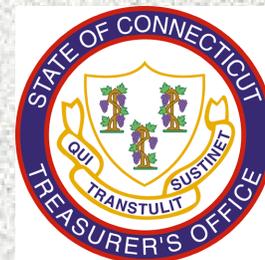


Short-Term Investment Fund Annual Investors Meeting March 27, 2009

Office of
Connecticut State Treasurer
Denise L. Nappier



STIF Annual Meeting

- Fiscal year 2008 results, events, and management responses
- Fiscal year 2009 update

Investor Returns – FY 2008

- Outperformed benchmark by 6 bps (4.13% vs. 4.07%) while maintaining cautious strategy for most of year
- Returned \$3 million to investors above the benchmark; extra \$139 million over past nine years
- AAAm rating maintained and affirmed by Standard & Poor's

STIF Performance

Period ending June 30, 2008

| | 1 YEAR | 3 YEARS | 5 YEARS | 7 YEARS | 10 YEARS |
|---|--------|---------|---------|---------|----------|
| Compounded Annual Total Return (%) | | | | | |
| STIF | 4.13 | 4.68 | 3.49 | 3.10 | 3.91 |
| MFR Index* | 4.07 | 4.40 | 3.16 | 2.75 | 3.55 |
| Fed. Three-Month T-Bill | 2.91 | 4.02 | 3.05 | 2.67 | 3.39 |
| Fed. Three-Month CD | 4.16 | 4.64 | 3.49 | 3.01 | 3.78 |
| Cumulative Total Return (%) | | | | | |
| STIF | 4.13 | 14.71 | 18.73 | 23.83 | 46.77 |
| MFR Index* | 4.07 | 13.80 | 16.85 | 20.88 | 41.75 |
| Fed. Three-Month T-Bill | 2.91 | 12.55 | 16.19 | 20.28 | 39.53 |
| Fed. Three-Month CD | 4.16 | 14.59 | 18.73 | 23.09 | 44.90 |

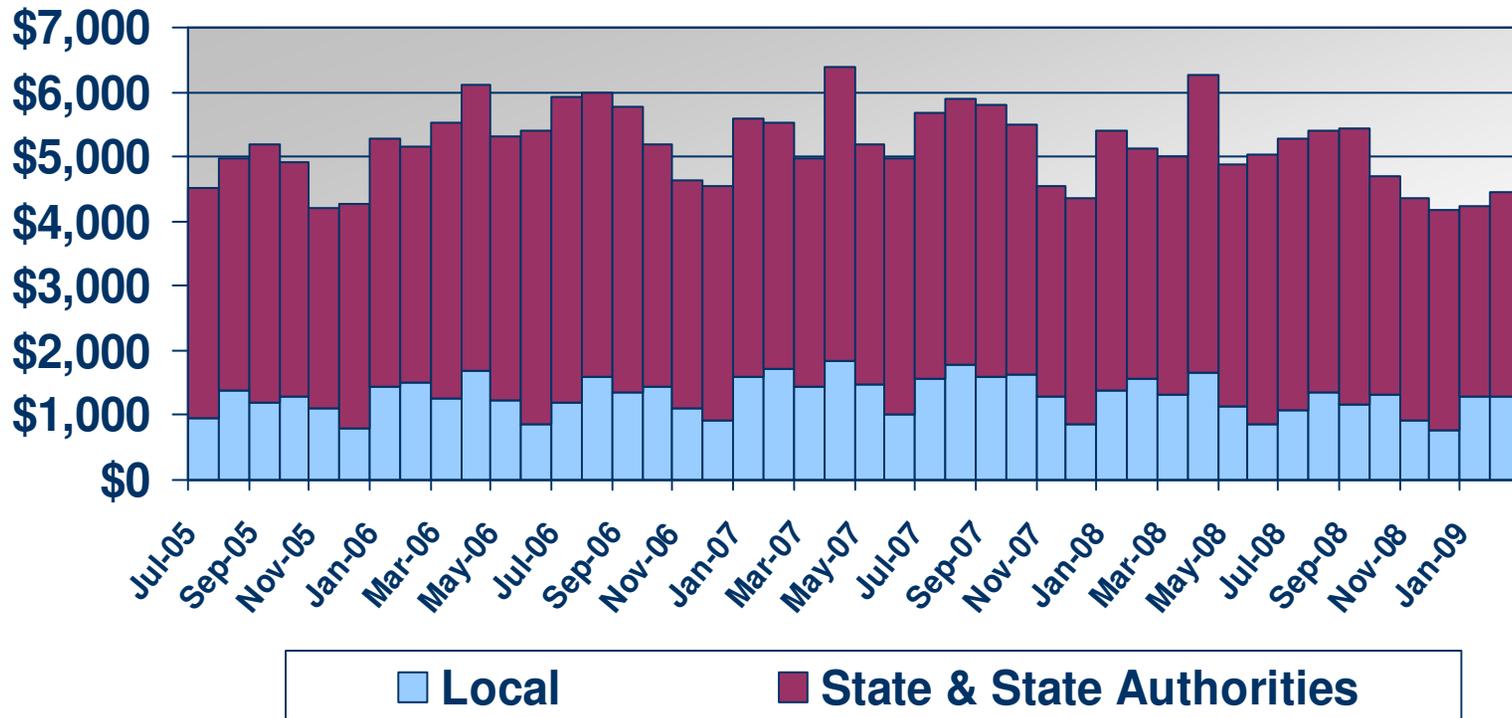
*Represents iMoneyNet's First Tier Institutional-only Rated Money Fund Report AveragesTM- (MFR) Index.

