administrative	97,321	155,324	72,606	146,564
Acquisition costs	10,843	5,155	-	-
Restructuring charges	4,357	(6,053)	(6,053)	3,142
Total costs and operating expenses	456,534	701,430	327,664	631,418
Income from operations	88,209	181,079	84,735	73,262
Interest income	997	2,384	1,596	8,940
Interest expense	(63,290)	(74,232)	(29,363)	(61,677)
Other than temporary impairment loss on investments	3,420	(2,590)	(2,687)	(1,527)
Loss on debt extinguishment and interest rate swaps, net	(4,831)	-	-	-
Other income (expense)	(1,461)	2,387	1,191	1,307
Income before taxes	23,044	109,028	55,472	20,305
Income tax benefit (expense)	(11,119)	(39,597)	(22,575)	87,619
Net income	11,925	69,431	32,897	107,924

Equinix Inc.
Balance Sheet
(In \$ thousands)

	06/30/10	12/31/09	06/30/09	12/31/08
	Unaudited	Audited	Unaudited	Audited
Assets				
Cash and cash equivalents	511,342	346,056	405,217	220,207
Short-term investments	206,111	248,508	175,854	42,112
Accounts receivable, net	106,255	64,767	67,312	66,029
Deferred tax assets	-	46,822	18,996	35,936
Other current assets	64,527	21,734	22,081	15,227
Total Current Assets	888,235	727,887	689,460	379,511
Long term investments	4,497	9,803	22,299	45,626
Property, plant and equipment net	2,400,808	1,808,115	1,590,756	1,492,830
Goodwill	760,087	381,050	382,112	342,829
Intangible assets, net	157,340	51,015	54,619	50,918
Deferred tax assets, net	-	5,171	43,332	65,228
Other assets	71,240	55,109	60,787	57,794
Total assets	4,282,207	3,038,150	2,843,365	2,434,736
Liabilities and shareholders' equity				
Accounts payable and accrued expenses	138,725	99,053	88,454	74,317
Accrued property and equipment	85,350	109,876	59,773	89,518
Current portion of capital lease and other financing obligations	7,995	6,452	6,036	4,499
Current portion of mortgage and loans payable	21,968	58,912	52,113	52,054
Current portion of convertible debt	-	-	-	19,150
Other current liabilities	45,531	41,166	46,259	50,455
Total current liabilities	299,569	315,459	252,635	289,993
Capital lease and other financing obligations, less current portion	207,305	154,577	138,532	133,031
Mortgage and loans payable, less current portion	167,351	371,322	372,491	386,446
Senior notes	750,000	-	-	-
Convertible debt, less current portion	904,769	893,706	883,131	608,510
Other liabilities	203,017	120,603	103,954	100,095
Total liabilities	2,532,011	1,855,667	1,750,743	1,518,075
Shareholders' equity				
Common stock	46	39	39	38
Additional paid-in capital	2,288,817	1,665,662	1,608,618	1,524,834
Accumulated other comprehensive income/(loss)	(164,637)	(97,238)	(93,521)	(152,800)
Accumulated deficit	(374,055)	(385,980)	(422,514)	(455,411)
Total shareholders' equity	1,750,171	1,182,483	1,092,622	916,661
Total liabilities and shareholders' equity	4,282,182	3,038,150	2,843,365	2,434,736
Current ratio: Current assets/Current liabilities	3.0	2.3	2.7	1.3
Leverage: Total liabilities/Total assets	59.1%	61.1%	61.6%	62.4%

Equinix Inc.
Statement of Cash Flows
(in \$ thousands)

	Six Months Ended 06/30/10 Unaudited	Year Ended 12/31/09 Audited	Six Months Ended 06/30/09 Unaudited	Year Ended 12/31/08 Audited
Net cash provided by operating activities from continuing operations	156,718	355,492	165,443	267,558
Net cash used in investing activities	(359,012)	(558,178)	(281,945)	(478,040)
Net cash provided by financing activities	377,563	323,598	297,716	145,106
Effect of exchange rate charges on cash	(9,983)	4,937	3,796	(5,050)
Net increase in cash and cash equivalents	<u>165,286</u>	<u>125,849</u>	<u>185,010</u>	<u>(70,426)</u>
Cash and cash equivalents - beginning of the period	<u>346,056</u>	<u>220,207</u>	<u>220,207</u>	<u>290,633</u>
Cash and cash equivalents - end of the period	511,342	346,056	405,217	220,207

