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**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

2011

For calendar year 2011 or tax year beginning **JUL 1, 2011**, and ending **JUN 30, 2012**

Name of foundation
THE EUCALYPTUS FOUNDATION

Number and street (or P O box number if mail is not delivered to street address)
P. O. BOX 29550

Room/suite

City or town, state, and ZIP code
SAN FRANCISCO, CA 94129-0550

A Employer identification number
94-3148772

B Telephone number
415-561-3346

C If exemption application is pending, check here

D 1. Foreign organizations, check here
Foreign organizations meeting the 85% test, 2. check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

G Check all that apply Initial return Initial return of a former public charity
 Final return Amended return
 Address change Name change

H Check type of organization Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16)
▶ \$ **36,207,949.** (Part I, column (d) must be on cash basis.)

J Accounting method Cash Accrual
 Other (specify) _____

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received		2,595,203.		N/A	
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		123.	123.		STATEMENT 2
4 Dividends and interest from securities		1,043,826.	1,043,826.		STATEMENT 3
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		<939,444.>			STATEMENT 1
b Gross sales price for all assets on line 6a		17,263,970.			
7 Capital gain net income (from Part IV, line 2)			0.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11		2,699,708.	1,043,949.		
13 Compensation of officers, directors, trustees, etc.		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees		8,475.	2,100.		6,375.
b Accounting fees		25,095.	5,000.		20,095.
c Other professional fees		52,857.	52,857.		0.
17 Interest					
18 Taxes		61,155.	4,035.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses		1,426.	0.		875.
24 Total operating and administrative expenses. Add lines 13 through 23		149,008.	63,992.		27,345.
25 Contributions, gifts, grants paid		2,825,144.			2,825,144.
26 Total expenses and disbursements. Add lines 24 and 25		2,974,152.	63,992.		2,852,489.
27 Subtract line 26 from line 12		<274,444.>			
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)			979,957.		
c Adjusted net income (if negative, enter -0-)				N/A	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value	
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	1,463,898.	2,536,113.	2,536,113.
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - US and state government obligations STMT 10	1,849,641.	1,302,068.	1,558,106.
	b Investments - corporate stock STMT 11	19,985,809.	21,988,011.	23,132,231.
	c Investments - corporate bonds STMT 12	7,271,073.	4,469,407.	4,871,233.
11 Investments - land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 13	3,000,000.	3,000,000.	4,105,780.	
14 Land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶ STATEMENT 14)	4,107.	4,486.	4,486.	
16 Total assets (to be completed by all filers)	33,574,528.	33,300,085.	36,207,949.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	24 Unrestricted and complete lines 24 through 26 and lines 30 and 31.	33,574,528.	33,300,085.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
30 Total net assets or fund balances	33,574,528.	33,300,085.		
31 Total liabilities and net assets/fund balances	33,574,528.	33,300,085.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	33,574,528.
2 Enter amount from Part I, line 27a	2	<274,444.>
3 Other increases not included in line 2 (itemize) ▶ ROUNDING ADJUSTMENT	3	1.
4 Add lines 1, 2, and 3	4	33,300,085.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	33,300,085.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a			
b SEE ATTACHED STATEMENTS			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 17,263,970.		17,559,540.	<295,570.>

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			
b			
c			
d			
e			<295,570.>

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	<295,570.>
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8		3	N/A

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	2,494,251.	34,614,219.	.072059
2009	3,630,407.	32,833,619.	.110570
2008	2,791,004.	32,252,111.	.086537
2007	2,085,356.	45,351,447.	.045982
2006	1,925,679.	45,350,010.	.042463

2 Total of line 1, column (d)	2	.357611
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.071522
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	33,495,923.
5 Multiply line 4 by line 3	5	2,395,695.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	9,800.
7 Add lines 5 and 6	7	2,405,495.
8 Enter qualifying distributions from Part XII, line 4	8	2,852,489.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	9,800.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	0.
3	Add lines 1 and 2	3	9,800.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	5	9,800.
6	Credits/Payments		
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	36,000.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments Add lines 6a through 6d	7	36,000.
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	26,200.
11	Enter the amount of line 10 to be Credited to 2012 estimated tax <input type="checkbox"/> Refunded <input checked="" type="checkbox"/>	11	0.

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		X
1c Did the foundation file Form 1120-POL for this year?		X
2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		X
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>		X
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> CA		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i>		X
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	13	X	
14	The books are in care of ▶ STEPHEN SCHWARZ Telephone no ▶ 415-561-3346 Located at ▶ P.O. BOX 29550, SAN FRANCISCO, CA ZIP+4 ▶ 94129-0550			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A			
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶	16	Yes	No X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.) N/A	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here N/A

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
 If "Yes," attach the statement required by Regulations section 53.4945-5(d). N/A

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
 If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

	5b	
6b	X	
7b		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 15		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 ▶ 0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ▶ 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
3 All other program-related investments See instructions	
Total. Add lines 1 through 3 ▶	0.

