



INVESTMENT PERFORMANCE SUMMARY

Prepared for

*The Committee on Investments &
The Investment Advisory Committee
Of The Regents of the
University of California*

Fourth Quarter, Calendar Year 2005



Investment Performance Summary

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CONSOLIDATED ASSETS

December 31, 2005

ALL RETURNS PRESENTED IN THIS REPORT ARE NET OF MANAGER FEES AND EXPENSES

	Market Value (\$M)	Total Return			Annualized Total Return		
		Recent Quarter	Fiscal YTD	One Year	Three Year	Five Year	Ten Year
UCRP	\$ 43,259	1.96%	4.87%	6.51%	13.26%	3.71%	9.44%
Policy Benchmark		1.77%	4.46%	6.24%	12.98%	4.27%	9.21%
Variance to Benchmark		+0.19%	+0.41%	+0.27%	+0.28%	-0.56%	+0.23%
GEP	\$5,520	2.47%	7.16%	8.63%	14.05%	3.86%	9.94%
Policy Benchmark		2.31%	6.87%	8.29%	13.86%	4.66%	9.43%
Variance to Benchmark		+0.16%	+0.29%	+0.34%	+0.19%	-0.80%	+0.51%
STIP	\$8,846	0.97%	1.94%	3.79%	3.58%	4.15%	5.17%
Policy Benchmark		1.06%	2.01%	3.70%	2.51%	2.85%	4.33%
Variance to Benchmark		-0.09%	-0.07%	+0.09%	+1.07%	+1.30%	+0.84%
403(b), 457(b) & Defined Contribution Plans' Funds	\$9,207	Fund performance available to Plan Participants through Netbenefits.Fidelity.com. Performance is also presented to the Retirement Savings Program Advisory Group on a quarterly basis.					
Other Endowments	\$689						
Less STIP balances in other portfolios	-\$928						
Total Assets	\$ 66,593	1.82%	4.62%	6.25%	11.54%	N/A	N/A
Entity Benchmark ¹		1.69%	4.32%	5.98%	11.11%	N/A	N/A
Variance to Benchmark		+0.13%	+0.30%	+0.27%	+0.43%	N/A	N/A

Notes: Policy benchmarks are defined in Appendix 2. Returns for periods less than one year are not annualized. Market values include accrued income except for STIP's asset value which is stated at amortized book value plus accrued interest. The method of rounding may produce the appearance of minor inconsistencies in various totals and percentages, but the differences do not affect the accuracy of the data.

1. UC Entity benchmark is a blend of the indexes within the benchmarks of the funds in the table above, each weighted by the percentage it represents in the total assets.



UNIVERSITY OF CALIFORNIA RETIREMENT PLAN (UCRP)

December 31, 2005

I. Investment Performance

	Market Value (\$M)	Total Return			Annualized Total Return		
		Recent Quarter	Fiscal YTD	One Year	Three Year	Five Year	Ten Year
UCRP	\$43,259	1.96%	4.87%	6.51%	13.26%	3.71%	9.44%
Policy Benchmark		1.77%	4.46%	6.24%	12.98%	4.27%	9.21%
Variance to Benchmark		+0.19%	+0.41%	+0.27%	+0.28%	-0.56%	+0.23%
U.S. Equity¹	\$24,378	2.33%	6.45%	6.48%	16.00%	0.17%	8.40%
Policy Benchmark		2.02%	6.00%	5.90%	15.76%	1.43%	9.60%
Variance to Benchmark		+0.31%	+0.45%	+0.58%	+0.24%	-1.26%	-1.20%
Active Portfolio ²	\$8,396	2.89%	7.37%	7.58%	N/A	N/A	N/A
Passive Portfolio	\$15,982	2.04%	6.05%	6.01%	15.78%	1.55%	N/A
Non-U.S. Equity¹	\$3,411	4.66%	16.08%	16.50%	25.68%	6.41%	4.28%
Policy Benchmark		4.35%	16.61%	16.62%	25.83%	6.48%	2.57%
Variance to Benchmark		+0.31%	-0.53%	-0.12%	-0.15%	-0.07%	+1.71%
Active Portfolio-Dev. Markets	\$1,861	4.15%	14.05%	N/A	N/A	N/A	N/A
Passive Portfolio-Dev. Markets	\$1,020	3.97%	15.40%	14.85%	24.37%	N/A	N/A
Emerging Markets	\$530	7.93%	25.50%	36.41%	38.37%	19.29%	10.02%
Fixed Income	\$12,099	0.77%	-0.33%	4.07%	5.24%	7.22%	8.06%
Policy Benchmark		0.74%	-0.78%	3.80%	5.14%	7.19%	6.83%
Variance to Benchmark		+0.03%	+0.45%	+0.27%	+0.10%	+0.03%	+1.23%
TIPS	\$2,512	0.14%	0.18%	2.93%	6.57%	N/A	N/A
Policy Benchmark		0.11%	0.13%	2.84%	6.54%	N/A	N/A
Variance to Benchmark		+0.03%	+0.05%	+0.09%	+0.03%	N/A	N/A
Private Equity³	\$724	4.39%	9.18%	21.96%	20.45%	-5.03%	27.29%
Real Estate⁴	\$118	4.38%	7.79%	17.73%	N/A	N/A	N/A
Policy Benchmark		4.44%	10.02%	19.19%	N/A	N/A	N/A
Variance to Benchmark		-0.06%	-2.23%	-1.46%	N/A	N/A	N/A
Liquidity Portfolio	\$16	0.68%	1.37%	2.77%	5.65%	N/A	N/A

Notes: Policy benchmarks are defined in Appendix 2. The method of rounding may produce the appearance of minor inconsistencies in various totals and percentages, but the differences do not affect the accuracy of the data.

- For 5 and 10 year periods returns were reclassified to match current asset classes.
- Inception date of Active Portfolio is April 1, 2004. Results for the internally managed equity portfolio (discontinued in November 2003) are included in the Total U.S. Equity returns for periods of 3, 5, and 10 years.
- See Private Equity Performance information on page 10 for comparison of Private Equity to multiple performance metrics.
- Beginning December 31, 2005, the Real Estate portion of the UCRP is shown lagged 1 quarter, in order to fully reflect both the income return and capital gains of the Real Estate investment as of September 30, 2005. September returns are benchmarked against the final NCREIF Property Index (NPI) returns ending September 30, 2005. NPI is an appraisal based index which requires that properties included in the index be independently valued at least annually.



UNIVERSITY OF CALIFORNIA RETIREMENT PLAN (UCRP)

I. Performance Objectives

1. UCRP annualized total return (net of all fees and expenses) was 13.26% over the past three years and 3.71% over the past five years, in comparison to the Plan's actuarial rate of return of 7.5%.
2. UCRP Funded Ratio as of 12/31/05 is 108.0% (est.) based on Actuarial Value and 112.5% (est.) based on Market Value.
3. The Consumer Price Index over the past 3 year and 5 year periods was 2.84% and 2.49% respectively.
4. UCRP annualized total return outperformed its policy benchmark by 28 bp over the past three year period and underperformed its policy benchmark by 56 bp over the past five year period.

II. For information on the portfolio's risk exposures see page 6, and for information on risk limits, see the separate quarterly risk report. During the past quarter, the portfolio's total risk was slightly less than budget but within allowed ranges. The portfolio's active risk was below the targeted range; active risk will fluctuate depending on market opportunities and volatility.

III. Net investment expenses incurred by the Treasurer for managing the public securities (excluding Alternatives Private Equity and Real Estate) of the UCRP were (expressed as a percent of assets at 12/31/05) 1.6 bp for the quarter (not annualized) and 4.9 bp for the preceding 12 months.

IV. UCRP Asset Allocation Plan and Guideline Compliance

The UCRP portfolio complies with policy guidelines unless an exception is noted below.

