



news release

for immediate release

October 26, 2016

Pennsylvania SERS Approves \$275 million in New Investments; Restructures U.S. Equity Portfolio

HARRISBURG – The Board of the Pennsylvania State Employees' Retirement System today approved up to \$275 million in new private equity investments and approved restructuring the fund's U.S. Equity portfolio.

The board approved three private equity commitments totaling up to \$275 million to be funded from cash, subject to contract negotiations, including:

- **Up to \$100 million (SEK 883 million) to FSN Capital V L.P.**, as a follow-on investment that will focus on making control investments in mid-sized businesses in the Nordic region.
- **Up to \$100 million to Platinum Equity Capital Partners IV, L.P.**, as a follow-on investment that will focus on acquiring controlling interests in undervalued businesses, with the intention of executing operational and strategic turnarounds.
- **Up to \$75 million to Providence Strategic Growth II L.P.**, that will focus on growth equity investments in lower middle market technology-enabled companies in North America.

SERS has existing relationships with all three managers.

The board also authorized restructuring the fund's U.S. Equity portfolio. Staff and consultants will work to expand the portfolio's small cap exposure from 8% to 20% and increase the amount of the portfolio that is passively managed from 65% to 85%. The restructuring will be achieved through the reallocation of two actively managed large cap portfolios and one growth index portfolio, the rebalancing of the fixed income and cash portfolios to their target allocations established in [SERS' 2016-2017 Strategic Investment Plan](#), and the revision of investment guidelines from PA mandates to PA preferences.

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Pennsylvania State Employees' Retirement System

Established in 1923, SERS is one of the nation's oldest retirement plans for public employees, with nearly 237,000 members and assets of approximately \$26 billion. A wealth of information is available at www.SERS.pa.gov.

for more information

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