

# Pennsylvania Public School Employees' Retirement System



Developmental Program

# List of PSERS' Developmental Program Managers As of June 30, 2006

- **Multi Cap Equity**
  - Snow Capital Management, LP
  - Denali Advisors
- **Large Cap Equity**
  - Charter Financial Group, Inc.
  - EDMP, Inc.
  - Hanseatic Management Services, Inc.
- **Large Cap Equity**
  - Profit Investment Management
  - Roll & Ross Asset Management, LP
  - Smithbridge Asset Management, Inc.
  - Tucker Hargrove Management, Inc.
  - West Chester Capital

# List of PSERS' Developmental Program Managers As of June 30, 2006

- **Mid Cap Equity**
  - Piedra Capital, Inc.
- **Small Cap Equity**
  - Conestoga Capital
  - Connors Investor Services, Inc.
  - Global Capital Management
- **Small Cap Equity**
  - Opus Capital Management
- **Global Equity**
  - John Hsu Capital Group, Inc.
  - Shah Capital, Inc.

# List of PSERS' Developmental Program Managers As of June 30, 2006

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

# PSERS' Developmental Program

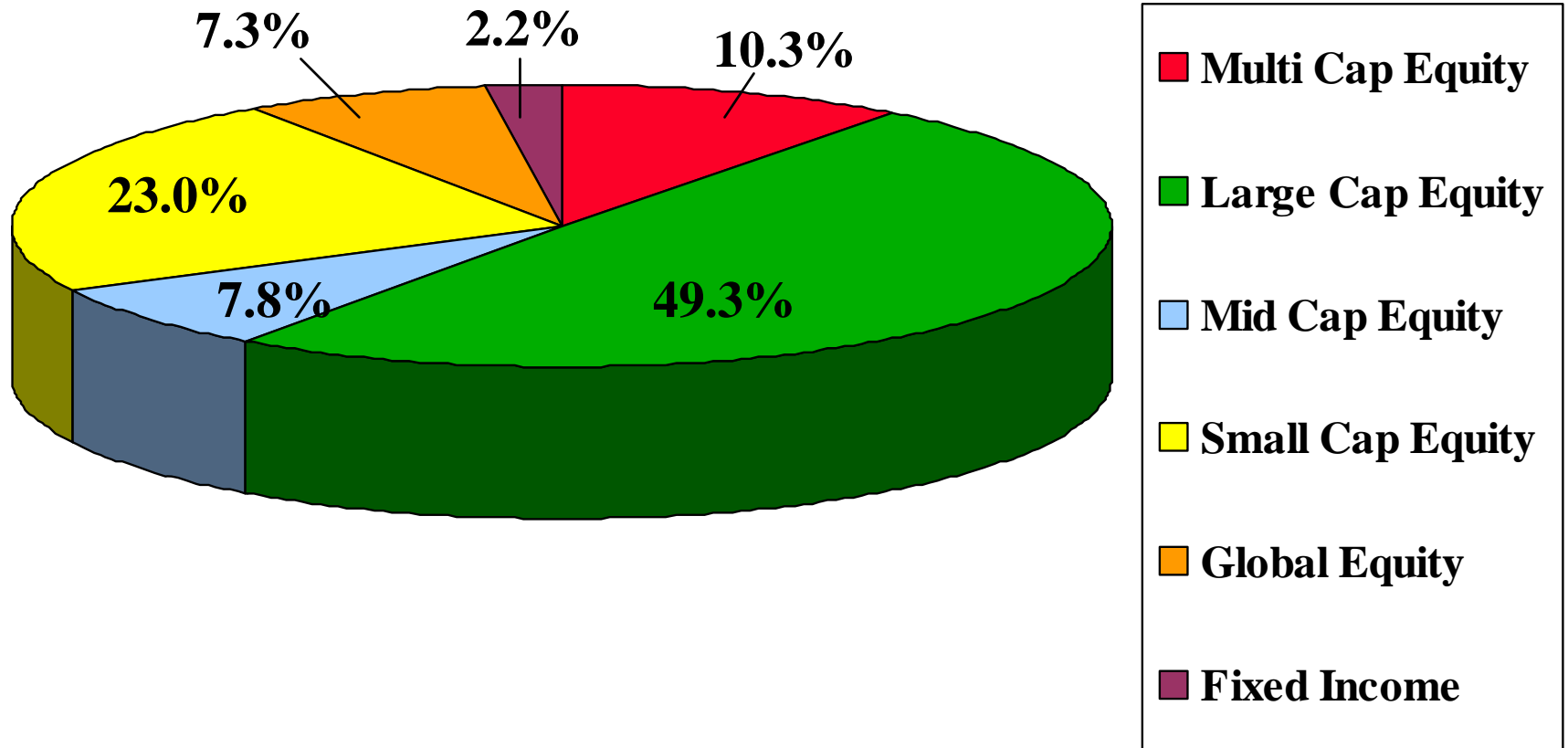