Asset Allocation

	Assets (\$M)	Actual%	Long-Term Policy Target%	Current Policy Allocation	Variance from Current	Policy Range	Range Compliance
Equity							
U.S. Equity	\$24,378	56%	50%	56%	0%	} 53-73%	Yes
Non-U.S. Equity	\$3,411	8%	7%	7%	1%		
Fixed Income							
Bonds	\$12,099	28%	28%	30%	-2%	} 25-45%	Yes
TIPS	\$2,512	6%	5%	5%	1%		
Private Equity	\$724	2%	5%	2%	0%	1-7%	Yes
Real Estate	\$118	0%	5%	0%	0%	0-7%	Yes
Liquidity Portfolio	\$16	0%	0%	0%	0%	0-10%	Yes
Total Assets	\$43,259	100%	100%	100%			

Private Equity Sector Allocation

	Assets (\$M)	% of P.E. Portfolio	Policy Target %	Variance	Policy Range	Range Compliance
Venture Cap.	\$368	51%	50%	1%	30-70%	Yes
Buyouts	\$274	38%	50%	-12%	30-70%	Yes
Non-U.S.	\$76	11%	0%	11%	0-10%	No
Distributions	\$5	1%				
Total Assets	\$724	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.

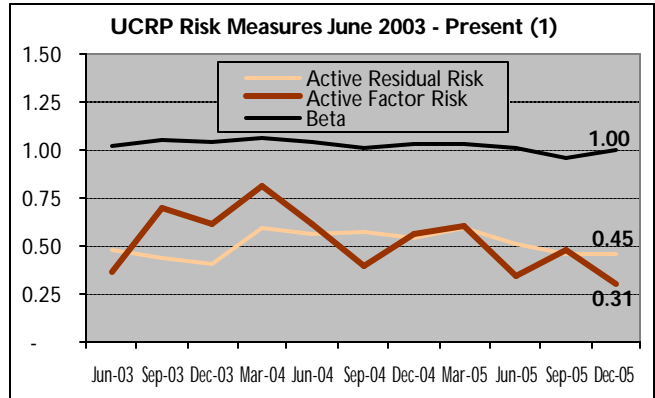
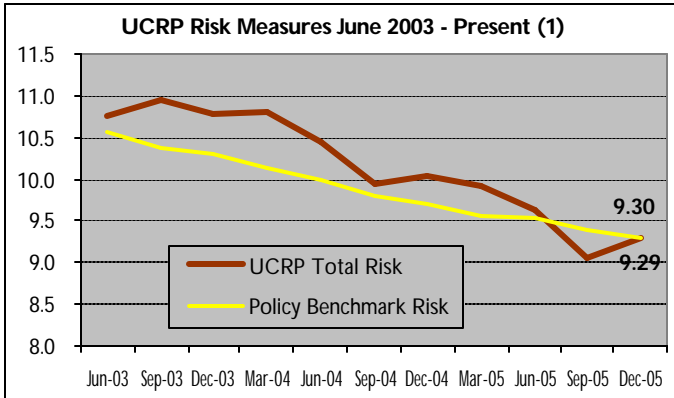
Note: The method of rounding may produce the appearance of minor inconsistencies in various totals and percentages, but the differences do not affect the accuracy of the data.



UNIVERSITY OF CALIFORNIA RETIREMENT PLAN (UCRP)

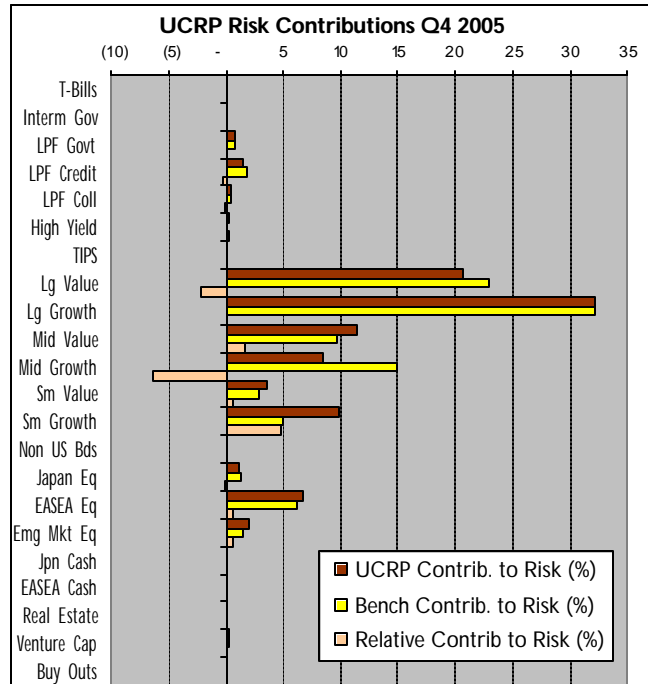
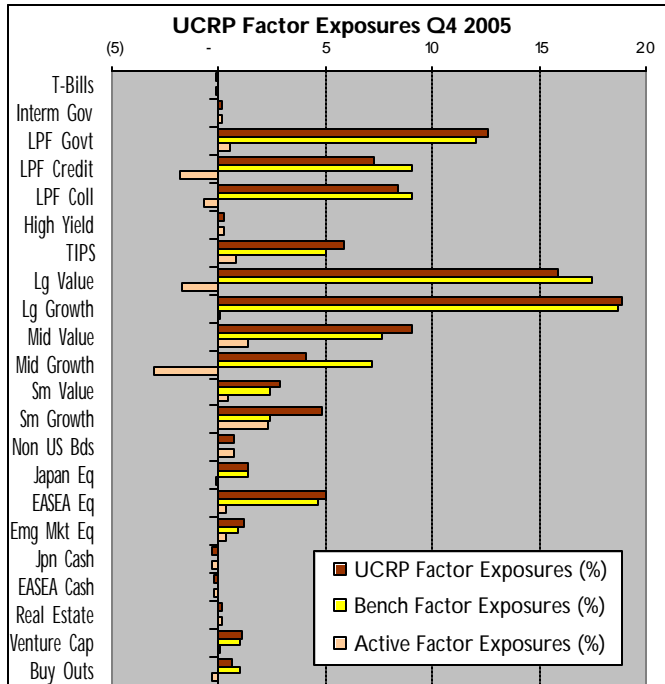
PORTFOLIO RISK DECOMPOSITION (RISK FACTOR MODEL)

December 31, 2005



FACTOR EXPOSURES (2)			
Asset Allocation (3)	UCRP	Benchmark (5)	Active Exposures
US Equity	55.6	56.0	(0.4)
US Fixed Income	34.5	35.0	(0.5)
Non US (all)	7.9	7.0	0.9
Alternatives	2.0	2.0	(0.0)
TOTAL	100.0	100.0	0.0

RISK CONTRIBUTIONS (4)			
Risk Allocation (3)	UCRP	Benchmark (5)	Relative Risk Contrib.
US Equity	86.3	87.4	(1.1)
US Fixed Income	3.0	3.3	(0.3)
Non US (all)	10.3	9.1	1.1
Alternatives	0.1	0.1	0.0
Subtotal Factor Risk	99.8	100.0	(0.2)
Residual Risk	0.2	-	0.2
TOTAL	100.0	100.0	0.0



Results shown are based on (a) total fund composition as of quarter end and (b) long term volatility and correlation estimates for 21 risk factors (market benchmarks).

1. Risk estimates are in units of standard deviation, annualized (range of likely results over one year horizon).
2. Factor exposures for each portfolio are estimated by regressing monthly returns over all risk factors.
3. Factors grouped into 4 broad categories; e.g., Domestic Equity consists of 6 risk factors.
4. Risk contributions for each factor are derived by a weighted sum of the covariances of that factor with the total fund.
5. Benchmark is the policy weights adjusted for illiquidity, and includes a weight of 2% private equity and 0% real estate.

