

MASSACHUSETTS LABORERS' ANNUITY FUND

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November, 2008

Dear Participant:

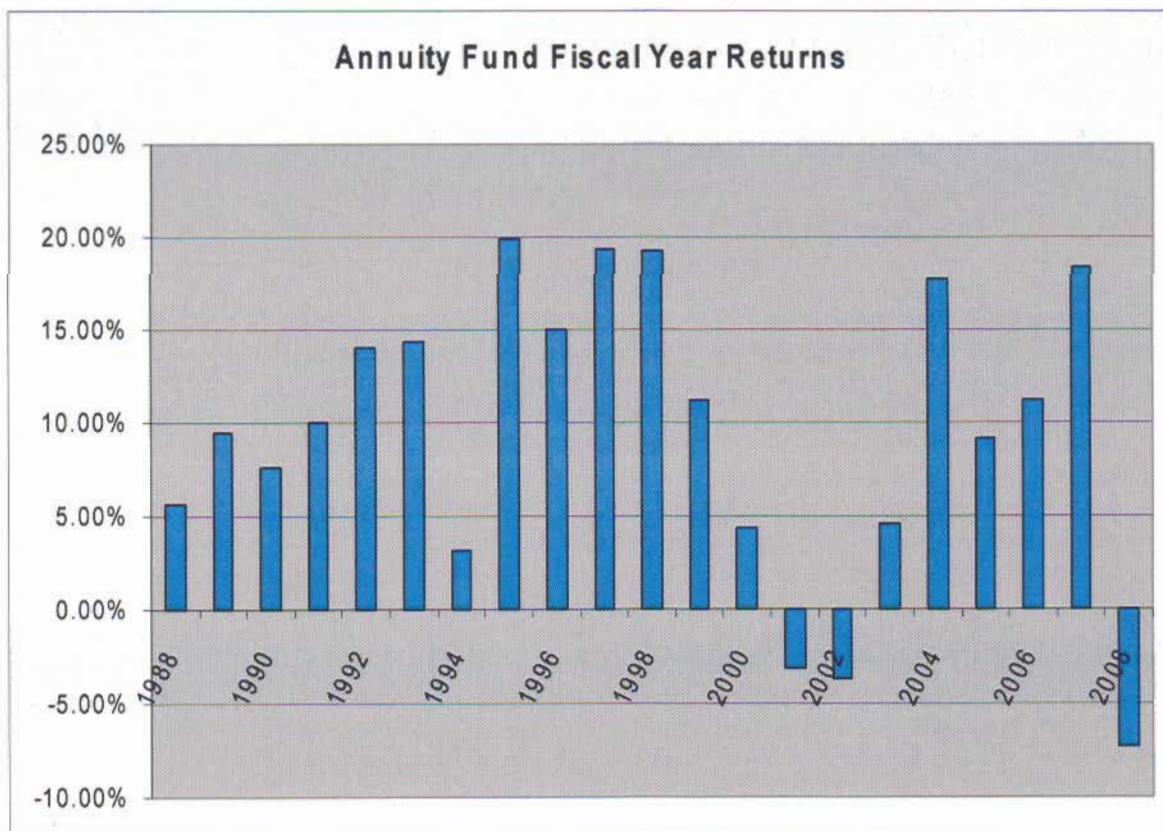
Market Performance

The performance of the world's capital markets experienced high levels of volatility and variability during the fiscal year ended June 30 2008. The Russell 3000 index, a broad measure of the US equity market, fell 12.7% over the past year, while the Lehman Aggregate bond index returned 7.1%. International stocks, as represented by the MSCI EAFE index, decreased by 10.6%. In general, growth-oriented stocks outperformed value over the trailing twelve-month period.

