

PSERS' Investment Portfolio

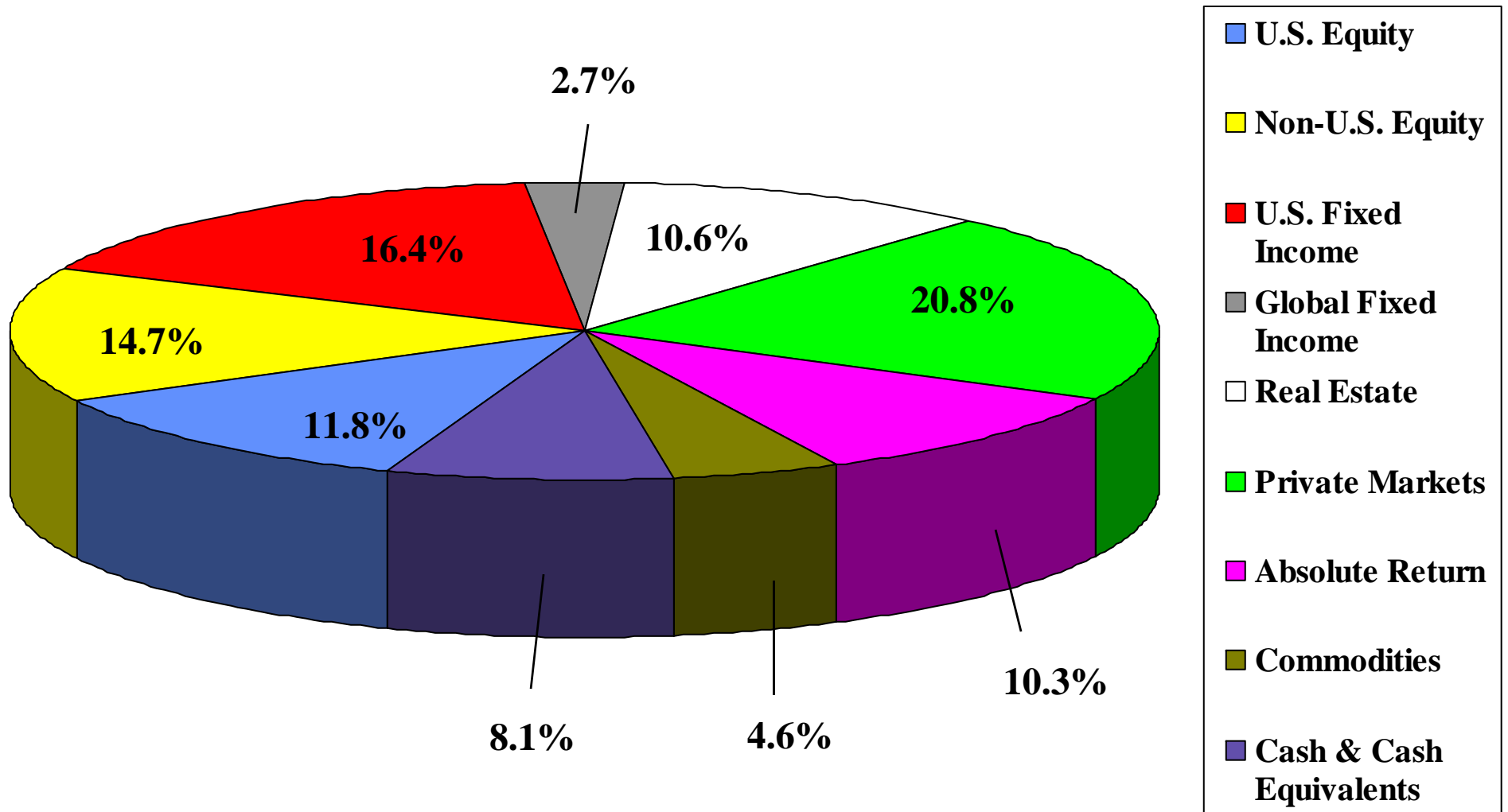
Asset Allocation as of June 30, 2011 (Unaudited)

