

Fact Sheet CORPORATE GOVERNANCE

California Public Employees' Retirement System • 400 Q Street • Sacramento, California 95811

CalPERS 2008 Focus List Company At-A-Glance

Invacare Corporation (IVC) – Elyria, Ohio

Invacare Corp. designs, manufactures and distributes a line of health care products for the non-acute care environment, including the home health care, retail and extended care markets.

Market Capitalization: \$.8 Billion

CalPERS' Holdings: \$10.3 Million

Total Stock Returns Ending 02/29/2008

TSR Ending 2/29/2008	Invacare Corp (IVC)	Russell 3000 Index	<i>Relative Return Russell 3000 Index</i>	Medical & Dental Instruments & Supplies Russell Industry Peer Index	<i>Relative Return Russell Peer Index</i>
5 years	-17.76%	79.70%	-97.46%	104.89%	-122.7%
3 years	-46.73%	18.13%	-64.86%	13.72%	-60.45%
1 year	34.66%	-4.52%	39.19%	7.83%	26.83%

Source: FactSet

CalPERS' Concerns:

- Invacare's stock has severely underperformed relative to the Russell 3000 index and its industry peer index over the 3 and 5 year time periods ending February 29th.
- Lack of Board Accountability – The company would not agree to seek shareowner approval and recommend a "FOR" vote to remove its classified or "staggered" board structure. CalPERS believes that annual elections for directors provide greater accountability to shareowners.
- Board Entrenchment Concern – The company would not agree to implement a majority voting standard for uncontested director elections.

What the company agreed to do:

Remove certain supermajority voting requirements, nominate an independent chairperson or adopt independent lead director board structure with disclosed duty statement, disclose clawback policy and disclose annual equity dilution levels.