

FIG. A INVESTMENT RETURNS

Endowment Funds	(in millions)	Annual Returns for Periods Ended August 31, 2009			
	Net Asset Value August 31, 2009	One Year	Three Years	Five Years	Ten Years
Permanent University Fund	\$9,674	(12.98%)	(1.00%)	5.08%	4.97%
General Endowment Fund		(13.22%)	(0.85%)	5.17%	N/A
Permanent Health Fund	842	(13.27%)	(0.92%)	5.09%	N/A
Long Term Fund	4,517	(13.27%)	(0.92%)	5.09%	5.42%
Separately Invested Funds	128	N/A	N/A	N/A	N/A
Total Endowment Funds	\$15,161				

FIG. B COMBINED PUF AND GEF ASSET ALLOCATION

as of August 31, 2009
(\$ in millions)

Asset Group	Asset Class	More Correlated & Constrained		Less Correlated & Constrained		Private Investments		Grand Total	
Fixed Income	Investment Grade Credit-Related	\$ 1,838	12.2%	\$ 210	1.4%	\$ -	0.0%	\$ 2,048	13.6%
		343	2.3%	1,113	7.4%	1,147	7.6%	2,603	17.3%
Fixed Income Total		2,181	14.5%	1,323	8.8%	1,147	7.6%	4,651	30.9%
Real Assets	Real Estate	669	4.5%	47	0.3%	84	0.6%	800	5.4%
	Natural Resources	688	4.6%	17	0.1%	260	1.7%	965	6.4%
Real Assets Total		1,357	9.1%	64	0.4%	344	2.3%	1,765	11.8%
Equity	Developed Country	2,203	14.7%	2,647	17.6%	1,721	11.4%	6,571	43.7%
	Emerging Markets	1,463	9.7%	362	2.4%	221	1.5%	2,046	13.6%
Equity Total		3,666	24.4%	3,009	20.0%	1,942	12.9%	8,617	57.3%
Grand Total		\$ 7,204	48.0%	\$ 4,396	29.2%	\$ 3,433	22.8%	\$15,033	100.0%



FIG. D LONG TERM FUND FINANCIAL HIGHLIGHTS

Years Ended August 31,	2005	2006	2007	2008	(in millions) 2009
Beginning Net Asset Value	\$3,393	\$4,001	\$4,441	\$5,333	\$5,285
Contributions (Net of Withdrawals)	141	172	363	355	192
Distribution/Payout	(168)	(180)	(199)	(217)	(236)
Net Investment Return	635	448	728	(186)	(724)
Ending Net Asset Value	\$4,001	\$4,441	\$5,333	\$5,285	\$4,517

FIG. E OWNERSHIP OF LONG TERM FUND

August 31, 2009	Accounts	(in millions) Value
UT System Administration	107	\$18
Benefit of Multiple Institutions	4	5
UT Arlington	378	52
UT Austin	4,354	2,138
UT Dallas	163	163
UT El Paso	530	97
UT Pan American	90	26
UT Brownsville	93	6
UT Permian Basin	93	14
UT San Antonio	295	45
UT Tyler	197	55
UT Southwestern Medical Center at Dallas	461	628
UT Medical Branch at Galveston	645	347
UT Health Science Center at Houston	386	113
UT Health Science Center at San Antonio	321	135
UT M. D. Anderson Cancer Center	388	377
UT Health Science Center at Tyler	41	9
Other Accounts	405	289
Total	8,951	\$4,517

FIG. F PERMANENT HEALTH FUND FINANCIAL HIGHLIGHTS

Years Ended August 31,	2005	2006	2007	2008	(in millions) 2009
Beginning Net Asset Value	\$814	\$926	\$987	\$1,100	\$1,026
Contributions (Net of Withdrawals)	-	-	-	-	-
Distributions/Payout	(38)	(40)	(41)	(42)	(43)
Net Investment Return	150	101	154	(32)	(141)
Ending Net Asset Value	\$926	\$987	\$1,100	\$1,026	\$842



