



INVESTMENT PERFORMANCE SUMMARY

Prepared for
*The Investment Advisory Committee
Of The Regents of the
University of California*

Fourth Quarter 2003



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UC TREASURER CONSOLIDATED ASSETS
December 31, 2003

	Market Value (\$M)	Total Return			Annualized Total Return	
		Fourth Quarter	Fiscal YTD	Calendar YTD	Five Years	Ten Years
UCRP	\$38,740	8.6%	11.3%	22.2%	3.9%	10.7%
Policy Benchmark		8.3%	11.1%	22.5%	2.8%	10.5%
Variance to Benchmark		+0.3%	+0.2%	-0.3%	+1.1%	+0.2%
GEP	\$4,686	8.6%	11.2%	21.7%	4.3%	10.9%
Policy Benchmark		8.3%	11.5%	22.8%	2.7%	10.5%
Variance to Benchmark		+0.3%	-0.3%	-1.1%	+1.6%	+0.4%
HIP	\$79	0.4%	-1.0%	6.3%	7.1%	9.5%
Policy Benchmark		1.1%	-0.4%	9.4%	6.4%	8.0%
Variance to Benchmark		-0.7%	-0.6%	-3.1%	+0.7%	+1.5%
STIP	\$7,306	0.8%	1.7%	3.5%	5.1%	5.7%
Policy Benchmark		0.4%	0.8%	1.6%	4.0%	5.0%
Variance to Benchmark		+0.4%	+0.9%	+1.9%	+1.1%	+0.7%
403(b) Defined Contribution Funds	\$7,515	(See 403(b) section for performance results)				
Other Endowments	\$465					
Less STIP balances in other portfolios	-\$788					
Total Assets	\$58,003					

Notes: Policy benchmarks are defined in Appendix 2. STIP income returns for periods less than one year are not annualized.



UC RETIREMENT PLAN (UCRP)



RETIREMENT PLAN (UCRP)
December 31, 2003

I. Investment Performance

	Market Value (\$M)	Total Return			Annualized Total Return	
		Fourth Quarter	Fiscal YTD	Calendar YTD	Five Years	Ten Years
UCRP	\$38,740	8.6%	11.3%	22.2%	3.9%	10.7%
Policy Benchmark		8.3%	11.1%	22.5%	2.8%	10.5%
Variance to Benchmark		+0.3%	+0.2%	-0.3%	+1.1%	+0.2%
U.S. Equity¹	\$22,982	12.3%	16.2%	30.9%	0.3%	10.0%
Policy Benchmark		12.3%	16.2%	31.0%	0.0%	11.4%
Variance to Benchmark		+0.0%	+0.0%	-0.1%	+0.3%	-1.4%
Active/Transition Portfolio ²	\$5,772	12.3%	16.2%	30.9%	N/A	N/A
Passive Portfolio	\$17,210	12.3%	16.2%	30.9%	N/A	N/A
Fixed Income³	\$10,032	0.2%	-0.9%	5.0%	6.6%	9.1%
Policy Benchmark		0.2%	-0.8%	5.1%	6.4%	7.8%
Variance to Benchmark		+0.0%	-0.1%	-0.1%	+0.2%	+1.3%
TIPS³	\$1,881	1.7%	2.0%	8.4%	N/A	N/A
Policy Benchmark		1.6%	1.9%	8.4%	N/A	N/A
Variance to Benchmark		+0.1%	+0.1%	+0.0%	N/A	N/A
Non-U.S. Equity¹	\$3,291	16.8%	27.4%	41.0%	3.2%	0.0%
Policy Benchmark		17.1%	27.2%	41.3%	5.5%	-2.2%
Variance to Benchmark		-0.3%	+0.2%	-0.3%	-2.3%	+2.2%
Passive Portfolio-Dev. Markets	\$2,834	16.8%	26.4%	38.9%	N/A	N/A
Emerging Markets	\$457	16.3%	33.5%	54.8%	10.5%	3.4%
Private Equity	\$527	0.6%	6.3%	-1.6%	17.7%	25.9%
Policy Benchmark		4.3%	21.8%	29.8%	-1.6%	13.2%
Variance to Benchmark		-3.7%	-15.5%	-31.4%	+19.3%	+12.7%
Liquidity Portfolio	\$27	4.0%	8.6%	10.6%	N/A	N/A

Note: Policy benchmarks are defined in Appendix 2.

- For 5 and 10 year periods returns were reclassified to match current asset classes.
- As of December 31, 2003, the allocation between active and passive U.S. Equity reflects the planned transition to an *initial* allocation of 25% in active externally managed strategies. This transition will occur over the course of calendar year 2004. Performance shown above reflects that these assets have been passively managed (and will be partially passively managed until the transition to active management is complete). As new equity strategies are added to the Fund, additional performance detail will be provided. The remaining U.S. Equity (75%) will continue to be passively managed.

Quarterly reports prior to this quarter have shown U.S. Equity allocated between a "core passive" portfolio (30%) and a "transitional" portfolio (70%). The latter represented the discontinued internally managed equity portfolio. This change in presentation has no impact on performance or performance attribution, as all U.S. Equity has been passively managed since December 2002.

- Fixed income securities are 100% internally managed.



RETIREMENT PLAN (UCRP)

II. UCRP Asset Allocation Plan Guideline Compliance: Exceptions

Asset Allocation

	Assets (\$M)	Actual %	Policy Target %	Variance	Policy Range	Range Compliance
U.S. Equity	\$22,982	60%	50%	10%	45-58%	No
Fixed Income						
Bonds	9,794	26%	28%	-2%	23-35%	Yes
TIPS	1,881	5%	5%	0%	3-7%	Yes
Non-U.S. Equity	3,291	8%	7%	1%	5-9%	Yes
Private Equity	527	1%	5%	-4%	3-7%	No
Real Estate	0	0%	5%	-5%	0-7%	Yes
Liquidity Portfolio	27	-	-	-	-	-
Total Assets	\$38,740	100%	100%			

U.S. Equity/Private Equity

When the new Asset Allocation Plan was initiated, UCRP was below the Private Equity target, but within the allowable range. Subsequent distributions and changes in valuation have caused the allocation to fall below the low end of the range. UCRP will receive a larger percentage of new commitments in order to increase its total allocation over time. The variance (between policy and actual) is invested in U.S. Equity.

Private Equity Sector Allocation

	Assets (\$M)	% of P.E. Portfolio	Policy Target %	Variance	Policy Range	Range Compliance
Venture Cap.	\$211	40%	50%	-10%	30-70%	Yes
Buyouts	221	42%	50%	-8%	30-70%	Yes
Non-U.S.	95	18%	0%	18%	0-10%	No
Total Assets	\$527	100%	100%			

Non-U.S. Private Equity

Non-U.S. Private Equity will not be emphasized going forward. This exposure is expected to decline over time as the other segments in the private equity portfolio grow.



UCRP Private Equity Performance

UC Data reported as of December 2003 corresponding to benchmarks as of September 2003.

