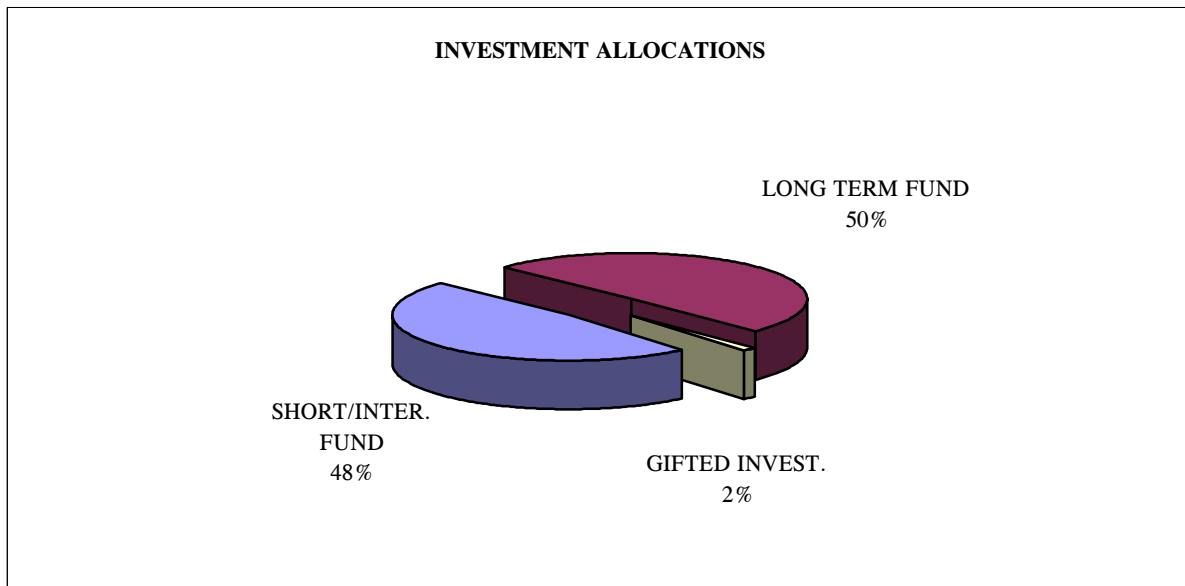


**TEXAS TECH UNIVERSITY SYSTEM  
MANAGED INVESTMENTS  
YEAR ENDED February 28, 2005**

<b>FUND</b>	<b>February 28, 2005 MARKET VALUE</b>	<b>ONE YEAR TOTAL RETURN</b>
SHORT/INTERMEDIATE TERM FUND	\$ 416,252,106	1.88%
LONG TERM INVESTMENT FUND	\$ 432,472,788	10.90%
GIFTED INVESTMENTS	\$ 13,163,587	5.17%
<b>TOTAL</b>	<b><u>\$ 861,888,481</u></b>	



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**TEXAS TECH UNIVERSITY SYSTEM**  
**MARKET VALUES OF INVESTMENT POOLS**  
**INVESTMENT ACTIVITY**  
**Quarter Ended February 28, 2005**

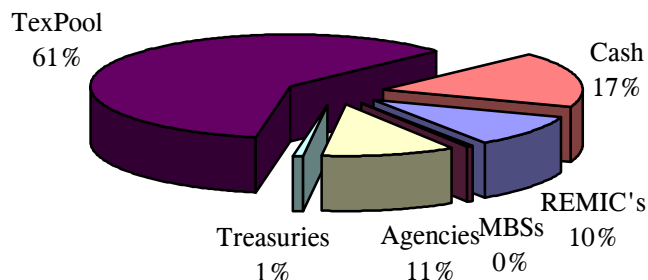
	<div> <div>SHORT</div> <div>INTERMEDIATE</div> <div>TERM FUND</div> </div>		<div> <div>LONG TERM</div> <div>INVESTMENT</div> <div>FUND</div> </div>	
Market Value @ 11/30/04	\$	427,347,964	\$	410,948,542
Net Additions	\$	(15,177,593)	\$	7,049,768
Distributions	\$	-	\$	(7,435,427)
Investment Income	\$	3,085,400	\$	2,404,683
Realized Gains (Losses)	\$	(396,558)	\$	10,056,150
Unrealized Gains (Losses)	\$	1,392,893	\$	9,449,072
Market Value @ 02/28/05	\$	416,252,106	\$	432,472,788

