

Investing in Louisiana

The Economic Impact of Louisiana's Largest Public Retirement System

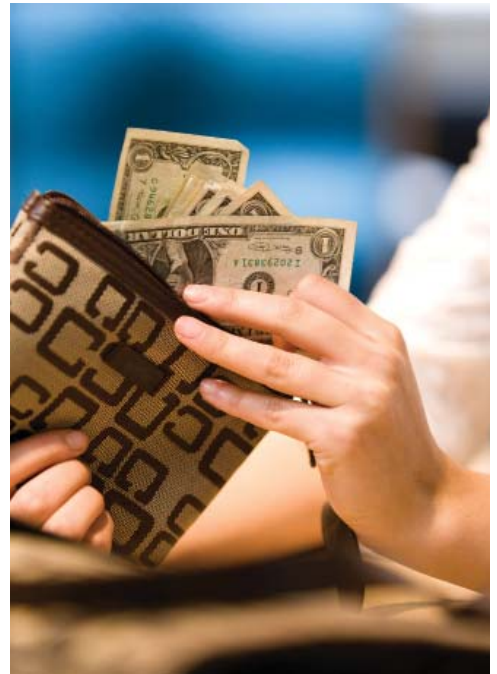


Creating Buying Power

- **Thousands of retirees rely on TRSL for their retirement income.**
TRSL provides steady, monthly income to more than 62,000 retirees and beneficiaries, giving them buying power in their communities.
- **Most TRSL retirees and beneficiaries are Louisiana consumers.**
Some 88 percent of individuals who receive TRSL benefits live in state where they buy Louisiana goods and services.
- **TRSL benefits have a billion-dollar impact in Louisiana.**
TRSL paid out more than \$1.38 billion in benefits in 2009. More than \$1.22 billion went to retirees and beneficiaries living in Louisiana.

TRSL at a Glance (as of 6/30/09)

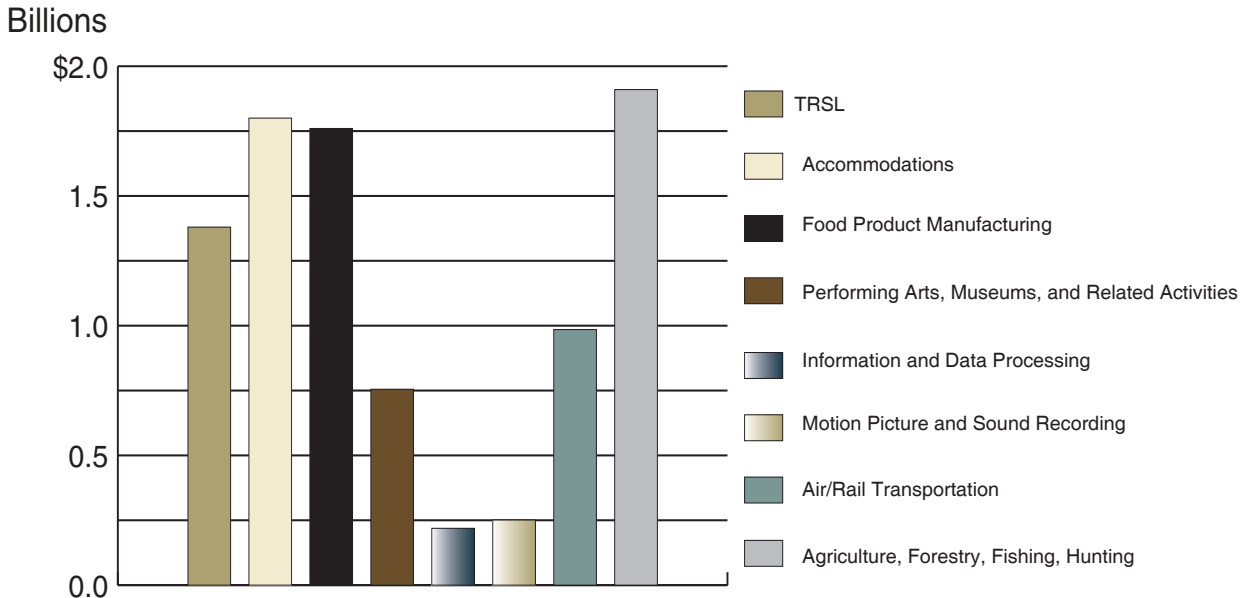
Retirees and Beneficiaries	62,417
Total Benefits Paid	\$1.38 billion
Total Benefits Paid to In-state Recipients	\$1.22 billion
Average Monthly Benefit <i>Regular Plan service retiree</i>	\$1,923





Impacting Louisiana's Economy

- TRSL pension dollars impact many industries in our state.
- TRSL's economic impact is comparable to or greater than several other major economic sectors in the state.