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	33,456,318.
b	Average of monthly cash balances	1b	549,695.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	34,006,013.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	34,006,013.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	510,090.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	33,495,923.
6	Minimum investment return. Enter 5% of line 5	6	1,674,796.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part)

1	Minimum investment return from Part X, line 6	1	1,674,796.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	9,800.
b	Income tax for 2011 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	9,800.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	1,664,996.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,664,996.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	1,664,996.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	2,852,489.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	2,852,489.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	9,800.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	2,842,689.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				1,664,996.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2011				
a From 2006				
b From 2007				
c From 2008	1,192,982.			
d From 2009	2,011,870.			
e From 2010	798,088.			
f Total of lines 3a through e	4,002,940.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 2,852,489.				
a Applied to 2010, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2011 distributable amount				1,664,996.
e Remaining amount distributed out of corpus	1,187,493.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:	5,190,433.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	5,190,433.			
10 Analysis of line 9				
a Excess from 2007				
b Excess from 2008	1,192,982.			
c Excess from 2009	2,011,870.			
d Excess from 2010	798,088.			
e Excess from 2011	1,187,493.			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling ▶
 b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year		Prior 3 years		(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities					
Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see instructions.)

1 **Information Regarding Foundation Managers:**
 a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

SEE STATEMENT 16

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
 Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

- a The name, address, and telephone number of the person to whom applications should be addressed
- b The form in which applications should be submitted and information and materials they should include
- c Any submission deadlines
- d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No 1545-0047

2011

Name of the organization

THE EUCALYPTUS FOUNDATION

Employer identification number

94-3148772

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)() (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization THE EUCALYPTUS FOUNDATION	Employer identification number 94-3148772
--	---

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	FRANCES K. GEBALLE PO BOX 29550 SAN FRANCISCO, CA 94129	\$ 90,508.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	FRANCES K. GEBALLE PO BOX 29550 SAN FRANCISCO, CA 94129	\$ 715,569.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	FRANCES K. GEBALLE PO BOX 29550 SAN FRANCISCO, CA 94129	\$ 761,606.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	FRANCES K. GEBALLE PO BOX 29550 SAN FRANCISCO, CA 94129	\$ 527,520.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	FRANCES K. GEBALLE PO BOX 29550 SAN FRANCISCO, CA 94129	\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization THE EUCALYPTUS FOUNDATION	Employer identification number 94-3148772
--	---

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	161 SHS. APPLE COMPUTER _____ _____ _____	\$ 90,508.	05/25/12
2	16019 SHS. WALT DISNEY CO. _____ _____ _____	\$ 715,569.	05/25/12
3	1280 SHS. GOOGLE INC. _____ _____ _____	\$ 761,606.	05/25/12
4	10990 SHS. VIACOM INC. CLASS B _____ _____ _____	\$ 527,520.	05/25/12
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____

Name of organization THE EUCALYPTUS FOUNDATION	Employer identification number 94-3148772
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Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (d) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

THE EUCALYPTUS FOUNDATION

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a 53.042 SHS. CAP. WORLD G & I FUND	P	06/17/11	10/25/11
b 50.2959 SHS. CAP. WORLD G & I FUND	P	06/17/11	01/25/12
c 54.8024 SHS. CAP. WORLD G & I FUND	P	06/17/11	04/24/12
d 53.327 SHS. CAP. WORLD G & I FUND	P	09/24/07	07/28/11
e KESTREL INV. MGMT. - SUPP. A	P	VARIOUS	VARIOUS
f 136736.554 VGD. TOT. BOND IDX. ADM.	P	VARIOUS	01/04/12
g 25243.418 VGD. INFL-PROT. SECS. ADM.	P	VARIOUS	01/04/12
h 388785.638 TIFF INT'L EQ. FUND	P	VARIOUS	11/28/11
i 119217.165 TIFF SHORT-TERM FUND	P	VARIOUS	12/08/11
j 481124.409 TIFF U.S. EQUITY FUND	P	VARIOUS	11/28/11
k 37622.272 DODGE & COX INC. FUND	P	VARIOUS	01/05/12
l 161 SHS. APPLE	D	05/25/12	06/01/12
m 16019 SHS. WALT DISNEY CO.	D	05/25/12	06/01/12
n 1280 SHS. GOOGLE	D	05/25/12	06/01/12
o 10990 SHS. VIACOM CLASS B	D	05/25/12	06/01/12

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 1,735.		1,904.	<169.>
b 1,700.		1,806.	<106.>
c 1,900.		1,967.	<67.>
d 1,940.		2,535.	<595.>
e 1,407,333.		1,022,716.	384,617.
f 1,500,000.		1,379,333.	120,667.
g 700,000.		604,456.	95,544.
h 4,107,131.		4,777,795.	<670,664.>
i 1,181,442.		1,168,953.	12,489.
j 5,741,739.		6,675,334.	<933,595.>
k 500,000.		472,372.	27,628.
l 91,608.		40,524.	51,084.
m 721,319.		492,709.	228,610.
n 759,672.		594,143.	165,529.
o 532,318.		322,993.	209,325.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a			<169.>
b			<106.>
c			<67.>
d			<595.>
e			384,617.
f			120,667.
g			95,544.
h			<670,664.>
i			12,489.
j			<933,595.>
k			27,628.
l			51,084.
m			228,610.
n			165,529.
o			209,325.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter "-0-" in Part I, line 8 }	3

