

Pennsylvania Public School Employees' Retirement System



Public Market Emerging Investment Manager Program Overview

As of June 30, 2009

PSERS' Public Market Emerging Investment Manager Program
Roster of Managers as of June 30, 2009

- **U.S. Market Neutral**
 - Zack's Investment Management
- **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 June 30, 2009

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

PSERS' Public Market Emerging Investment Manager Program
Roster of Managers as of June 30, 2009

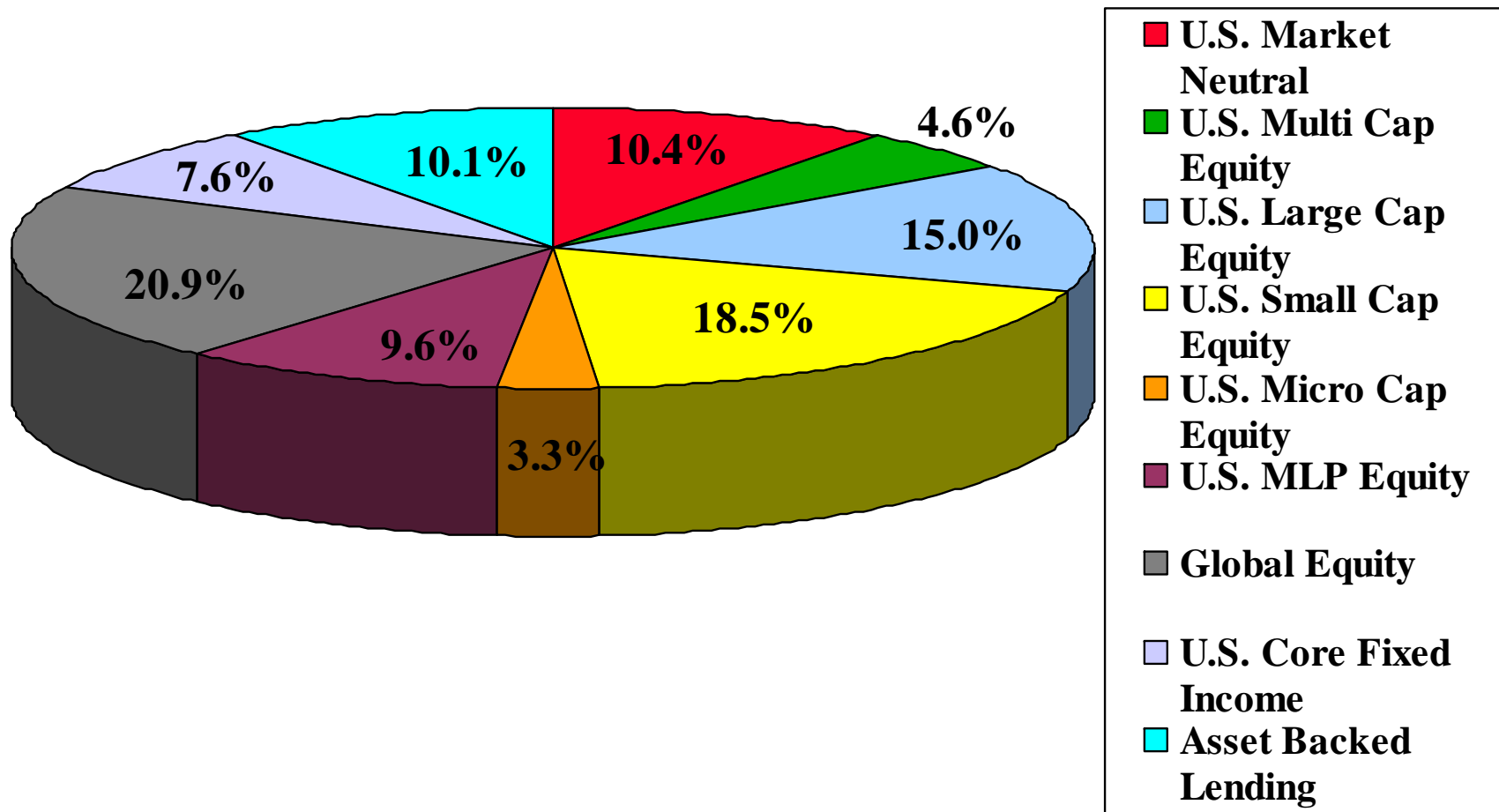
- **U.S. Core Fixed Income**
 - Piedmont Investment Advisors
 - Pugh Capital Management, Inc.
- **Asset Backed Lending**
 - Stillwater Capital Partners

PSERS' Public Market Emerging Investment Manager Program
Market Values as of June 30, 2009
(Unaudited)

