

The Regents of the University of California Alternative Investments as of September 30, 2005

Since inception in 1979 through September 30, 2005, the Private Equity portfolio has consisted of \$3.3 billion in commitments to 141 partnerships. As of September 30, 2005, \$2.0 billion of these commitments have been called by the partnerships and \$3.4 billion of distributions have been received from the partnerships. Including the Current Net Asset Value of \$918 million as of September 30, 2005, the Private Equity portfolio has produced \$2.3 billion in profits and a 2.2x multiple on contributed capital. The Private Equity portfolio has generated a total return of 27.6% for the 10-year period ended September 30, 2005.

Since the beginning of 2001, Cambridge Associates, LLC (“CA”) has been retained by The Regents of the University of California (“The Regents”) to advise on the Private Equity portfolio and to calculate the Net Internal Rate of Return (“IRR”) for each partnership held in the Private Equity portfolio. Prior to the engagement of CA, the Office of the Treasurer did not calculate IRRs for individual partnerships. The historical returns for all portfolios reported by the Regents and the Office of the Treasurer are based on the annualized Total Returns methodology. Total Return calculations are based on the changing value of a portfolio and any cash flows received during the specified time period.

The Private Equity portfolio was historically less than 2% of the total investment portfolio; therefore, The Regents evaluated the portfolio in its entirety and as part of the total equity portfolio. Moreover, Private Equity partnerships are 10 to 13 year investments, and the only relevant return measure is the amount returned at the end of the partnership compared to the capital invested. This has been the basis for investment decisions in the Private Equity asset class, and this long-term horizon has produced exceptional returns.

Private Equity partnerships are subject to a J-Curve Effect; meaning returns are often low or negative during the first several years. A –30% IRR or a 0.5x Investment Multiple might make for interesting headlines; however, it says little about the current performance of the partnership or the expected returns over the life of the investment. Most of the fully realized partnerships, which demonstrate strong returns on invested capital, previously demonstrated significantly negative IRRs. Low or negative returns in the early years of a partnership are inherent to the asset class, and the expected returns do not become readily apparent until the latter years of a partnership’s life.

On July 24, 2003, the Alameda County Superior Court ruled in the *Coalition of University Employees, et al. v. The Regents of the University of California* lawsuit. In this ruling, the Court has ordered The Regents to disclose fund-level internal rates of return under the California Public Records Act. To be consistent with the disclosure provided by other California-based institutional limited partners subject to the California Public Records Act, The Regents are disclosing detailed fund-level performance information for the most recent period available. This information should allow for more meaningful interpretation of fund performance than IRR information alone.

A number of General Partners have informed CA that performance information will no longer be provided to CA as a result of the Court’s ruling. Consequently, it is uncertain whether or not The Regents will be able to provide IRRs for all partnerships in the Private Equity portfolio in future periods.

The attached performance information is sorted by Type and Vintage Year. In reviewing the attached information, please consider the following:

Type

Consistent with historical reporting by sub-asset class, partnerships are categorized as Venture Capital, Leveraged Buyout (“LBO”), or Emerging Market.

Vintage Year

Represents the year each partnership commenced investment activities according to CA; note, this may be different than the year in which The Regents committed to invest in the partnership.

UC Commitment

Represents the total commitment made by The Regents to each partnership, adjusted for any subsequent reductions to partnership commitments by the General Partners.

Cash In

Represents the total portion of The Regents’ commitment that has been contributed to the partnership from inception through September 30, 2005 (except where noted).

Current NAV

Represents the net asset value of The Regents’ interest in each partnership as determined by the General Partners in financial statements dated September 30, 2005 (except where noted).

Cash Out

Represents the total distributions received by The Regents from inception through September 30, 2005 (except where noted).

Cash Out + Current NAV

Represents the sum of distributions received by The Regents from inception through September 30, 2005 and the net asset value of The Regents’ interest in each partnership as determined by the General Partners in financial statements dated September 30, 2005 (except where noted).

Investment Multiple

Represents each partnership’s total value as a multiple of invested capital; the multiple is calculated by dividing Cash Out + Current NAV by Cash In.

Net IRR

Represents the cash-on-cash return net of fees, expenses, and carried interest from inception through September 30, 2005 as well as the net asset value of The Regents’ interest in each partnership as determined by the General Partners in financial statements dated September 30, 2005 (except where noted).