Asset Class	Market Value (in millions)	% of Total	Target Allocations	Policy Ranges
U.S. Equity	\$ 6,051.9	11.8%		
Non-U.S. Equity	7,559.7	14.7%		
Subtotal Public Market Equities	<u>13,611.6</u>	26.5%	25.50%	+/- 10.0%
Private Equity	7,821.2	15.2%		
Private Debt	2,024.2	3.9%		
Venture Capital	849.1	1.7%		
Subtotal Private Markets	<u>10,694.5</u>	20.8%	20.50%	
Real Estate	<u>5,467.9</u>	10.6%	9.75%	
Total Equity	<u>29,774.0</u>	57.9%	55.75%	+/- 10.0%
U.S. Fixed Income	8,432.1	16.4%		
Global Fixed Income	<u>1,392.1</u>	2.7%		
Total Fixed Income	<u>9,824.2</u>	19.1%	21.25%	+/- 10.0%
Absolute Return	5,297.5	10.3%	12.00%	+/- 4.0%
Commodities	2,388.3	4.6%	6.00%	+/- 4.0%
Cash & Cash Equivalents *	<u>4,160.5</u>	8.1%	5.00%	
TOTAL INVESTMENT PORTFOLIO	\$ 51,444.5	100.0%	100.00%	
Net Other Assets and Liabilities	<u>(11.3)</u>			
PSERS TOTAL ASSETS	<u>\$ 51,433.2</u>			

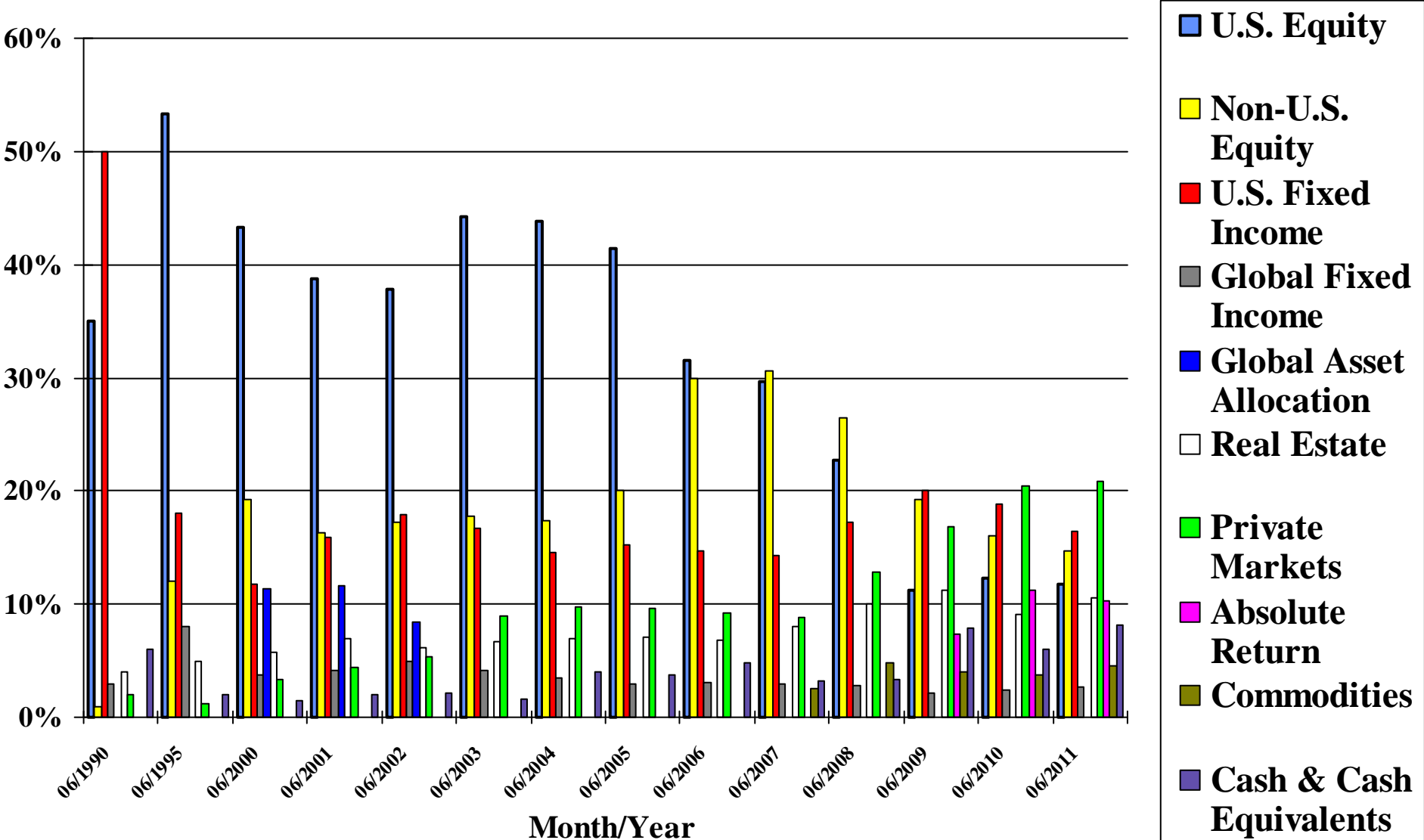
* - includes Cash, Cash Equivalents, and net asset value accounting adjustments