	Total Return					Annualized Total Return		
	Last Quarter	Last 6 Months	Last 12 Months	Calendar YTD	Fiscal YTD	Three Years	Five Years	Ten Years
UCRP TOTAL FUND PE (incl Int'l.)	0.6%	6.2%	-1.7%	-1.7%	6.2%	-24.3%	17.7%	25.9%
PE Custom Index ¹ (incl Int'l.)	6.4%	25.8%	33.7%	33.7%	25.8%	-4.7%	5.7%	15.4%
Variance to Index	-5.8%	-19.6%	-35.4%	-35.4%	-19.6%	-19.5%	+12.0%	+10.5%
UCRP VENTURE CAP+BUYOUT	0.7%	6.0%	-0.4%	-0.4%	6.0%	-26.5%	21.5%	31.9%
US PE Custom Index ²	4.3%	21.8%	29.8%	29.8%	21.8%	-7.1%	5.3%	15.2%
C.A. Custom US PE Benchmark ³	2.6%	7.3%	2.1%	2.1%	7.3%	-19.8%	13.8%	21.0%
UCRP VENTURE CAPITAL	0.8%	-0.1%	-4.8%	-4.8%	-0.1%	-40.3%	29.8%	39.0%
Cambridge Assoc. Venture Index	-0.3%	0.9%	-9.8%	-9.8%	0.9%	-30.2%	16.9%	24.2%
Venture Economics Venture Index	1.6%	-5.8%	-16.2%	-16.2%	-5.8%	-28.2%	13.4%	21.6%
UCRP BUY OUT	0.4%	11.2%	3.5%	3.5%	11.2%	-4.2%	7.5%	18.2%
Cambridge Assoc. Buyout Index	4.9%	12.6%	12.2%	12.2%	12.6%	-6.2%	5.1%	13.0%
Venture Economics Buyout Index	1.4%	9.5%	12.4%	12.4%	9.5%	-4.8%	7.4%	15.1%
UCRP INTL PRIVATE EQUITY	0.2%	9.6%	-4.8%	-4.8%	9.6%	-10.7%	-5.4%	-5.8%
MSCI Emerg Markets Index+3%	15.0%	42.8%	49.9%	49.9%	42.8%	4.6%	13.7%	4.3%

(1) Private Equity Custom Index (including international) consists of a weighted average of 80% Russell 3000 TF Index and 20% MSCI Emerging Market Free Index, plus 3%. Prior to July 2000, the Custom Index consisted of the S&P 500 Index +5%. The Custom Index is lagged by three months.

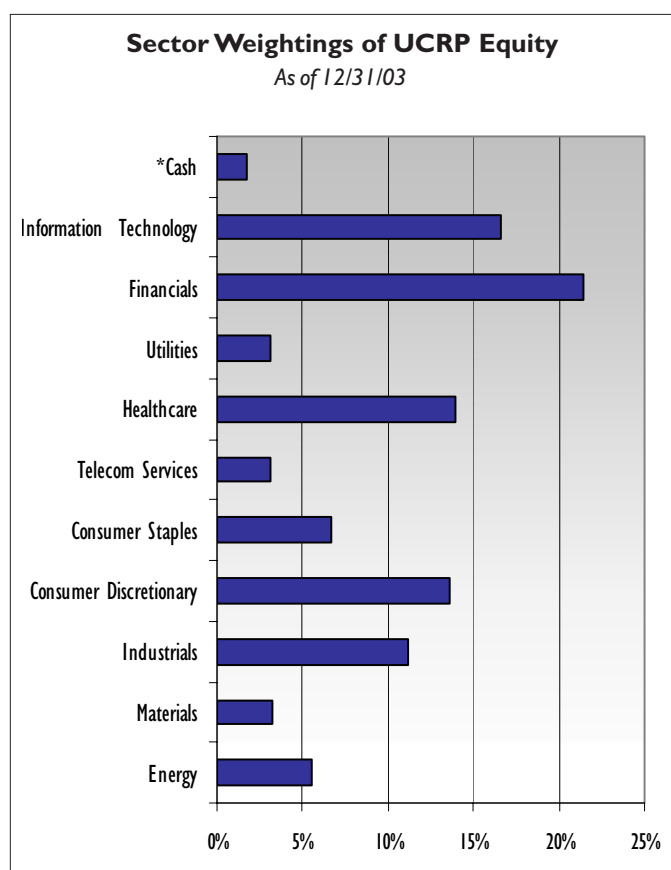
(2) US-based Private Equity Custom Index consists of the Russell 3000 TF + 3%. Prior to July 2000, the Custom Index consisted of the S&P 500 Index +5%. The Custom Index is lagged by 3 months.

(3) Cambridge Associates Custom U.S. Private Equity Benchmark consists of the returns of Cambridge Venture and Buyout Indices, weighted by actual allocations within UCRP.



UCRP PASSIVE EQUITY PORTFOLIO CHARACTERISTICS¹
December 31, 2003

	UCRP	RUSSELL 3000	POLICY
Projected P/E	19.2x	19.2x	—
Beta ²	1.00	1.00	0.8 – 1.2
Wtd. Avg. Mkt. Cap. (\$ billions)	\$82.5	\$82.5	+/- \$10 bill. to Russell 3000
Dividend Yield (%)	1.6	1.6	+/- 1% to Russell 3000
# of Holdings	2905	2941	> 60
LT Debt/ Capital (%)	48.5	48.5	—



*Equitized using equity futures contracts.

Sector Returns of UCRP Equity
Quarter ended 12/31/03

Sector	Total Returns
*Cash	0.21%
Information Technology	13.85%
Financials	12.35%
Utilities	8.42%
Healthcare	8.61%
Telecom Services	13.10%
Consumer Staples	9.78%
Consumer Discretionary	12.94%
Industrials	13.40%
Materials	23.42%
<u>Energy</u>	<u>15.80%</u>
Total	12.31%

*Gain/loss on futures included in total portfolio return only.

1. The portfolio has been 100% passively-managed to the Russell 3000 TF for this quarter. In the future, as active strategies are implemented, comparative sector attribution sections will be reinstated.
2. Degree of variability versus benchmark. Beta >1: greater volatility.



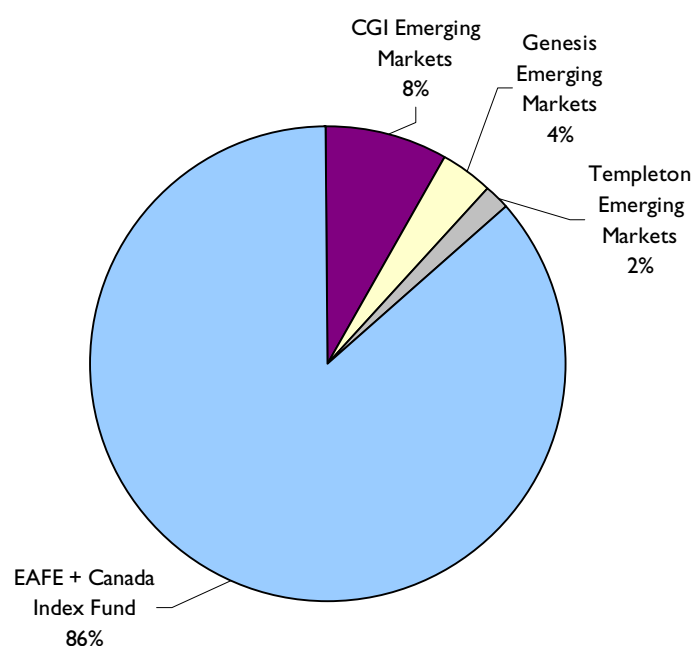
UCRP
NON-U.S. EQUITY PORTFOLIO ALLOCATIONS
\$3,291 MILLION
12/31/03

Non-U.S. Equity Sector Allocation

	Portfolio	Benchmark
Developed Countries	86%	90%
Emerging Countries	14%	10%
TOTAL	100%	100%

Top 5 Holdings	Portfolio	Benchmark
Developed Countries		
United Kingdom	24%	24%
Japan	20%	20%
France	9%	9%
Switzerland	7%	7%
Germany	7%	7%
Total	67%	67%