Private Equity partnerships represent long-term commitments of typically 10 to 13 years. The majority of capital commitments are contributed to each partnership during the initial five- to six-year period when the General Partners are actively making new investments. Differences in the investment pace of each partnership have a significant impact on the Investment Multiple and Net IRR calculations. Since fees and expenses are paid on a regular schedule, partnerships with a relatively slower investment pace will tend to produce lower Investment Multiple and Net IRR figures. In addition, each General Partner uses different valuation policies to determine the net asset value of the partnership, as no industry standard currently exists. While each General Partner’s valuation policy is different, conservatism often results in early write-downs for underperforming investments. In addition, write-ups are typically limited to an independent valuation event such as a third party financing or an initial public offering. All of these issues contribute to the J-Curve Effect and limit the comparability of returns across partnerships.

The Regents of the University of California
Alternative Investments as of September 30, 2005

Fund Name	Type	Vintage Year	UC Commitment	Cash In	Current NAV	Cash Out	Cash Out + Current NAV	Investment Multiple ²	Net IRR ^{1,2,3}	nm ⁴	
Dollars in Thousands											
VENTURE CAPITAL											
Brentwood Associates II, L.P.	Venture Capital	1978	\$3,000	(\$3,000)	\$0	\$4,254	\$4,254	1.42x	5.5%		
InterWest Partners I, L.P.	Venture Capital	1979	\$3,000	(\$3,000)	\$0	\$6,681	\$6,681	2.23x	18.5%		
Alta Company	Venture Capital	1980	\$3,000	(\$3,000)	\$0	\$6,655	\$6,655	2.22x	13.8%		
Kleiner Perkins Caufield & Byers II	Venture Capital	1980	\$7,500	(\$7,500)	\$721	\$31,521	\$32,242	4.30x	50.6%		
Golder, Thoma Fund I	Venture Capital	1980	\$5,000	(\$5,000)	\$0	\$59,349	\$59,349	11.87x	32.1%		
Welsh, Carson, Anderson & Stowe II	Venture Capital	1980	\$4,000	(\$4,000)	\$0	\$8,670	\$8,670	2.17x	14.2%		
Mayfield IV, L.P.	Venture Capital	1981	\$5,000	(\$5,000)	\$0	\$13,158	\$13,158	2.63x	26.1%		
Sequoia Capital III	Venture Capital	1981	\$4,000	(\$4,000)	\$30	\$7,232	\$7,261	1.82x	11.3%		
Alta II, L.P.	Venture Capital	1981	\$3,000	(\$3,000)	\$0	\$5,300	\$5,300	1.77x	7.0%		
InterWest Partners II, L.P.	Venture Capital	1982	\$4,000	(\$4,000)	\$0	\$6,972	\$6,972	1.74x	8.4%		
Technology Venture Investors - 2, L.P.	Venture Capital	1982	\$4,000	(\$4,000)	\$0	\$6,744	\$6,744	1.69x	9.2%		
Kleiner Perkins Caufield & Byers III	Venture Capital	1982	\$7,832	(\$7,832)	\$0	\$13,596	\$13,596	1.74x	10.2%		
Welsh, Carson, Anderson & Stowe III	Venture Capital	1983	\$5,000	(\$5,000)	\$0	\$9,067	\$9,067	1.81x	8.4%		
Brentwood Associates IV, L.P.	Venture Capital	1983	\$5,000	(\$5,000)	\$0	\$10,863	\$10,863	2.17x	10.9%		
Mayfield V, L.P.	Venture Capital	1983	\$6,300	(\$6,300)	\$0	\$8,208	\$8,208	1.30x	4.5%		
Sequoia Capital IV	Venture Capital	1984	\$4,000	(\$4,000)	\$0	\$9,698	\$9,698	2.42x	18.7%		
Golder, Thoma, Cressey Fund II	Venture Capital	1984	\$3,000	(\$3,000)	\$0	\$11,048	\$11,048	3.68x	18.3%		
Technology Venture Investors - 3, L.P.	Venture Capital	1984	\$8,000	(\$8,000)	\$0	\$17,278	\$17,278	2.16x	13.1%		
Kleiner Perkins Caufield & Byers II Annex Fund	Venture Capital	1984	\$1,500	(\$1,500)	\$41	\$2,975	\$3,016	2.01x	12.6%		
Institutional Venture Partners III, L.P.	Venture Capital	1985	\$8,000	(\$8,000)	\$0	\$17,169	\$17,169	2.15x	13.9%		
InterWest Partners III, L.P.	Venture Capital	1985	\$7,000	(\$7,000)	\$0	\$20,308	\$20,308	2.90x	19.9%		
Kleiner Perkins Caufield & Byers IV	Venture Capital	1986	\$10,000	(\$10,000)	\$0	\$18,342	\$18,342	1.83x	11.0%		
