

# Pennsylvania Public School Employees' Retirement System

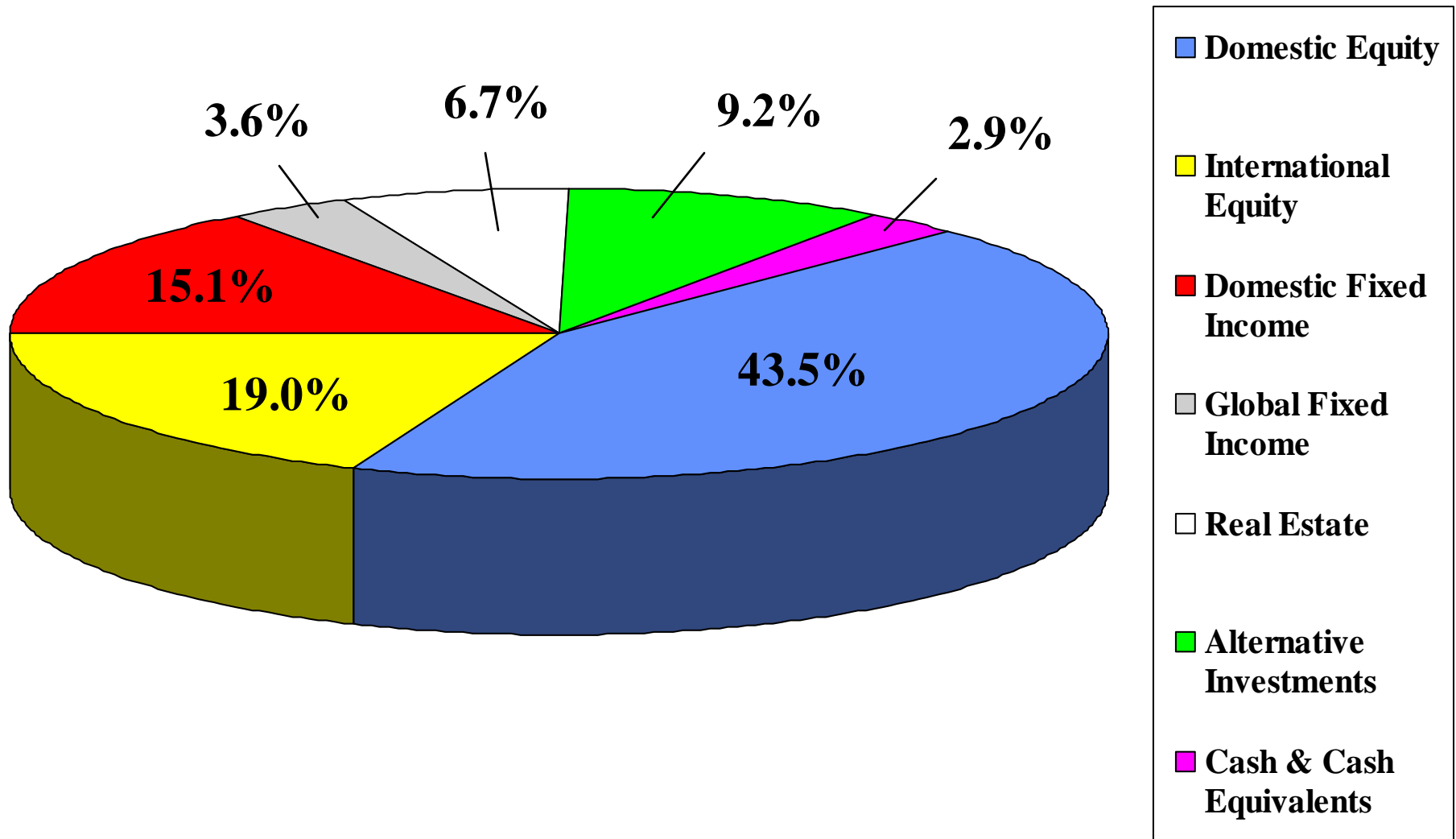


## PSERS' Investment Market Values as of December 31, 2004 (Unaudited)

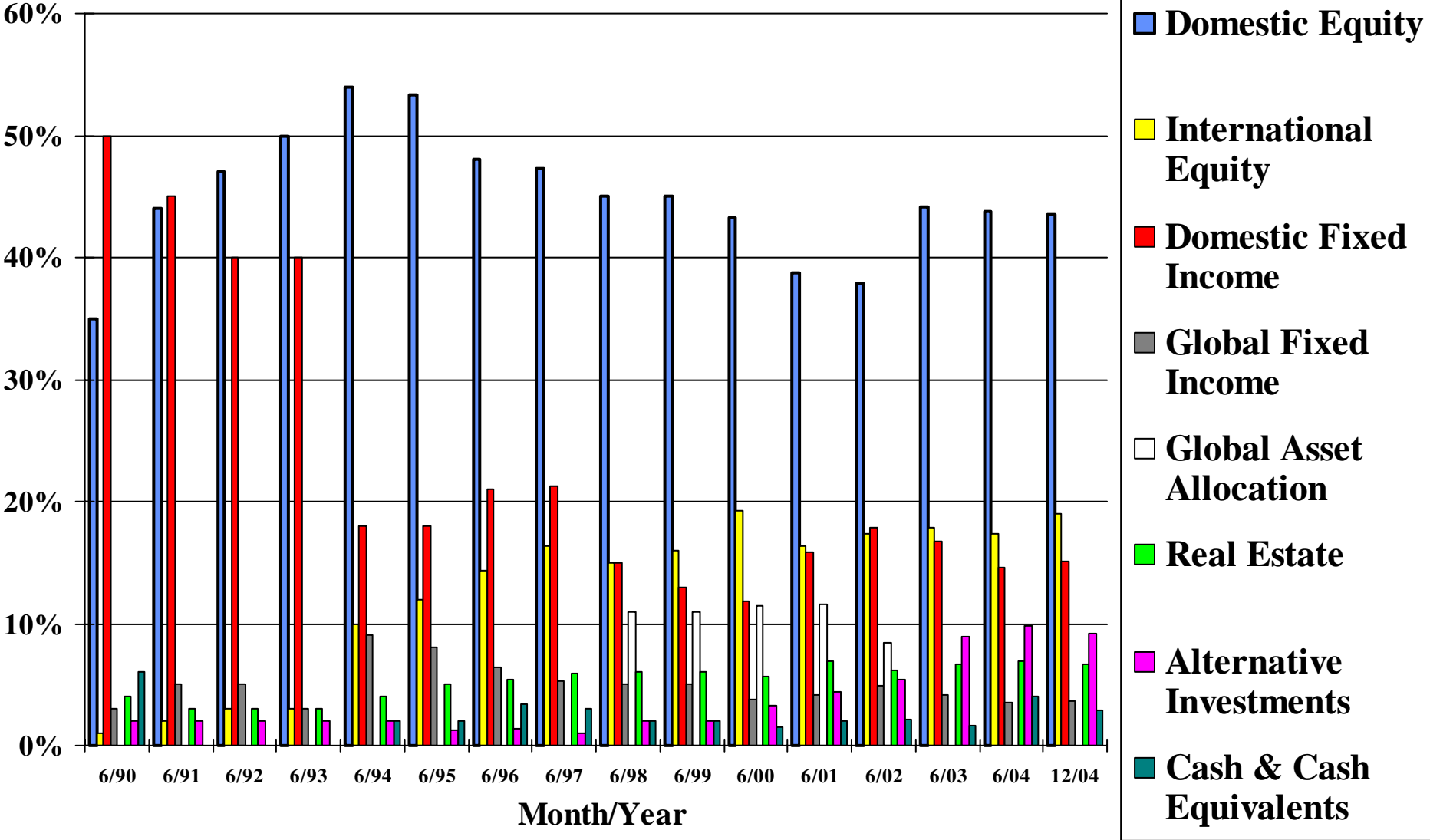
Asset Class	Market Value (in millions)	% of Total	Target Allocation	Policy Ranges
Domestic Equity	\$ 22,479.7	43.5%	42.0%	39.0% - 45.0%
International Equity	9,838.5	19.0%	18.0%	15.0% - 21.0%
Private Equity	3,114.4	6.0%		
Private Debt	1,241.8	2.4%		
Venture Capital	395.9	0.8%		
Subtotal Alt. Investments	<u>4,752.1</u>	<u>9.2%</u>	11.0%	8.0% - 14.0%
Real Estate	<u>3,467.9</u>	<u>6.7%</u>	7.0%	5.0% - 9.0%
Total Equity	<u>40,538.2</u>	<u>78.4%</u>	78.0%	75.0% - 81.0%
Domestic Fixed Income	7,822.3	15.1%		
Global Fixed Income	1,851.7	3.6%		
Cash & Cash Equivalents *	<u>1,492.1</u>	<u>2.9%</u>		
Total Fixed Income	<u>11,166.1</u>	<u>21.6%</u>	22.0%	19.0% - 25.0%
<b>TOTAL FUND</b>	<b><u>\$ 51,704.3</u></b>	<b>100.0%</b>	<b>100.0%</b>	

