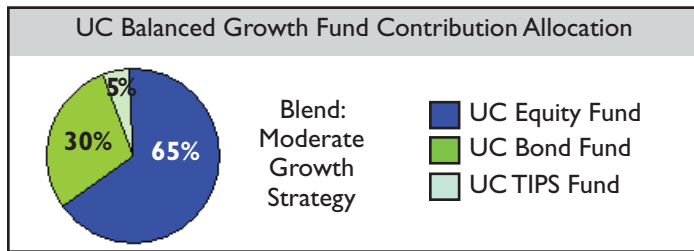




UC Balanced Growth Fund

Investment Objective: The Fund seeks to provide long-term growth and income through a balanced portfolio of equity and fixed income securities held within UC Funds.



Quick Stats

1 Year Return (06/30/2009)	-14.28%
NAV (06/30/2009)	\$11.08
Investment Category	Blend
Net Assets (\$M)	\$836
Inception	April 1, 2004

Average Annual Total Returns

as of 06/30/2009

Overall total return is a function of the investment performance of the component funds. The UC Balanced Growth Fund started operations on April 1, 2004.

Returns (%)	1 Year	3 Years	5 Years
Balanced Growth Fund	-14.28	-1.90	2.10
Policy Benchmark	-16.68	-2.94	1.30

How We Invest

Contributions are invested according to a fixed ratio: 65% Equity Fund, 30% Bond Fund, and 5% TIPS (Treasury Inflation-Protected Securities) Fund.

The Fund is rebalanced as needed. This prevents the three component funds from growing outside their allocation percentage. The Treasurer's Office manages the component funds according to the investment objectives and strategies of those funds.

Risks to You

Please refer to the Equity Fund, Bond Fund and TIPS Fund profiles for further information on the specific investment objectives, strategies, returns and risks associated with those Funds.

Risks include market risk, credit risk, interest rate risk, individual company risk and foreign security risk. TIPS offers investors some protection against the loss of value due to inflation; however, these securities may lose value during periods of deflation. When you redeem your units, they may be worth more or less than the amount you had invested in them, which means you could lose money.

The Balanced Growth Fund may be appropriate for investors, at all points in their careers, who are seeking growth with moderate market risks. Investors with longer time horizons looking to maximize principal growth to fund retirement may want to use this Fund.

For more information on risk, see the "Investment Risk Factor Guide," available online at www.netbenefits.com.

Fees and Expenses

Investor expenses are limited to 0.15% (or \$1.50 per \$1,000 invested) of the Fund's average market value per year, assessed on a daily basis (1/365th per day invested). These expenses are not billed to participants, but are netted against the investment experience of the fund. These expenses are comprised of approximately 0.03% for investment management, 0.02% for investor education and 0.10% for administration (including accounting, audit, legal, custodial and recordkeeping services). The total administrative expenses are estimated and could actually be lower in some periods. If actual administrative expenses are less than estimated, any accumulation will be returned to the Fund each quarter, on a prorated basis, thereby lowering the effective expense ratio for participants. There are no front-end or deferred-sales loads or other marketing expenses.



UC Balanced Growth Fund *continued*

Asset Class Overview

as of **06/30/2009**

Total market value of the Balanced Growth Fund as of June 30, 2009, approximately \$836 million. Market values of the underlying fund components as of June 30, 2009, were Equity Fund \$540 million, Bond Fund \$253 million and TIPS Fund \$42 million. Please refer to the Equity Fund, Bond Fund, and TIPS Fund profiles for further information on the specific investment characteristics associated with those Funds.

Month-End Values

most recent 12 months ending **06/30/09**

July 2008	12.80976
August 2008	12.89039
September 2008	12.00353
October 2008	10.60185
November 2008	10.26802
December 2008	10.59432
January 2009	10.08064
February 2009	9.45810
March 2009	9.90277
April 2009	10.59717
May 2009	11.06176
June 2009	11.08285

Keep in mind that investing involves risk. The value of your investment will fluctuate over time and you may gain or lose money.

The information contained herein regarding the UC Funds has been provided by the University of California Office of the Treasurer and is solely the responsibility of the University of California Office of the Treasurer.