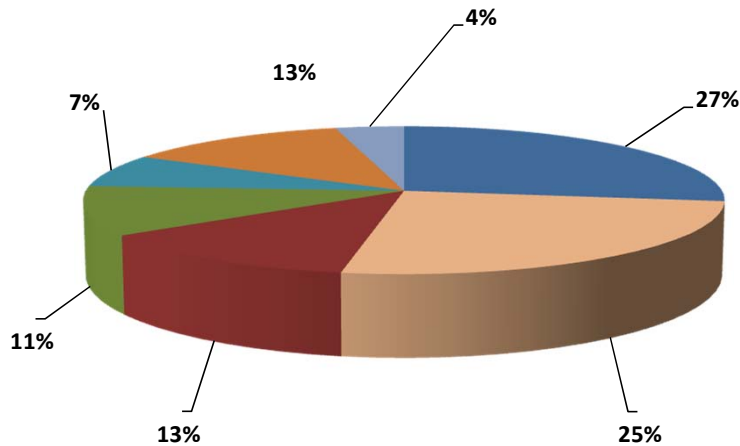


**ENDOWMENT INVESTMENT POOL  
PERFORMANCE SUMMARY  
Period Ending December 31, 2016**

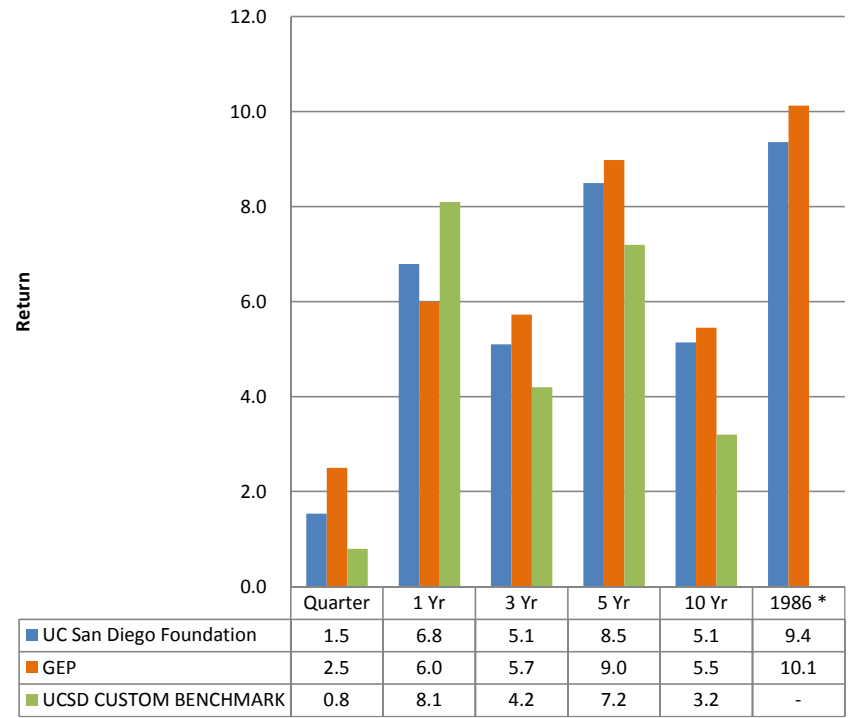
The UC San Diego Foundation, pursuant to its Endowment Investment Policy and Guidelines and the Uniform Prudent Management of Institutional Fund Act (or any subsequent governing laws or regulations), combines endowment funds for investment purposes and deducts annual costs of administration from the endowment portfolio total return. Each endowed fund holds units in the combined portfolio. New gifts to an endowment fund are added to the principal of the fund and invested the pooled portfolio.

The Endowment "Spending Policy" (or payout) is set from time-to-time by the UC San Diego Foundation's Board of Trustees. The payout is the amount of expendable distribution made available to the endowment fund holder or endowment chair holder on an annual basis from the endowment. The payout is used by the fund holder or chair holder for the purpose intended by the donor, subject to the appropriate university policies.