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

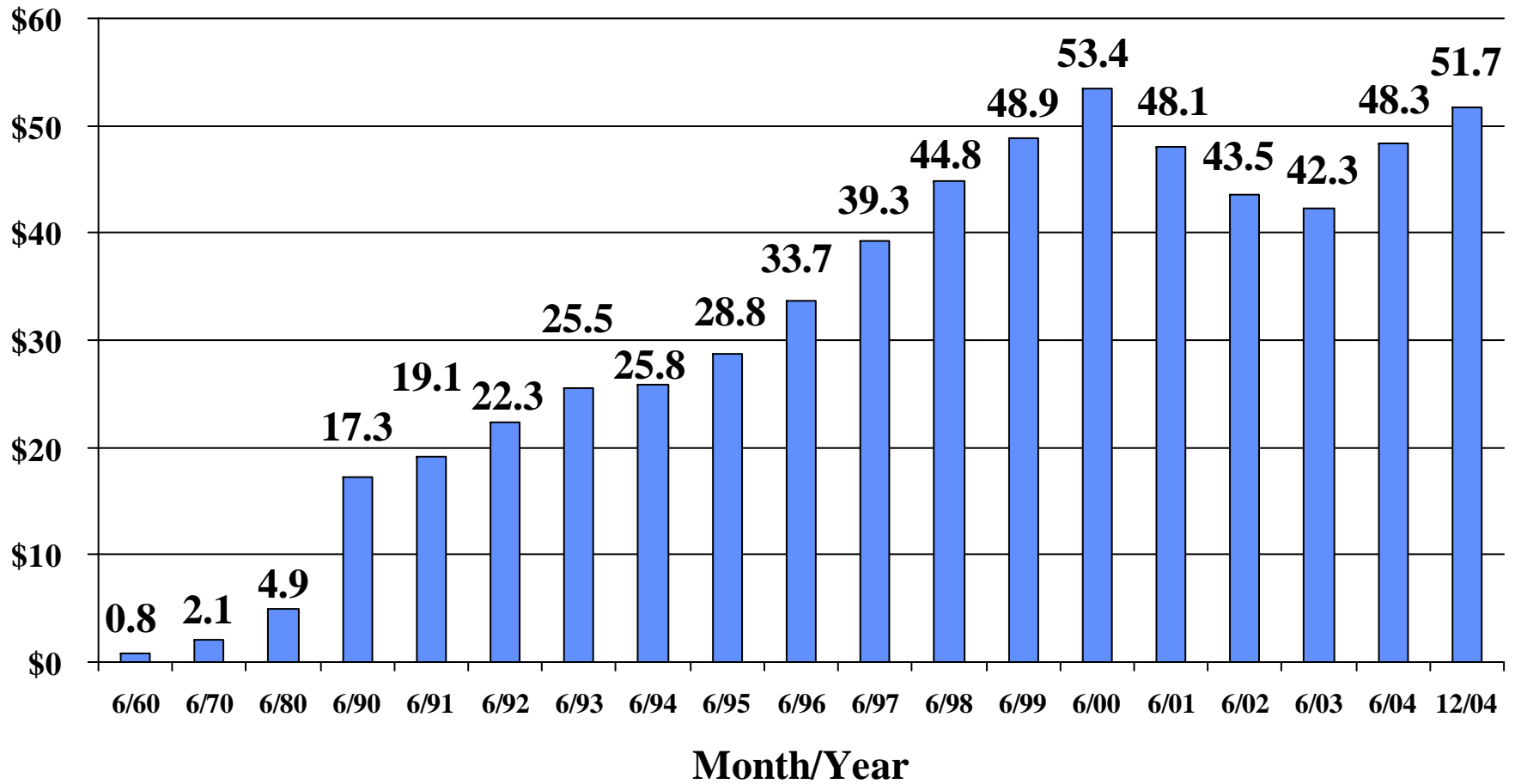
# PSERS' Portfolio Distribution as of December 31, 2004 (Unaudited)