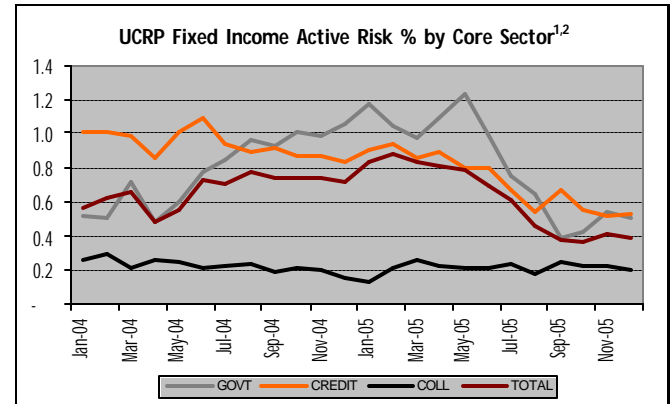
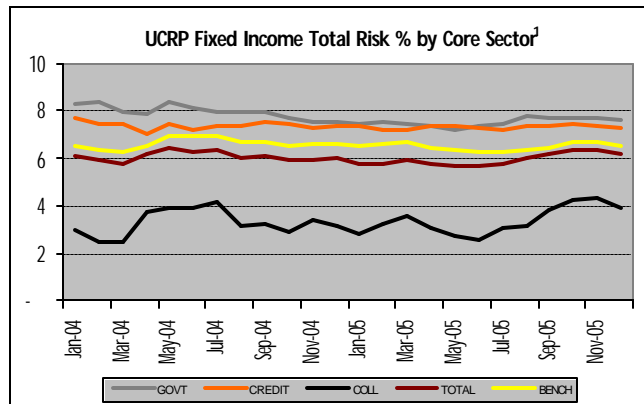
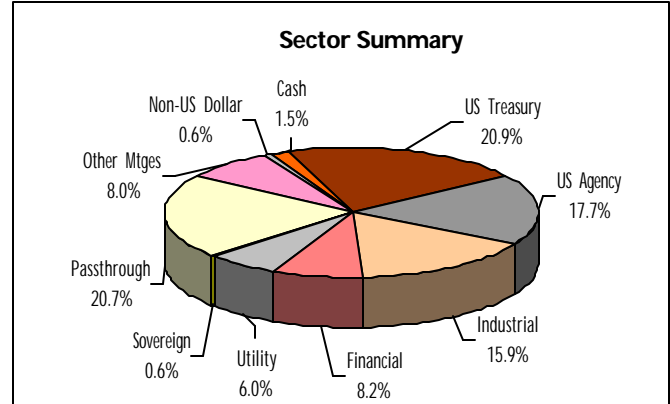
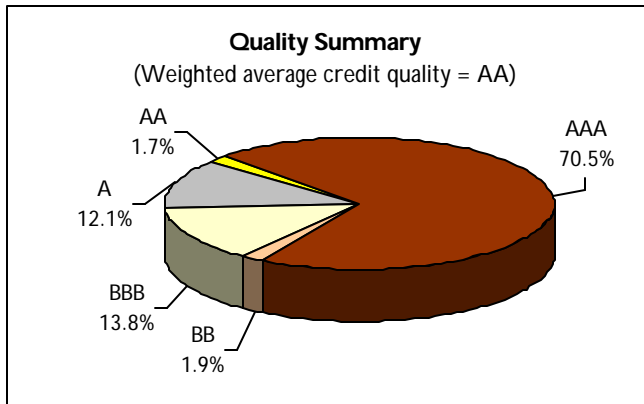


UNIVERSITY OF CALIFORNIA RETIREMENT PLAN (UCRP)

BOND PORTFOLIO CHARACTERISTICS

December 31, 2005

	UCRP	Citigroup LPF	Policy
Average Duration	7.5	7.8	+/- 20% to LPF
Average Maturity	11.8	11.9	--
Current Yield	4.2%	5.2%	--
Average Quality	AA	AA+	A



SECTOR ALLOCATION AND ATTRIBUTION ANALYSIS

3 MONTHS ENDED December, 2005

	Portfolio Sector Alloc.	Benchmark Sector Alloc.	Active Weights	Portfolio Return	Benchmark Return	Active Returns	Sector Alloc. Effect	Security Selection Effect	Interaction Effect	Total Effect
GOVERNMENT	38.25%	40.00%	-1.75%	0.83%	0.83%	0.00%	0.00%	0.00%	0.00%	0.00%
CORPORATE	30.59%	30.00%	0.59%	0.81%	0.66%	0.15%	0.00%	0.04%	0.00%	0.05%
MORTGAGE	29.01%	30.00%	-0.99%	0.57%	0.70%	-0.13%	0.00%	-0.04%	0.00%	-0.04%
OTHER	0.59%	0.00%	0.59%	1.60%	0.74%	0.86%	0.00%	0.00%	0.01%	0.01%
CASH	1.56%	0.00%	1.56%	0.99%	0.86%	0.12%	0.01%	0.00%	0.00%	0.01%
TOTAL FIXED INCOME	100.00%	100.00%	0.00%	0.77%	0.74%	0.03%	0.01%	0.00%	0.01%	0.02%

1. Month-end holdings-based portfolio data used. Data, analytics source: MSCI/Barra, Inc. Total UCRP bond risk as of 12/31/05 was 6.2% (annualized standard deviation) compared to the benchmark (Citigroup LPF) total risk of 6.5%.
2. Fixed Income portfolio is managed in three core sectors: Government, Credit and Collateral. Total active risk is measured relative to its overall benchmark, the Citigroup LPF. Each core sector's active risk is assessed against the corresponding Citigroup LPF sector index. Total active risk as of 12/31/05 for the UCRP Fixed Income portfolio was 38 bps (annualized standard deviation).



UCRP AND GEP*

ACTIVE U.S. EQUITY PORTFOLIO RISK, CHARACTERISTICS, AND PERFORMANCE ATTRIBUTION

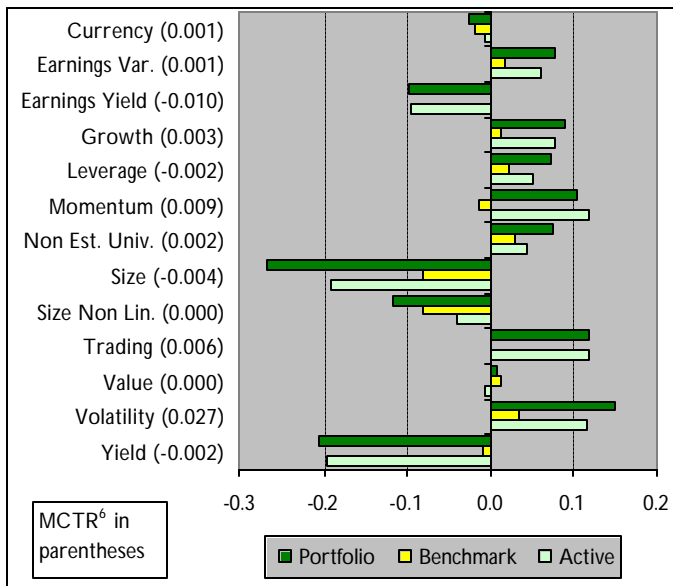
December 31, 2005

PORTFOLIO CHARACTERISTICS VS BENCHMARK ¹		
	UCRP/GEP	RUSSELL 3000
Dividend Yield	1.3	1.7
Price - Earnings Ratio (historical)	21.6	19.0
Price - Book Ratio	4.2	3.9
Debt - Equity Ratio	79.2	80.0
Market Capitalization (Cap Wtd)	\$53.3 bn	\$72.4 bn
Number of Holdings	2,000	3,000

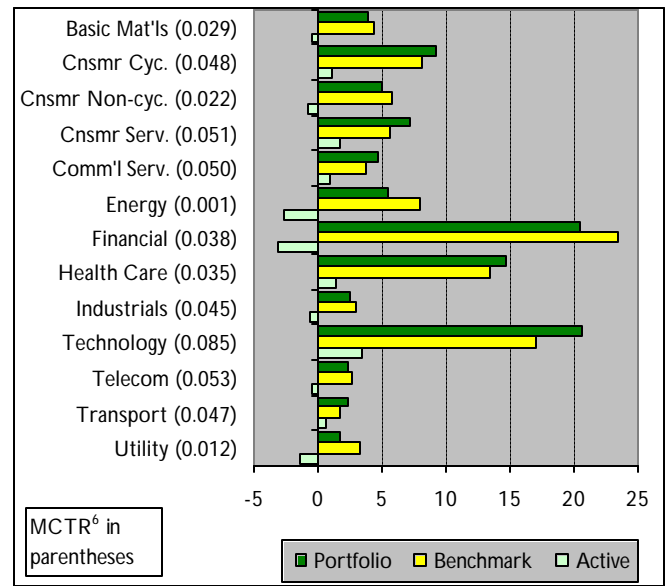
RISK MEASURES / DECOMPOSITION (Qtr End) ²				
	TOTAL RISK		ACTIVE RISK	
	Risk	Contrib	Risk	Contrib
	%Std dev	%Total	%Std dev	%Active
Common Factor	13.45	99	1.35	70
Style Factors	1.24	1	1.05	42
Industries	12.79	90	0.74	21
Factor Interaction	N/A	9	N/A	7
Asset Selection	1.30	1	0.88	30
Total	13.51	100	1.61	100
Benchmark	12.89			
Beta	1.04			

PERFORMANCE ATTRIBUTION (one quarter) ³		
	Return	Risk
Total Portfolio	2.89	13.45
Benchmark	2.02	12.79
Active	0.87	1.61
Common Factor	0.57	N/A
Style Factors	0.09	0.86
Industries	0.48	0.74
Asset Selection	0.43	0.88
Market Timing	0.02	0.57
Trading	(0.15)	0.14

STYLE EXPOSURES (% Std. Dev.)⁴



SECTOR EXPOSURES (%)⁵



* The UCRP and GEP Active U.S. Equity Portfolios are identical in composition (managers and weightings) so this report applies to both Funds. Active US Equity as of 12-31-05 includes fifteen active large capitalization and ten active small capitalization portfolios. Its market value as of 12-31-05 was 34% of total US Equity for UCRP and 42% for GEP.