Amount Returned to Investors Above Benchmark

| | |
|------------------|----------------|
| Fiscal Year 2008 | \$3.0 million |
| Fiscal Year 2007 | \$21.1 million |
| Fiscal Year 2006 | \$18.4 million |
| Fiscal Year 2005 | \$17.0 million |
| Fiscal Year 2004 | \$15.7 million |
| Fiscal Year 2003 | \$16.3 million |
| Fiscal Year 2002 | \$16.1 million |
| Fiscal Year 2001 | \$15.8 million |
| Fiscal Year 2000 | \$15.6 million |
| Last Nine Years | \$139 million |

State and Local Deposits

(\$ in millions)



Credit Market Disruptions

- Concerns regarding subprime related mortgage securities
- Spreading to other mortgage and asset-backed securities and then general commercial paper market
- Cascading effects on banks, investment banks, insurance companies and broader economy

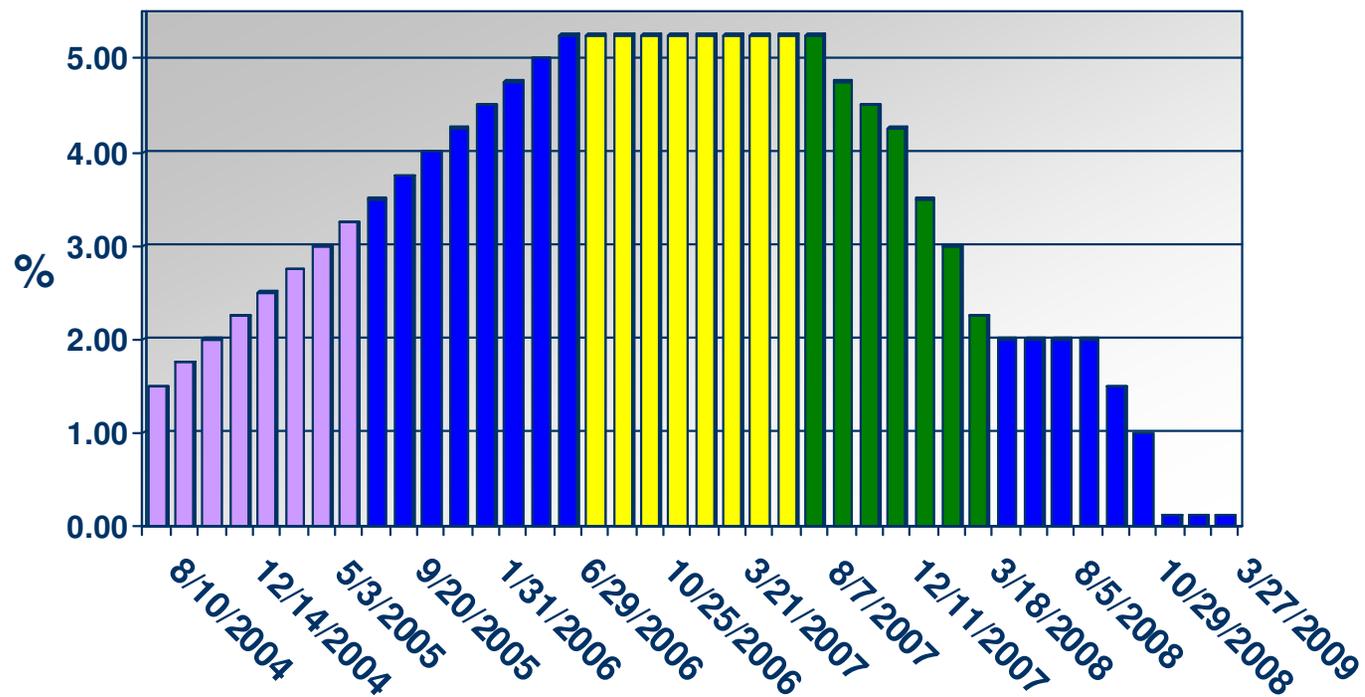
Market Events (partial list)