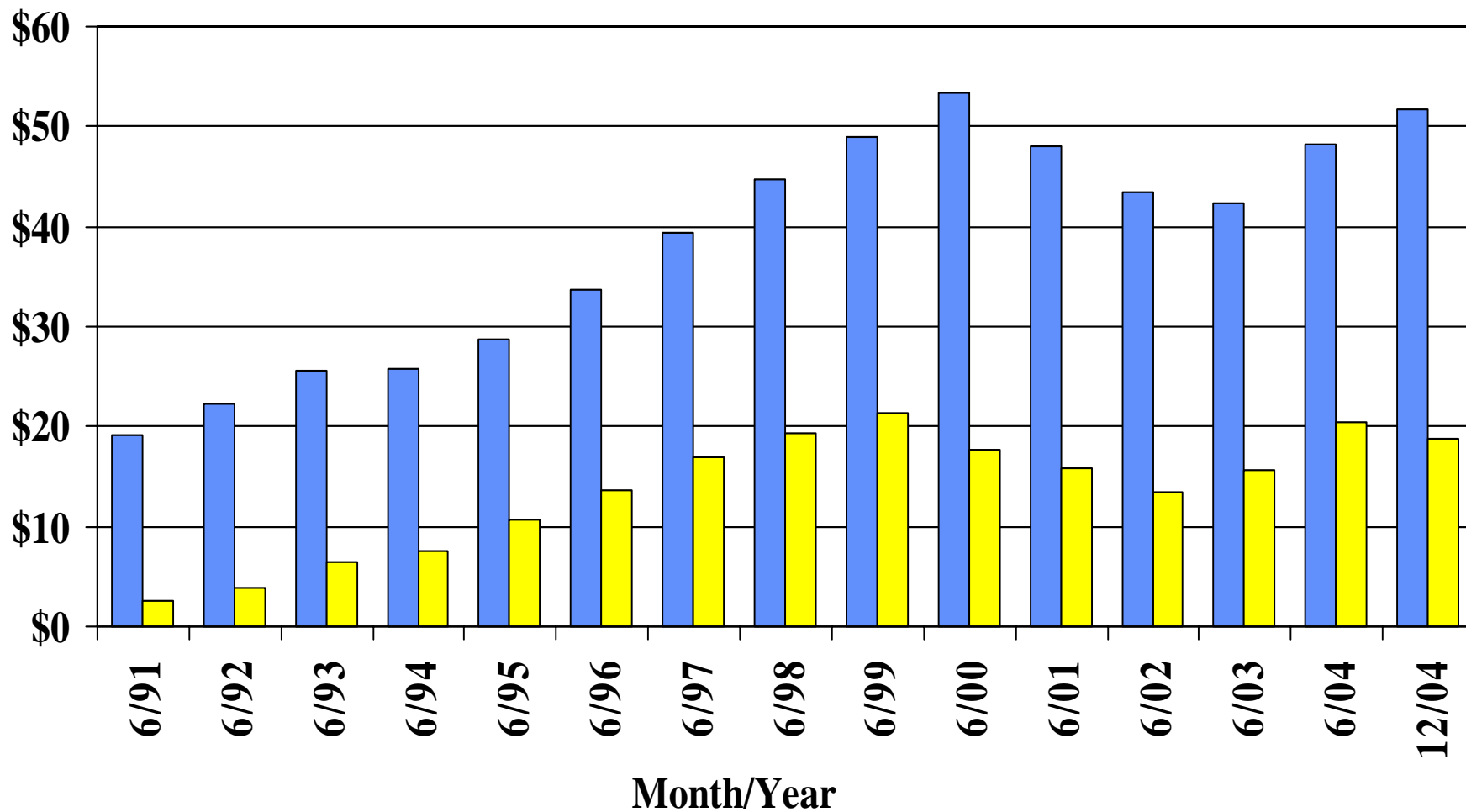
# PSERS' Historical Asset Allocation



## PSERS' Net Pension Assets (in billions)



## Internally Managed Assets (in billions)



PSEERS' Average Monthly Contributions & Expenses  
2003 - 2004 Fiscal Year

