



SECOND QUARTER 2008 INVESTMENT PERFORMANCE REPORT

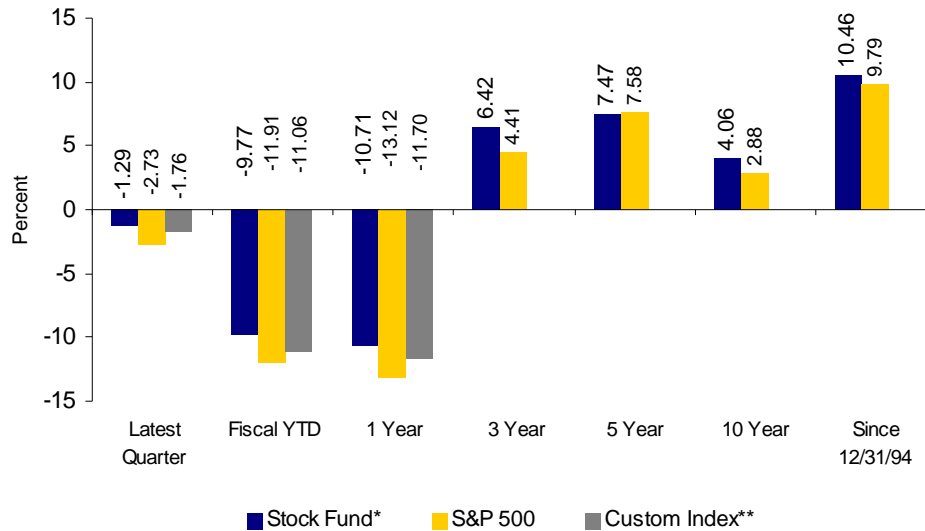
Broadly Diversified Investment Strategy

On October 1, 2005, the United Methodist Foundation of New England implemented a new, broadly diversified investment strategy for its Socially Responsible Stock Pool. This “institutional caliber” stock portfolio has approximately 1,100 names or holdings in both international and domestic companies across multiple asset classes and investment styles. Current asset allocation of this socially screened portfolio is:

- ❖ Large Cap: 55%
- ❖ Mid Cap: 15%
- ❖ Small Cap: 4%
- ❖ International: 26% (including 5% in emerging markets)
- ❖ Current investment style is divided equally between Growth & Value

All Foundation Funds that have a stock component [i.e. the Stock Fund (100%), Balanced Growth (60%), Balanced Income (40%), and the Endowment Fund (60%)] participate in the Foundation’s Socially Responsible Stock Pool Fund, and enjoy the benefits of this broad diversification.

STOCK FUND



*Fund returns are gross of management fees ♦ Custom Index and S&P 500 Stock Index returns are theoretical returns that do not reflect fees or other associated costs. ♦ Returns for longer than one year are annualized. ♦ Current Custom Index** is comprised of: 20% MSCI EAFE, 5% MSCI EM, 75% Russell 3000 Index.

PERFORMANCE NET OF FEES AS OF JUNE 30, 2008

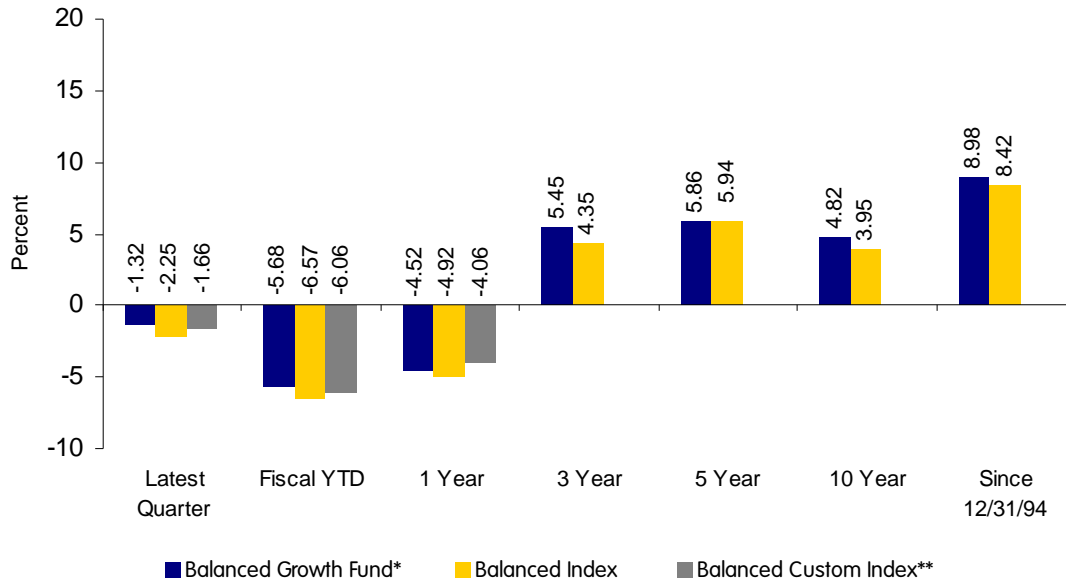
	Latest Qtr	Fiscal YTD	1 Year	3 Year	5 Year	10 Year	From 12/31/94
Stock Fund	-1.63%	-10.44%	-12.06%	5.07%	6.12%	2.89%	9.33%

