

Pennsylvania Public School Employees' Retirement System



Public Market Emerging
Manager Program

PSEERS' Public Market Emerging Manager
Program List of Managers As of December 31, 2007

- **Multi Cap Equity**

- Biondo Group
- Denali Advisors

- **Large Cap Equity**

- Great Companies, Inc
- Hanseatic Management Services, Inc.

PSERS' Public Market Emerging Manager Program List of Managers As of December 31, 2007

- **Small Cap Equity**
 - Conestoga Capital
 - Connors Investor Services, Inc.
 - Opus Capital Management

- **Global Equity**
 - John Hsu Capital Group, Inc.
 - Shah Capital, Inc.

PSERS' Public Market Emerging Manager Program List of Managers As of December 31, 2007

- **Fixed Income**
 - Piedmont Investment
Advisors
 - Pugh Capital
Management

PSERS' Public Market Emerging Manager Program

Market Values as of December 31, 2007

(Unaudited)

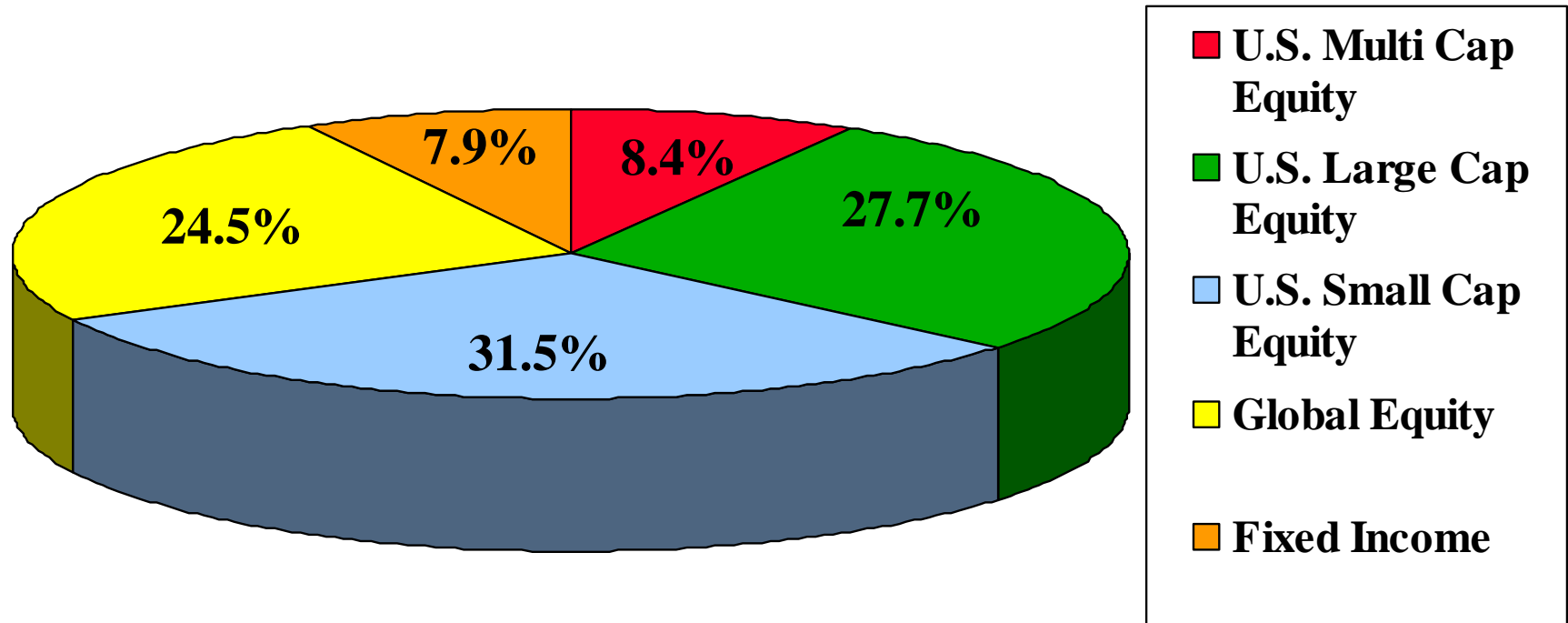
Asset Class	Market Value* (in millions)	% of Total
Equity		
U.S. Multi Cap Equity	\$ 35.7	8.4%
U.S. Large Cap Equity	117.9	27.7%
U.S. Small Cap Equity	134.0	31.5%
Global Equity	104.1	24.5%
Total Equity	391.7	92.1%
Fixed Income		
U.S. Core	33.9	7.9%
Total Fixed Income	33.9	7.9%
TOTAL EMERGING MANAGER PROGRAM	\$ 425.6	100.0%

* - includes Cash, Cash Equivalents, and net asset value accounting adjustments.

