

COMBINED FINANCIAL STATEMENTS

New Jersey 529 College Savings Plan –
Franklin Templeton Managed Investment Options

New Jersey Better Education Savings Trust – New Jersey Division
of Investment Managed Investment Options

Year Ended June 30, 2009

**New Jersey 529 College
Savings Plan**

New Jersey 529 College Savings Plan –
Franklin Templeton Managed Investment Options

Combined Financial Statements and
Supplemental Information

Year Ended June 30, 2009

Contents

| | |
|--|----|
| Report of Independent Auditors | 1 |
| Combined Financial Statements | |
| Combined Statement of Assets and Liabilities | 2 |
| Combined Statement of Operations | 3 |
| Combined Statement of Changes in Net Assets | 4 |
| Notes to Financial Statements..... | 5 |
| Supplemental Information | |
| Financial Highlights..... | 12 |
| Statement of Investments..... | 44 |
| Combining Statements of Assets and Liabilities | 60 |
| Combining Statements of Operations | 64 |
| Combining Statements of Changes in Net Assets..... | 70 |

Report of Independent Auditors

To the Account Owners and Trustees of
New Jersey 529 College Savings Plan- Franklin Templeton Managed Investment Options- Age-Based Allocations,
Objective-Based Allocations and Individual Portfolios:

We have audited the accompanying combined statement of assets and liabilities of the New Jersey 529 College Savings Plan- Franklin Templeton Managed Investment Options (the "Plan")- Age-Based Allocations, Objective-Based Allocations and Individual Portfolios (three of the investment options of the Plan) as of June 30, 2009, and the related combined statement of operations for the year then ended, and the combined statements of changes in net assets for each of the two years in the period then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of June 30, 2009, by correspondence with the custodian and brokers. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the New Jersey 529 College Savings Plan- Franklin Templeton Managed Investment Options- Age-Based Allocations, Objective-Based Allocations and Individual Portfolios at June 30, 2009, the results of their combined statement of operations for the year then ended, and the combined statements of changes in net assets for each of the two years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Supplemental Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads 'Ernst & Young LLP'.

October 8, 2009

New Jersey Better Educational Savings Trust

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combined Statement of Assets and Liabilities June 30, 2009

Assets:

Investments in Underlying Funds:

| | |
|-------|-------------------------|
| Cost | \$ 1,992,673,060 |
| Value | <u>\$ 1,564,081,692</u> |

Receivables:

| | |
|-----------------------------------|----------------------|
| Investment securities sold | 6,635 |
| Plan shares sold | 1,436,688 |
| Wrapper agreement (at Fair Value) | <u>20,636</u> |
| Total assets | <u>1,565,545,651</u> |

Liabilities:

Payables:

| | |
|---------------------------------|-------------------------|
| Investment securities purchased | 2,733 |
| Plan shares redeemed | 1,209,614 |
| Accrued expenses | <u>2,013,407</u> |
| Total liabilities | <u>3,225,754</u> |
| Net assets, at value | <u>\$ 1,562,319,897</u> |

New Jersey Better Educational Savings Trust

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combined Statement of Operations June 30, 2009

| | |
|---|-------------------------|
| Investment income - dividends from Underlying Funds | \$ 42,055,436 |
| Expenses: | |
| Program management fees (Note 2) | 5,811,427 |
| Distribution fees | |
| Class A | 1,456,736 |
| Class B | 1,870,704 |
| Class C | 3,426,692 |
| Sub-advisory fees (Note 2) | 57,444 |
| Total expenses | <u>12,623,003</u> |
| Net investment income | <u>29,432,433</u> |
| Realized and unrealized gains (losses): | |
| Net realized gain (loss) from: | |
| Sale of investments in Underlying Funds | (76,422,218) |
| Realized gain distributions by Underlying Funds | <u>35,628,086</u> |
| Net realized gain (loss) | (40,794,132) |
| Net change in unrealized appreciation (depreciation) on Investments in Underlying Funds and Wrapper Agreements | <u>(304,739,715)</u> |
| Net realized and unrealized gain (loss) | <u>(345,533,847)</u> |
| Net increase (decrease) in net assets resulting from operations | <u>\$ (316,101,414)</u> |

New Jersey Better Educational Savings Trust

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combined Statement of Changes June 30, 2009

| | Year Ended June 30, | |
|---|-------------------------|-------------------------|
| | 2009 | 2008 |
| Increase (decrease) in net assets: | | |
| Operations: | | |
| Net investment income | \$ 29,432,433 | \$ 27,130,095 |
| Net realized gain (loss) from Underlying Funds | (40,794,132) | 108,976,142 |
| Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrap Agreements | (304,739,715) | - |
| | <u>(316,101,414)</u> | <u>(189,229,565)</u> |
| Plan share transactions: | | |
| Subscriptions | 525,169,795 | 611,179,987 |
| Redemptions | <u>(354,996,797)</u> | <u>(250,901,700)</u> |
| Net increase (decrease) in net assets resulting from plan share transactions | <u>170,172,998</u> | <u>360,278,287</u> |
| Net increase (decrease) in net assets | (145,928,416) | 171,048,722 |
| Net assets: | | |
| Beginning of year | <u>1,708,248,313</u> | <u>1,537,199,591</u> |
| End of year | <u>\$ 1,562,319,897</u> | <u>\$ 1,708,248,313</u> |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options

Notes to Combined Financial Statements for the year ended June 30, 2009

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The New Jersey Better Educational Savings Trust (“Trust”) was established by the State of New Jersey (the “State”) to allow Account Owners and Beneficiaries under the State’s New Jersey 529 College Savings Plan (“Program”) to qualify for federal tax benefits in a qualified tuition program under section 529 of the Internal Revenue Code of 1986, as amended. The New Jersey Higher Education Student Assistance Authority (“HESAA”) is responsible for establishing and maintaining the Program on behalf of the State. HESAA serves as a trustee of the Trust, administers the Program and is authorized to establish investment policies, select investment managers and the Program Manager, and adopt regulations and provide for the performance of other functions necessary for the operation of the Program and the various plans included in the Program.

In 2003, Franklin Templeton Distributors, Inc. (“FTDI”), a wholly-owned subsidiary of Franklin Resources, Inc., and HESAA entered into a Services Agreement under which FTDI serves as the Program Manager. FTDI provides, directly or through affiliates, certain distribution, investment management and administrative services relating to the Program. Franklin Advisers, Inc. (“Franklin Templeton”), an affiliate of FTDI, serves as the Investment Manager for the plans covered under this report. Franklin Templeton is not responsible for the investment management services of the S&P 500 Index Fund 529 Portfolio (“S&P Portfolio”). The S&P Portfolio is managed by UBS Global Asset Management.

This report provides the financial results of the portfolios managed by Franklin Templeton that are available through the New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options offered to Account Owners under the plan names: NJBEST 529 College Savings Plan, and, Franklin Templeton 529 College Savings Plan (“Plans”).

Under the Plans, an Account Owner establishes an Account in the name of a Beneficiary and may elect to allocate contributions among the “Portfolios” of the three types of investment options, known as the Age-Based Allocations, Objective-Based Allocations, and Individual Portfolios. In the Age-Based Allocations, contributions are allocated among four age bands, based on the age of the Beneficiary. Each Age-Based Investment Option invests in certain Franklin Templeton/Mutual Series Mutual Funds (the “Funds”) in varying percentages, as determined by HESAA. The Objective-Based Allocations portfolios each offer a distinctive investment strategy. The Individual Portfolios invest solely in a single underlying Fund or account. In the case of the S&P 500 Index Fund 529 Portfolio, the portfolio invests in the UBS S&P 500 Index Fund. The portfolios under these investment options, grouped by type, are as follows:

| Age-Based Allocations | Objective-Based Allocations | Individual Portfolios |
|------------------------------|---|---|
| Age Newborn – 8 Years | Franklin Templeton Corefolio Portfolio | Franklin Growth 529 Portfolio |
| Age 9 – 12 Years | Franklin Templeton Founding Funds 529 Portfolio | Franklin Income 529 Portfolio |
| Age 13 – 16 Years | Growth Portfolio | Franklin Small-Mid Cap Growth 529 Portfolio |
| Age 17 + Years | Growth and Income Portfolio | Franklin Templeton Stable Value 529 Portfolio |
| | Income Portfolio | Mutual Shares 529 Portfolio |
| | | S&P 500 Index Fund 529 Portfolio |
| | | Templeton Growth 529 Portfolio |

Effective May 6, 2009, the Franklin Capital Growth 529 Portfolio was renamed the Franklin Growth 529 Portfolio.

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options

**Notes to Combined Financial Statements (*continued*)
for the year ended June 30, 2009**

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (*continued*)

The Age-Based and Objective-Based Allocations, excluding the Franklin Templeton Founding Funds 529 Portfolio, offer four classes of Trust Shares. The Franklin Templeton Stable Value 529 Portfolio and the S&P 500 Index Fund 529 Portfolio also offer four classes of Trust Shares: Class A, Class B, Class C and Direct sold Trust Shares. The remaining Individual Portfolios, as well as Franklin Templeton Founding Funds 529 Portfolio, offer three classes of shares: Class A, Class B and Class C shares. Each class of shares differs by its initial sales load, contingent deferred sales charges and distribution fees. The Direct sold Trust Shares class is only available to New Jersey residents who invest in the NJBEST 529 College Savings Plan without a financial advisor.

The following summarizes the Trusts' significant accounting policies.

a. Security Valuation

Net asset value per share is calculated as of the close of trading of the NYSE. Investments in the Underlying Funds are valued at their net asset value each trading day.

b. Security Transactions, Investment Income and Expenses

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on an average cost basis. Estimated expenses are accrued daily. Dividend income and realized gain distributions by Underlying Funds are recorded on the ex-date.

The Portfolios indirectly bear their proportionate share of expenses from the Underlying Funds. Since the Underlying Funds have varied expense levels and the Portfolios may own different proportions of the Underlying Funds at different times, the amount of expenses incurred indirectly by the Portfolios will vary.

Realized and unrealized gains and losses and net investment income, other than class specific expenses, are allocated daily to each class of shares based upon the relative proportion of net assets of each class.

c. Guarantees and Indemnifications

In the normal course of business, the Trust, on behalf of the Portfolios, enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. Currently, the Trust expects the risk of loss to be remote.

d. Wrap Agreements

The Franklin Stable Value 529 Portfolio ("Stable Value Portfolio") may enter into Wrap Agreements with insurance companies, banks or other financial institutions ("Wrap Providers") that are rated, at the time of purchase, the equivalent of at least AA- or better, by a rating agency. A Wrap Agreement is a derivative instrument that is designed to protect some or all of a portfolio from investment losses. While the Stable Value Portfolio seeks to preserve the value of its

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options

**Notes to Combined Financial Statements (*continued*)
for the year ended June 30, 2009**

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (*continued*)

d. Wrap Agreements (*continued*)

investments through Wrap Agreements, there is no guarantee that the Stable Value Portfolio will not lose money during any period. There is no active trading market for Wrap Agreements, and none is expected to develop. The value of the wrap contract is determined by a present value discounting of the difference between the contractual wrap fee rate and the re-bid rate. The annual dollar differential in the fee level is discounted using a duration matched swap rate that approximates the risk free rate of interest. Inputs used in the calculation of the fair valuation of the wrap contracts include the book value of the wrap contracts, contractual wrap fee rates, re-bid wrap fee rates, wrap portfolio duration, and the swap rate matched to the wrapped fixed income portfolio duration (present value discount factors).

As of June 30, 2009, Stable Value Portfolio has Wrap Agreements with State Street Bank and Bank of America, the Wrap Providers. The terms of the Wrap Agreements also require Stable Value Portfolio to maintain minimum cash and cash equivalent percentages. Throughout the term of the Wrap Agreements, the Stable Value Portfolio will pay the Wrap Providers on a quarterly basis, an annualized wrap fee based on the Wrap Agreements' book value balance. The crediting rate used in computing the book value is the actual yield of the covered assets, plus or minus the unrealized gain or loss on the covered assets, based on fluctuations in the market value of the covered assets amortized over the duration of the covered assets. At June 30, 2009, the covered assets included Stable Value Portfolio's holdings in the Franklin Limited Maturity U.S. Government Securities Fund, Advisor Class. The crediting rate is calculated by a formula specified by each Wrap Agreement and is adjusted periodically. The crediting rate used for each of the Stable Value Portfolio's Wrap Agreements is net of the 0.10% wrap fee.

A default by the issuer of a portfolio security or a Wrap Provider on its obligations may result in a decrease in the value of the portfolio assets and, consequently, the shares of the Stable Value Portfolio. Wrap Agreements generally do not protect the portfolio from loss if an issuer of portfolio securities defaults on payments of interest or principal. Additionally, a Stable Value Portfolio shareholder may realize more or less than the actual investment return on the portfolio securities depending upon the timing of the shareholder's purchases and redemption of shares, as well as those of other shareholders.

The Stable Value Portfolio's investments and Wrap Agreements are reflected at fair market value in the accompanying financial statements. Net asset value for purposes of valuing transactions by Plan participants, however, continues to be calculated utilizing Wrap Agreements valued at contract value.

See Note 4 regarding other derivative information.

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options

Notes to Combined Financial Statements (*continued*)
for the year ended June 30, 2009

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (*continued*)

e. Income Taxes

No provision for federal income tax has been made. The Program is established to be a qualified tuition program under Section 529 of the Internal Revenue Code, which is exempt from federal and state income tax, and does not expect to have any unrelated business income subject to tax.

f. Accounting Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

2. MANAGEMENT AGREEMENTS

The Portfolios pay annual Program management fees based on the average daily net assets of each portfolio as follows:

| Investment Option | FTDI Management Fee | HESAA Administrative Fee | Total Program Fee |
|---|------------------------|-----------------------------|----------------------|
| New Jersey 529 College Savings Plan - New Jersey Resident Accounts | 0.25% | 0.15% | 0.40% |
| New Jersey 529 College Savings Plan - Non-New Jersey Resident Accounts | 0.35% | 0.05% | 0.40% |

The Portfolios pay annual asset-based sales fees to FTDI up to 0.25%, 1.00%, and 1.00% per year of their average daily net assets of Class A, Class B, and Class C, respectively, for costs incurred in marketing the Portfolios' shares.

Stable Value Portfolio pays Dwight Asset Management a sub-advisory fee of 0.10% based on average daily net assets.

Franklin Templeton Services, LLC ("FTS") an affiliate of FTDI provides accounting services for the Trust. Franklin Templeton Investor Services, LLC ("FTI"), an affiliate of FTDI and FTS, performs transfer agency services for the Trust. No fees are paid by the Trust for accounting or transfer agency services.

3. INVESTMENTS

At June 30, 2009, the net unrealized depreciation of portfolio investments was \$428,591,368 consisting of gross unrealized appreciation of \$2,430,592 and gross unrealized depreciation of \$431,021,960.

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options

Notes to Combined Financial Statements (*continued*)
for the year ended June 30, 2009

3. INVESTMENTS (*continued*)

Purchases and sales of portfolio securities (excluding short term securities) for the year period ended June 30, 2009 aggregated \$516,656,570 and \$335,564,057 respectively.

For a list of each portfolio's investments at June 30, 2009, please see the Statement of Investments for each portfolio in the Supplemental Information.

4. OTHER DERIVATIVE INFORMATION

The Trust adopted Financial Accounting Standards Board ("FASB") Statement No. 161- Disclosures about Derivative Instruments and Hedging Activities, which require enhanced disclosures about derivative instruments and hedging activities, including how such activities are accounted for and their effect on the Trust's financial statements.

At June 30, 2009, Wrap Agreements are reflected on the Statement of Assets and Liabilities as follows:

| Asset Derivatives | | |
|--|--|-------------------|
| Derivative Contracts Not Accounted for as Hedging Instruments Under FASB Statement No. 133 | Statement of Assets and Liabilities Location | Fair Value Amount |
| Other Contracts | Wrap Agreements | \$ 20,636 |

For the year ended June 30, 2009, the effect of Wrap Agreements on the Trust's Statement of Operations was as follows:

| Derivative Contracts Not Accounted for as Hedging Instruments Under FASB Statement No. 133 | Statement of Operations Locations | Realized Gain (Loss) for the Year Ended June 30, 2009 | Unrealized Appreciation (Depreciation) for the Year Ended June 30, 2009 | Average Notional Amount Outstanding During the Year ^a |
|--|---|---|---|--|
| Other Contracts | Net change in unrealized appreciation (depreciation) on Wrap Agreements | \$ - | \$20,636 | \$12,290,477 |

^a Represents the book value of the Wrap Contracts outstanding during the year.

5. FAIR VALUE MEASUREMENTS

The Trust adopted Financial Accounting Standards Board ("FASB") issued Statement No. 157, "Fair Value Measurement" ("SFAS 157"), on July 1, 2008. SFAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The Trust has determined that the implementation of SFAS 157 did not have a material impact on the Trust's financial statements.

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options

Notes to Combined Financial Statements (*continued*)
for the year ended June 30, 2009

5. FAIR VALUE MEASUREMENTS (*continued*)

SFAS 157 establishes a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Trust's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Trust's investments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Trust's own assumptions in determining the fair value of investments)

The following is a summary of the inputs used as of June 30, 2009, in valuing the Trust's assets carried at fair value:

| | Level 1 | Level 2 | Level 3 | Total |
|---------------------------------|-----------------|-----------|---------|-----------------|
| Assets: | | | | |
| Investments in Securities: | | | | |
| Open End Mutual Funds | \$1,435,375,573 | \$ - | \$ - | \$1,435,375,573 |
| Short Term Investments | 128,706,119 | - | - | 128,706,119 |
| Total Investments in Securities | \$1,564,081,692 | \$ - | \$ - | \$1,564,081,692 |
| Wrap Agreements | \$ - | \$ 20,636 | \$ - | \$ 20,636 |

6. ACCOUNTING PRONOUNCEMENTS ISSUED – NOT YET ADOPTED

In July 2006, FASB issued FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes – an Interpretation of FASB Statement No. 109" ("FIN 48"). FIN 48 clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return. FIN 48 provides guidance on the measurement, recognition, classification and disclosure of tax positions, along with accounting for the related interest and penalties. FIN 48 is effective for fiscal years beginning after December 15, 2006, and is to be applied to all open tax years as of the date of effectiveness. On December 17, 2008, the FASB extended the implementation date for certain nonpublic companies until annual financial statements for fiscal years beginning after December 15, 2008.

The Trust elects to defer the application of FIN 48 in accordance with the deferral. The Trust's accounting policy for evaluating uncertain tax positions during the deferral period is based on the recognition and disclosure criteria for loss contingencies under FASB Statement No. 5 "Accounting for Contingencies" and FASB Statement No. 109 "Accounting for Income Taxes".

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan –
Franklin Templeton Managed Investment Options

Notes to Combined Financial Statements (*continued*)
for the year ended June 30, 2009

7. SUBSEQUENT EVENTS

The Trust has evaluated subsequent events through October 8, 2009, the issuance date of the financial statements and determined that disclosure of the following is necessary:

Effective July 1, 2009, FTDI and HESSA have agreed to waive a portion of their fees and assume payment of expenses for the Stable Value Portfolio as is necessary to reimburse the Portfolio for expenses in excess of income earned.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|----------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Age Newborn - 8 Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 18.09 | \$ 20.70 | \$ 16.92 | \$ 14.97 | \$ 13.78 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.09 | 0.14 | 0.08 | 0.10 | 0.05 |
| Net realized and unrealized gain (loss) | (4.48) | (2.75) | 3.70 | 1.85 | 1.14 |
| Total from investment operations | (4.39) | (2.61) | 3.78 | 1.95 | 1.19 |
| Net asset value, end of year | \$ 13.70 | \$ 18.09 | \$ 20.70 | \$ 16.92 | \$ 14.97 |
| Total return ^d | (24.27)% | (12.61)% | 22.34% | 13.03% | 8.64% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment income ^c | 0.65% | 0.73% | 0.41% | 0.59% | 0.39% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 142,940 | \$ 167,689 | \$ 155,272 | \$ 96,450 | \$ 53,142 |
| | Class B | | | | |
| | Year Ended June 30, | | | | |
| Age Newborn - 8 Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 17.37 | \$ 20.02 | \$ 16.49 | \$ 14.70 | \$ 13.64 |
| Income from investment operations ^a : | | | | | |
| Net investment loss ^{b,c} | (0.01) | - ^f | (0.06) | (0.03) | (0.05) |
| Net realized and unrealized gain (loss) | (4.31) | (2.65) | 3.59 | 1.82 | 1.11 |
| Total from investment operations | (4.32) | (2.65) | 3.53 | 1.79 | 1.06 |
| Net asset value, end of year | \$ 13.05 | \$ 17.37 | \$ 20.02 | \$ 16.49 | \$ 14.70 |
| Total return ^d | (24.87)% | (13.24)% | 21.41% | 12.18% | 7.77% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment loss ^c | (0.10)% | (0.02)% | (0.34)% | (0.16)% | (0.33)% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 53,192 | \$ 67,488 | \$ 66,196 | \$ 46,670 | \$ 30,925 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

^fAmount rounds to less than \$0.01.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|----------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Age Newborn - 8 Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 17.59 | \$ 20.27 | \$ 16.69 | \$ 14.88 | \$ 13.81 |
| Income from investment operations ^a : | | | | | |
| Net investment loss ^{b,c} | (0.01) | - ^d | (0.06) | (0.02) | (0.05) |
| Net realized and unrealized gain (loss) | (4.35) | (2.68) | 3.64 | 1.83 | 1.12 |
| Total from investment operations | (4.36) | (2.68) | 3.58 | 1.81 | 1.07 |
| Net asset value, end of year | \$ 13.23 | \$ 17.59 | \$ 20.27 | \$ 16.69 | \$ 14.88 |
| Total return ^e | (24.79)% | (13.22)% | 21.45% | 12.16% | 7.75% |
| Ratios to average net assets | | | | | |
| Expenses ^f | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment loss ^c | (0.10)% | (0.02)% | (0.34)% | (0.16)% | (0.35)% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 51,959 | \$ 58,733 | \$ 56,258 | \$ 36,044 | \$ 22,288 |
| | Direct | | | | |
| | Year Ended June 30, | | | | |
| Age Newborn - 8 Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 18.29 | \$ 20.88 | \$ 17.03 | \$ 15.03 | \$ 13.80 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.13 | 0.19 | 0.12 | 0.14 | 0.09 |
| Net realized and unrealized gain (loss) | (4.53) | (2.78) | 3.73 | 1.86 | 1.14 |
| Total from investment operations | (4.40) | (2.59) | 3.85 | 2.00 | 1.23 |
| Net asset value, end of year | \$ 13.89 | \$ 18.29 | \$ 20.88 | \$ 17.03 | \$ 15.03 |
| Total return ^e | (24.06)% | (12.40)% | 22.61% | 13.31% | 8.90% |
| Ratios to average net assets | | | | | |
| Expenses ^f | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income ^c | 0.90% | 0.98% | 0.66% | 0.84% | 0.64% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 112,850 | \$ 133,298 | \$ 127,128 | \$ 78,215 | \$ 43,878 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dAmount rounds to less than \$0.01.

^eTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^fDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Age 9 - 12 Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 16.62 | \$ 18.13 | \$ 15.34 | \$ 13.95 | \$ 12.94 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.25 | 0.30 | 0.25 | 0.23 | 0.17 |
| Net realized and unrealized gain (loss) | (3.12) | (1.81) | 2.54 | 1.16 | 0.84 |
| Total from investment operations | (2.87) | (1.51) | 2.79 | 1.39 | 1.01 |
| Net asset value, end of year | \$ 13.75 | \$ 16.62 | \$ 18.13 | \$ 15.34 | \$ 13.95 |
| Total return ^d | (17.27)% | (8.33)% | 18.19% | 9.96% | 7.81% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment income ^c | 1.80% | 1.70% | 1.47% | 1.54% | 1.26% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 81,261 | \$ 92,753 | \$ 84,945 | \$ 52,302 | \$ 31,286 |
| | Class B | | | | |
| | Year Ended June 30, | | | | |
| Age 9 - 12 Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 15.87 | \$ 17.44 | \$ 14.88 | \$ 13.63 | \$ 12.74 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.14 | 0.16 | 0.12 | 0.12 | 0.07 |
| Net realized and unrealized gain (loss) | (2.99) | (1.73) | 2.44 | 1.13 | 0.82 |
| Total from investment operations | (2.85) | (1.57) | 2.56 | 1.25 | 0.89 |
| Net asset value, end of year | \$ 13.02 | \$ 15.87 | \$ 17.44 | \$ 14.88 | \$ 13.63 |
| Total return ^d | (17.96)% | (9.00)% | 17.20% | 9.17% | 6.99% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 1.05% | 0.95% | 0.72% | 0.79% | 0.51% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 31,238 | \$ 37,500 | \$ 36,456 | \$ 25,517 | \$ 17,519 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Age 9 - 12 Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 16.10 | \$ 17.70 | \$ 15.09 | \$ 13.83 | \$ 12.93 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.13 | 0.16 | 0.12 | 0.12 | 0.07 |
| Net realized and unrealized gain (loss) | (3.02) | (1.76) | 2.49 | 1.14 | 0.83 |
| Total from investment operations | (2.89) | (1.60) | 2.61 | 1.26 | 0.90 |
| Net asset value, end of year | \$ 13.21 | \$ 16.10 | \$ 17.70 | \$ 15.09 | \$ 13.83 |
| Total return ^d | (17.95)% | (9.04)% | 17.30% | 9.11% | 6.96% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 1.05% | 0.95% | 0.72% | 0.79% | 0.51% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 40,965 | \$ 44,178 | \$ 40,981 | \$ 27,481 | \$ 16,955 |
| | Direct | | | | |
| | Year Ended June 30, | | | | |
| Age 9 - 12 Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 16.82 | \$ 18.30 | \$ 15.45 | \$ 14.02 | \$ 12.97 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.28 | 0.35 | 0.29 | 0.27 | 0.20 |
| Net realized and unrealized gain (loss) | (3.15) | (1.83) | 2.56 | 1.16 | 0.85 |
| Total from investment operations | (2.87) | (1.48) | 2.85 | 1.43 | 1.05 |
| Net asset value, end of year | \$ 13.95 | \$ 16.82 | \$ 18.30 | \$ 15.45 | \$ 14.02 |
| Total return ^d | (17.06)% | (8.09)% | 18.45% | 10.20% | 8.10% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income ^c | 2.05% | 1.95% | 1.72% | 1.79% | 1.51% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 53,062 | \$ 56,940 | \$ 51,422 | \$ 31,510 | \$ 17,278 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Age 13 - 16 Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 15.21 | \$ 15.86 | \$ 13.92 | \$ 13.03 | \$ 12.18 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.37 | 0.42 | 0.38 | 0.34 | 0.27 |
| Net realized and unrealized gain (loss) | (1.76) | (1.07) | 1.56 | 0.55 | 0.58 |
| Total from investment operations | (1.39) | (0.65) | 1.94 | 0.89 | 0.85 |
| Net asset value, end of year | \$ 13.82 | \$ 15.21 | \$ 15.86 | \$ 13.92 | \$ 13.03 |
| Total return ^d | (9.14)% | (4.10)% | 13.94% | 6.83% | 6.98% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment income ^c | 2.76% | 2.65% | 2.53% | 2.47% | 2.11% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 85,158 | \$ 81,360 | \$ 66,260 | \$ 41,185 | \$ 23,495 |
| | Class B | | | | |
| | Year Ended June 30, | | | | |
| Age 13 - 16 Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 14.41 | \$ 15.14 | \$ 13.39 | \$ 12.63 | \$ 11.90 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.26 | 0.29 | 0.26 | 0.23 | 0.17 |
| Net realized and unrealized gain (loss) | (1.68) | (1.02) | 1.49 | 0.53 | 0.56 |
| Total from investment operations | (1.42) | (0.73) | 1.75 | 0.76 | 0.73 |
| Net asset value, end of year | \$ 12.99 | \$ 14.41 | \$ 15.14 | \$ 13.39 | \$ 12.63 |
| Total return ^d | (9.85)% | (4.82)% | 13.07% | 6.02% | 6.13% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 2.01% | 1.90% | 1.78% | 1.76% | 1.36% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 31,102 | \$ 30,805 | \$ 25,077 | \$ 13,962 | \$ 7,422 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Age 13 - 16 Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 14.42 | \$ 15.15 | \$ 13.40 | \$ 12.64 | \$ 11.92 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.25 | 0.28 | 0.25 | 0.23 | 0.17 |
| Net realized and unrealized gain (loss) | (1.66) | (1.01) | 1.50 | 0.53 | 0.55 |
| Total from investment operations | (1.41) | (0.73) | 1.75 | 0.76 | 0.72 |
| Net asset value, end of year | \$ 13.01 | \$ 14.42 | \$ 15.15 | \$ 13.40 | \$ 12.64 |
| Total return ^d | (9.78)% | (4.82)% | 13.06% | 6.01% | 6.04% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 2.01% | 1.90% | 1.78% | 1.72% | 1.36% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 61,267 | \$ 61,799 | \$ 53,924 | \$ 35,696 | \$ 21,465 |
| | Direct | | | | |
| | Year Ended June 30, | | | | |
| Age 13 - 16 Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 15.30 | \$ 15.91 | \$ 13.94 | \$ 13.02 | \$ 12.15 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.40 | 0.46 | 0.41 | 0.37 | 0.30 |
| Net realized and unrealized gain (loss) | (1.77) | (1.07) | 1.56 | 0.55 | 0.57 |
| Total from investment operations | (1.37) | (0.61) | 1.97 | 0.92 | 0.87 |
| Net asset value, end of year | \$ 13.93 | \$ 15.30 | \$ 15.91 | \$ 13.94 | \$ 13.02 |
| Total return ^d | (8.95)% | (3.83)% | 14.13% | 7.07% | 7.16% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income ^c | 3.01% | 2.90% | 2.78% | 2.72% | 2.36% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 51,647 | \$ 50,773 | \$ 39,584 | \$ 23,431 | \$ 13,060 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Age 17 + Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 13.23 | \$ 13.22 | \$ 12.02 | \$ 11.59 | \$ 10.92 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.48 | 0.48 | 0.46 | 0.40 | 0.33 |
| Net realized and unrealized gain (loss) | (0.96) | (0.47) | 0.74 | 0.03 | 0.34 |
| Total from investment operations | (0.48) | 0.01 | 1.20 | 0.43 | 0.67 |
| Net asset value, end of year | \$ 12.75 | \$ 13.23 | \$ 13.22 | \$ 12.02 | \$ 11.59 |
| Total return ^d | (3.63)% | 0.08% | 9.98% | 3.71% | 6.14% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment income ^c | 3.85% | 3.56% | 3.59% | 3.38% | 2.97% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 30,429 | \$ 27,431 | \$ 17,578 | \$ 9,277 | \$ 5,895 |
| | Class B | | | | |
| | Year Ended June 30, | | | | |
| Age 17 + Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 12.80 | \$ 12.89 | \$ 11.80 | \$ 11.47 | \$ 10.89 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.37 | 0.36 | 0.36 | 0.31 | 0.25 |
| Net realized and unrealized gain (loss) | (0.93) | (0.45) | 0.73 | 0.02 | 0.33 |
| Total from investment operations | (0.56) | (0.09) | 1.09 | 0.33 | 0.58 |
| Net asset value, end of year | \$ 12.24 | \$ 12.80 | \$ 12.89 | \$ 11.80 | \$ 11.47 |
| Total return ^d | (4.38)% | (0.70)% | 9.24% | 2.88% | 5.33% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 3.10% | 2.81% | 2.84% | 2.63% | 2.22% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 7,137 | \$ 5,609 | \$ 2,603 | \$ 1,482 | \$ 850 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Age 17 + Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 13.03 | \$ 13.12 | \$ 12.02 | \$ 11.68 | \$ 11.09 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.37 | 0.37 | 0.36 | 0.31 | 0.26 |
| Net realized and unrealized gain (loss) | (0.94) | (0.46) | 0.74 | 0.03 | 0.33 |
| Total from investment operations | (0.57) | (0.09) | 1.10 | 0.34 | 0.59 |
| Net asset value, end of year | \$ 12.46 | \$ 13.03 | \$ 13.12 | \$ 12.02 | \$ 11.68 |
| Total return ^d | (4.37)% | (0.69)% | 9.15% | 2.91% | 5.32% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 3.10% | 2.81% | 2.84% | 2.63% | 2.22% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 38,878 | \$ 35,668 | \$ 24,018 | \$ 14,622 | \$ 7,617 |
| | Direct | | | | |
| | Year Ended June 30, | | | | |
| Age 17 + Years | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 13.80 | \$ 13.76 | \$ 12.48 | \$ 12.00 | \$ 11.28 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.53 | 0.53 | 0.51 | 0.45 | 0.38 |
| Net realized and unrealized gain (loss) | (0.99) | (0.49) | 0.77 | 0.03 | 0.34 |
| Total from investment operations | (0.46) | 0.04 | 1.28 | 0.48 | 0.72 |
| Net asset value, end of year | \$ 13.34 | \$ 13.80 | \$ 13.76 | \$ 12.48 | \$ 12.00 |
| Total return ^d | (3.33)% | 0.29% | 10.26% | 4.00% | 6.38% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income ^c | 4.10% | 3.81% | 3.84% | 3.63% | 3.22% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 21,876 | \$ 20,312 | \$ 12,571 | \$ 6,463 | \$ 3,351 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Franklin Templeton Corefolio Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 16.70 | \$ 19.64 | \$ 16.35 | \$ 14.65 | \$ 13.81 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.17 | 0.16 | 0.08 | 0.10 | 0.05 |
| Net realized and unrealized gain (loss) | (4.34) | (3.10) | 3.21 | 1.60 | 0.79 |
| Total from investment operations | (4.17) | (2.94) | 3.29 | 1.70 | 0.84 |
| Net asset value, end of year | \$ 12.53 | \$ 16.70 | \$ 19.64 | \$ 16.35 | \$ 14.65 |
| | | | | | |
| Total return ^d | (24.97)% | (14.97)% | 20.12% | 11.60% | 6.08% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment income ^c | 1.35% | 0.85% | 0.40% | 0.59% | 0.33% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 31,433 | \$ 40,478 | \$ 42,200 | \$ 29,299 | \$ 18,500 |
| | | | | | |
| | Class B | | | | |
| | Year Ended June 30, | | | | |
| Franklin Templeton Corefolio Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 15.77 | \$ 18.69 | \$ 15.67 | \$ 14.16 | \$ 13.45 |
| Income from investment operations ^a : | | | | | |
| Net investment income (loss) ^{b,c} | 0.07 | 0.02 | (0.06) | (0.02) | (0.05) |
| Net realized and unrealized gain (loss) | (4.09) | (2.94) | 3.08 | 1.53 | 0.76 |
| Total from investment operations | (4.02) | (2.92) | 3.02 | 1.51 | 0.71 |
| Net asset value, end of year | \$ 11.75 | \$ 15.77 | \$ 18.69 | \$ 15.67 | \$ 14.16 |
| | | | | | |
| Total return ^d | (25.49)% | (15.62)% | 19.27% | 10.66% | 5.28% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income (loss) ^c | 0.60% | 0.10% | (0.35)% | (0.16)% | (0.36)% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 8,429 | \$ 11,277 | \$ 12,290 | \$ 8,810 | \$ 6,279 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Franklin Templeton Corefolio Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 16.06 | \$ 19.03 | \$ 15.96 | \$ 14.41 | \$ 13.69 |
| Income from investment operations ^a : | | | | | |
| Net investment income (loss) ^{b,c} | 0.07 | 0.02 | (0.06) | (0.02) | (0.06) |
| Net realized and unrealized gain (loss) | (4.16) | (2.99) | 3.13 | 1.57 | 0.78 |
| Total from investment operations | (4.09) | (2.97) | 3.07 | 1.55 | 0.72 |
| Net asset value, end of year | \$ 11.97 | \$ 16.06 | \$ 19.03 | \$ 15.96 | \$ 14.41 |
| Total return ^d | (25.47)% | (15.61)% | 19.24% | 10.76% | 5.26% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income (loss) ^c | 0.60% | 0.10% | (0.35)% | (0.16)% | (0.45)% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 18,058 | \$ 24,730 | \$ 25,647 | \$ 16,671 | \$ 10,000 |
| | Direct | | | | |
| | Year Ended June 30, | | | | |
| Franklin Templeton Corefolio Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 16.92 | \$ 19.85 | \$ 16.48 | \$ 14.73 | \$ 13.85 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.21 | 0.20 | 0.11 | 0.13 | 0.09 |
| Net realized and unrealized gain (loss) | (4.40) | (3.13) | 3.26 | 1.62 | 0.79 |
| Total from investment operations | (4.19) | (2.93) | 3.37 | 1.75 | 0.88 |
| Net asset value, end of year | \$ 12.73 | \$ 16.92 | \$ 19.85 | \$ 16.48 | \$ 14.73 |
| Total return ^d | (24.76)% | (14.76)% | 20.45% | 11.88% | 6.35% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income ^c | 1.60% | 1.10% | 0.65% | 0.84% | 0.59% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 21,855 | \$ 26,781 | \$ 26,803 | \$ 14,721 | \$ 9,060 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| Franklin Templeton Founding Funds 529 Portfolio | Class A | | | | For the period June 27, 2005 (commencement of operations) to June 30, 2005 |
|--|---------------------|-----------|-----------|-----------|--|
| | Year Ended June 30, | | | | |
| | 2009 | 2008 | 2007 | 2006 | |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 11.26 | \$ 13.29 | \$ 11.02 | \$ 9.99 | \$ 10.00 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.37 | 0.35 | 0.27 | 0.27 | - |
| Net realized and unrealized gain (loss) | (3.06) | (2.38) | 2.00 | 0.76 | (0.01) |
| Total from investment operations | (2.69) | (2.03) | 2.27 | 1.03 | (0.01) |
| Net asset value, end of year | \$ 8.57 | \$ 11.26 | \$ 13.29 | \$ 11.02 | \$ 9.99 |
| Total return ^d | (23.89)% | (15.27)% | 20.60% | 10.31% | (0.10)% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.35% |
| Net investment income (loss) ^c | 4.28% | 2.82% | 2.14% | 2.46% | (0.35)% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 73,054 | \$ 92,764 | \$ 72,802 | \$ 21,200 | \$ 591 |

| Franklin Templeton Founding Funds 529 Portfolio | Class B | | | | For the period June 27, 2005 (commencement of operations) to June 30, 2005 |
|--|---------------------|-----------|-----------|----------|--|
| | Year Ended June 30, | | | | |
| | 2009 | 2008 | 2007 | 2006 | |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 11.03 | \$ 13.10 | \$ 10.95 | \$ 10.00 | \$ 10.00 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.30 | 0.25 | 0.17 | 0.17 | - |
| Net realized and unrealized gain (loss) | (3.00) | (2.32) | 1.98 | 0.78 | - |
| Total from investment operations | (2.70) | (2.07) | 2.15 | 0.95 | - |
| Net asset value, end of year | \$ 8.33 | \$ 11.03 | \$ 13.10 | \$ 10.95 | \$ 10.00 |
| Total return ^d | (24.48)% | (15.80)% | 19.63% | 9.50% | - |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | - |
| Net investment income ^c | 3.53% | 2.07% | 1.39% | 1.71% | - |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 12,552 | \$ 15,216 | \$ 12,171 | \$ 3,547 | \$ 25 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| Franklin Templeton Founding Funds 529 Portfolio | Class C | | | | For the period June 27, 2005 (commencement of operations) to June 30, 2005 |
|--|---------------------|-----------|-----------|-----------|--|
| | Year Ended June 30, | | | | |
| | 2009 | 2008 | 2007 | 2006 | |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 11.02 | \$ 13.09 | \$ 10.94 | \$ 9.99 | \$ 10.00 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.29 | 0.25 | 0.17 | 0.18 | - |
| Net realized and unrealized gain (loss) | (2.99) | (2.32) | 1.98 | 0.77 | (0.01) |
| Total from investment operations | (2.70) | (2.07) | 2.15 | 0.95 | (0.01) |
| Net asset value, end of year | \$ 8.32 | \$ 11.02 | \$ 13.09 | \$ 10.94 | \$ 9.99 |
| Total return ^d | (24.50)% | (15.81)% | 19.65% | 9.51% | (0.10)% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | - |
| Net investment income ^c | 3.53% | 2.07% | 1.39% | 1.71% | - |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 41,895 | \$ 55,398 | \$ 47,466 | \$ 13,964 | \$ 1 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Growth Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 18.10 | \$ 20.67 | \$ 16.89 | \$ 14.95 | \$ 13.77 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.09 | 0.15 | 0.08 | 0.10 | 0.06 |
| Net realized and unrealized gain (loss) | (4.46) | (2.72) | 3.70 | 1.84 | 1.12 |
| Total from investment operations | (4.37) | (2.57) | 3.78 | 1.94 | 1.18 |
| Net asset value, end of year | \$ 13.73 | \$ 18.10 | \$ 20.67 | \$ 16.89 | \$ 14.95 |
| Total return ^d | (24.14)% | (12.43)% | 22.38% | 12.98% | 8.57% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment income ^c | 0.67% | 0.77% | 0.40% | 0.60% | 0.38% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 21,497 | \$ 25,244 | \$ 21,255 | \$ 12,794 | \$ 7,506 |

| | Class B | | | | |
|--|----------------------------|----------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Growth Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 17.41 | \$ 20.04 | \$ 16.50 | \$ 14.71 | \$ 13.65 |
| Income from investment operations ^a : | | | | | |
| Net investment loss ^{b,c} | (0.01) | - ^f | (0.06) | (0.02) | (0.05) |
| Net realized and unrealized gain (loss) | (4.29) | (2.63) | 3.60 | 1.81 | 1.11 |
| Total from investment operations | (4.30) | (2.63) | 3.54 | 1.79 | 1.06 |
| Net asset value, end of year | \$ 13.11 | \$ 17.41 | \$ 20.04 | \$ 16.50 | \$ 14.71 |
| Total return ^d | (24.70)% | (13.12)% | 21.45% | 12.17% | 7.77% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income (loss) ^c | (0.08)% | 0.02% | (0.35)% | (0.15)% | (0.32)% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 5,271 | \$ 6,579 | \$ 6,478 | \$ 4,259 | \$ 2,792 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

^fAmount rounds to less than \$0.01.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|----------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Growth Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 17.47 | \$ 20.11 | \$ 16.56 | \$ 14.77 | \$ 13.71 |
| Income from investment operations ^a : | | | | | |
| Net investment loss ^{b,c} | (0.01) | - ^d | (0.06) | (0.03) | (0.06) |
| Net realized and unrealized gain (loss) | (4.31) | (2.64) | 3.61 | 1.82 | 1.12 |
| Total from investment operations | (4.32) | (2.64) | 3.55 | 1.79 | 1.06 |
| Net asset value, end of year | \$ 13.15 | \$ 17.47 | \$ 20.11 | \$ 16.56 | \$ 14.77 |
| | | | | | |
| Total return ^e | (24.73)% | (13.13)% | 21.44% | 12.12% | 7.73% |
| Ratios to average net assets | | | | | |
| Expenses ^f | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income (loss) ^c | (0.08)% | 0.02% | (0.35)% | (0.15)% | (0.37)% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 13,408 | \$ 15,261 | \$ 12,064 | \$ 7,237 | \$ 3,990 |
| | | | | | |
| | Direct | | | | |
| | Year Ended June 30, | | | | |
| Growth Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 18.34 | \$ 20.90 | \$ 17.04 | \$ 15.03 | \$ 13.81 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.13 | 0.21 | 0.12 | 0.14 | 0.09 |
| Net realized and unrealized gain (loss) | (4.53) | (2.77) | 3.74 | 1.87 | 1.13 |
| Total from investment operations | (4.40) | (2.56) | 3.86 | 2.01 | 1.22 |
| Net asset value, end of year | \$ 13.94 | \$ 18.34 | \$ 20.90 | \$ 17.04 | \$ 15.03 |
| | | | | | |
| Total return ^e | (23.99)% | (12.25)% | 22.65% | 13.37% | 8.83% |
| Ratios to average net assets | | | | | |
| Expenses ^f | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income ^c | 0.92% | 1.02% | 0.65% | 0.85% | 0.63% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 33,748 | \$ 40,164 | \$ 35,364 | \$ 18,701 | \$ 9,602 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dAmount rounds to less than \$0.01.

^eTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^fDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Growth and Income Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 15.02 | \$ 15.68 | \$ 13.77 | \$ 12.89 | \$ 12.04 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.36 | 0.41 | 0.37 | 0.34 | 0.27 |
| Net realized and unrealized gain (loss) | (1.82) | (1.07) | 1.54 | 0.54 | 0.58 |
| Total from investment operations | (1.46) | (0.66) | 1.91 | 0.88 | 0.85 |
| Net asset value, end of year | \$ 13.56 | \$ 15.02 | \$ 15.68 | \$ 13.77 | \$ 12.89 |
| Total return ^d | (9.72)% | (4.21)% | 13.87% | 6.83% | 7.06% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment income ^c | 2.75% | 2.63% | 2.51% | 2.48% | 2.14% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 18,380 | \$ 17,643 | \$ 15,439 | \$ 10,977 | \$ 7,477 |

| | Class B | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Growth and Income Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 14.39 | \$ 15.13 | \$ 13.37 | \$ 12.61 | \$ 11.87 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.25 | 0.29 | 0.25 | 0.23 | 0.17 |
| Net realized and unrealized gain (loss) | (1.75) | (1.03) | 1.51 | 0.53 | 0.57 |
| Total from investment operations | (1.50) | (0.74) | 1.76 | 0.76 | 0.74 |
| Net asset value, end of year | \$ 12.89 | \$ 14.39 | \$ 15.13 | \$ 13.37 | \$ 12.61 |
| Total return ^d | (10.42)% | (4.89)% | 13.16% | 6.03% | 6.23% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 2.00% | 1.88% | 1.76% | 1.73% | 1.39% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 6,614 | \$ 7,279 | \$ 6,937 | \$ 5,501 | \$ 3,921 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|-----------------|-----------------|-----------------|-----------------|
| | Year Ended June 30, | | | | |
| Growth and Income Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 14.20 | \$ 14.93 | \$ 13.19 | \$ 12.44 | \$ 11.71 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.25 | 0.28 | 0.25 | 0.22 | 0.17 |
| Net realized and unrealized gain (loss) | (1.74) | (1.01) | 1.49 | 0.53 | 0.56 |
| Total from investment operations | (1.49) | (0.73) | 1.74 | 0.75 | 0.73 |
| Net asset value, end of year | <u>\$ 12.71</u> | <u>\$ 14.20</u> | <u>\$ 14.93</u> | <u>\$ 13.19</u> | <u>\$ 12.44</u> |
| Total return ^d | (10.49)% | (4.89)% | 13.19% | 6.03% | 6.23% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 2.00% | 1.88% | 1.76% | 1.73% | 1.39% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 16,309 | \$ 16,037 | \$ 12,603 | \$ 9,409 | \$ 6,404 |
| | Direct | | | | |
| | Year Ended June 30, | | | | |
| Growth and Income Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 15.24 | \$ 15.87 | \$ 13.89 | \$ 12.97 | \$ 12.09 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.40 | 0.45 | 0.41 | 0.37 | 0.30 |
| Net realized and unrealized gain (loss) | (1.85) | (1.08) | 1.57 | 0.55 | 0.58 |
| Total from investment operations | (1.45) | (0.63) | 1.98 | 0.92 | 0.88 |
| Net asset value, end of year | <u>\$ 13.79</u> | <u>\$ 15.24</u> | <u>\$ 15.87</u> | <u>\$ 13.89</u> | <u>\$ 12.97</u> |
| Total return ^d | (9.51)% | (3.97)% | 14.25% | 7.09% | 7.28% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income ^c | 3.00% | 2.88% | 2.76% | 2.73% | 2.39% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 20,797 | \$ 22,126 | \$ 18,584 | \$ 11,863 | \$ 7,326 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|-----------------|-----------------|-----------------|-----------------|
| | Year Ended June 30, | | | | |
| Income Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 12.19 | \$ 11.68 | \$ 11.03 | \$ 10.95 | \$ 10.40 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.54 | 0.54 | 0.53 | 0.48 | 0.43 |
| Net realized and unrealized gain (loss) | (0.15) | (0.03) | 0.12 | (0.40) | 0.12 |
| Total from investment operations | <u>0.39</u> | <u>0.51</u> | <u>0.65</u> | <u>0.08</u> | <u>0.55</u> |
| Net asset value, end of year | <u>\$ 12.58</u> | <u>\$ 12.19</u> | <u>\$ 11.68</u> | <u>\$ 11.03</u> | <u>\$ 10.95</u> |
| Total return ^d | 3.20% | 4.37% | 5.89% | 0.73% | 5.29% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment income ^c | 4.49% | 4.46% | 4.62% | 4.34% | 3.93% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 12,322 | \$ 6,888 | \$ 4,409 | \$ 2,624 | \$ 2,344 |

| | Class B | | | | |
|--|----------------------------|-----------------|-----------------|-----------------|-----------------|
| | Year Ended June 30, | | | | |
| Income Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 11.72 | \$ 11.31 | \$ 10.76 | \$ 10.76 | \$ 10.29 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.43 | 0.44 | 0.43 | 0.38 | 0.34 |
| Net realized and unrealized gain (loss) | (0.15) | (0.03) | 0.12 | (0.38) | 0.13 |
| Total from investment operations | <u>0.28</u> | <u>0.41</u> | <u>0.55</u> | <u>-</u> | <u>0.47</u> |
| Net asset value, end of year | <u>\$ 12.00</u> | <u>\$ 11.72</u> | <u>\$ 11.31</u> | <u>\$ 10.76</u> | <u>\$ 10.76</u> |
| Total return ^d | 2.39% | 3.63% | 5.11% | - | 4.57% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 3.74% | 3.71% | 3.87% | 3.59% | 3.18% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 2,468 | \$ 1,286 | \$ 791 | \$ 559 | \$ 363 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Income Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 11.76 | \$ 11.35 | \$ 10.80 | \$ 10.80 | \$ 10.34 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.43 | 0.43 | 0.43 | 0.39 | 0.33 |
| Net realized and unrealized gain (loss) | (0.15) | (0.02) | 0.12 | (0.39) | 0.13 |
| Total from investment operations | 0.28 | 0.41 | 0.55 | - | 0.46 |
| Net asset value, end of year | \$ 12.04 | \$ 11.76 | \$ 11.35 | \$ 10.80 | \$ 10.80 |
| Total return ^d | 2.38% | 3.61% | 5.09% | - | 4.45% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 3.74% | 3.71% | 3.87% | 3.59% | 3.12% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 10,692 | \$ 5,762 | \$ 2,736 | \$ 1,561 | \$ 982 |
| | Direct | | | | |
| | Year Ended June 30, | | | | |
| Income Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 12.37 | \$ 11.82 | \$ 11.14 | \$ 11.03 | \$ 10.45 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.60 | 0.58 | 0.57 | 0.51 | 0.45 |
| Net realized and unrealized gain (loss) | (0.17) | (0.03) | 0.11 | (0.40) | 0.13 |
| Total from investment operations | 0.43 | 0.55 | 0.68 | 0.11 | 0.58 |
| Net asset value, end of year | \$ 12.80 | \$ 12.37 | \$ 11.82 | \$ 11.14 | \$ 11.03 |
| Total return ^d | 3.48% | 4.65% | 6.10% | 1.00% | 5.55% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income ^c | 4.74% | 4.71% | 4.87% | 4.59% | 4.18% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 12,128 | \$ 8,403 | \$ 5,017 | \$ 3,464 | \$ 2,401 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Franklin Growth 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 13.91 | \$ 15.14 | \$ 12.98 | \$ 12.21 | \$ 12.54 |
| Income from investment operations ^a : | | | | | |
| Net investment income (loss) ^{b,c} | 0.05 | 0.05 | (0.04) | - | (0.08) |
| Net realized and unrealized gain (loss) | (3.49) | (1.28) | 2.20 | 0.77 | (0.25) |
| Total from investment operations | (3.44) | (1.23) | 2.16 | 0.77 | (0.33) |
| Net asset value, end of year | \$ 10.47 | \$ 13.91 | \$ 15.14 | \$ 12.98 | \$ 12.21 |
| Total return ^d | (24.73)% | (8.12)% | 16.64% | 6.31% | (2.63)% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment income (loss) ^c | 0.49% | 0.35% | (0.30)% | (0.04)% | (0.65)% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 7,739 | \$ 9,021 | \$ 7,930 | \$ 5,766 | \$ 3,933 |
| | Class B | | | | |
| | Year Ended June 30, | | | | |
| Franklin Growth 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 13.02 | \$ 14.27 | \$ 12.33 | \$ 11.69 | \$ 12.09 |
| Income from investment operations ^a : | | | | | |
| Net investment loss ^{b,c} | (0.03) | (0.06) | (0.14) | (0.10) | (0.17) |
| Net realized and unrealized gain (loss) | (3.26) | (1.19) | 2.08 | 0.74 | (0.23) |
| Total from investment operations | (3.29) | (1.25) | 1.94 | 0.64 | (0.40) |
| Net asset value, end of year | \$ 9.73 | \$ 13.02 | \$ 14.27 | \$ 12.33 | \$ 11.69 |
| Total return ^d | (25.27)% | (8.76)% | 15.73% | 5.47% | (3.31)% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.41% |
| Net investment loss ^c | (0.26)% | (0.40)% | (1.05)% | (0.79)% | (1.41)% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 2,319 | \$ 3,219 | \$ 3,158 | \$ 2,437 | \$ 1,901 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Franklin Growth 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 13.91 | \$ 15.25 | \$ 13.18 | \$ 12.49 | \$ 12.92 |
| Income from investment operations ^a : | | | | | |
| Net investment loss ^{b,c} | (0.03) | (0.06) | (0.15) | (0.10) | (0.18) |
| Net realized and unrealized gain (loss) | (3.47) | (1.28) | 2.22 | 0.79 | (0.25) |
| Total from investment operations | (3.50) | (1.34) | 2.07 | 0.69 | (0.43) |
| Net asset value, end of year | \$ 10.41 | \$ 13.91 | \$ 15.25 | \$ 13.18 | \$ 12.49 |
| | | | | | |
| Total return ^d | (25.16)% | (8.79)% | 15.71% | 5.52% | (3.33)% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.41% |
| Net investment loss ^c | (0.26)% | (0.40)% | (1.05)% | (0.79)% | (1.41)% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 3,399 | \$ 4,502 | \$ 4,151 | \$ 3,074 | \$ 1,981 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Franklin Income 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 16.66 | \$ 17.78 | \$ 15.02 | \$ 14.30 | \$ 12.66 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 1.10 | 0.94 | 0.81 | 0.79 | 0.75 |
| Net realized and unrealized gain (loss) | (4.04) | (2.06) | 1.95 | (0.07) | 0.89 |
| Total from investment operations | (2.94) | (1.12) | 2.76 | 0.72 | 1.64 |
| Net asset value, end of year | \$ 13.72 | \$ 16.66 | \$ 17.78 | \$ 15.02 | \$ 14.30 |
| Total return ^d | (17.65)% | (6.30)% | 18.38% | 5.03% | 12.95% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment income ^c | 8.42% | 5.37% | 4.85% | 5.43% | 5.48% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 30,415 | \$ 35,603 | \$ 33,473 | \$ 21,307 | \$ 14,818 |
| | Class B | | | | |
| | Year Ended June 30, | | | | |
| Franklin Income 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 16.15 | \$ 17.35 | \$ 14.77 | \$ 14.17 | \$ 12.64 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.97 | 0.78 | 0.68 | 0.68 | 0.66 |
| Net realized and unrealized gain (loss) | (3.93) | (1.98) | 1.90 | (0.08) | 0.87 |
| Total from investment operations | (2.96) | (1.20) | 2.58 | 0.60 | 1.53 |
| Net asset value, end of year | \$ 13.19 | \$ 16.15 | \$ 17.35 | \$ 14.77 | \$ 14.17 |
| Total return ^d | (18.33)% | (6.92)% | 17.47% | 4.23% | 12.10% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 7.67% | 4.62% | 4.10% | 4.73% | 4.85% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 9,198 | \$ 11,454 | \$ 11,498 | \$ 8,508 | \$ 7,203 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Franklin Income 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 16.04 | \$ 17.23 | \$ 14.67 | \$ 14.07 | \$ 12.56 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.96 | 0.78 | 0.67 | 0.67 | 0.64 |
| Net realized and unrealized gain (loss) | (3.89) | (1.97) | 1.89 | (0.07) | 0.87 |
| Total from investment operations | (2.93) | (1.19) | 2.56 | 0.60 | 1.51 |
| Net asset value, end of year | \$ 13.11 | \$ 16.04 | \$ 17.23 | \$ 14.67 | \$ 14.07 |
| Total return ^d | (18.27)% | (6.91)% | 17.45% | 4.26% | 12.02% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 7.67% | 4.62% | 4.10% | 4.68% | 4.76% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 20,700 | \$ 26,209 | \$ 24,796 | \$ 16,294 | \$ 11,537 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|--------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Franklin Small-Mid Cap Growth 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 18.14 | \$ 20.75 | \$ 17.24 | \$ 15.52 | \$ 14.36 |
| Income from investment operations ^a : | | | | | |
| Net investment loss ^{b,c} | (0.09) | (0.13) | (0.12) | (0.05) | (0.10) |
| Net realized and unrealized gain (loss) | (4.70) | (2.48) | 3.63 | 1.77 | 1.26 |
| Total from investment operations | (4.79) | (2.61) | 3.51 | 1.72 | 1.16 |
| Net asset value, end of year | \$ 13.35 | \$ 18.14 | \$ 20.75 | \$ 17.24 | \$ 15.52 |
| Total return ^d | (26.41)% | (12.58)% | 20.36% | 11.08% | 8.08% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment loss ^c | (0.65)% | (0.65)% | (0.65)% | (0.31)% | (0.65)% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 8,060 | \$ 10,093 | \$ 9,022 | \$ 6,038 | \$ 3,323 |

| | Class B | | | | |
|--|----------------------------|--------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Franklin Small-Mid Cap Growth 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 17.48 | \$ 20.14 | \$ 16.86 | \$ 15.29 | \$ 14.25 |
| Income from investment operations ^a : | | | | | |
| Net investment loss ^{b,c} | (0.18) | (0.27) | (0.25) | (0.18) | (0.20) |
| Net realized and unrealized gain (loss) | (4.54) | (2.39) | 3.53 | 1.75 | 1.24 |
| Total from investment operations | (4.72) | (2.66) | 3.28 | 1.57 | 1.04 |
| Net asset value, end of year | \$ 12.76 | \$ 17.48 | \$ 20.14 | \$ 16.86 | \$ 15.29 |
| Total return ^d | (27.00)% | (13.21)% | 19.45% | 10.27% | 7.30% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment loss ^c | (1.40)% | (1.40)% | (1.40)% | (1.06)% | (1.40)% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 2,121 | \$ 2,505 | \$ 2,366 | \$ 1,733 | \$ 966 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|--------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Franklin Small-Mid Cap Growth 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 17.41 | \$ 20.05 | \$ 16.80 | \$ 15.25 | \$ 14.21 |
| Income from investment operations ^a : | | | | | |
| Net investment loss ^{b,c} | (0.18) | (0.26) | (0.25) | (0.18) | (0.20) |
| Net realized and unrealized gain (loss) | (4.52) | (2.38) | 3.50 | 1.73 | 1.24 |
| Total from investment operations | (4.70) | (2.64) | 3.25 | 1.55 | 1.04 |
| Net asset value, end of year | \$ 12.71 | \$ 17.41 | \$ 20.05 | \$ 16.80 | \$ 15.25 |
| Total return ^d | (27.00)% | (13.17)% | 19.35% | 10.16% | 7.32% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment loss ^c | (1.40)% | (1.40)% | (1.40)% | (1.06)% | (1.40)% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 2,731 | \$ 3,792 | \$ 3,591 | \$ 2,482 | \$ 1,295 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|-----------------|-----------------|-----------------|-----------------|
| | Year Ended June 30, | | | | |
| Franklin Templeton Stable Value 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 11.19 | \$ 10.76 | \$ 10.30 | \$ 10.24 | \$ 10.06 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.06 | 0.34 | 0.38 | 0.30 | 0.23 |
| Net realized and unrealized gain (loss) | (0.02) | 0.09 | 0.08 | (0.24) | (0.05) |
| Total from investment operations | <u>0.04</u> | <u>0.43</u> | <u>0.46</u> | <u>0.06</u> | <u>0.18</u> |
| Net asset value, end of year | <u>\$ 11.23</u> | <u>\$ 11.19</u> | <u>\$ 10.76</u> | <u>\$ 10.30</u> | <u>\$ 10.24</u> |
| Total return ^d | 0.36% | 4.00% | 4.47% | 0.59% | 1.79% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.75% | 0.75% | 0.75% | 0.74% | 0.76% |
| Net investment income ^c | 0.51% | 3.18% | 3.50% | 2.94% | 2.24% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 23,345 | \$ 5,869 | \$ 3,529 | \$ 2,232 | \$ 1,983 |
| | Class B | | | | |
| | Year Ended June 30, | | | | |
| Franklin Templeton Stable Value 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 10.75 | \$ 10.40 | \$ 10.03 | \$ 10.05 | \$ 9.94 |
| Income from investment operations ^a : | | | | | |
| Net investment income (loss) ^{b,c} | (0.02) | 0.25 | 0.28 | 0.22 | 0.15 |
| Net realized and unrealized gain (loss) | (0.01) | 0.10 | 0.09 | (0.24) | (0.04) |
| Total from investment operations | <u>(0.03)</u> | <u>0.35</u> | <u>0.37</u> | <u>(0.02)</u> | <u>0.11</u> |
| Net asset value, end of year | <u>\$ 10.72</u> | <u>\$ 10.75</u> | <u>\$ 10.40</u> | <u>\$ 10.03</u> | <u>\$ 10.05</u> |
| Total return ^d | (0.28)% | 3.37% | 3.69% | (0.20)% | 1.11% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.50% | 1.50% | 1.50% | 1.49% | 1.51% |
| Net investment income (loss) ^c | (0.24)% | 2.43% | 2.75% | 2.19% | 1.51% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 8,812 | \$ 2,933 | \$ 2,218 | \$ 2,008 | \$ 1,762 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Franklin Templeton Stable Value 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 10.76 | \$ 10.41 | \$ 10.05 | \$ 10.07 | \$ 9.95 |
| Income from investment operations ^a : | | | | | |
| Net investment income (loss) ^{b,c} | (0.04) | 0.25 | 0.28 | 0.22 | 0.15 |
| Net realized and unrealized gain (loss) | (0.12) | 0.10 | 0.08 | (0.24) | (0.03) |
| Total from investment operations | (0.16) | 0.35 | 0.36 | (0.02) | 0.12 |
| Net asset value, end of year | \$ 10.60 | \$ 10.76 | \$ 10.41 | \$ 10.05 | \$ 10.07 |
| | | | | | |
| Total return ^d | (1.49)% | 3.36% | 3.58% | (0.20)% | 1.21% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.50% | 1.50% | 1.50% | 1.49% | 1.51% |
| Net investment income (loss) ^c | (0.24)% | 2.43% | 2.75% | 2.19% | 1.50% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 25,332 | \$ 9,577 | \$ 7,303 | \$ 5,902 | \$ 4,865 |
| | | | | | |
| | Direct | | | | |
| | Year Ended June 30, | | | | |
| Franklin Templeton Stable Value 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 11.37 | \$ 10.88 | \$ 10.43 | \$ 10.32 | \$ 10.08 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.10 | 0.38 | 0.40 | 0.34 | 0.26 |
| Net realized and unrealized gain (loss) | (0.04) | 0.11 | 0.05 | (0.23) | (0.02) |
| Total from investment operations | 0.06 | 0.49 | 0.45 | 0.11 | 0.24 |
| Net asset value, end of year | \$ 11.43 | \$ 11.37 | \$ 10.88 | \$ 10.43 | \$ 10.32 |
| | | | | | |
| Total return ^d | 0.53% | 4.50% | 4.31% | 1.07% | 2.38% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.50% | 0.50% | 0.50% | 0.50% | 0.51% |
| Net investment income ^c | 0.76% | 3.43% | 3.75% | 3.18% | 2.49% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 22,846 | \$ 9,572 | \$ 7,386 | \$ 5,879 | \$ 3,546 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Mutual Shares 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 16.38 | \$ 20.42 | \$ 16.72 | \$ 14.83 | \$ 13.20 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.12 | 0.38 | 0.15 | 0.25 | 0.12 |
| Net realized and unrealized gain (loss) | (4.07) | (4.42) | 3.55 | 1.64 | 1.51 |
| Total from investment operations | (3.95) | (4.04) | 3.70 | 1.89 | 1.63 |
| Net asset value, end of year | \$ 12.43 | \$ 16.38 | \$ 20.42 | \$ 16.72 | \$ 14.83 |
| Total return ^d | (24.11)% | (19.78)% | 22.13% | 12.74% | 12.35% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment income ^c | 0.95% | 2.06% | 0.80% | 1.55% | 0.84% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 24,895 | \$ 32,847 | \$ 35,333 | \$ 21,520 | \$ 12,485 |
| | Class B | | | | |
| | Year Ended June 30, | | | | |
| Mutual Shares 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 15.50 | \$ 19.47 | \$ 16.06 | \$ 14.35 | \$ 12.88 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.03 | 0.23 | 0.01 | 0.12 | 0.02 |
| Net realized and unrealized gain (loss) | (3.85) | (4.20) | 3.40 | 1.59 | 1.45 |
| Total from investment operations | (3.82) | (3.97) | 3.41 | 1.71 | 1.47 |
| Net asset value, end of year | \$ 11.68 | \$ 15.50 | \$ 19.47 | \$ 16.06 | \$ 14.35 |
| Total return ^d | (24.65)% | (20.39)% | 21.23% | 11.92% | 11.41% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 0.20% | 1.31% | 0.05% | 0.80% | 0.09% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 6,476 | \$ 8,913 | \$ 10,424 | \$ 7,325 | \$ 5,275 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|--------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Mutual Shares 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 15.56 | \$ 19.55 | \$ 16.12 | \$ 14.42 | \$ 12.95 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.02 | 0.23 | 0.01 | 0.13 | 0.01 |
| Net realized and unrealized gain (loss) | (3.85) | (4.22) | 3.42 | 1.57 | 1.46 |
| Total from investment operations | (3.83) | (3.99) | 3.43 | 1.70 | 1.47 |
| Net asset value, end of year | \$ 11.73 | \$ 15.56 | \$ 19.55 | \$ 16.12 | \$ 14.42 |
| Total return ^d | (24.61)% | (20.41)% | 21.28% | 11.79% | 11.35% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 0.20% | 1.31% | 0.05% | 0.80% | 0.05% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 12,453 | \$ 18,428 | \$ 20,568 | \$ 12,794 | \$ 7,560 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|--------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| S&P 500 Index Fund 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 15.20 | \$ 17.67 | \$ 14.81 | \$ 13.78 | \$ 13.09 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.16 | 0.16 | 0.13 | 0.11 | 0.12 |
| Net realized and unrealized gain (loss) | (4.22) | (2.63) | 2.73 | 0.92 | 0.57 |
| Total from investment operations | (4.06) | (2.47) | 2.86 | 1.03 | 0.69 |
| Net asset value, end of year | \$ 11.14 | \$ 15.20 | \$ 17.67 | \$ 14.81 | \$ 13.78 |
| Total return ^d | (26.71)% | (13.98)% | 19.31% | 7.47% | 5.27% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment income ^c | 1.38% | 0.95% | 0.75% | 0.77% | 0.91% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 5,416 | \$ 6,372 | \$ 6,438 | \$ 4,036 | \$ 2,906 |
| | Class B | | | | |
| | Year Ended June 30, | | | | |
| S&P 500 Index Fund 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 13.83 | \$ 16.21 | \$ 13.69 | \$ 12.83 | \$ 12.27 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.06 | 0.03 | 0.01 | - | 0.01 |
| Net realized and unrealized gain (loss) | (3.83) | (2.41) | 2.51 | 0.86 | 0.55 |
| Total from investment operations | (3.77) | (2.38) | 2.52 | 0.86 | 0.56 |
| Net asset value, end of year | \$ 10.06 | \$ 13.83 | \$ 16.21 | \$ 13.69 | \$ 12.83 |
| Total return ^d | (27.26)% | (14.68)% | 18.41% | 6.70% | 4.56% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 0.63% | 0.20% | - | 0.02% | 0.09% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 2,330 | \$ 2,932 | \$ 3,053 | \$ 2,274 | \$ 1,696 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

^fRounds to less than 0.01% per share.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|-------------|----------------|----------------|-------------|
| | Year Ended June 30, | | | | |
| S&P 500 Index Fund 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 14.96 | \$ 17.54 | \$ 14.81 | \$ 13.87 | \$ 13.28 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.08 | 0.04 | 0.01 | - ^d | 0.01 |
| Net realized and unrealized gain (loss) | (4.14) | (2.62) | 2.72 | 0.94 | 0.58 |
| Total from investment operations | (4.06) | (2.58) | 2.73 | 0.94 | 0.59 |
| Net asset value, end of year | \$ 10.90 | \$ 14.96 | \$ 17.54 | \$ 14.81 | \$ 13.87 |
| Total return ^e | (27.14)% | (14.71)% | 18.43% | 6.78% | 4.44% |
| Ratios to average net assets | | | | | |
| Expenses ^f | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 0.63% | 0.20% | - ^g | 0.02% | 0.09% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 3,006 | \$ 3,355 | \$ 3,665 | \$ 2,623 | \$ 1,828 |
| | Direct | | | | |
| | Year Ended June 30, | | | | |
| S&P 500 Index Fund 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 15.65 | \$ 18.16 | \$ 15.18 | \$ 14.09 | \$ 13.35 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.19 | 0.21 | 0.16 | 0.15 | 0.15 |
| Net realized and unrealized gain (loss) | (4.34) | (2.72) | 2.82 | 0.94 | 0.59 |
| Total from investment operations | (4.15) | (2.51) | 2.98 | 1.09 | 0.74 |
| Net asset value, end of year | \$ 11.50 | \$ 15.65 | \$ 18.16 | \$ 15.18 | \$ 14.09 |
| Total return ^e | (26.52)% | (13.82)% | 19.63% | 7.74% | 5.54% |
| Ratios to average net assets | | | | | |
| Expenses ^f | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income ^c | 1.63% | 1.20% | 1.00% | 1.02% | 1.09% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 19,353 | \$ 21,132 | \$ 19,908 | \$ 12,393 | \$ 7,879 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dAmount rounds to less than \$0.01.

^eTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^fDoes not include expenses of the Underlying Funds in which the Fund invests.

^gRounds to less than 0.01% per share.

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Financial Highlights

| | Class A | | | | |
|--|----------------------------|-------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Templeton Growth 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 18.38 | \$ 22.80 | \$ 18.70 | \$ 16.31 | \$ 14.64 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.44 | 0.23 | 0.27 | 0.21 | 0.15 |
| Net realized and unrealized gain (loss) | (6.02) | (4.65) | 3.83 | 2.18 | 1.52 |
| Total from investment operations | (5.58) | (4.42) | 4.10 | 2.39 | 1.67 |
| Net asset value, end of year | \$ 12.80 | \$ 18.38 | \$ 22.80 | \$ 18.70 | \$ 16.31 |
| | | | | | |
| Total return ^d | (30.36)% | (19.37)% | 21.93% | 14.65% | 11.41% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |
| Net investment income ^c | 3.34% | 1.08% | 1.27% | 1.14% | 0.95% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 26,997 | \$ 39,717 | \$ 43,245 | \$ 27,665 | \$ 17,202 |
| | | | | | |
| | Class B | | | | |
| | Year Ended June 30, | | | | |
| Templeton Growth 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 17.52 | \$ 21.90 | \$ 18.10 | \$ 15.90 | \$ 14.38 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.33 | 0.07 | 0.11 | 0.07 | 0.05 |
| Net realized and unrealized gain (loss) | (5.74) | (4.45) | 3.69 | 2.13 | 1.47 |
| Total from investment operations | (5.41) | (4.38) | 3.80 | 2.20 | 1.52 |
| Net asset value, end of year | \$ 12.11 | \$ 17.52 | \$ 21.90 | \$ 18.10 | \$ 15.90 |
| | | | | | |
| Total return ^d | (30.88)% | (20.01)% | 20.99% | 13.84% | 10.57% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 2.59% | 0.33% | 0.52% | 0.39% | 0.36% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 6,239 | \$ 9,755 | \$ 11,226 | \$ 7,711 | \$ 5,374 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Financial Highlights

| | Class C | | | | |
|--|----------------------------|--------------|-------------|-------------|-------------|
| | Year Ended June 30, | | | | |
| Templeton Growth 529 Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 17.33 | \$ 21.67 | \$ 17.90 | \$ 15.73 | \$ 14.25 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^{b,c} | 0.32 | 0.07 | 0.10 | 0.07 | 0.02 |
| Net realized and unrealized gain (loss) | (5.67) | (4.41) | 3.67 | 2.10 | 1.46 |
| Total from investment operations | (5.35) | (4.34) | 3.77 | 2.17 | 1.48 |
| Net asset value, end of year | \$ 11.98 | \$ 17.33 | \$ 21.67 | \$ 17.90 | \$ 15.73 |
| Total return ^d | (30.87)% | (20.02)% | 21.06% | 13.80% | 10.39% |
| Ratios to average net assets | | | | | |
| Expenses ^e | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| Net investment income ^c | 2.59% | 0.33% | 0.52% | 0.39% | 0.14% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 12,268 | \$ 18,795 | \$ 21,588 | \$ 14,202 | \$ 9,378 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cRecognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

^dTotal return does not reflect any applicable sales commissions or the contingent deferred sales charge.

^eDoes not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Age Newborn - 8 Years
Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|--|------------|-----------------------|
| Open End Mutual Funds 100.0% | | |
| Franklin Flex Cap Growth Fund, Advisor Class | 2,631,976 | \$ 89,434,554 |
| Franklin Small-Mid Cap Growth Fund, Advisor Class | 3,766,107 | 89,972,299 |
| Mutual European Fund, Class Z | 2,995,353 | 53,227,427 |
| Mutual Shares Fund, Class Z | 4,423,589 | 71,440,960 |
| Templeton Foreign Fund, Advisor Class | 10,958,127 | 56,872,676 |
| Total Open End Mutual Funds (Cost \$477,293,010) | | <u>360,947,916</u> |
| Short Term Investment (Cost \$330,800) 0.1% | | |
| ^a Institutional Fiduciary Trust Money Market Portfolio, 0.00% | 330,800 | <u>330,800</u> |
| Total Investments (Cost \$477,623,810) 100.1 % | | 361,278,716 |
| Other Assets, less Liabilities (0.1)% | | (338,151) |
| Net Assets 100.0% | | <u>\$ 360,940,565</u> |

^aThe rate shown is the annualized seven-day yield at period end.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Age 9 - 12 Years

Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|--|------------|-----------------------|
| Open End Mutual Funds 95.2% | | |
| Franklin Flex Cap Growth Fund, Advisor Class | 1,105,645 | \$ 37,569,821 |
| Franklin Small-Mid Cap Growth Fund, Advisor Class | 1,569,391 | 37,492,753 |
| Franklin Strategic Income Fund, Advisor Class | 1,264,983 | 11,587,248 |
| Franklin Total Return Fund, Advisor Class | 1,301,362 | 11,894,451 |
| Franklin U.S. Government Securities Fund, Advisor Class | 3,099,892 | 20,552,287 |
| Mutual European Fund, Class Z | 1,270,125 | 22,570,112 |
| Mutual Shares Fund, Class Z | 1,875,239 | 30,285,109 |
| Templeton Foreign Fund, Advisor Class | 4,756,236 | 24,684,863 |
| Total Open End Mutual Funds (Cost \$245,916,621) | | <u>196,636,644</u> |
| Short Term Investment (Cost \$10,053,144) 4.9% | | |
| ^a Institutional Fiduciary Trust Money Market Portfolio, 0.00% | 10,053,144 | <u>10,053,144</u> |
| Total Investments (Cost \$255,969,765) 100.1% | | 206,689,788 |
| Other Assets, less Liabilities (0.1)% | | (163,110) |
| Net Assets 100.0% | | <u>\$ 206,526,678</u> |

^aThe rate shown is the annualized seven-day yield at period end.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Age 13 - 16 Years

Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|--|------------|-----------------------|
| Open End Mutual Funds 90.4% | | |
| Franklin Flex Cap Growth Fund, Advisor Class | 905,770 | \$ 30,778,063 |
| Franklin Small-Mid Cap Growth Fund, Advisor Class | 1,303,946 | 31,151,276 |
| Franklin Strategic Income Fund, Advisor Class | 2,324,780 | 21,294,986 |
| Franklin Total Return Fund, Advisor Class | 2,231,782 | 20,398,491 |
| Franklin U.S. Government Securities Fund, Advisor Class | 6,349,688 | 42,098,430 |
| Mutual European Fund, Class Z | 929,900 | 16,524,323 |
| Mutual Shares Fund, Class Z | 1,477,876 | 23,867,695 |
| Templeton Foreign Fund, Advisor Class | 4,032,150 | 20,926,859 |
| Total Open End Mutual Funds (Cost \$241,778,160) | | <u>207,040,123</u> |
| Short Term Investment (Cost \$22,512,901) 9.8% | | |
| ^a Institutional Fiduciary Trust Money Market Portfolio, 0.00% | 22,512,901 | <u>22,512,901</u> |
| Total Investments (Cost \$264,291,061) 100.2% | | 229,553,024 |
| Other Assets, less Liabilities (0.2)% | | (378,623) |
| Net Assets 100.0% | | <u>\$ 229,174,401</u> |

^aThe rate shown is the annualized seven-day yield at period end.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Age 17 + Years

Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|--|------------|----------------------|
| Open End Mutual Funds 86.2% | | |
| Franklin Flex Cap Growth Fund, Advisor Class | 190,227 | \$ 6,463,907 |
| Franklin Small-Mid Cap Growth Fund, Advisor Class | 266,029 | 6,355,432 |
| Franklin Strategic Income Fund, Advisor Class | 1,657,186 | 15,179,820 |
| Franklin Total Return Fund, Advisor Class | 1,634,315 | 14,937,642 |
| Franklin U.S. Government Securities Fund, Advisor Class | 4,312,567 | 28,592,320 |
| Mutual European Fund, Class Z | 216,341 | 3,844,371 |
| Mutual Shares Fund, Class Z | 320,888 | 5,182,343 |
| Templeton Foreign Fund, Advisor Class | 800,519 | 4,154,694 |
| Total Open End Mutual Funds (Cost \$93,730,186) | | 84,710,529 |
| Short Term Investment (Cost \$13,777,550) 14.0% | | |
| ^a Institutional Fiduciary Trust Money Market Portfolio, 0.00% | 13,777,550 | 13,777,550 |
| Total Investments (Cost \$107,507,736) 100.2 % | | 98,488,079 |
| Other Assets, less Liabilities (0.2)% | | (167,907) |
| Net Assets 100.0% | | \$ 98,320,172 |

^aThe rate shown is the annualized seven-day yield at period end.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Franklin Templeton Corefolio Portfolio
Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|--|-----------|----------------------|
| Open End Mutual Funds 99.9% | | |
| Franklin Growth Fund, Advisor Class | 1,276,287 | \$ 39,615,938 |
| Mutual Shares Fund, Class Z | 1,230,082 | 19,865,822 |
| Templeton Growth Fund, Inc., Advisor Class | 1,475,650 | 20,201,645 |
| Total Open End Mutual Funds (Cost \$108,432,424) | | <u>79,683,405</u> |
| Short Term Investment (Cost \$184,262) 0.2% | | |
| ^a Institutional Fiduciary Trust Money Market Portfolio, 0.00% | 184,262 | <u>184,262</u> |
| Total Investments (Cost \$108,616,686) 100.1% | | 79,867,667 |
| Other Assets, less Liabilities (0.1)% | | (91,988) |
| Net Assets 100.0% | | <u>\$ 79,775,679</u> |

^aThe rate shown is the annualized seven-day yield at period end.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Franklin Templeton Founding Funds 529 Portfolio
Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|--|------------|-----------------------|
| Open End Mutual Funds 99.8% | | |
| Franklin Income Fund, Advisor Class | 23,982,294 | \$ 42,928,305 |
| Mutual Shares Fund, Class Z | 2,616,455 | 42,255,755 |
| Templeton Growth Fund, Inc., Advisor Class | 3,071,789 | 42,052,797 |
| Total Open End Mutual Funds (Cost \$195,268,842) | | <u>127,236,857</u> |
| Short Term Investments (Cost \$251,384) 0.2 % | | |
| ^a Institutional Fiduciary Trust Money Market Portfolio, 0.00% | 251,384 | <u>251,384</u> |
| Total Investments (Cost \$195,520,226) 100.0% | | 127,488,241 |
| Other Assets, less Liabilities (0.0)%^b | | 12,452 |
| Net Assets 100.0% | | <u>\$ 127,500,693</u> |

^aThe rate shown is the annualized seven-day yield at period end.

^bRounds to less than 0.1% of net assets.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Growth Portfolio
Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|--|-----------|----------------------|
| Open End Mutual Funds 99.5% | | |
| Franklin Flex Cap Growth Fund, Advisor Class | 537,985 | \$ 18,280,728 |
| Franklin Small-Mid Cap Growth Fund, Advisor Class | 768,978 | 18,370,876 |
| Mutual European Fund, Class Z | 612,188 | 10,878,586 |
| Mutual Shares Fund, Class Z | 907,415 | 14,654,753 |
| Templeton Foreign Fund, Advisor Class | 2,183,043 | 11,329,993 |
| Total Open End Mutual Funds (Cost \$98,955,314) | | <u>73,514,936</u> |
| Short Term Investment (Cost \$393,438) 0.5% | | |
| ^a Institutional Fiduciary Trust Money Market Portfolio, 0.00% | 393,438 | <u>393,438</u> |
| Total Investments (Cost \$99,348,752) 100.0% | | 73,908,374 |
| Other Assets, less Liabilities (0.0)%^b | | 14,980 |
| Net Assets 100.0% | | <u>\$ 73,923,354</u> |

^aThe rate shown is the annualized seven-day yield at period end.

^bRounds to less than 0.1% of net assets.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Growth and Income Portfolio
Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|--|-----------|----------------------|
| Open End Mutual Funds 89.7% | | |
| Franklin Flex Cap Growth Fund, Advisor Class | 238,155 | \$ 8,092,490 |
| Franklin Small-Mid Cap Growth Fund, Advisor Class | 341,003 | 8,146,573 |
| Franklin Strategic Income Fund, Advisor Class | 634,407 | 5,811,168 |
| Franklin Total Return Fund, Advisor Class | 639,872 | 5,848,431 |
| Franklin U.S. Government Securities Fund, Advisor Class | 1,817,720 | 12,051,484 |
| Mutual European Fund, Class Z | 240,041 | 4,265,524 |
| Mutual Shares Fund, Class Z | 380,779 | 6,149,580 |
| Templeton Foreign Fund, Advisor Class | 1,030,821 | 5,349,960 |
| Total Open End Mutual Funds (Cost \$64,527,017) | | <u>55,715,210</u> |
| Short Term Investment (Cost \$6,382,178) 10.3% | | |
| ^a Institutional Fiduciary Trust Money Market Portfolio, 0.00% | 6,382,178 | <u>6,382,178</u> |
| Total Investments (Cost \$70,909,195) 100.0% | | 62,097,388 |
| Other Assets, less Liabilities (0.0)%^b | | 2,358 |
| Net Assets 100.0% | | <u>\$ 62,099,746</u> |

^aThe rate shown is the annualized seven-day yield at period end.

^bRounds to less than 0.1% of net assets.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Income Portfolio
Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|--|-----------|----------------------|
| Open End Mutual Funds 79.7% | | |
| Franklin Strategic Income Fund, Advisor Class | 810,978 | \$ 7,428,563 |
| Franklin Total Return Fund, Advisor Class | 818,724 | 7,483,137 |
| Franklin U.S. Government Securities Fund, Advisor Class | 2,271,909 | 15,062,759 |
| Total Open End Mutual Funds (Cost \$30,441,442) | | 29,974,459 |
| Short Term Investment (Cost \$7,582,757) 20.2% | | |
| ^a Institutional Fiduciary Trust Money Market Portfolio, 0.00% | 7,582,758 | 7,582,757 |
| Total Investments (Cost \$38,024,199) 99.9 % | | 37,557,216 |
| Other Assets, less Liabilities 0.1% | | 53,062 |
| Net Assets 100.0% | | \$ 37,610,278 |

^aThe rate shown is the annualized seven-day yield at period end.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Franklin Growth 529 Portfolio
Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|---|---------|----------------------|
| Open End Mutual Funds (Cost \$17,053,090) 100.1% | | |
| Franklin Growth Fund, Advisor Class | 434,060 | \$ 13,473,229 |
| Other Assets, less Liabilities (0.1)% | | (16,166) |
| Net Assets 100.0% | | <u>\$ 13,457,063</u> |

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Franklin Income 529 Portfolio
Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|---|---------------|----------------------|
| Open End Mutual Funds (Cost \$79,662,568) 100.2% | | |
| Franklin Income Fund, Advisor Class | 33,758,866 | \$ 60,428,370 |
| Other Assets, less Liabilities (0.2)% | | (116,094) |
| Net Assets 100.0% | | <u>\$ 60,312,276</u> |

Supplemental Information

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Franklin Small-Mid Cap Growth 529 Portfolio

Statement of Investments, June 30, 2009

| | SHARES | | VALUE |
|---|---------|-------|----------------------------|
| <hr/> | | | |
| Open End Mutual Funds (Cost \$18,582,944) 100.1% | | | |
| Franklin Small-Mid Cap Growth Fund, Advisor Class | 540,756 | \$ | 12,918,660 |
| Other Assets, less Liabilities (0.1)% | | | (6,459) |
| Net Assets 100.0% | | <hr/> | <hr/> \$ 12,912,201 |

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Franklin Stable Value 529 Portfolio
Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|--|------------|----------------------|
| Open End Mutual Funds (Cost \$13,340,513) 16.8% | | |
| Franklin Limited Maturity U.S. Government Securities Fund, Advisor Class | 1,298,966 | \$ 13,509,245 |
| Short Term Investment (Cost \$67,237,705) 83.7% | | |
| ^a Institutional Fiduciary Trust Money Market Portfolio, 0.00% | 67,237,705 | <u>67,237,705</u> |
| Total Investments (Cost \$80,578,218) 100.5% | | 80,746,950 |
| Other Assets, less Liabilities (0.5)% | | (412,158) |
| Net Assets 100.0% | | <u>\$ 80,334,792</u> |

^aThe rate shown is the annualized seven-day yield at period end.

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Mutual Shares 529 Portfolio
Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|---|-----------|----------------------|
| Open End Mutual Funds (Cost \$64,386,829) 100.1% | | |
| Mutual Shares Fund, Class Z | 2,716,848 | \$ 43,877,097 |
| Other Assets, less Liabilities (0.1)% | | (53,931) |
| Net Assets 100.0% | | <u>\$ 43,823,166</u> |

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

S&P 500 Index Fund 529 Portfolio
Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|---|-----------|----------------------|
| Open End Mutual Funds (Cost \$39,289,620) 100.1% | | |
| UBS S&P 500 Index Fund, Class Y | 2,869,237 | \$ 30,126,985 |
| Other Assets, less Liabilities (0.1)% | | (22,318) |
| Net Assets 100.0% | | <u>\$ 30,104,667</u> |

Supplemental Information
NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST
New Jersey 529 College Savings Plan -
Franklin Templeton Managed Investment Options

Templeton Growth 529 Portfolio
Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|---|-----------|----------------------|
| Open End Mutual Funds (Cost \$75,308,361) 100.2% | | |
| Templeton Growth Fund, Inc., Advisor Class | 3,329,577 | \$ 45,581,908 |
| Other Assets, less Liabilities (0.2)% | | (77,742) |
| Net Assets 100.0% | | <u>\$ 45,504,166</u> |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Combining Statements of Assets and Liabilities

June 30, 2009

| | Age Newborn - 8 Years | Age 9 - 12 Years | Age 13 - 16 Years | Age 17 + Years |
|--------------------------------------|--------------------------|-----------------------|-----------------------|----------------------|
| Assets: | | | | |
| Investments in Underlying Funds: | | | | |
| Cost | \$ 477,623,810 | \$ 255,969,765 | \$ 264,291,061 | \$ 107,507,736 |
| Value | \$ 361,278,716 | \$ 206,689,788 | \$ 229,553,024 | \$ 98,488,079 |
| Receivables: | | | | |
| Investment securities sold | - | - | - | - |
| Plan shares sold | 119,813 | 102,814 | 2,620 | 57,834 |
| Wrapper Agreement (At Fair Value) | - | - | - | - |
| Total assets | <u>361,398,529</u> | <u>206,792,602</u> | <u>229,555,644</u> | <u>98,545,913</u> |
| Liabilities: | | | | |
| Payables: | | | | |
| Investment securities purchased | - | - | - | - |
| Plan shares redeemed | 49,191 | 5,372 | 85,127 | 93,326 |
| Accrued expenses | 408,773 | 260,552 | 296,116 | 132,415 |
| Total liabilities | <u>457,964</u> | <u>265,924</u> | <u>381,243</u> | <u>225,741</u> |
| Net assets, at value | <u>\$ 360,940,565</u> | <u>\$ 206,526,678</u> | <u>\$ 229,174,401</u> | <u>\$ 98,320,172</u> |
| Class A: | | | | |
| Net assets, at value | <u>\$ 142,940,039</u> | <u>\$ 81,261,046</u> | <u>\$ 85,157,932</u> | <u>\$ 30,429,164</u> |
| Shares outstanding | <u>10,431,081</u> | <u>5,910,047</u> | <u>6,163,922</u> | <u>2,386,783</u> |
| Net asset value per share | <u>\$13.70</u> | <u>\$13.75</u> | <u>\$13.82</u> | <u>\$12.75</u> |
| Maximum offering price per share | | | | |
| (Net asset value per share / 94.25%) | <u>\$14.54</u> | <u>\$14.59</u> | <u>\$14.66</u> | <u>\$13.53</u> |
| (Net asset value per share / 95.75%) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Class B: | | | | |
| Net assets, at value | <u>\$ 53,191,508</u> | <u>\$ 31,238,266</u> | <u>\$ 31,102,321</u> | <u>\$ 7,136,768</u> |
| Shares outstanding | <u>4,074,419</u> | <u>2,398,433</u> | <u>2,393,916</u> | <u>582,891</u> |
| Net asset value per share | <u>\$13.05</u> | <u>\$13.02</u> | <u>\$12.99</u> | <u>\$12.24</u> |
| Class C: | | | | |
| Net assets, at value | <u>\$ 51,958,650</u> | <u>\$ 40,965,419</u> | <u>\$ 61,267,041</u> | <u>\$ 38,878,228</u> |
| Shares outstanding | <u>3,928,355</u> | <u>3,100,259</u> | <u>4,710,785</u> | <u>3,119,341</u> |
| Net asset value per share | <u>\$13.23</u> | <u>\$13.21</u> | <u>\$13.01</u> | <u>\$12.46</u> |
| Direct: | | | | |
| Net assets, at value | <u>\$ 112,850,368</u> | <u>\$ 53,061,947</u> | <u>\$ 51,647,107</u> | <u>\$ 21,876,012</u> |
| Shares outstanding | <u>8,123,173</u> | <u>3,804,665</u> | <u>3,707,604</u> | <u>1,640,267</u> |
| Net asset value per share | <u>\$13.89</u> | <u>\$13.95</u> | <u>\$13.93</u> | <u>\$13.34</u> |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Combining Statements of Assets and Liabilities