Sequoia Capital Growth Fund	Venture Capital	1987	\$10,000	(\$9,579)	\$473	\$38,536	\$39,010	4.07x	23.8%		
Mayfield VI, L.P.	Venture Capital	1987	\$15,000	(\$15,000)	\$0	\$58,894	\$58,894	3.93x	27.1%		
Institutional Venture Partners IV, L.P.	Venture Capital	1988	\$12,000	(\$12,000)	\$2,120	\$17,309	\$19,429	1.62x	9.2%		
Alta IV, L.P.	Venture Capital	1988	\$5,000	(\$5,000)	\$0	\$15,546	\$15,546	3.11x	22.4%		
Technology Venture Investors - 4, L.P.	Venture Capital	1988	\$12,000	(\$12,000)	\$1,082	\$41,317	\$42,400	3.53x	27.7%		
Kleiner Perkins Caufield & Byers V	Venture Capital	1989	\$15,000	(\$15,000)	\$0	\$60,176	\$60,176	4.01x	35.7%		
InterWest Partners IV, L.P.	Venture Capital	1989	\$10,000	(\$10,000)	\$6	\$16,485	\$16,491	1.65x	10.0%		
Sequoia Capital V	Venture Capital	1989	\$6,000	(\$6,000)	\$421	\$31,391	\$31,812	5.30x	39.6%		
Merrill, Pickard, Anderson & Eyre V, L.P.	Venture Capital	1989	\$10,000	(\$9,658)	\$0	\$53,067	\$53,067	5.49x	46.1%		
Institutional Venture Partners V, L.P.	Venture Capital	1991	\$12,000	(\$12,000)	\$48	\$35,896	\$35,944	3.00x	28.2%		
Kleiner Perkins Caufield & Byers VI	Venture Capital	1992	\$15,000	(\$15,000)	\$677	\$49,266	\$49,943	3.33x	39.0%		
Mayfield VII, L.P.	Venture Capital	1992	\$15,000	(\$15,000)	\$0	\$42,875	\$42,875	2.86x	24.8%		
Sequoia Capital VI	Venture Capital	1992	\$8,500	(\$8,500)	\$1,262	\$131,973	\$133,234	15.67x	110.4%		
InterWest Partners V, L.P.	Venture Capital	1992	\$17,000	(\$17,000)	\$1,263	\$73,377	\$74,640	4.39x	61.5%		
Institutional Venture Partners VI, L.P.	Venture Capital	1994	\$12,000	(\$12,000)	\$1,174	\$69,090	\$70,264	5.86x	64.6%		
Kleiner Perkins Caufield & Byers VII	Venture Capital	1994	\$20,000	(\$15,000)	\$4,674	\$482,985	\$487,658	32.51x	121.7%		
Mayfield VIII, L.P.	Venture Capital	1995	\$12,000	(\$12,000)	\$1,936	\$35,188	\$37,124	3.09x	48.4%		
Sequoia Capital VII	Venture Capital	1995	\$13,000	(\$13,000)	\$16,308	\$196,750	\$213,058	16.39x	174.5%		
Institutional Venture Partners VII, L.P.	Venture Capital	1996	\$18,000	(\$18,000)	\$8,220	\$114,108	\$122,328	6.80x	96.3%		
Kleiner Perkins Caufield & Byers VIII	Venture Capital	1996	\$20,000	(\$20,000)	\$10,074	\$329,915	\$339,989	17.00x	286.6%		
InterWest Partners VI, L.P.	Venture Capital	1996	\$15,000	(\$15,000)	\$2,858	\$39,862	\$42,719	2.85x	49.1%		
Hummer Winblad Venture Partners III, L.P.	Venture Capital	1997	\$10,000	(\$10,000)	\$1,010	\$7,479	\$8,489	0.85x	-5.4%		
Sequoia Capital VIII	Venture Capital	1998	\$16,000	(\$16,000)	\$7,019	\$33,530	\$40,549	2.53x	90.4%		
Institutional Venture Partners VIII, L.P.	Venture Capital	1998	\$30,000	(\$30,000)	\$6,651	\$20,807	\$27,458	0.92x	-3.0%		
InterWest Partners VII, L.P.	Venture Capital	1999	\$15,000	(\$15,000)	\$7,691	\$1,920	\$9,611	0.64x	-9.9%		
Sequoia Capital Franchise Fund	Venture Capital	1999	\$22,000	(\$16,280)	\$5,633	\$5,966	\$11,598	0.71x	-17.0%		
Kleiner Perkins Caufield & Byers IX-A	Venture Capital	1999	\$20,000	(\$17,000)	\$6,879	\$0	\$6,879	0.40x	-23.3%		
Oxford Bioscience Partners III, L.P.	Venture Capital	1999	\$20,000	(\$20,000)	\$9,665	\$2,700	\$12,365	0.62x	-11.6%		
Sequoia Capital IX	Venture Capital	1999	\$18,000	(\$15,444)	\$3,908	\$9,327	\$13,236	0.86x	-6.1%		
Redpoint Ventures I, L.P.	Venture Capital	1999	\$30,000	(\$27,000)	\$6,820	\$4,808	\$11,628	0.43x	-18.5%		
Versant Venture Capital I, L.P.	Venture Capital	1999	\$20,000	(\$19,000)	\$1,686	\$9,015	\$10,701	1.36x	8.4%		
Venture Strategy Partners II, L.P.	Venture Capital	1999	\$15,000	(\$13,425)	\$6,848	\$1,150	\$7,997	0.60x	-16.2%		
Polaris Venture Partners III, L.P.	Venture Capital	2000	\$20,000	(\$17,600)	\$10,199	\$3,087	\$13,286	0.75x	NM	-7.5%	NM
Sequoia Capital X	Venture Capital	2000	\$28,000	(\$17,500)	\$9,171	\$379	\$9,549	0.55x	NM	-31.0%	NM
