



2Q FY 2016 PORTFOLIO UPDATE

On the heels of a turbulent summer, markets seemed to regain their footing in October, as global equities rallied dramatically. However, the euphoria was short-lived, as markets once again turned negative through the final two months of 2015. In December, following months of speculation, the US Federal Reserve finally announced its first rate increase since the global financial crisis. Despite overall economic improvements cited by the Fed in their decision, companies across commodity and export sectors remain weak – and are likely to face further headwinds as a result of higher rates and a stronger US Dollar. On the other side of the Atlantic, the European Central Bank expanded its quantitative easing program at its December meeting. Unfortunately, European investors were largely disappointed by the extent of President Draghi’s support, leading to a sharp equity selloff in the region. For the quarter, the MSCI All Country World Index (ACWI), a global equity benchmark, gained 5.2%, while the Bloomberg Commodity Index, a proxy for real assets, plunged 10.5%, led by falling energy prices. The Barclays Aggregate Bond Index, a broad measure of US fixed income, fell 0.6%, as the US Treasury yield curve underwent significant flattening.

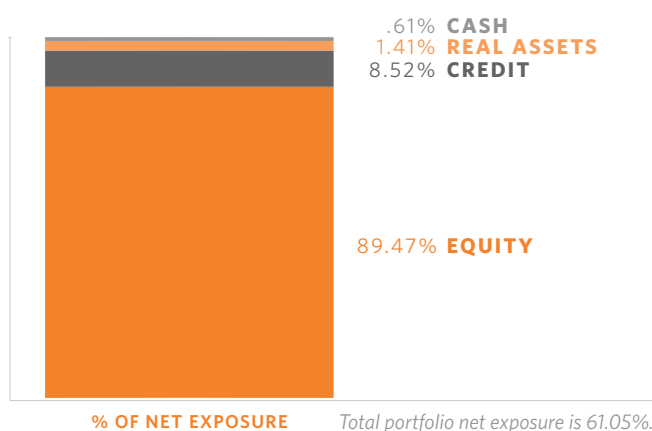
For the second quarter of fiscal year 2016, the OSUF Pooled Investment Fund (the “Portfolio”) returned 1.5%, compared with the global equity market return, as measured by the MSCI ACWI, of 5.2%, and the median peer return, as measured by Cambridge Associates, of 1.9%. For the second quarter in a row, performance did not meet our expectations. While our lower equity market exposure helped protect during the first quarter selloff, the portfolio failed to keep up during a strong beta rally. However, we continue to believe there is significant embedded value within the portfolio and remain confident in our positioning going forward.

The Investment Committee held their regularly scheduled meeting in November, which included a thorough review of our long-only and private equity investments and significant discussion about perceived opportunities in Asia. The Committee approved an allocation to a China equity index fund, which was funded by a partial redemption of a long-only domestic equity fund. This was our first investment in a China-only equity product and serves as a placeholder until an active manager is identified. We see significant long-term opportunity in Asia and will look to increase our allocations on significant pullbacks in the Asian equity markets.

The Foundation remains dedicated to the vision of becoming a best-in-class endowment.

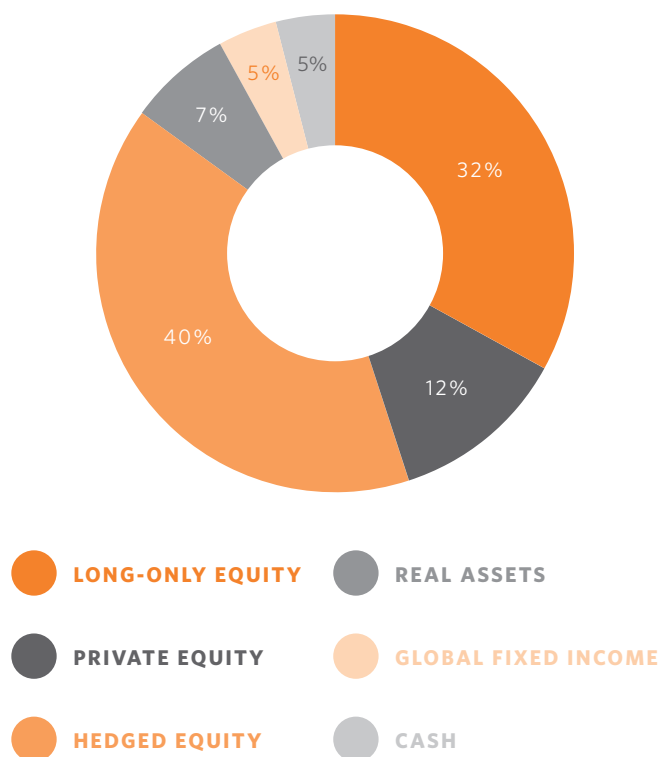
ASSET ALLOCATION BY EXPOSURE

(12/31/2015)