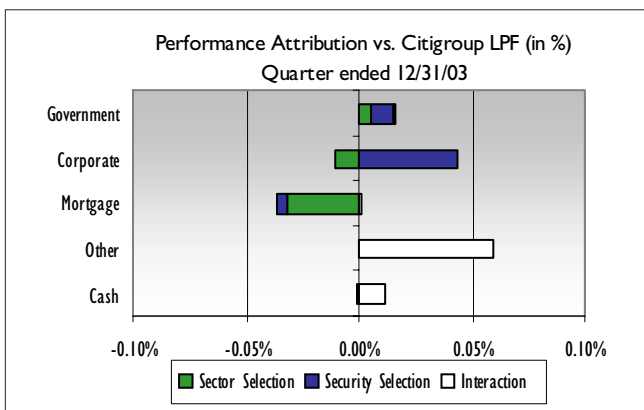
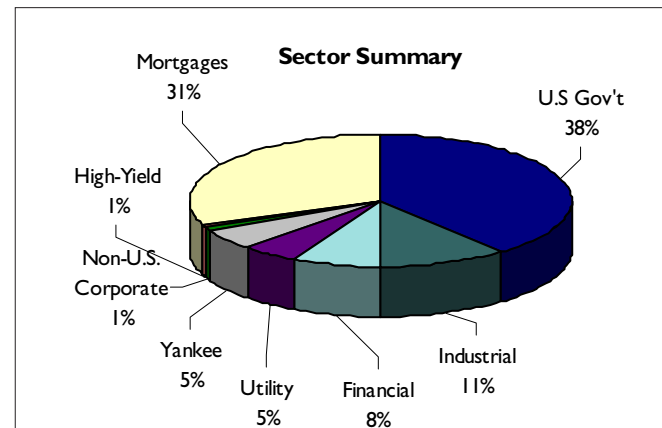
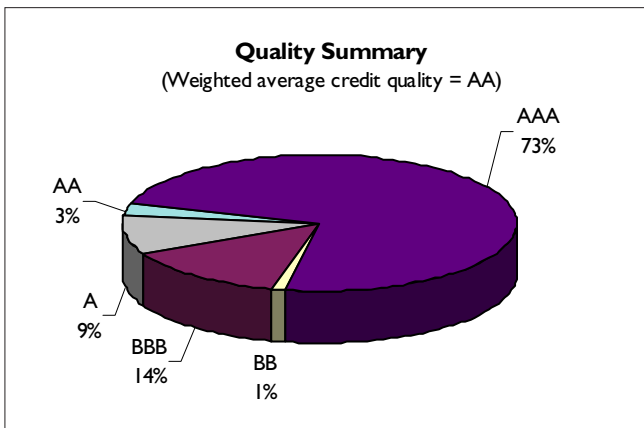
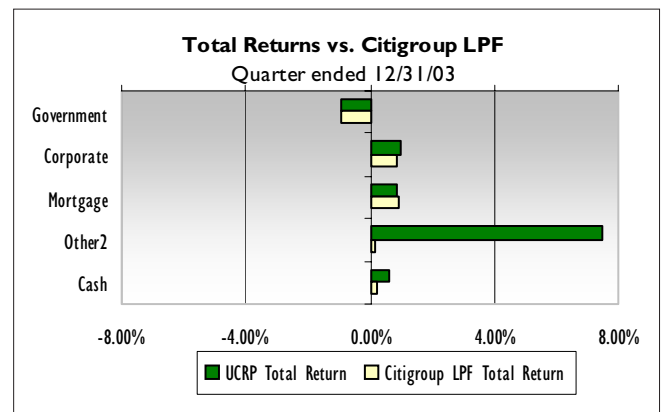
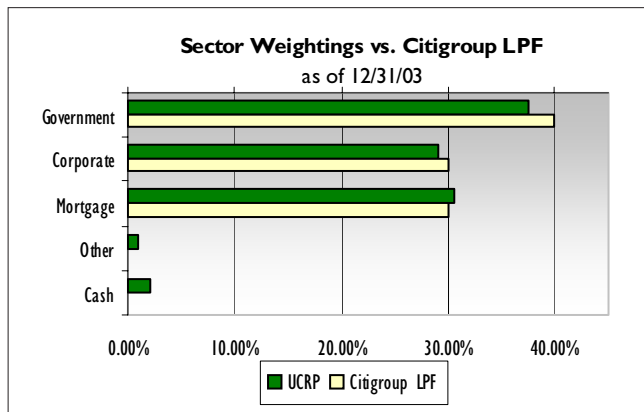
Top 5 Holdings	Portfolio	Top 5 Holdings	Benchmark
Emerging Countries		Emerging Countries	
Korea	17%	Korea	18%
India	11%	South Africa	14%
Taiwan	9%	Taiwan	12%
Brazil	9%	Brazil	9%
Mexico	8%	China	8%
Total	54%	Total	61%



UCRP BOND PORTFOLIO CHARACTERISTICS

December 31, 2003

	UCRP	Citigroup LPF	Policy
Average Duration ¹	7.3	7.4	+/- 20% to LPF
Average Maturity	13.1	11.8	--
Current Yield	5.5%	5.1%	--
Average Quality	AA	AA+	A



Performance Attribution vs. Citigroup LPF
Quarter ended 12/31/03

	Sector Allocation	Security Selection	Interaction	Total Effect
Government	0.01%	0.01%	0.00%	0.02%
Corporate	-0.01%	0.04%	0.00%	0.03%
Mortgage	-0.03%	0.00%	0.00%	-0.04%
Other	0.00%	0.00%	0.06%	0.06%
Cash	-0.00%	0.00%	0.01%	0.01%
Total	-0.04%	0.05%	0.07%	0.08%

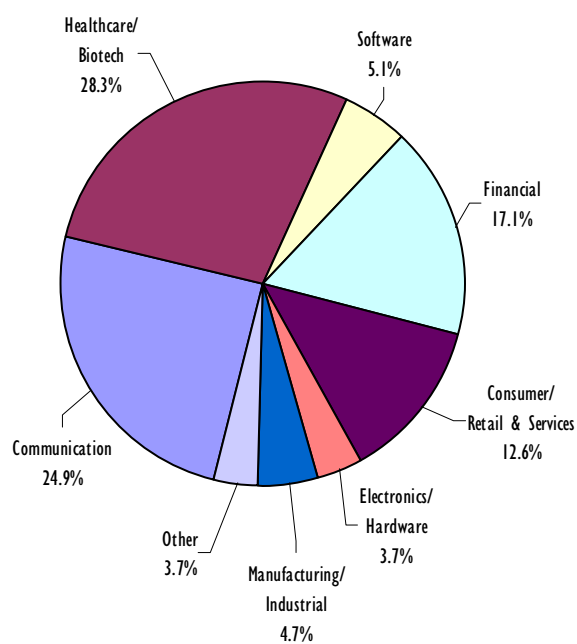
1. Duration is a measure of a bond portfolio's (or a bond's) price sensitivity to changes in interest rates. It is a weighted maturity at present value of all principal and interest payments.
 2. Consists of non-dollar bonds. Strong Canadian dollar appreciation in the fourth quarter.