1. The benchmark for Active US Equity is the Russell 3000 tobacco free index.
2. Risk factor exposures and risk estimates are based on actual holdings as of 12-31-05 using proprietary data and analytics from MSCI/Barra, Inc.
3. Performance covers the period 10-01-05 to 12-31-05 (single quarter, not annualized). Performance attribution is based on month end holdings using a buy-hold methodology; calculated returns will differ slightly from the official performance report, which is based on linked daily returns.
4. Style factor exposures are expressed as % Standard Deviation (annualized).
5. Industry sector exposures are expressed in terms of percent weights.
6. MCTR = Marginal Contribution to Total Risk, is a risk sensitivity measure. It approximates the change in portfolio total risk that results from a 1% change in the factor exposure.



UCRP AND GEP*

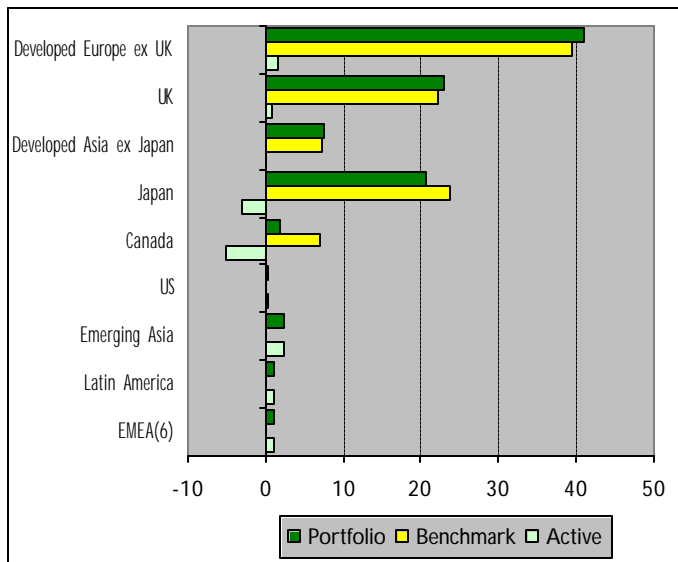
ACTIVE DEVELOPED NON-U.S. EQUITY PORTFOLIO RISK & CHARACTERISTICS December 31, 2005

PORTFOLIO CHARACTERISTICS VS BENCHMARK ¹		
	UCRP/GEP	MSCI WLD EX US
Dividend Yield	2.4	2.3
Price - Earnings Ratio (historical)	18.2	19.5
Price - Book Ratio	3.7	3.7
Market Capitalization (Cap Wtd)	\$40.1 bn	\$49.0 bn
Number of Holdings	937	1,128

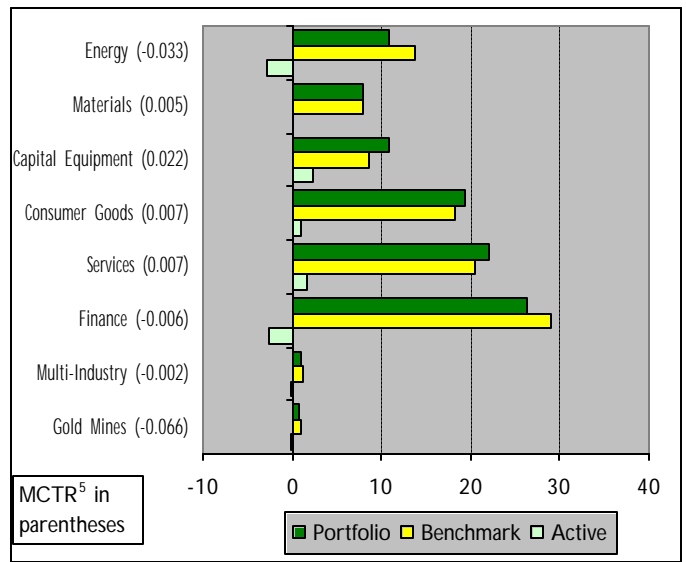
RISK MEASURES / DECOMPOSITION (Qtr End) ²				
	TOTAL RISK		ACTIVE RISK	
	Risk	Contrib	Risk	Contrib
	%Std dev	%Total	%Std dev	%Active
Common Factor	14.25	99	1.33	69
Style Factor	0.22	0	0.22	2
Sector	1.22	1	0.59	14
Country	13.57	90	0.92	33
Currency	6.78	22	0.42	7
Factor Interaction	N/A	(14)	N/A	13
Asset Selection	1.30	1	0.88	31
Total	14.31	100	1.59	100
Benchmark	14.42			
Beta	0.99			

PERFORMANCE ATTRIBUTION (one quarter) ³		
	Return	Risk
Total Portfolio	4.20	14.82
Benchmark	3.96	14.86
Active	0.24	1.47
Common Factor	0.07	N/A
Style Factors	(0.02)	0.31
Industries	(0.10)	0.37
Country	(0.11)	0.82
Currency	0.30	0.40
Local Market Allocation	(0.36)	0.70
Asset Selection	0.36	0.82
Local Market Timing	0.07	0.75
Trading	0.10	0.24

REGIONAL EXPOSURES (%)⁴



SECTOR EXPOSURES (%)⁴



* The UCRP and GEP Active Developed Non-U.S. Equity Portfolios are identical in composition (managers and weightings) so this report applies to both Funds. Active Developed Non-U.S. Equity as of 12-31-05 includes eleven actively managed portfolios. Its market value as of 12-31-05 was 65% of Total Developed Non-US Public Equity for UCRP and 49% for GEP.

1. The benchmark for Active Developed Non-U.S. Equity is the MSCI World Ex US TF (Net) index.
2. Risk factor exposures and risk estimates are based on actual holdings as of 12-31-05 using proprietary data and analytics from MSCI/Barra, Inc.
3. Performance covers the period 10-01-05 to 12-31-05 (single quarter, not annualized). Performance attribution is based on month end holdings using a buy-hold methodology; calculated returns will differ slightly from the official performance report, which is based on linked daily returns.
4. Industry sector exposures and country/regional exposures are expressed in terms of percent weights.
5. MCTR = Marginal Contribution to Total Risk, is a risk sensitivity measure. It approximates the change in portfolio total risk that results from a 1% change in the factor exposure.
6. EMEA = Emerging Europe, Middle East, Africa.



UCRP AND GEP

Private Equity Performance

UC Data reported as of December 2005 corresponding to benchmarks as of September 2005.