- Federal Reserve begins dropping interest rates
- U.S. Treasury, Federal Reserve & FDIC initiate extraordinary and widening range of lending, liquidity and support facilities
- Bear Stearns taken over by JPMorgan Chase with Federal Reserve support

Market Events (continued)

- U.S. places Fannie Mae & Freddie Mac in conservatorship
- Lehman Brothers fails
- U.S. bails out AIG
- Merrill Lynch purchased by Bank of America
- Reserve Primary Fund “breaks the buck”
- Morgan Stanley and Goldman Sachs become bank holding companies
- WaMu fails and taken over by JPMorgan Chase
- Wells Fargo purchases Wachovia
- U.S. rescues Citigroup and Bank of America
- U.S. invests TARP funds in over 400 banks and institutions

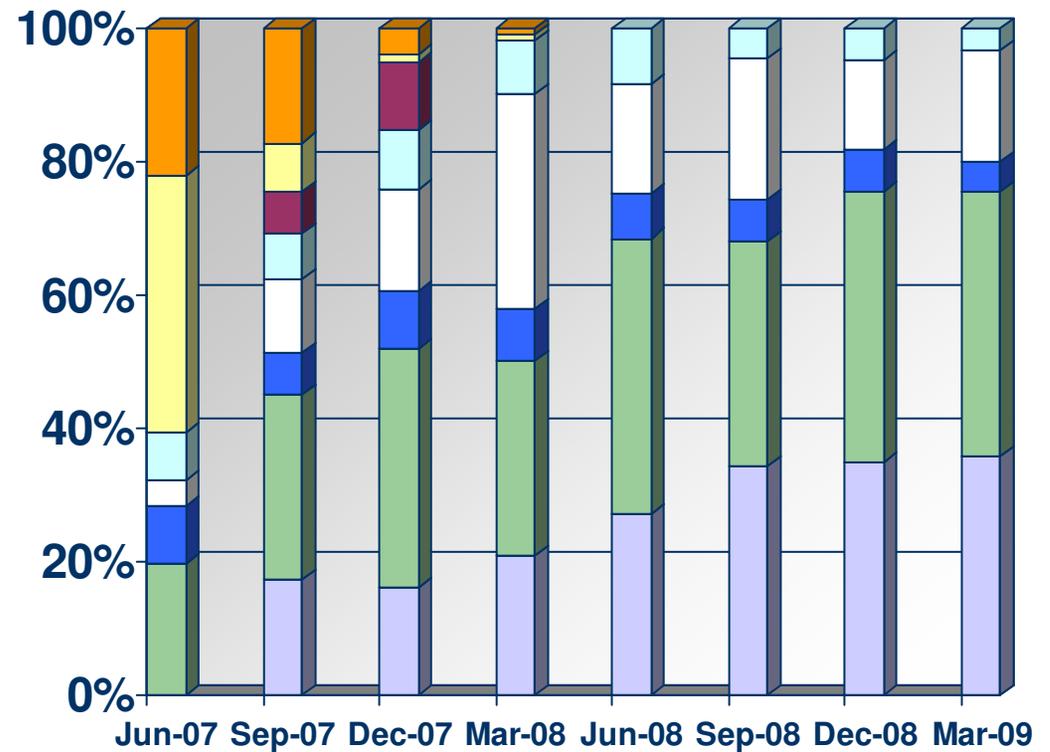
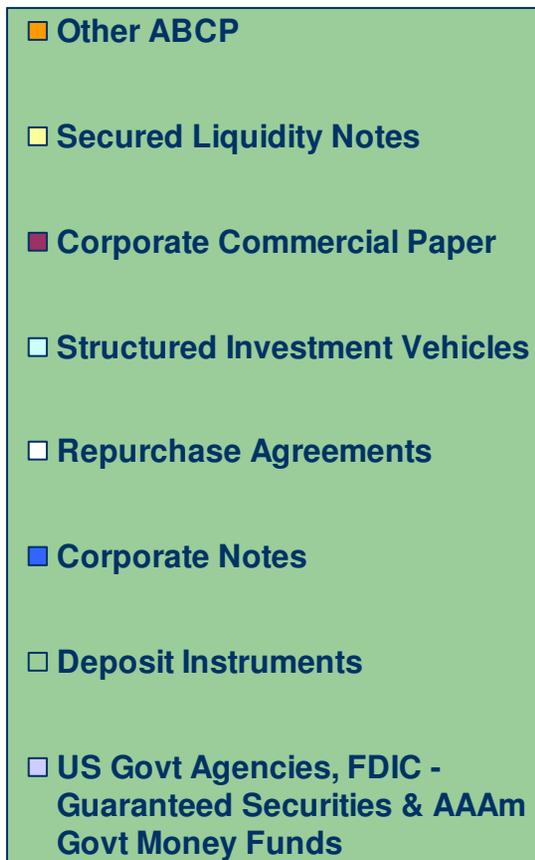
FOMC Federal Funds Target Rate History



