



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

FOR IMMEDIATE RELEASE

Press Release

Off to a Poor Start: Milliman Analysis Shows Pension Funding Declines in January 2010

Funded status decreases by \$24 billion during January

Seattle – Feb. 10, 2010 – Milliman, Inc., a premier global consulting and actuarial firm, today released the latest update to the Milliman 100 Pension Funding Index (PFI), which consists of 100 of the nation's largest defined benefit pension plans. In January, pensions experienced asset decreases of \$12 billion and liability increases of \$12 billion, resulting in a \$24 billion decrease in funded status in the first month of the year. The January decrease followed two positive months and reduced the funded ratio from 77.7% to 76.1%. As of January 31, total asset value of these pensions stood at \$1.029 trillion (down from \$1.041 at the end of December) while the projected benefit obligation rose to \$1.353 trillion (up from \$1.341 at the end of December).

"We haven't seen anything close to 100% funded status since the summer of 2008, and this month's results make full funding seem that much more distant," said John Ehrhardt, co-author of the Milliman 100 Pension Funding Index. "From where we are now, we'd need asset returns of 25.4% for the rest of 2010 just to get back to 90%, and that would still leave us with a \$137 billion deficit."

Overall, the pension funding deficit grew from \$300 billion at the close of 2009 to \$324 billion at the end of January.

To view the complete monthly update, go to www.milliman.com/expertise/employee-benefits/products-tools/pension-funding-study/index.php.

About Milliman

Milliman is among the world's largest independent actuarial and consulting firms. Founded in Seattle in 1947 as Milliman & Robertson, the company currently has 52 offices in key locations worldwide. Milliman employs over 2,400 people, with a professional staff of more than 1,100 qualified consultants and actuaries, including specialists ranging from clinicians to economists. 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 nine 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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