	Total Return			Annualized Total Return		
	Recent Quarter	Fiscal YTD	One Year	Three Year	Five Year	Ten Year
UCRP TOTAL FUND PE (incl Int'l.)	4.39%	9.18%	21.96%	20.45%	-5.03%	27.29%
Custom Total PE Index ¹ (incl Int'l.)	7.43%	11.09%	23.79%	25.73%	5.16%	12.25%
Variance to Index	-3.04%	-1.91%	-1.83%	-5.28%	-10.19%	+15.04%
GEP TOTAL FUND PE (incl Int'l.)	3.95%	5.67%	21.62%	22.53%	-3.99%	27.66%
Custom Total PE Index ¹ (incl Int'l.)	7.43%	11.09%	23.79%	25.73%	5.16%	12.25%
Variance to Index	-3.48%	-5.42%	-2.17%	-3.20%	-9.15%	+15.41%
UCRP VENTURE CAP+BUYOUT	4.38%	10.08%	24.93%	24.58%	-5.08%	33.50%
GEP VENTURE CAP+BUYOUT	3.93%	6.11%	25.20%	27.49%	-4.32%	34.95%
Custom US PE Market Benchmark ²	4.67%	7.85%	17.58%	21.54%	2.11%	12.74%
Custom US PE Peer Group Benchmark ³	5.69%	11.11%	21.64%	12.32%	-6.46%	19.82%
UCRP VENTURE CAPITAL	4.82%	6.72%	25.63%	28.80%	-13.72%	44.50%
GEP VENTURE CAPITAL	2.63%	1.44%	23.51%	38.43%	-12.53%	48.77%
Cambridge Assoc. US Venture Cap Index ⁴	4.96%	7.25%	12.47%	3.02%	-16.56%	20.50%
Venture Economics Venture Index ⁵	6.60%	12.25%	22.00%	6.42%	-13.04%	18.25%
UCRP BUY OUT	3.95%	14.92%	23.32%	18.02%	6.93%	15.49%
GEP BUY OUT	6.00%	12.37%	26.93%	17.87%	7.08%	14.78%
Cambridge Assoc. US Private Equity Index ⁴	6.65%	16.06%	35.13%	21.97%	6.31%	15.18%
Venture Economics Buyout/Mezzanine Index ⁵	6.00%	12.89%	30.58%	21.30%	6.76%	15.04%
UCRP INTL PRIVATE EQUITY	6.23%	4.10%	15.31%	7.05%	-1.70%	-2.55%
GEP INTL PRIVATE EQUITY	6.17%	4.18%	15.78%	7.03%	-1.74%	-2.33%
MSCI Emerg Markets Index+3%	18.83%	24.65%	50.98%	43.27%	17.56%	9.10%

The benchmarks shown above are for informational purposes only and are not The Regents' policy benchmark. There is no appropriate market based index which can be used as a meaningful performance benchmark for Private Equity. This information is provided to give additional insight into Private Equity sector performance relative to multiple performance metrics.

1. Custom Private Equity Index (including international) consists of a weighted average of 80% Russell 3000 TF Index and 20% MSCI Emerging Market Free Index, plus 3%. The Custom Index is lagged by three months since inception.
2. US-based Custom Private Equity Market Benchmark consists of the Russell 3000 TF + 3%. The Custom Index is lagged by three months since inception.
3. Custom U.S. Private Equity Peer Group Benchmark consists of the returns of Cambridge Venture and Buyout Indices, weighted by actual allocations within UCRP.
4. Source: Cambridge Assoc. Quarterly End to End Returns Net to LP. Index is preliminary and subject to periodic restatements.
5. Source: Thomson Venture Economics Pooled Average quarterly returns. Index is preliminary and subject to periodic restatements.



GENERAL ENDOWMENT POOL (GEP)

December 31, 2005

I. Investment Performance

	Market Value (\$M)	Total Return			Annualized Total Return		
		Recent Quarter	Fiscal YTD	One Year	Three Year	Five Year	Ten Year
GEP	\$5,520	2.47%	7.16%	8.63%	14.05%	3.86%	9.94%
Policy Benchmark		2.31%	6.87%	8.29%	13.86%	4.66%	9.43%
Variance to Benchmark		+0.16%	+0.29%	+0.34%	+0.19%	-0.80%	+0.51%
U.S. Equity¹	\$2,061	2.39%	6.54%	6.71%	16.09%	-0.04%	8.30%
Policy Benchmark		2.02%	6.00%	5.90%	15.76%	1.43%	9.60%
Variance to Benchmark		+0.37%	+0.54%	+0.81%	+0.33%	-1.47%	-1.30%
Active Portfolio ²	\$873	2.86%	7.33%	7.56%	N/A	N/A	N/A
Passive Portfolio	\$1,188	2.04%	6.05%	5.94%	15.76%	1.54%	N/A
Non-U.S. Equity-Developed¹	\$1,156	4.04%	14.74%	13.99%	24.06%	N/A	N/A
Policy Benchmark		3.94%	15.29%	14.47%	24.32%	N/A	N/A
Variance to Benchmark		+0.10%	-0.55%	-0.48%	-0.26%	N/A	N/A
Active Portfolio	\$559	4.15%	14.01%	N/A	N/A	N/A	N/A
Passive Portfolio-Dev. Markets	\$597	3.97%	15.42%	14.84%	24.37%	4.82%	N/A
Non-U.S. Equity-Emerq. Mkt¹	\$338	7.49%	25.87%	39.23%	36.75%	18.12%	9.66%
Policy Benchmark		7.18%	26.42%	34.00%	37.98%	19.24%	6.90%
Variance to Benchmark		+0.31%	-0.55%	+5.23%	-1.23%	-1.12%	+2.76%
Fixed Income	\$1,045	0.67%	-0.49%	3.94%	5.22%	7.30%	7.99%
Policy Benchmark		0.59%	-0.92%	3.64%	5.09%	7.16%	6.82%
Variance to Benchmark		+0.08%	+0.43%	+0.30%	+0.13%	+0.14%	+1.17%
TIPS	\$254	0.13%	0.17%	N/A	N/A	N/A	N/A
Policy Benchmark		0.11%	0.13%	N/A	N/A	N/A	N/A
Variance to Benchmark		+0.02%	+0.04%	N/A	N/A	N/A	N/A
Private Equity³	\$161	3.95%	5.68%	21.62%	22.53%	-3.99%	27.66%
Absolute Return	\$468	1.41%	5.35%	5.88%	N/A	N/A	N/A
Policy Benchmark		1.41%	3.35%	6.92%	N/A	N/A	N/A
Variance to Benchmark		+0.00%	+2.00%	-1.04%	N/A	N/A	N/A
Real Estate⁴	\$21	3.65%	6.79%	16.55%	N/A	N/A	N/A
Policy Benchmark		4.44%	10.02%	19.19%	N/A	N/A	N/A
Variance to Benchmark		-0.79%	-3.23%	-2.64%	N/A	N/A	N/A
Liquidity Portfolio	\$16	0.95%	1.13%	3.22%	2.44%	N/A	N/A

Note: Policy benchmarks are defined in Appendix 2. The method of rounding may produce the appearance of minor inconsistencies in various totals and percentages, but the differences do not affect the accuracy of the data.

- For 3, 5 and 10 year periods returns were reclassified to match current asset classes.
- Inception date of Active Portfolio is April 1, 2004. Results for the internally managed equity portfolio (discontinued in November 2003) are included in the Total U.S. Equity returns for periods of 3, 5, and 10 years.
- See page 10 for additional comparisons.
- Beginning December 31, 2005, the Real Estate portion of the GEP is shown lagged 1 quarter, in order to fully reflect both the income return and capital gains of the Real Estate investment as of September 30, 2005. September returns are benchmarked against the final NCREIF Property Index (NPI) returns ending September 30, 2005. NPI is an appraisal based index which requires that properties included in the index be independently valued at least annually.



GENERAL ENDOWMENT POOL (GEP)

I. Performance Objectives

1. **GEP annualized total return (net of all fees and expenses) was 14.05% over the past three years and 3.86% over the past five years and outperformed its policy benchmark over the past three year period by 19 bp and lagged over the past five year period by 80 bp.**

2. **The Consumer Price Index over the past 3 year and 5 year periods was 2.84% and 2.49% respectively.**

II. **For information on the portfolio's risk exposures see page 13, and for information on risk limits, see the separate quarterly risk report. During the past quarter, the portfolio's total risk was modestly less than budget but within allowed ranges. The portfolio's active risk was well below the targeted range; active risk will fluctuate based on market opportunities and volatility.**

III. **Net investment expenses incurred by the Treasurer for managing the public securities (excluding Alternatives: Private Equity, Real Estate, and Absolute Return) of the GEP were (expressed as a percent of assets at 12/31/05) 3.3 bp for the quarter (not annualized) and 9.4 bp for the preceding 12 months.**

IV. GEP Asset Allocation Plan and Guideline Compliance

The GEP portfolio complies with policy guidelines unless an exception is noted below.

Asset Allocation

The GEP portfolio complies with policy guidelines unless an exception is noted below.

