Debt Overview

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TTUS Peer Comparisons
State of Texas Systems

	UT System	A&M System	TTU System	UH System	Texas State System	UNT System	TWU System
Moody's	Aaa	Aaa	Aa1	Aa2	Aa2	Aa2	Aa3
S&P	AAA	AAA	AA+	AA+	-	-	-
Fitch	AAA	AAA	AA+	-	AA	AA	-
KBRA	-	-	AA+	-	-	AA	-

Rating Comparison
Public Universities by Moody's Rating Category

Aa1	
North Carolina State University at Raleigh	University of Nebraska
Ohio State University	University of Pittsburgh
Pennsylvania State University	Texas Tech University System
State University of Iowa	University of Utah
University of Colorado	University of Washington
University of Delaware	University System of Maryland
University of Minnesota	Virginia Polytechnic Institute & State University
University of Missouri System	

Aaa
Indiana University
University of North Carolina at Chapel Hill
Purdue University
Texas A&M University System
University of Michigan
University of Texas System
University of Virginia

Rating Agency Summary/Update

This year Fitch (AA+/F1+) and S&P (AA+/A-1+) affirmed existing ratings for the Texas Tech University System debt and commercial paper programs. We plan to have discussions with Moody later this year.

Fitch

- Provided a "Review, No Action" update in February of this year.

S&P Commentary (March 20th, 2026)

- Could consider a negative rating action if financial resources deteriorate significantly, demand metrics weaken materially, or the system issues significant debt without commensurate growth in financial resources.
- Consider rating upgrade if the system demonstrated growth in financial resource ratios to levels commensurate with a higher rating and improved its demand characteristics, such as retention rates, while consistently generating healthy surpluses

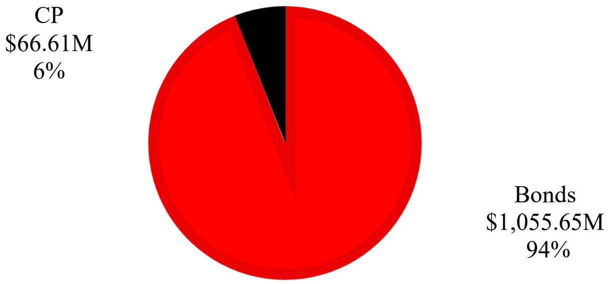
TTUS Financial Analysis
Review of Key Ratios

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Aa1 Median [1.]	Aaa Median [1.]
Operating Revenues	$2.09B	$2.43B	$2.58B	$2.70B	$2.97B	$5.73B	$6.22B
Operating Cash Flow Margin (%)	15.11%	17.89%	13.76%	12.70%	15.50%	9.9%	10.10%
Cash and Investments	$3.39B	$3.56B	$3.72B	$4.16B	$4.54B	$6.90B	$17.09B
Total Cash and Investments to Operating Expenses (x)	1.7x	1.5x	1.5x	1.5x	1.7x	1.40x	2.00x
Annual Debt Service Coverage (x)	3.45x	4.11x	3.90x	2.98x	4.00x	4.10x	4.70x

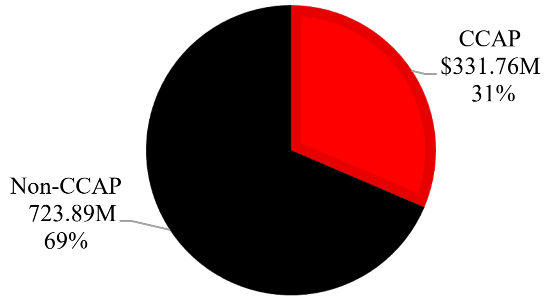
1. Source: Moody's Municipal Financial Ratio Analysis (MFRA) – most recent analyst adjusted available as of 07/07/26.