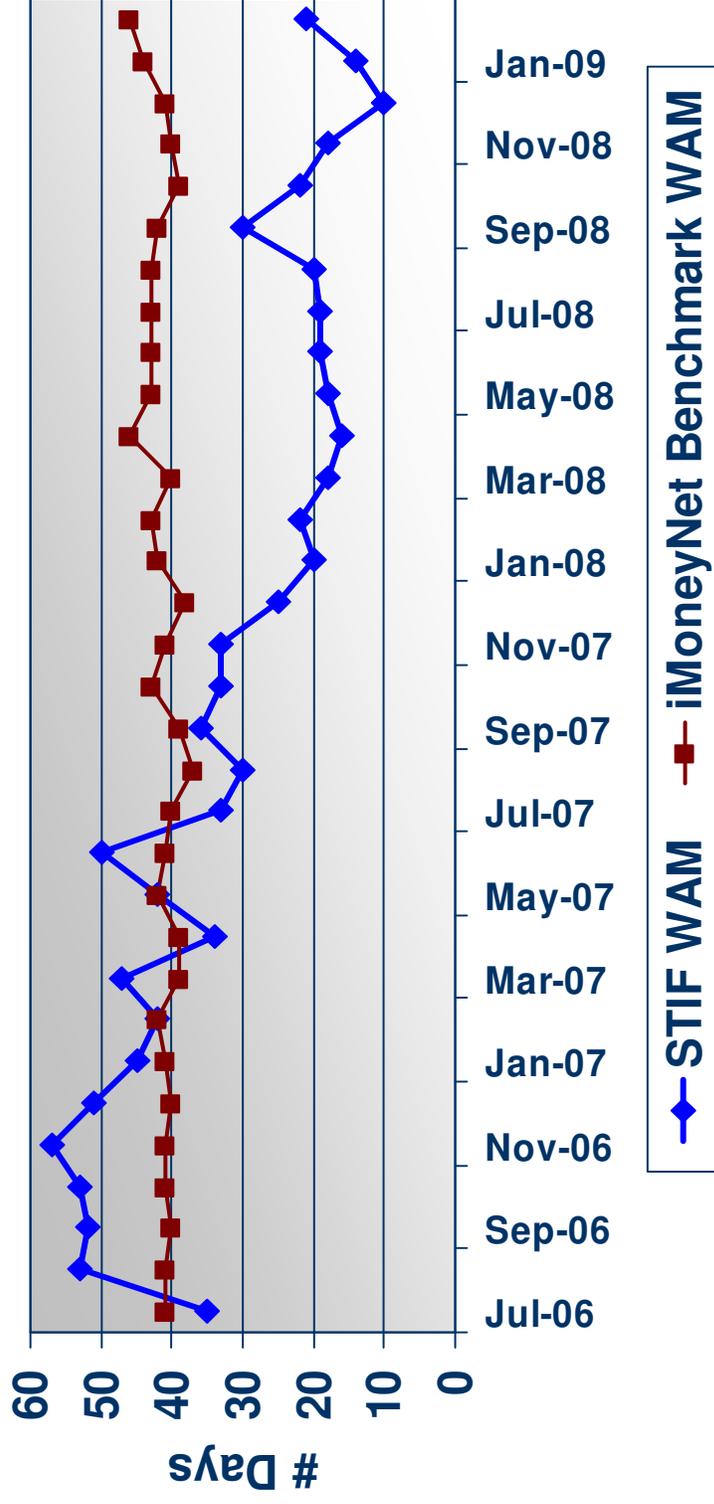
Portfolio Changes

- Reduce exposure to Asset-Backed Commercial Paper
- Restrict investments in securities of investment banks and bond insurance companies
- Increase exposure to U.S. government and FDIC-guaranteed securities
- Reduce average portfolio maturity
- Increase one-day liquidity
- Resulting in lower yield