Kleiner Perkins Caufield & Byers X-A, L.P.	Venture Capital	2000	\$20,000	(\$9,500)	\$5,631	\$0	\$5,631	0.59x	NM	-17.5%	NM
Accel VIII, L.P.	Venture Capital	2000	\$14,586	(\$8,070)	\$4,126	\$0	\$4,126	0.51x	NM	-26.8%	NM
Intersouth Partners V, L.P.	Venture Capital	2000	\$20,000	(\$16,450)	\$10,106	\$1,311	\$11,417	0.69x	NM	-12.7%	NM
InterWest Partners VIII, L.P.	Venture Capital	2000	\$50,000	(\$40,000)	\$27,232	\$6,205	\$33,437	0.84x	NM	-7.2%	NM
Redpoint Ventures II, L.P.	Venture Capital	2000	\$30,000	(\$19,800)	\$16,020	\$0	\$16,020	0.81x	NM	-7.9%	NM
Oxford Bioscience Partners IV, L.P.	Venture Capital	2001	\$25,000	(\$20,625)	\$17,340	\$0	\$17,340	0.84x	NM	-8.1%	NM
Versant Venture Capital II, L.P.	Venture Capital	2001	\$30,000	(\$17,250)	\$15,161	\$0	\$15,161	0.88x	NM	-7.7%	NM
Polaris Venture Partners IV, L.P.	Venture Capital	2001	\$25,000	(\$10,750)	\$9,888	\$0	\$9,888	0.92x	NM	-6.8%	NM
Intersouth Partners VI, L.P.	Venture Capital	2002	\$15,000	(\$3,600)	\$3,249	\$0	\$3,249	0.90x	NM	-8.7%	NM
Lighthouse Capital Partners V, L.P.	Venture Capital	2002	\$20,000	(\$13,000)	\$12,689	\$169	\$12,859	0.99x	NM	-1.4%	NM
Globespan Capital Partners Fund IV, L.P.	Venture Capital	2002	\$20,000	(\$7,523)	\$6,446	\$6	\$6,452	0.86x	NM	-14.1%	NM
De Novo Ventures II, L.P.	Venture Capital	2003	\$25,000	(\$9,375)	\$8,033	\$0	\$8,033	0.86x	NM	NM	NM
Domain Partners VI, L.P.	Venture Capital	2003	\$15,000	(\$5,625)	\$5,178	\$0	\$5,178	0.92x	NM	NM	NM
Kodlak Venture Partners III, L.P.	Venture Capital	2003	\$20,000	(\$3,400)	\$3,306	\$0	\$3,306	0.97x	NM	NM	NM
Novak Biddle Venture Partners IV, L.P.	Venture Capital	2003	\$10,000	(\$1,400)	\$1,214	\$0	\$1,214	0.87x	NM	NM	NM
ARCH Venture Fund VI, L.P.	Venture Capital	2004	\$25,000	(\$4,000)	\$2,979	\$0	\$2,979	0.74x	NM	NM	NM
Clearstone Venture Partners III-A, L.P.	Venture Capital	2004	\$20,000	(\$3,600)	\$3,555	\$0	\$3,555	0.99x	NM	NM	NM
Darwin Venture Fund of Funds	Venture Capital	2004	\$8,423	(\$674)	\$507	\$0	\$507	0.75x	NM	NM	NM
Doll Capital Management IV, L.P.	Venture Capital	2004	\$10,000	(\$2,750)	\$2,465	\$0	\$2,465	0.90x	NM	NM	NM
InterWest Partners IX, L.P.	Venture Capital	2004	\$40,000	\$0	\$0	\$0	\$0	N/A	N/A	N/A	N/A
Palomar Ventures III, L.P.	Venture Capital	2004	\$30,000	(\$3,600)	\$2,845	\$0	\$2,845	0.79x	NM	NM	NM
Update Venture Partners III, L.P.	Venture Capital	2004	\$25,000	(\$4,500)	\$3,912	\$0	\$3,912	0.87x	NM	NM	NM
Venture Strategy Partners III, L.P.	Venture Capital	2004	\$30,000	(\$1,500)	\$1,308	\$0	\$1,308	0.87x	NM	NM	NM
BlueRun Ventures, L.P.	Venture Capital	2005	\$30,000	(\$1,800)	\$1,674	\$0	\$1,674	0.93x	NM	NM	NM
Canaan Equity Partners VII, L.P.	Venture Capital	2005	\$35,000	(\$2,100)	\$1,994	\$0	\$1,994	0.95x	NM	NM	NM
Granite Ventures II, L.P.	Venture Capital	2005	\$25,000	\$0	\$0	\$0	\$0	N/A	N/A	N/A	N/A
Perseus-Soros BioPharmaceutical Fund L.P.	Venture Capital	2000	\$10,000	(\$7,401)	\$8,658	\$3,349	\$12,006	1.62x	NM	NM	NM
Claremont Creek Ventures, L.P.	Venture Capital	2005	\$15,000	\$0	\$0	\$0	\$0	N/A	N/A	N/A	N/A
Granite Global Ventures II, L.P.	Venture Capital	2005	\$25,000	(\$7,500)	\$8,566	\$8	\$8,573	1.14x	NM	NM	NM
Insight Venture Partners V Coinvestment, L.P.	Venture Capital	2005	\$6,000	(\$870)	\$850	\$0	\$850	0.98x	NM	NM	NM
Trinity Ventures IX, L.P.	Venture Capital	2005	\$20,000	\$0	\$0	\$0	\$0	N/A	N/A	N/A	N/A
Insight Venture Partners V, L.P.	Venture Capital	2005	\$27,000	(\$4,793)	\$4,429	\$13	\$4,442	0.95x	NM	NM	NM
Warburg Pincus Private Equity VIII, L.P.	Venture Capital/LBO	2001	\$50,000	(\$42,000)	\$40,538	\$8,757	\$49,295	1.17x	NM	10.2%	NM
Warburg Pincus Private Equity IX, L.P.	Venture Capital/LBO	2005	\$150,000	(\$9,750)	\$9,604	\$0	\$9,604	0.99x	NM	NM	NM

