

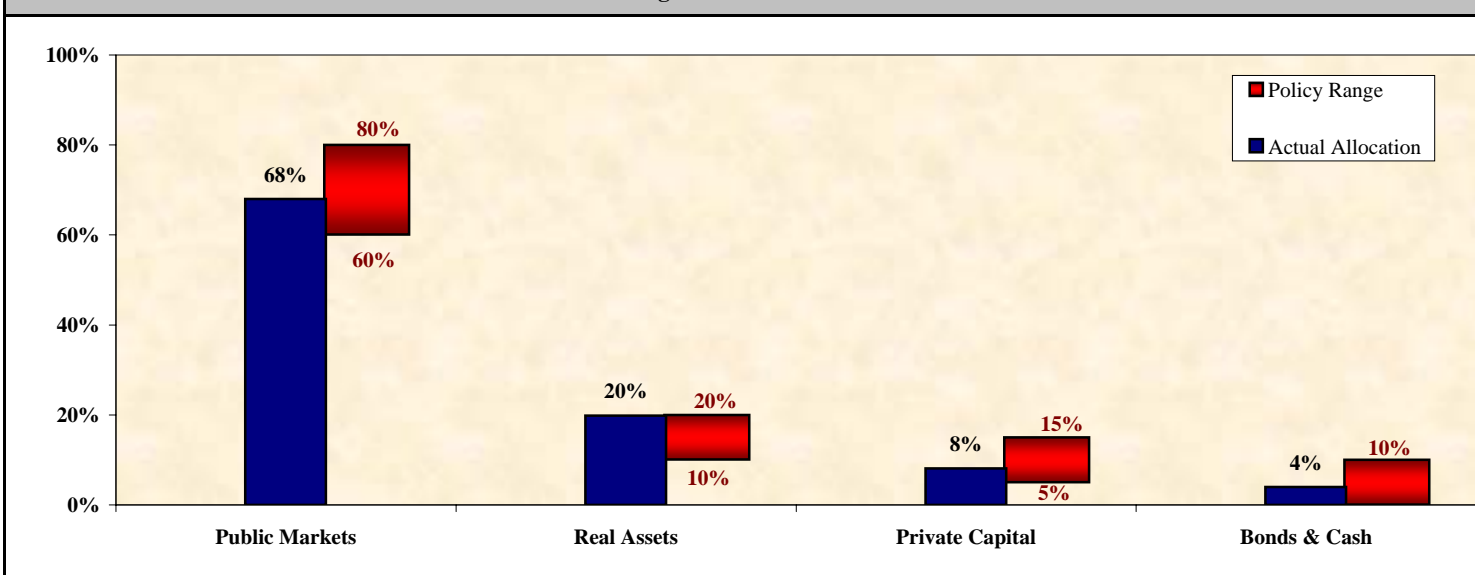
The University System of Maryland Foundation, Inc.