**SHORT/INTERMEDIATE TERM INVESTMENT FUND**  
**TEXAS TECH UNIVERSITY SYSTEM**  
**AS OF February 28, 2005**

INVESTMENT TYPE	MARKET VALUE 02/28/05	% OF TOTAL	ONE YEAR YIELD	ONE YEAR TOTAL RETURN
<b><u>SHORT-TERM ASSETS</u></b>				
<b>PRIMARY DEPOSITORY CASH:</b>				
PNB FINANCIAL BANK REPURCHASE AGREEMENT	\$69,799,872	16.77%	1.86%	1.86%
<b>SECONDARY DEPOSITORY CASH</b>	<b>\$2,857,780</b>	<b>0.69%</b>	<b>0.28%</b>	<b>0.28%</b>
<b>TEXPOOL</b>	<b>\$250,752,770</b>	<b>60.24%</b>	<b>1.68%</b>	<b>1.68%</b>
<b>TOTAL SHORT TERM ASSETS</b>	<b>\$323,410,422</b>	<b>77.70%</b>	<b>1.68%</b>	<b>1.68%</b>
<b><u>SHORT/INTERMEDIATE TERM ASSETS</u></b>				
<b>U.S. TREASURIES (unannualized returns; purchased 12/04)</b>	<b>\$4,124,022</b>	<b>0.99%</b>	<b>0.64%</b>	<b>-0.87%</b>
<b>TOTAL SHORT/INTERMEDIATE TERM ASSETS</b>	<b>\$4,124,022</b>	<b>0.99%</b>	<b>0.64%</b>	<b>-0.87%</b>
<b><u>INTERMEDIATE TERM ASSETS</u></b>				
<b>CALLABLE AGENCY SECURITIES</b>	<b>\$44,897,053</b>	<b>10.79%</b>	<b>4.92%</b>	<b>2.99%</b>
<b>MBSs</b>	<b>\$1,738,520</b>	<b>0.42%</b>	<b>3.79%</b>	<b>1.21%</b>
<b>REAL ESTATE MORTGAGE INVESTMENT CONDUITS (REMICs):</b>				
FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA)	\$14,216,732	3.42%		
FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC)	\$27,865,357	6.69%		
<b>TOTAL REMIC'S</b>	<b>\$42,082,089</b>	<b>10.11%</b>	<b>5.34%</b>	<b>1.76%</b>
<b>TOTAL INTERMEDIATE TERM ASSETS</b>	<b>\$88,717,661</b>	<b>21.31%</b>	<b>5.00%</b>	<b>2.10%</b>
<b>TOTAL SHORT/INTERMEDIATE TERM INVESTMENT FUND</b>	<b>\$416,252,106</b>	<b>100.00%</b>	<b>3.24%</b>	<b>1.88%</b>

<b>PERFORMANCE BENCHMARKS:</b>			
<b>LEHMAN BROTHERS INTER. TERM U.S. TREASURY INDEX</b>		<b>3.75%</b>	<b>0.05%</b>
<b>LEHMAN BROTHERS INTER. TERM GOVERNMENT INDEX</b>		<b>3.83%</b>	<b>0.39%</b>