Past performance is no guarantee of future results. The Foundation’s funds are not insured and are subject to market risks. The actual performance of individual customer accounts will be impacted by deposits, withdrawals and timing of investments, and may not reflect the performance outlined above.



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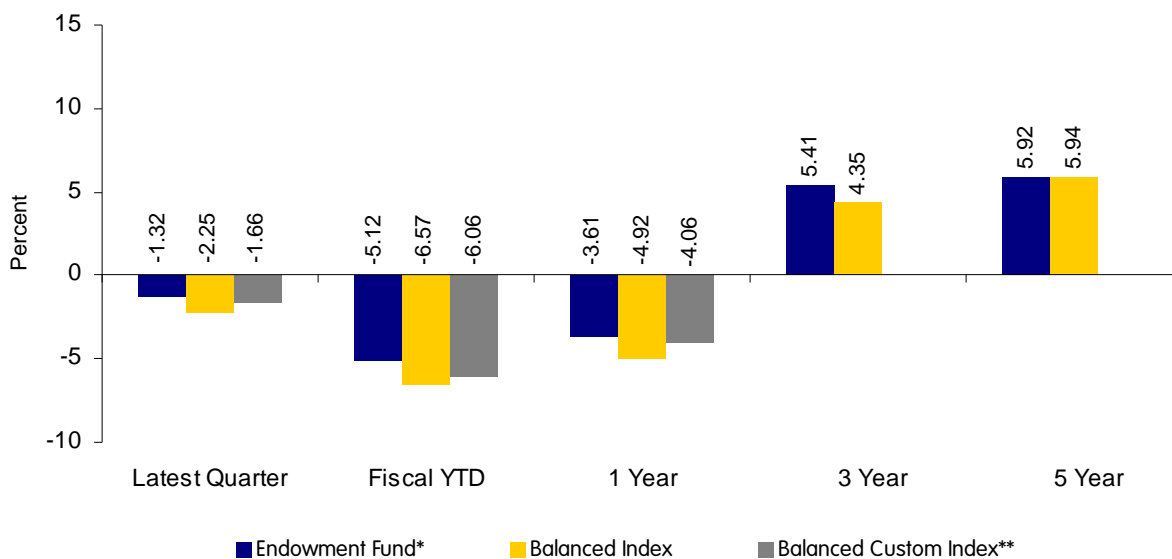
BALANCED GROWTH FUND



PERFORMANCE NET OF FEES AS OF JUNE 30, 2008

	Latest Qtr	Fiscal YTD	1 Year	3 Year	5 Year	10 Year	From 12/31/94
UMFNE	-1.62%	-6.28%	-5.73%	4.24%	4.65%	3.71%	7.90%