¹ Fund level data and IRR calculations for Accel, AIG, Kleiner Perkins Caufield & Byers, and Sequoia Capital are based on March 31, 2003 as determined by Cambridge Associates LLC and are no longer provided by Cambridge Associates LLC.

² As determined by Cambridge Associates, funds with NM (not meaningful) are too young to have produced meaningful returns. Funds with N/A (not applicable) have not yet commenced operations.

³ Net IRR (internal rate of return) includes the cash-on-cash return net of fees, expenses, and carried interest as well as the net asset value of University of California Regents' interest in the partnership as determined by the General Partners. Differences in the valuation policies employed by General Partners (for which no industry standard currently exists) and differences in the investment pace of each partnership materially affect the IRR calculations. As such, IRRs should not be used to measure a fund's performance until all investments have been fully realized. In addition, a comparison of IRRs across funds would fail to account for these inherent differences.

⁴ Cambridge Associates LLC methodology assumes a mid-quarter convention for all cash flows within the IRR calculation. In the case of Versant Venture Capital I and Versant Venture Capital II the actual cash flow dates were utilized.

^{nm} For funds formed in a vintage year of 2000 or later, the Investment Multiple and Net IRR are not yet meaningful as these funds are still in the process of making new investments and the performance of new and existing investments will not be determined for several years to come.

THESE FOOTNOTES ARE AN INTEGRAL PART OF THIS REPORT. ANY DISCLOSURE OF THE INFORMATION CONTAINED IN THIS REPORT MUST INCLUDE THESE FOOTNOTES. A FAILURE TO INCLUDE THESE FOOTNOTES WHEN DISCLOSING THIS INFORMATION TO ANY THIRD PARTY WOULD BE MISLEADING AND WOULD CONSTITUTE A MATERIAL MISREPRESENTATION.

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Alternative Investments as of September 30, 2005