Source: Bureau of Economic Analysis, U.S. Department of Commerce, Gross Domestic Product by State, Louisiana 2007

The Ripple Effect

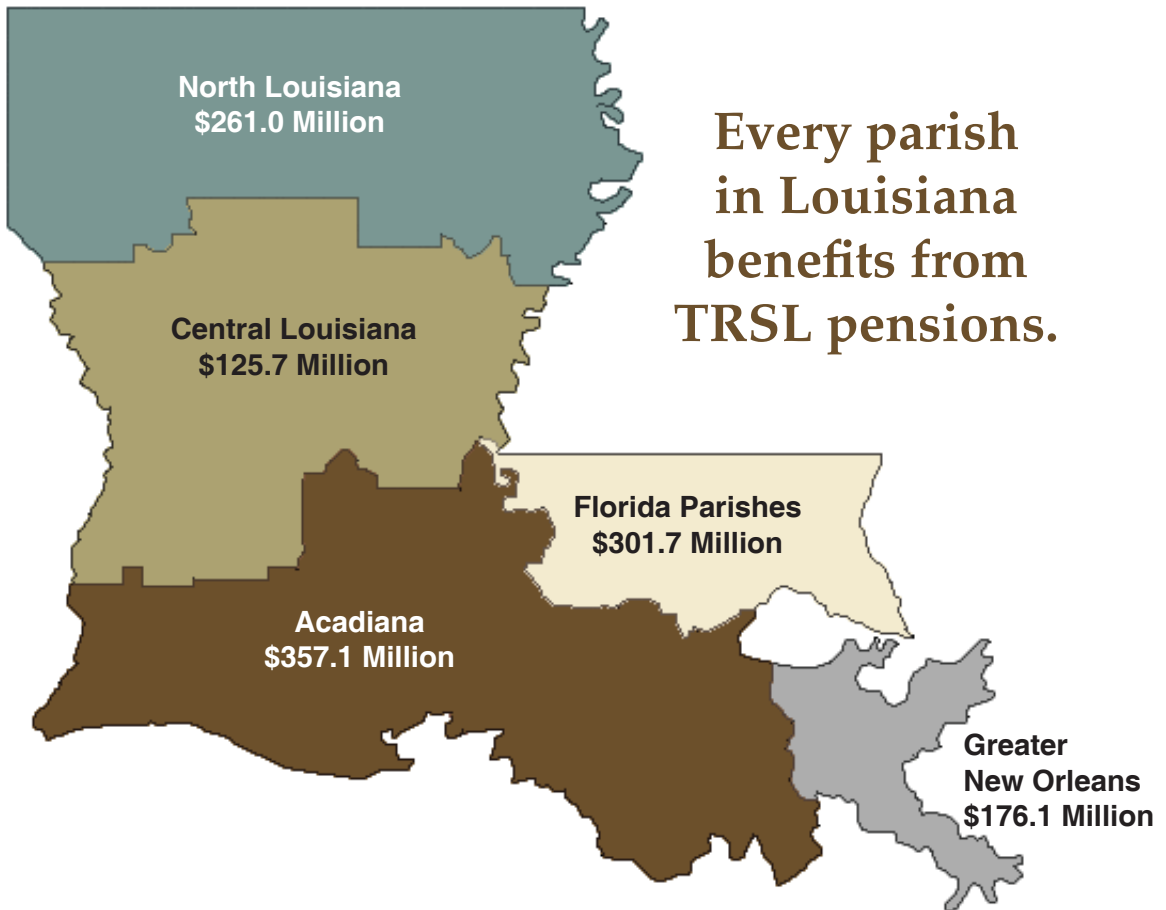
- Each dollar of a TRSL benefit ultimately supports \$1.31 in economic activity/output.
- Approximately 10,300 Louisiana jobs and nearly \$484 million in income were supported by TRSL pensions.
- TRSL beneficiaries generated approximately \$186 million in tax revenues for federal, state, and local governments.

Source: "Pensionomics: Measuring the Economic Impact of State and Local Pension Plans." National Institute on Retirement Security, February 2009



Helping Local Communities

TRSL paid out more than \$1.38 billion in retirement benefits in 2009, of which 88 percent went to Louisiana residents.