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a CAPITAL GAINS DIVIDENDS			
b			
c			
d			
e			
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 14,133.			14,133.
b			
c			
d			
e			
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			14,133.
b			
c			
d			
e			
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	<295,570.>
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter "-0-" in Part I, line 8 }	3	N/A

123591
05-01-11

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
53.042 SHS. CAP. WORLD G & I FUND	PURCHASED	06/17/11	10/25/11	1,735.	1,904.	0.	0.	<169.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
50.2959 SHS. CAP. WORLD G & I FUND	PURCHASED	06/17/11	01/25/12	1,700.	1,806.	0.	0.	<106.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
54.8024 SHS. CAP. WORLD G & I FUND	PURCHASED	06/17/11	04/24/12	1,900.	1,967.	0.	0.	<67.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	
53.327 SHS. CAP.WORLD G & I FUND	PURCHASED	09/24/07	07/28/11	
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
1,940.	2,535.	0.	0.	<595.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	
KESTREL INV. MGMT. - SUPP. A	PURCHASED	VARIOUS	VARIOUS	
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
1,407,333.	1,021,756.	0.	0.	385,577.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	
136736.554 VGD. TOT. BOND IDX. ADM.	PURCHASED	VARIOUS	01/04/12	
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
1,500,000.	1,379,333.	0.	0.	120,667.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	
25243.418 VGD.INFL-PROT. SECS. ADM.	PURCHASED	VARIOUS	01/04/12	
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
700,000.	604,456.	0.	0.	95,544.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
388785.638 TIFF INT'L EQ. FUND	PURCHASED	VARIOUS	11/28/11
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.
4,107,131.	4,777,795.	0.	0.
(F) GAIN OR LOSS	<670,664.>		

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
119217.165 TIFF SHORT-TERM FUND	PURCHASED	VARIOUS	12/08/11
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.
1,181,442.	1,168,953.	0.	0.
(F) GAIN OR LOSS	12,489.		

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
481124.409 TIFF U.S. EQUITY FUND	PURCHASED	VARIOUS	11/28/11
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.
5,741,739.	6,675,334.	0.	0.
(F) GAIN OR LOSS	<933,595.>		

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
37622.272 DODGE & COX INC. FUND	PURCHASED	VARIOUS	01/05/12
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.
500,000.	472,372.	0.	0.
(F) GAIN OR LOSS	27,628.		

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
161 SHS. APPLE	91,608.	90,508.	0.	0.	1,100.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
16019 SHS. WALT DISNEY CO.	721,319.	715,569.	0.	0.	5,750.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
1280 SHS. GOOGLE	759,672.	761,606.	0.	0.	<1,934.>

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
10990 SHS. VIACOM CLASS B	532,318.	527,520.	0.	0.	4,798.

CAPITAL GAINS DIVIDENDS FROM PART IV					14,133.
TOTAL TO FORM 990-PF, PART I, LINE 6A					<939,444.>

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 2

SOURCE	AMOUNT
GOLDMAN SACHS - KESTREL ACCOUNT	91.
WELLS FARGO BANK	32.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	123.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 3

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
CAP. WORLD GROWTH & INC. FUND	77,030.	0.	77,030.
DODGE & COX INCOME FUND	110,391.	0.	110,391.
GOLDMAN SACHS (KESTREL A/C)	48,795.	0.	48,795.
TIFF INTERNATIONAL EQUITY	133,172.	0.	133,172.
TIFF MULTI-ASSET FUND	443,784.	0.	443,784.
TIFF US EQUITY FUND	20,148.	0.	20,148.
VANGD. INFLAT. PROT. SEC.	56,883.	2,731.	54,152.
VANGD. TOTAL STK. INDEX FUND	46,541.	0.	46,541.
VANGUARD EUROPEAN STOCK FUND	12,519.	0.	12,519.
VANGUARD PRIME MONEY MKT. FUND	86.	0.	86.
VANGUARD TOTAL BOND INDEX FUND	108,603.	11,402.	97,201.
WELLS FARGO BANK, N.A.	7.	0.	7.
TOTAL TO FM 990-PF, PART I, LN 4	1,057,959.	14,133.	1,043,826.

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL & ADM. FEE	8,475.	2,100.		6,375.
TO FM 990-PF, PG 1, LN 16A	8,475.	2,100.		6,375.

FORM 990-PF	ACCOUNTING FEES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ACCTNG. & ADMIN. FEE	10,015.	5,000.		5,015.	
AUDIT FEE	15,080.	0.		15,080.	
TO FORM 990-PF, PG 1, LN 16B	25,095.	5,000.		20,095.	

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
INVESTMENT MANAGEMENT FEES	52,857.	52,857.		0.	
TO FORM 990-PF, PG 1, LN 16C	52,857.	52,857.		0.	

FORM 990-PF	TAXES			STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
EST. TAXES FYE 6/30/12	36,000.	0.		0.	
FOREIGN TAXES	4,035.	4,035.		0.	
EXCISE TAX BAL. DUE FYE 6/30/11	21,120.	0.		0.	
TO FORM 990-PF, PG 1, LN 18	61,155.	4,035.		0.	