R.R. Donnelley & Sons

General Information: R.R. Donnelley & Sons Company of Chicago, IL, was awarded the contract for TSP bulk mailing services in March 2006. These services include printing and mailing Agency documents, education, and marketing materials to participants, beneficiaries, and third parties.

Assessment: R.R. Donnelley was ranked number one in the publishing and printing industry with a Fortune 500 ranking of 233 in 2009, and has locations throughout the United States, Europe, Mexico, South America, and China. Although the Company reported annual losses for 2007, 2008 and 2009 related to restructuring in light of contractions in printing demand, there is no indication at this time that it will be unable to meet its contractual obligations to the TSP.

Current Financial Condition:

- **Income Statement:** For the six-month period ending June 30, 2010, R.R. Donnelley reported net sales of \$4.8 billion, flat from the amount reported for the same period of 2009. The Company reported net income of \$141.4 million, compared to \$39.1 million for the first half of 2009. The increase in net income was driven by lower restructuring charges reflecting the closure of seven facilities and workforce reductions. Restructuring activities in manufacturing, sales, and administrative operations are expected through 2010.
- **Balance Sheet:** As of June 30, 2010, \$8.6 billion of Total Assets were reported, down from \$8.7 billion reported at year-end 2009. Total Liabilities of \$6.5 billion were reported, a slight decrease from \$6.6 billion reported at year-end 2009.
- **Cash Flow:** As of June 30, 2010, the Company reported cash and cash equivalents of \$615.8 million, an increase from the \$499.2 million reported at year-end 2009.
- **Current Ratio:** As of June 30, 2010, the Current Ratio (Current Assets/Current Liabilities) was 1.9, an increase from 1.5 at year-end 2009.
- **Leverage:** As of June 30, 2010, Total Liabilities were 75.2 percent of Total Assets; compared to 75.3 percent at year-end 2009.

Dun & Bradstreet Credit Score Class: As of September 30, 2010, the credit score was 1 (lowest risk) the same as reported in the prior quarter.

Stock Performance: R. R. Donnelley's closing share price on September 30, 2010, was \$16.96, down from its 52-week high of \$23.20 on January 7, 2010. The 52-week low was \$14.87 on August 25, 2010.

SAS 70 Report: The SAS-70 report as of December 4, 2009 by Deloitte & Touche LLP revealed no issues related to the TSP. Dates of coverage are May 1, 2009 to October 31, 2009.

Significant Events:

- August 16, 2010 - R. R. Donnelley & Sons Company was awarded a multi-year multi-million dollar agreement to produce US Weekly magazine by Wenner Media LLC. The contract extends the relationship between the two companies.
- August 9, 2010 - R. R. Donnelley & Sons Company was awarded a multi-year agreement to provide enterprise-wide promotional and marketing collateral materials to Eisai. An on-site R.R. Donnelley service team will coordinate print production that draws on the company's commercial printing, direct mail, digital printing and other resources.
- August 12, 2010 - R. R. Donnelley & Sons Company was awarded a new production agreement that expands the multi-year multi-million dollar contract that it had previously reached with Grupo Editorial Norma. Under the terms of the expanded agreement R.R. Donnelley's Latin American operations will produce textbooks for delivery in Chile and Argentina.

Risk Mitigation: If there were a work stoppage at the facilities currently producing our notices or statements, R.R. Donnelley would move that work from the affected facility to one or more of its other business sites. If R.R. Donnelley were to cease operations, we would pursue a new contract as soon as possible with other printing vendors. In the interim, work could be awarded to another contractor on an emergency basis.