Endowment Portfolio Review - As of December 31st, 2007

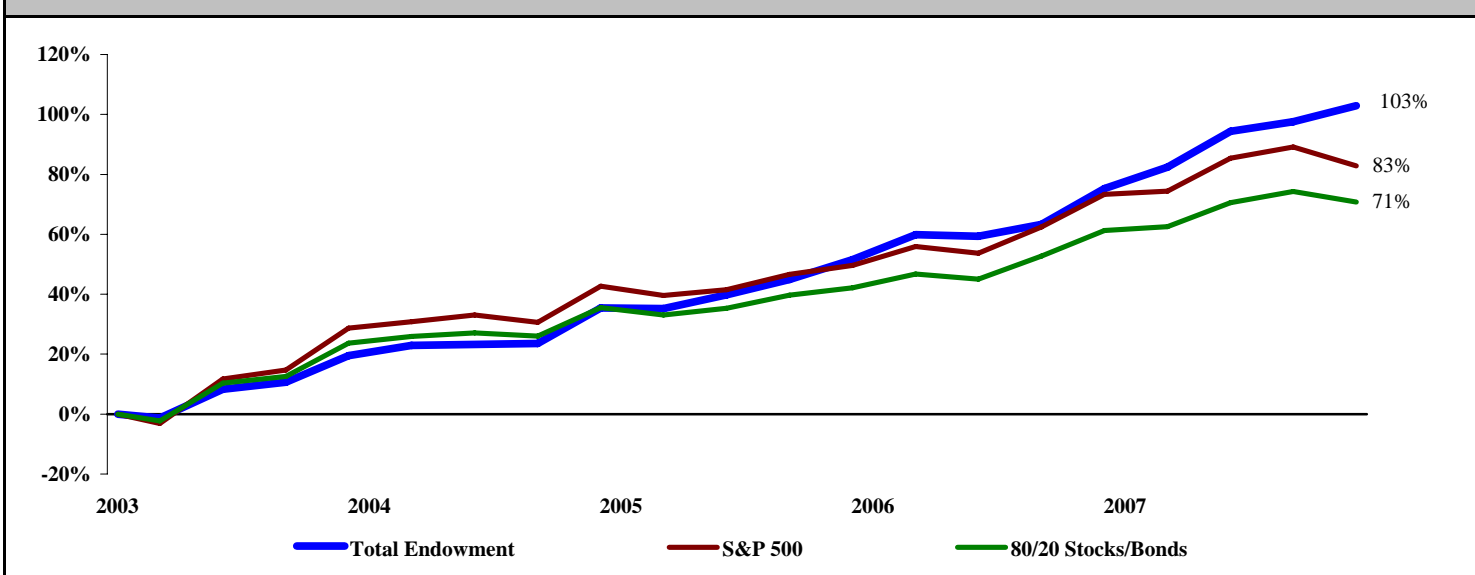
Performance - as of 12/31/2007

<i>Preliminary</i>	4th Qtr 2007	CY 2007	FYTD 2008	3 Year Annualized	5 Year Annualized	10 Year Annualized
Total Investment Pool	2.7%	16.0%	4.4%	14.4%	15.2%	9.3%
S&P 500 Index	-3.3%	5.5%	-1.4%	8.6%	12.8%	5.9%
Lehman Bros. Agg. Index	3.0%	7.0%	5.9%	4.6%	4.4%	6.0%
Total Investment Pool ¹	\$876 million					

Actual vs. Target Allocation - as of 12/31/2007



5 Year Cumulative Return: Jan 2003 - Dec 2007



(1) Total Investment Pool includes \$845 million of Endowment assets and a \$31 million investment from the Operating Fund.

The University System of Maryland Foundation, Inc.

Performance By Asset Class - as of December 31, 2007

	<u>4th Qtr</u> <u>2007</u>	<u>CY</u> <u>2007</u>	<u>FYTD</u> <u>2008</u>	<u>3 Year</u> <u>AACR</u>	<u>5 Year</u> <u>AACR</u>	<u>10 Year</u> <u>AACR</u>
Total Public Markets	2.7%	14.8%	3.7%	13.5%	16.1%	9.1%
Directional Equities	-0.2%	10.3%	-0.2%	14.1%	18.3%	9.6%
<i>MSCI World Index</i>	<i>-2.4%</i>	9.0%	<i>-0.1%</i>	12.8%	17.0%	7.0%
Net Long U.S.	-6.0%	-1.0%	-8.7%	6.7%	13.4%	7.3%
<i>S&P 500 Index</i>	<i>-3.3%</i>	5.5%	<i>-1.4%</i>	8.6%	12.8%	5.9%
<i>Russell Mid Cap Index</i>	<i>-3.5%</i>	5.6%	<i>-3.9%</i>	11.1%	18.2%	9.9%
<i>Russell 2000 Index</i>	<i>-4.6%</i>	<i>-1.6%</i>	<i>-7.5%</i>	6.8%	16.3%	7.1%
Net Long International	5.4%	22.7%	8.5%	26.2%	27.1%	12.4%
<i>MSCI EAFE Index</i>	<i>-1.8%</i>	11.2%	0.4%	16.8%	21.6%	8.7%
Absolute Return	5.5%	19.3%	7.4%	12.2%	13.3%	--
<i>90-Day T Bills + 500 bps</i>	2.3%	10.4%	5.0%	9.7%	8.4%	9.1%
Real Assets	3.4%	25.0%	6.7%	32.8%	--	--
<i>GSCI Commodities Index</i>	11.6%	32.7%	24.5%	12.3%	14.9%	9.3%
<i>XAU Gold & Silver Index</i>	2.8%	21.9%	27.6%	20.4%	17.7%	8.9%
<i>Wilshire REIT Index</i>	<i>-14.7%</i>	<i>-19.4%</i>	<i>-14.1%</i>	7.8%	17.8%	10.8%
Real Assets Marketable	3.4%	36.5%	6.3%	35.8%	--	--
Real Estate¹	--	20.6%	5.5%	16.0%	--	--
Energy & Natural Resources¹	--	10.3%	1.1%	69.3%	--	--
Private Capital¹	--	12.8%	3.7%	10.3%	9.0%	--
Bonds & Cash	2.2%	6.0%	4.6%	4.2%	3.4%	4.7%
<i>LB 1-3 Year Govt. Index</i>	2.3%	7.1%	4.9%	4.3%	3.2%	4.8%
<i>LB Aggregate Bond Index</i>	3.0%	7.0%	5.9%	4.6%	4.4%	6.0%
Total Investment Pool	2.7%	16.0%	4.4%	14.4%	15.2%	9.3%