PSEERS' Investment Portfolio

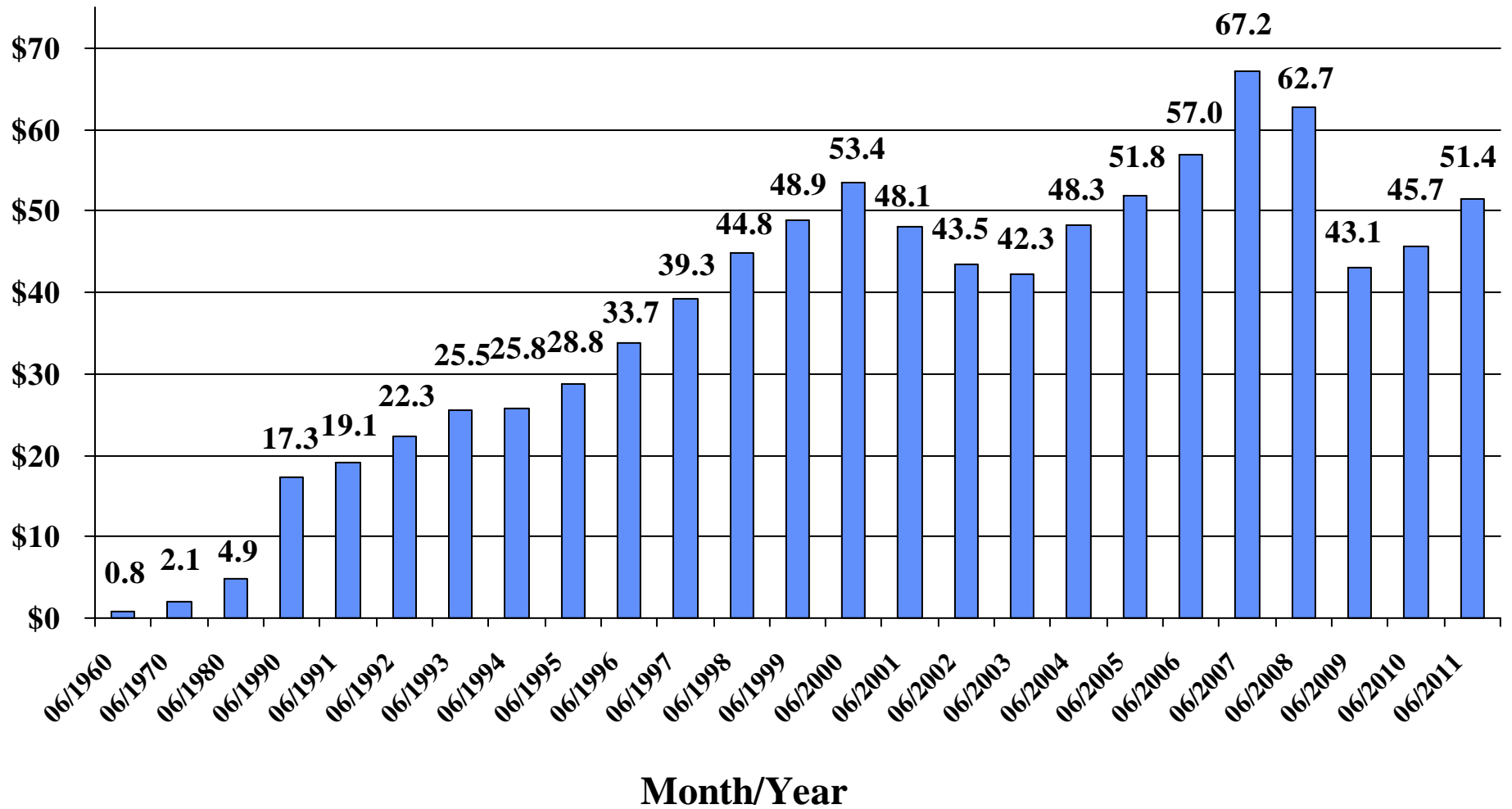
Asset Allocation as of June 30, 2011 (Unaudited)



