

# Pennsylvania Public School Employees' Retirement System



Public Market Emerging Investment Manager Program Overview

As of September 30, 2008

PSERS' Public Market Emerging Investment Manager Program  
Roster of Managers as of September 30, 2008

- **U.S. Multi Cap Equity**
  - The Biondo Group, LLC
  - Denali Advisors, LLC
- **U.S. Large Cap Equity**
  - Great Companies, Inc.
  - Hanseatic Management Services, Inc.

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Roster of Managers as of September 30, 2008

- **U.S. Small Cap Equity**
  - Conestoga Capital Advisors
  - Opus Capital Management
- **U.S. Master Limited Partnerships (MLP) Equity**
  - Harvest Funds Advisors, LLC
- **U.S. Micro Cap Equity**
  - Ativo Capital Management, LLC
- **Global Equity**
  - John Hsu Capital Group, Inc.
  - Shah Capital Management, Inc.

PSERS' Public Market Emerging Investment Manager Program  
Roster of Managers as of September 30, 2008

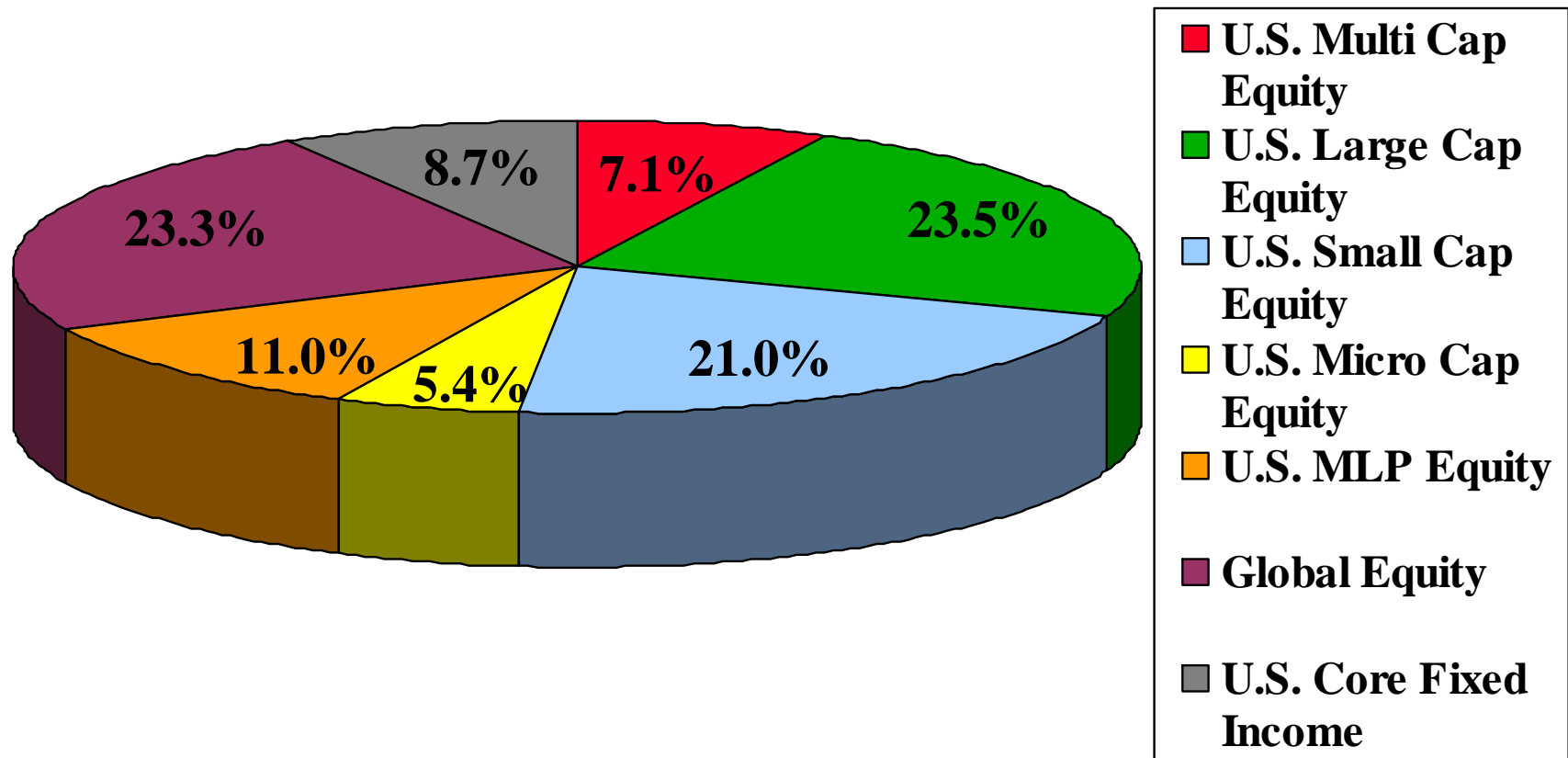
- **U.S. Core Fixed Income**
  - Piedmont Investment Advisors
  - Pugh Capital Management, Inc.