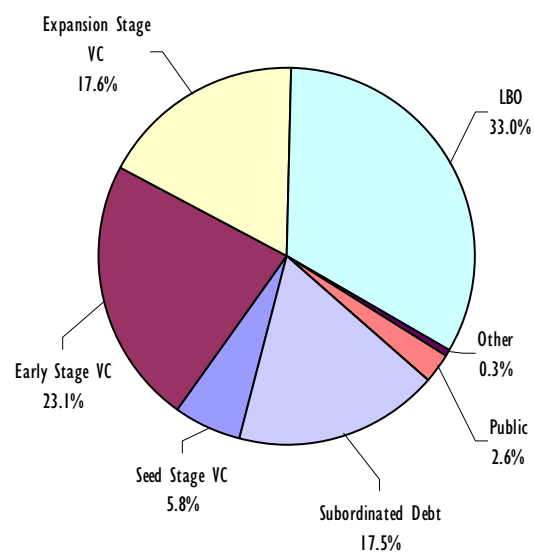
UCRP

PRIVATE EQUITY - PROGRAM EXPOSURE¹ (EXCLUDING EMERGING MARKETS) 12/31/03²

By Industry Sector



By Stage/Type



1. Source: Cambridge and Associates; Represents the U.C. pool as a whole. Individual funds may vary slightly.
2. Private Equity Program Exposure data is generally lagged one quarter.



GENERAL ENDOWMENT POOL (GEP)



GENERAL ENDOWMENT POOL (GEP)
December 31, 2003

I. Investment Performance

	Market Value (\$M)	Total Return			Annualized Total Return	
		Fourth Quarter	Fiscal YTD	Calendar YTD	Five Years	Ten Years
GEP	\$4,686	8.6%	11.2%	21.7%	4.3%	10.9%
Policy Benchmark		8.3%	11.5%	22.8%	2.7%	10.5%
Variance to Benchmark		+0.3%	-0.3%	-1.1%	+1.6%	+0.4%
U.S. Equity¹	\$2,592	12.3%	16.2%	30.9%	0.1%	9.9%
Policy Benchmark		12.3%	16.2%	31.0%	0.0%	11.4%
Variance to Benchmark		+0.0%	+0.0%	-0.1%	+0.1%	-1.5%
Active/Transition Portfolio ²	\$663	12.3%	16.2%	30.8%	N/A	N/A
Passive Portfolio	\$1,929	12.4%	16.2%	30.9%	N/A	N/A
Fixed Income³	\$1,268	0.3%	-0.6%	5.3%	6.7%	8.9%
Policy Benchmark		0.2%	-0.8%	5.1%	6.4%	7.8%
Variance to Benchmark		+0.1%	+0.2%	+0.2%	+0.3%	+1.1%
Non-U.S. Equity¹	\$499	16.8%	27.1%	40.5%	3.0%	-0.3%
Policy Benchmark		17.1%	27.2%	41.3%	5.5%	-2.2%
Variance to Benchmark		-0.3%	-0.1%	-0.8%	-2.5%	+1.9%
Passive Portfolio-Dev. Markets	\$451	16.8%	26.4%	38.9%	N/A	N/A
Emerging Markets	\$48	16.3%	32.5%	52.5%	10.0%	3.0%
Private Equity	\$101	1.7%	8.6%	2.1%	19.7%	26.0%
Policy Benchmark		4.3%	21.8%	29.8%	-1.6%	13.2%
Variance to Benchmark		-2.6%	-13.2%	-27.7%	+21.3%	+12.8%
Absolute Return	\$180	4.5%	4.9%	N/A	N/A	N/A
Policy Benchmark		1.3%	2.7%	N/A	N/A	N/A
Variance to Benchmark		+3.2%	+2.2%	N/A	N/A	N/A
Real Estate	\$15	1.5%	3.0%	N/A	N/A	N/A
Policy Benchmark		2.0%	4.1%	N/A	N/A	N/A
Variance to Benchmark		-0.5%	-1.1%	N/A	N/A	N/A
Liquidity Portfolio	\$31	0.8%	2.6%	3.7%	N/A	N/A

Note: Policy benchmarks are defined in Appendix 2.

- For 5 and 10 year periods returns were reclassified to match current asset classes.
- As of December 31, 2003, the allocation between active and passive U.S. Equity reflects the planned transition to an *initial* allocation of 25% in active externally managed strategies. This transition will occur over the course of calendar year 2004. Performance shown above reflects that these assets have been passively managed (and will be partially passively managed until the transition to active management is complete). As new equity strategies are added to the Fund, additional performance detail will be provided. The remaining U.S. Equity (75%) will continue to be passively managed. Quarterly reports prior to this quarter have shown U.S. Equity allocated between a "core passive" portfolio (30%) and a "transitional" portfolio (70%). The latter represented the discontinued internally managed equity portfolio. This change in presentation has no impact on performance or performance attribution, as all U.S. Equity has been passively managed since December 2002.
- Fixed income securities are 100% internally managed.



GEP

II. GEP Asset Allocation Plan Guideline Compliance: Exceptions

	Assets (\$M)	Actual %	Policy Target %	Variance	Policy Range	Range Compliance
U.S. Equity	\$2,592	56%	42%	14%	37-50%	No
Fixed Income	1,268	27%	28%	-1%	23-35%	Yes
Non-U.S. Equity	499	11%	10%	1%	8-12%	Yes
Private Equity	101	2%	10%	-8%	5-12%	No
Absolute Return	180	4%	5%	-1%	0-6%	Yes
Real Estate	15	0%	5%	-5%	0-7%	Yes
Liquidity Portfolio	31	-	-	-	-	-
Total Assets	\$4,686	100%	100%			

U.S. Equity/Private Equity

With GEP's Private Equity allocation recently raised, assets from U.S. Equity are being redeployed into Private Equity.

Private Equity Sector Allocation

	Assets (\$M)	% of P.E. Portfolio	Policy Target %	Variance	Policy Range	Range Compliance
Venture Cap.	\$34	34%	50%	-16%	30-70%	Yes
Buyouts	47	47%	50%	-3%	30-70%	Yes
Non-U.S.	20	20%	0%	20%	0-10%	No
Total Assets	\$101	100%	100%			

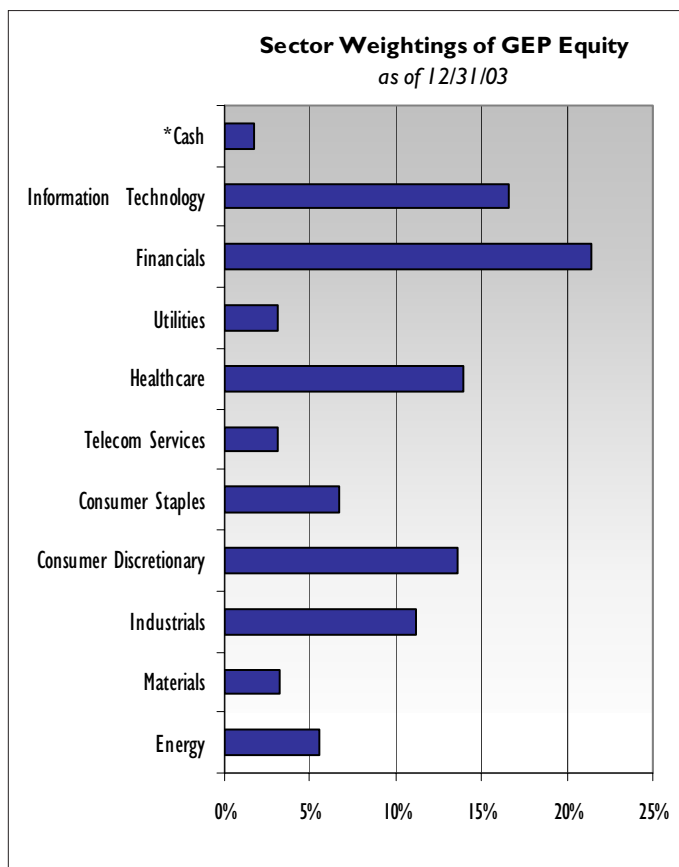
Non-U.S. Private Equity

Non-U.S. Private Equity will not be emphasized going forward. This exposure is expected to decline over time as the other segments in the private equity portfolio grow.