Total Debt (Bonds & CP) Outstanding
Bond Principal - As of July 2026

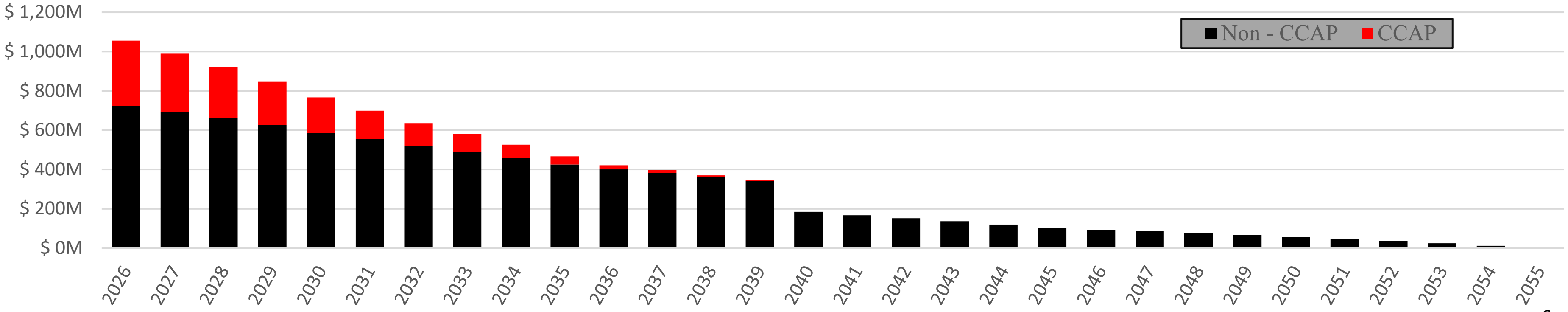
TOTAL DEBT (Bonds & CP) OUTSTANDING = $1,122.26M