PSERS' Public Market Emerging Investment Manager Program  
Market Values as of September 30, 2008  
(Unaudited)

<b>Asset Class</b>	<b>Market Value*</b> <b>(in millions)</b>	<b>% of Total</b>
<b>Equity</b>		
U.S. Multi Cap Equity	\$ 27.4	7.1%
U.S. Large Cap Equity	90.7	23.5%
U.S. Small Cap Equity	81.4	21.0%
U.S. Micro Cap Equity	21.0	5.4%
U.S. MLP Equity	42.5	11.0%
Global Equity	89.9	23.3%
<b>Total Equity</b>	<b>352.9</b>	<b>91.3%</b>
<b>Fixed Income</b>		
U.S. Core	33.9	8.7%
<b>Total Fixed Income</b>	<b>33.9</b>	<b>8.7%</b>
<b>TOTAL PROGRAM</b>	<b>\$ 386.8</b>	<b>100.0%</b>

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

PSEERS' Public Market Emerging Investment Manager Program  
Asset Distribution as of September 30, 2008  
(Unaudited)

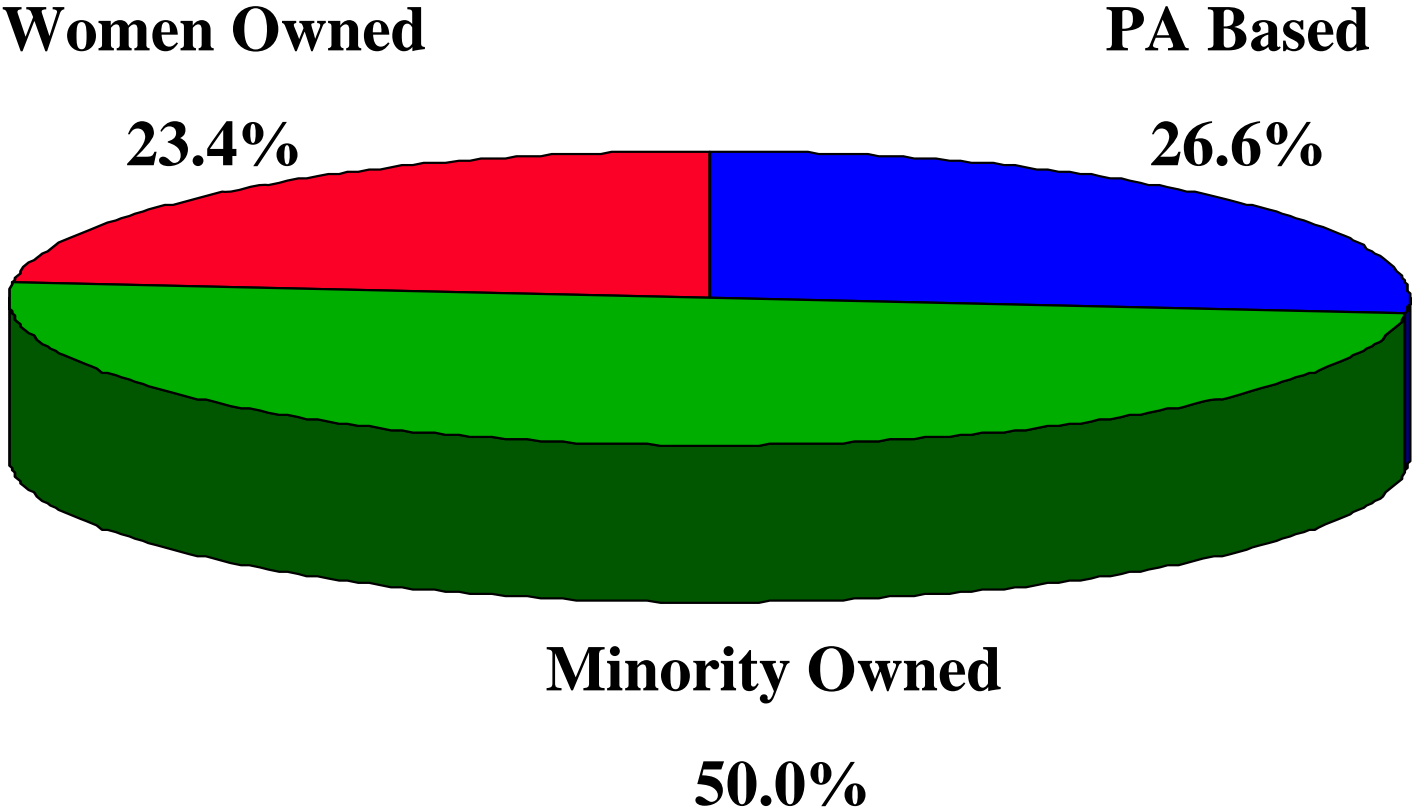


PSERS' Public Market Emerging Investment Manager Program  
Ownership Composition as of September 30, 2008  
(Unaudited)

<u>Ownership Composition</u>	<u>Market Value*</u> <u>in millions)</u>	<u>% of</u> <u>Total</u>
Pennsylvania Based	\$102.9	26.6%
Women Owned	90.6	23.4%
Minority Owned	193.3	50.0%
<b><u>TOTAL PROGRAM</u></b>	<b><u>\$ 386.8</u></b>	<b><u>100.0%</u></b>

