

Smid Cap Value Equity Strategy



NorthPointe Capital®, LLC is a domestic-equity money management firm dedicated to serving the investment needs of institutions and high-net-worth individuals.

NorthPointe is committed to:

- Strict adherence to our investment philosophy and process
- Accurate and dynamic implementation of that process
- Superior client communications

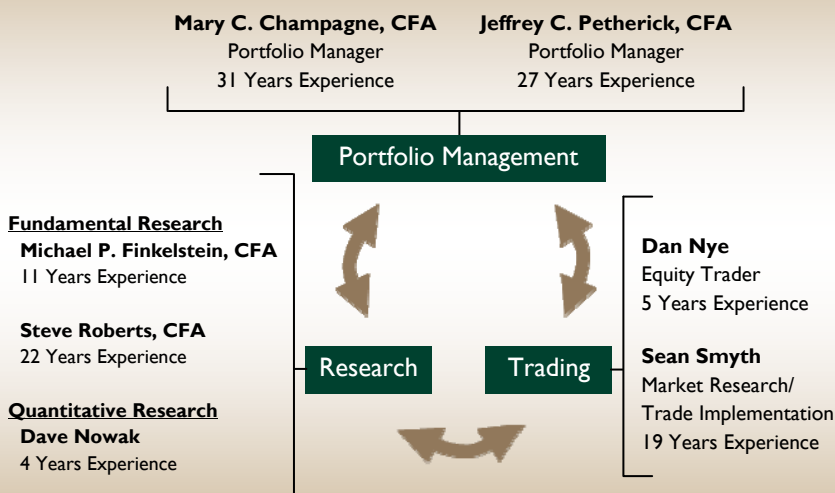
Valuation models or quantitative research may lead us to become interested in a company.

Fundamental research gives us the conviction to buy a stock. We seek to buy companies with manageable growth at attractive valuations.

We focus on a company's ability to generate earnings. Our fundamental analysis results in a three-line thesis, or reason to buy a stock.

We seek to reduce risk by diversifying and controlling position sizes.

NorthPointe's Value Equity Team



Philosophy and Strategy

Our active management approach relies heavily on fundamental research with quantitative analysis playing a critical supporting role. Valuation models or quantitative research may lead us to become interested in a company, but fundamental research gives us the conviction to buy a stock. Our research process involves the collective efforts of the portfolio managers; research analysts; and quantitative specialists.

NorthPointe's quantitative research effort begins with the creation of an alpha, or valuation, model which helps to narrow the investment universe to approximately 600 companies with attractive valuations and predictive factors. Our alpha model includes input from FactSet, HOLT, and First Call. Two of the factors considered most relevant are cash flow return on investment (EVA) and earnings visibility. We focus on identification of companies with attractive relative valuations.

The foremost component of NorthPointe's investment process is fundamental research. Our fundamental analysis includes management discussions, analysis of 10Ks and 10Qs, discussions with regional analysts and competitors, and occasional on-site company visits. We focus on a company's ability to generate earnings. Our fundamental analysis results in a three-line thesis, or reason to buy a stock.

In the portfolio construction and monitoring phase, our active management process again receives support from quantitative analysis to monitor and eliminate any unintended portfolio risks. We seek to reduce risk by diversifying across all major economic sectors and controlling position sizes. Stock selection becomes the driver for portfolio returns. We are able to add value with our consistent approach to selling stocks.