PSERS' Historical Asset Allocation

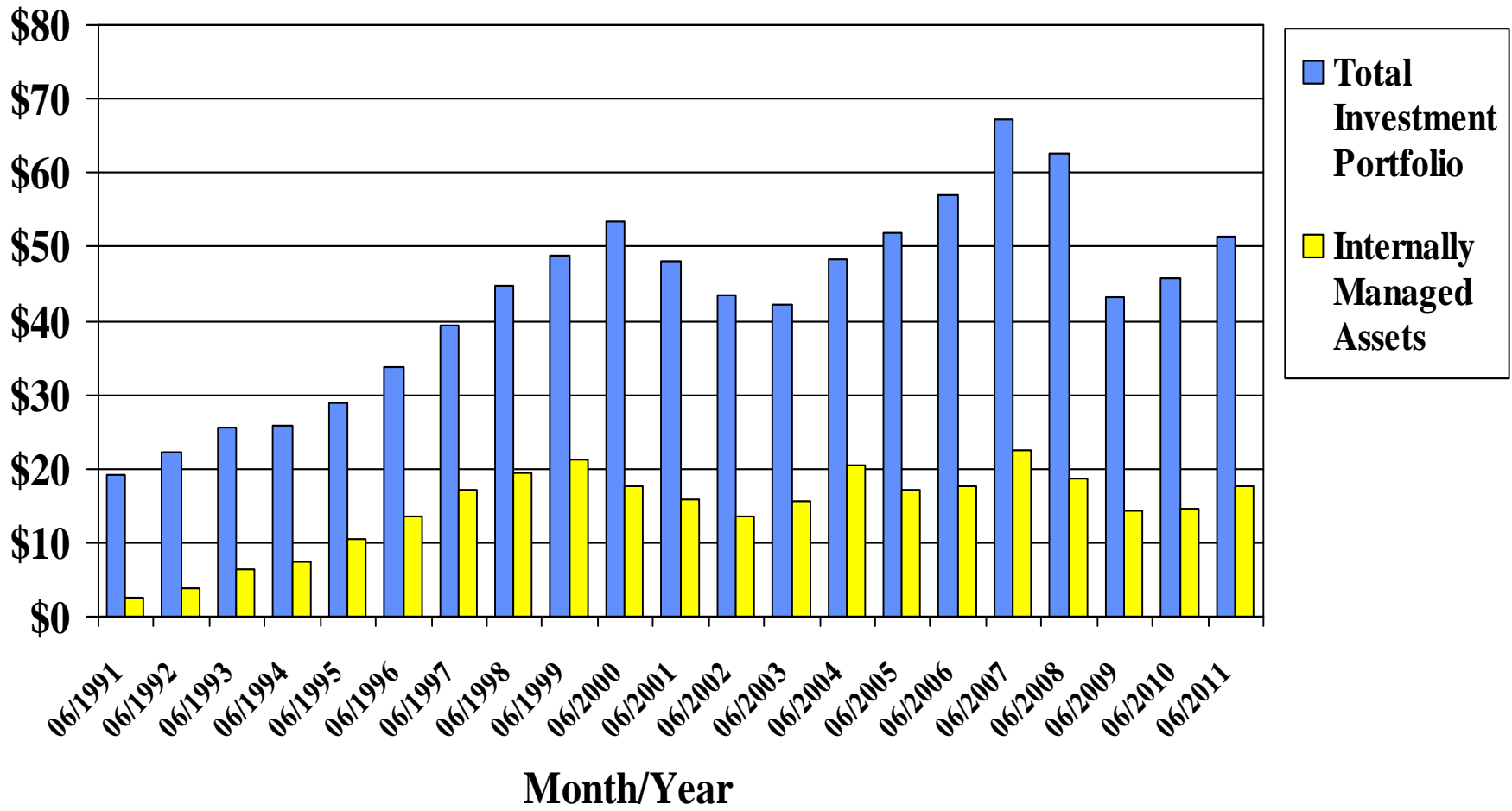


PERS' Investment Portfolio Total Market Value (in billions)



PERS' Investment Portfolio

Internally Managed Assets (in billions)



PSEERS' Average Monthly Additions and Deductions For the Fiscal Year Ended June 30, 2010

Additions:

• Member Contributions.....	\$ 79 Million
• Employer Contributions.....	\$ 45 Million
• Net Investment Income (Loss)..	\$ 509 Million