Asset Class	Market Value* (in millions)	% of Total
Equity		
U.S. Market Neutral	\$ 49.8	10.4%
U.S. Large Cap Equity	71.8	15.0%
U.S. Multi Cap Equity	22.0	4.6%
U.S. Small Cap Equity	88.3	18.5%
U.S. Micro Cap Equity	15.7	3.3%
U.S. MLP Equity	45.6	9.6%
Global Equity	99.7	20.9%
Total Equity	392.9	82.3%
Fixed Income		
U.S. Core	36.4	7.6%
Asset Backed Lending	48.3	10.1%
Total Fixed Income	84.7	17.7%
TOTAL PROGRAM	\$ 477.6	100.0%

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

PSEERS' Public Market Emerging Investment Manager Program
Asset Distribution as of June 30, 2009
(Unaudited)

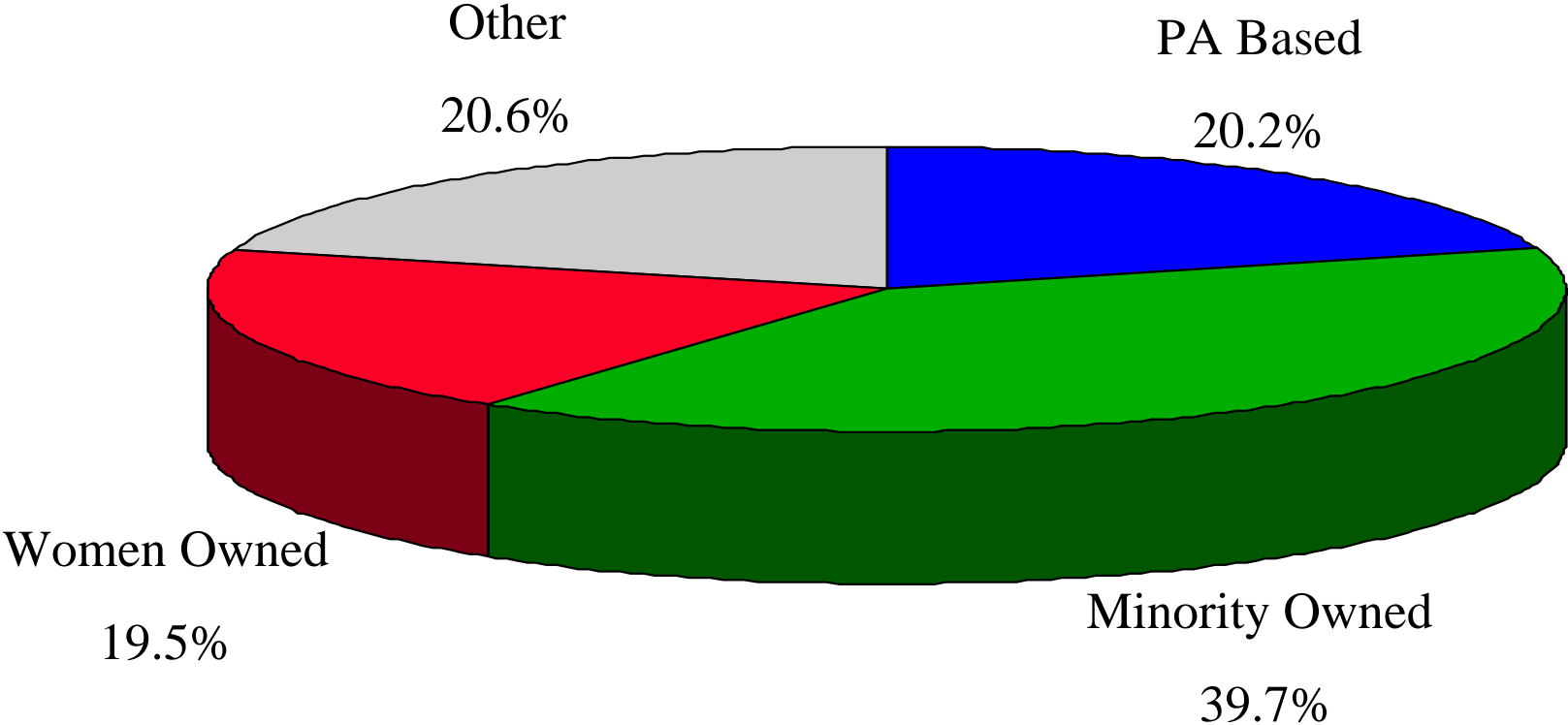


PSEERS' Public Market Emerging Investment Manager Program
Ownership Composition as of June 30, 2009
(Unaudited)

