

For more than two decades, Skidmore has enjoyed tremendous growth in its endowment, due both to prudent and thoughtful management and to the generosity of a generation of alumni, parents, and friends. That amazing run has, unfortunately, come to an end, at least for the time being. The recent and dramatic shifts in the economy and, in particular, the noticeable drop in all of the financial markets has had a negative impact on our endowment. While it continues to perform better than those of many of our peers, our holdings have lost considerable value (more than 12% as of the close of the third quarter on September 30, 2008) and this drop will indeed lead to a notable reduction in the income generated from the endowment for our operating budget.

Even as we take the necessary budgetary steps to address this shortfall, it has become quite clear that our situation would be much worse were it not for the help we have had in growing the endowment over these many years. With that in mind, I want to convey our continued gratitude for your past, present, and future generosity and to assure you that we are doing all that we can to steward the resources you have provided as carefully and effectively as possible. We are fortunate to have a talented and experienced group of investment professionals overseeing our investments and we are confident that over time we will see it begin to grow once again.

Skidmore has a long history of overcoming adversity and finding creative solutions to the problems that we have encountered. Knowing that we can continue to call upon a large and dedicated group of friends makes us confident that we will, eventually, surmount this challenge as well.

With many thanks from all of us here in Saratoga Springs.



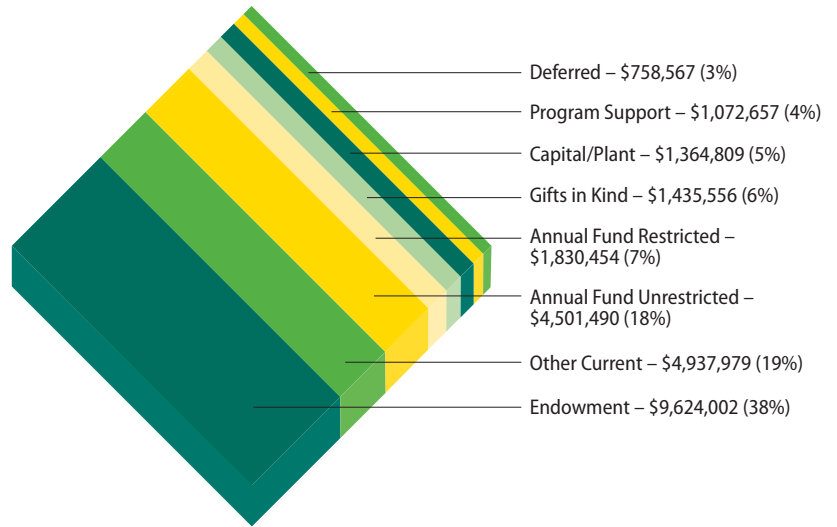
Michael T. Casey
Vice President for Advancement

- Preliminary endowment value as of September 30, 2008: \$256.8 million
 - This reflects negative performance of (12.0%) for the calendar year 2008.
 - The S&P 500 had a loss of (19.3%) for the same period.
- The asset allocation of the portfolio as of September 30, 2008:
 - short term investments: 3.5%
 - fixed income investments: 17.9%
 - equities: 48.6% (31.0% U.S. and 17.6% international)
 - low correlative: 21.2%
 - private equities and other: 8.8%
- Endowment value as of June 30, 2008: \$289.9 million
- The asset allocation of the portfolio as of June 30, 2008:
 - short term investments: 4.7%
 - fixed income investments: 15.8%
 - equities: 51.8% (32.4% U.S. and 19.4% international)
 - low correlative: 19.8%
 - private equities and other: 7.9%
- Portfolio performance:
 - For the one-year period ending June 30, 2008: 1.9%
Compared to the S&P 500 negative performance of (13.1%)
 - For the three-year period ending June 30, 2008: 10.7%
Compared to the S&P 500 performance of 4.4%
 - For the five-year period ending June 30, 2008: 13.3%
Compared to the S&P 500 performance of 7.6%

SKIDMORE
CREATIVE THOUGHT. BOLD PROMISE.