	Assets (\$M)	Actual%	Long-Term Policy Target%*	Current Policy Allocation*	Variance from Current	Policy Range*	Range Compliance
Public Equity	\$3,555	64%	57%	63%	1%	47-73%	Yes
Public Fixed Income	\$1,299	24%	23%	25%	-1%	13-35%	Yes
All Alternative Inv.	\$650	12%	20%	12%	0%	2-30%	Yes
Liquidity Portfolio	\$16	0%	0%	0%	0%	0-10%	Yes
Total Assets	\$5,520	100%	100%	100%			

Private Equity Sector Allocation

	Assets (\$M)	% of Private Equity Portfolio	Policy Target%	Variance	Policy Range	Range Compliance
Venture Cap.	\$86	54%	50%	4%	30-70%	Yes
Buyouts	\$58	36%	50%	-14%	30-70%	Yes
Non-U.S.	\$16	10%	0%	10%	0-10%	No
Distributions	\$1	0%				
Total Assets	\$161	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.

Note: The method of rounding may produce the appearance of minor inconsistencies in various totals and percentages, but the differences do not affect the accuracy of the data.

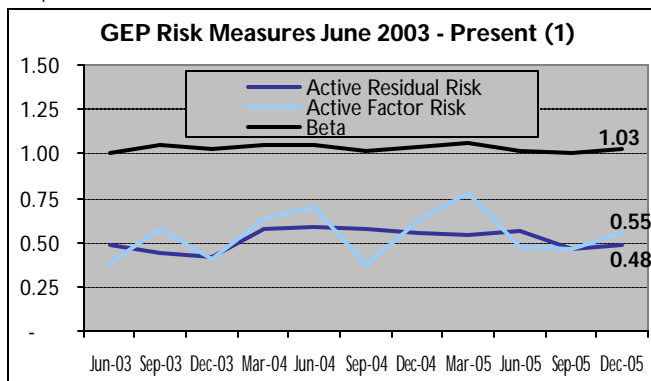
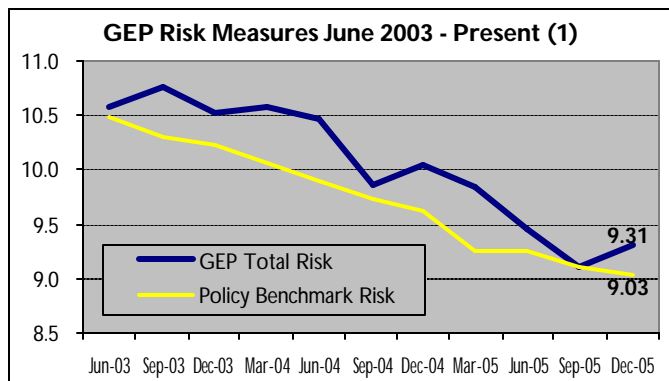
* Policy Ranges, Targets and Allocations were approved by The Regents on August 16, 2005 and are effective October 1, 2005.



GENERAL ENDOWMENT POOL (GEP)

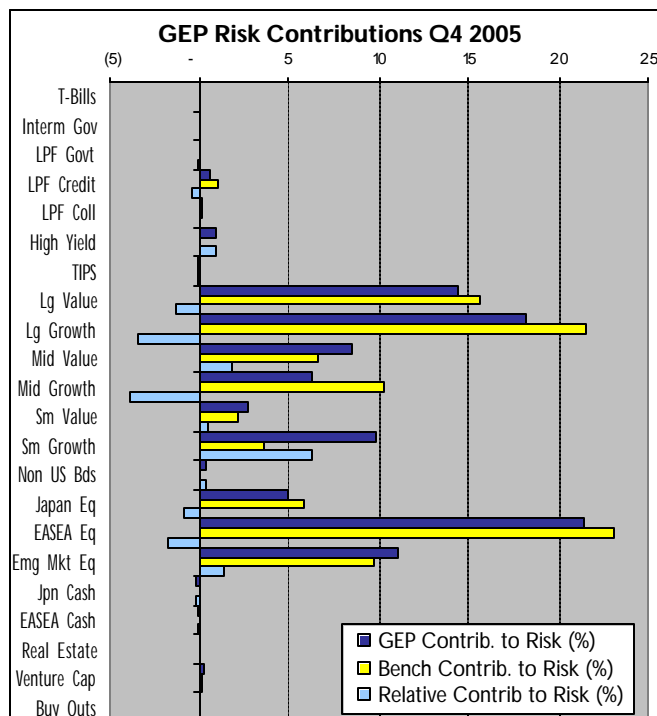
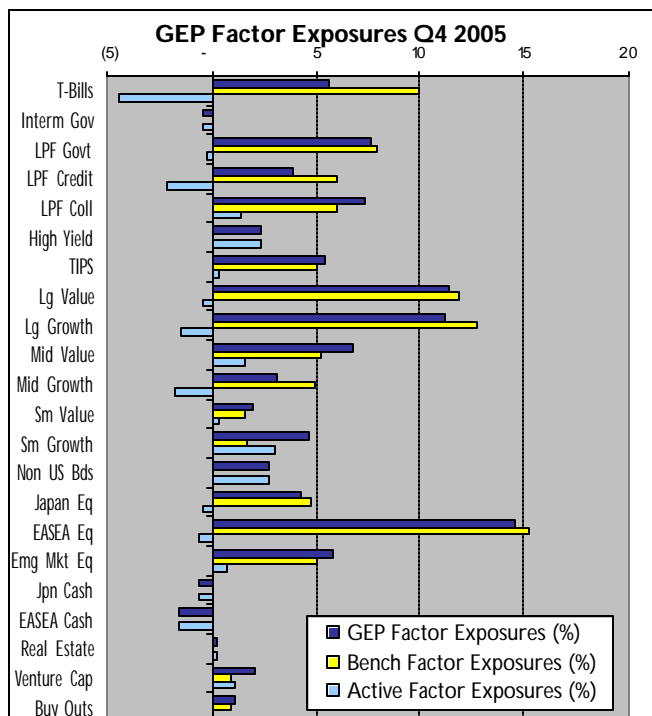
PORTFOLIO RISK DECOMPOSITION (RISK FACTOR MODEL)

December 31, 2005



FACTOR EXPOSURES (2)			
Asset Allocation (3)	GEP	Benchmark (5)	Active Exposures
US Equity	39.2	38.0	1.2
US Fixed Income	26.4	25.0	1.4
Non US (all)	25.3	25.0	0.3
Alternatives	9.1	12.0	(2.9)
TOTAL	100.0	100.0	-

RISK CONTRIBUTIONS (4)			
Risk Allocation (3)	GEP	Benchmark (5)	Relative Risk Contrib.
US Equity	60.1	59.9	0.2
US Fixed Income	1.7	1.3	0.5
Non US (all)	37.6	38.7	(1.1)
Alternatives	0.3	0.2	0.2
Subtotal Factor Risk	99.7	100.0	(0.3)
Residual Risk	0.3	-	0.3
TOTAL	100.0	100.0	(0.0)



Results shown are based on (a) total fund composition as of quarter end and (b) long term volatility and correlation estimates for 21 risk factors (market benchmarks).

1. Risk estimates are in units of standard deviation, annualized (range of likely results over one year horizon).
2. Factor exposures for each portfolio are estimated by regressing monthly returns over all risk factors.
3. Factors grouped into 4 broad categories; e.g., Domestic Equity consists of 6 risk factors. Non Marketable includes Absolute Returns.
4. Risk contributions for each factor are derived by a weighted sum of the covariances of that factor with the total fund.
5. Benchmark is the policy weights adjusted for illiquidity, and includes a weight of 2% private equity and 0% real estate.

