



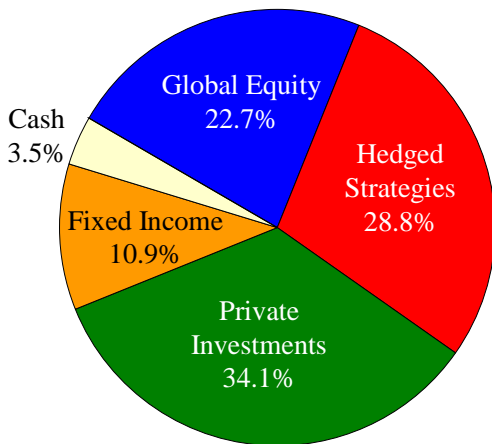
The goal of the Endowment Pool is to provide a target net, annual real return of 5.0% (or a nominal return of 8%) to preserve and enhance the purchasing power of endowment capital, while generating an income stream to support the activities of the funds held for the colleges and units of the University of Florida. The Endowment Pool is able to tolerate variability in short and intermediate-term performance given the long time horizon.

Performance Goals

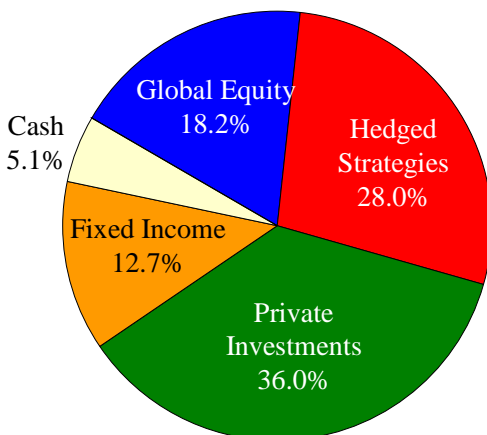
- 5% Real / 8% Nominal Return
- Callan Endowment Universe
- UFICO Board Policy Benchmark¹ (Policy)
- 70% Russell 3000 / 30% Lehman Aggregate

Asset Allocation

September 30, 2009

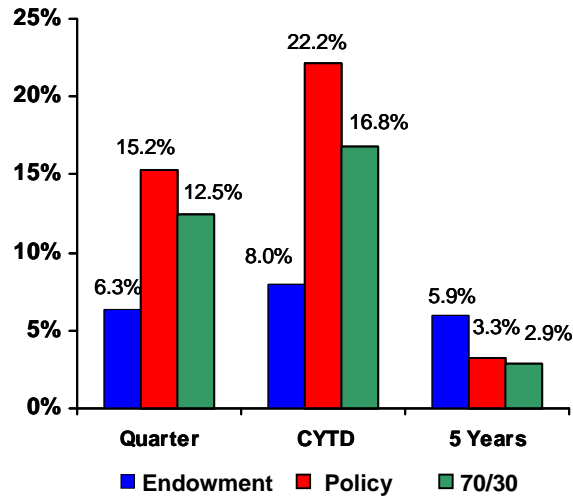


June 30, 2009

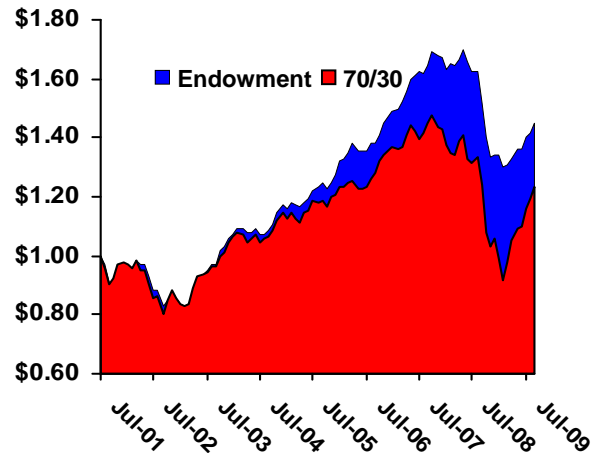


Performance

Endowment Pool Returns



Growth of \$1



Commentary

The UFF Endowment Pool gained 6.3% for the first quarter ended September 30th, trailing the Policy Benchmark return of 15.2% and the 70/30 (domestic stock/bonds) Benchmark return of 12.5%. The underperformance versus the Policy Benchmark was primarily driven by the Private Investments portfolio (down 0.5%) which trailed the levered public benchmark (+22.4%) mainly due to the lag in reporting inherent with private investments. This more than offset the outperformance in the Hedged Strategies and Fixed Income portfolios. The returns of our Private Investments portfolio are not directly comparable to public market indices over the short term. For the quarter ended September 30th, we are using June 30th values which are the most recent net asset values reported to us. Mark-ups have not been made in the Private Investments portfolio due to the appreciation in the public markets during the recent quarter. The Global Equity allocation gained 18.0% for the quarter, as compared to 17.9% for the MSCI All Country World Index. The Hedged Strategies portfolio gained 7.1% for the quarter compared to the Hedged Strategies benchmark return of 6.3%. The Fixed Income allocation had a return of 7.3% as compared to 3.7% for the Barcap Aggregate Index for the quarter.