**INVESTMENT COMPONENTS**

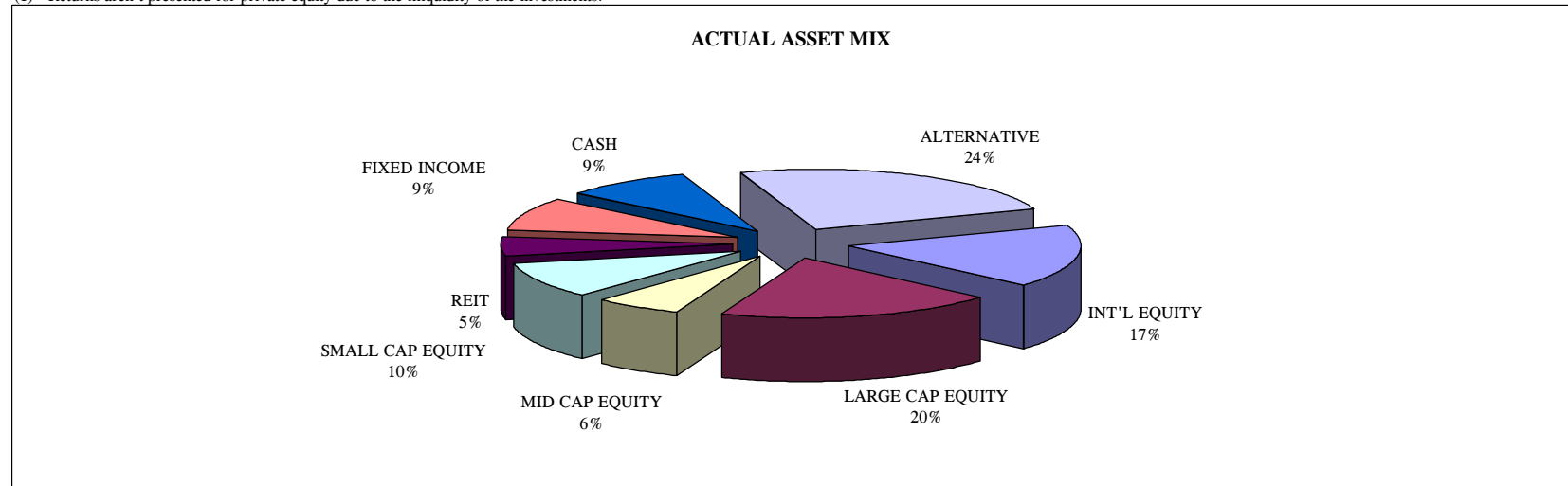


**TEXAS TECH UNIVERSITY SYSTEM  
LONG TERM INVESTMENT FUND**

**AS OF February 28, 2005**

Manager	Market Value					Performance Measures			Benchmarks			
	Fixed Income	Equities	Cash & Equiv.	Alternative	Total	Quarter	Year to Date	One Year	Index	Quarter to Date	Year to Date	One Year
Pacific	-	32,699,673	1,154,505	-	33,854,178	2.90%	(2.20%)	5.70%	Russell 1000 Value	4.90%	1.50%	13.70%
Acadian	-	6,228,991	-	-	6,228,991	13.50%	7.30%	35.60%	Citigroup EMI-PAC	11.30%	6.00%	27.60%
Julius Baer	-	18,027,216	-	-	18,027,216	10.20%	4.50%	21.80%	EAFE (\$US)	6.90%	2.40%	18.70%
GMO - Emerging Markets	-	14,177,893	-	-	14,177,893	16.80%	11.00%	31.40%	MSCI Emerging Markets	14.20%	9.00%	26.40%
GMO - Int'l Small	-	5,447,633	-	-	5,447,633	11.30%	5.60%	24.50%	Citigroup EMI-PAC	11.30%	6.00%	27.60%
GMO - Foreign Fund II	-	17,091,229	-	-	17,091,229	6.40%	1.50%	19.40%	EAFE (\$US)	6.90%	2.40%	18.70%
The Boston Company	-	11,964,089	-	-	11,964,089	11.90%	6.50%	26.20%	MSCI Emerging Markets	14.20%	9.00%	26.40%
Ssga Passive Bond	38,887,067	-	-	-	38,887,067	0.90%	0.00%	2.30%	Lehman Aggregate	1.00%	0.00%	2.40%
K.G. Redding	-	22,759,474	263,698	-	23,023,172	0.70%	(5.20%)	22.40%	Wilshire REIT Index	(0.90%)	(5.80%)	18.50%
Martingale	-	17,062,801	184,632	-	17,247,433	2.30%	(1.30%)	17.90%	Russell 2000 Value	0.40%	(2.00%)	13.60%
DFA Micro-Cap	-	8,796,788	-	-	8,796,788	1.10%	(3.30%)	7.70%	Russell 2000	0.30%	(2.60%)	9.50%
Batterymarch	-	15,137,931	194,422	-	15,332,353	3.00%	1.20%	14.00%	Russell 2000	0.30%	(2.60%)	9.50%
Ssga US Market Index	-	51,833,712	-	-	51,833,712	2.90%	(0.70%)	7.60%	Wilshire 5000	3.10%	(0.50%)	7.90%
Hotchkis & Wiley	-	27,004,603	547,649	-	27,552,253	4.00%	0.50%	19.10%	Russell MidCap Value	5.00%	1.10%	18.90%
<b>Absolute Return:</b>												
Cash Account	-	-	36,417,420	-	36,417,420	0.50%	0.30%	1.10%	91-day T-Bill	0.50%	0.30%	1.50%
GMO - Absolute Return	-	-	-	16,904,661	16,904,661	6.20%	3.60%	N/A	S&P 500	3.00%	(0.40%)	N/A
AQR Absolute Return	-	-	-	10,488,152	10,488,152	1.60%	2.10%	1.00%	CSFB Multi Strategy Hedge	2.30%	1.00%	6.50%
Ariel	-	-	-	13,050,780	13,050,780	4.80%	1.90%	17.20%	CSFB Event Driven	4.30%	1.60%	12.40%
GMO - Mean Reversion	-	-	-	11,584,221	11,584,221	8.40%	7.80%	N/A	91-day T-Bill + 4%	1.50%	1.00%	N/A
King Street	-	-	-	9,768,718	9,768,718	4.70%	3.30%	10.60%	CSFB Distressed Hedge	4.10%	2.10%	14.30%
