

THE TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA
Executive Committee Meeting - Investment Report
September 15, 2005

TOTAL RETURN PERFORMANCE - June 30, 2005

	Quarter	Calendar YTD	Fiscal Year	Annualized		
				3 Years	5 Years	10 Years
AIF	1.1%	1.9%	8.5%	9.9%	7.0%	9.6%
AIF Composite Index	1.9%	1.6%	8.7%	8.8%	2.2%	8.6%
70% R3000 / 30% Lehman GC	2.6%	0.9%	8.2%	9.2%	1.7%	9.4%

SECTOR PERFORMANCE VS. BENCHMARK

	Quarter		Calendar YTD		Fiscal Year	
	Penn	B'mark	Penn	B'mark	Penn	B'mark
Global Developed Equity						
Domestic Equity	1.3%	2.2%	0.1%	0.0%	8.0%	8.4%
International Equity	-1.3%	-0.8%	0.5%	-0.6%	10.8%	14.3%
Emerging Market Equity	4.0%	4.1%	--	--	--	--
<i>Total</i>	0.2%	1.3%	0.3%	-0.1%	9.1%	9.5%
Excess Return Assets						
Real Estate	3.9%	3.5%	11.7%	8.3%	9.6%	15.6%
Private Equity	0.1%	0.1%	5.8%	5.8%	6.5%	6.5%
<i>Total</i>	2.0%	1.8%	8.7%	7.1%	8.1%	11.1%
Diversifying Assets						
Absolute Return	1.9%	1.9%	4.1%	2.8%	11.9%	7.1%
High Yield	4.1%	2.3%	0.7%	0.8%	9.0%	10.4%
Natural Resources	0.0%	0.0%	-1.2%	-1.2%	-2.7%	-2.7%
<i>Total</i>	2.1%	2.0%	3.7%	2.5%	11.5%	7.5%
Invest. Grade Bonds <i>(includes cash)</i>	2.1%	3.4%	1.5%	2.9%	4.0%	6.7%

ASSET ALLOCATION

	Market Value (\$ millions)	Actual AIF	Composite Index
Global Developed Equity			
Domestic Equity	\$ 951.9	24.6%	29.7%
International Equity	\$ 954.4	24.6%	16.7%
Emerging Market Equity	\$ 97.7	2.5%	2.5%
	\$ 2,004.0	51.7%	49.0%
Excess Return Assets			
Real Estate	\$ 152.0	3.9%	3.9%
Private Equity	\$ 149.7	3.9%	3.9%
	\$ 301.7	7.8%	7.8%
Diversifying Assets			
Absolute Return	\$ 703.9	18.2%	20.0%
High Yield	\$ 64.0	1.7%	3.0%
Natural Resources	\$ 9.9	0.3%	0.3%
	\$ 777.8	20.1%	23.3%
Invest. Grade Bonds <i>(includes cash)</i>	\$ 791.7	20.4%	20.0%
TOTAL AIF	\$ 3,875.2	100.0%	100.0%

TOTAL ENDOWMENT

June 30, 2005 Market Value

\$4.4 Billion