Total Additions.....	\$ 633 Million

Deductions:

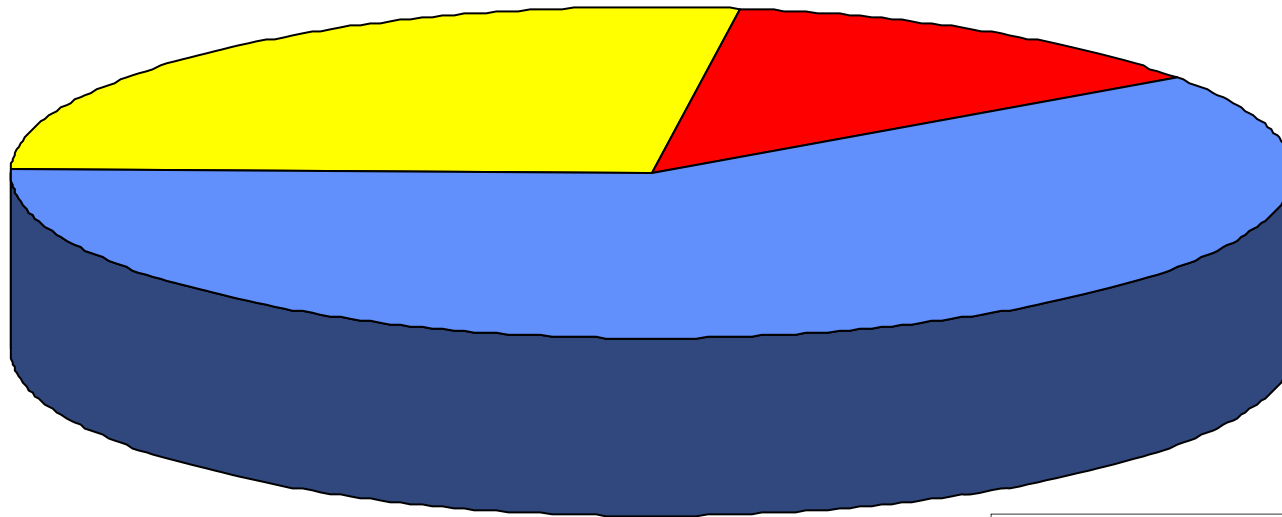
• Pension Benefits.....	\$ 416 Million
• Administrative Expenses	\$ 1 Million
Total Deductions.....	\$ 417 Million

PERS' Sources of Funding

10 Year History (Fiscal Year 2001 to 2010)

Employee Contributions
\$8.0 Billion (27.0% of Total)

Employer Contributions
\$3.9 Billion (13.0% of Total)



Investment Earnings
\$17.7 Billion (60.0% of Total)