Fund Name	Type	Vintage Year	UC Commitment	Cash In	Current NAV	Cash Out	Cash Out + Current NAV	Investment Multiple ²	Net IRR ^{1,2,3}	note
LEVERAGED BUYOUTS										
Dollars in Thousands										
Brentwood Associates Buyout Fund III, L.P.	LBO	1981	\$3,000	(\$3,000)	\$0	\$2,943	\$2,943	0.98x	-0.2%	
Welsh, Carson, Anderson & Stowe IV	LBO	1985	\$10,000	(\$10,000)	\$0	\$26,619	\$26,619	2.66x	13.7%	
Alta Subordinated Debt Partners, L.P.	LBO	1986	\$4,000	(\$4,000)	\$0	\$7,507	\$7,507	1.88x	8.8%	
WCAS Capital Partners, L.P.	LBO	1987	\$10,000	(\$10,000)	\$0	\$26,171	\$26,171	2.62x	18.0%	
Golder, Thoma, Cressey Fund III	LBO	1987	\$15,000	(\$15,000)	\$181	\$83,698	\$83,879	5.59x	31.3%	
Alta Subordinated Debt Partners II, L.P.	LBO	1988	\$7,000	(\$7,000)	\$0	\$14,834	\$14,834	2.12x	12.2%	
Welsh, Carson, Anderson & Stowe V	LBO	1989	\$20,000	(\$20,000)	\$0	\$70,098	\$70,098	3.50x	33.2%	
WCAS Capital Partners II, L.P.	LBO	1990	\$20,000	(\$20,000)	\$4,035	\$27,407	\$31,442	1.57x	10.7%	
Alta Subordinated Debt Partners III, L.P.	LBO	1993	\$10,000	(\$10,000)	\$1,477	\$32,665	\$34,142	3.41x	29.2%	
Golder, Thoma, Cressey, Rauner Fund IV, L.P.	LBO	1993	\$25,000	(\$25,000)	\$182	\$51,275	\$51,458	2.06x	25.5%	
Welsh, Carson, Anderson & Stowe VI	LBO	1993	\$50,000	(\$50,000)	\$4,780	\$91,147	\$95,927	1.92x	13.5%	
Welsh, Carson, Anderson & Stowe VII	LBO	1995	\$100,000	(\$100,000)	\$26,464	\$184,055	\$210,519	2.11x	17.8%	
The SKM Equity Fund II, L.P.	LBO	1996	\$60,000	(\$50,967)	\$20,722	\$2,370	\$23,092	0.45x	-11.7%	
Golder, Thoma, Cressey, Rauner Fund V, L.P.	LBO	1997	\$40,000	(\$40,000)	\$12,924	\$56,645	\$69,569	1.74x	10.9%	
WCAS Capital Partners III, L.P.	LBO	1997	\$200,000	(\$180,000)	\$101,482	\$207,201	\$308,684	1.71x	14.6%	
Ripplewood Partners II, L.P.	LBO	2000	\$20,000	(\$5,495)	\$3,624	\$2,404	\$6,028	1.10x	NM	NM
Fremont Partners III, L.P.	LBO	2000	\$25,000	(\$9,590)	\$3,728	\$10,584	\$14,312	1.49x	NM	49.3%
Madison Dearborn Capital Partners IV, L.P.	LBO	2000	\$50,000	(\$27,129)	\$30,533	\$8,914	\$39,448	1.45x	NM	31.8%
Arsenal Capital Partners Fund, L.P.	LBO	2001	\$20,000	(\$17,576)	\$14,047	\$1,938	\$15,985	0.91x	NM	-7.1%
Blackstone Capital Partners IV, L.P.	LBO	2002	\$50,000	(\$28,989)	\$45,795	\$15,800	\$61,595	2.12x	NM	77.4%
Glencoe Capital Partners III, L.P.	LBO	2002	\$20,000	(\$8,386)	\$7,180	\$1	\$7,182	0.86x	NM	-13.5%
Glencoe Capital Institutional Partners III, L.P.	LBO	2002	\$10,000	(\$1,887)	\$1,874	\$0	\$1,874	0.99x	NM	-0.7%
Inverness Partners II, L.P.	LBO	2002	\$15,000	(\$7,192)	\$6,204	\$0	\$6,204	0.86x	NM	-14.6%
Lake Capital Partners L.P.	LBO	2002	\$20,000	(\$7,057)	\$7,871	\$947	\$8,818	1.25x	NM	22.1%