FORM 990-PF	OTHER EXPENSES			STATEMENT 8
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FILING FEES	180.	0.		180.
DUES & MEMBERSHIPS	695.	0.		695.
EST. TAX PENALTY	551.	0.		0.
TO FORM 990-PF, PG 1, LN 23	1,426.	0.		875.

FOOTNOTES

STATEMENT 9

PART VII-B, LINE 1A (3) & (4), RE: PAYMENT OF COMPENSATION TO A DISQUALIFIED PERSON: ACCOUNTING SERVICES ARE PROVIDED TO THE FOUNDATION BY EUCALYPTUS ASSOCIATES, INC., THE OWNERS AND DIRECTORS OF WHICH INCLUDE DIRECTORS AND OFFICERS OF THE FOUNDATION. SUCH SERVICES ARE PROVIDED AT OR BELOW FAIR MARKET VALUE.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 10

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
VANGD. INFLAT. PROT. SEC. FUND	X		1,302,068.	1,558,106.
TOTAL U.S. GOVERNMENT OBLIGATIONS			1,302,068.	1,558,106.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			1,302,068.	1,558,106.

FORM 990-PF CORPORATE STOCK STATEMENT 11

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CAP WORLD G & INC. FUND	2,689,272.	2,414,615.
KESTREL INV. MGMT. A/C - SEE SUPP. C	4,026,429.	4,827,546.
TIFF INT'L EQUITY FUND	0.	0.
TIFF U.S. EQUITY FUND	0.	0.
VANGD. TOTAL STK. MKT. FUND	2,171,358.	2,481,002.
VANGUARD EUROPEAN STK. INDEX FUND	308,298.	275,683.
TIFF MULTI-ASSET FUND	10,292,654.	10,607,801.
VANGD. TOT. INT'L STK. IDX.ADM.	2,500,000.	2,525,584.
TOTAL TO FORM 990-PF, PART II, LINE 10B	21,988,011.	23,132,231.

FORM 990-PF CORPORATE BONDS STATEMENT 12

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
DODGE & COX INC. FUND	2,408,747.	2,606,988.
TIFF SHORT TERM FUND	0.	0.
VANGD. BOND INDEX FUND	2,060,660.	2,264,245.
TOTAL TO FORM 990-PF, PART II, LINE 10C	4,469,407.	4,871,233.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 13	
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
HCP ABSOLUTE RETURN FUND	FMV	3,000,000.	4,105,780.
TOTAL TO FORM 990-PF, PART II, LINE 13		3,000,000.	4,105,780.

FORM 990-PF	OTHER ASSETS	STATEMENT 14	
DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
DIVIDENDS RECEIVABLE	4,107.	4,486.	4,486.
TO FORM 990-PF, PART II, LINE 15	4,107.	4,486.	4,486.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS STATEMENT 15

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN CONTRIB	PLAN EXPENSE ACCOUNT
FRANCES K. GEBALLE P.O. BOX 29550 SAN FRANCISCO, CA 941290550	PRESIDENT, DIRECTOR 1.00	0.	0.	0.
THEODORE H. GEBALLE P.O. BOX 29550 SAN FRANCISCO, CA 941290550	VICE PRESIDENT, DIRECTOR 1.00	0.	0.	0.
ALISON F. GEBALLE P.O. BOX 29550 SAN FRANCISCO, CA 941290550	C.F.O., DIRECTOR 1.00	0.	0.	0.
GORDON T. GEBALLE P.O. BOX 29550 SAN FRANCISCO, CA 941290550	DIRECTOR 0.50	0.	0.	0.
ADAM P. GEBALLE P.O. BOX 29550 SAN FRANCISCO, CA 941290550	DIRECTOR 0.50	0.	0.	0.

THE EUCALYPTUS FOUNDATION

94-3148772

STEPHEN SCHWARZ
P.O. BOX 29550
SAN FRANCISCO, CA 941290550

SECRETARY
1.00

0. 0. 0.

TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII

0. 0. 0.