## Market Values as of June 30, 2006

### (Unaudited)

<b>Asset Class</b>	<b>Market Value*</b> <b>(in millions)</b>	<b>% of Total</b>
<b>Equity</b>		
Multi Cap Equity	\$72.8	10.3%
Large Cap Equity	348.6	49.3%
Mid Cap Equity	55.4	7.8%
Small Cap Equity	162.6	23.0%
Global Equity	51.6	7.3%
<b>Total Equity</b>	<b>\$691.3</b>	<b>97.8%</b>
<b>Fixed Income</b>		
Domestic Core	\$15.3	2.2%
<b>Total Fixed Income</b>	<b>\$15.3</b>	<b>2.2%</b>
<b>TOTAL DEVELOPMENTAL PROGRAM</b>	<b>\$ 706.6</b>	<b>100.0%</b>

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

PSEERS' Developmental Program  
Asset Distribution as of June 30, 2006  
(Unaudited)



# PSERS' Developmental Program

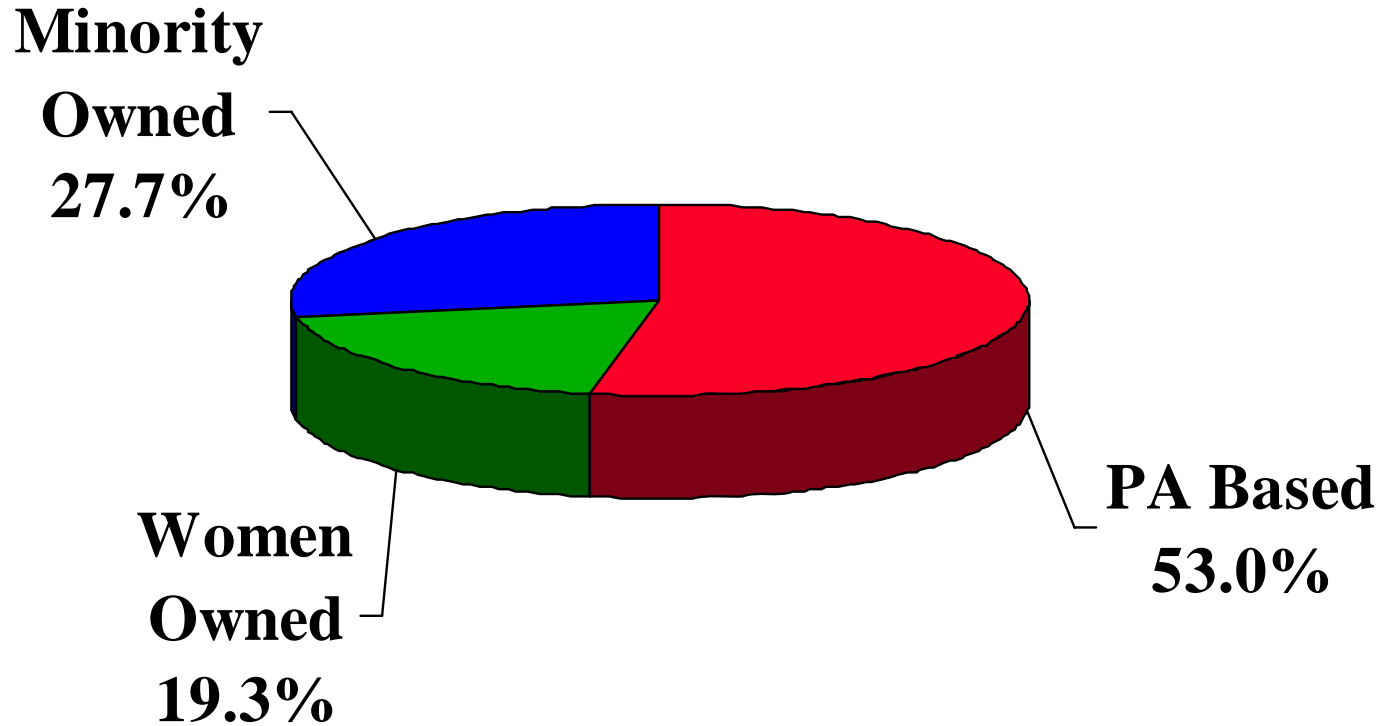
## Ownership Composition as of June 30, 2006

### (Unaudited)

<b>Ownership Composition</b>	<b>Market Value*</b> <b>(in millions)</b>	<b>% of</b> <b>Total</b>
Pennsylvania Based	\$374.8	53.0%
Women Owned	136.0	19.3%
Minority Owned	195.8	27.7%
<b>TOTAL DEVELOPMENTAL</b>		
<b>PROGRAM</b>	<b>\$ 706.6</b>	<b>100.0%</b>