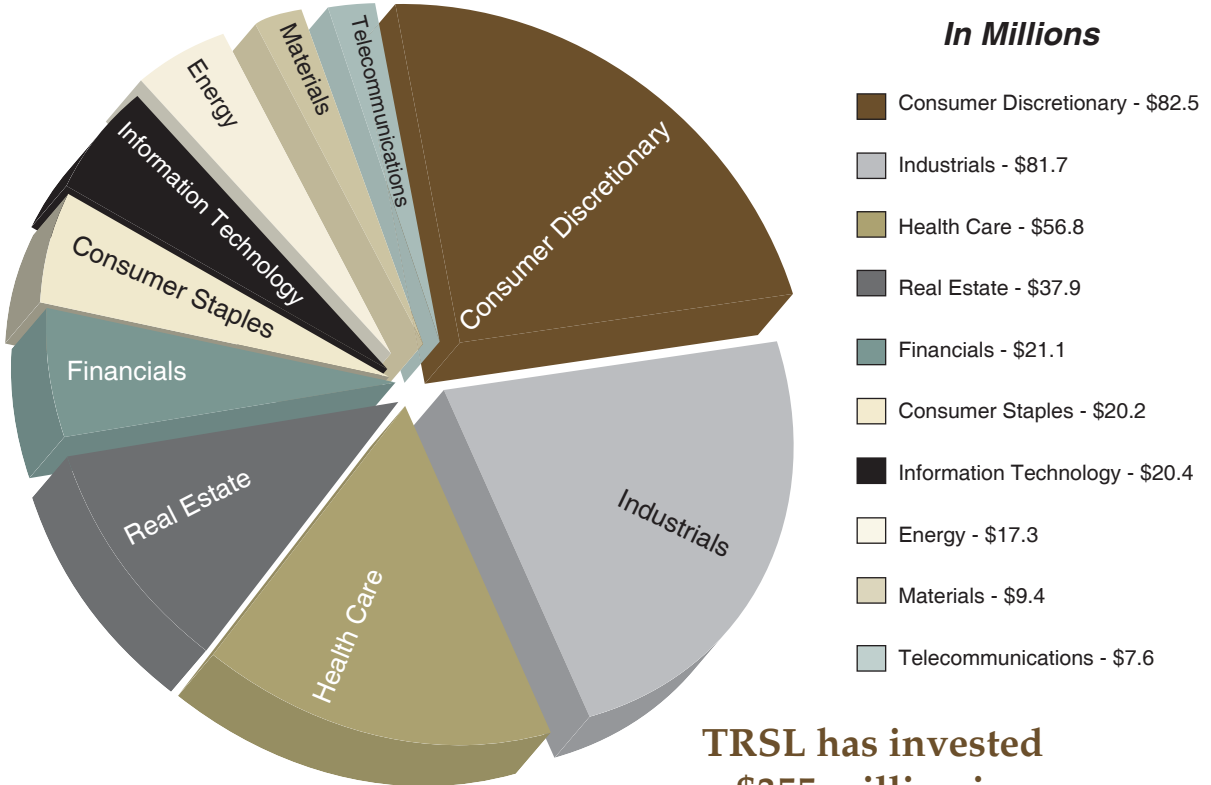
2009 Benefits Payments by Parish

Parish	Benefits	Parish	Benefits
Acadia	\$ 12,187,093.92	Madison	\$ 3,927,611.52
Allen	5,166,271.92	Morehouse	6,388,362.60
Ascension	20,144,383.68	Natchitoches	18,562,832.64
Assumption	5,994,972.72	Orleans	84,206,225.76
Avoyelles	11,409,384.96	Ouachita	46,631,569.20
Beauregard	8,532,639.72	Plaquemines	3,813,186.00
Bienville	5,342,472.60	Pointe Coupee	7,305,459.60
Bossier	25,830,626.88	Rapides	40,614,488.88
Caddo	82,322,301.36	Red River	1,708,686.60
Calcasieu	54,207,114.36	Richland	5,857,726.32
Caldwell	3,135,858.60	Sabine	6,750,274.68
Cameron	1,565,654.76	St. Bernard	2,863,475.64
Catahoula	2,879,704.08	St. Charles	12,372,987.24
Claiborne	5,146,384.56	St. Helena	4,819,301.52
Concordia	6,143,638.08	St. James	8,358,766.92
DeSoto	7,827,721.08	St. John the Baptist	9,070,226.88
East Baton Rouge	166,461,263.88	St. Landry	29,713,884.24
East Carroll	2,389,176.96	St. Martin	11,385,129.84
East Feliciana	4,685,890.68	St. Mary	12,360,564.36
Evangeline	9,492,666.60	St. Tammany	51,794,699.16
Franklin	7,984,639.20	Tangipahoa	31,743,902.04
Grant	5,949,393.96	Tensas	2,047,093.56
Iberia	19,509,745.44	Terrebonne	24,885,443.16
Iberville	8,330,823.24	Union	5,722,215.84
Jackson	6,083,548.80	Vermilion	14,151,299.04
Jefferson	85,219,085.76	Vernon	10,830,913.80
Jefferson Davis	9,358,047.48	Washington	13,784,762.76
Lafayette	55,726,415.52	Webster	12,804,170.40
Lafourche	30,980,407.44	West Baton Rouge	5,398,900.68
LaSalle	3,701,829.96	West Carroll	3,847,303.20
Lincoln	26,026,540.80	West Feliciana	3,219,821.52
Livingston	19,839,508.68	Winn	5,160,124.32