PERS' Sources of Funding

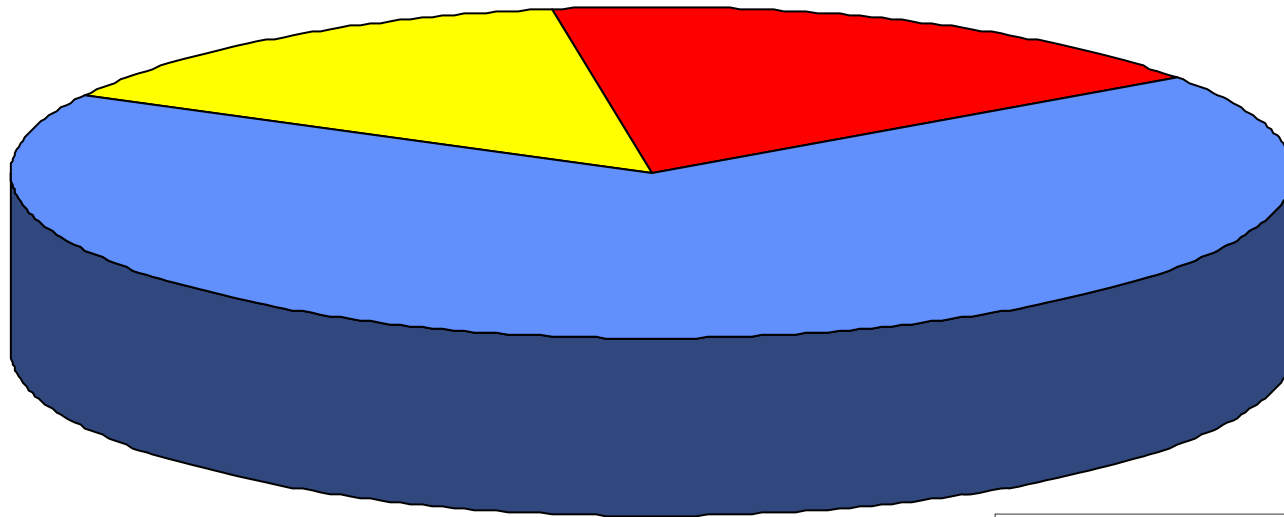
25 Year History (Fiscal Year 1986 to 2010)

Employee Contributions

\$13.8 Billion (14.6% of Total)

Employer Contributions

\$16.8 Billion (17.9% of Total)