GEP PASSIVE EQUITY PORTFOLIO CHARACTERISTICS¹
December 31, 2003

	GEP	RUSSELL 3000	POLICY
Projected P/E	19.2x	19.2x	—
Beta ²	1.00	1.00	0.8 – 1.2
Wtd. Avg. Mkt. Cap. (\$ billions)	\$82.5	\$82.5	+/- \$10 bill. to Russell 3000
Dividend Yield (%)	1.6	1.6	+/- 1% to Russell 3000
# of Holdings	2904	2941	> 60
LT Debt/ Capital (%)	48.5	48.5	—



Sector Returns of GEP Equity
Quarter ended 12/31/03

Sector	Total Returns
*Cash	0.18%
Information Technology	13.86%
Financials	12.02%
Utilities	8.49%
Healthcare	8.61%
Telecom Services	13.13%
Consumer Staples	9.78%
Consumer Discretionary	12.97%
Industrials	13.40%
Materials	23.44%
Energy	15.82%
Total	12.28%

*Equitized using equity futures contracts.

*Gain/loss on futures included in total portfolio return only.

1. The portfolio has been 100% passively-managed to the Russell 3000 TF for this quarter. In the future, as active strategies are implemented, comparative sector attribution sections will be reinstated.
2. Degree of variability versus benchmark. Beta >1: greater volatility.

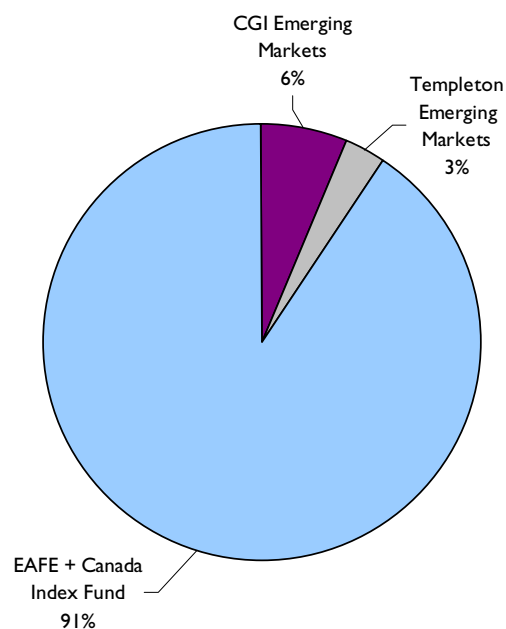


GEP
NON-U.S. EQUITY PORTFOLIO ALLOCATIONS
\$499 MILLION
12/31/03

Non-U.S. Equity Sector Allocation

	Portfolio	Benchmark
Developed Countries	91%	90%
Emerging Countries	9%	10%
TOTAL	100%	100%

Top 5 Holdings	Portfolio	Benchmark
Developed Countries		
United Kingdom	24%	24%
Japan	20%	20%
France	9%	9%
Switzerland	7%	7%
Germany	7%	7%
Total	67%	67%



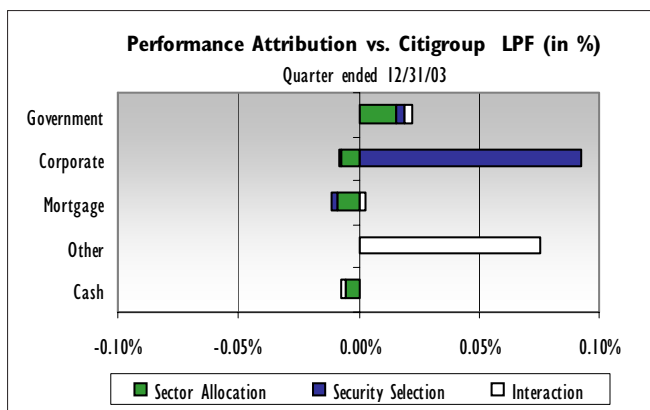
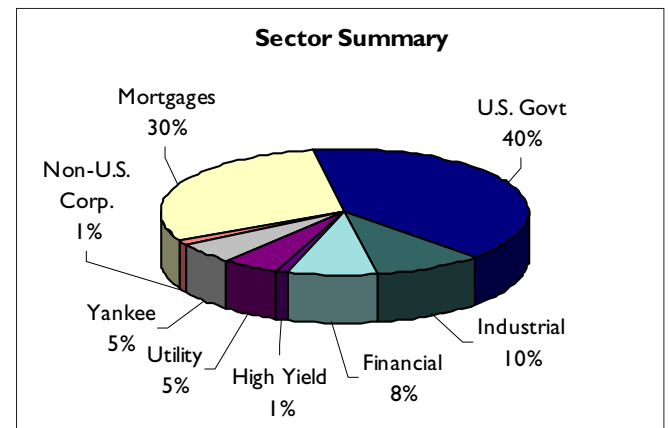
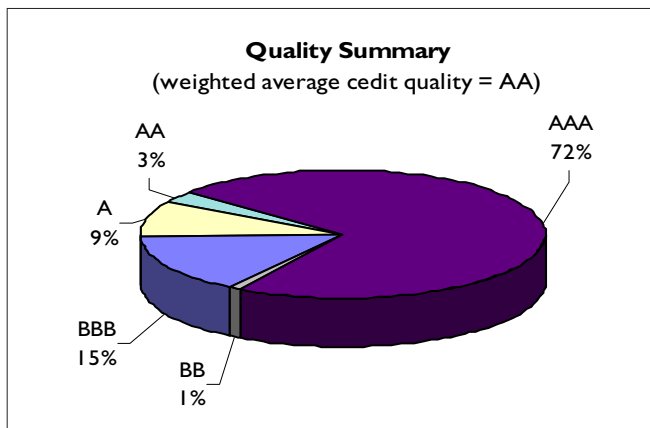
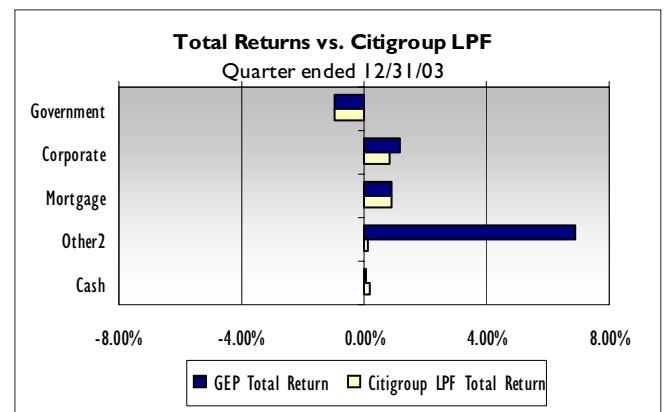
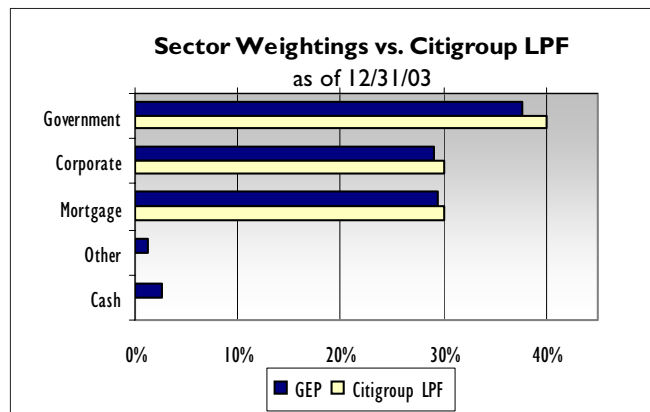
Top 5 Holdings	Portfolio	Top 5 Holdings	Benchmark
Emerging Countries		Emerging Countries	
Korea	17%	Korea	18%
Brazil	13%	South Africa	14%
India	12%	Taiwan	12%
Taiwan	11%	Brazil	9%
Mexico	7%	China	8%
Total	60%	Total	61%