FORM 990-PF

PART XV - LINE 1A
LIST OF FOUNDATION MANAGERS

STATEMENT 16

NAME OF MANAGER

FRANCES K. GEBALLE
THEODORE H. GEBALLE
ALISON F. GEBALLE
ADAM P. GEBALLE

THE EUCALYPTUS FOUNDATION

94-3148772

FORM 990-PF GRANTS AND CONTRIBUTIONS PAID DURING YEAR

SUPP. A

Grantee	Status	Purpose	Amount
ARTS AND CULTURE			
The Exploratorium 3601 Lyon Street San Francisco, CA 94123	Public	Capital campaign - teacher training and programming	300,000
Friends of the San Francisco Public Library 391 Grove Street San Francisco, CA 94102	Public	Neighborhood library campaign	100,000
San Francisco Symphony Davies Symphony Hall San Francisco, Ca 94102	Public	Capital campaign - unrestricted endowment and special programs	200,000
COMMUNITY DEVELOPMENT / SOCIAL SERVICES / SOCIAL JUSTICE			
Boys and Girls Club of S F 55 Hawthorne Street, Ste 600 San Francisco, CA 94105	Public	General support	10,000
Chronicle Season of Sharing Fund PO Box 44740 San Francisco, Ca 94144	Public	General support	20,000
Glide Foundation 330 Ellis Street San Francisco, CA 94102	Public	General support	3,000
Huckleberry Youth Programs 3310 Geary Blvd San Francisco, Ca 94118	Public	General support	5,000
Jewish Family and Children's Services 2150 Post Street San Francisco, Ca 94115	Public	Centers for Special Needs	200,000
Jewish Vocational Services 225 Bush Street, Ste 400 San Francisco, CA 94104	Public	Business Basics program	250,000
St Anthony Foundation 150 Golden Gate Avenue San Francisco, Ca 94102	Public	General support	3,000
Shelter Network 1450 Chapin Avenue Burlingame, CA 94010	Public	Haven Family House	50,000
Tenderloin Neighborhood Dev Corp 201 Eddy Street San Francisco, Ca 94102	Public	General support	20,000
Western Ct on Law & Poverty 3701 Wilshire Blvd Los Angeles, Ca 90010		General support	5,000

**THE EUCALYPTUS FOUNDATION
GRANTS AND CONTRIBUTIONS PAID DURING YEAR**

**94-3148772
SUPP. A**

Grantee	Status	Purpose	Amount
EDUCATION			
<i>Elementary and Secondary</i>			
American Physical Society One Physics Ellipse College Park, Md 20740	Public	K-12 science education program (PHYSTEC)	50,000
		Pilot program to engage physicists with high school teachers	75,000
Camino Pablo PTA 1111 Camino Pablo Moraga, CA 94550	Public	General support	425
Charles Armstrong School 1405 Solana Drive Belmont, CA 94002	Public	Student financial aid	10,000
Eastside College Preparatory School 1041 Myrtle Street E Palo Alto, CA 94303	Public	Physics program	109,544
Mid-Peninsula Education Center 1340 Willow Road Menlo Park, CA 94025	Public	Student financial aid	26,000
Moraga Educational Foundation PO Box 34 Moraga, CA 94550	Public	General support - Moraga School District	2,500
<i>Higher Education</i>			
Monterey Institute Int'l Studies 460 Pierce Street Monterey, Ca 93940	Public	Student financial aid	100,000
National Center on Philanthropy and the Law 139 MacDougal Street New York, NY 20012	Public	Public interest law fellowship	4,000
New York University One Washington Place New York, N Y 10012	Public	Scholarships-Gallatin School	50,000
Santa Clara Univ School of Law 500 El Camino Real Santa Clara, Ca 95053	Public	Center for Social Justice	2,000
University of California, Berkeley Foundation 2080 Addison Street, #4200 Berkeley, Ca 94720	Public	Earthquake engineering chair	100,000
		Environmental Law Quarterly diversity scholarship	5,000
Regents of the University of California 1156 High Street Santa Cruz, CA 95064	Public	U C Santa Cruz Center for Agroecology and Sustainable Food Systems - apprenticeship program	128,600

**THE EUCALYPTUS FOUNDATION
GRANTS AND CONTRIBUTIONS PAID DURING YEAR**

**94-3148772
SUPP. A**

Grantee	Status	Purpose	Amount
Higher Education (cont'd)			
Yale University 157 Church Street New Haven, CT 06510	Public	Scholarship fund	250,000
Other			
Lindsay Wildlife Museum 1931 First Avenue Walnut Creek, Ca 94597	Public	General support	500
ENVIRONMENT/PARKS			
Environmental Defense Fund 257 Park Avenue S New York, N Y 10010	Public	Fellowship program	200,000
Moraga Park Foundation PO Box 302 Moraga, CA 94556	Public	Rancho Laguna Park - play structures	575
Save the Bay 350 Frank H Ogawa Plaza Oakland, Ca 94612	Public	Protection and restoration of S F Bay, including education and community initiatives	100,000
HEALTH CARE			
Health Alliance for Austin Musicians PO Box 301496 Austin, TX 78703	Public	General support	5,000
Fred Hutchinson Cancer Res Ctr PO Box 19024 Seattle, Wa 98109	Public	Medical research - indirect costs	250,000
Hillel at Stanford PO Box 20526 Stanford, Ca 94309	Public	Camp Kesem - summer camp for children of parents with cancer	10,000
Juvenile Diabetes Research Fdn Austin Texas Chapter 3420 Executive Ctr Drive, \$ 108 Austin, Tx 78731	Public	General support	3,000
Population Media Center PO Box 547 Shelburne, Vt 05482	Public	General support	6,000
San Francisco Free Clinic 4900 California St San Francisco, Ca 94118	Public	General support	20,000
University of California, Davis Health System 4900 Broadway, # 1150 Sacramento, Ca 95820	Public	Cancer Center - expansion	1,000

**THE EUCALYPTUS FOUNDATION
GRANTS AND CONTRIBUTIONS PAID DURING YEAR**

**94-3148772
SUPP. A**

Grantee	Status	Purpose	Amount
HUMAN RIGHTS			
American Jewish World Services 45 West 36th Street New York, N Y 10018	Public	General support - work in conflict zones	75,000
PeaceWorks Foundation PO Box 1577, OCS New York, N Y 10113	Public	One Voice - 2018 Campaign	75,000
TOTAL TO FORM 990-PF, PART XV, LINE 3A			<u>\$2,825,144</u>