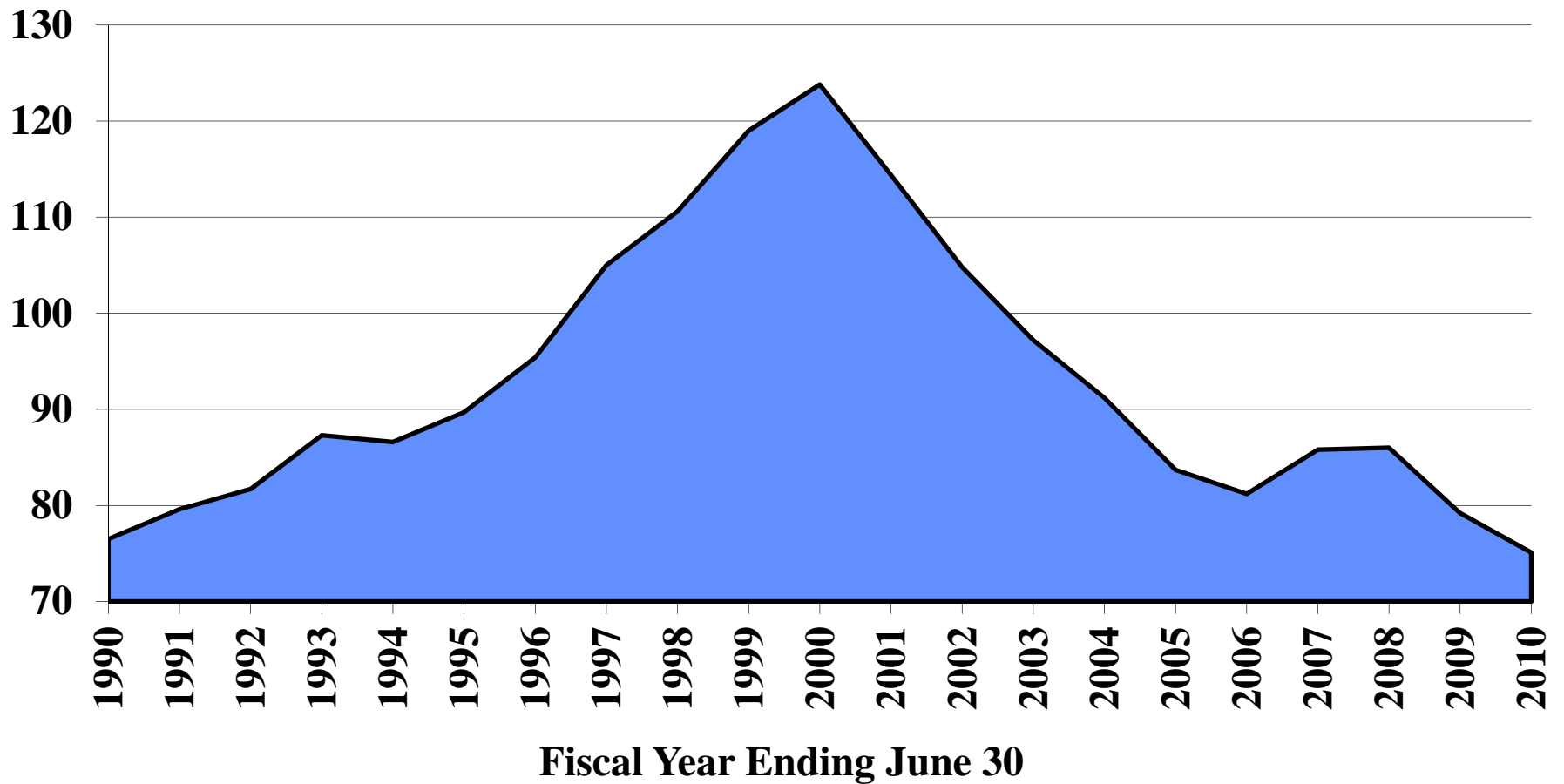
Investment Earnings

\$63.5 Billion (67.5% of Total)

PSERS' Funded Ratio – 1990 to 2010 (in millions)

FY Ending June 30	Accrued Liability (\$)	Valuation Assets (\$)	Unfunded (Overfunded) Accrued Liability (\$)	Funded Ratio (%)
2010	79,122	59,424	19,698	75.1
2009	75,626	59,887	15,739	79.2
2008	70,941	61,018	9,923	86.0
2007	66,593	57,155	9,438	85.8
2006	64,720	52,558	12,162	81.2
2005	61,226	51,219	10,007	83.7
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 to 2010 (percentage)

