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FOR IMMEDIATE RELEASE

Press Release

Milliman analysis: Corporate pensions experience largest funded status decline of the year

Funded status deficit increases by \$68 billion during July, up additional \$97 billion already in August

Seattle – August 9, 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 July, these plans experienced a \$6 billion investment loss and a \$62 billion increase in pension liabilities. The resulting \$68 billion increase in the pension funded status deficit is the largest decline so far in 2011.

"July was a brutal month for these pensions," said John Ehrhardt, co-author of the Milliman Pension Funding Study. "In fact it was the tenth worst month for pension status we've seen in the 11-year history of this study. Unfortunately it looks like we may be in for more bad news, with August off to a miserable start. Through August 8, we estimate that the funded status deficit has grown by an additional \$97 billion. The \$351 billion deficit as of today is the worst we've seen all year, though—for now—it is still better than the record \$446 billion deficit in August 2010."

While recent performance has been poor, these pensions are still better off than they were this time last year. Over the last 12 months, the cumulative asset return has been 10.7% and the Milliman 100 PFI funded status has improved by \$87 billion, pushing the funded ratio from 76.2% up to 83.0% at the end of July.

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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