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FOR IMMEDIATE RELEASE

Press Release

Milliman Analysis: Pension funding up based on modest asset gains in February

Assets increase by \$10 billion while interest rates remain largely unchanged

Seattle – March 9, 2010 – Milliman, Inc., a premier global consulting and actuarial firm, today released the latest update to the Milliman 100 Pension Funding Index, which consists of 100 of the nation's largest defined benefit pension plans. In February, pensions experienced asset increases of \$10 billion and liability decreases of \$1 billion, resulting in an \$11 billion increase in funding status. The relatively static month on the liability side emphasizes the crucial role interest rates will play in any return to full funding.

"For much of 2009 we saw that pension funding status was largely driven by interest rate movement," said John Ehrhardt, co-author of the Milliman 100 Pension Funding Index. "The biggest declines of the last year have come as a result of increasing liabilities. Will we see a countervailing trend in 2010? That certainly wasn't the case this month. I'm sure most pensions prefer these kinds of relative doldrums to the kind of adverse volatility we saw in 2009, though increasingly it seems we'll need to see significant, favorable interest rate movement if we're going to approach full funding this year," Ehrhardt added.

Overall, the pension funding deficit decreased from \$324 billion at the end of January to \$313 billion at the end of February. Given current interest rates, asset returns of 26.2% for the rest of 2010 would be needed to reach a 90% funded ratio.

To view the complete monthly update, go to www.milliman.com/expertise/employee-benefits/products-tools/pension-funding-study/index.php. 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 Seattle in 1947 as Milliman & Robertson, the company currently has 52 offices in key locations worldwide. Milliman employs over 2,400 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 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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