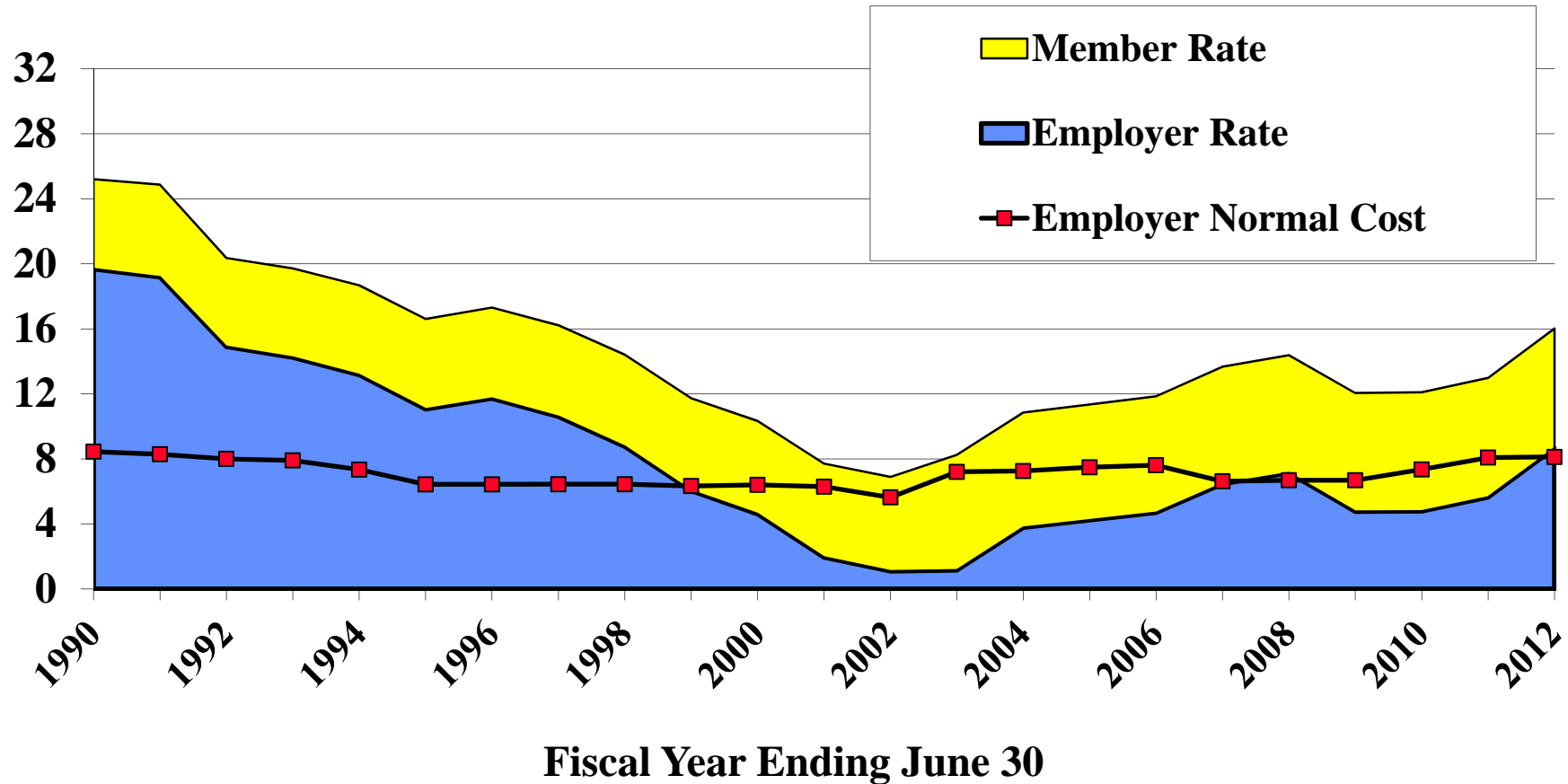


Total Contribution Rates Since 1989-90

Fiscal Year	Employer Rate	Member Rate	Total Contribution Rate
2011-12	8.65%	7.37%	16.02%
2010-11	5.64	7.34	12.98
2009-10	4.78	7.32	12.10
2008-09	4.76	7.29	12.05
2007-08	7.13	7.25	14.38
2006-07	6.46	7.21	13.67
2005-06	4.69	7.16	11.85
2004-05	4.23	7.12	11.35
2003-04	3.77	7.08	10.85
2002-03	1.15	7.10	8.25
2001-02	1.09	6.43	7.52
2000-01	1.94	5.77	7.71
1999-2000	4.61	5.72	10.33
1998-99	6.04	5.69	11.73
1997-98	8.76	5.65	14.41
1996-97	10.60	5.62	16.22
1995-96	11.72	5.59	17.31
1994-95	11.06	5.55	16.61
1993-94	13.17	5.51	18.68
1992-93	14.24	5.48	19.72
1991-92	14.90	5.46	20.36
1990-91	19.18	5.69	24.87
1989-90	19.68	5.53	25.21

* NOTE - The 2010-11 Employer Rate reflects the 5.64% rate prescribed by Act 2010-46 which supercedes the 8.22% rate prescribed in the June 30, 2009 actuarial valuation prepared by Buck Consultants. The 2011-12 Employer Rate reflects the funding provisions of HB 2497.

History of Member and Employer Contribution Rates Since 1989-90



NOTE - The 2010-11 Employer Rate reflects the 5.64% rate prescribed by Act 2010-46 which supercedes the 8.22% rate prescribed in the June 30, 2009 actuarial valuation prepared by Buck Consultants. The 2011-12 Employer Rate reflects the funding provisions of HB 2497.