¹ Long-term asset allocation benchmark established by the UFICO Board of Directors. Actual returns are net of all investment management fees.



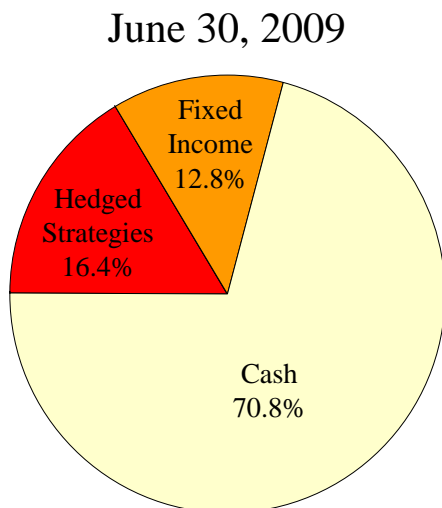
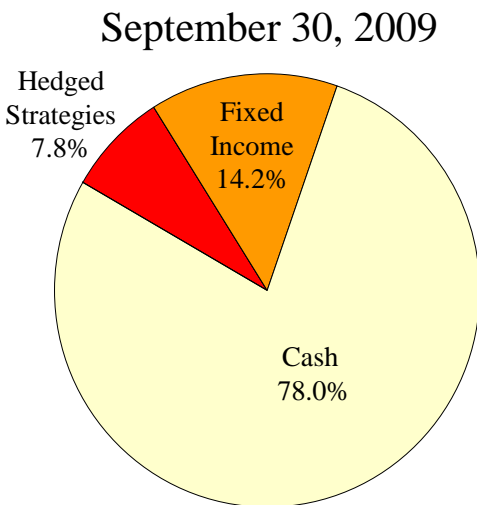
Investment Goal

The goal of the Non-endowed Pool is to achieve a total rate of return equal to UFF's Non-endowed overhead fee, currently 3.0%, on an annual basis. The Non-endowed Pool has a short-term time horizon (1-3 years) and a very low risk tolerance.

Performance Goals

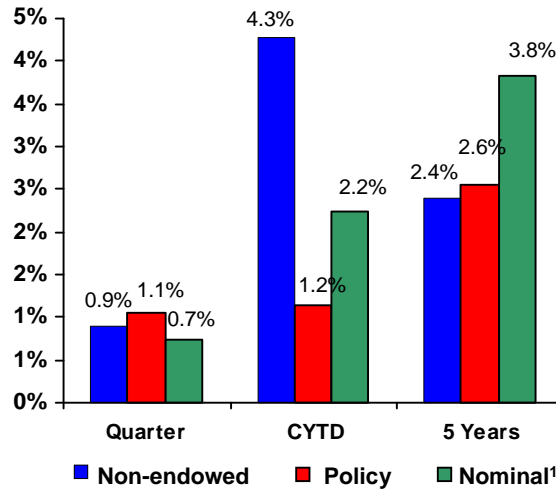
- 3.0% Nominal Return¹
- UFICO Board Policy Benchmark² (Policy)

Asset Allocation

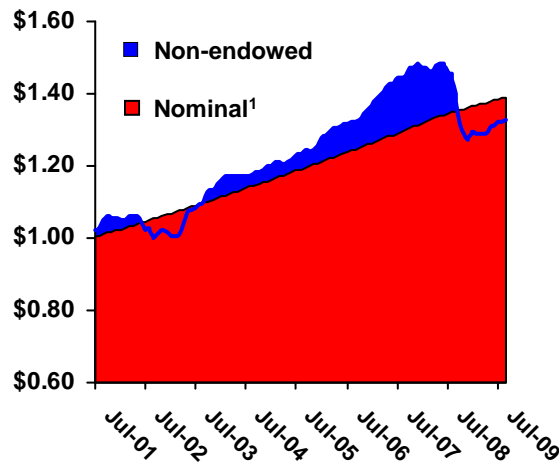


Performance

Non-endowed Pool Returns



Growth of \$1



Commentary

The UFF Non-endowed Pool returned 0.9% for the quarter ended September 30, as compared to a Policy Benchmark of 1.05% and a nominal return benchmark of 0.7%. Calendar year-to-date, the Non-endowed Pool is up 4.3%, ahead of both benchmarks. The slight underperformance for the quarter was driven primarily by the weak performance for a fund of fund manager which more than offset the outperformance of our direct portfolio within the Hedged Strategies allocation.

We continue to reduce the Non-endowed Pool's Hedged Strategies allocation in accordance with the UF Foundation's desire to lower the portfolio's risk and increase its liquidity. As of quarter-end, the Hedged Strategies allocation was at 7.8%, down from 16.4% at the end of the previous quarter. We plan on further reducing the Hedged Strategies allocation to less than 5% by calendar year-end.

¹ 3.0% effective 7/1/08 – Prior benchmark 4.25%.

² Long-term asset allocation benchmark established by the UFICO Board of Directors. Actual returns are net of all investment management fees.