- Member Contributions..... \$ 79 Million
- Employer Contributions..... \$ 34 Million
- Pension Expense..... \$ 291 Million
- Administrative Expense..... \$ 4 Million

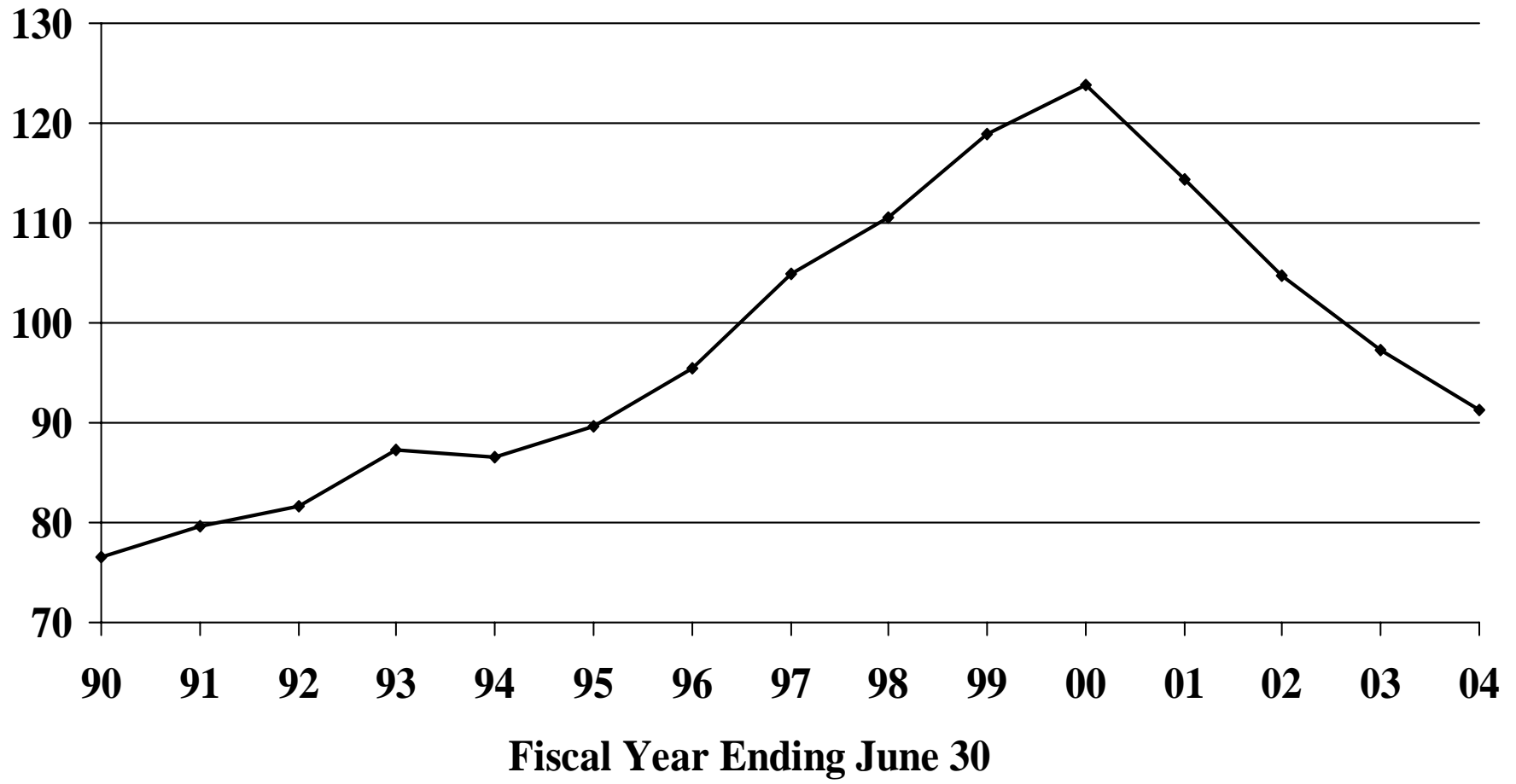
## PSERS' Funded Ratio: 1990 - 2004 (in millions)