June 30, 2009

| | Franklin Templeton Corefolio Portfolio | Franklin Templeton Founding Funds 529 Portfolio | Growth Portfolio | Growth and Income Portfolio | Income Portfolio |
|--------------------------------------|---|--|------------------|--------------------------------|------------------|
| Assets: | | | | | |
| Investments in Underlying Funds: | | | | | |
| Cost | \$ 108,616,686 | \$ 195,520,226 | \$ 99,348,752 | \$ 70,909,195 | \$ 38,024,199 |
| Value | \$ 79,867,667 | \$ 127,488,241 | \$ 73,908,374 | \$ 62,097,388 | \$ 37,557,216 |
| Receivables: | | | | | |
| Investment securities sold | - | - | - | - | - |
| Plan shares sold | 42,935 | 179,765 | 106,907 | 111,845 | 94,745 |
| Wrapper Agreement (At Fair Value) | - | - | - | - | - |
| Total assets | 79,910,602 | 127,668,006 | 74,015,281 | 62,209,233 | 37,651,961 |
| Liabilities: | | | | | |
| Payables: | | | | | |
| Investment securities purchased | - | - | - | - | - |
| Plan shares redeemed | 23,969 | 14,594 | 16,777 | 25,993 | - |
| Accrued expenses | 110,954 | 152,719 | 75,150 | 83,494 | 41,683 |
| Total liabilities | 134,923 | 167,313 | 91,927 | 109,487 | 41,683 |
| Net assets, at value | \$ 79,775,679 | \$ 127,500,693 | \$ 73,923,354 | \$ 62,099,746 | \$ 37,610,278 |
| Class A: | | | | | |
| Net assets, at value | \$ 31,433,429 | \$ 73,053,571 | \$ 21,496,846 | \$ 18,379,693 | \$ 12,322,469 |
| Shares outstanding | 2,507,733 | 8,520,374 | 1,565,918 | 1,355,479 | 979,588 |
| Net asset value per share | \$12.53 | \$8.57 | \$13.73 | \$13.56 | \$12.58 |
| Maximum offering price per share | | | | | |
| (Net asset value per share / 94.25%) | \$13.29 | \$9.09 | \$14.57 | \$14.39 | - |
| (Net asset value per share / 95.75%) | - | - | - | - | \$13.14 |
| Class B: | | | | | |
| Net assets, at value | \$ 8,429,198 | \$ 12,551,996 | \$ 5,270,564 | \$ 6,613,584 | \$ 2,468,220 |
| Shares outstanding | 717,446 | 1,507,157 | 402,092 | 513,224 | 205,709 |
| Net asset value per share | \$11.75 | \$8.33 | \$13.11 | \$12.89 | \$12.00 |
| Class C: | | | | | |
| Net assets, at value | \$ 18,058,447 | \$ 41,895,126 | \$ 13,407,915 | \$ 16,309,472 | \$ 10,691,706 |
| Shares outstanding | 1,508,446 | 5,038,029 | 1,019,663 | 1,282,979 | 887,993 |
| Net asset value per share | \$11.97 | \$8.32 | \$13.15 | \$12.71 | \$12.04 |
| Direct: | | | | | |
| Net assets, at value | \$ 21,854,605 | | \$ 33,748,029 | \$ 20,796,997 | \$ 12,127,883 |
| Shares outstanding | 1,717,134 | | 2,421,356 | 1,508,091 | 947,337 |
| Net asset value per share | \$12.73 | | \$13.94 | \$13.79 | \$12.80 |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan -

Franklin Templeton Managed Investment Options

Combined Statements of Assets and Liabilities

June 30, 2009

| | Franklin Growth 529 Portfolio | Franklin Income 529 Portfolio | Franklin Small- Mid Cap Growth 529 Portfolio | Franklin Templeton Stable Value 529 Portfolio | Mutual Shares 529 Portfolio |
|--------------------------------------|----------------------------------|----------------------------------|--|--|--------------------------------|
| Assets: | | | | | |
| Investments in Underlying Funds: | | | | | |
| Cost | \$ 17,053,090 | \$ 79,662,568 | \$ 18,582,944 | \$ 80,578,218 | \$ 64,386,829 |
| Value | \$ 13,473,229 | \$ 60,428,370 | \$ 12,918,660 | \$ 80,746,950 | \$ 43,877,097 |
| Receivables: | | | | | |
| Investment securities sold | - | - | - | - | - |
| Plan shares sold | 26,057 | 38,021 | 13,159 | 499,526 | 25,777 |
| Wrapper Agreement (At Fair Value) | - | - | - | 20,636 | - |
| Total assets | 13,499,286 | 60,466,391 | 12,931,819 | 81,267,112 | 43,902,874 |
| Liabilities: | | | | | |
| Payables: | | | | | |
| Investment securities purchased | - | - | - | - | - |
| Plan shares redeemed | 18,213 | 50,243 | - | 808,217 | 5,807 |
| Accrued expenses | 24,010 | 103,872 | 19,618 | 124,103 | 73,901 |
| Total liabilities | 42,223 | 154,115 | 19,618 | 932,320 | 79,708 |
| Net assets, at value | \$ 13,457,063 | \$ 60,312,276 | \$ 12,912,201 | \$ 80,334,792 | \$ 43,823,166 |
| Class A: | | | | | |
| Net assets, at value | \$ 7,738,972 | \$ 30,414,799 | \$ 8,060,413 | \$ 23,344,676 | \$ 24,894,559 |
| Shares outstanding | 738,918 | 2,216,490 | 603,989 | 2,079,060 | 2,002,366 |
| Net asset value per share | \$10.47 | \$13.72 | \$13.35 | \$11.23 | \$12.43 |
| Maximum offering price per share | | | | | |
| (Net asset value per share / 94.25%) | \$11.11 | - | \$14.16 | - | \$13.19 |
| (Net asset value per share / 95.75%) | - | \$14.33 | - | \$11.73 | - |
| Class B: | | | | | |
| Net assets, at value | \$ 2,318,972 | \$ 9,197,871 | \$ 2,121,254 | \$ 8,811,698 | \$ 6,475,778 |
| Shares outstanding | 238,276 | 697,232 | 166,200 | 821,958 | 554,482 |
| Net asset value per share | \$9.73 | \$13.19 | \$12.76 | \$10.72 | \$11.68 |
| Class C: | | | | | |
| Net assets, at value | \$ 3,399,119 | \$ 20,699,606 | \$ 2,730,534 | \$ 25,332,422 | \$ 12,452,829 |
| Shares outstanding | 326,479 | 1,579,471 | 214,839 | 2,390,549 | 1,061,816 |
| Net asset value per share | \$10.41 | \$13.11 | \$12.71 | \$10.60 | \$11.73 |
| Direct: | | | | | |
| Net assets, at value | | | | \$ 22,845,996 | |
| Shares outstanding | | | | 1,998,122 | |
| Net asset value per share | | | | \$11.43 | |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combining Statements of Assets and Liabilities June 30, 2009

| | S&P 500 Index Fund 529 Portfolio | Templeton Growth 529 Portfolio | Total |
|--------------------------------------|--|--------------------------------------|-------------------------|
| Assets: | | | |
| Investments in Underlying Funds: | | | |
| Cost | \$ 39,289,620 | \$ 75,308,361 | \$ 1,992,673,060 |
| Value | \$ 30,126,985 | \$ 45,581,908 | \$ 1,564,081,692 |
| Receivables: | | | |
| Investment securities sold | 6,635 | - | 6,635 |
| Plan shares sold | 5,864 | 9,006 | 1,436,688 |
| Wrapper Agreement (At Fair Value) | - | - | 20,636 |
| Total assets | <u>30,139,484</u> | <u>45,590,914</u> | <u>1,565,545,651</u> |
| Liabilities: | | | |
| Payables: | | | |
| Investment securities purchased | 2,733 | - | 2,733 |
| Plan shares redeemed | 3,131 | 9,654 | 1,209,614 |
| Accrued expenses | 28,953 | 77,094 | 2,013,407 |
| Total liabilities | <u>34,817</u> | <u>86,748</u> | <u>3,225,754</u> |
| Net assets, at value | <u>\$ 30,104,667</u> | <u>\$ 45,504,166</u> | <u>\$ 1,562,319,897</u> |
| Class A: | | | |
| Net assets, at value | <u>\$ 5,416,466</u> | <u>\$ 26,997,400</u> | |
| Shares outstanding | <u>486,104</u> | <u>2,108,422</u> | |
| Net asset value per share | <u>\$11.14</u> | <u>\$12.80</u> | |
| Maximum offering price per share | | | |
| (Net asset value per share / 94.25%) | <u>\$11.82</u> | <u>\$13.58</u> | |
| (Net asset value per share / 95.75%) | <u>-</u> | <u>-</u> | |
| Class B: | | | |
| Net assets, at value | <u>\$ 2,329,655</u> | <u>\$ 6,238,971</u> | |
| Shares outstanding | <u>231,505</u> | <u>515,110</u> | |
| Net asset value per share | <u>\$10.06</u> | <u>\$12.11</u> | |
| Class C: | | | |
| Net assets, at value | <u>\$ 3,005,798</u> | <u>\$ 12,267,795</u> | |
| Shares outstanding | <u>275,848</u> | <u>1,023,719</u> | |
| Net asset value per share | <u>\$10.90</u> | <u>\$11.98</u> | |
| Direct: | | | |
| Net assets, at value | <u>\$ 19,352,748</u> | | <u>\$ 370,161,692</u> |
| Shares outstanding | <u>1,682,204</u> | | |
| Net asset value per share | <u>\$11.50</u> | | |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combining Statements of Operations June 30, 2009

| | Age Newborn - 8 Years | Age 9 - 12 Years | Age 13 - 16 Years |
|---|--------------------------|------------------|-------------------|
| Investment income - dividends from Underlying Funds | \$ 4,249,680 | \$ 4,716,442 | \$ 7,242,501 |
| Expenses: | | | |
| Program management fees (Note 2) | 1,304,158 | 770,246 | 849,840 |
| Distribution fees | | | |
| Class A | 321,025 | 191,959 | 199,520 |
| Class B | 499,762 | 302,240 | 300,552 |
| Class C | 445,823 | 360,241 | 547,057 |
| Sub-advisory fees (Note 2) | - | - | - |
| Total expenses | 2,570,768 | 1,624,686 | 1,896,969 |
| Net investment income (loss) | 1,678,912 | 3,091,756 | 5,345,532 |
| Realized and unrealized gains (losses): | | | |
| Net realized gain (loss) from: | | | |
| Sale of investments in Underlying Funds | (29,314,562) | (10,440,892) | (7,276,074) |
| Realized gain distributions by Underlying Funds | 15,710,373 | 6,894,873 | 5,302,463 |
| Net realized gain (loss) | (13,604,189) | (3,546,019) | (1,973,611) |
| Net change in unrealized appreciation (depreciation) on Investments in Underlying Funds and Wrapper Agreements | (80,798,812) | (38,435,966) | (25,664,415) |
| Net realized and unrealized gain (loss) | (94,403,001) | (41,981,985) | (27,638,026) |
| Net increase (decrease) in net assets resulting from operations | \$ (92,724,089) | \$ (38,890,229) | \$ (22,292,494) |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combining Statements of Operations June 30, 2009

| | Age 17 + Years | Franklin Templeton Corefolio Portfolio | Franklin Templeton Founding Funds 529 Portfolio |
|---|----------------|---|---|
| Investment income - dividends from Underlying Funds | \$ 4,509,383 | \$ 1,588,300 | \$ 6,194,280 |
| Expenses: | | | |
| Program management fees (Note 2) | 400,720 | 317,896 | 502,744 |
| Distribution fees | | | |
| Class A | 79,713 | 78,078 | 179,431 |
| Class B | 72,659 | 85,579 | 120,430 |
| Class C | 384,858 | 185,054 | 418,043 |
| Sub-advisory fees (Note 2) | - | - | - |
| Total expenses | 937,950 | 666,607 | 1,220,648 |
| Net investment income (loss) | 3,571,433 | 921,693 | 4,973,632 |
| Realized and unrealized gains (losses): | | | |
| Net realized gain (loss) from: | | | |
| Sale of investments in Underlying Funds | (5,167,365) | (1,169,582) | (4,899,400) |
| Realized gain distributions by Underlying Funds | 1,456,396 | 235,958 | 521,546 |
| Net realized gain (loss) | (3,710,969) | (933,624) | (4,377,854) |
| Net change in unrealized appreciation (depreciation) on Investments in Underlying Funds and Wrapper Agreements | (5,351,414) | (25,470,790) | (40,344,676) |
| Net realized and unrealized gain (loss) | (9,062,383) | (26,404,414) | (44,722,530) |
| Net increase (decrease) in net assets resulting from operations | \$ (5,490,950) | \$ (25,482,721) | \$ (39,748,898) |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combining Statements of Operations June 30, 2009

| | Growth Portfolio | Growth and Income Portfolio | Income Portfolio |
|---|------------------|-----------------------------|------------------|
| Investment income - dividends from Underlying Funds | \$ 919,667 | \$ 1,918,576 | \$ 1,496,275 |
| Expenses: | | | |
| Program management fees (Note 2) | 278,916 | 225,460 | 116,261 |
| Distribution fees | | | |
| Class A | 50,704 | 40,212 | 22,761 |
| Class B | 50,912 | 62,441 | 18,816 |
| Class C | 124,001 | 145,729 | 79,250 |
| Sub-advisory fees (Note 2) | - | - | - |
| Total expenses | 504,533 | 473,842 | 237,088 |
| Net investment income (loss) | 415,134 | 1,444,734 | 1,259,187 |
| Realized and unrealized gains (losses): | | | |
| Net realized gain (loss) from: | | | |
| Sale of investments in Underlying Funds | (7,034,774) | (1,840,260) | (8,487) |
| Realized gain distributions by Underlying Funds | 3,375,830 | 1,412,032 | |
| Net realized gain (loss) | (3,658,944) | (428,228) | (8,487) |
| Net change in unrealized appreciation (depreciation) on Investments in Underlying Funds and Wrapper Agreements | (18,011,233) | (7,043,451) | (119,714) |
| Net realized and unrealized gain (loss) | (21,670,177) | (7,471,679) | (128,201) |
| Net increase (decrease) in net assets resulting from operations | \$ (21,255,043) | \$ (6,026,945) | \$ 1,130,986 |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combining Statements of Operations June 30, 2009

| | Franklin Growth 529 Portfolio | Franklin Income 529 Portfolio | Franklin Small-Mid Cap Growth 529 Portfolio |
|---|----------------------------------|----------------------------------|---|
| Investment income - dividends from Underlying Funds | \$ 149,364 | \$ 5,132,712 | \$ - |
| Expenses: | | | |
| Program management fees (Note 2) | 52,405 | 226,472 | 49,175 |
| Distribution fees | | | |
| Class A | 18,362 | 70,138 | 19,057 |
| Class B | 23,459 | 88,307 | 19,282 |
| Class C | 34,064 | 196,972 | 27,388 |
| Sub-advisory fees (Note 2) | - | - | - |
| Total expenses | <u>128,290</u> | <u>581,889</u> | <u>114,902</u> |
| Net investment income (loss) | <u>21,074</u> | <u>4,550,823</u> | <u>(114,902)</u> |
| Realized and unrealized gains (losses): | | | |
| Net realized gain (loss) from: | | | |
| Sale of investments in Underlying Funds | (364,976) | (2,536,704) | (530,760) |
| Realized gain distributions by Underlying Funds | - | 37,218 | 31,576 |
| Net realized gain (loss) | <u>(364,976)</u> | <u>(2,499,486)</u> | <u>(499,184)</u> |
| Net change in unrealized appreciation (depreciation) on Investments in Underlying Funds and Wrapper Agreements | <u>(3,833,946)</u> | <u>(15,343,634)</u> | <u>(3,697,328)</u> |
| Net realized and unrealized gain (loss) | <u>(4,198,922)</u> | <u>(17,843,120)</u> | <u>(4,196,512)</u> |
| Net increase (decrease) in net assets resulting from operations | <u>\$ (4,177,848)</u> | <u>\$ (13,292,297)</u> | <u>\$ (4,311,414)</u> |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combining Statements of Operations June 30, 2009

| | Franklin Templeton Stable Value 529 Portfolio | Mutual Shares 529 Portfolio | S&P 500 Index Fund 529 Portfolio |
|---|---|--------------------------------|-------------------------------------|
| Investment income - dividends from Underlying Funds | \$ 725,550 | \$ 731,866 | \$ 570,283 |
| Expenses: | | | |
| Program management fees (Note 2) | 229,778 | 183,224 | 112,262 |
| Distribution fees | | | |
| Class A | 38,565 | 63,761 | 12,957 |
| Class B | 67,244 | 68,611 | 23,316 |
| Class C | 186,063 | 134,028 | 27,933 |
| Sub-advisory fees (Note 2) | 57,444 | - | - |
| Total expenses | 579,094 | 449,624 | 176,468 |
| Net investment income (loss) | 146,456 | 282,242 | 393,815 |
| Realized and unrealized gains (losses): | | | |
| Net realized gain (loss) from: | | | |
| Sale of investments in Underlying Funds | - | (2,142,288) | (458,318) |
| Realized gain distributions by Underlying Funds | - | 555,641 | 94,180 |
| Net realized gain (loss) | - | (1,586,647) | (364,138) |
| Net change in unrealized appreciation (depreciation) on Investments in Underlying Funds and Wrapper Agreements | 426,995 | (13,096,123) | (8,861,980) |
| Net realized and unrealized gain (loss) | 426,995 | (14,682,770) | (9,226,118) |
| Net increase (decrease) in net assets resulting from operations | \$ 573,451 | \$ (14,400,528) | \$ (8,832,303) |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combining Statements of Operations June 30, 2009

| | Templeton Growth 529 Portfolio | Total |
|---|-----------------------------------|------------------|
| Investment income - dividends from Underlying Funds | \$ 1,910,557 | \$ 42,055,436 |
| Expenses: | | |
| Program management fees (Note 2) | 191,870 | 5,811,427 |
| Distribution fees | | |
| Class A | 70,493 | 1,456,736 |
| Class B | 67,094 | 1,870,704 |
| Class C | 130,188 | 3,426,692 |
| Sub-advisory fees (Note 2) | - | 57,444 |
| Total expenses | 459,645 | 12,623,003 |
| Net investment income (loss) | 1,450,912 | 29,432,433 |
| Realized and unrealized gains (losses): | | |
| Net realized gain (loss) from: | | |
| Sale of investments in Underlying Funds | (3,237,776) | (76,422,218) |
| Realized gain distributions by Underlying Funds | - | 35,628,086 |
| Net realized gain (loss) | (3,237,776) | (40,794,132) |
| Net change in unrealized appreciation (depreciation) on Investments in Underlying Funds and Wrapper Agreements | (19,093,228) | (304,739,715) |
| Net realized and unrealized gain (loss) | (22,331,004) | (345,533,847) |
| Net increase (decrease) in net assets resulting from operations | \$ (20,880,092) | \$ (316,101,414) |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combining Statements of Changes in Net Assets June 30, 2009

| | Age Newborn - 8 Years | | Age 9 - 12 Years | | Age 13 - 16 Years | |
|--|-----------------------|----------------|---------------------|----------------|---------------------|----------------|
| | Year Ended June 30, | | Year Ended June 30, | | Year Ended June 30, | |
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Increase (decrease) in net assets: | | | | | | |
| Operations: | | | | | | |
| Net investment income (loss) | \$ 1,678,912 | \$ 2,418,315 | \$ 3,091,756 | \$ 3,347,068 | \$ 5,345,532 | \$ 5,061,711 |
| Net realized gain (loss) from Underlying Funds | (13,604,189) | 44,199,033 | (3,546,019) | 16,912,927 | (1,973,611) | 10,508,251 |
| Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrapper Agreements | (80,798,812) | (103,656,534) | (38,435,966) | (40,610,606) | (25,664,415) | (25,459,140) |
| Net increase (decrease) in net assets resulting from operations | (92,724,089) | (57,039,186) | (38,890,229) | (20,350,611) | (22,292,494) | (9,889,178) |
| Plan share transactions: | | | | | | |
| Subscriptions: | | | | | | |
| Class A | 37,361,606 | 56,467,021 | 32,075,683 | 39,454,541 | 34,244,008 | 34,259,791 |
| Class B | 10,952,440 | 19,048,086 | 11,570,249 | 14,820,118 | 11,494,280 | 12,036,267 |
| Class C | 16,043,097 | 19,932,067 | 17,865,421 | 19,821,413 | 25,100,332 | 26,777,323 |
| Direct | 25,273,925 | 39,378,536 | 20,956,414 | 25,533,600 | 19,894,089 | 24,168,031 |
| Total subscriptions | 89,631,068 | 134,825,710 | 82,467,767 | 99,629,672 | 90,732,709 | 97,241,412 |
| Redemptions: | | | | | | |
| Class A | (26,106,880) | (22,054,078) | (28,025,393) | (23,654,063) | (22,124,164) | (15,781,053) |
| Class B | (10,153,324) | (8,190,187) | (11,291,955) | (10,248,492) | (7,582,868) | (4,796,340) |
| Class C | (10,182,058) | (9,234,943) | (13,984,982) | (12,512,268) | (19,918,287) | (15,900,544) |
| Direct | (16,731,300) | (15,952,857) | (15,119,786) | (15,296,610) | (14,378,015) | (10,982,849) |
| Total redemptions | (63,173,562) | (55,432,065) | (68,422,116) | (61,711,433) | (64,003,334) | (47,460,786) |
| Net increase (decrease) in net assets resulting from plan share transactions | 26,457,506 | 79,393,645 | 14,045,651 | 37,918,239 | 26,729,375 | 49,780,626 |
| Net increase (decrease) in net assets | (66,266,583) | 22,354,459 | (24,844,578) | 17,567,628 | 4,436,881 | 39,891,448 |
| Net assets: | | | | | | |
| Beginning of year | 427,207,148 | 404,852,689 | 231,371,256 | 213,803,628 | 224,737,520 | 184,846,072 |
| End of year | \$ 360,940,565 | \$ 427,207,148 | \$ 206,526,678 | \$ 231,371,256 | \$ 229,174,401 | \$ 224,737,520 |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combining Statements of Changes in Net Assets June 30, 2009

| | Age 17 + Years | | Franklin Templeton Corefolio Portfolio | | Franklin Templeton Founding Funds 529 Portfolio | |
|--|---------------------|---------------|--|----------------|---|----------------|
| | Year Ended June 30, | | Year Ended June 30, | | Year Ended June 30, | |
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Increase (decrease) in net assets: | | | | | | |
| Operations: | | | | | | |
| Net investment income (loss) | \$ 3,571,433 | \$ 2,739,418 | \$ 921,693 | \$ 694,181 | \$ 4,973,632 | \$ 3,928,293 |
| Net realized gain (loss) from Underlying Funds | (3,710,969) | 2,674,898 | (933,624) | 3,973,264 | (4,377,854) | 6,355,000 |
| Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrapper Agreements | (5,351,414) | (5,812,976) | (25,470,790) | (22,299,269) | (40,344,676) | (37,180,793) |
| Net increase (decrease) in net assets resulting from operations | (5,490,950) | (398,660) | (25,482,721) | (17,631,824) | (39,748,898) | (26,897,500) |
| Plan share transactions: | | | | | | |
| Subscriptions: | | | | | | |
| Class A | 18,042,681 | 16,434,992 | 5,256,266 | 7,914,952 | 14,802,404 | 39,900,948 |
| Class B | 4,857,128 | 4,320,394 | 1,070,588 | 1,726,463 | 2,765,538 | 6,265,350 |
| Class C | 22,121,771 | 21,277,067 | 3,307,162 | 5,578,828 | 9,061,591 | 24,456,456 |
| Direct | 12,820,313 | 13,156,293 | 3,954,416 | 6,231,998 | - | - |
| Total subscriptions | 57,841,893 | 55,188,746 | 13,588,432 | 21,452,241 | 26,629,533 | 70,622,754 |
| Redemptions: | | | | | | |
| Class A | (13,384,301) | (6,547,392) | (4,367,147) | (2,800,040) | (12,038,130) | (5,181,897) |
| Class B | (2,876,591) | (1,261,392) | (1,051,277) | (692,905) | (1,726,001) | (692,824) |
| Class C | (16,693,605) | (9,307,986) | (3,775,259) | (2,077,022) | (8,993,857) | (6,911,783) |
| Direct | (10,096,496) | (5,423,231) | (2,402,915) | (1,925,467) | - | - |
| Total redemptions | (43,050,993) | (22,540,001) | (11,596,598) | (7,495,434) | (22,757,988) | (12,786,504) |
| Net increase (decrease) in net assets resulting from plan share transactions | 14,790,900 | 32,648,745 | 1,991,834 | 13,956,807 | 3,871,545 | 57,836,250 |
| Net increase (decrease) in net assets | 9,299,950 | 32,250,085 | (23,490,887) | (3,675,017) | (35,877,353) | 30,938,750 |
| Net assets: | | | | | | |
| Beginning of year | 89,020,222 | 56,770,137 | 103,266,566 | 106,941,583 | 163,378,046 | 132,439,296 |
| End of year | \$ 98,320,172 | \$ 89,020,222 | \$ 79,775,679 | \$ 103,266,566 | \$ 127,500,693 | \$ 163,378,046 |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combining Statements of Changes in Net Assets June 30, 2009

