Thrift Savings Plan

C Fund

Common Stock Index Investment Fund

Fund Information

Net Assets
as of December 31, 2004
$65.7 billion

2004 Administrative Expense Ratio
.06% (6 basis points)
$0.60 per $1,000
account balance

Benchmark Index
Standard & Poor's 500
stock index
www.standardandpoors.com

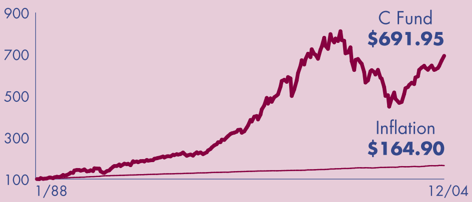
Asset Manager
Barclays Global Investors

Returns
as of December 31, 2004

	C Fund[1]	S&P 500 Index[2]
1 Year	10.8	10.9
5 Year	–2.3	–2.3
10 Year	12.0	12.1
Since Inception Jan 29, 1988	12.1	12.4

[1]After expenses [2]Without deductions

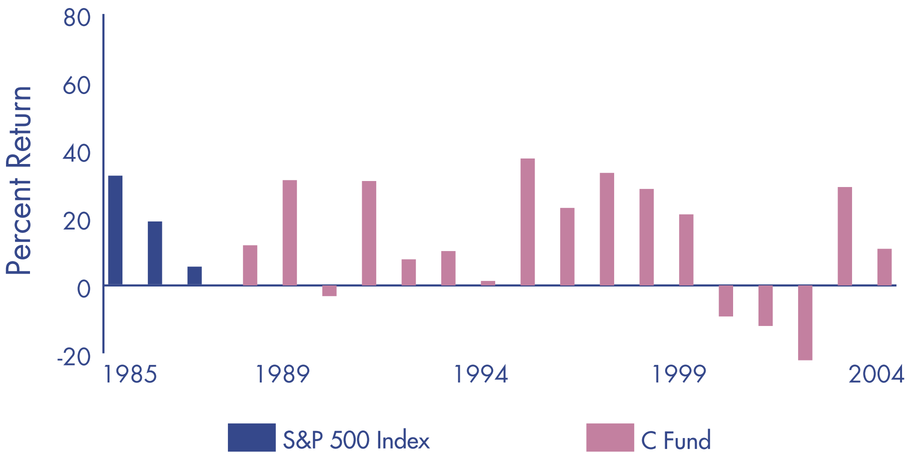
Growth of $100
Since Inception



Key Features

- The C Fund offers the opportunity to earn a potentially high investment return over the long term from a broadly diversified portfolio of stocks of large and medium-size U.S. companies.
- The objective of the C Fund is to match the performance of the S&P 500 index, a broad market index made up of stocks of 500 large to medium-size U.S. companies.
- There is a risk of loss if the S&P 500 index declines in response to changes in overall economic conditions (market risk).
- Earnings consist of gains and losses in the prices of stocks, and dividend income.

C Fund Returns*
1985–2004



* For periods before the inception of the C Fund, the rate shown is the return of the S&P 500 index (without deduction for management fees, trading costs, or administrative expenses).

S&P 500 Top Ten

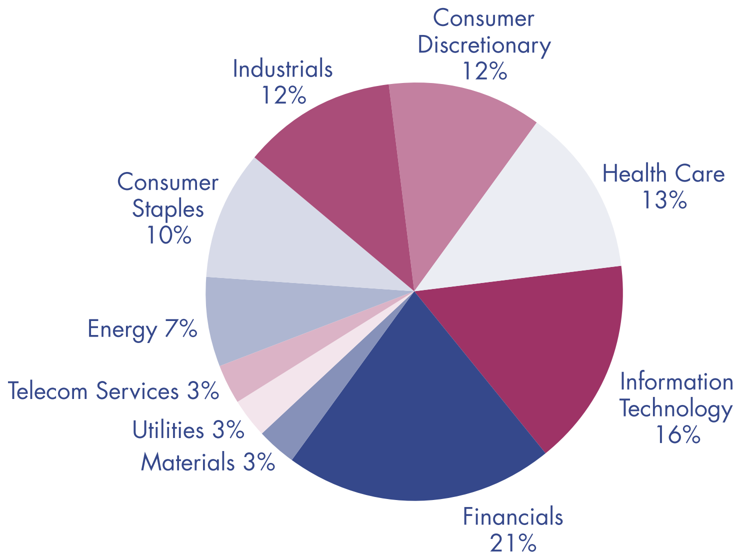
Company	**Percent of Index**
General Electric	3.42
Exxon Mobil Corporation	2.93
Microsoft Corporation	2.57
Citigroup, Inc.	2.22
Wal-Mart Stores, Inc.	1.98
Pfizer, Inc.	1.79
Bank of America Corporation	1.68
Johnson & Johnson	1.67
American International Group	1.52
International Business Machines	1.45

C Fund Facts

By law, the C Fund must be invested in a portfolio designed to replicate the performance of an index that includes stocks representing the U.S. stock market. The Federal Retirement Thrift Investment Board has chosen as its benchmark the S&P 500 index, which tracks the performance of major U.S. companies and industries.

The **S&P 500 index** is an index of 500 large to medium-size U.S. companies that are traded in the U.S. stock markets. The index was designed by Standard & Poor's Corporation (S&P) to provide a representative measure of U.S. stock market performance. As of December 31, 2004, 493 common stocks and 7 real estate investment trusts (REITs) were included in the index. (REITs accounted for 0.6 percent of the index's market value.) The companies in the index represented 113 separate industries classified into the 10 major industry groups shown in the chart. The S&P 500 index made up 78% of the market value of the U.S. stock markets.

S&P 500 Index
Major Industry Groups
December 31, 2004



The S&P 500 is considered a "big company" index. As of December 31, 2004, the largest 100 companies in the S&P 500 represented 66% of the index's market value. Currently, the S&P 500 index is weighted by full market capitalization. A company's weighting in the index is the total market value of the company (that is, the share price multiplied by the total number of shares outstanding) as a percentage of the combined market value of all companies in the index. During 2005, the S&P 500 index will move to a float-adjusted market capitalization, in which a company's market value and its weighting in the index are calculated using the number of shares that are freely traded, rather than all outstanding shares. Shares that are not freely traded, such as the holdings of controlling shareholders and their families, company management, and other companies, are excluded from the calculation.

Barclays Equity Index Fund—The C Fund is invested in the Barclays Equity Index Fund. The C Fund holds all the stocks included in the S&P 500 index in virtually the same weights that they have in the index. The performance of the Equity Index Fund is evaluated on the basis of how closely its returns match those of the S&P 500 index. A portion of Equity Index Fund assets is reserved to meet the needs of daily client activity. This liquidity reserve is invested in S&P 500 index futures contracts.

The C Fund invests in the Barclays Equity Index Fund by purchasing shares of the Barclays Equity Index Fund "E," which in turn holds primarily shares of the Barclays Equity Index Master Fund. As of December 31, 2004, C Fund holdings constituted $63.2 billion of the Equity Index Master Fund, which itself held $124.0 billion of securities.