Investing in Louisiana

TRSL has directly invested \$355 million in Louisiana businesses through its private equity program. These investments have enabled Louisiana businesses to expand their operations through increased staff and additional facilities. TRSL is proud to participate in the growth of the Louisiana business community through its sound investments.

Louisiana Investments by Sector



**TRSL has invested
\$355 million in
Louisiana businesses.**

Source: TRSL Partnerships and Hamilton Lane Advisors, as of September 30, 2009

Investing in Louisiana

TRSL Investments at Work

Through its \$2.6 million investment in **International Offshore Services, LLC**, in LaRose, TRSL supports the state's important offshore drilling industry. International Offshore Services has been providing offshore marine transportation to the oil and gas industry for 12 years, and has grown from a two-boat operation to a fleet of 52 offshore vessels.



TRSL participates in the green technology industry through its \$2.6 million investment in **ATC Associates, Inc.**, headquartered in Lafayette. ATC helps clients accelerate sustainable environmental business strategies by offering multi-disciplinary expertise in science and engineering.

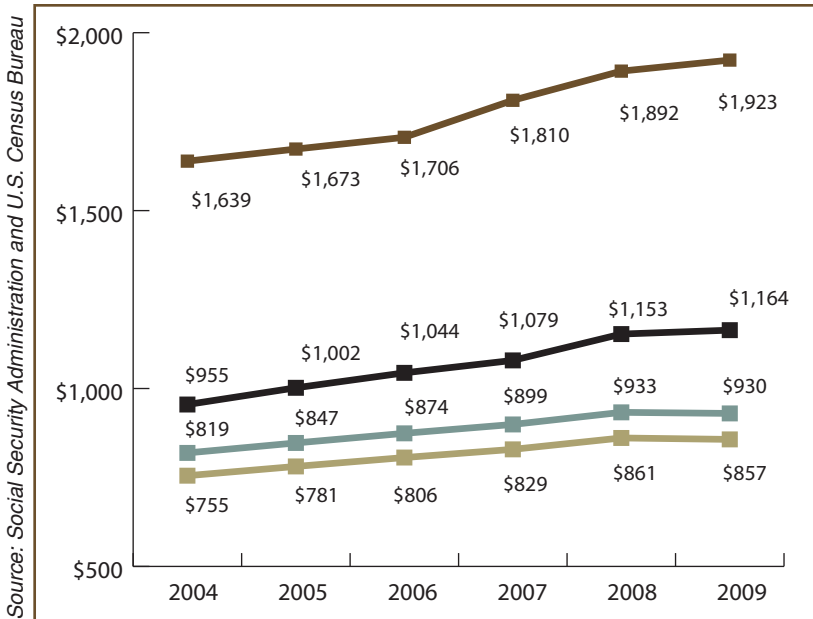


TRSL invested more than \$3 million in **Esperance Pharmaceutical, Inc.**, of Baton Rouge. Esperance is developing a new class of anticancer drugs that selectively kills cancer cells without harming normal cells.



Promoting Economic Security

- **The average annual TRSL retirement benefit is \$23,076.**
TRSL benefits are a stable source of income allowing individuals to continue purchasing goods and services even in uncertain economic times.
- **TRSL benefits promote economic security.**
Stable pensions promote self-sufficiency instead of dependence on costly government programs.
- **TRSL serves one out of every 30 Louisiana residents.**
TRSL provides critical retirement income to more than 62,000 retirees and beneficiaries and makes important retirement planning services available to more than 88,000 future retirees.



- **Average TRSL benefit**
- **Average Social Security benefit**
- **Poverty Threshold (Under Age 65)**
- **Poverty Threshold (Age 65 and Over)**

The average TRSL benefit is substantially more than the average benefit from Social Security.