| | Growth Portfolio | | Growth and Income Portfolio | | Income Portfolio | |
|--|---------------------|---------------|-----------------------------|---------------|---------------------|---------------|
| | Year Ended June 30, | | Year Ended June 30, | | Year Ended June 30, | |
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Increase (decrease) in net assets: | | | | | | |
| Operations: | | | | | | |
| Net investment income (loss) | \$ 415,134 | \$ 581,656 | \$ 1,444,734 | \$ 1,450,590 | \$ 1,259,187 | \$ 751,340 |
| Net realized gain (loss) from Underlying Funds | (3,658,944) | 8,134,802 | (428,228) | 2,847,755 | (8,487) | (1,541) |
| Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrapper Agreements | (18,011,233) | (20,138,430) | (7,043,451) | (7,107,410) | (119,714) | (135,600) |
| Net increase (decrease) in net assets resulting from operations | (21,255,043) | (11,421,972) | (6,026,945) | (2,809,065) | 1,130,986 | 614,199 |
| Plan share transactions: | | | | | | |
| Subscriptions: | | | | | | |
| Class A | 5,126,857 | 8,497,788 | 5,362,770 | 4,363,001 | 7,170,054 | 2,905,604 |
| Class B | 716,949 | 1,470,593 | 1,245,894 | 1,296,190 | 1,547,018 | 663,120 |
| Class C | 3,291,237 | 6,258,430 | 4,710,874 | 5,977,916 | 7,785,842 | 3,581,464 |
| Direct | 7,154,671 | 12,499,666 | 4,561,934 | 6,071,471 | 6,015,013 | 4,337,468 |
| Total subscriptions | 16,289,714 | 28,726,477 | 15,881,472 | 17,708,578 | 22,517,927 | 11,487,656 |
| Redemptions: | | | | | | |
| Class A | (2,616,936) | (1,321,220) | (3,014,518) | (1,394,220) | (2,108,174) | (640,180) |
| Class B | (407,343) | (428,771) | (1,190,693) | (578,111) | (433,110) | (198,984) |
| Class C | (1,266,935) | (1,007,571) | (2,869,884) | (1,768,226) | (3,131,811) | (660,490) |
| Direct | (4,067,644) | (2,460,813) | (3,764,304) | (1,637,508) | (2,705,177) | (1,215,500) |
| Total redemptions | (8,358,858) | (5,218,375) | (10,839,399) | (5,378,065) | (8,378,272) | (2,715,154) |
| Net increase (decrease) in net assets resulting from plan share transactions | 7,930,856 | 23,508,102 | 5,042,073 | 12,330,513 | 14,139,655 | 8,772,502 |
| Net increase (decrease) in net assets | (13,324,187) | 12,086,130 | (984,872) | 9,521,448 | 15,270,641 | 9,386,701 |
| Net assets: | | | | | | |
| Beginning of year | 87,247,541 | 75,161,411 | 63,084,618 | 53,563,170 | 22,339,637 | 12,952,936 |
| End of year | \$ 73,923,354 | \$ 87,247,541 | \$ 62,099,746 | \$ 63,084,618 | \$ 37,610,278 | \$ 22,339,637 |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combining Statements of Changes in Net Assets June 30, 2009

| | Franklin Growth 529 Portfolio | | Franklin Income 529 Portfolio | | Franklin Small-Mid Cap Growth 529 Portfolio | |
|--|-------------------------------|---------------|-------------------------------|---------------|---|---------------|
| | Year Ended June 30, | | Year Ended June 30, | | Year Ended June 30, | |
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Increase (decrease) in net assets: | | | | | | |
| Operations: | | | | | | |
| Net investment income (loss) | \$ 21,074 | \$ (854) | \$ 4,550,823 | \$ 3,611,531 | \$ (114,902) | \$ (152,023) |
| Net realized gain (loss) from Underlying Funds | (364,976) | 667,947 | (2,499,486) | 1,715,563 | (499,184) | 2,623,573 |
| Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrapper Agreements | (3,833,946) | (2,106,761) | (15,343,634) | (10,333,152) | (3,697,328) | (4,703,695) |
| Net increase (decrease) in net assets resulting from operations | (4,177,848) | (1,439,668) | (13,292,297) | (5,006,058) | (4,311,414) | (2,232,145) |
| Plan share transactions: | | | | | | |
| Subscriptions: | | | | | | |
| Class A | 1,642,270 | 2,336,596 | 6,885,688 | 7,619,223 | 1,471,623 | 3,046,796 |
| Class B | 338,893 | 475,585 | 1,537,551 | 1,465,224 | 466,770 | 561,100 |
| Class C | 691,739 | 1,110,431 | 4,590,086 | 6,502,785 | 511,743 | 1,027,335 |
| Direct | - | - | - | - | - | - |
| Total subscriptions | 2,672,902 | 3,922,612 | 13,013,325 | 15,587,232 | 2,450,136 | 4,635,231 |
| Redemptions: | | | | | | |
| Class A | (692,409) | (500,923) | (5,742,002) | (3,195,085) | (878,043) | (628,860) |
| Class B | (417,467) | (126,493) | (1,616,268) | (664,506) | (211,042) | (70,901) |
| Class C | (669,954) | (351,639) | (5,316,172) | (3,223,268) | (527,869) | (291,840) |
| Direct | - | - | - | - | - | - |
| Total redemptions | (1,779,830) | (979,055) | (12,674,442) | (7,082,859) | (1,616,954) | (991,601) |
| Net increase (decrease) in net assets resulting from plan share transactions | 893,072 | 2,943,557 | 338,883 | 8,504,373 | 833,182 | 3,643,630 |
| Net increase (decrease) in net assets | (3,284,776) | 1,503,889 | (12,953,414) | 3,498,315 | (3,478,232) | 1,411,485 |
| Net assets: | | | | | | |
| Beginning of year | 16,741,839 | 15,237,950 | 73,265,690 | 69,767,375 | 16,390,433 | 14,978,948 |
| End of year | \$ 13,457,063 | \$ 16,741,839 | \$ 60,312,276 | \$ 73,265,690 | \$ 12,912,201 | \$ 16,390,433 |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combining Statements of Changes in Net Assets June 30, 2009

| | Franklin Templeton Stable Value 529 Portfolio | | Mutual Shares 529 Portfolio | | S&P 500 Index Fund 529 Portfolio | |
|--|--|---------------|-----------------------------|---------------|----------------------------------|---------------|
| | Year Ended June 30, | | Year Ended June 30, | | Year Ended June 30, | |
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Increase (decrease) in net assets: | | | | | | |
| Operations: | | | | | | |
| Net investment income (loss) | \$ 146,456 | \$ 689,598 | \$ 282,242 | \$ 1,116,116 | \$ 393,815 | \$ 324,045 |
| Net realized gain (loss) from Underlying Funds | - | - | (1,586,647) | 2,132,658 | (364,138) | 975,081 |
| Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrapper Agreements | 426,995 | 287,016 | (13,096,123) | (17,711,084) | (8,861,980) | (6,455,083) |
| Net increase (decrease) in net assets resulting from operations | 573,451 | 976,614 | (14,400,528) | (14,462,310) | (8,832,303) | (5,155,957) |
| Plan share transactions: | | | | | | |
| Subscriptions: | | | | | | |
| Class A | 22,632,886 | 3,039,471 | 3,993,775 | 7,581,964 | 1,254,143 | 1,228,626 |
| Class B | 7,548,740 | 843,967 | 786,471 | 1,250,398 | 466,420 | 530,233 |
| Class C | 21,823,684 | 5,054,341 | 1,739,754 | 4,215,328 | 1,027,399 | 605,634 |
| Direct | 18,286,835 | 5,878,642 | - | - | 5,402,931 | 5,867,340 |
| Total subscriptions | 70,292,145 | 14,816,421 | 6,520,000 | 13,047,690 | 8,150,893 | 8,231,833 |
| Redemptions: | | | | | | |
| Class A | (5,460,874) | (898,888) | (4,137,094) | (2,366,348) | (520,075) | (308,881) |
| Class B | (1,746,148) | (216,862) | (986,930) | (530,756) | (265,434) | (169,213) |
| Class C | (5,953,671) | (3,071,452) | (3,359,934) | (1,826,400) | (487,108) | (354,947) |
| Direct | (5,321,250) | (4,090,565) | - | - | (1,732,697) | (1,514,669) |
| Total redemptions | (18,481,943) | (8,277,767) | (8,483,958) | (4,723,504) | (3,005,314) | (2,347,710) |
| Net increase (decrease) in net assets resulting from plan share transactions | 51,810,202 | 6,538,654 | (1,963,958) | 8,324,186 | 5,145,579 | 5,884,123 |
| Net increase (decrease) in net assets | 52,383,653 | 7,515,268 | (16,364,486) | (6,138,124) | (3,686,724) | 728,166 |
| Net assets: | | | | | | |
| Beginning of year | 27,951,139 | 20,435,871 | 60,187,652 | 66,325,776 | 33,791,391 | 33,063,225 |
| End of year | \$ 80,334,792 | \$ 27,951,139 | \$ 43,823,166 | \$ 60,187,652 | \$ 30,104,667 | \$ 33,791,391 |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey 529 College Savings Plan - Franklin Templeton Managed Investment Options

Combining Statements of Changes in Net Assets June 30, 2009

| | Templeton Growth 529 Portfolio | | Total | |
|--|--------------------------------|----------------------|-------------------------|-------------------------|
| | Year Ended June 30, | | Year Ended June 30, | |
| | 2009 | 2008 | 2009 | 2008 |
| Increase (decrease) in net assets: | | | | |
| Operations: | | | | |
| Net investment income (loss) | \$ 1,450,912 | \$ 569,110 | \$ 29,432,433 | 27,130,095 |
| Net realized gain (loss) from Underlying Funds | (3,237,776) | 5,256,931 | (40,794,132) | 108,976,142 |
| Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrapper Agreements | <u>(19,093,228)</u> | <u>(21,912,285)</u> | <u>(304,739,715)</u> | <u>(325,335,802)</u> |
| Net increase (decrease) in net assets resulting from operations | <u>(20,880,092)</u> | <u>(16,086,244)</u> | <u>(316,101,414)</u> | <u>(189,229,565)</u> |
| Plan share transactions: | | | | |
| Subscriptions: | | | | |
| Class A | 3,869,755 | 8,838,953 | 201,192,469 | 243,890,267 |
| Class B | 753,579 | 1,467,600 | 58,118,508 | 68,240,688 |
| Class C | 1,866,545 | 3,749,169 | 141,538,277 | 155,925,987 |
| Direct | - | - | 124,320,541 | 143,123,045 |
| Total subscriptions | <u>6,489,879</u> | <u>14,055,722</u> | <u>525,169,795</u> | <u>611,179,987</u> |
| Redemptions: | | | | |
| Class A | (4,513,087) | (3,222,635) | (135,729,227) | (90,495,763) |
| Class B | (1,253,581) | (568,102) | (43,210,032) | (29,434,839) |
| Class C | (2,606,568) | (1,970,650) | (99,737,954) | (70,471,029) |
| Direct | - | - | (76,319,584) | (60,500,069) |
| Total redemptions | <u>(8,373,236)</u> | <u>(5,761,387)</u> | <u>(354,996,797)</u> | <u>(250,901,700)</u> |
| Net increase (decrease) in net assets resulting from plan share transactions | <u>(1,883,357)</u> | <u>8,294,335</u> | <u>170,172,998</u> | <u>360,278,287</u> |
| Net increase (decrease) in net assets | <u>(2,266,713)</u> | <u>(7,791,909)</u> | <u>(145,928,416)</u> | <u>171,048,722</u> |
| Net assets: | | | | |
| Beginning of year | <u>68,267,615</u> | <u>76,059,524</u> | <u>1,708,248,313</u> | <u>1,537,199,591</u> |
| End of year | <u>\$ 45,504,166</u> | <u>\$ 68,267,615</u> | <u>\$ 1,562,319,897</u> | <u>\$ 1,708,248,313</u> |

**New Jersey Better
Educational Savings Trust**

New Jersey Better Educational Savings Trust –
New Jersey Division of Investment Managed Investment Options

Combined Financial Statements and
Supplemental Information

Year Ended June 30, 2009

Contents

| | |
|---|----|
| Report of Independent Auditors | 1 |
| Combined Financial Statements | |
| Combined Statement of Assets and Liabilities | 2 |
| Combined Statement of Operations | 3 |
| Combined Statement of Changes in Net Assets | 4 |
| Notes to Financial Statements..... | 5 |
| Supplemental Information | |
| Financial Highlights..... | 9 |
| Statement of Investments..... | 15 |
| Combining Statements of Assets and Liabilities | 21 |
| Combining Statements of Operations | 22 |
| Combining Statements of Changes in Net Assets..... | 23 |
| Statement of Investments – NJ Best Pooled Equity Fund | 26 |

Report of Independent Auditors

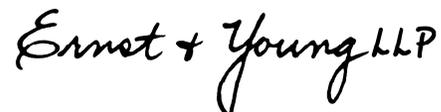
To the Account Owners and Trustees of
New Jersey Better Educational Savings Trust- New Jersey Division of Investments Managed Investment Options - NJBest Portfolio A, NJBest Portfolio B, NJBest Portfolio C, NJBest Portfolio D, NJBest Portfolio E and NJ Better Educational Savings Portfolio:

We have audited the accompanying combined statement of assets and liabilities of the New Jersey Better Educational Savings Trust (the "Plan")- New Jersey Division of Investments Managed Investment Options - NJBest Portfolio A, NJBest Portfolio B, NJBest Portfolio C, NJBest Portfolio D, NJBest Portfolio E and NJ Better Educational Savings Portfolio (six of the investment options of the Plan) as of June 30, 2009, and the related combined statement of operations for the year then ended, and the combined statements of changes in net assets for each of the two years in the period then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States.. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of June 30, 2009, by correspondence with the custodian and brokers. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the New Jersey Better Educational Savings Trust- New Jersey Division of Investments Managed Investment Options - NJBest Portfolio A, NJBest Portfolio B, NJBest Portfolio C, NJBest Portfolio D, NJBest Portfolio E and NJ Better Educational Savings Portfolio at June 30, 2009, the results of their combined statement of operations for the year then ended, and the combined statements of changes in net assets for each of the two years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Supplemental Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



October 8, 2009

New Jersey Better Educational Savings Trust - New Jersey Division of Investments Managed Investment Options

Combined Statement of Assets and Liabilities June 30, 2009

| | |
|----------------------------|-----------------------|
| Assets: | |
| Investments in securities: | |
| Cost | <u>\$ 343,818,762</u> |
| Value | <u>\$ 348,569,723</u> |
| Receivables: | |
| Plan shares sold | 35,439 |
| Interest | <u>1,686,998</u> |
| Total assets | <u>350,292,160</u> |
| Liabilities: | |
| Payables: | |
| Plan shares redeemed | 113,758 |
| Accrued expenses | <u>114,762</u> |
| Total liabilities | <u>228,520</u> |
| Net assets, at value | <u>\$ 350,063,640</u> |

New Jersey Better Educational Savings Trust - New Jersey Division of Investments Managed Investment Options

Combined Statement of Operations for the year ended June 30, 2009

| | |
|---|---------------------|
| Investment income: | |
| Interest | \$ 7,607,672 |
| Inflation principal adjustments | (162,096) |
| Total investment income | <u>7,445,576</u> |
| Expenses: | |
| Program management fees (Note 2) | <u>1,333,762</u> |
| Net investment income | <u>6,111,814</u> |
| Realized and unrealized gain (loss) on investments: | |
| Net realized gain (loss) on investments | (5,193,134) |
| Net change in unrealized appreciation (depreciation) on investments | <u>3,010,314</u> |
| Net realized and unrealized gain (loss) on investments | <u>(2,182,820)</u> |
| Net increase (decrease) in net assets resulting from operations | <u>\$ 3,928,994</u> |

New Jersey Better Educational Savings Trust - New Jersey Division of Investments Managed Investment Options

Combined Statements of Changes in Net Assets

| | Year Ended June 30, | |
|--|-----------------------|-----------------------|
| | 2009 | 2008 |
| Increase (decrease) in net assets: | | |
| Operations: | | |
| Net investment income | \$ 6,111,814 | \$ 8,651,360 |
| Net realized gain (loss) on investments | (5,193,134) | 12,117,443 |
| Net change in unrealized appreciation (depreciation) on investments | 3,010,314 | (20,760,384) |
| Net increase (decrease) in net assets resulting from operations | <u>3,928,994</u> | <u>8,419</u> |
| Plan share transactions: | | |
| Subscriptions | 28,589,983 | 36,012,677 |
| Redemptions | <u>(36,164,510)</u> | <u>(30,711,853)</u> |
| Net increase (decrease) in net assets resulting from plan share transactions | <u>(7,574,527)</u> | <u>5,300,824</u> |
| Net increase (decrease) in net assets | <u>(3,645,533)</u> | <u>5,309,243</u> |
| Net assets: | | |
| Beginning of year | <u>353,709,173</u> | <u>348,399,930</u> |
| End of year | <u>\$ 350,063,640</u> | <u>\$ 353,709,173</u> |

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey Division of Investment Managed Investment Options

Notes to Combined Financial Statements for the year ended June 30, 2009

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The New Jersey Better Educational Savings Trust (“Trust”) was established by the State of New Jersey (the “State”) to allow Account Owners and Beneficiaries under the State’s New Jersey 529 College Savings Plan (“Program”) to qualify for federal tax benefits in a qualified tuition program under section 529 of the Internal Revenue Code of 1986, as amended. The New Jersey Higher Education Student Assistance Authority (“HESAA”) is responsible for establishing and maintaining the Program on behalf of the State. HESAA serves as a trustee of the Trust, administers the Program and is authorized to establish investment policies, select investment managers and the Program Manager, and adopt regulations and provide for the performance of other functions necessary for the operation of the Program and the various plans included in the Program.

This report provides the financial results of the portfolios managed by the New Jersey Department of the Treasury, Division of Investment (“Division of Investment”) which serves as investment manager for the investment options (“Division Investment Options”) that are part of the NJBEST 529 College Savings Plan (“NJBEST” or “Plan”) but are no longer available to new investors. The Division Investment Options consists of six portfolios. The NJ Better Educational Savings Portfolio, the original portfolio, is available only to accounts opened prior to July 1, 2000 and is open to all birth years. For accounts opened after July 1, 2000 and prior to March 17, 2003, there are the NJBEST Portfolios A – E. These are age-based portfolios where contributions are allocated based on the birth year of the Beneficiary as follows:

| <u>Portfolio</u> | <u>Birth Year</u> |
|--------------------|-------------------|
| | 1985 and prior |
| NJBEST Portfolio A | 1986 - 1989 |
| NJBEST Portfolio B | 1990 - 1993 |
| NJBEST Portfolio C | 1994 - 1997 |
| NJBEST Portfolio D | 1998 - 2003 |

All common stocks and certain other investments held by NJBEST and managed by the Division of Investment are maintained in a managed equity account called the NJBEST Pooled Equity Fund. Each of the six portfolios owns a portion of the NJBEST Pooled Equity Fund. The net assets and related dividend income of the NJBEST Pooled Equity Fund have been allocated among the portfolios. This allows for a high level of diversification and reduces the costs of managing the Plan.

The attached Supplemental Information includes financial highlights, combining statements of assets and liabilities, operations, and changes in net assets of the portfolios, as well as the statement of investments for each portfolio and the NJBEST Pooled Equity Fund.

In 2003, Franklin Templeton Distributors, Inc. (“FTDI”), a wholly-owned subsidiary of Franklin Resources, Inc., and HESAA entered into a Services Agreement under which FTDI serves as the Program Manager. FTDI provides, directly, or through affiliated or non-affiliated subcontractors, certain distribution and administrative services relating to the Program. An affiliate of FTDI serves as the investment manager to the Franklin Templeton Managed Options offered through the Program and manages all accounts opened after March 14, 2003.

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey Division of Investment Managed Investment Options

Notes to Combined Financial Statements (*continued*) for the year ended June 30, 2009

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (*continued*)

For information regarding the Franklin Templeton Managed Investment Options, including those within the NJBEST 529 Plan and the Franklin Templeton 529 Plan, please see the financial statements entitled "New Jersey Better Educational Savings Trust, New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options" or refer to the Investor Handbook for either the Franklin Templeton 529 College Savings Plan (for investors who invest through a financial advisor) or the NJBEST 529 College Savings Plan (for New Jersey residents investing without a financial advisor).

The Following summarizes the Trust's significant accounting policies.

a. Security Valuation

Equity and other securities listed on a securities exchange or on the NASDAQ National Market System are valued at the last quoted sale price or the official closing price of the day, respectively. Over-the-counter securities and listed securities for which there is no reported sale are valued within the range of the most recent quoted bid and ask prices. Securities that trade in multiple markets or on multiple exchanges are valued according to the broadest and most representative market. Certain equity securities are valued based upon fundamental characteristics or relationships to similar securities. Investments in non-registered money market funds and managed equity accounts are valued at the closing net asset value each trading day.

Government securities and corporate debt securities generally trade in the over-the-counter market rather than on a securities exchange. The Trust may utilize independent pricing services, quotations from bond dealers, and information with respect to bond and note transactions, to assist in determining a current market value for each security. The Trust's pricing services may use valuation models or matrix pricing which considers information with respect to comparable bond and note transactions, quotations from bond dealers, or by reference to other securities that are considered comparable in such characteristics as rating, interest rate and maturity date, option adjusted spread models, prepayment projections, interest rate spreads and yield curves, to determine current value.

b. Security Transactions, Investment Income, and Expenses

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on an average cost basis. Interest income and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income.

Inflation-indexed bonds provide an inflation hedge through periodic increases or decreases in the security's interest accruals and principal redemption value, by amounts corresponding to the current rate of inflation. Any such adjustments, including adjustments to principal redemption value, are recorded as interest income.

c. Income Taxes

No provision for federal income tax has been made. The Program is established to be a qualified tuition program under Section 529 of the Internal Revenue Code, which is exempt from federal and state income tax, and does not expect to have any unrelated business income subject to tax.

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey Division of Investment Managed Investment Options

Notes to Combined Financial Statements (*continued*) **for the year ended June 30, 2009**

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (*continued*)

d. Accounting Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

2. MANAGEMENT AGREEMENTS

The Program pays a total program management fee of 0.40% based on the average daily net assets of each portfolio. Of this fee, 0.15% is paid to FTDI and 0.25% is paid to HESAA.

Franklin Templeton Services, LLC ("FTS") an affiliate of FTDI provides accounting services for the Trust. Franklin Templeton Investor Services, LLC ("FTI"), an affiliate of FTDI and FTS, performs transfer agency services for the Trust. No fees are paid by the Trust for accounting or transfer agency services.

3. INVESTMENTS

At June 30, 2009, net unrealized appreciation of portfolio investments was \$4,750,961 consisting of gross unrealized appreciation of \$12,042,105 and gross unrealized depreciation of \$7,291,144.