OUTSTANDING PRINCIPAL BALANCE = $1,055.65M

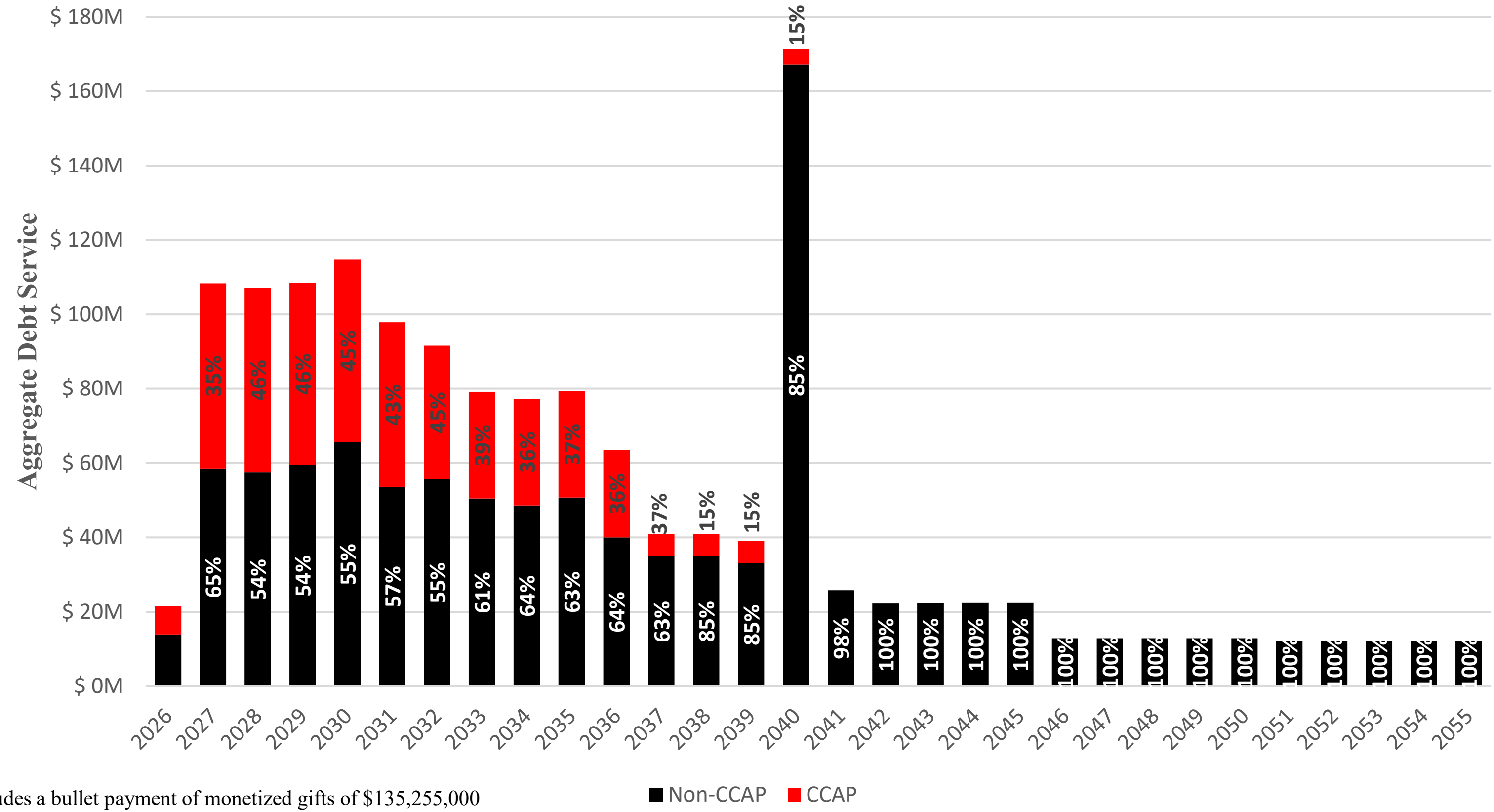


TOTAL BOND DEBT OUTSTANDING



Total outstanding principal balance at the end of FY2025 was $1,127,455,000

TTUS Annual Debt Service on Bonds
As of July 2026



*FY 2040 includes a bullet payment of monetized gifts of $135,255,000

Outstanding Commercial Paper – By Project

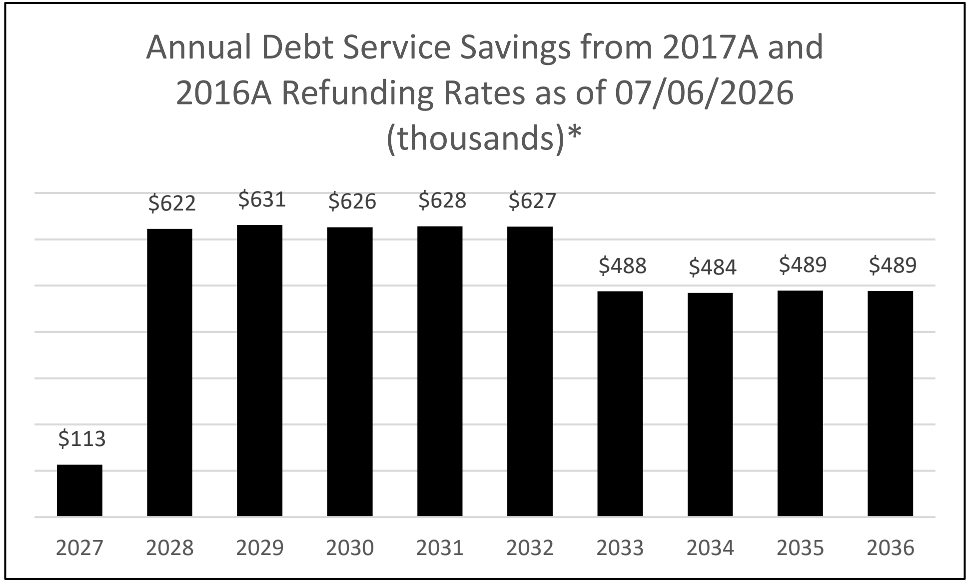
The projected RFS capital funding needs for the component institutions currently totals close to $500M. We plan to use CP during construction then convert the CP to L-T debt when the project is complete.