ENDOWMENT FUND



PERFORMANCE NET OF FEES AS OF JUNE 30, 2008

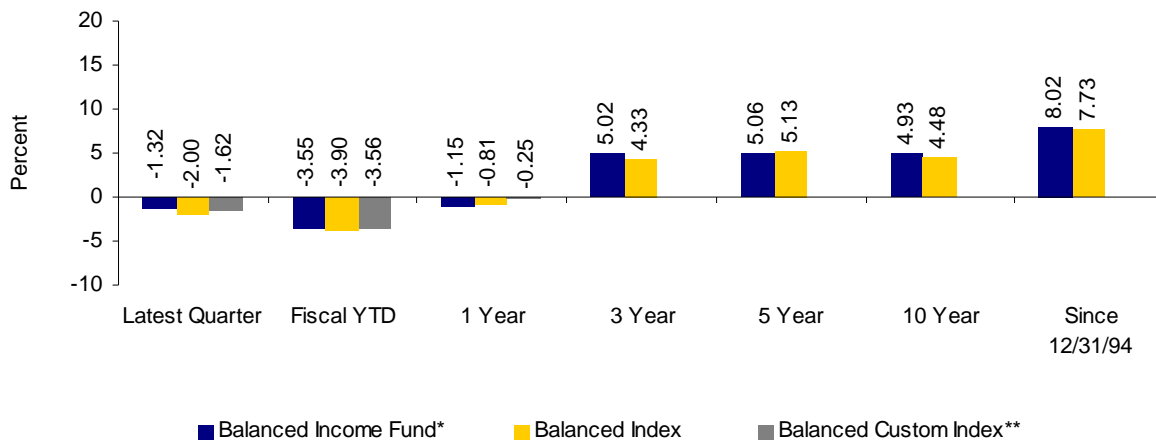
	Latest Qtr	Fiscal YTD	1 Year	3 Year	5 Year
UMFNE	-1.62%	-5.72%	-4.82%	4.20%	4.71%

*Fund returns are gross of management fees. The Balanced Index is a theoretical return that does not reflect fees and other associated real world costs, and is comprised of: 60% S&P 500; 40% LB Int. Gov/Credit Index. Balanced Custom Index** is comprised of: 60% UMFNE custom stock index; 40% LB Int. Gov/Credit Index.



SECOND QUARTER 2008 INVESTMENT PERFORMANCE REPORT

BALANCED INCOME FUND

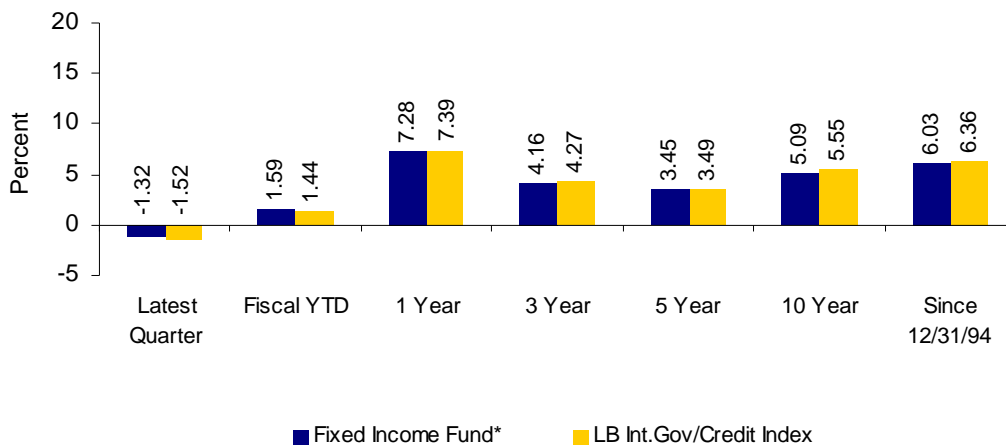


PERFORMANCE NET OF FEES AS OF JUNE 30, 2008

	Latest Qtr	Fiscal YTD	1 Year	3 Year	5 Year	10 Year	From 12/31/94
UMFNE	-1.60%	-4.12%	-2.29%	3.88%	3.92%	3.86%	6.97%

*Fund returns are gross of management fees. The Balanced Index is a theoretical return that does not reflect fees and other associated real world costs, and is comprised of: 60% LB Int. Gov/Credit Index.; 40% S&P 500. Balanced Custom Index** is comprised of: 40% UMFNE custom stock index; 60% LB Int. Gov/Credit Index.

FIXED INCOME FUND



PERFORMANCE NET OF FEES AS OF JUNE 30, 2008

	Latest Qtr	Fiscal YTD	1 Year	3 Year	5 Year	10 Year	From 12/31/94
UMFNE	-1.57%	1.09%	6.28%	3.16%	2.45%	4.09%	5.03%

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