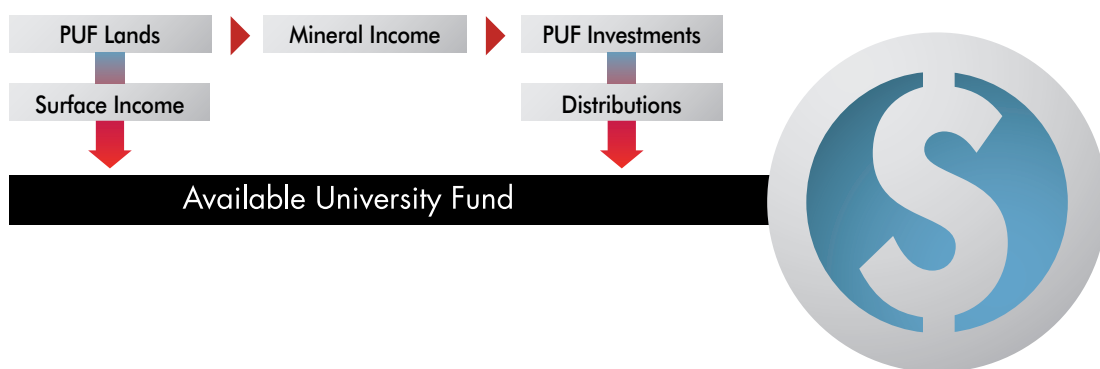


2002 UTIMCO Annual Report - Permanent University Fund charts

Years Ended August 31,	P U F H i g h l i g h t s (in millions)				
	1998	1999	2000	2001	2002
Investment Assets (market value)	\$ 6,517.1	\$ 7,465.6	\$ 8,452.3	\$ 7,540.1	\$ 6,738.3
PUF Lands Mineral Contributions	79.5	54.3	83.1	115.6	80.5
Net Investment Return ⁽¹⁾	329.3	1,158.1	1,201.2	(710.7)	(543.9)
Distributions to AUF					
From Investments	260.0	263.9	297.6	317.1	338.4
One-time Adjustment	47.3				

(1) Includes PUF management expenses as provided by constitutional amendment, effective November 29, 1999.

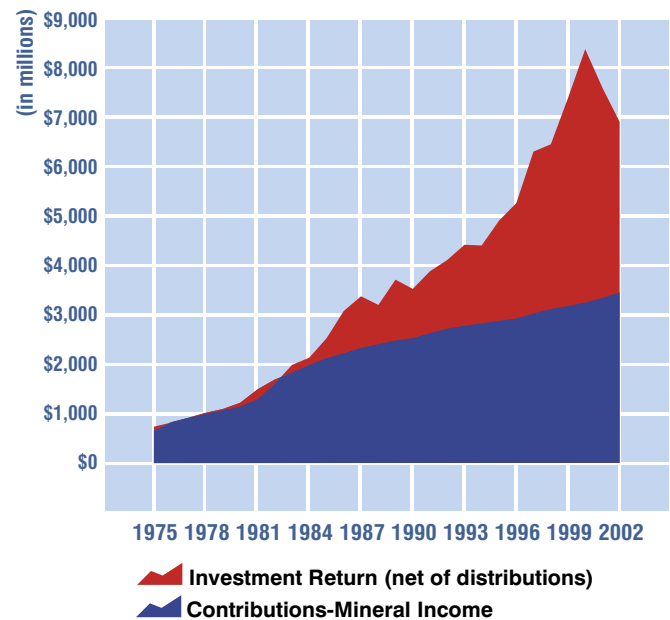


Cumulative Activity

	1923-2002 (in millions)
Beginning Market Value (1923)	\$ -
Contributions of Mineral Income from PUF Lands	3,479.3
Net Investment Return	9,267.8
Distributions to the AUF	(6,008.8)
Ending Market Value (2002)	\$ 6,738.3

2002 UTIMCO Annual Report - Permanent University Fund charts

Components of PUF Investments 1975 - 2002



Asset Allocation and Attribution Analysis

Asset Class	Average Asset Allocation for the Year Ended August 31, 2002			Investment Return		
	Endowment Policy Portfolio	Permanent University Fund	Over (Under) Weight	Policy Portfolio Benchmark	Permanent University Fund	Attribution of Over (Under) Performance
Cash and Equivalents	0.0%	1.6%	1.6%	2.3%	2.3%	(0.1)%
U.S. Equities: Mid/Large Capitalization	25.0%	20.0%	(5.0)%	(18.0)%	(14.4)%	1.9%
U.S. Equities: Small Capitalization	7.5%	7.9%	0.4%	(15.4)%	(21.6)%	(1.2)%
Non-U.S. Equities: Established Markets	12.0%	10.8%	(1.2)%	(15.0)%	(14.1)%	0.2%
Non-U.S. Equities: Emerging Markets	3.0%	4.1%	1.1%	0.2%	(1.3)%	(0.1)%
Alternative Assets: Marketable	10.0%	11.9%	1.9%	9.7%	(2.5)%	(1.4)%
Inflation Hedging	7.5%	9.1%	1.6%	3.1%	10.9%	0.5%
U.S. Fixed Income	15.0%	16.9%	1.9%	8.1%	6.6%	0.2%
Non-U.S. Fixed Income	5.0%	3.8%	(1.2)%	10.3%	9.3%	(0.5)%
Total Marketable Assets	85.0%	86.1%	1.1%	(5.4)%	(5.9)%	(0.5)%
Alternative Assets: Non-Marketable	15.0%	13.9%	(1.1)%	(13.1)%	(15.4)%	
Total Fund Assets	100.0%	100.0%	0.0%	(6.6)%	(7.4)%	

Change in Purchasing Power

Annual Average	For the Periods Ended August 31, 2002		
	One Year	Five Years	Ten Years
Rate of Investment Return	(7.19)%	4.17%	8.53%
Less:			
Expense Rate ⁽¹⁾	0.29%	0.14%	0.07%
Inflation Rate	1.80%	2.36%	2.52%
Distribution Rate	4.63%	4.16%	4.75%
Change in Purchasing Power	(13.91)%	(2.49)%	1.19%

(1) Includes management of PUF Lands and Investments as provided by the constitutional amendment effective November 29, 1999.