The Eucalyptus Foundation FEIN:94-3148772
Kestrel Investment Management Corporation
REALIZED GAINS AND LOSSES
From 07-01-11 Through 06-30-12

SUPPLEMENT B

Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss
07/05/11	700	AmSurg Corp	14,427.45	18,865.12	4,437.67
07/18/11	600	AmSurg Corp	12,366.39	15,662.09	3,295.70
07/27/11	600	AmSurg Corp	12,366.39	15,458.64	3,092.25
08/01/11	800	Questcor Pharmaceuticals	3,997.93	24,969.04	20,971.11
08/02/11	900	AmSurg Corp	18,549.58	21,976.67	3,427.09
08/02/11	800	VAALCO Energy	3,876.52	5,103.42	1,226.90
08/02/11	600	Questcor Pharmaceuticals	2,998.44	18,631.32	15,632.88
08/03/11	600	John Bean Technologies	7,632.84	9,562.19	1,929.35
08/03/11	1000	Questcor Pharmaceuticals	4,997.41	30,827.60	25,830.19
08/04/11	900	Questcor Pharmaceuticals	4,497.67	26,704.64	22,206.97
08/04/11	1000	VAALCO Energy	4,845.65	5,906.38	1,060.73
08/05/11	700	Questcor Pharmaceuticals	3,498.19	19,928.12	16,429.93
08/05/11	800	VAALCO Energy	3,876.52	4,559.91	683.39
08/08/11	900	Questcor Pharmaceuticals	4,497.67	26,410.17	21,912.50
08/08/11	600	John Bean Technologies	7,632.84	8,521.39	888.55
08/08/11	600	VAALCO Energy	2,907.39	3,170.45	263.06
08/09/11	700	VAALCO Energy	3,391.96	3,825.28	433.32
08/09/11	700	Questcor Pharmaceuticals	3,498.19	20,996.37	17,498.18
08/10/11	700	John Bean Technologies	8,904.98	10,388.08	1,483.10
08/10/11	700	VAALCO Energy	3,391.96	4,190.32	798.36
08/10/11	700	Questcor Pharmaceuticals	3,498.19	21,316.76	17,818.57
08/11/11	700	VAALCO Energy	3,391.96	4,576.79	1,184.83
08/11/11	700	Questcor Pharmaceuticals	3,498.19	21,580.09	18,081.90
08/12/11	600	Questcor Pharmaceuticals	2,998.44	18,889.19	15,890.75
08/16/11	1200	Questcor Pharmaceuticals	5,996.89	37,084.56	31,087.67
08/16/11	1000	VAALCO Energy	4,845.65	6,567.87	1,722.22
08/17/11	600	John Bean Technologies	7,632.84	8,982.48	1,349.64
08/17/11	900	Questcor Pharmaceuticals	4,497.67	27,142.21	22,644.54
08/18/11	1000	VAALCO Energy	4,845.65	6,235.77	1,390.12
08/22/11	1000	VAALCO Energy	4,845.65	5,804.38	958.73
08/23/11	700	VAALCO Energy	3,391.96	4,212.58	820.62
08/24/11	2700	EMS Technologies	44,029.84	89,100.00	45,070.16
08/24/11	600	John Bean Technologies	7,632.84	8,750.11	1,117.27
08/25/11	1000	VAALCO Energy	4,845.65	5,905.18	1,059.53
09/07/11	700	John Bean Technologies	8,904.98	10,708.95	1,803.97
09/12/11	600	John Bean Technologies	7,632.84	8,640.07	1,007.23
09/21/11	600	John Bean Technologies	7,632.84	8,569.87	937.03
09/28/11	600	John Bean Technologies	7,632.84	8,715.49	1,082.65
10/07/11	1100	John Bean Technologies	13,993.54	16,084.33	2,090.79

The Eucalyptus Foundation FEIN:94-3148772
Kestrel Investment Management Corporation
REALIZED GAINS AND LOSSES
From 07-01-11 Through 06-30-12