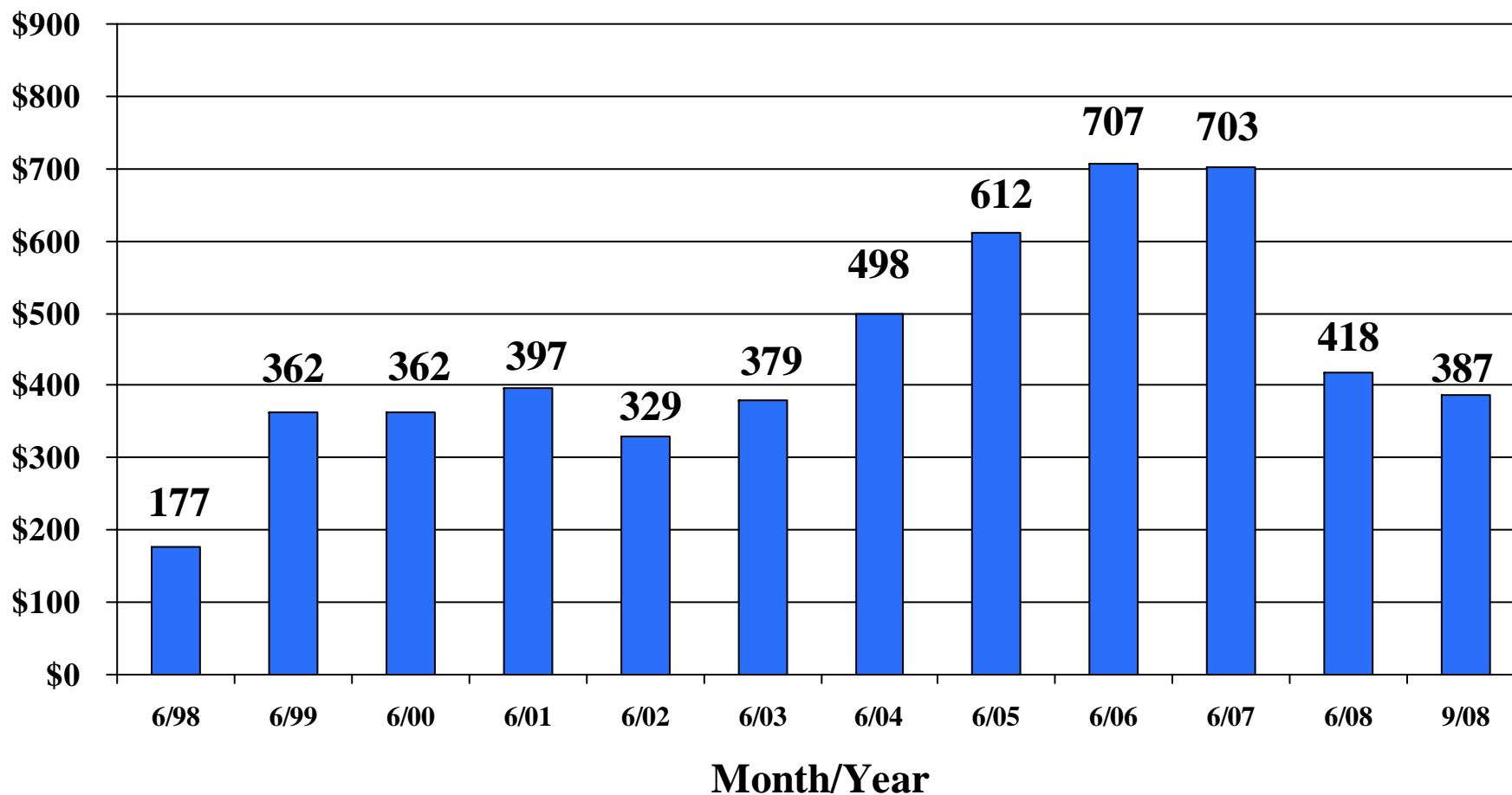
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PSEERS' Public Market Emerging Investment Manager Program  
Ownership Composition as of September 30, 2008  
(Unaudited)





# PSERS' Public Market Emerging Investment Manager Program Assets Under Management (in millions)



PSERS' Public Market Emerging Investment Manager Program  
Annualized Performance (Net of Fees)  
As of September 30, 2008

<u>Asset Class</u>	<u>Quarter</u>	<u>Fiscal Year to Date*</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
U.S. Multi Cap Equity	(9.51%)	(9.51%)	(26.02%)	(1.28%)	8.18%
U.S. Large Cap Equity	(16.45)	(16.45)	(23.57)	(0.55)	5.13
U.S. Small Cap Equity	(0.96)	(0.96)	(27.23)	(3.22)	5.03
U.S. Micro Cap Equity	(13.34)	(13.34)	N/A	N/A	N/A
U.S. MLP Equity	N/A	N/A	N/A	N/A	N/A
Global Equity	(22.15)	(22.15)	(34.11)	6.17	10.21
U.S. Core Fixed Income	(0.63)	(0.63)	2.78	3.92	N/A
<b>TOTAL PROGRAM</b>	<b>(11.54)</b>	<b>(11.54)</b>	<b>(26.44)</b>	<b>(1.30)</b>	<b>5.09</b>
<b>CUSTOM INDEX</b>	<b>(7.70%)</b>	<b>(7.70%)</b>	<b>(20.52%)</b>	<b>0.68%</b>	<b>6.32%</b>

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

\*PSERS' Fiscal Year ends on June 30.