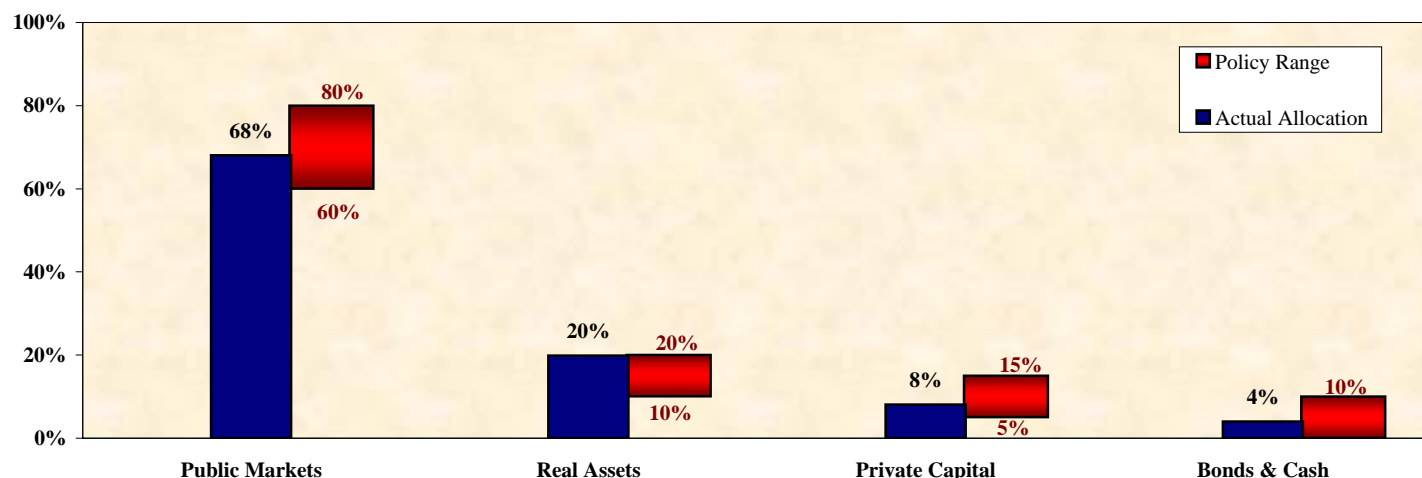
Note: Index data obtained through PerTrac Indices and Cambridge Associates.

(1) Performance is as of 9/30/2007.

The University System of Maryland Foundation, Inc.

Asset Allocation - as of December 31, 2007

Actual vs. Target Allocation - as of 12/31/2007



Asset Class	Market Value (\$millions)	% of Total Investment Pool	Policy Target Range	\$ Variance Over/(Under) Range
Total Public Markets	\$596.1	68.0%	60% - 80%	In Range
Directional Equities	\$279.2	31.9%		
<i>Net Long U.S.</i>	\$128.4	14.7%		
<i>Net Long International</i>	\$150.8	17.2%		
Absolute Return	\$316.9	36.2%		
Real Assets	\$174.1	19.9%	10% - 20%	In Range
Real Assets Marketable	\$61.1	7.0%		
Real Estate	\$62.4	7.1%		
Energy & Natural Resources	\$50.6	5.8%		
Private Capital	\$71.0	8.1%	5% - 15%	In Range
Private Equity	\$32.9	3.8%		
Private Distressed	\$23.4	2.7%		
Venture Capital	\$9.2	1.1%		
Mezzanine	\$5.4	0.6%		
Bonds & Cash	\$35.2	4.0%	0% - 10%	In Range
Portfolio Hedges	\$0.0	0.0%		--
Total Investment Pool	\$876.3	100.0%		

The University System of Maryland Foundation, Inc.

Operating Portfolio Review - As of December 31, 2007

Operating Fund Performance - as of 12/31/2007

	FYTD 2008	FY 2007	FY 2006	FY 2005	FY 2004
Fixed Income	5.5%	5.5%	2.6%	4.3%	-0.1%
<i>LB Intermediate Gvt-Credit Index</i>	5.9%	5.8%	-0.2%	4.8%	-0.1%
Absolute Return	2.4%	14.8%	8.7%	6.7%	8.0%
<i>90-day T-bills plus 500 bps</i>	5.0%	10.6%	9.3%	7.4%	6.2%
Endowment Investment	4.4%	22.0%	14.0%	13.4%	13.7%
<i>S&P 500 Index</i>	-1.4%	20.6%	8.6%	6.3%	19.1%
<i>Lehman Bros. Agg. Index</i>	5.9%	6.1%	-0.8%	6.8%	0.3%
Cash	2.3%	5.0%	4.0%	2.1%	1.0%
Total Operating Portfolio	3.8%	12.6%	7.0%	5.7%	2.0%
<i>90-day T-bills</i>	2.4%	5.2%	4.0%	2.2%	1.0%
<i>LB Intermediate Gvt-Credit Index</i>	5.9%	5.8%	-0.2%	4.8%	-0.1%

Operating Fund Actual vs. Target Allocation - as of 12/31/2007

