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The NYU Stern School of Business's Michael Price Student Investment Fund Outperforms Benchmark Index by Over 12%: The NYU Stern School of Business's Michael Price Student Investment Fund reported today its semiannual results. For the six-month period ended February 28th 2009, the fund reported a composite loss of 22.18% net of fees. Despite extremely difficult conditions MPSIF managed to weather the financial storm far better than the market as a whole. MPSIF outperformed the S&P 500 by over 20% during the worst bear market since the 1930s.

The fund's relative performance can be attributed to prudent cash allocation and shrewd sector selection. During the months of September, October, and November the fund held historically high cash reserves of 34%, 44%, and 39%. The investment discipline that the Fund showed in the fall is a major reason for MPSIF's market out-performance. September, October, and November saw swift declines in the S&P 500 of 9%, 12%, and 6% for a cumulative three-month loss of over 30%. Because of MPSIF's large cash reserve the fund only lost 17.9% over this span. This same discipline was evident in our sector selection. As of August 31, 2008 MPSIF had zero exposure to the financial services industry. While almost no stock was unaffected by last fall's financial crisis, our lack of exposure to financial services ensured that our losses remained relatively muted.

MPSIF managed to outperform its blended benchmark index, which was down 34.29%, by over 12% during the six-month period ending February 28, 2009. The Value fund, which outperformed its benchmark by 17.26%, was the top-performing segment, followed by the Growth and Small Cap funds, which had net out-performances of 14.42% and 13.59% over their respective benchmarks. The Fixed Income fund, which lost 2.23% over the period, was the only fund to underperform finishing 4.29% below the Vanguard Total Bond Fund's returns.

Despite widespread market retreats, forward thinking allowed our analysts to select top performers by exploiting some of the few positive business trends. One example was our purchase of Itron (ITRI), an advanced energy metering company. ITRI, purchased on November 17, 2008, received a boost in December when then President Elect Barack Obama announced his intentions, as part of his economic recovery plan, to make public buildings more energy efficient. By liquidating this stock in stages between January and February, we were able to exit at the stock's peak and realize gains of 39% in under a three-month span. Our biggest gainer over the period was Epiq Systems (EPIQ), a provider of integrated technology solutions for legal services including bankruptcy. This countercyclical investment was the perfect market hedge, gaining 49% between August and February, while the S&P 500 crashed by over 40%.

Despite our success in beating the market we are not satisfied with our performance this period. Our goal continues to be absolute performance, not merely market out-performance. We continue to think creatively in order to stay ahead of market trends, and have implemented controls to ensure that our portfolio retains its value in difficult



times. The key to the Michael Price Student Investment Fund continues to be its dedicated team of portfolio managers and analysts, and through the diligence and insight of our team we plan to build on our successes in the future.

About MPSIF

With nearly \$1.4 million currently under management, the Michael Price Student Investment Fund (“MPSIF” or “the Funds”) is a family of funds managed directly by NYU Stern MBA students. The Funds, part of the overall NYU endowment, were established in 1999 through a generous gift from Michael Price, Managing Partner, MFP Investors, LLC and former Chairman of Franklin Mutual Series Funds.

The Michael Price Student Investment Fund provides Stern MBA students with hands on experience managing real Funds with significant assets. In addition, the Funds are required to pay an annual 5% dividend to the University Of Oklahoma Price School Of Business, Mr. Price’s undergraduate alma mater. This dividend pays students’ tuition so they can attend summer classes at Stern. Additionally, MPSIF maintains between two and three times the membership relative to other student investment funds at our peer institutions.

For diversification purposes, MPSIF is divided into three equity Funds - Growth, Value and Small Cap - and one Fixed Income Fund. While each sub-Fund has its own performance benchmark (Russell 1000 Growth Index, Russell 1000 Value Index, Russell 2000 and the Vanguard Total Bond Index, respectively), MPSIF’s primary goal is to deliver overall positive returns.

For more information, please visit MPSIF’s website at <http://pages.stern.nyu.edu/~mpsif/>. You can write your comments or questions to Richard Levich, MPSIF’s faculty advisor, at rlevich@stern.nyu.edu.