For Institutional Investors Only



Value Equity Portfolio Focus

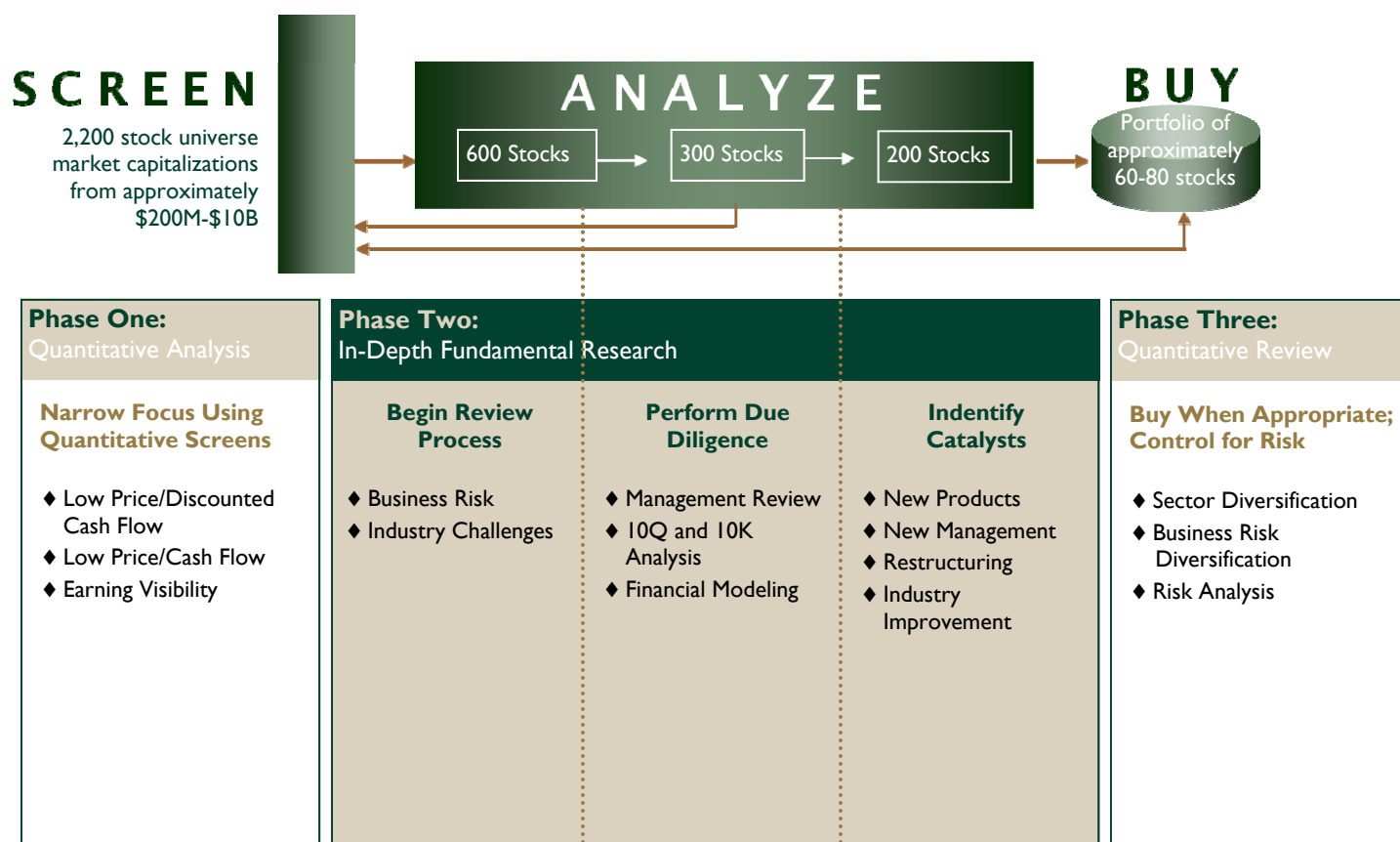
On behalf of our clients, we seek to identify and participate in the significant opportunities within the small to mid cap value segment of the equity universe, we:

- ◆ Focus on undervalued firms with improving fundamentals
- ◆ Identify catalysts for change
- ◆ Seek to add value through in-depth, proprietary research
- ◆ Strive to provide superior returns via active portfolio management

“At NorthPointe Capital, we strive to consistently outperform the benchmarks with our active management approach.”

Jeffrey C. Petherick, Portfolio Manager

Portfolio Construction Process



Ongoing Portfolio Management— Sell Discipline

“Determining which stocks to own is only half the challenge. Knowing when to sell is also key to our success. We continue to add value through a careful and consistent application of our sell discipline.”

Mary C. Champagne, *Portfolio Manager*

When will we **SELL** or **TRIM** positions?

When will we continue to **HOLD** a stock?

STOCKS MEETING EXPECTATIONS

Key Variables:

- ◆ Catalysts occurring
- ◆ Financial progress
- ◆ Stocks performing as expected

STOCKS NOT MEETING EXPECTATIONS

Key Variables:

- ◆ EPS miss
- ◆ Management change
- ◆ Profitability change
- ◆ Industry deterioration
- ◆ Accounting problems
- ◆ Mismanagement of plan
- ◆ Catalysts fail to move stock