GEP BOND PORTFOLIO CHARACTERISTICS

December 31, 2003

	GEP	Citigroup LPF	Policy
Average Duration ¹	7.3	7.4	+/- 20% to LPF
Average Maturity	13.5	11.8	--
Current Yield	5.5%	5.1%	--
Average Quality	AA	AA+	A



Performance Attribution vs. Citigroup LPF
Quarter ended 12/31/03

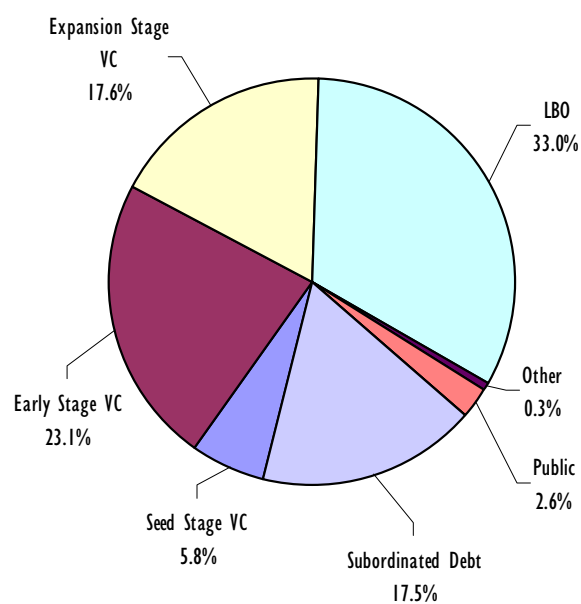
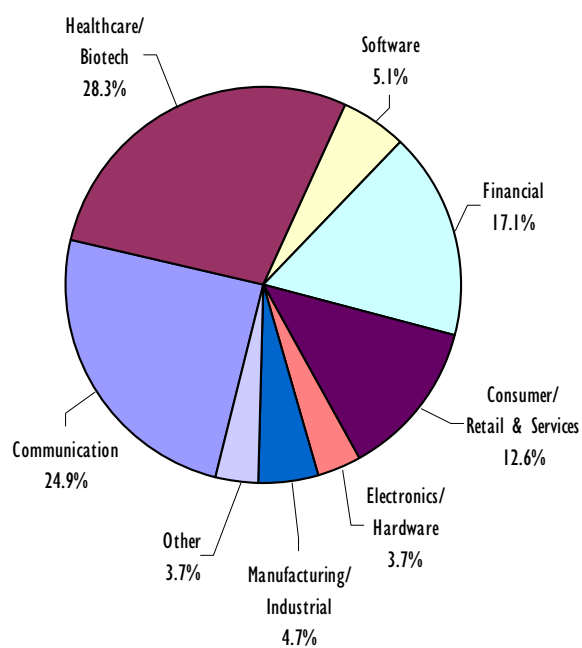
	Sector Allocation	Security Selection	Interaction	Total Effect
Government	0.02%	0.00%	0.00%	0.02%
Corporate	-0.01%	0.09%	0.00%	0.08%
Mortgage	-0.01%	0.00%	0.00%	-0.01%
Other	0.00%	0.00%	0.08%	0.08%
Cash	-0.01%	0.00%	0.00%	-0.01%
Total	-0.01%	0.09%	0.08%	0.17%

1. Duration is a measure of a bond portfolio's (or a bond's) price sensitivity to changes in interest rates. It is a weighted maturity at present value of all principal and interest payments.
 2. Consists of non-dollar bonds. Strong Canadian dollar appreciation in the fourth quarter.

GEP
PRIVATE EQUITY - PROGRAM EXPOSURE¹
(EXCLUDING EMERGING MARKETS)
12/31/03²

By Industry Sector

By Stage/Type



1. Source: Cambridge and Associates; Represents the U.C. pool as a whole. Individual funds may vary slightly.
2. Private Equity Program Exposure data is generally lagged one quarter.



403(b) DEFINED CONTRIBUTION FUNDS



403(b) DEFINED CONTRIBUTION FUNDS
December 31, 2003

I. Investment Performance

403(b) Equity Fund

	Market Value (\$M)	Total Return			Annualized Total Return	
		Fourth Quarter	Fiscal YTD	Calendar YTD	Five Years	Ten Years
403(b) EQUITY FUND TOTAL FUND	\$2,904	12.5%	17.4%	30.7%	1.8%	10.2%
Policy Benchmark		12.8%	18.1%	32.6%	0.0%	11.4%
Variance to Benchmark		-0.3%	-0.7%	-1.9%	+1.8%	-1.2%
U.S. Equity¹	\$2,378	12.3%	16.1%	30.8%	-0.1%	9.5%
Policy Benchmark		12.3%	16.2%	31.0%	0.0%	11.4%
Variance to Benchmark		+0.0%	-0.1%	-0.2%	-0.1%	-1.9%
Passive Portfolio	\$2,378	12.3%	16.2%	30.8%	N/A	N/A
Non-U.S. Equity¹	\$441	16.7%	27.2%	40.6%	3.1%	-0.2%
Policy Benchmark		17.1%	27.2%	41.3%	5.5%	-2.2%
Variance to Benchmark		-0.4%	+0.0%	-0.7%	-2.4%	+2.0%
Passive Portfolio-Dev. Markets	\$387	16.8%	26.4%	38.9%	N/A	N/A
Emerging Markets	\$54	16.1%	32.4%	52.4%	10.0%	3.1%
Private Equity	\$85	2.2%	10.7%	3.6%	20.2%	26.8%
Policy Benchmark		4.3%	21.8%	29.8%	-1.6%	13.2%
Variance to Benchmark		-2.1%	-11.1%	-26.2%	+21.8%	+13.6%
Liquidity Portfolio	\$0	9.4%	13.8%	19.0%	N/A	N/A

403(b) Bond Fund

	Market Value (\$M)	Total Return			Annualized Total Return	
		Third Quarter	Fiscal YTD	Calendar YTD	Five Years	Ten Years
403(b) BOND FUND	\$901	0.3%	-0.1%	4.4%	6.2%	8.8%
Policy Benchmark		0.3%	0.2%	4.1%	5.6%	7.4%
Variance to Benchmark		+0.0%	-0.3%	+0.3%	+0.6%	+1.4%



403(b) Other Funds

	Market Value (\$M)	Total Return			Annualized Total Return	
		Fourth Quarter	Fiscal YTD	Calendar YTD	Five Years	Ten Years
403(b) MULTI-ASSET FUND	\$674	3.9%	5.5%	10.5%	4.5%	8.0%
Market Index Mix		3.9%	5.1%	10.4%	3.4%	7.6%
Variance to Benchmark		+0.0%	+0.4%	+0.1%	+1.1%	+0.4%

	Market Value (\$M)	Income Return			Annualized Income Return	
		Fourth Quarter	Fiscal YTD	Calendar YTD	Five Years	Ten Years
403(b) SAVINGS FUND	\$3,006	1.0%	2.1%	4.3%	5.5%	5.9%
2-Year U.S. Treasury Notes		0.4%	0.8%	1.6%	4.0%	5.0%
Variance to Benchmark		+0.6%	+1.3%	+2.7%	+1.5%	+0.9%
403(b) ICC FUND	\$550	1.4%	2.9%	6.0%	6.7%	7.2%
5-Yr U.S. Treasury Notes		0.8%	1.6%	3.0%	4.7%	5.5%
Variance to Benchmark		+0.6%	+1.3%	+3.0%	+2.0%	+1.7%
403(b) MONEY MARKET FUND	\$155	0.2%	0.5%	1.2%	3.8%	4.6%
91-Day U.S. Treasury Bills		0.3%	0.5%	1.2%	3.7%	4.5%
Variance to Benchmark		-0.1%	+0.0%	+0.0%	+0.1%	+0.1%

Notes: Policy benchmarks are defined in Appendix 2. All income returns for periods less than one year are no longer annualized.