New Castle	-	-	-	11,269,171	11,269,171	5.10%	5.20%	5.40%	91-day T-Bill	1.50%	1.00%	5.50%
Oaktree - Emerging Markets	-	-	-	3,371,148	3,371,148	2.80%	2.00%	6.20%	CSFB Long/Short Hedge	3.80%	1.20%	8.80%
Taconic	-	-	-	6,124,704	6,124,704	3.50%	1.40%	10.40%	CSFB Event Driven	4.30%	1.60%	12.40%
<b>Private Equity: (1)</b>												
Oaktree - Opp Fund III	-	-	-	2,748,993	2,748,993							
Oaktree - Fund IV	-	-	-	1,152,591	1,152,591							
Encap IVb	-	-	-	11,454,813	11,454,813							
Encap Vb	-	-	-	1,207,173	1,207,173							
Sterling Group	-	-	-	4,477,686	4,477,686							
CDK Realty	-	-	-	2,162,480	2,162,480							
MMC Trident	-	-	-	826,073	826,073							
<b>Total</b>	<b>38,887,067</b>	<b>248,232,032</b>	<b>38,762,326</b>	<b>106,591,364</b>	<b>432,472,788</b>	<b>4.50%</b>	<b>1.20%</b>	<b>10.90%</b>	<b>Policy Allocation Index</b>	<b>4.10%</b>	<b>0.90%</b>	<b>11.00%</b>

(1) - Returns aren't presented for private equity due to the illiquidity of the investments.



**TEXAS TECH UNIVERSITY SYSTEM**  
**GIFTED INVESTMENTS**  
**AS OF February 28, 2005**

<b>FUND TYPE</b>	<b>BOOK VALUE 11/30/04</b>	<b>MARKET VALUE 11/30/04</b>	<b>BOOK VALUE 02/28/05</b>	<b>MARKET VALUE 02/28/05</b>	<b>ONE YEAR YIELD</b>	<b>ONE YEAR TOTAL RETURN</b>
Total Restricted Funds	\$1,371,192	\$1,371,192	\$1,371,192	\$1,371,192		
Total Endowment Funds	\$561,889	\$575,118	\$560,179	\$584,607		
Total Foundation/Agency Funds	\$10,885,827	\$10,977,239	\$11,054,731	\$11,207,788		
Grand Total	\$12,818,908	\$12,923,550	\$12,986,103	\$13,163,587	<u>4.65%</u>	<u>5.17%</u>

## **Glossary of Terms**

Book Value	Fund value without accounting for changes in market value. Sum of original investment, additions and deletions from the fund, current income (interest and dividends less fees), and realized gains and losses.
Market Value	Fund value with investments priced as of the date of the report. Sum of book value and unrealized gains and losses.
Yield	Return measuring current income (interest and dividends less fees) earned based on the beginning market value of fund.
Total Return	Return measuring total appreciation in the value of the fund. Total appreciation includes current income, plus realized and unrealized gains and losses.
One Year Yield	Yield for the year ended as of the date of the report.
One Year Total Return	Total return for the year ended as of the date of the report.