<b>June 30 Date</b>	<b>Accrued Liability</b>	<b>Valuation Assets</b>	<b>Unfunded (Overfunded) Accrued Liability</b>	<b>Funded Ratio (%)</b>
2004	\$ 57,124	\$ 52,095	\$ 5,029	91.2
2003	54,443	52,900	1,543	97.2
2002	51,796	54,296	(2,500)	104.8
2001	47,917	54,830	(6,913)	114.4
2000	39,823	49,293	(9,470)	123.8
1999	37,499	44,606	(7,107)	119.0
1998	36,136	39,969	(3,833)	110.6
1997	33,210	34,873	(1,663)	105.0
1996	31,630	30,171	1,459	95.4
1995	30,073	26,971	3,102	89.7
1994	28,348	24,552	3,796	86.6
1993	25,947	22,644	3,303	87.3
1992	24,570	20,068	4,502	81.7
1991	22,574	17,962	4,612	79.6
1990	20,914	15,996	4,918	76.5



# PSERS' Funded Ratio: 1990 – 2004

(percentage)



# Total Contribution Rate

<b>Fiscal Year</b>	<b>Employer Rate</b>	<b>Employee Rate</b>	<b>Total Contribution Rate</b>
05-06	4.69%	7.16%	11.85%
04-05	4.23	7.12	11.35
03-04	3.77	7.08	10.85
02-03	1.15	7.10	8.25
01-02	1.09	5.80	6.89
00-01	1.94	5.77	7.71
99-00	4.61	5.72	10.33
98-99	6.04	5.69	11.73
97-98	8.76	5.65	14.41
96-97	10.60	5.62	16.22
95-96	11.72	5.59	17.31
94-95	11.06	5.55	16.61
93-94	13.17	5.51	18.68
92-93	14.24	5.48	19.72
91-92	14.90	5.46	20.36
90-91	19.18	5.69	24.87
89-90	19.68	5.53	25.21

# History of Member and Employer Contribution Rates Since 1989-90

