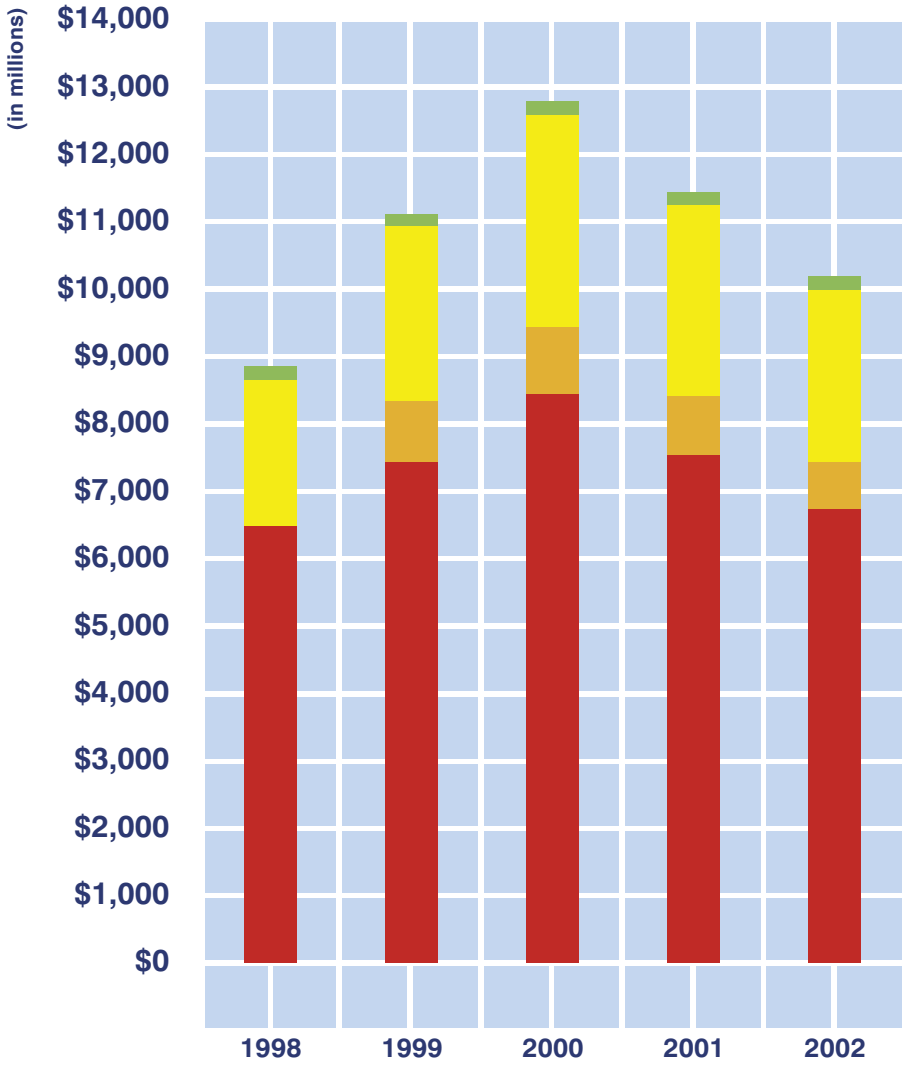


2002 UTIMCO Annual Report - Endowment Funds charts

Net Asset Value of Endowment Funds



Endowment Funds
 The UT Board is fiduciary for four major endowment fund groups with a combined value equal to \$10,205.6 million.

For the Year Ended August 31,
 ■ PUF ■ PHF ■ LTF ■ SIF

2002 UTIMCO Annual Report - Endowment Funds charts

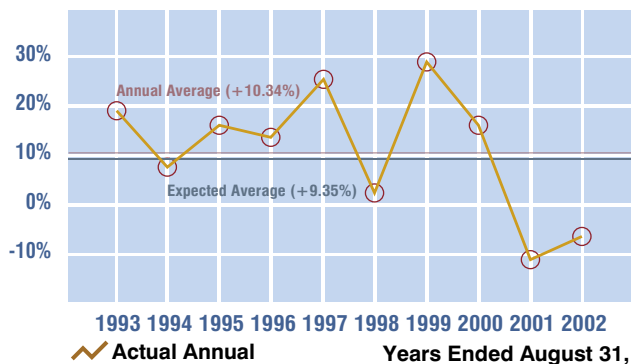
Endowment Policy Portfolio Asset Allocation

Asset Class	Neutral Weight	Range	Return Index
Cash and Equivalents	0.0%	0%-5%	90 Day T-Bills Average Yield
U.S. Equities: Mid/Large Capitalization	25.0%	10%-40%	Standard & Poor's 500 Index
U.S. Equities: Small Capitalization	7.5%	5%-15%	Russell 2000 Index
Non-U.S. Equities: Established Markets	12.0%	5%-20%	Morgan Stanley Capital International Europe, Asia, Far East Index (net)
Non-U.S. Equities: Emerging Markets	3.0%	0%-10%	Morgan Stanley Capital International Emerging Markets Free
Alternative Assets: Marketable	10.0%	5%-15%	90 Day T-Bills + 7%
Inflation Hedging	7.5%	5%-15%	33% (Goldman Sachs Commodity Index minus 100 basis points) plus 67% (National Commercial Real Estate Index Fund)
U.S. Fixed Income	15.0%	10%-25%	Lehman Brothers Aggregate Bond Index
Non-U.S. Fixed Income	5.0%	0%-7%	Salomon Non-U.S. World Government Bond Index, Unhedged
Alternative Assets: Non-Marketable	15.0%	5%-20%	Wilshire 5000 U.S. Equities Index + 4%
Total Fund Assets	100%		Policy Portfolio Index

Preservation of Endowment Purchasing Power

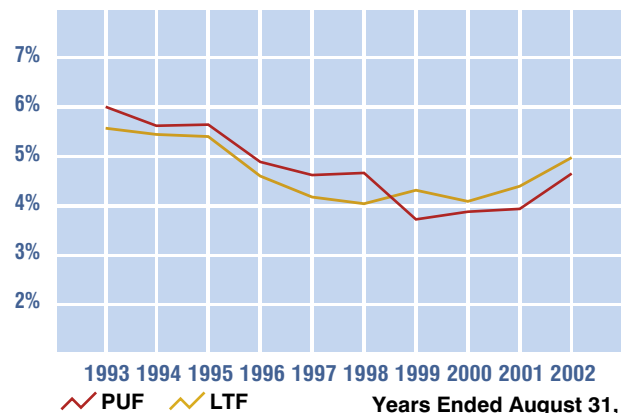
	Prior Expected Annual Average	Five to Seven Year Expected Annual Average	Long Term Expected Annual Average
Rate of Investment Return	9.35%	7.40%	8.90%
Less:			
Expense Rate	0.35%	0.35%	0.35%
Inflation Rate	3.50%	2.50%	3.00%
Distribution Rate	4.50%	4.50%	4.50%
Increase in Purchasing Power	1.00%	0.05%	1.05%

Endowment Policy Portfolio Returns (Benchmark)



The Endowment Policy Portfolio establishes benchmark performance for the endowment funds. The Endowment Policy Portfolio (or benchmark) returns shown above are calculated utilizing the target asset class allocation of the current Endowment Policy Portfolio.

Average Historical Distribution Rates



Annual distributions are divided by the five quarter average endowment net asset value determined annually.