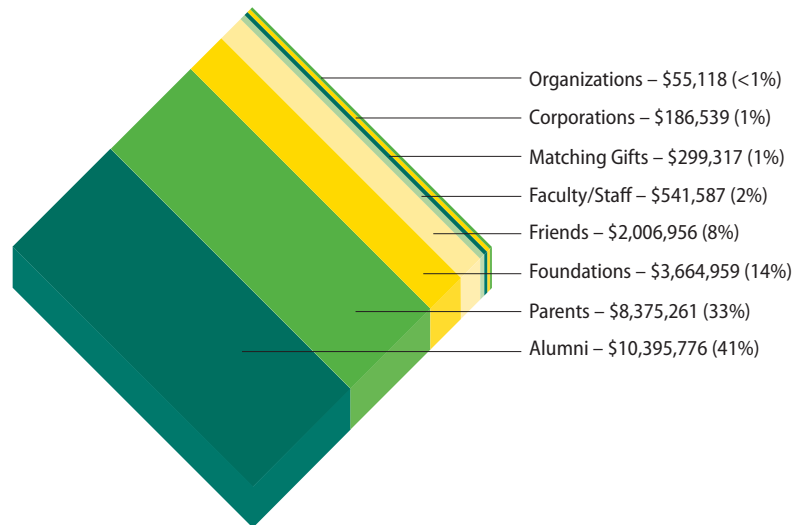
Total Gifts In Fiscal Year 2008

Purpose of Gift	Dollars YTD	Percent of Total Gift
Endowment	\$9,624,002	38%
Other Current	\$4,937,979	19%
Annual Fund Unrestricted	\$4,501,490	18%
Annual Fund Restricted	\$1,830,454	7%
Gifts in Kind	\$1,435,556	6%
Capital/Plant	\$1,364,809	5%
Program Support	\$1,072,657	4%
Deferred	\$758,567	3%
Total	\$25,525,514	100%



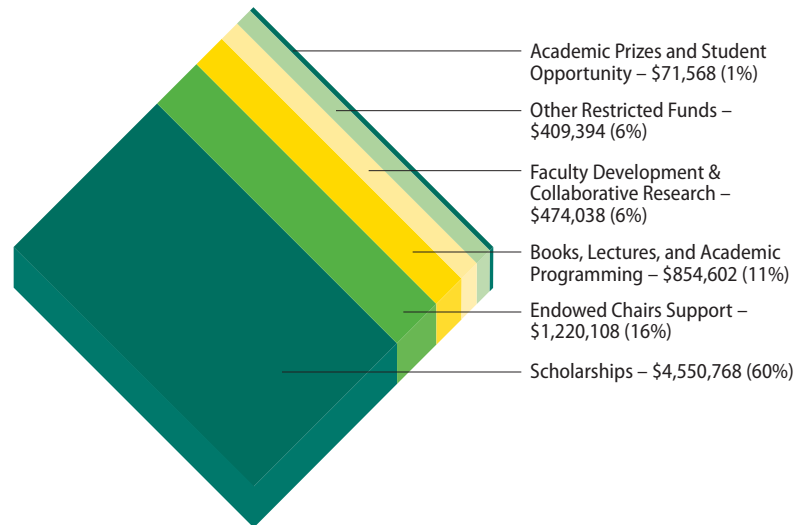
Who Gave In Fiscal Year 2008

Source of Gift	Dollars YTD	Percent of Total Gift
Alumni	\$10,395,776	41%
Parents	\$8,375,261	33%
Foundations	\$3,664,959	14%
Friends	\$2,006,956	8%
Faculty/Staff	\$541,587	2%
Matching Gifts	\$299,317	1%
Corporations	\$186,539	1%
Organizations	\$55,118	<1%
Total	\$25,525,514	100%



Endowment Take-out Restricted Funds in Fiscal Year 2008

Source of Spending	Dollars YTD	Percent of Total Spending
Scholarships	\$4,550,768	60%
Endowed Chairs Support	\$1,220,108	16%
Books, Lectures, and Academic Programming	\$854,602	11%
Faculty Development and Collaborative Research	\$474,038	6%
Other Restricted Funds	\$409,394	6%
Academic Prizes and Student Opportunity	\$71,568	1%
Total	\$7,580,478	100%



Creative Thought Bold Promise Campaign

Commitments to the *Creative Thought Bold Promise* campaign exceeded \$25.5 million in fiscal year 2008, putting the Campaign total at \$161 million towards its \$200 million goal. The Campaign is propelling Skidmore to reach new levels of excellence in the areas of financial aid, faculty support, learning opportunities, and facilities. Skidmore College is at a truly transformational moment in its history. As each year passes, the College strives to challenge itself, remain relevant, and continue to achieve its ambitions as one of the nation's top liberal arts colleges.