SUPPLEMENT B

Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss
11/07/11	700	Healthways, Inc	10,229.74	4,868.82	(5,360.92)
11/07/11	600	Orion Marine Group	5,143.13	3,764.74	(1,378.39)
11/11/11	700	Orion Marine Group	6,000.32	4,443.30	(1,557.02)
11/14/11	600	Healthways, Inc	8,768.34	4,047.58	(4,720.76)
11/21/11	700	Healthways, Inc	10,229.74	4,458.07	(5,771.67)
11/22/11	600	Orion Marine Group	5,143.13	3,341.93	(1,801.20)
11/29/11	600	Healthways, Inc	8,768.34	3,511.73	(5,256.61)
11/30/11	800	Orion Marine Group	6,857.51	4,731.02	(2,126.49)
12/08/11	900	Healthways, Inc	13,152.52	6,298.16	(6,854.36)
12/14/11	700	Healthways, Inc	10,229.74	4,460.31	(5,769.43)
12/19/11	10700	Force Protection	52,336.81	59,064.00	6,727.19
12/20/11	600	Healthways, Inc	8,768.34	4,122.82	(4,645.52)
12/21/11	700	Healthways, Inc	10,229.74	4,669.05	(5,560.69)
01/11/12	1400	Universal American	12,943.00	15,963.33	3,020.33
01/12/12	1100	Universal American	10,169.50	12,325.92	2,156.42
01/12/12	600	Aceto Corp	3,624.77	4,097.38	472.61
01/17/12	900	Universal American	8,320.50	10,009.60	1,689.10
01/19/12	600	Universal American	5,547.00	6,799.00	1,252.00
01/24/12	600	Aceto Corp	3,624.77	4,239.63	614.86
01/25/12	1000	Universal American	9,245.00	11,225.78	1,980.78
01/31/12	5600	RadioShack Corp	108,342.70	40,392.02	(67,950.68)
02/01/12	600	Aceto Corp	3,624.77	4,411.47	786.70
02/02/12	600	Nash Finch Company	22,096.47	17,526.62	(4,569.85)
02/09/12	700	Aceto Corp	4,228.90	5,288.88	1,059.98
02/13/12	600	Aceto Corp	3,624.77	4,655.31	1,030.54
02/15/12	2900	Synovis Life Tech	41,327.14	81,200.00	39,872.86
02/17/12	800	Aceto Corp	4,833.03	6,575.88	1,742.85
02/21/12	700	Aceto Corp	4,228.90	5,836.70	1,607.80
02/24/12	700	Aceto Corp	4,228.90	5,950.10	1,721.20
02/27/12	600	Nash Finch Company	22,096.47	16,564.02	(5,532.45)
02/29/12	600	Aceto Corp	3,624.77	5,012.72	1,387.95
03/05/12	900	Aceto Corp	5,437.15	7,509.55	2,072.40
03/07/12	900	Nash Finch Company	33,144.70	24,599.70	(8,545.00)
03/21/12	600	Standard Parking Corp	9,842.70	12,164.96	2,322.26
04/02/12	1000	Standard Parking Corp	16,404.50	20,519.53	4,115.03
04/10/12	700	Silicon Laboratories	17,665.96	28,607.16	10,941.20
04/10/12	800	Stage Stores	12,633.24	11,779.65	(853.59)
04/13/12	600	Silicon Laboratories	15,142.25	25,188.51	10,046.26
04/17/12	700	Stage Stores	11,054.09	10,711.22	(342.87)
04/20/12	700	Silicon Laboratories	17,665.96	28,968.36	11,302.40

The Eucalyptus Foundation FEIN:94-3148772
Kestrel Investment Management Corporation
REALIZED GAINS AND LOSSES
From 07-01-11 Through 06-30-12

SUPPLEMENT B

Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss
04/20/12	600	Stage Stores	9,474.93	9,252.03	(222.90)
04/25/12	1300	Silicon Laboratories	32,808.22	47,661.74	14,853.52
04/25/12	700	Stage Stores	11,054.09	10,785.14	(268.95)
05/01/12	1100	Standard Parking Corp	18,044.95	21,361.52	3,316.57
05/02/12	600	Volterra Semiconductor	6,593.40	19,443.10	12,849.70
05/03/12	900	Stage Stores	14,212.40	14,305.80	93.40
05/04/12	800	Volterra Semiconductor	8,791.20	24,499.93	15,708.73
05/08/12	700	Stage Stores	11,054.09	10,558.91	(495.18)
05/10/12	800	Volterra Semiconductor	8,791.20	24,069.30	15,278.10
05/10/12	600	PCTEL, Inc	2,824.76	3,958.41	1,133.66
05/11/12	700	Stage Stores	11,054.09	10,888.95	(165.14)
05/15/12	1100	Volterra Semiconductor	12,087.90	32,129.50	20,041.60
05/16/12	1000	Stage Stores	15,791.56	16,277.93	486.37
05/29/12	600	PCTEL, Inc	2,824.76	3,675.03	850.28
06/20/12	600	PCTEL, Inc	2,824.76	4,037.54	1,212.79
TOTAL GAINS			1,022,715.98	1,407,333.24	384,617.26

Kestrel Investment Management Corporation
PORTFOLIO APPRAISAL WITH CUSIP
The Eucalyptus Foundation
June 30, 2012