R. R. Donnelley & Sons
Income Statement
(in \$ millions)

	Six Months Ended 06/30/10 Unaudited	Year Ended 12/31/09 Audited	Six Months Ended 06/30/09 Unaudited	Year Ended 12/31/08 Audited
Net sales	4,823.7	9,857.4	4,811.2	11,581.6
Cost of sales	3,661.3	7,462.9	3,639.1	8,576.3
Selling, general & administrative expenses	541.7	1,088.5	555.6	1,220.5
Restructuring and impairment charges - net	26.2	382.7	102.4	1,184.7
Depreciation & amortization	273.4	579.0	291.7	640.6
Total operating expenses	<u>4,502.6</u>	<u>9,513.1</u>	<u>4,588.8</u>	<u>11,622.1</u>
Income from continuing operations	321.1	344.3	222.4	(40.5)
Interest expense - net	108.5	234.6	119.1	226.4
Investment and other income (expense) - net	(9.8)	(16.6)	(1.3)	(2.4)
Earnings before income taxes	<u>202.8</u>	<u>93.1</u>	<u>102.0</u>	<u>(269.3)</u>
Income taxes	64.6	114.5	59.4	(83.9)
Less: Income attributable to noncontrolling interests		(5.9)	(3.5)	6.3
Net earnings	<u>138.2</u>	<u>(27.3)</u>	<u>39.1</u>	<u>(191.7)</u>
Income (loss) from discontinued operations, net of tax	3.2	-	-	1.8
Less: Income (loss) attributable to RR Donnelley common shareholders		-	-	-
Net Income/(loss)	<u><u>141.4</u></u>	<u><u>(27.3)</u></u>	<u><u>39.1</u></u>	<u><u>(189.9)</u></u>

R. R. Donnelley & Sons
Balance Sheet
(in \$ millions)

	06/30/10 Unaudited	12/31/09 Audited	06/30/09 Unaudited	12/31/08 Audited
Assets				
Cash and cash equivalents	615.8	499.2	470.9	324.0
Restricted cash equivalents	45.9	-	0.2	7.9
Receivables, less allowance for doubtful accounts	1,686.1	1,675.9	1,694.7	1,903.2
Income taxes receivable	36.4	63.2	41.2	189.4
Inventories	535.0	561.8	524.9	695.7
Prepaid expenses and other current assets	166.6	160.8	106.0	104.6
Deferred income taxes		-	52.5	56.2
Total current assets	3,085.8	2,960.9	2,890.4	3,281.0
Property, plant and equipment - net	2,110.8	2,271.4	2,398.4	2,564.0
Goodwill	2,309.7	2,333.3	2,449.0	2,425.9
Other intangible assets net	684.8	747.4	795.8	831.1
Other noncurrent assets	414.7	434.6	395.2	392.3
Total assets	8,605.8	8,747.6	8,928.8	9,494.3
Liabilities and shareholders' equity				
Accounts payable	821.3	886.4	768.7	767.6
Accrued liabilities	784.4	813.4	760.5	795.7
Short-term and current portion of long-term debt	9.9	339.9	517.4	923.5
Total current liabilities	1,615.6	2,039.7	2,046.6	2,486.8
Long-term debt	3,396.0	2,982.5	3,103.5	3,203.3
Pension liability	503.0	509.8	484.7	491.5
Postretirement benefit	330.4	324.5	296.6	291.9
Deferred income taxes	169.7	205.5	256.4	260.9
Other noncurrent liabilities	453.4	524.6	419.4	418.0
Liabilities of discontinued operations	-	-	-	-
Total liabilities	6,468.1	6,586.6	6,607.2	7,152.4
Shareholders' equity				
Common stock	303.7	303.7	303.7	303.7
Additional paid-in capital	2,894.5	2,906.2	2,899.6	2,885.7
Retained earnings	697.2	662.9	836.2	903.8
Accumulated other comprehensive income	(611.8)	(545.0)	(547.8)	(580.7)
Treasury stock, at cost	(1,168.0)	(1,193.8)	(1,195.5)	(1,194.0)
Total shareholders' equity	2,115.6	2,134.0	2,296.2	2,318.5
Noncontrolling interests	22.1	27.0	25.4	23.4
Total liabilities and shareholders equity	8,605.8	8,747.6	8,928.8	9,494.3
Current ratio: Current assets/Current liabilities	1.9	1.5	1.4	1.3
Leverage: Total liabilities/Total assets	75.2%	75.3%	74.0%	75.3%