FIG. G PERMANENT HEALTH FUND OWNERSHIP

August 31, 2009	(in millions) Value
Permanent Health Fund for Higher Education	\$359
UT Health Science Center at San Antonio	205
UT M. D. Anderson Cancer Center at Houston	103
UT Southwestern Medical Center at Dallas	51
UT Medical Branch at Galveston	26
UT Health Science Center at Houston	26
UT Health Science Center at Tyler	26
UT El Paso	26
Regional Academic Health Center	20
Total	\$842

FIG. H PERMANENT UNIVERSITY FUND FINANCIAL HIGHLIGHTS

Years Ended August 31,	2005	2006	2007	2008	(in millions) 2009
Beginning Net Asset Value	\$8,088	\$9,427	\$10,313	\$11,743	\$11,359
PUF Lands Mineral Contributions	193	215	273	458	340
Distributions of AUF	(341)	(358)	(401)	(449)	(531)
Net Investment Return	1,487	1,029	1,558	(393)	(1,494)
Ending Net Asset Value	\$9,427	\$10,313	\$11,743	\$11,359	\$9,674

PUF BENEFICIARIES

THE UNIVERSITY OF TEXAS SYSTEM

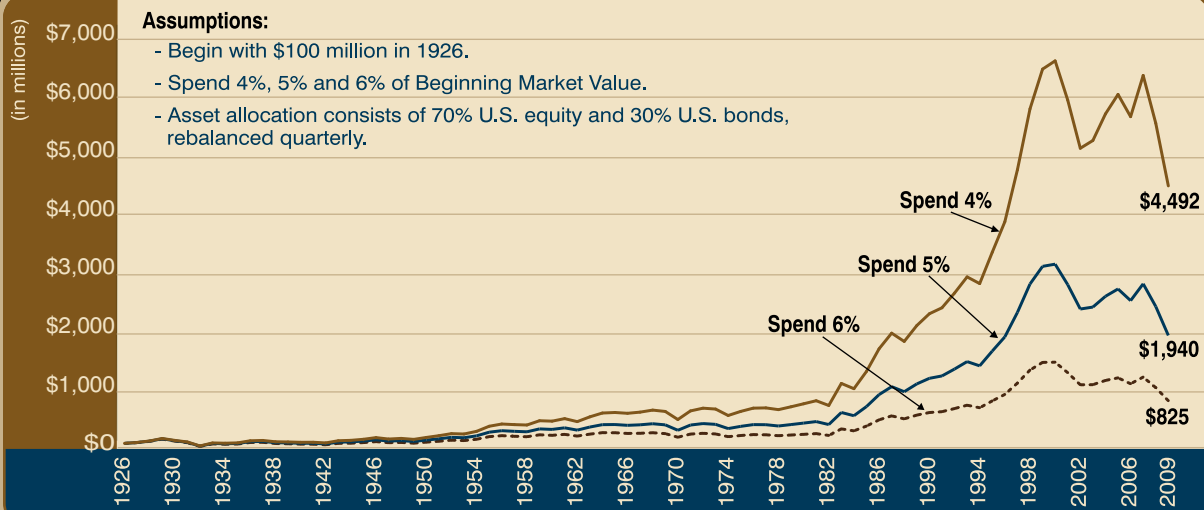
- UT Arlington
- UT Austin
- UT Dallas
- UT El Paso
- UT Permian Basin
- UT San Antonio
- UT Tyler
- UT Southwestern Medical Center at Dallas
- UT Medical Branch at Galveston
- UT Health Science Center at Houston
- UT Health Science Center at San Antonio
- UT M. D. Anderson Cancer Center
- UT Health Science Center at Tyler

THE TEXAS A&M UNIVERSITY SYSTEM

- Prairie View A&M University
- Tarleton State University
- Texas A&M University
- Texas A&M at Galveston
- The Texas A&M Health Science Center
- Texas Agricultural Experiment Station
- Texas Agricultural Extension Service – Texas Cooperative Extension
- Texas Engineering Experiment Station
- Texas Engineering Extension Service
- Texas Forest Service
- Texas Transportation Institute

