

HISTORICAL PERFORMANCE
PERMANENT UNIVERSITY FUND, LONG TERM FUND
AND SHORT/INTERMEDIATE TERM FUND
FOR THE YEARS 1993 - 1997

PERMANENT UNIVERSITY FUND

	Years Ending August 31					Five Years Ending August 31
	1993	1994	1995	1996	1997	1993-97
Fixed Income (1)	11.7%	1.1%	13.9%	3.9%	11.3%	7.8%
Domestic Equities (2)	12.9%	5.8%	19.7%	17.2%	38.6%	18.4%
International Equities (3)	N/A	12.5%	0.3%	9.7%	12.6%	N/A
Alternative Assets (4)	12.9%	41.5%	23.5%	25.9%	17.2%	23.9%
Total Fund ¹	<u>12.4%</u>	<u>3.3%</u>	<u>16.1%</u>	<u>10.7%</u>	<u>23.8%</u>	<u>13.1%</u>

LONG TERM FUND

	Years Ending August 31					Five Years Ending August 31
	1993	1994	1995	1996	1997	1993-97
Fixed Income (1)	12.0%	1.1%	13.2%	4.5%	11.0%	7.8%
Domestic Equities (2)	12.9%	5.7%	19.6%	17.4%	36.6%	18.0%
International Equities (3)	N/A	12.5%	0.1%	9.5%	15.1%	N/A
Alternative Assets (4)	11.9%	32.1%	35.1%	14.2%	16.3%	21.5%
Total Fund ¹	<u>12.2%</u>	<u>4.2%</u>	<u>15.8%</u>	<u>11.6%</u>	<u>25.1%</u>	<u>13.6%</u>

SHORT / INTERMEDIATE TERM FUND

	Years Ending August 31					Five Years Ending August 31
	1993	1994	1995	1996	1997	1993-97
Total Fund (5)	<u>N/A</u>	<u>2.0%</u>	<u>6.7%</u>	<u>4.8%</u>	<u>8.1%</u>	<u>N/A</u>

BENCHMARKS

	Years Ending August 31					Five Years Ending August 31
	1993	1994	1995	1996	1997	1993-97
(1) Salomon Broad Index	11.1%	1.5%	11.4%	4.1%	10.0%	6.9%
(2) S & P 500 Index	15.2%	5.5%	21.5%	18.7%	40.6%	19.7%
(2) Russell 3000	18.1%	4.8%	21.8%	17.3%	38.4%	19.6%
(3) Financial Times Actuaries World (excluding U.S.)	26.9%	10.8%	0.1%	8.3%	9.1%	10.7%
(4) S & P 500 + 5%	20.2%	10.5%	26.5%	23.7%	45.6%	24.7%
(5) Composite Index	N/A	1.7%	7.6%	5.2%	7.0%	N/A
Consumer Price Index	2.8%	2.9%	2.6%	2.9%	2.2%	2.7%

Source of data: The University of Texas Investment Management Company (UTIMCO)

Notes: ¹ Includes cash not allocated to an investment portfolio.

Numerical notation indicates which benchmark is applicable to each asset class shown.