PSERS' Public Market Emerging Manager Program

Asset Distribution as of December 31, 2007

(Unaudited)

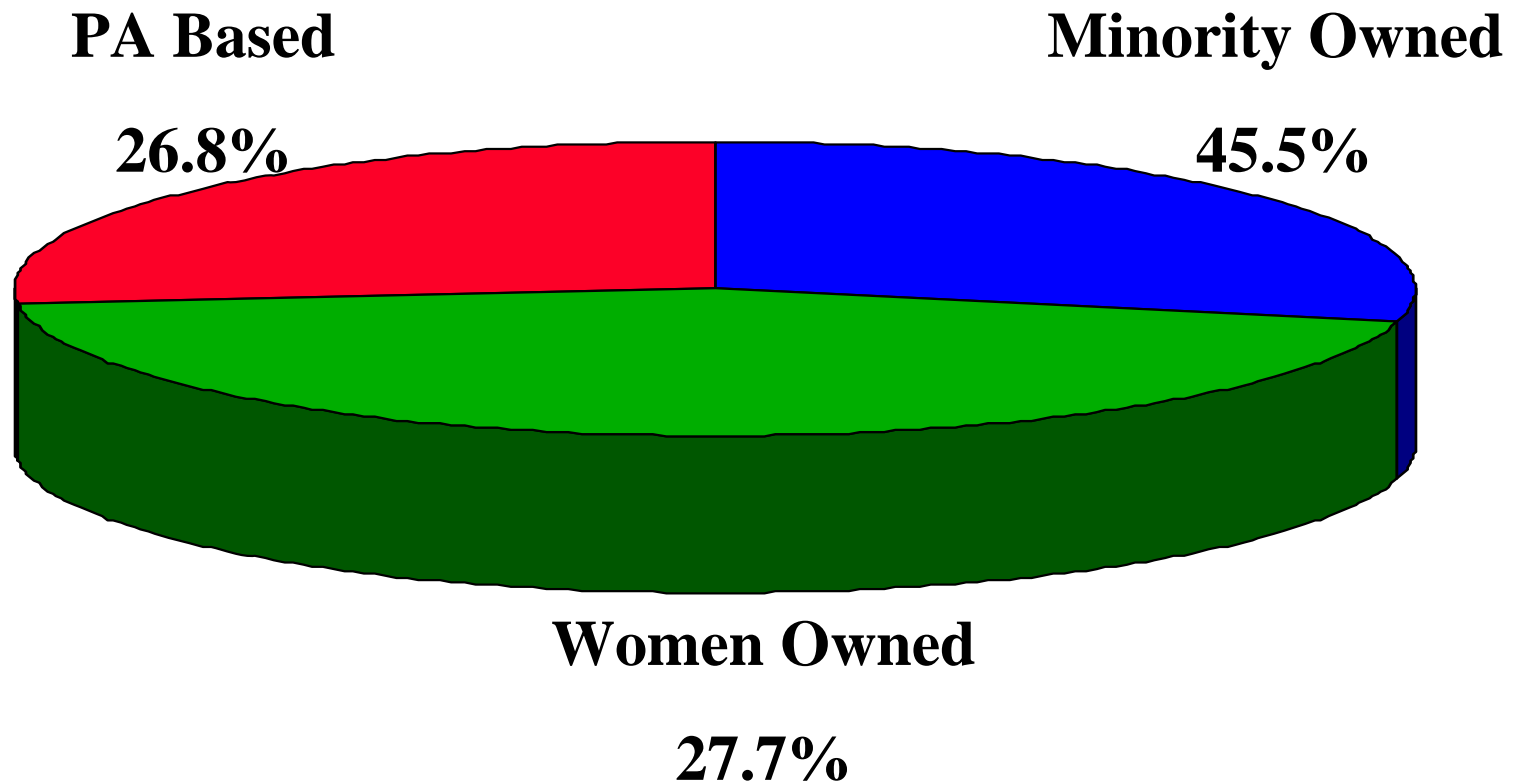


PSERS' Public Market Emerging Manager Program Ownership Composition as of December 31, 2007 (Unaudited)