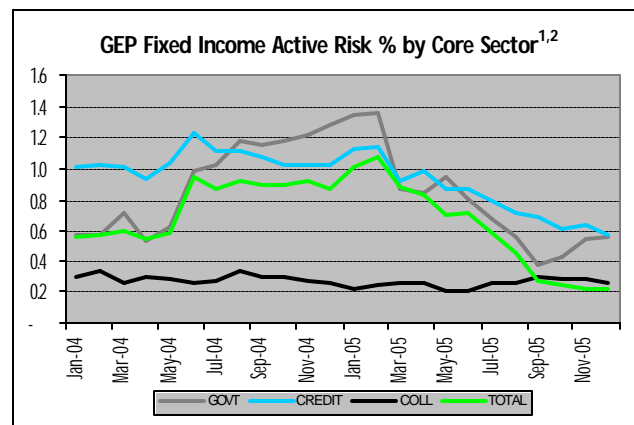
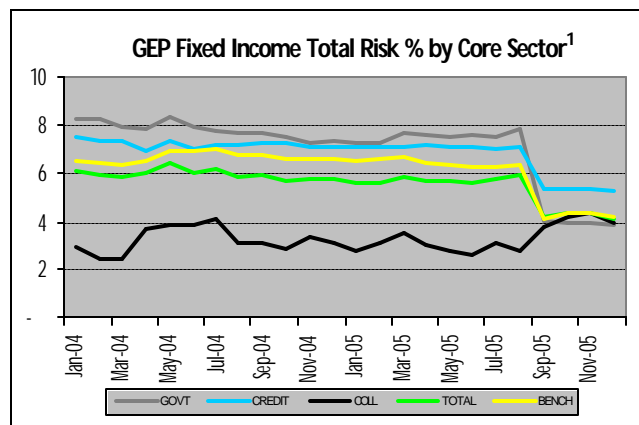
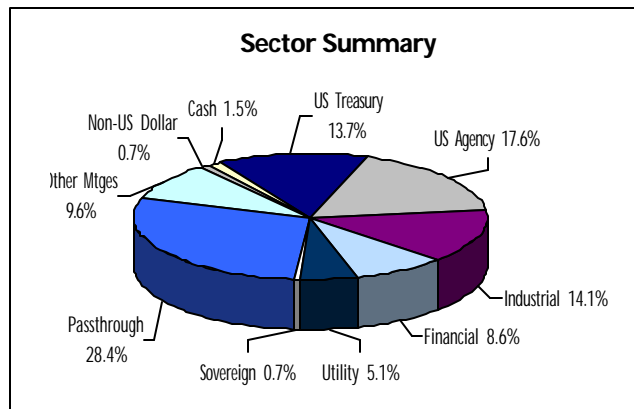
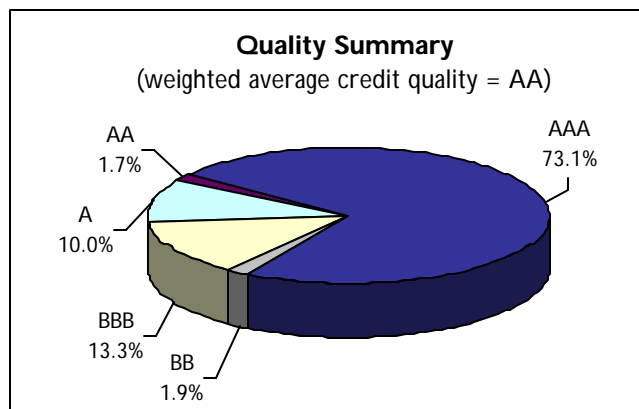


GENERAL ENDOWMENT POOL (GEP)

BOND PORTFOLIO CHARACTERISTICS

December 31, 2005

	GEP	Citigroup LPF	Policy
Average Duration	5.0	7.8	+/- 20% to LPF
Average Maturity	8.6	11.9	--
Current Yield	4.6%	5.2%	--
Average Quality	AA	AA+	A



SECTOR ALLOCATION AND ATTRIBUTION ANALYSIS
3 MONTHS ENDED December, 2005

	Portfolio Sector Alloc.	Benchmark Sector Alloc.	Active Weights	Portfolio Return	Benchmark Return	Active Returns	Sector Alloc. Effect	Security Selection Effect	Interaction Effect	Total Effect
GOVERNMENT	31.28%	40.42%	-9.13%	0.73%	0.67%	0.06%	-0.01%	0.02%	0.00%	0.02%
CORPORATE	28.48%	19.84%	8.64%	0.74%	0.49%	0.25%	-0.01%	0.05%	0.03%	0.06%
MORTGAGE	38.46%	39.75%	-1.29%	0.46%	0.59%	-0.13%	0.00%	-0.05%	0.01%	-0.04%
OTHER	0.66%	0.00%	0.66%	5.49%	0.60%	4.90%	0.00%	0.00%	0.03%	0.03%
CASH	1.13%	0.00%	1.13%	0.95%	0.86%	0.08%	0.00%	0.00%	0.00%	0.00%
TOTAL FIXED INCOME	100.00%	100.00%	0.00%	0.67%	0.59%	0.08%	-0.02%	0.02%	0.07%	0.07%

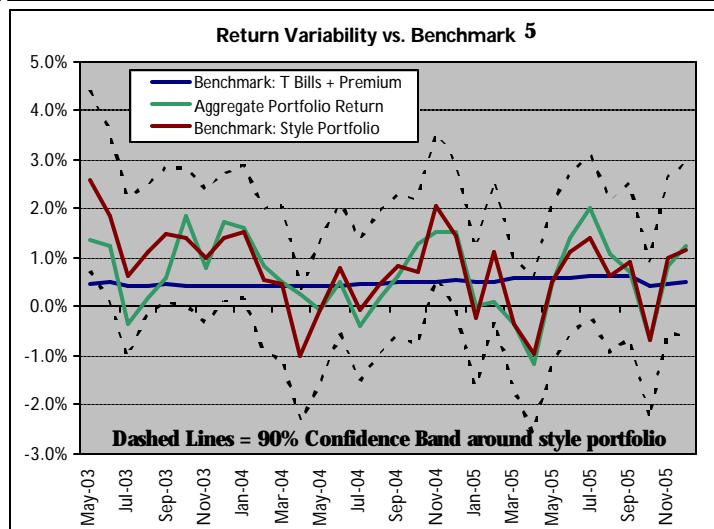
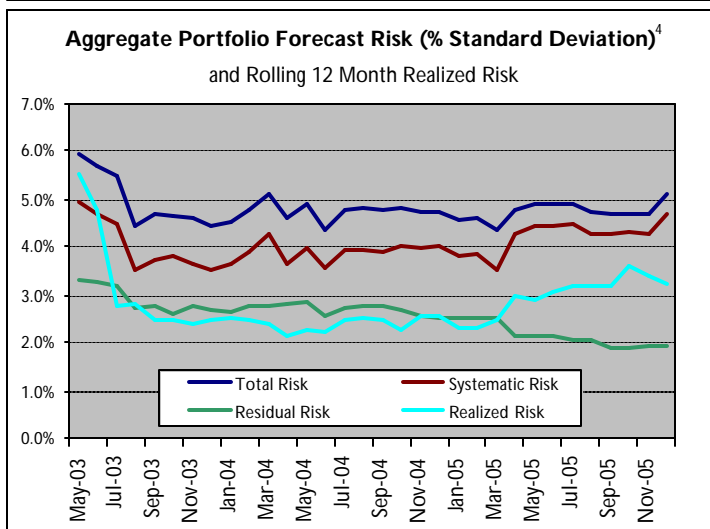
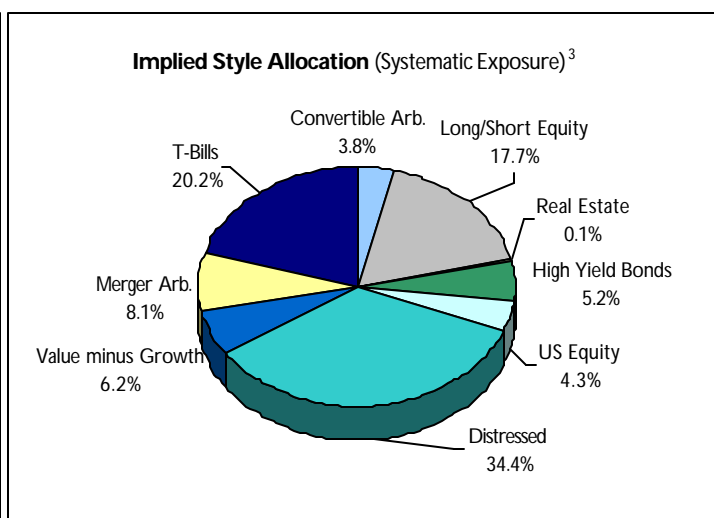
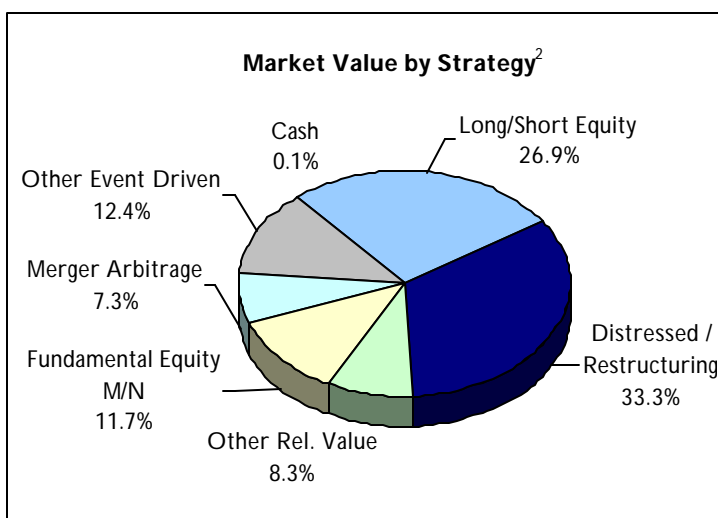
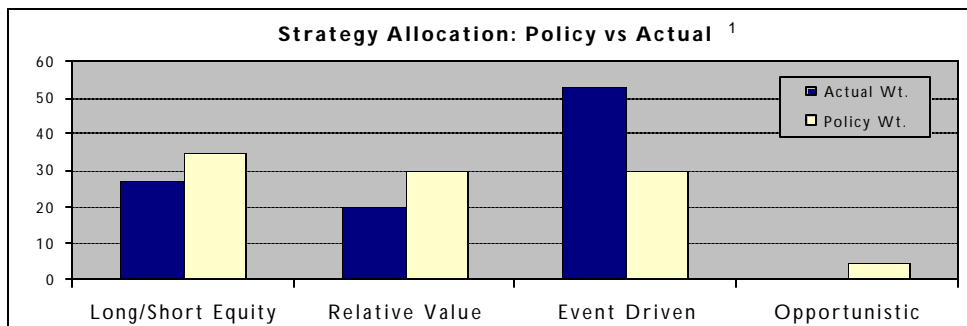
1. Month-end holdings-based portfolio data used. Data, analytics source: MSCI/Barra, Inc. Total GEP bond risk as of 12/31/05 declined to 4.2% (annualized standard deviation) compared to the benchmark total risk of 4.2%. The portfolio was repositioned from the Citi LPF to a new benchmark, the Lehman Aggregate, effective 10/1/2005.
2. Fixed Income portfolio is managed in three core sectors: Government, Credit and Collateral. Total active risk as of 12/31/05 is measured relative to its overall benchmark. Each core sector's active risk is assessed against the corresponding sector index. Total active risk as of 12/31/05 for the GEP Fixed Income portfolio was 21 bps (annualized standard deviation).