Security Symbol	Cusip	Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct Assets	Yield
RESTRUCTURING									
ASCA	03070Q101	4,900	Ameristar Casinos	20.16	98,799.96	17,7700	87,073.00	1.8	2.8
ARRS	04269Q100	12,300	Arris Group Inc	10.41	127,995.74	13,9100	171,093.00	3.5	0.0
BYI	05874B107	3,600	Bally Technologies Inc	36.41	131,066.07	46,6600	167,976.00	3.5	0.0
EAT	109641100	7,300	Brinker International	16.11	117,599.29	31,8700	232,651.00	4.8	2.0
BRS	110394103	3,100	Bristow Group	47.76	148,056.59	40,6700	126,077.00	2.6	2.0
BR	11133T103	6,900	Broadridge Financial	19.37	133,678.21	21,2700	146,763.00	3.0	3.0
CACI	127190304	2,400	CACI International	51.39	123,339.66	55,0200	132,048.00	2.7	0.0
CPIX	230770109	8,300	Cumberland Pharmaceut	5.35	44,385.48	6,4600	53,618.00	1.1	0.0
EPL	29270U303	5,900	Energy Partners	13.80	81,433.52	16,9000	99,710.00	2.0	0.0
FMC	302491303	6,600	FMC Corp	15.95	105,263.20	53,4800	352,968.00	7.3	0.7
FAF	31847R102	8,100	First American Financial	14.16	114,699.44	16,9600	137,376.00	2.8	1.9
HCC	404132102	4,900	HCC Insurance Holdings	25.03	122,627.24	31,4000	153,860.00	3.2	2.0
HAE	405024100	1,900	Haemonetics Corp	55.08	104,647.06	74,1100	140,809.00	2.9	0.0
HHS	416196103	11,400	Harte-Hanks Inc	8.22	93,712.93	9,1400	104,196.00	2.1	3.7
HMN	440327104	5,500	Horace Mann Educatrs	17.30	95,139.38	17,4800	96,140.00	2.0	3.0
HII	446413106	3,600	Huntington Ingalls Ind	39.53	142,323.01	40,2400	144,864.00	3.0	0.0
IMN	45245A107	6,000	Inatton Corp	10.31	61,836.15	5,9100	35,460.00	0.7	0.0
IDTI	458118106	20,100	Integrated Device Tech	6.55	131,644.13	5,6200	112,962.00	2.3	0.0
IBI	458743101	4,900	Interline Brands Inc	17.62	86,337.87	25,0700	122,843.00	2.5	0.0
LNDC	514766104	6,400	Landec Corp	6.34	40,560.13	8,5600	54,784.00	1.1	0.0
LPNT	53219L109	4,000	LifePoint Hospitals	31.62	126,499.38	40,9800	163,920.00	3.4	0.0
LMOS	550283105	2,050	Lumos Networks	10.36	21,232.27	9,4300	19,331.50	0.4	5.9
MGLN	559079207	3,400	Magellan Health Svcs	30.16	102,560.00	45,3300	154,122.00	3.2	0.0
MATW	577128101	2,300	Matthews International	31.01	71,326.55	32,4900	74,727.00	1.5	1.1
MWW	611742107	15,100	Monster Worldwide Inc	7.21	108,823.33	8,3100	125,481.00	2.6	0.0
NCR	62886E108	7,500	NCR Corp	15.84	118,793.96	22,7300	170,475.00	3.5	0.0
NLS	67020Q305	2,050	NTELOS Holdings	24.92	51,091.36	18,8500	38,642.50	0.8	8.9
NAVG	638904102	1,200	Navigators Group	44.38	53,260.23	50,0500	60,060.00	1.2	0.0
OPLK	68375Q403	5,400	Oplink Communications	15.93	86,039.55	13,5300	73,062.00	1.5	0.0
PCTI	69325Q105	2,000	PCTEL, Inc	4.71	9,415.85	6,4700	12,940.00	0.3	1.9
POST	737446104	4,400	Post Holdings	30.59	134,584.41	30,7500	135,300.00	2.8	0.0
STR	748356102	8,300	Questar Corp	17.35	144,038.51	20,8600	173,138.00	3.6	3.1
SWM	808541106	1,700	Schweitzer-Mauduit Intl	56.01	95,216.70	68,1400	115,838.00	2.4	0.9
SKYW	830879102	5,800	SkyWest Inc	12.91	74,868.33	6,5300	37,874.00	0.8	2.5
SFG	852891100	2,600	StanCorp Finl Group	45.81	119,115.32	37,1600	96,616.00	2.0	2.4
STRA	863236105	1,200	Strayer Education	126.05	151,261.68	109,0200	130,824.00	2.7	3.7
SYMM	871543104	4,200	Symmetrcom Inc	5.54	23,257.02	5,9900	25,158.00	0.5	0.0
TECD	878237106	2,800	Tech Data	40.68	113,909.53	48,1700	134,876.00	2.8	0.0

Kestrel Investment Management Corporation
PORTFOLIO APPRAISAL WITH CUSIP
The Eucalyptus Foundation
June 30, 2012

Security Symbol	Cusip	Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct Assets	Yield
VASC	92231M109	3,700	Vascular Solutions	11 11	41,105 79	12 5600	46,472 00	1 0	0 0
WBSN	947684106	5,100	WebSense Inc	23 34	119,055 74	18 7300	95,523 00	2 0	0 0
WRLD	981419104	3,000	World Acceptance	28 21	84,637 75	65 8000	197,400 00	4 1	0 0
EHTH	28238P109	4,500	eHealth Inc	14 99	67,457 76	16 1100	72,495 00	1 5	0 0
					4,022,696 08		4,827,546 00	99 2	1 0
CASH AND EQUIVALENTS									
EUCLCA			Cash - Eucalyptus Foundation		35,368 70		35,368 70	0 7	0 2
DIVACCR			Dividend & Interest Accruals		4,485 50		4,485 50	0 1	0 0
					39,854 20		39,854 20	0 8	0 2
TOTAL PORTFOLIO					4,062,550.28		4,867,400.20	100.0	1.0