NEUBERGER | BERMAN

PRIVATE ASSET MANAGEMENT

Portfolio Manager Profile

The Fraenkel Group

PORTFOLIO MANAGERS
Francis L. Fraenkel,
Robert H. Pearlman,
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Kenneth Y. Amano and
Ann Marie Foss

INVESTMENT STYLE
Mid- to Large-Cap Growth

BENCHMARK
S&P 500 Index

INVESTMENT PHILOSOPHY

- Emphasize mid-to-large capitalization quality growth companies using a disciplined investment process.
- Deliver solid long-term investment performance based on sound judgment and extensive investment experience through market cycles.
- Portfolios are individually managed and designed to help meet client objectives with a focus on after-tax returns.
- Provide superior customer service with direct contact between clients and investment managers.

INVESTMENT PROCESS

We believe that our prime investment candidates are well-run, financially sound companies that are growing faster than their competitors. We concentrate on companies that are proven leaders in their respective markets, with solid plans to expand their reach. A quality management team is a tremendous competitive advantage in the marketplace. That's why we tend to place a premium on companies led by world class managers.

We seek to filter out the "noise" in the market. We look for companies with true value drivers, such as earnings power, growth prospects and strong competitive positions. We also look for a demonstrated ability to generate excess cash and to produce high returns on invested capital.

Special situations are opportunistically added to our portfolios and may include small-cap companies. These ideas may attract our attention for a number of reasons: the announcement of a new product; a change in management or strategy; or a merger or other structural development at the company. In each of these situations, there is an "event" underappreciated by the overall market that provides an opportunity to augment returns for our clients.

In balanced accounts, our conservative fixed-income strategy emphasizes high quality municipal bonds, U.S. Treasury and Agency securities, investment grade corporate bonds, and if appropriate, convertible securities.

SELL DISCIPLINE

We typically consider selling positions based on individual, stock-by-stock analysis. Generally, we will sell a stock if company fundamentals deteriorate, we lose confidence in management or our investment premise is no longer valid. Positions may be trimmed if they have appreciated over time, as a percentage of the overall portfolio, to maintain diversification and fund new investments. We seek to maximize tax efficiency in taxable portfolios whenever possible.

Note: See disclosures on page 2 which are an important part of this document.