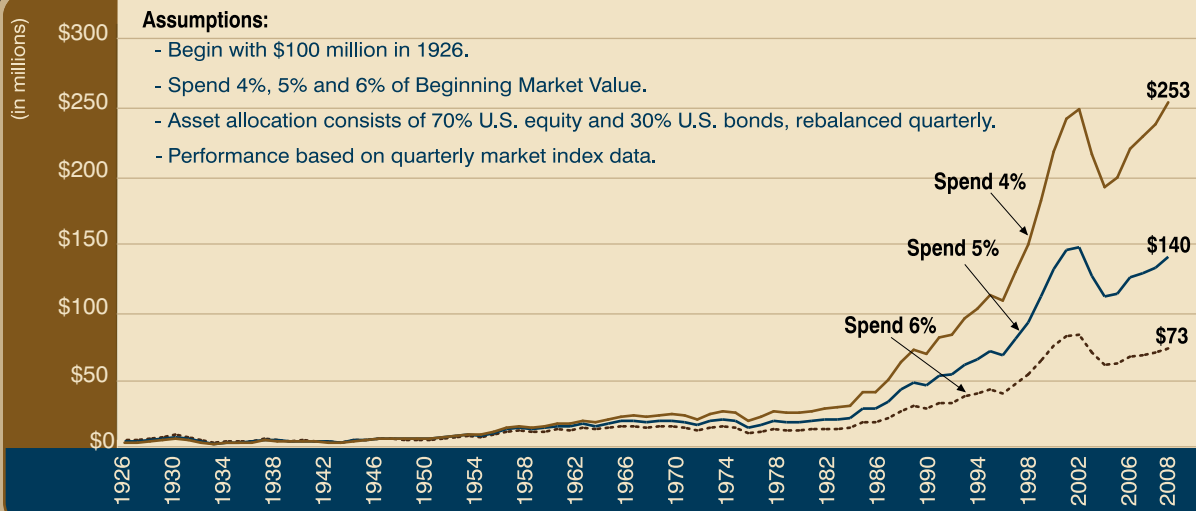


FIG. I ENDOWMENT MARKET VALUES AFTER SPENDING



Source: Cambridge Associates, LLC

FIG. J NOMINAL SPENDING



Source: Cambridge Associates, LLC



FIG. K SPENDING RATE COMPARISON

As of June 30,	2004	2005	2006	2007	2008
LTF	5.5%	4.8%	4.6%	4.4%	3.9%
Endowments Greater than \$1 Billion	5.2%	4.7%	4.6%	4.4%	4.3%
Public	4.5%	4.6%	4.5%	4.5%	4.6%
Independent	5.1%	4.8%	4.7%	4.7%	4.6%

Source: 2008 NACUBO Endowment Study

FIG. L LTF RATIO OF EXPENSES TO AVERAGE NET ASSETS

Years Ended August 31,	2005	2006	2007	2008	2009
UTIMCO Management	0.06%	0.05%	0.08%	0.08%	0.11%
External Investment Managers ¹	0.18%	0.30%	0.16%	0.11%	0.16%
Other Service Providers Fees	0.08%	0.04%	0.04%	0.07%	0.01%
Total Investment Fees and Expenses	0.32%	0.39%	0.28%	0.26%	0.28%
UT System Administrative Fees ²	0.10%	0.08%	0.08%	0.19%	0.27%
Total	0.42%	0.47%	0.36%	0.45%	0.55%

(1) Fees incurred by the general partners in private investments, fees incurred by mutual fund managers, and fees charged by hedge fund managers are not included in these totals. Fees incurred by partnerships, mutuals funds and hedge funds are netted directly against returns for those investments in accordance with standard industry practice.

(2) During the fiscal year ended August 31, 2008, the UT System administrative fee assessed on behalf of the UT System and UT System institutions for the support of endowment administration and management was increased from .08% to .20% of a rolling twelve quarter average net asset value of the LTF. The change in the ratios between 2008 and 2009 are reflective of the expense ratios being calculated based on a five-quarter average net asset value of the LTF, and the fee assessment being based on a twelve-quarter average net asset value of the LTF.