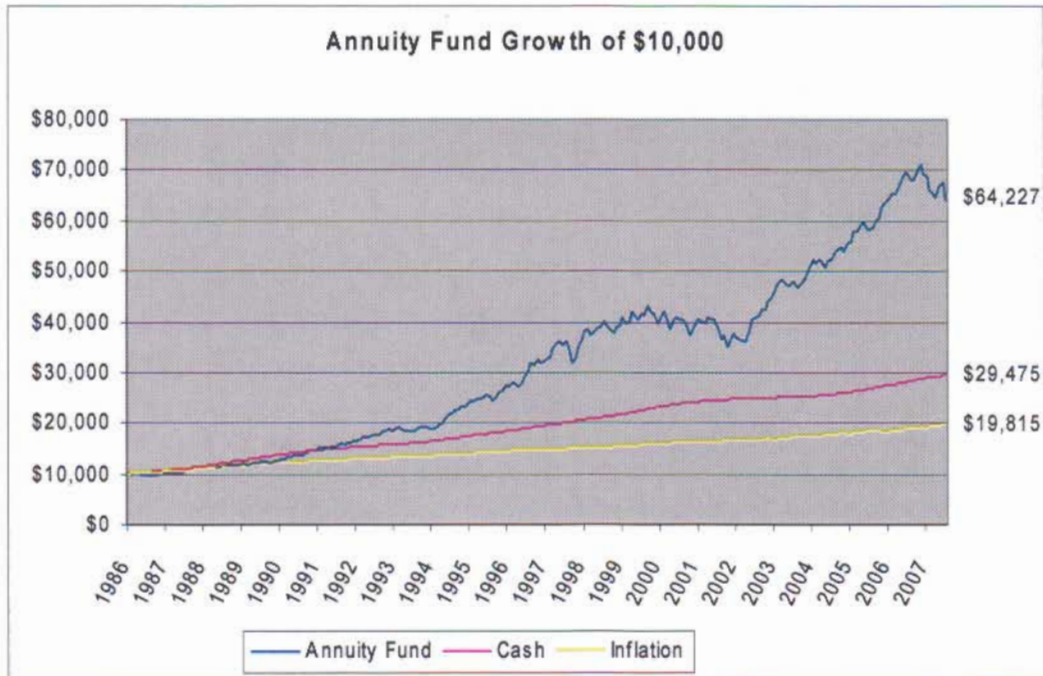
Fund Performance

In this environment, the Annuity Fund returned, after administrative expenses, a -7.9% for the fiscal year. The Fund's prudent diversification across various asset classes helped it avoid the large losses experienced by the US stock market. The Fund's fixed income investments, in aggregate, returned 5.0%. The SSgA TIPS Index portfolio was the Fund's top performing strategy, returning 15.2% during the fiscal year.

Although short-term fluctuations in the capital markets can cause worry and anxiety, it is important that plan participants maintain a long-term outlook. The Annuity Fund produced positive returns in 18 of the past 21 fiscal years ended June 30. Since December 1986, the Annuity Fund produced an average annual return of 9.0% and a cumulative return of over 540%. As a result, a participant who invested \$10,000 in December 1986 would have witnessed growth to over \$64,000 by the end of June 2008.



Although conservative investment strategies, such as cash or money market funds, may avoid negative returns in any given year, their investment returns may not keep pace with inflation, ultimately eroding the purchasing power of the Fund's participants; for the trailing one-year period, inflation of 5.0% was greater than the cash return of 4.3%. As a result, these strategies can be the riskiest in terms of creating any real growth of assets for retirement. For example, since December 1986, the average annual return of cash was only 5.2% and the cumulative return was only 195%, versus a return of over 540% for the Annuity Fund.



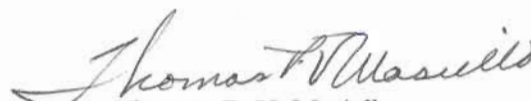
Fund Diversification and Structure

The Annuity Fund's spectacular long-term growth is the result of solid planning and careful Trustee oversight. The Trustees continue to carefully diversify the Fund by asset class, style, industry, and company to prudently position the Fund for continued growth while managing risk. Currently, the Fund is diversified across twelve equity, three fixed income, five real estate, one timber and three infrastructure portfolios that each serve a particular role within the Fund's overall asset allocation. Moving forward, the Trustees will continue to look for opportunities to further diversify the Fund's assets and improve the overall risk and return profile of the Annuity Fund.

Just a reminder that you can access your annuity account balance at any time, day or night, on the Massachusetts Laborers' Benefit Funds website at www.MLBF.org and follow the simple instructions. Also, keep in mind that your current annuity account balance is different from your annuity statement since the annuity statement reflects returns and balances for the fiscal year July 1, 2007, through June 30, 2008.

Enclosed, please find your individual annuity account statement for the fiscal year ended June 30, 2008. Should you have any questions, please call the Pension/Annuity Department at the Fund Office.

Fraternally yours,


 Thomas P. V. Masiello
 Executive Director

TPVM/gdo
 Enclosure