Lindsay, Goldberg, & Bessemer, L.P.	LBO	2002	\$20,000	(\$10,522)	\$12,292	\$4,331	\$16,623	1.58x	NM	41.7%
Kelso Investment Associates VII, L.P.	LBO	2003	\$40,000	(\$11,152)	\$11,906	\$376	\$12,282	1.10x	NM	NM
Olympus Growth Fund IV, L.P.	LBO	2003	\$25,000	(\$8,112)	\$7,408	\$0	\$7,408	0.91x	NM	NM
SPC Partners III, L.P.	LBO	2003	\$25,000	(\$9,806)	\$9,751	\$0	\$9,751	0.99x	NM	NM
Bain Capital Fund VIII - Coinvestment Fund, L.P.	LBO	2004	\$10,000	(\$5,000)	\$3,943	\$1,789	\$5,732	1.15x	NM	NM
Bain Capital Fund VIII, L.P.	LBO	2004	\$20,000	(\$11,100)	\$9,506	\$2,685	\$12,191	1.10x	NM	NM
Century Park Capital Partners II	LBO	2004	\$25,000	(\$1,607)	\$967	\$0	\$967	0.60x	NM	NM
Eos Capital Partners III, L.P.	LBO	2004	\$25,000	(\$2,230)	\$1,530	\$0	\$1,530	0.69x	NM	NM
Fortress Investment Fund III, LLC	LBO	2004	\$10,000	(\$3,622)	\$3,662	\$33	\$3,695	1.02x	NM	NM
Genstar Capital Partners IV, L.P.	LBO	2004	\$20,000	(\$3,096)	\$2,525	\$0	\$2,525	0.82x	NM	NM
Graham Partners II, L.P.	LBO	2004	\$25,000	(\$4,558)	\$4,060	\$0	\$4,060	0.89x	NM	NM
Perseus 2000 Expansion Fund, L.L.C.	LBO	2004	\$20,000	(\$7,607)	\$9,487	\$11	\$9,498	1.25x	NM	NM
Wicks Communications & Media Partners III, L.P.	LBO	2004	\$25,000	(\$1,977)	\$1,307	\$0	\$1,307	0.66x	NM	NM
Apollo Investment Fund VI, L.P.	LBO	2005	\$50,000	\$0	\$0	\$0	N/A	N/A	N/A	N/A
Wind Point Partners VI, L.P.	LBO	2004	\$30,000	\$0	\$0	\$0	\$0	N/A	N/A	N/A
Charlesbank Equity Fund VI, L.P.	LBO	2005	\$16,000	(\$1,033)	\$842	\$0	\$842	0.82x	NM	NM
JLL Partners Fund V, L.P.	LBO	2005	\$50,000	(\$5,777)	\$4,931	\$0	\$4,931	0.85x	NM	NM
KRG Capital Partners III	LBO	2005	\$35,000	(\$1,461)	\$1,135	\$0	\$1,135	0.78x	NM	NM
SUN Capital Partners IV, L.P.	LBO	2005	\$15,000	(\$750)	\$1,069	\$0	\$1,069	1.43x	NM	NM
Vestar Capital Partners V, L.P.	LBO	2005	\$50,000	\$0	\$0	\$0	\$0	N/A	N/A	N/A
EMERGING MARKETS										
Dollars in Thousands										
Investment Company of China	Emerging Market	1992	\$12,040	(\$11,161)	\$0	\$6,748	\$6,748	0.60x	-6.2%	
China Vest IV	Emerging Market	1993	\$20,000	(\$20,009)	\$2,753	\$15,229	\$17,982	0.90x	-1.5%	
AIG Asian Infrastructure Fund L.P.	Emerging Market	1994	\$75,000	(\$69,736)	\$13,421	\$30,029	\$43,450	0.62x	-10.2%	
AIG-GE Capital Latin American Infrastructure Fund	Emerging Market	1996	\$115,000	(\$96,403)	\$59,234	\$9,365	\$68,600	0.71x	-9.7%	
AIG Indian Sectoral Equity Fund	Emerging Market	1996	\$15,000	(\$12,781)	\$9,115	\$2,053	\$11,167	0.87x	-19.0%	
Latin America Capital Partners II, L.P.	Emerging Market	1996	\$50,000	(\$48,394)	\$28,798	\$8,084	\$36,882	0.76x	-4.3%	
AIG Asian Infrastructure Fund II, L.P.	Emerging Market	1997	\$100,000	(\$55,170)	\$33,867	\$17,116	\$50,984	0.92x	-2.5%	