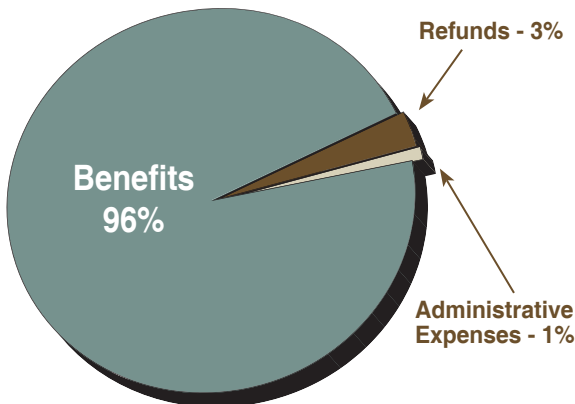
Impacting Education and Business

- **TRSL retirement benefits are a key recruiting tool.**
A secure pension from TRSL is an employment benefit that helps Louisiana schools recruit and retain qualified teachers.
- **A strong Louisiana economy is dependent upon a skilled workforce.**
TRSL benefits play a critical role in attracting and retaining qualified teachers who train future Louisiana workers.



Quality
educators impact
Louisiana's
workforce.

Did You Know?



Expenses by Type — 10-Yr Average (2000-2009)

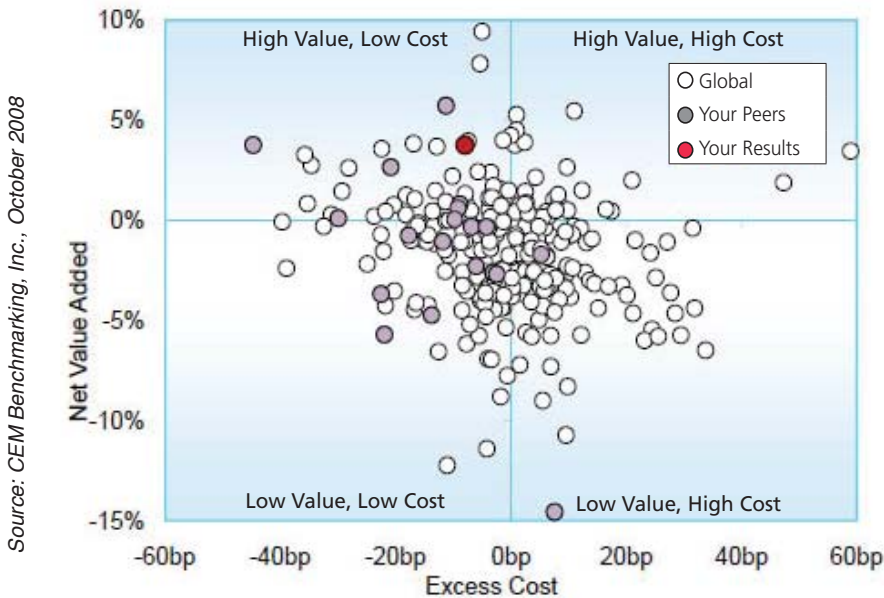
- Retirement benefit payments represent 96 percent of all TRSL expenses.
- Administrative costs make up only one percent of TRSL expenses.

Source: TRSL Comprehensive Annual Financial Report, 2009

Controlling Costs

High Value, Low Cost Investment Program

- TRSL's investment program is in the high value, low cost quadrant when compared to similarly sized systems (peers) and all 167 U.S. pension funds participating in an annual benchmarking analysis.



Cost-Effective Pension Administration

- TRSL has been recognized for its cost-effective administration. Since 2003, a benchmarking service has compared TRSL against similarly sized public pension systems. Results show TRSL administrative costs are lower than its peer group.

TRSL Costs for 2009 (per annuitant and active member)

TRSL Actual Cost	\$87
Peer Group Average Cost	\$110

Source: CEM Benchmarking, Inc., March 2010



Key Points

- TRSL retirement benefits have a billion-dollar impact in Louisiana.
- TRSL supports the state's economy through its investments in Louisiana businesses.
- Most TRSL retirees and beneficiaries are Louisiana consumers.
- TRSL retirement benefits create economic security for tens of thousands of retirees.
- Secure pensions from TRSL help the state recruit quality teachers who educate future Louisiana workers.
- TRSL has been recognized for its high value, low cost investment program and its cost-effective pension administration.



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Vision

Retirement security in a changing world

Mission

Manage the Teachers' Retirement System of Louisiana in a manner that creates the highest degree of confidence in our integrity, efficiency, fairness, and financial responsibility