**UC San Diego Foundation  
Endowment Investment Pool Asset Mix**



**Endowment Total Returns**

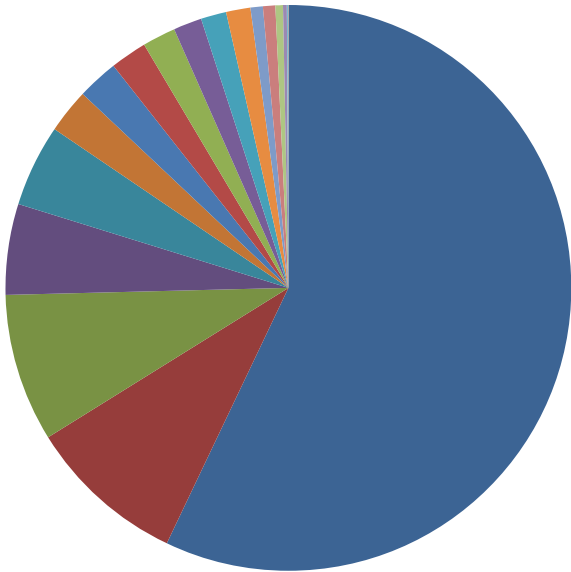


\* Inception of UC San Diego Foundation unitized endowment pool; no benchmark data available.

**UC San Diego Foundation  
Endowment Portfolio Asset Mix  
As of December 31, 2016**

**Percentage by Manager  
Market Value at 12/31/16**

- Regents General Endowment Pool (GEP) - 57.1%
- Vanguard Institutional Index - 9.1%
- State Street MSCI EAFE Index - 8.5%
- Metropolitan West Total Return Bond I - 5.2%
- Cohen & Steers Real Estate Securities - 4.7%
- Regents STIP - 2.5%
- Vanguard Small-Cap Index Fund Institutional Shares - 2.3%
- Brandes Emerging Markets Equity Portfolio II - 2.1%
- Harding Loevner Instl Emerg Mkts I - 1.9%
- Regents' Absolute Return Fund - 1.6%
- Vanguard Mid-Cap Index Fund Admiral Shares - 1.4%
- Vanguard High-Yield Corporate Fund Admiral Shares - 1.4%
- Regents Real Estate Fund (2007 year) - 0.7%
- Regents' Vintage Equity Fund (2007 year) - 0.7%
- Contrarian Distressed Real Estate Debt Fund II (3) - 0.4%
- TA Realty Associates Fund XI - 0.2%
- Oaktree Real Estate Opportunities - 0.1%
- Regents' Vintage Equity Fund (2003 year) - 0.0%



Asset Class	Market Value	% of Total Portfolio		--- UCSD Fdn policy --- approved 12/2/16		GEP Policy 7/1/16
		at 12/16	at 12/15	Target Asset Allocation	Permissible Range	
Large Cap US Equities	110,967,455	19%	18%	18.0%		
Mid/Small Cap US Equities	47,657,045	8%	7%	6.0%		
U.S. Equity	158,624,500	27%	25%	24.0%	15% - 35%	21.0%
Developed Non U.S. Equities	103,166,675	18%	16%	18.0%	10% - 30%	14.0%
Emerging Market Equity	45,580,516	8%	9%	8.0%	0% - 15%	7.5%
Non U.S. Equity	148,747,190	26%	25%	26.0%		21.5%
<b>Total Equities <sup>(1)</sup></b>	<b>307,371,690</b>	<b>52%</b>	<b>50%</b>	<b>50.0%</b>	<b>40% - 60%</b>	<b>42.5%</b>
<b>Fixed Income (U.S. &amp; Non U.S.)</b>	<b>73,242,240</b>	<b>13%</b>	<b>12%</b>	<b>12.0%</b>	<b>5% - 20%</b>	<b>12.5%</b>
Real Estate & Real Assets	62,226,185	11%	13%	10.0%	5% - 15%	10.5%
Private Equity	41,791,754	7%	7%	8.0%	5% - 15%	11.5%
Diversifying Strategies	74,944,030	13%	15%	20.0%	10% - 30%	23.0%
<b>Total Alternative Investments</b>	<b>178,961,968</b>	<b>31%</b>	<b>35%</b>	<b>38.0%</b>	<b>20% - 45%</b>	<b>45.0%</b>
<b>Cash &amp; Equivalents <sup>(2)</sup></b>	<b>22,769,586</b>	<b>4%</b>	<b>3%</b>	<b>0.0%</b>	<b>0% - 5%</b>	<b>0.0%</b>
<b>Total Portfolio</b>	<b>582,345,485</b>	<b>100%</b>	<b>100%</b>	<b>100.0%</b>	<b>100%</b>	<b>100.0%</b>

Notes:

(1) GEP's global equities components were re-allocated to other equity asset classes

(2) \$8.0M of total cash held at 12/31/16 is from GEP's internal allocation as they intentionally hold cash to pursue investing opportunities as compared to \$13.5M at 12/31/15.