Purchases and sales of portfolio securities (excluding short term securities) for the year ended June 30, 2009 aggregated \$102,622,657 and \$141,501,284 respectively.

For a list of each portfolio's investments at June 30, 2009, please see the statement of investments for each portfolio in the Supplemental Information.

4. FAIR VALUE MEASUREMENTS

The Trust adopted Financial Accounting Standards Board ("FASB") Statement No. 157, "Fair Value Measurement" ("SFAS 157"), on July 1, 2008. SFAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The Trust has determined that the implementation of SFAS 157 did not have a material impact on the Trust's financial statements.

SFAS 157 establishes a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Trust's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Trust's investments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Trust's own assumptions in determining the fair value of investments)

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

New Jersey Division of Investment Managed Investment Options

Notes to Combined Financial Statements (*continued*) for the year ended June 30, 2009

4. FAIR VALUE MEASUREMENTS (*continued*)

The following is a summary of the inputs used as of June 30, 2009, in valuing the Trust's assets carried at fair value:

| | Level 1 | Level 2 | Level 3 | Total |
|---------------------------------|----------------|----------------|---------|----------------|
| Assets: | | | | |
| Investments in Securities: | | | | |
| Equity Investments | \$ 132,678,294 | \$ - | \$ - | \$ 132,678,294 |
| Fixed Income | - | 146,722,478 | - | 146,722,478 |
| Short Term Investments | 69,168,951 | - | - | 69,168,951 |
| Total Investments in Securities | \$ 201,847,245 | \$ 146,722,478 | \$ - | \$ 348,569,723 |

5. ACCOUNTING PRONOUNCEMENTS ISSUED – NOT YET ADOPTED

In July 2006, FASB issued FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes – an Interpretation of FASB Statement No. 109" ("FIN 48"). FIN 48 clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return. FIN 48 provides guidance on the measurement, recognition, classification and disclosure of tax positions, along with accounting for the related interest and penalties. FIN 48 is effective for fiscal years beginning after December 15, 2006, and is to be applied to all open tax years as of the date of effectiveness. On December 17, 2008, the FASB extended the implementation date for certain nonpublic companies until annual financial statements for fiscal years beginning after December 15, 2008.

The Trust elects to defer the application of FIN 48 in accordance with the deferral. The Trust's accounting policy for evaluating uncertain tax positions during the deferral period is based on the recognition and disclosure criteria for loss contingencies under FASB Statement No. 5 "Accounting for Contingencies" and FASB Statement No. 109 "Accounting for Income Taxes".

6. SUBSEQUENT EVENTS

The Trust has evaluated subsequent events through October 8, 2009, the issuance date of the financial statements and determined that no events have occurred that required disclosure.

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investment Managed Investment Options**

Financial Highlights

| NJBEST Portfolio A | Year Ended June 30, | | | | |
|--|---------------------|----------|----------|----------|----------|
| | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 12.02 | \$ 11.73 | \$ 11.00 | \$ 10.58 | \$ 10.36 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^b | 0.19 | 0.33 | 0.42 | 0.33 | 0.38 |
| Net realized and unrealized gain (loss) | (0.06) | (0.04) | 0.31 | 0.09 | (0.16) |
| Total from investment operations | 0.13 | 0.29 | 0.73 | 0.42 | 0.22 |
| Net asset value, end of year | \$ 12.15 | \$ 12.02 | \$ 11.73 | \$ 11.00 | \$ 10.58 |
| Total Return ^c | 1.08% | 2.47% | 6.64% | 3.97% | 2.12% |
| Ratios to average net assets | | | | | |
| Expenses | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income | 1.68% | 2.76% | 3.69% | 3.10% | 3.62% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 2,153 | \$ 2,896 | \$ 4,203 | \$ 6,600 | \$ 9,200 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cTotal return does not reflect sales commissions or the contingent deferred sales charge.

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

Financial Highlights

| NJBEST Portfolio B | Year Ended June 30, | | | | |
|--|----------------------------|-------------|-------------|----------------|-------------|
| | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 11.91 | \$ 11.71 | \$ 10.98 | \$ 10.66 | \$ 10.32 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^b | 0.16 | 0.39 | 0.38 | 0.32 | 0.29 |
| Net realized and unrealized gain (loss) | (0.03) | (0.19) | 0.35 | - ^c | 0.05 |
| Total from investment operations | 0.13 | 0.20 | 0.73 | 0.32 | 0.34 |
| Net asset value, end of year | \$ 12.04 | \$ 11.91 | \$ 11.71 | \$ 10.98 | \$ 10.66 |
| Total Return ^d | 1.09% | 1.71% | 6.65% | 3.00% | 3.29% |
| Ratios to average net assets | | | | | |
| Expenses | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income | 1.36% | 3.24% | 3.34% | 2.98 | 2.77% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 24,136 | \$ 37,409 | \$ 49,310 | \$ 52,288 | \$ 51,662 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cAmounts rounds to less than \$0.01 per share.

^dTotal return does not reflect sales commissions or the contingent deferred sales charge.

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

Financial Highlights

| NJBEST Portfolio C | Year Ended June 30, | | | | |
|--|---------------------|------------|-----------|-----------|-----------|
| | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 12.65 | \$ 12.26 | \$ 11.23 | \$ 11.03 | \$ 10.41 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^b | 0.31 | 0.40 | 0.39 | 0.32 | 0.28 |
| Net realized and unrealized gain (loss) | 0.11 | (0.01) | 0.64 | (0.12) | 0.34 |
| Total from investment operations | 0.42 | 0.39 | 1.03 | 0.20 | 0.62 |
| Net asset value, end of year | \$ 13.07 | \$ 12.65 | \$ 12.26 | \$ 11.23 | \$ 11.03 |
| Total Return ^c | 3.32% | 3.18% | 9.17% | 1.81% | 5.96% |
| Ratios to average net assets | | | | | |
| Expenses | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income | 2.43% | 2.99% | 3.34% | 2.87% | 2.57% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 106,257 | \$ 105,975 | \$ 95,677 | \$ 80,251 | \$ 70,880 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cTotal return does not reflect sales commissions or the contingent deferred sales charge.

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investment Managed Investment Options**

Financial Highlights

| NJBEST Portfolio D | Year Ended June 30, | | | | |
|--|---------------------|-----------|-----------|-----------|-----------|
| | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 12.55 | \$ 12.51 | \$ 11.22 | \$ 11.05 | \$ 10.21 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^b | 0.23 | 0.29 | 0.31 | 0.27 | 0.22 |
| Net realized and unrealized gain (loss) | 0.08 | (0.25) | 0.98 | (0.10) | 0.62 |
| Total from investment operations | 0.31 | 0.04 | 1.29 | 0.17 | 0.84 |
| Net asset value, end of year | \$ 12.86 | \$ 12.55 | \$ 12.51 | \$ 11.22 | \$ 11.05 |
| Total Return ^c | 2.47% | 0.32% | 11.50% | 1.54% | 8.23% |
| Ratios to average net assets | | | | | |
| Expenses | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income | 1.90% | 2.24% | 2.56% | 2.43% | 2.05% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 98,110 | \$ 90,739 | \$ 84,283 | \$ 69,364 | \$ 62,115 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cTotal return does not reflect sales commissions or the contingent deferred sales charge.

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investment Managed Investment Options**

Financial Highlights

| NJBEST Portfolio E | Year Ended June 30, | | | | |
|--|---------------------|------------|------------|-----------|-----------|
| | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 12.03 | \$ 12.46 | \$ 10.95 | \$ 10.68 | \$ 9.81 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^b | 0.15 | 0.22 | 0.23 | 0.21 | 0.15 |
| Net realized and unrealized gain (loss) | (0.34) | (0.65) | 1.28 | 0.06 | 0.72 |
| Total from investment operations | (0.19) | (0.43) | 1.51 | 0.27 | 0.87 |
| Net asset value, end of year | \$ 11.84 | \$ 12.03 | \$ 12.46 | \$ 10.95 | \$ 10.68 |
| Total Return ^c | (1.58)% | (3.45)% | 13.79% | 2.53% | 8.87% |
| Ratios to average net assets | | | | | |
| Expenses | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income | 1.33% | 1.74% | 1.94% | 1.88% | 1.47% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 108,938 | \$ 103,916 | \$ 100,952 | \$ 83,757 | \$ 74,093 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cTotal return does not reflect sales commissions or the contingent deferred sales charge.

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investment Managed Investment Options**

Financial Highlights

| | Year Ended June 30, | | | | |
|--|---------------------|-----------------|-----------------|-----------------|-----------------|
| NJ Better Educational Savings Portfolio | 2009 | 2008 | 2007 | 2006 | 2005 |
| SELECTED PER SHARE DATA | | | | | |
| Net asset value, beginning of year | \$ 13.06 | \$ 13.38 | \$ 12.19 | \$ 11.80 | \$ 11.30 |
| Income from investment operations ^a : | | | | | |
| Net investment income ^b | 0.19 | 0.36 | 0.38 | 0.36 | 0.33 |
| Net realized and unrealized gain (loss) | (0.98) | (0.68) | 0.81 | 0.03 | 0.17 |
| Total from investment operations | <u>(0.79)</u> | <u>(0.32)</u> | <u>1.19</u> | <u>0.39</u> | <u>0.50</u> |
| Net asset value, end of year | <u>\$ 12.27</u> | <u>\$ 13.06</u> | <u>\$ 13.38</u> | <u>\$ 12.19</u> | <u>\$ 11.80</u> |
| Total Return ^c | (6.05)% | (2.39)% | 9.76% | 3.31% | 4.42% |
| Ratios to average net assets | | | | | |
| Expenses | 0.40% | 0.40% | 0.40% | 0.40% | 0.40% |
| Net investment income | 1.58% | 2.70% | 3.01% | 2.94% | 2.87% |
| Supplemental data | | | | | |
| Net assets, end of year (000's) | \$ 10,470 | \$ 12,775 | \$ 13,975 | \$ 13,734 | \$ 13,933 |

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cTotal return does not reflect sales commissions or the contingent deferred sales charge.

Supplemental Information
**New Jersey Better Educational Savings Trust -
 New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio A
 Statement of Investments, June 30, 2009

| | SHARES | VALUE |
|--|-----------|---------------------|
| Equity (Cost \$293,120) 17.0% | | |
| NJBEST Pooled Equity Fund | 44,454 | \$ 365,861 |
| Total Equity | | <u>365,861</u> |
| Short Term Investment (Cost \$1,788,348) 83.0% | | |
| State of New Jersey Cash Management Fund | 1,788,348 | <u>1,788,348</u> |
| Total Investments (Cost \$2,081,468) 100.0% | | 2,154,209 |
| Other Assets, less Liabilities (0.0)%^a | | <u>(715)</u> |
| Net Assets 100.0% | | <u>\$ 2,153,494</u> |

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio B
Statement of Investments, June 30, 2009

| | SHARES | PRINCIPAL AMOUNT | VALUE |
|--|------------|---------------------|----------------------|
| Equity 16.8% | | | |
| NJBEST Pooled Equity Fund | 492,921 | | \$ 4,056,853 |
| Total Equity | | | <u>4,056,853</u> |
| Fixed Income 22.9% | | | |
| U.S. Treasury Note, Index Linked, 2.375%, 4/15/11 | | \$ 5,371,645 | 5,532,795 |
| Total Fixed Income | | | <u>5,532,795</u> |
| Total Investments before Short Term Investment (Cost \$8,980,283) 39.7% | | | <u>9,589,648</u> |
| Short Term Investment (Cost \$14,548,858) 60.3% | | | |
| State of New Jersey Cash Management Fund | 14,548,858 | | <u>14,548,858</u> |
| Total Investments (Cost \$23,529,141) 100.0% | | | 24,138,506 |
| Other Assets, less Liabilities (0.0)%^a | | | <u>(2,960)</u> |
| Net Assets 100.0% | | | <u>\$ 24,135,546</u> |

^aRounds to less than 0.1% of net assets.

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio C
Statement of Investments, June 30, 2009

| | SHARES | PRINCIPAL AMOUNT | VALUE |
|---|------------|---------------------|-----------------------|
| Equity 21.3% | | | |
| NJBEST Pooled Equity Fund | 2,751,241 | | \$ 22,643,377 |
| Total Equity | | | <u>22,643,377</u> |
| Fixed Income 66.0% | | | |
| Duke Energy Corp., senior note, 6.25%, 6/15/18 | | \$ 1,000,000 | 1,052,518 |
| Time Warner Inc., 6.50%, 11/15/36 | | 1,000,000 | 877,457 |
| U.S Treasury Bonds, | | | |
| 4.875%, 2/15/12 | | 6,000,000 | 6,546,564 |
| 3.875%, 2/15/13 | | 6,000,000 | 6,399,378 |
| U.S. Treasury Notes, | | | |
| 6.00%, 8/15/09 | | 790,000 | 795,864 |
| 6.50%, 2/15/10 | | 3,735,000 | 3,876,960 |
| 5.00%, 2/15/11 | | 3,400,000 | 3,626,977 |
| 5.00%, 8/15/11 | | 11,740,000 | 12,702,140 |
| 4.375%, 8/15/12 | | 1,100,000 | 1,191,180 |
| 4.25%, 8/15/13 | | 6,000,000 | 6,491,256 |
| 4.25%, 11/15/2013 | | 11,000,000 | 11,894,619 |
| Index Linked, 4.25%, 1/15/10 | | 456,277 | 465,402 |
| Index Linked, 1.875% 7/15/15 | | 13,155,541 | 13,295,318 |
| Weatherford International Ltd., senior bond, 6.50%, 8/01/36 | | 1,000,000 | 906,619 |
| Total Fixed Income | | | <u>70,122,252</u> |
| Total Investments before Short Term Investment (Cost \$90,333,532) 87.3% | | | <u>92,765,629</u> |
| Short Term Investment (Cost \$12,664,827) 11.9% | | | |
| State of New Jersey Cash Management Fund | 12,664,827 | | <u>12,664,827</u> |
| Total Investments (Cost \$102,998,359) 99.2% | | | 105,430,456 |
| Other Assets, less Liabilities 0.8% | | | <u>826,389</u> |
| Net Assets 100.0% | | | <u>\$ 106,256,845</u> |

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio D
Statement of Investments, June 30, 2009

| | SHARES | PRINCIPAL AMOUNT | VALUE |
|---|------------|---------------------|----------------------|
| Equity 41.7% | | | |
| NJBEST Pooled Equity Fund | 4,976,560 | | \$ 40,958,290 |
| Total Equity | | | <u>40,958,290</u> |
| Fixed Income 41.7% | | | |
| General Electric Capital Corp., 3.125%, 4/01/09 | | \$ 1,000,000 | 1,052,518 |
| Time Warner Inc., 6.50%, 11/15/36 | | 1,000,000 | 877,457 |
| U.S. Treasury Bonds, | | | |
| 4.875%, 2/15/12 | | 2,000,000 | 2,182,188 |
| 7.25%, 5/15/16 | | 690,000 | 865,303 |
| 7.50%, 11/15/16 | | 3,712,000 | 4,736,282 |
| 7.25%, 8/15/22 | | 500,000 | 656,719 |
| 6.25%, 8/15/23 | | 600,000 | 730,688 |
| U.S. Treasury Notes, | | | |
| 5.00%, 2/15/11 | | 2,000,000 | 2,133,516 |
| 4.375%, 8/15/12 | | 2,200,000 | 2,382,360 |
| 4.00%, 11/15/12 | | 6,500,000 | 6,970,743 |
| 4.00%, 2/15/14 | | 3,000,000 | 3,212,814 |
| 4.25%, 8/15/14 | | 1,900,000 | 2,050,368 |
| 4.50%, 11/15/15 | | 5,000,000 | 5,442,190 |
| Index Linked, 4.25% 1/15/10 | | 665,404 | 678,712 |
| Index Linked, 1.625%, 1/15/18 | | 6,107,216 | 6,042,327 |
| Weatherford International Ltd., senior bond, 6.50%, 8/01/36 | | 1,000,000 | 906,619 |
| Total Fixed Income | | | <u>40,920,804</u> |
| Total Investments before Short Term Investment (Cost \$78,111,058) 83.4% | | | <u>81,879,094</u> |
| Short Term Investment (Cost \$15,852,963) 16.2% | | | |
| State of New Jersey Cash Management Fund | 15,852,963 | | <u>15,852,963</u> |
| Total Investments (Cost \$93,964,021) 99.6% | | | 97,732,057 |
| Other Assets, less Liabilities 0.4% | | | 378,080 |
| Net Assets 100.0% | | | <u>\$ 98,110,137</u> |

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio E
Statement of Investments, June 30, 2009

| | SHARES | PRINCIPAL AMOUNT | VALUE |
|---|------------|---------------------|-----------------------|
| Equity 56.3% | | | |
| NJBEST Pooled Equity Fund | 7,443,976 | | \$ 61,265,723 |
| Total Equity | | | <u>61,265,723</u> |
| Fixed Income 25.8% | | | |
| Duke Energy Corp., senior note, 6.25%, 6/15/18 | | \$ 1,000,000 | 1,052,518 |
| Time Warner Inc., 6.50%, 11/15/36 | | 1,000,000 | 877,457 |
| U.S. Treasury Bonds, | | | |
| 7.25%, 5/15/16 | | 395,000 | 495,355 |
| 7.50%, 11/15/16 | | 6,159,000 | 7,858,502 |
| 7.25%, 8/15/22 | | 735,000 | 965,377 |
| 6.25%, 8/15/23 | | 500,000 | 608,907 |
| 6.00%, 2/15/26 | | 1,000,000 | 1,205,313 |
| U.S. Treasury Notes, | | | |
| 4.50%, 11/15/15 | | 3,000,000 | 3,265,314 |
| Index Linked, 4.25%, 1/15/10 | | 443,603 | 452,475 |
| Index Linked, 2.375%, 1/15/25 | | 10,181,398 | 10,455,023 |
| Weatherford International Ltd., senior bond, 6.50%, 8/01/36 | | 1,000,000 | 906,619 |
| Total Fixed Income | | | <u>28,142,860</u> |
| Total Investments before Short Term Investment (Cost \$91,252,609) 82.1% | | | <u>89,408,583</u> |
| Short Term Investment (Cost \$19,274,890) 17.7% | | | |
| State of New Jersey Cash Management Fund | 19,274,890 | | <u>19,274,890</u> |
| Total Investments (Cost \$110,527,499) 99.8% | | | 108,683,473 |
| Other Assets, less Liabilities 0.2% | | | <u>254,554</u> |
| Net Assets 100.0% | | | <u>\$ 108,938,027</u> |

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

NJ Better Educational Savings Portfolio
Statement of Investments, June 30, 2009

| | SHARES | PRINCIPAL AMOUNT | VALUE |
|--|-----------|---------------------|----------------------|
| Equity 32.4% | | | |
| NJBEST Pooled Equity Fund | 411,675 | | \$ 3,388,190 |
| Total Equity | | | <u>3,388,190</u> |
| Fixed Income 19.1% | | | |
| U.S. Treasury Notes | | | |
| 6.00%, 8/15/09 | | \$ 300,000 | 302,227 |
| 6.50%, 2/15/10 | | 1,125,000 | 1,167,759 |
| 5.75%, 8/15/10 | | 300,000 | 317,390 |
| 5.00%, 8/15/11 | | 200,000 | 216,391 |
| Total Fixed Income | | | <u>2,003,767</u> |
| Total Investments before Short Term Investment (Cost \$5,679,209) 51.5% | | | <u>5,391,957</u> |
| Short Term Investment (Cost \$5,039,065) 48.1% | | | |
| State of New Jersey Cash Management Fund | 5,039,065 | | <u>5,039,065</u> |
| Total Investments (Cost \$10,718,274) 99.6% | | | 10,431,022 |
| Other Assets, less Liabilities 0.4% | | | 38,569 |
| Total Net Assets 100.0% | | | <u>\$ 10,469,591</u> |

Supplemental Information
New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options

Combining Statement of Assets and Liabilities
June 30, 2009

| | <u>NJBEST Portfolio A</u> | <u>NJBEST Portfolio B</u> | <u>NJBEST Portfolio C</u> | <u>NJBEST Portfolio D</u> | <u>NJBEST Portfolio E</u> | <u>NJ Better Educational Savings Portfolio</u> | <u>Total</u> |
|----------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|--|----------------|
| Assets: | | | | | | | |
| Investments in securities: | | | | | | | |
| Cost | \$ 2,081,468 | \$ 23,529,141 | \$ 102,998,359 | \$ 93,964,021 | \$ 110,527,499 | \$ 10,718,274 | \$ 343,818,762 |
| Value | \$ 2,154,209 | \$ 24,138,506 | \$ 105,430,456 | \$ 97,732,057 | \$ 108,683,473 | \$ 10,431,022 | \$ 348,569,723 |
| Receivables: | | | | | | | |
| Plan shares sold | - | 7,000 | 14,635 | 504 | 915 | 12,385 | 35,439 |
| Interest | - | 26,489 | 917,416 | 409,699 | 289,249 | 44,145 | 1,686,998 |
| Total assets | \$ 2,154,209 | \$ 24,171,995 | \$ 106,362,507 | \$ 98,142,260 | \$ 108,973,637 | \$ 10,487,552 | \$ 350,292,160 |
| Liabilities: | | | | | | | |
| Payables: | | | | | | | |
| Plan shares redeemed | - | 28,398 | 70,769 | - | 107 | 14,484 | 113,758 |
| Accrued expenses | 715 | 8,051 | 34,893 | 32,123 | 35,503 | 3,477 | 114,762 |
| Total liabilities | 715 | 36,449 | 105,662 | 32,123 | 35,610 | 17,961 | 228,520 |
| Net assets, at value | \$ 2,153,494 | \$ 24,135,546 | \$ 106,256,845 | \$ 98,110,137 | \$ 108,938,027 | \$ 10,469,591 | \$ 350,063,640 |
| Direct Sold Class: | | | | | | | |
| Net assets, at value | \$ 2,153,494 | \$ 24,135,546 | \$ 106,256,845 | \$ 98,110,137 | \$ 108,938,027 | \$ 10,469,591 | |
| Shares outstanding | 177,208 | 2,004,892 | 8,127,502 | 7,630,301 | 9,201,545 | 853,575 | |
| Net asset value per share | \$ 12.15 | \$ 12.04 | \$ 13.07 | \$ 12.86 | \$ 11.84 | \$ 12.27 | |

Supplemental Information
New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options

