Reading Your Endowment Report

THE UNIVERSITY OF TEXAS/TEXAS A&M INVESTMENT MANAGEMENT COMPANY

DONOR ENDOWMENT

YEAR ESTABLISHED: 1988 **BOOK VALUE: $129,499.04**

Activity from September 1, 2024 to August 31, 2025

Market Value as of September 1, 2024 *The market value of investment holdings on the date specified.*	$396,309.84
Contributions and Reinvestments *New gifts and distributions/allocations reinvested to the endowment during this time period.*	-
Withdrawals *Funds withdrawn from the endowment. Withdrawals are generally made due to an administrative adjustment or if the endowment is a term endowment.*	-
Net Investment Returns (Losses) *Total net investment growth or loss to the value of the fund.*	38,511.03
Distributions and Allocations:	
Distributions to Endowment Income Account *These funds were made available for expenditure according to the purpose of the endowment.*	(17,427.68)
Development Allocation *Fee of 0.80% (80 basis points) of the average net asset value of the endowment's Long Term Fund unit holdings approved by the UT Board of Regents to be disbursed to each institution to ensure endowment administration and compliance; to provide more adequate funding for development operations at the institution; and to substantially increase philanthropic revenue to support education, research, and clinical missions and goals of the institution.*	(3,110.10)
Total Distributions and Allocations	(20,537.78)
Market Value as of August 31, 2025	$414,283.09

Five-Year Investment History

YEAR ENDED 8/31	NET CONTRIBUTIONS (WITHDRAWALS)	INCOME REINVESTED	DISTRIBUTIONS /ALLOCATIONS	INVESTMENT RETURN	TOTAL MARKET VALUE	TOTAL BOOK VALUE	LTF MARKET VALUE	LONG TERM FUND UNITS
2021	-	-	(17,496.60)	104,398.06	422,916.38	129,499.04	422,916.38	41,742.92
2022	-	-	(17,889.29)	(25,501.82)	379,525.27	129,499.04	379,525.27	41,742.92
2023	-	-	(18,643.02)	16,955.68	377,837.93	129,499.04	377,837.93	41,742.92
2024	-	-	(19,568.21)	38,040.12	396,309.84	129,499.04	396,309.84	41,742.92
2025	-	-	(20,537.78)	38,511.03	414,283.09	129,499.04	414,283.09	41,742.92

Sum of the market value of the investment holdings for the endowment at the beginning of the year (September 1, 2024).

Funds received from donors or matching funds. Contributions may be received in the form of cash, securities, real estate, mineral interests, and other assets. Contributions are reported at market value on the contribution date. Includes reinvestment of distributions and allocations into the endowment principal which becomes a permanent part of the endowment. Allocations reinvested represent amounts not received by the institution, i.e., the difference between the amount available and the actual amount sent to the institution.

Total funds distributed to the institution to support the purposes of the endowment. In some instances, the distributions are not received in cash but are automatically reinvested into the endowment principal. Distributions (payout) are derived from the LTF units held by the endowment and any separately invested assets.

The LTF distributions are determined by the number of units held and payout in cents per unit.

The separately invested assets receive income, which may include interest, dividends, and real estate income that is also distributed to the institution.

Summary of information presented in the body of the Endowment Report for years 2021 through 2025.

Sum of the book value of the investment holdings held at the end of the year. The book value also represents all contributions, reinvested income and any realized gains (losses) attributable to the sale of an investment. The difference between market value and book value is unrealized gains and losses.

Endowment's investment in the LTF. It is the number of LTF units held by the endowment multiplied by the LTF market value per unit at the end of the year.

Number of LTF units held by the endowment at the end of the year.

Beginning market value, plus contributions and additions and net investment return, less withdrawals and cash distributions and allocations. This value will also comprise the sum of the market value of the investment holdings for the endowment at the end of the year.

Total funds allocated to support strategic endowment and fundraising growth. Amount shown is the maximum allocation available and charged to the LTF.