Changing Portfolio Composition

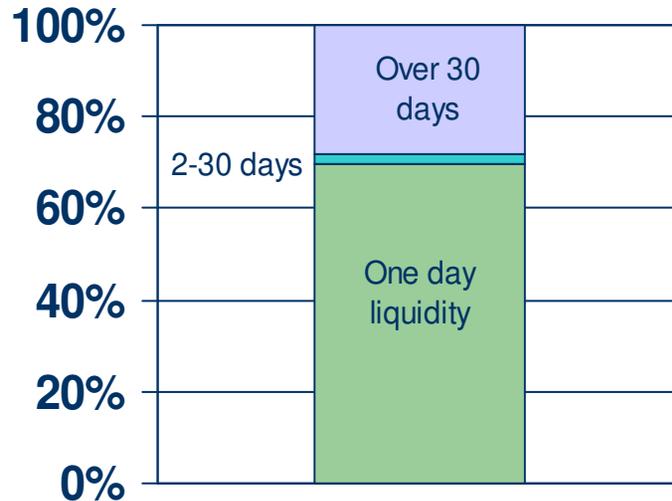


Weighted Average Maturity

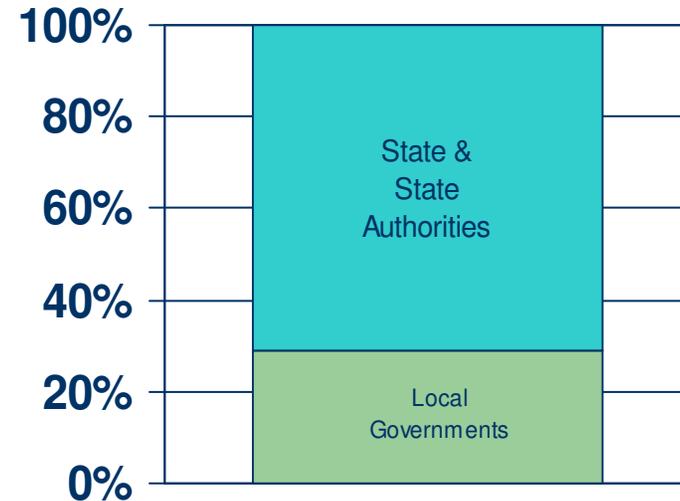


High Level of Liquidity

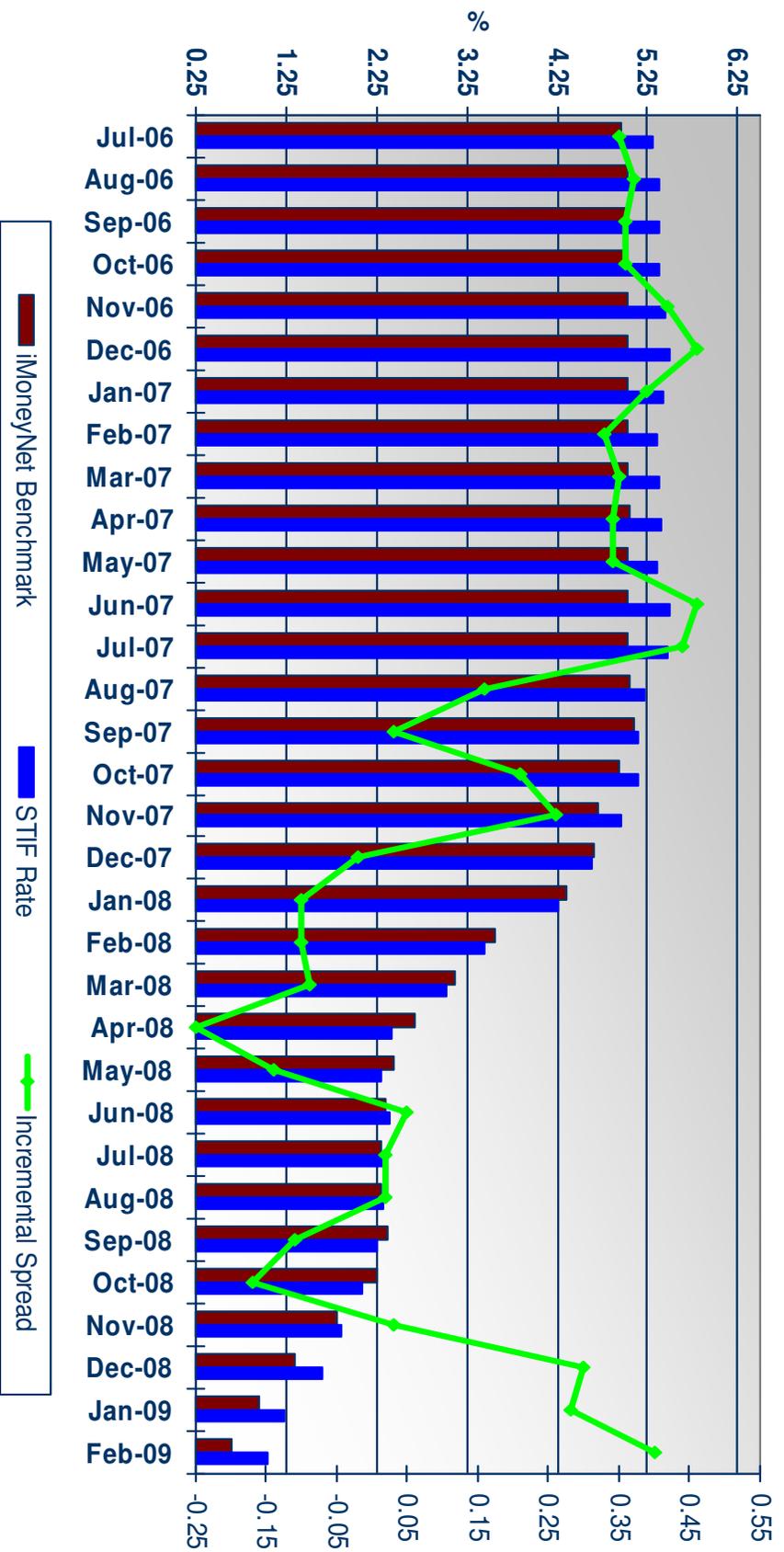
Liquidity Analysis at
February 27, 2009



STIF Deposits at
February 27, 2009



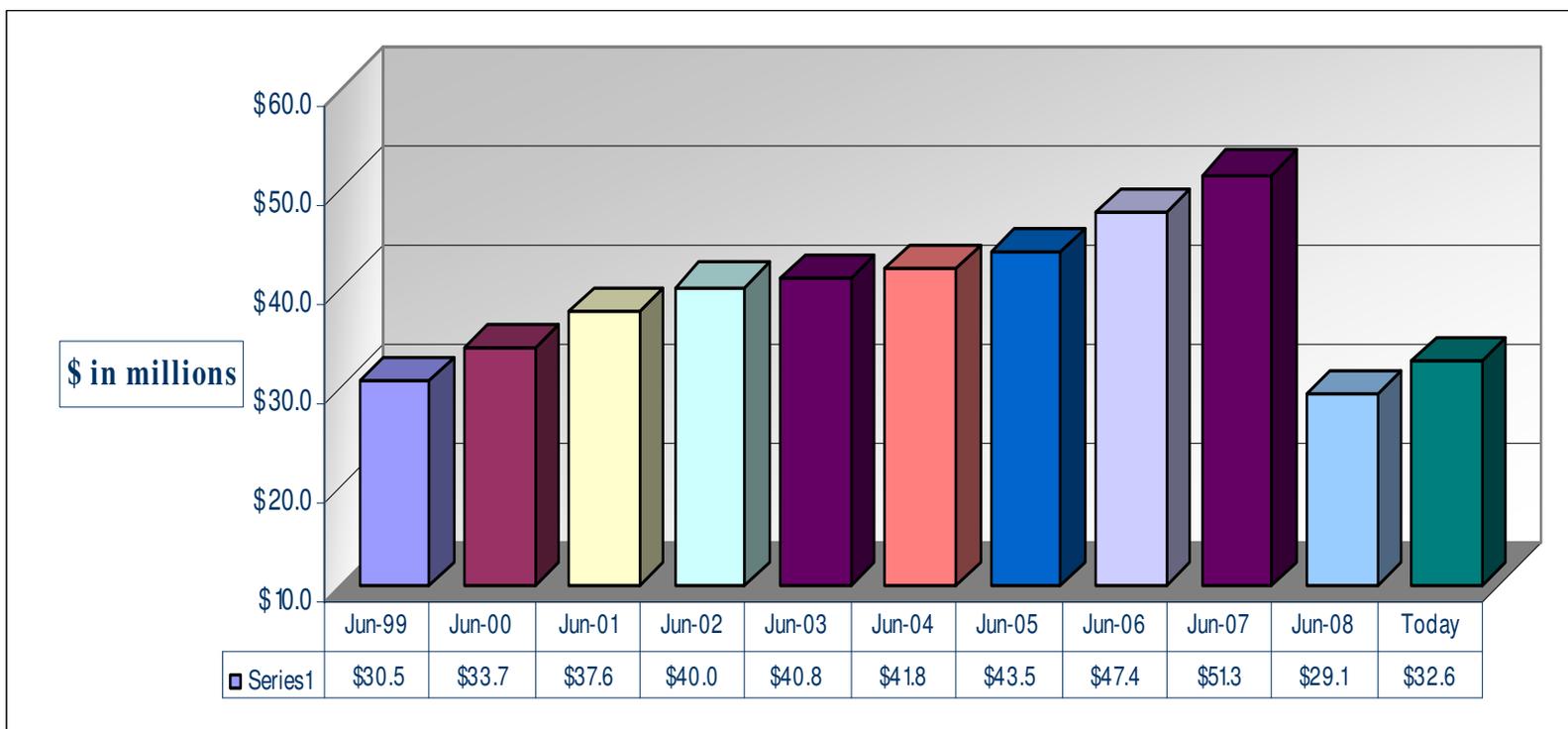
STIF Return vs. Benchmark



Cheyne Finance

- Restructured July 2008
- Converted to Gryphon Funding notes comprised of underlying portfolio of securities
- Received \$30 million in cash payments
- Transferred \$24 million from reserves to cover value adjustment
- Exposure currently \$46 million

STIF Reserves



Reserves have allowed the absorption of security value fluctuations without affecting STIF's \$1 per share NAV or the loss of principal to any STIF investor

Thank you!

For more information, please contact:

**Assistant Treasurer
Cash Management**

Lawrence A. Wilson, CTP
(860) 702-3126
lawrence.wilson@ct.gov

STIF Investment Management

Principal Investment Officer
Lee Ann Palladino, CFA
(860) 702-3255
leeann.palladino@ct.gov

Investment Officer
Paul A. Coudert
(860) 702-3254

Securities Analyst
Marc R. Gagnon
(860) 702-3158

Securities Analyst
Peter A. Gajowiak
(860) 702-3124

STIF Investor Services

Accountant
Barbara Szuba
(860) 702-3118

Investment Transactions

1-800-754-8430

Voice Response System

1-800-882-8211 (Fund 136)

STIF Express Online Account Access

www.state.ct.us/ott/STIFHome.htm