1. For 5 and 10 year periods returns were reclassified to match current asset classes.



403(b) DEFINED CONTRIBUTION FUNDS
December 31, 2003

II. Asset Allocation

403(b) Equity Fund

	Assets (\$M)	% of Portfolio	Policy Target %	Variance	Policy Range	Range Compliance
U.S. Equity	\$2,378	82%	80%	2%	75-85%	Yes
Non-U.S. Equity	441	15%	15%	0%	10-20%	Yes
Private Equity	85	3%	5%	-2%	3-7%	Yes
Liquidity Portfolio	0	0%	-	-	-	-
Total Assets	\$2,904	100%	100%			

403(b) Bond Fund

	Assets (\$M)	% of Portfolio
Governments	\$305	34%
High Yield	8	1%
Corporates	225	25%
Mortgages	344	38%
Cash	19	2%
Total Assets	\$901	100%



403(b) Other Funds

Savings Fund - invests 100% in government, government-guaranteed and government agency securities of up to five years in maturity.

	Assets (\$M)	% of Portfolio
U.S. Governments	\$2,113	70%
Federal Agencies	893	30%
Cash	0	0%
Total Assets	\$3,006	100%

Insurance Company Contracts (ICC) Fund - invests in insurance company contracts offered by select, highly-rated, financially-sound insurance companies.

Insurance Companies	Assets (\$M)	% of Portfolio
Principal Life	\$402	72%
Monumental Life	70	13%
TransAmerica	31	6%
Travelers Life	42	8%
Cash	5	1%
Total Assets	\$550	100%

Money Market Fund - invests in a diversified portfolio of high-quality, short-term securities, where the weighted average maturity of the fund is no longer than 90 days and no individual maturity is longer than 13 months.

	Assets (\$M)	% of Portfolio
Commercial Paper	\$64	42%
Federal Agencies	58	37%
US Government	22	14%
Certificate of Deposit	11	7%
Total Assets	\$155	100%



III. Asset Allocation Plan Guideline Compliance: Exceptions

403(b) Equity Fund

Private Equity Sector Allocation

	Assets (\$M)	% of P.E. Portfolio	Policy Target %	Variance	Policy Range	Range Compliance
Venture Cap.	\$23	27%	50%	-23%	30-70%	No
Buyouts	42	49%	50%	1%	30-70%	Yes
Non-U.S.	20	24%	0%	24%	0-10%	No
Total Assets	\$85	100%	100%			

Venture Capital

Weakness in Venture Capital has caused this segment to fall out of its allowable range.

Non-U.S. Private Equity

Non-U.S. Private Equity will not be emphasized going forward. This exposure is expected to decline over time as the other segments in the private equity portfolio grow.

403(b) Bond Fund: No Exceptions

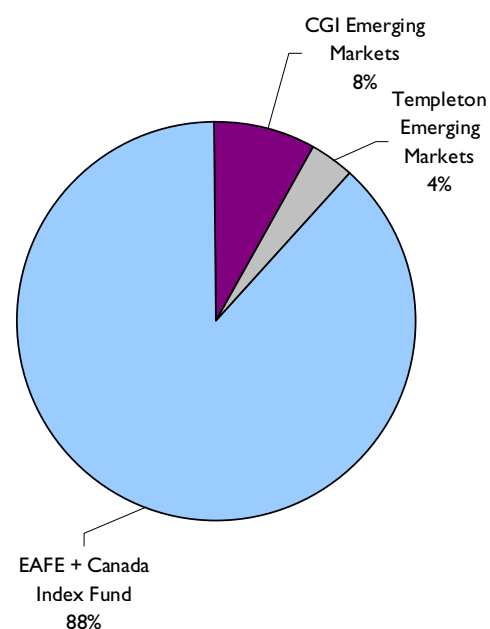
403(b) Other Funds: No Exceptions

403(b) Equity Fund
NON-U.S. EQUITY PORTFOLIO ALLOCATIONS
\$441 MILLION
12/31/03

Non-U.S. Equity Sector Allocation

	Portfolio	Benchmark
Developed Countries	88%	90%
Emerging Countries	12%	10%
TOTAL	100%	100%

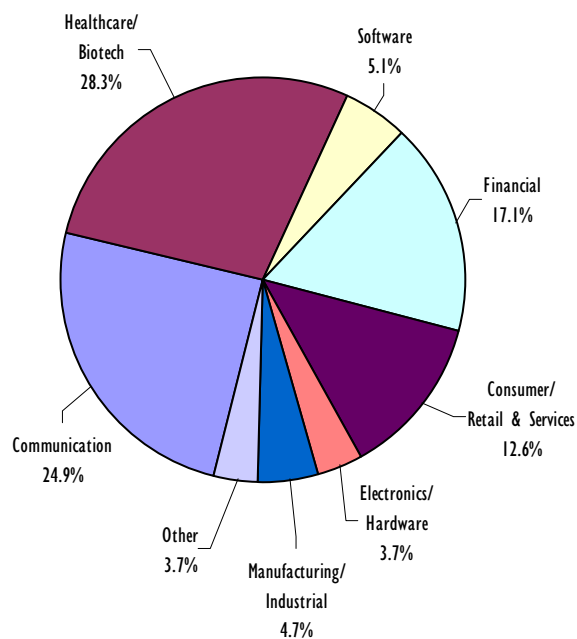
Top 5 Holdings	Portfolio	Benchmark
Developed Countries		
United Kingdom	24%	24%
Japan	20%	20%
France	9%	9%
Switzerland	7%	7%
Germany	7%	7%
Total	67%	67%



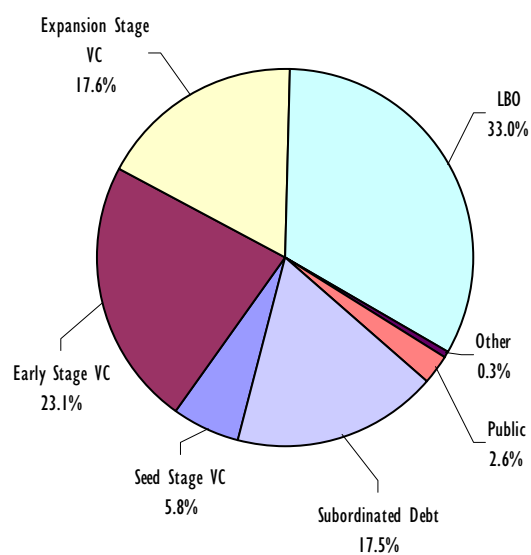
Top 5 Holdings	Portfolio	Top 5 Holdings	Benchmark
Emerging Countries		Emerging Countries	
Korea	17%	Korea	18%
Brazil	13%	South Africa	14%
India	12%	Taiwan	12%
Taiwan	11%	Brazil	9%
Mexico	7%	China	8%
Total	60%	Total	61%

403(b) Equity Fund
PRIVATE EQUITY - PROGRAM EXPOSURE¹
(EXCLUDING EMERGING MARKETS)
12/31/03²

By Industry Sector



By Stage/Type



1. Source: Cambridge and Associates; Represents the U.C. pool as a whole. Individual funds may vary slightly.
 2. Private Equity Program Exposure data is generally lagged one quarter.