Represents the change in endowment value during the period attributable to both realized and unrealized capital appreciation and income net of all investment fees and expenses, from both the LTF and separately invested assets. Separately invested assets are individual investment holdings of the endowment such as real estate, stocks, bonds, and mineral interests.

Funds that are withdrawn from the endowment. Because most endowments are perpetual, withdrawals are minimal. Those made are normally due to an administrative adjustment or if the endowment is a term endowment.

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Average Market Value is derived from the sum of the endowment's market value for the five quarters ended August 31, 2025 divided by five.

Computes the change in the endowment's investment value, including capital appreciation (realized and unrealized gains and losses), investment income net of all investment fees and allocations expressed as a percentage of the endowment's market value at the beginning of the year (September 1, 2024).

Endowment's return is calculated individually for the twelve month periods ended August 31, 2021, 2022, 2023, 2024, and 2025 and the results are geometrically linked to provide a five year annualized return. The total return computes the change in the endowment's investment value, including capital appreciation (realized and unrealized gains and losses), investment income net of all investment fees and allocations expressed as a percentage of the endowment's market value at the beginning of the period.

Endowment's return is calculated individually for the twelve month periods ended August 31, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, and 2025 and the results are geometrically linked to provide a ten year annualized return. The total return computes the change in the endowment's investment value, including capital appreciation (realized and unrealized gains and losses), investment income net of all investment fees and allocations expressed as a percentage of the endowment's market value at the beginning of the period.

Endowment Distribution Percentage

Average Market Value for Period Ended August 31, 2025 Five quarter average	Total Distributions to Endowment Income Account as a % of Average Market Value
$401,349.78	4.34%

Total cash distributions divided by the average market value.

Individual Endowment Return (Unitholder Level)

One Year	9.14%
Three Years (Annualized)	7.44%
Five Years (Annualized)	8.61%
Ten Years (Annualized)	8.04%

Endowment's return is calculated individually for the twelve month periods ended August 31, 2023, 2024, and 2025 and the results are geometrically linked to provide a three year annualized return. The total return computes the change in the endowment's investment value, including capital appreciation (realized and unrealized gains and losses), investment income net of all investment fees and allocations expressed as a percentage of the endowment's market value at the beginning of the period.

Long Term Fund Return and Expenses (Fund Level)

		Annualized		
	One Year	Three Years	Five Years	Ten Years
Investment Return (Net of Fees)	10.01%	8.29%	9.43%	8.67%
Investment Related Fees:				
UTIMCO Management Services	0.08%	0.09%	0.09%	0.09%
Other Investment Management Costs	0.02%	0.02%	0.02%	0.02%
External Investment Manager Fees	2.52%	2.14%	2.37%	2.22%
Total Investment Related Fees	2.62%	2.25%	2.48%	2.33%
Estimated Investment Return (Gross of Fees) (1)	12.63%	10.54%	11.91%	11.00%

		Annualized		
	One Year	Three Years	Five Years	Ten Years
Investment Return (Net of Fees)	10.01%	8.29%	9.43%	8.67%
Endowment Policy Portfolio (2)	6.73%	7.06%	8.37%	7.57%
Net Investment Return in Excess of Benchmark	3.28%	1.23%	1.06%	1.10%

(1) The Estimated Gross of Fees Investment Return shown above is an approximation of the investment return before the impact of investment related fees. The investment fee ratios have been calculated on a calendar year basis for the respective years of the periods.

(2) The Endowment Policy Portfolio is the index or benchmark for the endowment funds that UTIMCO manages. The return of the Endowment Policy Portfolio is the sum of weighted benchmark returns of the approved benchmarks for each asset class weighted by the target allocations as outlined in the Long Term Fund's Investment Policy Statement.

The LTF is charged various amounts for investment management and UT System and UT System institution administrative purposes.

The UTIMCO management services fee represents UTIMCO's costs of managing the investments and providing day-to-day operations.

Other investment management costs include custody fees, consulting fees, legal fees, accounting fees, background check fees and risk management services fees.

External investment manager fees are either paid directly or, in the case of private investment general partners, hedge fund managers and mutual fund investments, are netted against investment returns in accordance with standard industry practice.