Project	FY2025 Balance	New Issuances	Retired/Paid Down	Outstanding Balance as of 08/05/2026
ASU Arena Seating	$380,566	-	(380,566)	-
TTU Raider Park	-	13,600,000	-	13,600,000
TTU Server Purchase (TE)	-	25,721,000	(25,721,000)	-
TTU Server Purchase (TAX)	-	26,014,000	-	26,014,000
TTU West Housing Complex 2013	2	-	(2)	-
TTU Stangel/Murdough Kitchen Renov 2014	41	-	(41)	-
TTU Jones AT&T NEZ Renovation- Club	275,172	-	(275,172)	-
TTU Sports Performance Complex	3,475,431	-	(790,431)	2,685,000
TTU Dustin Womble Basketball Center	6,127,089	-	(970,632)	5,156,457
TTU Dairy Barn Renovation	496,904	-	(496,904)	-
TTU Museum East Wing Expansion	2,294,841	-	(645,252)	1,649,589
TTU Rip Griffin Park Renovation	2,162,954	-	(705,000)	1,457,954
TTU RRFF South Endzone/Football Training	26,149,000	-	(13,400,000)	12,749,000
TTUS Chancellor's Residence	-	3,489,000	-	3,489,000
Total	**$41,362,000**	**$68,824,000**	**$(43,385,000)**	**$66,801,000**

Looking Ahead – Refunding/Debt Issue Early 2027

Current plans are to issue long term debt in February/March 2027 refunding about $50M of outstanding commercial paper into L-T debt and refunding callable bonds that produce debt service savings.

L-T Debt	Amount
Conversion of CP	$50M
Refund 2017A	40M
Refund 2016A	41M
Estimated Total Issue	$131M



* Based on rates as of 07/06/2026. Preliminary, subject to change.

Looking Ahead – Commercial Paper

To fund the System's capital needs and have access to capital for strategic initiatives we are evaluating expanding the existing CP program and implementing an Extendable Commercial Paper (ECP) program. Details and a request for approval is expected to be discussed at the November Board of Regents meeting.

Existing Commercial Paper Program	Revised Commercial Paper Program
TTUS CP Capacity - $150,000,000 TTUS ECP Capacity - $0 Total CP Capacity - $150,000,000 Dealer – JP Morgan	TTUS CP Capacity - $300,000,000 TTUS ECP Capacity - $200,000,000 Total CP Capacity - $500,000,000 Dealer(s) – TBD

	Annual Activity	Projected Cumulative CP Outstanding
Current Outstanding CP	66,801,000	-
Net Change Thru December 2026	31,681,256	98,482,256
Net Change Calander Year 2027	168,574,424	267,056,680
Net Change Calander Year 2028	227,681,805	494,738,485

- The System plans to use ECP, along with the CP program, for cash flow management with the plan to ultimately refinance the ECP with long-term financing.
- The System's ECP would be almost identical to traditional CP but rather than depend on self-liquidity or a bank facility, the System can choose to extend the maturity date of the ECP beyond the initial maturity date to 270 days from issuance in the event of a failed re-marketing.

Certification of Debt Service Funding

Regent Rule 07.05.2.c.(4)(d) requires the system certify it is current on debt service funding. Each fiscal year all components certify that they have adequate reserves on their chart of accounts for non-CCAP debt (Regent Rule 07.05.2.b.(3). We received the certification for all five components in January.

Component Institution	Signed Certification Received
Angelo State University (ASU)	Yes
Midwestern State University (MSU)	Yes
Texas Tech University (TTU)	Yes
Texas Tech University Health Sciences Center (TTUHSC)	Yes
Texas Tech University Health Sciences Center El Paso (TTUHSCEP)	Yes

TEXAS TECH UNIVERSITY SYSTEM™