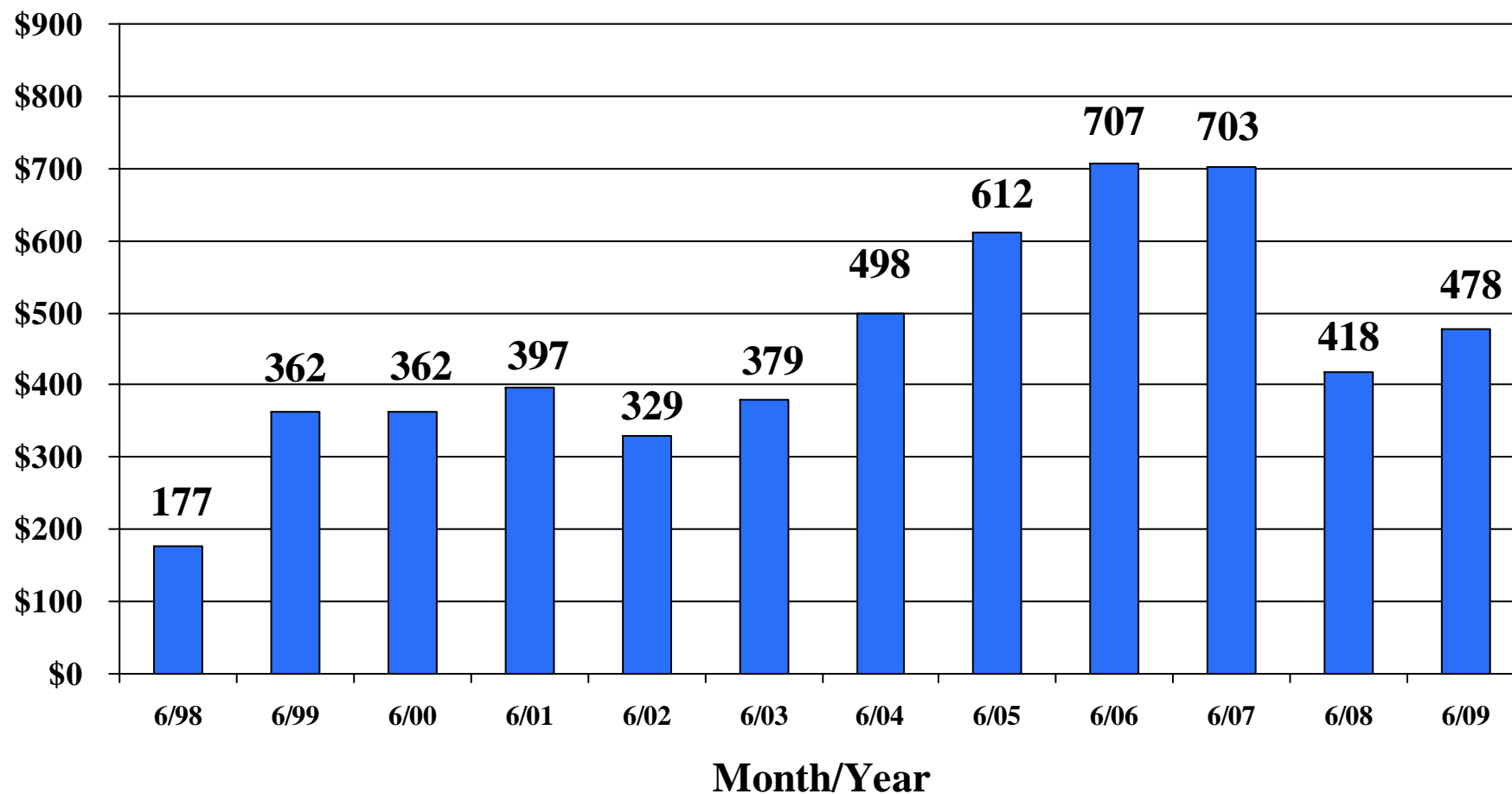
<u>Ownership Composition</u>	<u>Market Value*</u> <u>(in millions)</u>	<u>% of</u> <u>Total</u>
Pennsylvania Based	\$96.6	20.2%
Women Owned	93.0	19.5%
Minority Owned	189.8	39.7%
Other	98.2	20.6%
<u>TOTAL PROGRAM</u>	<u>\$ 477.6</u>	<u>100.0%</u>

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

PSEERS' Public Market Emerging Investment Manager Program
Ownership Composition as of June 30, 2009
(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 June 30, 2009

<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. Market Neutral	N/A	N/A	N/A	N/A	N/A
U.S. Multi Cap Equity	15.79%	-28.70%	-28.70%	-11.24%	-2.42%
U.S. Large Cap Equity	11.54	-33.87	-33.87	-9.68	-2.94
U.S. Small Cap Equity	19.32	-15.59	-15.59	-11.27	-1.66
U.S. Micro Cap Equity	31.60	-35.06	-35.06	N/A	N/A
U.S. MLP Equity	18.19	-8.90	-8.90	N/A	N/A
Global Equity	32.30	-22.88	-22.88	-0.48	7.01
U.S. Fixed Income	1.37	0.32	0.32	4.19	N/A
Asset Backed Lending	0.04	N/A	N/A	N/A	N/A
TOTAL PROGRAM	23.73	-19.34	- 19.34	-6.75	-0.32
CUSTOM INDEX	18.49%	-22.71%	- 22.71 %	-7.25%	-0.80%

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

*PSERS' Fiscal Year ends on June 30.