



Contact: John Ehrhardt
Milliman, Inc.
Tel: 646.473.3300
john.ehrhardt@milliman.com

FOR IMMEDIATE RELEASE

Press Release

Milliman analysis: Corporate pension funded status drops for second consecutive month

Funded status deficit increases by \$62 billion in August after \$66 billion increase in July

Seattle – September 13, 2011 – Milliman, Inc., a premier global consulting and actuarial firm, today released the results of its latest Pension Funding Index, which consists of 100 of the nation's largest defined benefit pension plans. In August, these plans experienced a \$29 billion investment loss and a \$33 billion increase in pension liabilities. The August increase in the pension funded deficit comes on the heels of an even larger increase in July. The combined \$128 billion growth in the deficit between June 30 and August 31 is the largest two-month increase since a \$134 billion increase in May and June of 2010.

"It's been another rough summer for these 100 pensions," said John Ehrhardt, co-author of the Milliman Pension Funding Study. "While the August results are discouraging, these pensions ended the month with a rally when you consider that, as of August 8, the deficit had ballooned by \$97 billion in just five business days. With volatility on the asset side continuing, and no sign of interest rates rising anytime soon, we may be in for more turbulent times."

For the year, the cumulative asset return on these 100 pensions has been 1.15% and the Milliman 100 PFI funded status has decreased by \$86 billion, dropping the funded ratio from 84.1% to 79.3%.

To view the complete study, go to <http://ow.ly/4xFIt>. To receive regular updates of Milliman's pension funding analysis, contact us at pensionfunding@milliman.com.

About Milliman

Milliman is among the world's largest independent actuarial and consulting firms. Founded in 1947 as Milliman & Robertson, the company currently has 53 offices in key locations worldwide. Milliman employs over 2,500 people. The firm has consulting practices in healthcare, employee benefits, property & casualty insurance, life insurance and financial services. Milliman serves the full spectrum of business, financial, government, union, education and nonprofit organizations. For further information, visit www.milliman.com

About the Milliman 100 Pension Funding Index

For the past 11 years, Milliman has conducted an annual study of the 100 largest defined benefit pension plans sponsored by U.S. public companies. The Milliman 100 Pension Funding Index projects the funded status for pension plans included in our study, reflecting the monthly impact of market returns and interest-rate changes on pension funded status, utilizing the actual reported asset values, liabilities, and asset allocations of the companies' pension plans.

The results of the Milliman 100 Pension Funding Index were based on the actual pension plan accounting



information disclosed in the footnotes to the companies' annual reports for the preceding fiscal year and for previous fiscal years. In addition to providing the financial information on the funded status of U.S. qualified pension plans, the footnotes may also include figures for the companies' nonqualified and foreign plans, both of which are often unfunded or subject to funding standards different from those for U.S. qualified pension plans. The results do not represent the funded status of the companies' U.S. qualified pension plans under ERISA.

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