

**UC San Diego Foundation  
Endowment Investment Pool  
Performance Summary  
Period Ending June 30, 2015**

|                                     | ----- For Trailing Periods ----- |               |               |            |             |             |             | Since<br>Inception (1) |
|-------------------------------------|----------------------------------|---------------|---------------|------------|-------------|-------------|-------------|------------------------|
|                                     | 1<br>Quarter                     | 2<br>Quarters | 3<br>Quarters | 1<br>Year  | 3<br>Years  | 5<br>Years  | 10<br>Years |                        |
| <b>TOTAL UCSD FOUNDATION RETURN</b> | <b>1.1</b>                       | <b>3.9</b>    | <b>5.4</b>    | <b>4.4</b> | <b>11.4</b> | <b>10.8</b> | <b>7.0</b>  | <b>9.6</b>             |

**FOR COMPARISON:**

|   |              |              |            |            |             |             |            |             |
|---|--------------|--------------|------------|------------|-------------|-------------|------------|-------------|
| <b>REGENTS' GENERAL ENDOWMENT POOL <sup>(2)</sup></b> | <b>2.0</b>   | <b>4.9</b>   | <b>6.7</b> | <b>6.1</b> | <b>12.2</b> | <b>11.0</b> | <b>7.3</b> | <b>10.0</b> |
| <b>GEP BENCHMARK <sup>(2)</sup></b>                   | <b>1.3</b>   | <b>3.4</b>   | <b>4.0</b> | <b>3.9</b> | <b>10.1</b> | <b>8.9</b>  | <b>6.7</b> | <b>9.1</b>  |
| <b>S&amp;P 500</b>                                    | <b>0.3</b>   | <b>1.2</b>   | <b>6.2</b> | <b>7.4</b> | <b>17.3</b> | <b>17.3</b> | <b>7.9</b> | <b>10.0</b> |
| <b>RUSSELL 3000 (TOBACCO FREE)</b>                    | <b>0.1</b>   | <b>1.9</b>   | <b>7.3</b> | <b>7.3</b> | <b>17.9</b> | <b>17.5</b> | <b>8.0</b> | <b>9.9</b>  |
| <b>BARCLAY AGGREGATE INDEX</b>                        | <b>(1.7)</b> | <b>(0.1)</b> | <b>1.7</b> | <b>1.9</b> | <b>1.8</b>  | <b>3.3</b>  | <b>4.5</b> | <b>6.7</b>  |

| Manager/Fund Name                                  | Market Value at<br>6/30/15 | Percentage  | \$ Committed<br>(Active) | \$ Drawn (net)      | \$ Remaining<br>(net of return of<br>principal) |
|--|----------------------------|-------------|--------------------------|---------------------|---|
| Regents General Endowment Pool (GEP)               | 309,684,993                | 56%         |                          |                     |   |
| Regents' Absolute Return Fund                      | 10,834,300                 | 2%          |                          |                     |   |
| Regents Real Estate Fund (2007 year)               | 5,394,917                  | 1%          | 9,000,000                | (8,701,546)         | 298,454   |
| Regents' Vintage Equity Fund (2007 year)           | 5,279,032                  | 1%          | 10,000,000               | (9,456,329)         | 543,671   |
| Regents STIP                                       | 1,251,991                  | 0%          |                          |                     |   |
| Regents' Vintage Equity Fund (2003 year)           | 270,692                    | 0%          | 5,000,000                | (4,942,584)         | 57,416  |
| Invested with UC Regents                           | <u>332,715,926</u>         | 61%         |                          |                     |   |
| State Street MSCI EAFE Index                       | 52,029,317                 | 9%          |                          |                     |   |
| Vanguard Institutional Index                       | 45,439,467                 | 8%          |                          |                     |   |
| GMO Benchmark Free III                             | 24,753,951                 | 5%          |                          |                     |   |
| Metropolitan West Total Return Bond I              | 24,136,877                 | 4%          |                          |                     |   |
| Vanguard Small-Cap Index Fund Institutional Shares | 13,165,145                 | 2%          |                          |                     |   |
| Brandes Emerging Markets Equity Portfolio II       | 11,733,083                 | 2%          |                          |                     |   |
| Harding Loevner Instl Emerg Mkts I (HLMEX)         | 11,609,063                 | 2%          |                          |                     |   |
| Vanguard REIT Index Admiral Shares                 | 11,304,093                 | 2%          |                          |                     |   |
| Vanguard Mid-Cap Index Fund Admiral Shares         | 8,435,271                  | 2%          |                          |                     |   |
| Vanguard High-Yield Corporate Fund Admiral Shares  | 8,199,254                  | 1%          |                          |                     |   |
| Contrarian Distressed Real Estate Debt Fund II     | 3,595,467                  | 1%          | 5,000,000                | (3,248,955)         | 0 <sup>(3)</sup>                                |
| Roselle street property                            | 1,200,000                  | 0%          |                          |                     |   |
| Other Investments                                  | <u>215,600,989</u>         | 39%         |                          |                     |   |
| <b>Total Market Value of Endowment Portfolio</b>   | <b><u>548,316,915</u></b>  | <b>100%</b> | <b>29,000,000</b>        | <b>(26,349,414)</b> | <b>899,541</b>                                  |

**Notes:**

<sup>(1)</sup> The UC San Diego Foundation Endowment Investment Pool was unitized in March 1986.