R. R. Donnelley & Sons
Statement of Cash Flows
(in \$ millions)

	Six Months		Six Months	
	Ended	Year Ended	Ended	Year Ended
	06/30/10	12/31/09	06/30/09	12/31/08
	Unaudited	Audited	Unaudited	Audited
Net cash inflow/(outflow) from operating activities from operating activities	269.1	1,425.8	850.7	1,015.9
Net cash inflow/(outflow) from investing activities	(102.0)	(260.9)	(112.4)	(351.2)
Net cash inflow/(outflow) from financing activities	(35.3)	(1,028.0)	(615.8)	(676.8)
Change in cash and cash equivalents	<u>116.6</u>	<u>175.2</u>	<u>146.9</u>	<u>(55.0)</u>
Effect of exchange rate charges on cash	(15.2)	38.3	24.4	(42.9)
Cash and cash equivalents - beginning of the period	<u>499.2</u>	<u>324.0</u>	<u>324.0</u>	<u>379.0</u>
Cash and cash equivalents - end of the period	615.8	499.2	470.9	324.0

MetLife

General Information: Metropolitan Life Insurance Company (MetLife) has been the annuity provider to the Thrift Savings Plan since 1987. The contract is competitively bid every five years. In January 2006, MetLife was re-awarded the TSP annuity provider contract.

Assessment: MetLife is a leading provider of insurance and financial services with operations throughout the United States and Latin America, Europe, and Asia. MetLife reaches more than 70 million customers around the world and is the largest life insurer in the United States, based on life insurance in force. MetLife returned to profitability in the first six months of 2010, after recording losses in 2009. MetLife's current financial position is strong and there is no indication at this time that MetLife will be unable to meet its contractual obligations to the TSP.

On March 7, 2010, the MetLife Holding Company entered into a stock purchase agreement with ALICO Holdings LLC and American International Group, Inc., pursuant to which the Holding Company agreed to acquire all of the issued and outstanding capital stock of American Life Insurance Company ("Alico") and Delaware American Life Insurance Company. MetLife will pay approximately \$15.5 billion, including \$6.8 billion in cash and the remainder in equity securities. The transaction is expected to close by the end of 2010, subject to certain regulatory approvals and determinations, as well as other customary closing conditions.

Current Financial Condition:

- **Income Statement:** For the six-month period ending June 30, 2010, MetLife reported Total Revenues of \$27.4 billion, up 48 percent from the \$18.5 billion reported for the same period of 2009. MetLife reported a Net Profit of \$2.3 billion, compared to a Net Loss of \$2.0 billion reported in the same period of 2009.
- **Balance Sheet:** As of June 30, 2010, Total Assets of \$573.9 billion were reported, an increase of \$34.6 billion from \$539.3 billion reported at year-end 2009. Total Liabilities were \$534.2 billion in the first half of 2010, an increase of \$28.4 billion from the \$505.8 billion at year-end 2009.
- **Cash Flow:** The Company's short-term liquidity position, defined as cash and cash equivalents, was \$10.7 billion and \$10.1 billion at June 30, 2010 and year-end 2009, respectively, which reflected a 6 percent increase.
- **Current Ratio:** N.A. (MetLife does not present current assets and current liabilities in its balance sheet presentation).
- **Leverage:** As of June 30, 2010, Total Liabilities were 93.1 percent of Total Assets, down from 93.8 percent at year-end 2009.
- **Company Ratings:** Based on MetLife's disclosure of the pending acquisition of Alico in February 2010, the rating agencies downgraded or placed the ratings of MetLife, Inc. and

its subsidiaries under review. The current insurer financial strength ratings are as follows:

Rating Agency	Rating	Descriptor	Modifier	Outlook
A.M. Best Company	A+	Superior	Ratings Under Review	Negative
Fitch Ratings	AA-	Very Strong	Stable	Stable
Moody's Investor Services	Aa3	Excellent	Negative Watch	Negative
Standard & Poor's	AA-	Very Strong	Negative Watch	Negative

While still strong and stable over the last few months, these early 2010 ratings represented a downgrade in MetLife's overall ratings. As a result, we have entered into regular conversations with MetLife about its financial situation and are seeking an expert review of the adequacy of the current ratings. Our expectation is that the credit watches will not be rescinded until MetLife's acquisition of Alico is completed by the end of 2010.