STOCKS HIT VALUATION TARGETS

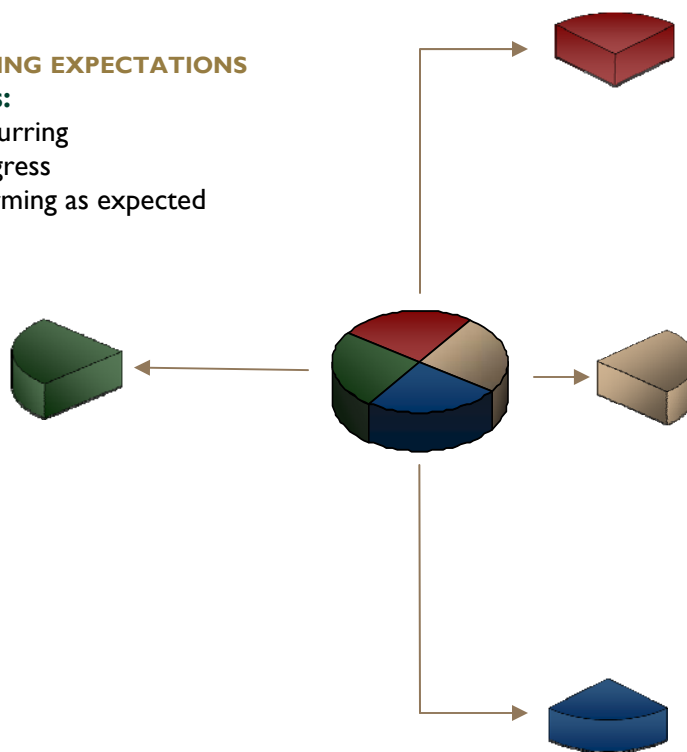
Key Variables:

- ◆ Discounted cash flow target
- ◆ Historical valuation range
- ◆ Relative valuation target
P/E, P/CF, EV/EBITDA
- ◆ Company graduates from portfolio capitalization

BETTER ALTERNATIVES IDENTIFIED

Key Variables:

- ◆ More attractive valuation
- ◆ Better business plan
- ◆ Better financial flexibility
- ◆ Better management execution



We are stock pickers, but we attempt to eliminate personal biases by relying on our strong quantitative discipline.

Professional Biographies



Peter J. Cahill, CFA
CIO

NorthPointe Capital, 2000–Present, Portfolio Manager
Loomis, Sayles & Company, 1997–2000,
Vice President and Director of Quantitative Research
Bank America, 1993–1997, Quantitative Analyst
B.S., 1992, University of Notre Dame



Jeffrey C. Petherick, CFA
Portfolio Manager

NorthPointe Capital, 2000–Present, Portfolio Manager
Loomis, Sayles & Company, 1990–2000, Vice President
and Portfolio Manager of Small Cap Value Fund
Masco Corporation, 1985–1990, Manager of
Pension Investments
B.A., 1985, Albion College
M.B.A., 1989, University of Michigan



Mary C. Champagne, CFA
Portfolio Manager

NorthPointe Capital, 2000–Present, Portfolio Manager
Loomis, Sayles & Company, 1993–2000, Vice President
and Portfolio Manager
NBD Bank, 1981–1993, Portfolio Manager of
Opportunity Fund
B.A., 1978, Michigan State University
M.B.A., 1980, Michigan State University



Stephen E. Roberts, CFA
Director of Research

NorthPointe Capital, 2000–Present,
Director of Research
Loomis, Sayles & Company, 1996–2000,
Vice President and Research Analyst
Roney & Company, 1992–1996, Research Analyst
Olde Discount, 1990–1992, Research Analyst
B.S.Che., 1984, University of Michigan
M.B.A., 1990, Michigan State University



Michael P. Finkelstein, CFA
Co-Portfolio Manager

NorthPointe Capital, 2002–Present,
Co-Portfolio Manager
Strong Capital Management, Summer 2001,
Equity Analyst
Ernst & Young, 1992–2000, Senior Manager,
Corporate Finance
B.B.A., 1992, University of Michigan
M.B.A., 2002, University of Michigan



Sean Smyth
Equity Trader

NorthPointe Capital, 2007–Present, Equity Trader
Hold Brothers Online, 2006–2007, Proprietary Trader
Rafferty Asset Management, 2005–2006, Head Trader
NWD Investments, 2000–2005, Equity Trader,
Manager Trading Operations
Morgan Stanley Investment Management, 1997–2000,
Mutual Fund Analyst
PNC Financial Services, 1993–1997, Manager Mutual
Fund Accounting
B.S., 1993, Seton Hall University



Michael P. Hayden, CFA
CEO

NorthPointe Capital, 2000–Present, Managing Director
Loomis, Sayles & Company, 1996–2000,
Vice President of Marketing/Client Service
New York Life, 1992–1996, Managing Director
Travelers, 1981–1992, Vice President
B.S., 1980, Pennsylvania State University

NorthPointe Capital®, LLC (NorthPointe), located in Troy, Michigan, is an asset management firm. NorthPointe is a registered investment adviser with the Securities and Exchange Commission and provides investment services to institutional investors through separate accounts, mutual funds and wrap accounts.