High Income Endowment Pool (HIP)



HIGH INCOME ENDOWMENT POOL (HIP)
December 31, 2003

I. Investment Performance

	Market Value (\$M)	Total Return			Annualized Total Return	
		Fourth Quarter	Fiscal YTD	Calendar YTD	Five Years	Ten Years
HIP	\$79	0.4%	-1.0%	6.3%	7.1%	9.5%
Policy Benchmark ¹		1.1%	-0.4%	9.4%	6.4%	8.0%
Variance		-0.7%	-0.6%	-3.1%	+0.7%	+1.5%
U.S. Equity	\$8	7.0%	15.1%	25.4%	4.5%	10.4%
Fixed Income	\$71	-0.4%	-2.7%	4.5%	7.4%	8.9%

II. Asset Allocation

	Assets (\$M)	% of Portfolio
U.S. Equity	\$8	10%
Fixed Income	71	90%
Total Assets	\$79	100%

III. Guideline Compliance: No Exceptions

1. Policy Benchmark consists of 80% LB LT G/C Index and 20% S&P 500 Electric Utilities Index.



SHORT TERM INVESTMENT POOL (STIP)



SHORT TERM INVESTMENT POOL (STIP)
December 31, 2003

I. Investment Performance

	Market Value (\$M)	Income Return			Annualized Income Return	
		Fourth Quarter	Fiscal YTD	Calendar YTD	Five Years	Ten Years
STIP	\$7,306	0.8%	1.7%	3.5%	5.1%	5.7%
2-Year U.S. Treasury Notes		0.4%	0.8%	1.6%	4.0%	5.0%
Variance		+0.4%	+0.9%	+1.9%	+1.1%	+0.7%

II. Asset Allocation - invests in approved fixed income investments with a maximum maturity of five years

	Assets (\$M)	% of Portfolio
U.S. Governments	\$1,376	19%
Corporate Notes	2,168	30%
Commercial Paper	2,545	35%
Federal Agencies	1,097	15%
Certificates of Deposit	120	1%
Total Assets	\$7,306	100%

II. Guideline Compliance: No Exceptions



APPENDIX I

UC Regents Portfolio Market Value Changes

4th Calendar Quarter 2003, 2nd UC Fiscal Quarter 2003-2004

	Market Value in Millions		
	12/31/03	9/30/03	Change ¹
UCRP	\$38,740	\$35,860	\$2,880
GEP	\$4,686	\$4,384	\$302
HIP	\$79	\$89	(\$10)
403(b) Equity	\$2,904	\$2,518	\$386
403(b) Bond	\$901	\$925	(\$24)
STIP	\$7,306	\$7,163	\$143
Other 403(b)	\$3,712	\$3,647	\$64
Other Endowments	\$397	\$372	\$26
Charitable Asset Management	\$66	-	-
Minus STIP in other Portfolios	(\$788)	(\$775)	(\$13)
	\$58,003	\$54,183	\$3,820

Breakdown of Other 403(b) amounts

Money Market	\$155	\$154	\$1
Savings Fund	\$3,006	\$2,959	\$47
ICC	\$550	\$534	\$16

1. Change represents inflows/outflows, earned income, realized gains/losses and unrealized gains/losses.



APPENDIX 2

Policy Benchmarks

ASSET CLASS	BENCHMARK COMPONENT	PERCENTAGE BY TIME HORIZON				
		prior to June 2000	July 2000 - Dec 2001	Jan 2001 - June 2002	July 2002 - June 2003	since July 2003
UCRP						
US Equity	S&P 500	65%				
US Equity	Russell 3000		53%			
US Equity	Russell 3000 TF			53%	58% - actual wt (PE)	58% - actual wt (PE) - 0.6x actual wt (RE)
Non-US Equity	MSCI ACW ex US		7%	7%	7%	7%
Private Equity	Russell 3000 + 3%		5%			
Private Equity	Russell 3000 TF + 3%			5%		
Private Equity	Russell 3000 TF + 3%, lagged 3 months				actual weight	actual weight
Fixed Income	LB Long Term Gov/Corp	35%				
Fixed Income	Citigroup Large Pension Fd		35%	35%	30%	30% - 0.4 x actual wt (RE)
TIPS	LB TIPS				5%	5%
Real Estate	Real Estate Benchmark*					actual wt
Total		100%	100%	100%	100%	100%
GEP						
US Equity	S&P 500	65%				
US Equity	Russell 3000		53%			
US Equity	Russell 3000 TF			53%	58% - actual wt (PE)	55% - actual wt (PE) - 0.6x actual wt (RE)
Non-US Equity	MSCI ACW ex US		7%	7%	7%	10%
Private Equity	Russell 3000 + 3%		5%			
Private Equity	Russell 3000 TF + 3%			5%		
Private Equity	Russell 3000 TF + 3%, lagged 3 months				actual wt	actual wt
Fixed Income	LB Long Term Gov/Corp	35%				
Fixed Income	Citigroup Large Pension Fd		35%	35%	35%	30% - 0.4 x actual wt (RE)
Absolute Return	30-Day US T-Bill + 4.5%					5%
Real Estate	Real Estate Benchmark*					actual wt
Total		100%	100%	100%	100%	100%
403(b) Equity Fund						
US Equity	S&P 500	100%				
US Equity	Russell 3000		80%			
US Equity	Russell 3000 TF			80%	80%	
Non-US Equity	MSCI ACW ex US		15%	15%	15%	
Private Equity	Russell 3000 + 3%		5%			
Private Equity	Russell 3000 TF + 3%			5%		
Private Equity	Russell 3000 TF + 3%, lagged 3 months				5%	
Total		100%	100%	100%	100%	



Policy Benchmarks *continued*

ASSET CLASS	BENCHMARK COMPONENT	PERCENTAGE BY TIME HORIZON		
		prior to June 2000	since July 2000	
403(b) Bond Fund Fixed Income Fixed Income Total	LB Long Term Gov/Corp LB Aggregate	100%	100%	
		100%	100%	
		100%	100%	
403(b) Multi-Asset Fund Equity Fund Equity Fund Equity Fund Bond Fund Bond Fund Savings Fund MMkt Fund Total	S&P 500	30%		
	Russell 3000		30%	
	Russell 3000 TF			30%
	LB Long Term Gov/Corp	20%		
	LB Aggregate		20%	20%
	2-year US T-Note	40%	40%	40%
	91-Day US T-Bill	10%	10%	10%
	100%	100%	100%	
403(b) Money Market Fund 91-Day US Treasury Bill Total		all periods		
		100%		
		100%		
403(b) Savings Fund 2-year US Treasury Note Yield 2-year US Treasury Note Income Return Total		100%		
		100%	100%	
		100%	100%	
403(b) ICC Fund 5-year US Treasury Note Yield 5-year US Treasury Note Income Return Total		100%		
		100%	100%	
		100%	100%	
HIP US Equity US Equity Fixed Income Total	S&P Electric Utilities S&P 500 Electric Utilities LB Long Term Gov/Corp	20%		
		80%	20%	
		80%	80%	
		100%	100%	
STIP 2-year US Treasury Note Yield 2-year US Treasury Note Income Return Total		100%		
		100%	100%	
		100%	100%	

* Real Estate Benchmark consists of NCREIF Property Index for private real estate and the Wilshire REIT Index for public real estate.