¹ Fund level data and IRR calculations for Accel, AIG, Kleiner Perkins Caulfield & Byers, and Sequoia Capital are based on March 31, 2003 as determined by Cambridge Associates LLC and are no longer provided by Cambridge Associates LLC.

² As determined by Cambridge Associates, funds with NM (not meaningful) are too young to have produced meaningful returns. Funds with N/A (not applicable) have not yet commenced operations.

³ Net IRR (internal rate of return) includes the cash-on-cash return net of fees, expenses, and carried interest as well as the net asset value of University of California Regents' interest in the partnership as determined by the General Partners. Differences in the valuation policies employed by General Partners (for which no industry standard currently exists) and differences in the investment pace of each partnership materially affect the IRR calculations. As such, IRRs should not be used to measure a fund's performance until all investments have been fully realized. In addition, a comparison of IRRs across funds would fail to account for these inherent differences.

⁴ Cambridge Associates LLC methodology assumes a mid-quarter convention for all cash flows within the IRR calculation. In the case of Versant Venture Capital I and Versant Venture Capital II the actual cash flow dates were utilized.

⁵ For funds formed in a vintage year of 2000 or later, the Investment Multiple and Net IRR are not yet meaningful as these funds are still in the process of making new investments and the performance of new and existing investments will not be determined for several years to come.

THESE FOOTNOTES ARE AN INTEGRAL PART OF THIS REPORT. ANY DISCLOSURE OF THE INFORMATION CONTAINED IN THIS REPORT MUST INCLUDE THESE FOOTNOTES. A FAILURE TO INCLUDE THESE FOOTNOTES WHEN DISCLOSING THIS INFORMATION TO ANY THIRD PARTY WOULD BE MISLEADING AND WOULD CONSTITUTE A MATERIAL MISREPRESENTATION.