Dun & Bradstreet Credit Score Class: As of September 30, 2010, the credit score was 5 (highest risk), similar to the prior quarter. The Dun & Bradstreet report states that the company is past due in several accounts and has 3 accounts in collection. The highest amount past due is \$500,000.

Stock Performance: MetLife's closing share price on September 30, 2010, was \$38.45, down from its 52-week high of \$47.75 on April 23, 2010. The 52-week low was \$32.16 on November 3, 2009.

SAS 70 Report: There is no SAS report available.

Significant Events:

- August 16, 2010 – MetLife, Inc. declared third quarter 2010 dividends of \$0.25 per share on the company's floating rate non-cumulative preferred stock, Series A, and \$0.40 per share on the company's 6.50% non-cumulative preferred stock, Series B. Both dividends were paid September 15, 2010 to shareholders of record as of August 31, 2010.
- August 6, 2010 – MetLife, Inc. closed its recently announced public offering of 86.25 million shares of common stock resulting in gross proceeds of about \$3.6 billion. MetLife also closed its public offerings of \$3 billion in aggregate principal amount of senior debt. Net proceeds from the common stock and senior debt offerings will be used to help finance the company's potential acquisition of Alico.

Risk Mitigation: The Company ratings show that MetLife continues to have adequate reserves to pay all annuities into the future. It is the Board's practice to select only annuity providers that meet the highest standards. By requiring that providers be licensed to do business in all 50 states and the District of Columbia, we ensure that state insurance funds would be available to reimburse annuitants should a loss occur and that the provider would meet the most stringent state regulatory standards.

MetLife, Inc.
Income Statement
(in \$ millions)

	Six Months Ended 06/30/10 Unaudited	Year Ended 12/31/09 Audited	Six Months Ended 06/30/09 Unaudited	Year Ended 12/31/08 Audited
Revenues				
Premiums	13,516	26,460	12,698	25,914
Universal life and investment-type product policy fees	2,892	5,203	2,399	5,381
Net investment income	8,431	14,838	6,994	16,291
Other revenues	1,057	2,329	1,126	1,586
Net investment gains (losses)	1,540	(7,772)	(4,735)	1,812
Total revenues	27,436	41,058	18,482	50,984
Expenses				
Policyholder benefits and claims and policyholder dividends	14,555	29,986	13,528	29,188
Interest credited to policyholder account balances	2,192	4,849	2,397	4,788
Interest credited to bank deposits		163		166
Capitalization of DAC		(3,019)		(3,092)
Amortization of DAC and VOBA		1,307		3,489
Interest expense		1,044		1,051
Other expenses	7,127	11,061	5,891	10,333
Total expenses	23,874	45,391	21,816	45,923
Income (loss) from continuing operations before provision for income taxes	3,562	(4,333)	(3,337)	5,061
Provision for income tax expense (benefit)	1,188	(2,015)	(1,333)	1,580
Income from continuing operations	2,374	(2,318)	(2,004)	3,481
Income (loss) from discontinued operations, net of income taxes	7	40	38	(203)
Net income/(loss)	2,381	(2,278)	(1,966)	3,278
Less: Net income (loss) attributable to noncontrolling interests	(11)	(32)	(20)	69
Income before cumulative effect of a change in accounting, net of income taxes	2,392	(2,246)	(1,946)	3,209
Less: Preferred Stock Dividends	61	122	61	125
Net income/(loss)	2,331	(2,368)	(2,007)	3,084

MetLife, Inc.
Balance Sheet
(in \$ millions)