Combining Statement of Operations
for the year ended June 30, 2009

| | <u>NJBEST Portfolio A</u> | <u>NJBEST Portfolio B</u> | <u>NJBEST Portfolio C</u> | <u>NJBEST Portfolio D</u> | <u>NJBEST Portfolio E</u> | <u>NJ Better Educational Savings Portfolio</u> | <u>Total</u> |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|--|---------------------|
| Investment income: | | | | | | | |
| Interest | \$ 49,286 | \$ 414,785 | \$ 3,016,435 | \$ 2,115,006 | \$ 1,795,850 | \$ 216,310 | \$ 7,607,672 |
| Inflation principal adjustments | - | 64,401 | (99,423) | (49,468) | (77,606) | - | (162,096) |
| Total investment income | <u>49,286</u> | <u>479,186</u> | <u>2,917,012</u> | <u>2,065,538</u> | <u>1,718,244</u> | <u>216,310</u> | <u>7,445,576</u> |
| Expenses: | | | | | | | |
| Program Management fees (Note 2) | 9,501 | 109,359 | 412,625 | 359,872 | 398,690 | 43,715 | 1,333,762 |
| Net investment income | <u>39,785</u> | <u>369,827</u> | <u>2,504,387</u> | <u>1,705,666</u> | <u>1,319,554</u> | <u>172,595</u> | <u>6,111,814</u> |
| Realized and unrealized gain (losses): | | | | | | | |
| Net realized gain (loss) from investments | (96,516) | (1,338,396) | (1,610,109) | (1,240,531) | (226,220) | (681,362) | (5,193,134) |
| Net change in unrealized appreciation (depreciation) on investments | 68,421 | 898,353 | 2,504,108 | 2,057,507 | (2,241,589) | (276,486) | 3,010,314 |
| Net realized and unrealized gain (loss) | <u>(28,095)</u> | <u>(440,043)</u> | <u>893,999</u> | <u>816,976</u> | <u>(2,467,809)</u> | <u>(957,848)</u> | <u>(2,182,820)</u> |
| Net increase (decrease) in net assets resulting from operations | <u>\$ 11,690</u> | <u>\$ (70,216)</u> | <u>\$ 3,398,386</u> | <u>\$ 2,522,642</u> | <u>\$ (1,148,255)</u> | <u>\$ (785,253)</u> | <u>\$ 3,928,994</u> |

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

Combining Statements of Changes in Net Assets

| | <u>NJBEST Portfolio A</u> | | <u>NJBEST Portfolio B</u> | | <u>NJBEST Portfolio C</u> | |
|---|---------------------------|--------------|---------------------------|---------------|---------------------------|----------------|
| | Year Ended June 30, | | Year Ended June 30, | | Year Ended June 30, | |
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Increase (decrease) in net assets: | | | | | | |
| Operations: | | | | | | |
| Net investment income | \$ 39,785 | \$ 91,431 | \$ 369,827 | \$ 1,327,061 | \$ 2,504,387 | \$ 3,084,352 |
| Net realized gain (loss) from investments | (96,516) | 21,808 | (1,338,396) | 572,001 | (1,610,109) | 804,836 |
| Net change in unrealized appreciation (depreciation) on investments | 68,421 | (29,907) | 898,353 | (1,155,567) | 2,504,108 | (878,712) |
| Net increase (decrease) in net assets resulting from operations | 11,690 | 83,332 | (70,216) | 743,495 | 3,398,386 | 3,010,476 |
| Plan share transactions: | | | | | | |
| Subscriptions | 287,820 | 340,576 | 2,731,112 | 4,598,863 | 7,843,508 | 10,302,562 |
| Redemptions | (1,042,385) | (1,730,181) | (15,934,052) | (17,243,996) | (10,959,827) | (3,015,465) |
| Net increase (decrease) in net assets resulting from plan share transactions | (754,565) | (1,389,605) | (13,202,940) | (12,645,133) | (3,116,319) | 7,287,097 |
| Net increase (decrease) in net assets | (742,875) | (1,306,273) | (13,273,156) | (11,901,638) | 282,067 | 10,297,573 |
| Net assets: | | | | | | |
| Beginning of year | 2,896,369 | 4,202,642 | 37,408,702 | 49,310,340 | 105,974,778 | 95,677,205 |
| End of year | \$ 2,153,494 | \$ 2,896,369 | \$ 24,135,546 | \$ 37,408,702 | \$ 106,256,845 | \$ 105,974,778 |

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

Combining Statements of Changes in Net Assets (continued)

| | NJBEST Portfolio D | | NJBEST Portfolio E | | NJ Better Educational Savings Portfolio | |
|--|---------------------------|---------------|---------------------------|----------------|--|---------------|
| | Year Ended June 30, | | Year Ended June 30, | | Year Ended June 30, | |
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Increase (decrease) in net assets: | | | | | | |
| Operations: | | | | | | |
| Net investment income | \$ 1,705,666 | \$ 1,992,604 | \$ 1,319,554 | \$ 1,798,388 | \$ 172,595 | \$ 357,524 |
| Net realized gain (loss) from investments | (1,240,531) | 3,998,593 | (226,220) | 6,356,277 | (681,362) | 363,928 |
| Net change in unrealized appreciation (depreciation) on investments | 2,057,507 | (5,822,911) | (2,241,589) | (11,846,053) | (276,486) | (1,027,234) |
| Net increase (decrease) in net assets resulting from operations | 2,522,642 | 168,286 | (1,148,255) | (3,691,388) | (785,253) | (305,782) |
| Plan share transactions: | | | | | | |
| Subscriptions | 7,572,614 | 9,097,543 | 9,011,307 | 10,536,297 | 1,143,622 | 1,136,836 |
| Redemptions | (2,723,789) | (2,810,610) | (2,840,528) | (3,881,026) | (2,663,929) | (2,030,575) |
| Net increase (decrease) in net assets resulting from plan share transactions | 4,848,825 | 6,286,933 | 6,170,779 | 6,655,271 | (1,520,307) | (893,739) |
| Net increase (decrease) in net assets | 7,371,467 | 6,455,219 | 5,022,524 | 2,963,883 | (2,305,560) | (1,199,521) |
| Net assets: | | | | | | |
| Beginning of year | 90,738,670 | 84,283,451 | 103,915,503 | 100,951,620 | 12,775,151 | 13,974,672 |
| End of year | \$ 98,110,137 | \$ 90,738,670 | \$ 108,938,027 | \$ 103,915,503 | \$ 10,469,591 | \$ 12,775,151 |

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

Combining Statements of Changes in Net Assets (continued)

| | <u>Total</u> | |
|---|-----------------------|-----------------------|
| | Year Ended June 30, | |
| | 2009 | 2008 |
| Increase (decrease) in net assets: | | |
| Operations: | | |
| Net investment income | \$ 6,111,814 | \$ 8,651,360 |
| Net realized gain (loss) from investments | (5,193,134) | 12,117,443 |
| Net change in unrealized appreciation (depreciation) on investments | <u>3,010,314</u> | <u>(20,760,384)</u> |
| Net increase (decrease) in net assets resulting from operations | <u>3,928,994</u> | <u>8,419</u> |
| Plan share transactions: | | |
| Subscriptions | 28,589,983 | 36,012,677 |
| Redemptions | <u>(36,164,510)</u> | <u>(30,711,853)</u> |
| Net increase (decrease) in net assets resulting from plan share transactions | <u>(7,574,527)</u> | <u>5,300,824</u> |
| Net increase (decrease) in net assets | (3,645,533) | 5,309,243 |
| Net assets: | | |
| Beginning of year | <u>353,709,173</u> | <u>348,399,930</u> |
| End of year | <u>\$ 350,063,640</u> | <u>\$ 353,709,173</u> |

Supplemental Information
New Jersey Better Educational Savings Trust-
New Jersey Division of Investment Managed Investment Options

NJBest Pooled Equity Fund
Statement of Investments, June 30, 2009

| | Shares | Value |
|---|---------|------------------|
| Common Stocks 95.2% | | |
| Aerospace & Defense 2.5% | | |
| General Dynamics Corp. | 16,000 | \$ 886,240 |
| Honeywell International Inc. | 16,000 | 502,400 |
| ^a LMI Aerospace Inc. | 42,000 | 425,040 |
| Lockheed Martin Corp. | 8,000 | 645,200 |
| Northrop Grumman Corp. | 18,000 | 822,240 |
| | | <u>3,281,120</u> |
| Auto Components 1.6% | | |
| American Axle & Manufacturing Holdings Inc. | 160,000 | 550,400 |
| ^a Dana Holding Corp. | 280,000 | 358,400 |
| ^a Exide Technologies | 130,000 | 484,900 |
| Superior Industries International Inc. | 50,000 | 705,000 |
| | | <u>2,098,700</u> |
| Beverages 1.9% | | |
| Molson Coors Brewing Co., B | 16,000 | 677,280 |
| PepsiCo Inc. | 34,000 | 1,868,640 |
| | | <u>2,545,920</u> |
| Biotechnology 0.6% | | |
| ^a Amgen Inc. | 16,000 | 847,040 |
| | | <u>847,040</u> |
| Capital Markets 2.7% | | |
| Ameriprise Financial Inc. | 38,000 | 922,260 |
| The Bank of New York Mellon Corp. | 32,000 | 937,920 |
| The Goldman Sachs Group Inc. | 8,000 | 1,179,520 |
| Pzena Investment Management Inc., CL A | 64,000 | 485,120 |
| | | <u>3,524,820</u> |
| Chemicals 2.4% | | |
| ^a Calgon Carbon Corp. | 54,000 | 750,060 |
| CF Industries Holdings Inc. | 10,000 | 741,400 |
| E. I. du Pont de Nemours and Co. | 10,000 | 256,200 |
| Huntsman Corp. | 100,000 | 503,000 |
| The Mosaic Co. | 15,000 | 664,500 |
| Zagg Inc. | 40,000 | 275,940 |
| | | <u>3,191,100</u> |

Supplemental Information
New Jersey Better Educational Savings Trust-
New Jersey Division of Investment Managed Investment Options

NJBest Pooled Equity Fund
Statement of Investments, June 30, 2009 (continued)

| | Shares | Value |
|--|-----------|------------------|
| Common Stocks (continued) | | |
| Commercial Banks 4.2% | | |
| ^a Bank of Florida Corp. | 142,000 | \$ 447,300 |
| Regions Financial Corp. | 180,000 | 727,200 |
| ^a Republic First Bancorp Inc. | 130,000 | 1,014,000 |
| U.S. Bancorp | 36,000 | 645,120 |
| Wells Fargo & Co. | 112,000 | 2,717,120 |
| | | <u>5,550,740</u> |
| Commercial Services & Supplies 0.1% | | |
| ^a The Geo Group Inc. | 10,000 | 185,800 |
| | | <u>185,800</u> |
| Communications Equipment 1.1% | | |
| ^a Airspan Networks Inc. | 1,600,000 | 144,000 |
| ^a Cisco Systems Inc. | 60,000 | 1,118,400 |
| ^a EMCORE Corp. | 90,000 | 113,400 |
| ^a Oclaro Inc. | 177,980 | 113,346 |
| | | <u>1,489,146</u> |
| Computers & Peripherals 5.7% | | |
| ^a Apple Inc. | 15,600 | 2,221,908 |
| International Business Machines Corp. | 20,000 | 2,088,400 |
| ^a NCR Corp. | 50,000 | 591,500 |
| ^a Novatel Wireless Inc. | 82,000 | 739,640 |
| ^a Silicon Graphics International. | 62,000 | 281,480 |
| ^a Sun Microsystems Inc. | 80,000 | 737,600 |
| ^a Synaptics Inc. | 24,000 | 927,600 |
| | | <u>7,588,128</u> |
| Construction & Engineering 2.5% | | |
| ^a Jacobs Engineering Group Inc. | 16,000 | 673,440 |
| ^a MasTec Inc. | 74,000 | 867,280 |
| ^a Michael Baker Corp. | 24,000 | 1,016,640 |
| ^a URS Corp. | 15,000 | 742,800 |
| | | <u>3,300,160</u> |
| Containers & Packaging 0.4% | | |
| Greif Inc., B | 14,000 | 563,500 |
| | | <u>563,500</u> |
| Diversified Financial Services 3.0% | | |
| Bank of America Corp. | 152,000 | 2,006,400 |
| JPMorgan Chase & Co. | 58,000 | 1,978,380 |
| | | <u>3,984,780</u> |
| Diversified Telecommunication Services 1.6% | | |
| ^a Clearwire Corp., A | 90,000 | 497,700 |
| Verizon Communications Inc. | 52,000 | 1,597,960 |
| | | <u>2,095,660</u> |

Supplemental Information
New Jersey Better Educational Savings Trust-
New Jersey Division of Investment Managed Investment Options

NJBest Pooled Equity Fund
Statement of Investments, June 30, 2009 (continued)

| | Shares | Value |
|--|---------|------------------|
| Common Stocks (continued) | | |
| Electrical Equipment 0.4% | | |
| ^a Alpine Group Inc. | 205,000 | \$ 59,450 |
| ^a First Solar Inc. | 2,700 | 437,724 |
| | | <u>497,174</u> |
| Electronic Equipment & Instruments 0.1% | | |
| ^a MMC Energy Inc. | 78,000 | 132,600 |
| | | <u>132,600</u> |
| Energy Equipment & Services 2.1% | | |
| ^a Allis-Chalmers Energy Inc. | 240,000 | 554,400 |
| Baker Hughes Inc. | 20,000 | 728,800 |
| ^a Boots & Coots Inc. | 270,000 | 375,300 |
| Rowan Cos. Inc. | 36,000 | 695,520 |
| ^a Superior Well Services Inc. | 80,000 | 476,000 |
| | | <u>2,830,020</u> |
| Food & Staples Retailing 3.1% | | |
| CVS Caremark Corp. | 14,000 | 445,321 |
| Wal-Mart Stores Inc. | 76,000 | 3,681,440 |
| | | <u>4,126,761</u> |
| Food Products 2.1% | | |
| Campbell Soup Co. | 18,000 | 529,560 |
| Tasty Baking Co. | 143,000 | 989,560 |
| The J. M. Smucker Co. | 25,000 | 1,216,500 |
| | | <u>2,735,620</u> |
| Health Care Equipment & Supplies 0.9% | | |
| ^a St. Jude Medical Inc. | 28,000 | 1,150,800 |
| | | <u>1,150,800</u> |
| Health Care Providers & Services 2.6% | | |
| Aetna Inc. | 13,000 | 325,650 |
| ^a Almost Family Inc. | 34,000 | 887,740 |
| ^a Laboratory Corp. of America Holdings | 12,000 | 813,480 |
| McKesson Corp. | 32,000 | 1,408,000 |
| | | <u>3,434,870</u> |

Supplemental Information
New Jersey Better Educational Savings Trust-
New Jersey Division of Investment Managed Investment Options

NJBest Pooled Equity Fund
Statement of Investments, June 30, 2009 (continued)

| | Shares | Value |
|--|---------|------------------|
| Common Stocks (continued) | | |
| Hotels, Restaurants & Leisure 1.1% | | |
| McDonald's Corp. | 16,000 | \$ 919,840 |
| Wendy's/Arby's Group Inc., A | 140,000 | 560,000 |
| | | <u>1,479,840</u> |
| Household Durables 0.4% | | |
| Lennar Corp., B | 78,000 | 592,800 |
| | | <u>592,800</u> |
| Household Products 1.3% | | |
| The Procter & Gamble Co. | 33,000 | 1,686,300 |
| | | <u>1,686,300</u> |
| Independent Power Producers & Energy Traders 2.0% | | |
| Constellation Energy Group | 16,000 | 425,280 |
| ^a NRG Energy Inc. | 62,000 | 1,611,827 |
| Ormat Technologies Inc. | 14,000 | 564,340 |
| | | <u>2,601,447</u> |
| Industrial Conglomerates 1.5% | | |
| General Electric Co. | 114,000 | 1,336,080 |
| Tyco International Ltd. | 25,000 | 649,500 |
| | | <u>1,985,580</u> |
| Insurance 0.5% | | |
| ^a eHealth Inc. | 34,000 | 600,440 |
| | | <u>600,440</u> |
| Internet Software & Services 2.1% | | |
| ^a Google Inc., A | 3,400 | 1,433,406 |
| ^a Kana Software Inc. | 370,000 | 273,800 |
| LogMeIn Inc. | 2,000 | 32,000 |
| ^a Moduslink Global Solutions Inc. | 50,000 | 343,000 |
| United Online Inc. | 100,000 | 651,000 |
| | | <u>2,733,206</u> |
| IT Services 0.5% | | |
| MasterCard Inc., A | 4,000 | 669,240 |
| | | <u>669,240</u> |
| Leisure Equipment & Products 0.5% | | |
| Hasbro Inc. | 30,000 | 727,200 |
| | | <u>727,200</u> |
| Life Sciences Tools & Services 0.3% | | |
| ^a Medtox Scientific Inc. | 48,000 | 452,640 |
| | | <u>452,640</u> |
| Machinery 1.0% | | |
| ^a Astec Industries Inc. | 21,000 | 623,490 |
| ^a Energy Recovery Inc. | 96,000 | 679,680 |
| | | <u>1,303,170</u> |

Supplemental Information
New Jersey Better Educational Savings Trust-
New Jersey Division of Investment Managed Investment Options

NJBest Pooled Equity Fund
Statement of Investments, June 30, 2009 (continued)

| | Shares | Value |
|--|---------|-------------------|
| Common Stocks (continued) | | |
| Media 3.8% | | |
| Cablevision Systems Corp., A | 38,000 | \$ 737,580 |
| ^a Dish Network Corp., A | 44,000 | 713,240 |
| Entercom Communications Corp. | 110,000 | 168,300 |
| ^a Lions Gate Entertainment Corp. | 90,000 | 504,000 |
| National CineMedia Inc. | 46,000 | 632,960 |
| ^a Outdoor Channel Holdings Inc. | 92,000 | 542,800 |
| Regal Entertainment Group, A | 20,000 | 266,010 |
| Time Warner Cable Inc. | 11,000 | 348,370 |
| Time Warner Inc. | 38,000 | 957,220 |
| World Wrestling Entertainment Inc. | 16,000 | 200,960 |
| | | <u>5,071,440</u> |
| Metals & Mining 1.4% | | |
| ^a Coeur d'Alene Mines Corp. | 40,000 | 492,000 |
| Newmont Mining Corp. | 15,000 | 613,050 |
| Steel Dynamics Inc. | 20,000 | 294,600 |
| ^a Thompson Creek Metals Co., Inc. | 50,000 | 511,000 |
| | | <u>1,910,650</u> |
| Multiline Retail 0.5% | | |
| ^a Dollar Tree Inc. | 15,000 | 631,500 |
| | | <u>631,500</u> |
| Multi-Utilities 0.3% | | |
| CMS Energy Corp. | 30,000 | 362,400 |
| | | <u>362,400</u> |
| Oil, Gas & Consumable Fuels 7.6% | | |
| Berry Petroleum Co., A | 36,000 | 669,240 |
| Chesapeake Energy Corp. | 30,000 | 594,900 |
| ConocoPhillips | 68,000 | 2,860,080 |
| Devon Energy Corp. | 18,000 | 981,000 |
| EOG Resources Inc. | 12,000 | 815,040 |
| Exxon Mobil Corp. | 33,000 | 2,307,030 |
| Holly Corp. | 25,000 | 449,500 |
| Peabody Energy Corp. | 18,000 | 542,880 |
| ^a Rentech Inc. | 420,000 | 239,400 |
| XTO Energy Inc. | 16,000 | 610,240 |
| | | <u>10,069,310</u> |

Supplemental Information
New Jersey Better Educational Savings Trust-
New Jersey Division of Investment Managed Investment Options

NJBest Pooled Equity Fund
Statement of Investments, June 30, 2009 (continued)

| | Shares | Value |
|--|---------|-------------------|
| Common Stocks (continued) | | |
| Paper & Forest Products 0.6% | | |
| Weyerhaeuser Co. | 24,000 | \$ 730,320 |
| | | <u>730,320</u> |
| Pharmaceuticals 11.4% | | |
| Abbott Laboratories | 20,000 | 940,800 |
| Bristol-Myers Squibb Co. | 76,000 | 1,543,560 |
| Eli Lilly and Co. | 20,000 | 692,800 |
| Johnson & Johnson | 44,000 | 2,499,200 |
| Medicis Pharmaceutical Corp., A | 42,000 | 685,440 |
| Schering-Plough Corp. | 160,000 | 4,019,200 |
| ^a Watson Pharmaceuticals Inc. | 18,000 | 606,420 |
| Wyeth | 90,000 | 4,085,100 |
| | | <u>15,072,520</u> |
| Professional Services 0.5% | | |
| ^a Hill International Inc. | 140,000 | 602,000 |
| | | <u>602,000</u> |
| Real Estate Investment Trusts 2.9% | | |
| Entertainment Properties Trust | 148,000 | 3,048,800 |
| Plum Creek Timber Co. Inc. | 28,000 | 833,840 |
| | | <u>3,882,640</u> |
| Road & Rail 1.1% | | |
| ^a Kansas City Southern | 64,000 | 1,031,040 |
| Norfolk Southern Corp. | 12,000 | 452,040 |
| | | <u>1,483,080</u> |
| Semiconductors & Semiconductor Equipment 2.9% | | |
| ^a Atheros Communications | 28,000 | 538,720 |
| ^a Atmel Corp. | 180,000 | 671,400 |
| ^a Cypress Semiconductor Corp. | 84,000 | 772,800 |
| ^a Entegris Inc. | 180,000 | 489,600 |
| Intel Corp. | 70,000 | 1,158,500 |
| ^a Ramtron International Corp. | 168,000 | 193,193 |
| | | <u>3,824,213</u> |
| Software 4.5% | | |
| ^a Majesco Entertainment Co. | 3,379 | 6,589 |
| Microsoft Corp. | 136,000 | 3,232,720 |
| ^a Novell Inc. | 100,000 | 453,000 |
| Oracle Corp. | 50,000 | 1,071,000 |
| ^a PROS Holdings Inc. | 40,000 | 324,800 |
| ^a Solarwinds Inc. | 10,000 | 164,900 |
| ^a Sonic Solutions | 20,000 | 59,000 |
| ^a The SCO Group Inc. | 400,000 | 49,000 |
| ^a TiVo Inc. | 52,000 | 544,960 |
| | | <u>5,905,969</u> |

Supplemental Information
New Jersey Better Educational Savings Trust-
New Jersey Division of Investment Managed Investment Options

NJBest Pooled Equity Fund
Statement of Investments, June 30, 2009 (continued)

| | Shares | Value |
|---|-----------|-----------------------|
| Common Stocks (continued) | | |
| Specialty Retail 0.6% | | |
| ^a Blockbuster Inc., B | 450,000 | \$ 175,500 |
| ^a GameStop Corp., A | 26,000 | 572,260 |
| | | <u>747,760</u> |
| Tobacco 2.9% | | |
| ^a Alliance One International Inc. | 110,000 | 418,000 |
| Altria Group Inc. | 70,000 | 1,147,300 |
| Philip Morris International Inc. | 34,000 | 1,483,080 |
| Reynolds American Inc. | 21,000 | 811,020 |
| | | <u>3,859,400</u> |
| Trading Companies & Distributors 0.5% | | |
| ^a United Rentals Inc. | 100,000 | 649,000 |
| | | <u>649,000</u> |
| Transportation Infrastructure 0.2% | | |
| Macquarie Infrastructure Company LLC | 60,000 | 246,600 |
| | | <u>246,600</u> |
| Wireless Telecommunication Services 1.0% | | |
| ^a American Tower Corp., A | 23,000 | 725,190 |
| ^a Leap Wireless International Inc. | 18,000 | 592,740 |
| | | <u>1,317,930</u> |
| Total Common Stocks (Cost \$127,375,136) 95.2% | | |
| | | <u>126,353,054</u> |
| Short Term Investment (Cost \$6,584,731) 5.0% | | |
| State of New Jersey Cash Management Fund | 6,584,731 | 6,584,731 |
| | | <u>6,584,731</u> |
| Total Investments (Cost \$133,959,867) 100.2% | | |
| | | 132,937,785 |
| Other Assets Less Liabilities (0.2)% | | |
| | | <u>(259,491)</u> |
| Total Net Assets 100.0% | | |
| | | <u>\$ 132,678,294</u> |

^a Non-Income producing for the twelve months ended June 30, 2009.