ASSET ALLOCATION BY STRATEGY

(12/31/2015)



HISTORICAL RETURNS

Short-Term Benchmarks

Long-Term Benchmarks

Compound Annualized Returns	OSUF	⁽¹⁾ Manager Selection Benchmark	⁽²⁾ Detailed Asset Allocation Benchmark	⁽³⁾ Sub-Asset Allocation Benchmark	⁽⁴⁾ Asset Allocation Benchmark	⁽⁵⁾ Equity Benchmark
QTD (October - December)	1.5%	1.7%	1.2%	1.2%	3%	5.1%
FYTD (July - December)	-4.9%	-5.2%	-6.1%	-5.3%	-6.1%	-4.7%
Trailing 2 Fiscal Years (FY14 - FY15)	9.7%	7.1%	6.0%	6.4%	8.8%	11.8%
Trailing 3 Fiscal Years (FY13 - FY15)	10.1%	7.7%	7.0%	7.2%	10.1%	13.6%
Trailing 5 Fiscal Years (FY11 - FY15)	9.2%	-	-	-	9.0%	12.5%
Trailing 10 Fiscal Years (FY06 - FY15)	6.9%	-	-	-	5.4%	5.6%

RISK & RETURN SUMMARY VS. LONG-TERM BENCHMARKS

Trailing 1 Year

Trailing 2 Years

Trailing 3 Years

	OSUF	Asset Allocation Benchmark	Equity Benchmark	OSUF	Asset Allocation Benchmark	Equity Benchmark	OSUF	Asset Allocation Benchmark	Equity Benchmark
Compound Annualized Return	-2.0%	-4.0%	-1.8%	1.4%	-0.7%	1.4%	5.8%	4.9%	8.3%
Annualized Standard Deviation	6.3%	11.5%	13.9%	5.6%	9.8%	11.4%	5.8%	9.3%	10.9%
Sharpe Ratio	NM	NM	NM	0.21	NM	0.10	.96	0.50	0.74
Beta (OSUF vs. Benchmarks)	-	0.50	0.42	-	0.51	0.44	-	0.53	0.45
Alpha (OSUF vs. Benchmarks)	-	-0.1%	-1.4%	-	1.7%	0.7%	-	3.1%	2.0%

PEER COMPARISON

(as of 12/31/2015)

Average Annual Compound Returns	OSUF	⁽⁶⁾ Endowment Composite Median	OSUF Percentile Ranking
QTD (October - December)	1.5%	1.9%	24
FYTD (July - December)	-4.9%	-4.8%	45
Trailing 1 Year	-2.0%	-2.5%	58
Trailing 2 Years	1.5%	0.8%	66
Trailing 3 Years	6.0%	5.2%	71

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Note: Some private equity investments have yet to provide statements for the period ended December 2015.

- (1) The Manager Selection Benchmark was introduced in FY12 and is a non-investable, dollar-weighted average of each individual manager benchmark.
- (2) The Detailed Asset Allocation Benchmark was introduced in FY13 and is a non-investable, dollar-weighted average of each detailed asset allocation benchmark (e.g. splitting long-only equity into domestic, international, and emerging).
- (3) The Sub-Asset Allocation Benchmark was introduced in FY13 and is a non-investable, dollar-weighted average of each sub-asset allocation benchmark (i.e. long-only equity, hedged equity, real assets, and fixed income).
- (4) The Asset Allocation Benchmark is 80% MSCI ACWI (Equity), 10% Barclays Aggregate Bond Index (Fixed Income), and 10% Bloomberg Commodity Index (Real Assets).
- (5) The Equity Benchmark is the MSCI ACWI.
- (6) Provided by Cambridge Associates, LLC, the Endowment Composite Median represents median performance of their universe of reporting member colleges and universities, independent schools, museums and libraries, foundations, medical endowments and other endowed institutions.