	06/30/10	12/31/09	06/30/09	12/31/08
	Unaudited	Audited	Unaudited	Audited
Assets				
Investments:				
Fixed maturities	246,348	227,642	211,563	188,251
Equity securities	2,741	3,084	3,045	3,197
Trading securities	3,158	2,384	1,471	946
Mortgage loans	58,251	50,909	52,500	51,364
Policy loans	10,180	10,061	9,907	9,802
Real estate and real estate joint ventures held for investment	6,832	6,852	7,295	7,585
Real estate held for sale	9	44	1	1
Other limited partnership interests	5,856	5,508	5,193	6,039
Short term investments	9,746	8,374	8,117	13,878
Other invested assets	15,584	12,709	13,071	17,248
Total investments	358,705	327,567	312,163	298,311
Cash and cash equivalents	10,702	10,112	13,213	24,207
Accrued investment income	3,249	3,173	3,019	3,061
Premiums and other receivables	18,177	16,752	16,730	16,973
Deferred policy acquisition costs	17,720	19,256	20,323	20,144
Current income taxes recoverable	243	316	253	-
Deferred income tax assets	-	1,228	3,856	4,927
Goodwill	5,037	5,047	5,036	5,008
Assets of subsidiaries held for sale	-	-	-	946
Other assets	6,712	6,822	7,896	7,262
Separate account assets	153,362	149,041	126,968	120,839
Total assets	573,907	539,314	509,457	501,678
Liabilities and stockholders' equity				
Liabilities				
Future policy benefits	140,239	135,879	132,823	130,555
Policyholder account balances	142,822	138,673	147,883	149,805
Other policyholder funds	8,660	8,446	8,319	7,762
Policyholder dividends payable	775	761	881	1,023
Policyholder dividend obligation	1,080	-	-	-
Payables for collateral under securities loaned and other transactions	29,772	24,196	24,607	31,059
Bank deposits	9,790	10,211	-	-
Short term debt	879	912	4,757	2,659
Long term debt	20,647	13,220	12,940	9,667
Collateral financing arrangements	5,297	5,297	5,297	5,192
Junior subordinated debt securities	3,191	3,191	2,691	3,758
Current income taxes payable	-	-	-	342
Other liabilities	2,050	15,989	14,679	14,284
Separate account liabilities	15,619	149,041	126,968	120,839
Liabilities of subsidiaries held for sale	153,362	-	-	748
Total liabilities	534,183	505,816	481,845	477,693
Stockholders' equity				
Preferred stock	1	1	1	1
Common stock	8	8	8	8
Additional paid in capital	16,896	16,859	16,849	15,811
Retained earnings	21,820	19,501	20,472	22,403
Treasury stock, at cost	(172)	(190)	(203)	(236)
Accumulated other comprehensive income (loss)	822	(3,058)	(9,834)	(14,253)
Total stockholders equity	39,375	33,121	27,293	23,734
Noncontrolling interests	349	377	319	251
Total Equity	39,724	33,498	27,612	23,985
Total liabilities and stockholders equity	573,907	539,314	509,457	501,678
Leverage: Total liabilities/Total assets	93.1%	93.8%	94.6%	95.2%

MetLife, Inc.
Statement of Cash Flows
(in \$ millions)

	Six Months Ended	Year Ended	Six Months	Year Ended
	06/30/10	12/31/09	Ended	12/31/08
	Unaudited	Audited	06/30/09 Unaudited	Audited
Net cash inflow/(outflow) from operating activities	3,928	3,803	(1,227)	10,702
Net cash inflow/(outflow) from investing activities	(10,120)	(13,935)	(8,881)	(2,671)
Net cash inflow/(outflow) from financing activities	6,861	(4,103)	(1,001)	6,189
Change in cash and cash equivalents	<u>590</u>	<u>(14,127)</u>	<u>(11,025)</u>	<u>13,871</u>
Cash and cash equivalents - beginning of the period	<u>10,112</u>	<u>24,239</u>	<u>24,239</u>	<u>10,368</u>
Cash and cash equivalents - end of the period	10,702	10,112	13,214	24,239