<sup>(2)</sup> Returns are based on adjusted June-August 2014 GEP unit values. May not agree to those presented in CIO reports to Regents due to timing of reporting.

<sup>(3)</sup> Contrarian's investment period has ended. Effectively as of 6/30/15, balance remaining for drawdown is zero as no more capital calls will be made by the manager.

There is a potential request of \$750k maximum (representing 15% of initial committed amount) for future add on investments and/or property maintenance until the end of the expected life of this fund.

**UC San Diego Foundation**  
**Endowment Portfolio Asset Mix**  
**As of June 30, 2015**

| Asset Class                                      | Market Value       | -----% of Total Portfolio----- |             |             | --- UCSD Fdn policy ---<br>approved 12/12/14 |                      | ----- GEP Mix ----- |             |             |                                |
|--|--------------------|--------------------------------|-------------|-------------|--|----------------------|---------------------|-------------|-------------|--------------------------------|
|  |                    | at 6/15                        | at 6/14     | at 6/13     | Target<br>Asset<br>Allocation                | Permissible<br>Range | at 6/15             | at 6/14     | at 6/13     | Effective<br>Policy<br>12/1/14 |
| Large Cap US Equities                            | 76,263,783         | 14%                            | 13%         | 9%          | 15.0%  |                      | 10%                 | 13%         | 12%         |                                |
| Mid/Small Cap US Equities                        | 30,804,644         | 6%                             | 4%          | 5%          | 5.0%   |                      | 3%                  | 4%          | 4%          |                                |
| U.S. Equity                                      | 107,068,427        | 20%                            | 17%         | 14%         | 20.0%  | 10% - 30%            | 13%                 | 17%         | 16%         | 15.5%                          |
| Developed Non U.S. Equities                      | 80,942,658         | 15%                            | 14%         | 13%         | 15.0%  |                      | 9%                  | 11%         | 13%         | 10.0%                          |
| Emerging Market Equity                           | 42,352,127         | 8%                             | 6%          | 5%          | 8.0%   |                      | 6%                  | 6%          | 6%          | 6.0%                           |
| Non U.S. Equity                                  | 123,294,785        | 22%                            | 20%         | 18%         | 23.0%  | 15% - 25%            | 15%                 | 17%         | 19%         | 16.0%                          |
| Global Equities <sup>(1)</sup>                   | 38,503,019         | 7%                             | 6%          | 8%          | 7.0%   | 0% - 10%             | 12%                 | 9%          | 8%          | 10.0%                          |
| <b>Total Equities</b>                            | <b>268,866,231</b> | <b>49%</b>                     | <b>43%</b>  | <b>40%</b>  | <b>50.0%</b>                                 | <b>35% - 55%</b>     | <b>41%</b>          | <b>43%</b>  | <b>43%</b>  | <b>41.5%</b>                   |
| <b>Fixed Income (U.S. &amp; Non U.S.) + TIPS</b> | <b>65,235,977</b>  | <b>12%</b>                     | <b>11%</b>  | <b>15%</b>  | <b>12.0%</b>                                 | <b>5% - 20%</b>      | <b>11%</b>          | <b>10%</b>  | <b>11%</b>  | <b>12.5%</b>                   |
| Real Estate                                      | 42,655,071         | 8%                             | 8%          | 8%          | 10.0%  | 5% - 10%             | 8%                  | 8%          | 8%          | 6.8%                           |
| Private Equity Funds                             | 31,773,952         | 6%                             | 9%          | 9%          | 8.0%   | 5% - 10%             | 8%                  | 10%         | 9%          | 9.0%                           |
| Absolute Return                                  | 83,942,716         | 15%                            | 20%         | 26%         | 13.0%  | 10% - 20%            | 24%                 | 22%         | 26%         | 27.5%                          |
| Other Alternatives <sup>(2)</sup>                | 35,419,553         | 6%                             | 9%          | 2%          | 7.0%   | 0% - 15%             | 2%                  | 5%          | 2%          | 2.8%                           |
| <b>Alternative Investments</b>                   | <b>193,791,291</b> | <b>35%</b>                     | <b>46%</b>  | <b>45%</b>  | <b>38.0%</b>                                 | <b>20% - 45%</b>     | <b>42%</b>          | <b>45%</b>  | <b>45%</b>  | <b>46.1%</b>                   |
| <b>Cash &amp; Equivalents <sup>(3)</sup></b>     | <b>20,423,414</b>  | <b>4%</b>                      |             |             | <b>0.0%</b>                                  | <b>0% - 2%</b>       | <b>6%</b>           | <b>1%</b>   | <b>1%</b>   | <b>0.0%</b>                    |
| <b>Total Portfolio</b>                           | <b>548,316,915</b> | <b>100%</b>                    | <b>100%</b> | <b>100%</b> | <b>100.0%</b>                                | <b>100%</b>          | <b>100%</b>         | <b>100%</b> | <b>100%</b> | <b>100.0%</b>                  |

Notes:

(1) GEP's global equities components were re-allocated to other assets class in previous reporting.

(2) Includes Regents GEP Real Assets Composite, GEP's AR CAC composite, GMO, and Contrarian. GEP's "Opportunistic Public Equity" is reflected above as "Global Equities"

(3) \$19.2M of cash held at 6/30/15 is from GEP's internal allocation as they intentionally hold cash to pursue investing opportunities.