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FOR IMMEDIATE RELEASE

Press Release

Milliman analysis: Corporate pension funded status improves by \$25 billion in October

Robust investment gains during October help counteract an otherwise disappointing third quarter; pension assets are up only 1.74% for the year

Seattle – November 9, 2015 – Milliman, Inc., a premier global consulting and actuarial firm, today released the results of its latest Pension Funding Index, which analyzes the 100 largest U.S. corporate pension plans. In October, these pension plans experienced a \$25 billion increase in funded status based on a \$33 billion increase in asset values and an \$8 billion increase in pension liabilities. The funded status for these pensions increased from 81.7% to 83.3%.

“October was a great month for these pensions, but it may be too little too late as far as 2015 is concerned,” said John Ehrhardt, co-author of the Milliman 100 Pension Funding Index. “Overall funded status has improved by only 1.8% this year, and this would be worse if it weren’t for interest rates inching in the right direction to reduce pension liabilities.”

Looking forward, under an optimistic forecast with rising interest rates (reaching 4.26% by the end of 2015 and 4.86% by the end of 2016) and asset gains (11.3% annual returns), the funded ratio would climb to 85% by the end of 2015 and 98% by the end of 2016. Under a pessimistic forecast (4.06% discount rate at the end of 2015 and 3.46% by the end of 2016 and 3.3% annual returns), the funded ratio would decline to 82% by the end of 2015 and 75% by the end of 2016.

To view the complete Pension Funding Index, go to <http://us.milliman.com/PFI>. To see the 2015 Milliman Pension Funding Study, go to <http://us.milliman.com/PFS/>. 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 providers of actuarial and related products and services. The firm has consulting practices in healthcare, property & casualty insurance, life insurance and financial services, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe. For further information, visit milliman.com.

About the Milliman Pension Funding Study

For the past 15 years, Milliman has conducted an annual study of the 100 largest defined benefit pension plans sponsored by U.S. public companies. The results of the Milliman 2015 Pension Funding Study are based on the pension plan accounting information disclosed in the footnotes to the companies’ annual reports for the 2014 fiscal year and for previous fiscal years. These figures represent the GAAP accounting information that public companies are required to report under Financial Accounting Standards Board Accounting Standards Codification Subtopics 715-20, 715-30, and 715-60. In addition to



providing the financial information on the funded status of their 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 different funding standards from those for U.S. qualified pension plans. The information, data, and footnotes do not represent the funded status of the companies' U.S. qualified pension plans under ERISA.

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