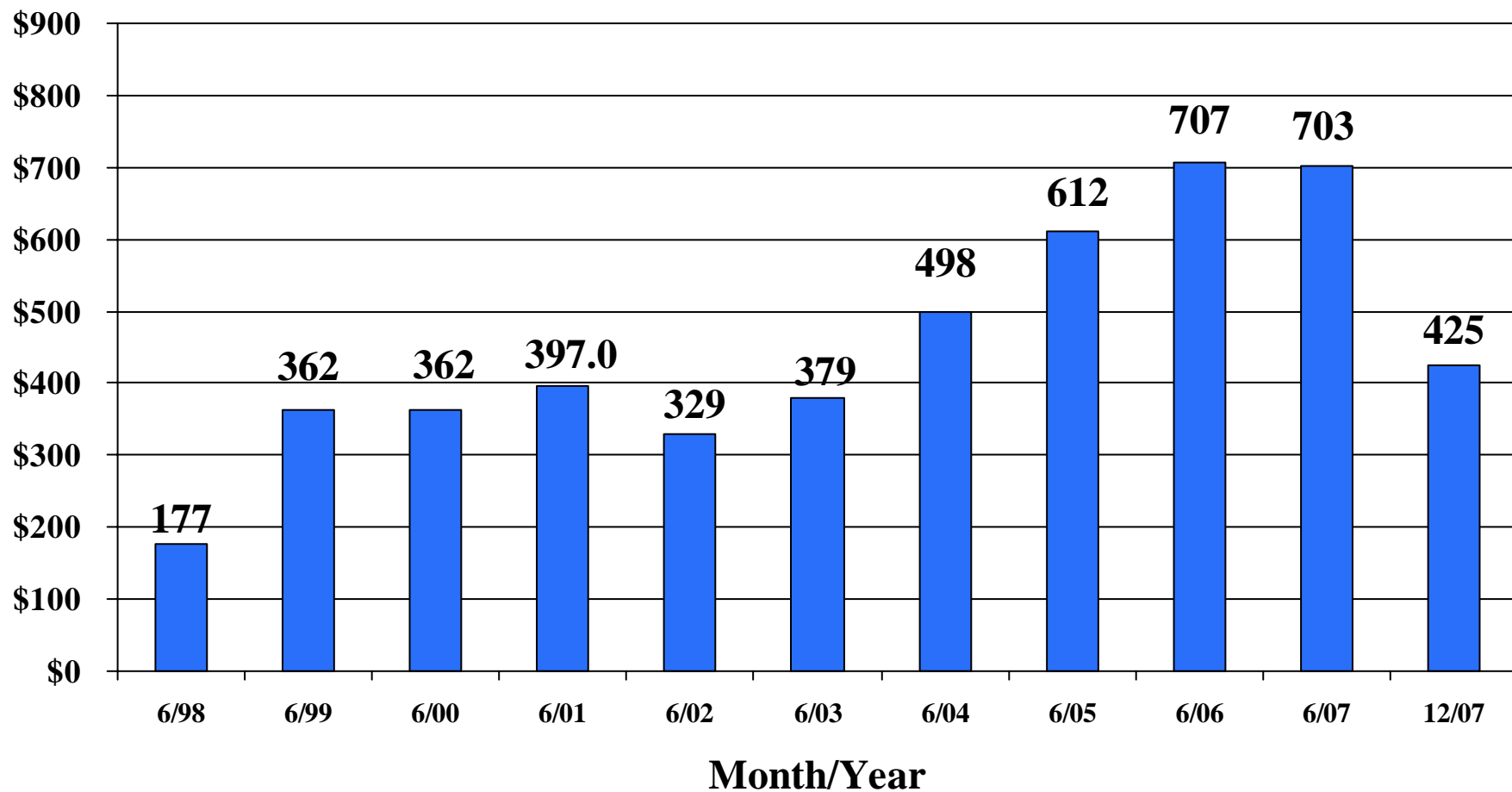
<u>Ownership Composition</u>	<u>Market Value* in millions)</u>	<u>% of Total</u>
Pennsylvania Based	\$113.8	26.8%
Women Owned	117.9	27.7%
Minority Owned	193.9	45.5%
<u>TOTAL EMERGING MANAGER PROGRAM</u>	<u>\$ 425.6</u>	<u>100.0%</u>

* - includes Cash, Cash Equivalents, and net asset value accounting adjustments.

PSERS' Public Market Emerging Manager Program
Ownership Composition as of December 31, 2007
(Unaudited)



PSEERS' Public Market Emerging Manager Program Assets Under Management (in millions)



PSERS' Public Market Emerging Manager Program
Annualized Performance (Net of Fees)
As of December 31, 2007

<u>Asset Class</u>	<u>4th Qtr. 2007</u>	<u>Fiscal Year to Date*</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
U.S. Multi Cap Equity	(4.26%)	(4.97%)	3.92%	10.77%	N/A
U.S. Large Cap Equity	(0.65)	2.93	11.06	9.56	14.04%
U.S. Small Cap Equity	(11.84)	(9.48)	(4.43)	4.20	15.33
Global Equity	(0.17)	15.33	34.00	25.13	25.54
Fixed Income	2.50	5.30	6.12	4.36	N/A
TOTAL EMERGING MANAGER PROGRAM	(4.70)	(2.14)	7.31	9.68	15.62
CUSTOM INDEX	(3.81%)	(3.73%)	3.54%	8.72%	14.25%

N/A – No history available for that time period.

*PSERS' Fiscal Year ends on June 30.