GENERAL ENDOWMENT POOL (GEP)

ABSOLUTE RETURN PORTFOLIO RISK CHARACTERISTICS

December 31, 2005



1. Market value in each of four broad strategies permitted in the Investment Guidelines (as amended August 16, 2005).
2. Additional detail of current investments by strategy.
3. Aggregate exposures to systematic risk factors as determined by statistical analysis.
4. Forward estimate of risk, considering both systematic exposures and the historical volatility of residual returns.
5. Monthly returns compared to official and style (systematic risk) benchmarks.



SHORT TERM INVESTMENT POOL (STIP)

December 31, 2005

I. Investment Performance

	Market Value (\$M)	Income Return			Annualized Income Return		
		Recent Quarter	Fiscal YTD	One Year	Three Year	Five Year	Ten Year
STIP	\$8,846	0.97%	1.94%	3.79%	3.58%	4.15%	5.17%
2-Year U.S. Treasury Notes		1.06%	2.01%	3.70%	2.51%	2.85%	4.33%
Variance		-0.09%	-0.07%	+0.09%	+1.07%	+1.30%	+0.84%

II. Asset Allocation Plan and Guideline Compliance

The STIP portfolio complies with policy guidelines unless an exception is noted below.

The STIP invests in approved fixed income investments with a maximum maturity of five years.

	Assets (\$M)	% of Portfolio
Treasury	\$1,578	18%
Corporate Notes	2,610	30%
Commercial Paper	3,218	36%
Federal Agency	1,315	15%
Certificate of Deposit	125	1%
Cash	0	0%
Total Assets	\$8,846	100%

Note: STIP's asset value is stated at amortized book value plus accrued interest. The method of rounding may produce the appearance of minor inconsistencies in various totals and percentages, but the differences do not affect the accuracy of the data.



APPENDIX 1

UC Regents Portfolio Market Value Changes Quarterly Change

	Market Value in Millions		Due to Cash In/Out Flows	Due to Investing Activities	NET CHANGE
	12/31/2005	9/30/2005	Change	Change	
UCRP	\$43,259	\$42,695	(\$267)	\$831	\$564
GEP	\$5,520	\$5,388	\$23	\$109	\$132
STIP	\$8,846	\$7,678	\$1,089	\$79	\$1,168
403(b), 457(b) & DC Plans' Funds	\$9,207	\$9,107	(\$39)	\$139	\$100
Other Endowments	\$689	\$643	NA	NA	\$46
Minus STIP in other Portfolios	(\$928)	(\$885)	NA	NA	(\$43)
	\$66,593	\$64,626	\$806 *	\$1,158 *	\$1,967

Notes: The method of rounding may produce the appearance of minor inconsistencies in various totals and percentages, but the differences do not affect the accuracy of the data. STIP asset values is stated at amortized book value plus accrued interest.

* Values do not include Other Endowments and STIP held in other portfolios.



APPENDIX 1

UC Regents Portfolio Market Value Changes 1 Year Change

	Market Value in Millions		Due to Cash In/Out Flows	Due to Investing Activities	NET CHANGE
	12/31/2005	12/31/2004	Change	Change	
UCRP	\$43,259	\$41,978	(\$1,385)	\$2,666	\$1,281
GEP	\$5,520	\$5,126	\$65	\$329	\$394
STIP	\$8,846	\$7,777	\$781	\$288	\$1,069
403(b), 457(b) & DC Plans' Funds	\$9,207	\$8,540	\$203	\$464	\$667
Other Endowments	\$689	\$669	NA	NA	\$20
Minus STIP in other Portfolios	(\$928)	(\$1,093)	NA	NA	\$165
	\$66,593	\$62,996	(\$336) *	\$3,747 *	\$3,597

Note: The method of rounding may produce the appearance of minor inconsistencies in various totals and percentages, but the differences do not affect the accuracy of the data. STIP asset value is stated at amortized book value plus accrued interest.

* Values do not include Other Endowments and STIP held in other portfolios.



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	July 2003 - Dec. 2004	since Jan. 2005	
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)- 0.6 x actual wt (RE)	58% - actual wt (PE)- 0.6 x actual wt (RE)	
Non-US Equity	MSCI ACWI ex US		7%	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		
Private Equity	Actual P.E. Returns						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)	30% - 0.4 x actual wt (RE)	
TIPS	LB TIPS				5%	5%	5%	
Real Estate	Real Estate Benchmark*					actual wt	actual wt	
Total		100%	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)- 0.6 x actual wt(RE)	40% - actual wt(PE)	40%-actual wt(PE)- 0.6 x actual wt(RE)
Non-US Equity	MSCI ACWI ex US		7%	7%	7%	10%		
Developed	MSCI World ex US Net TF						20%	20%
Emerging Mkt	MSCI Emg Mkt Free Net						5%	5%
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		
Private Equity	Actual Return of PE Port.						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)	20% - 0.4 x actual wt (RE)	
	Lehman Aggregate							20% - 0.4 x actual wt (RE)
TIPS	Lehman TIPS						5%	5%
Absolute Return	30-Day US T-Bill + 4.5%					5%	10%	
	30-Day US T-Bill + 2%							10%
Real Estate	Real Estate Benchmark*					actual wt	actual wt	actual wt
Total		100%	100%	100%	100%	100%	100%	100%
STIP								
		prior to June 2002	since July 2002					
2-Year US Treasury Note Yield		100%						
2-Year US Treasury Note Income Return			100%					
Total		100%	100%					

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