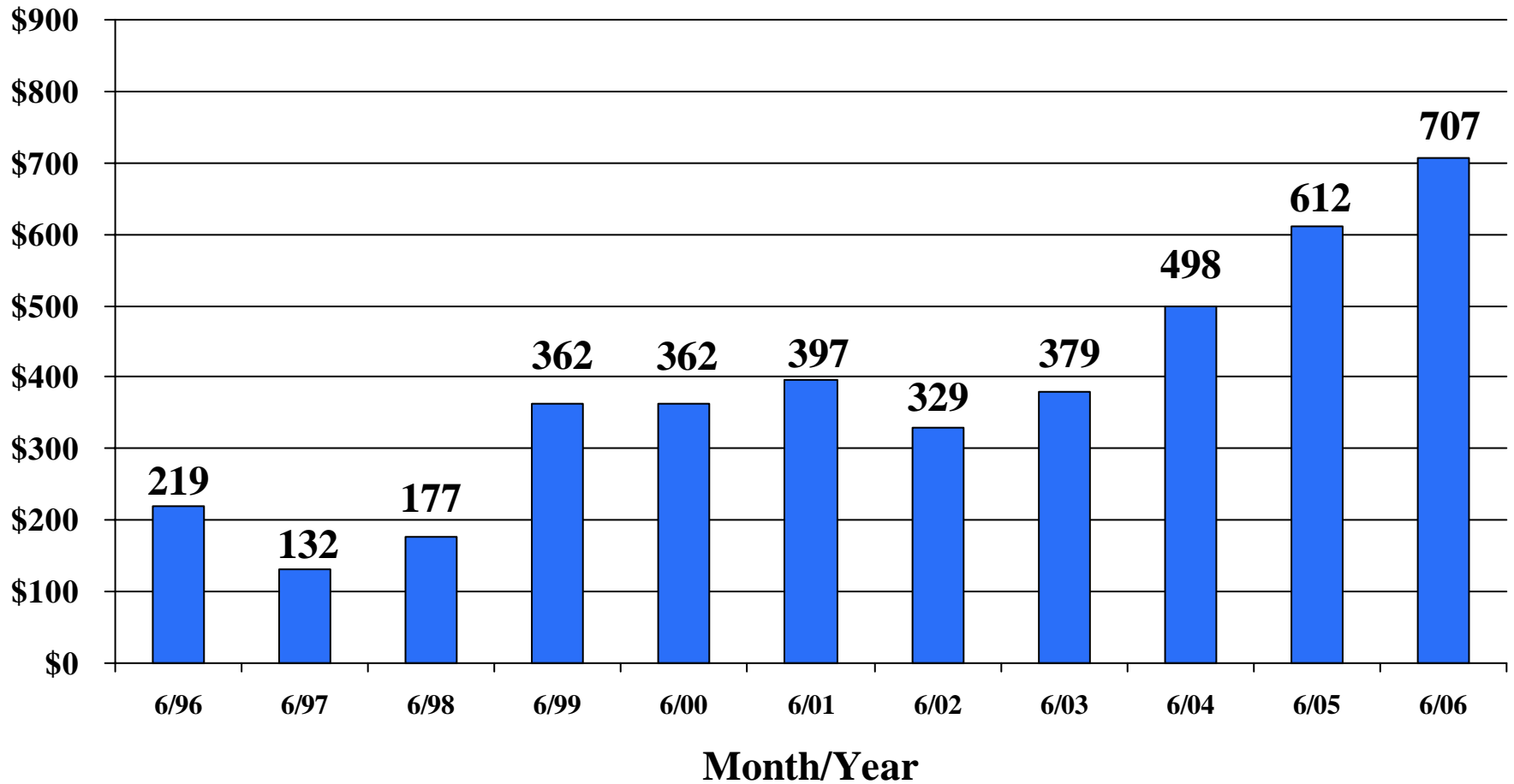
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**PSEERS' Developmental Program  
Ownership Composition as of June 30, 2006  
(Unaudited)**





# PSEERS' Developmental Program Assets (in millions)



PSERS' Developmental Program  
Annualized Performance (Net of Fees)  
As of June 30, 2006

<u>Asset Class</u>	<u>2nd Qtr. 2006</u>	<u>Fiscal Year to Date*</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Multi Cap Equity	-1.55%	13.96%	13.96%	19.60%	N/A
Large Cap Equity	-3.18%	8.83%	8.83%	12.16%	3.27%
Mid Cap Equity	-7.21%	12.52%	12.52%	14.42%	4.50%
Small Cap Equity	-5.54%	17.53%	17.53%	19.60%	7.28%
Global Equity	1.75%	27.43%	27.43%	21.13%	8.29%
Fixed Income	-0.01%	-0.47%	-0.47%	N/A	N/A
<b>TOTAL DEVELOPMENTAL PROGRAM</b>	<b>-3.64%</b>	<b>12.81%</b>	<b>12.81%</b>	<b>14.78%</b>	<b>4.62%</b>
<b>CUSTOM INDEX</b>	<b>-2.41%</b>	<b>11.35%</b>	<b>11.35%</b>	<b>14.31%</b>	<b>5.40%</b>

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

\*PSERS' Fiscal Year ends on June 30.