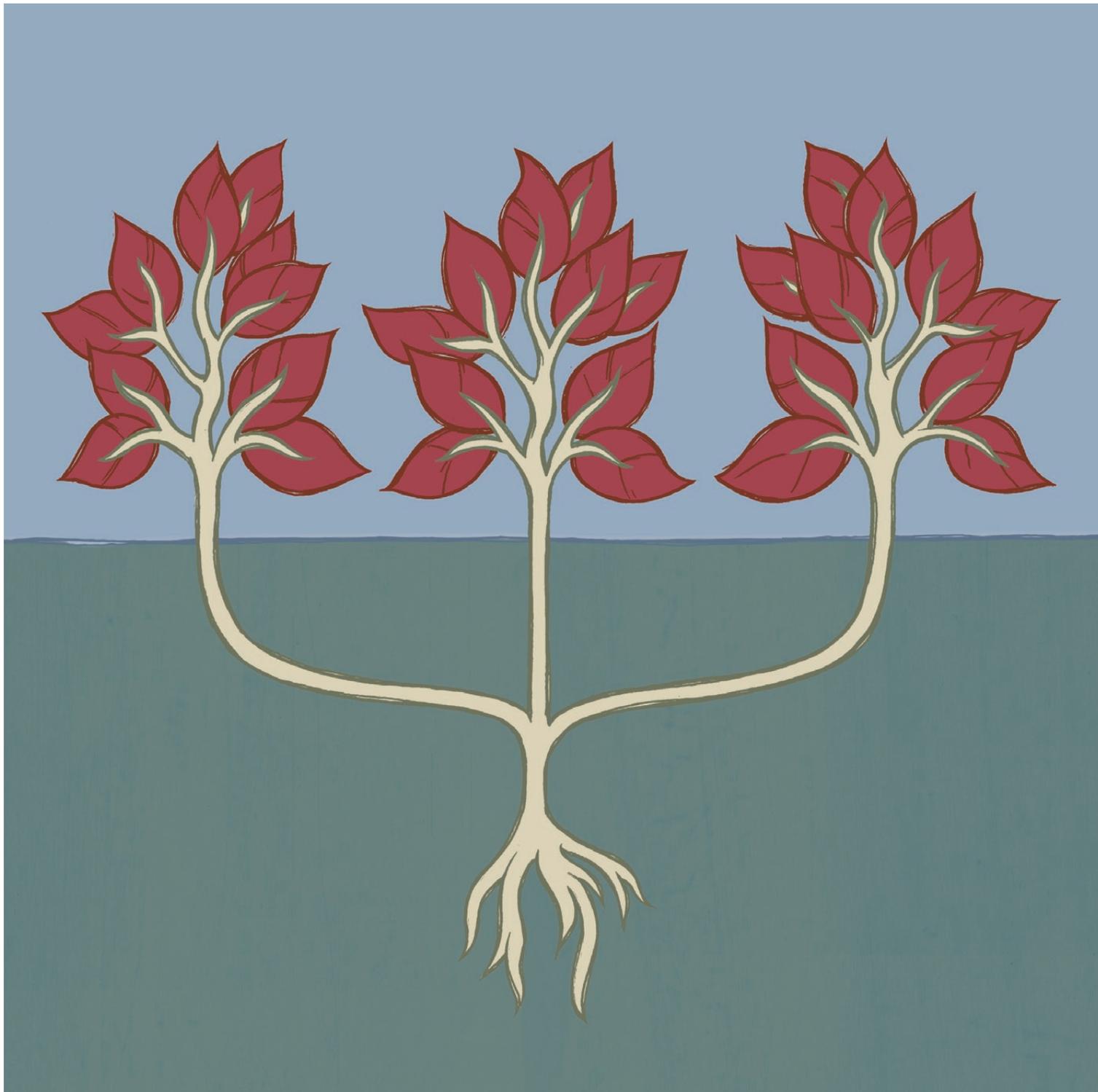


FQ

First Quadrant is an innovative investment management boutique recognized for excellence in portfolio management and research since 1988. A specialist firm, FQ focuses narrowly on two investment areas: equities and global macro. Fresh, creative thinking and a high-touch approach to client service are pillars of FQ culture.

WELCOME TO FIRST QUADRANT.



Breadth. Opportunism. Innovation.
These three investment principles,
steadily applied, have borne consistent
results for FQ clients for almost
twenty years.

DECADES OF INNOVATION. RESULTS FOR CLIENTS TODAY.

First Quadrant was founded in a culture of innovation. In order to deliver consistent results to our clients, we have remained flexible, adaptive, and open-minded. At the same time we adhere to three timeless and well-defined investment principles.

FQ MANTRA

Cultivate breadth.

The wider the net, the richer the potential catch. This is the most important principle of investing.

Behave opportunistically.

Even as we capture profit today, we turn our attention to where tomorrow's opportunities lie.

Innovate relentlessly.

Leaders never rest in their quest for alpha. The competition is rarely far behind.

The unique way FQ combines these principles distinguishes us from our peers and forms our competitive edge.

PRINCIPLED INVESTING

Our mission since 1988 has been to systematically profit from inefficiencies (the mispricing of assets) in global financial markets.

We objectively analyze fundamental economic, market, and financial data in order to better provide clients with results that are reliable and consistent.

Sound investment principles apply throughout the decision-making process—from research to trading to risk management. That's the way FQ has grown over the past twenty years into a premier provider of equity and global macro strategies.

The cornerstone of FQ independence is our exclusive reliance on proprietary research. Excellence in research helps us resist the latest investment tide and trend.

THE VALUE OF INDEPENDENT THINKING.

FQ people are free thinkers who view markets from a distinct perspective. We ask different questions and we dig deeper. Even if we sometimes reach the same conclusion as others, we probably took a different path getting there. To us it's as fundamental as the way we think.

THE OPEN MIND

It's a challenge to view the familiar in a new light; in our business, you simply cannot think just one way. We believe that the diversity of thought in our firm adds value for our clients.

FQ engages research professionals trained in various disciplines—science, mathematics, finance—in order to explore ideas from different points of view.

We constantly challenge conventional thinking, bring fresh perspectives to

the table, and allow new insights to emerge—all within a research process that is consistent, reliable, and highly defined.

TRAIL OF INNOVATION

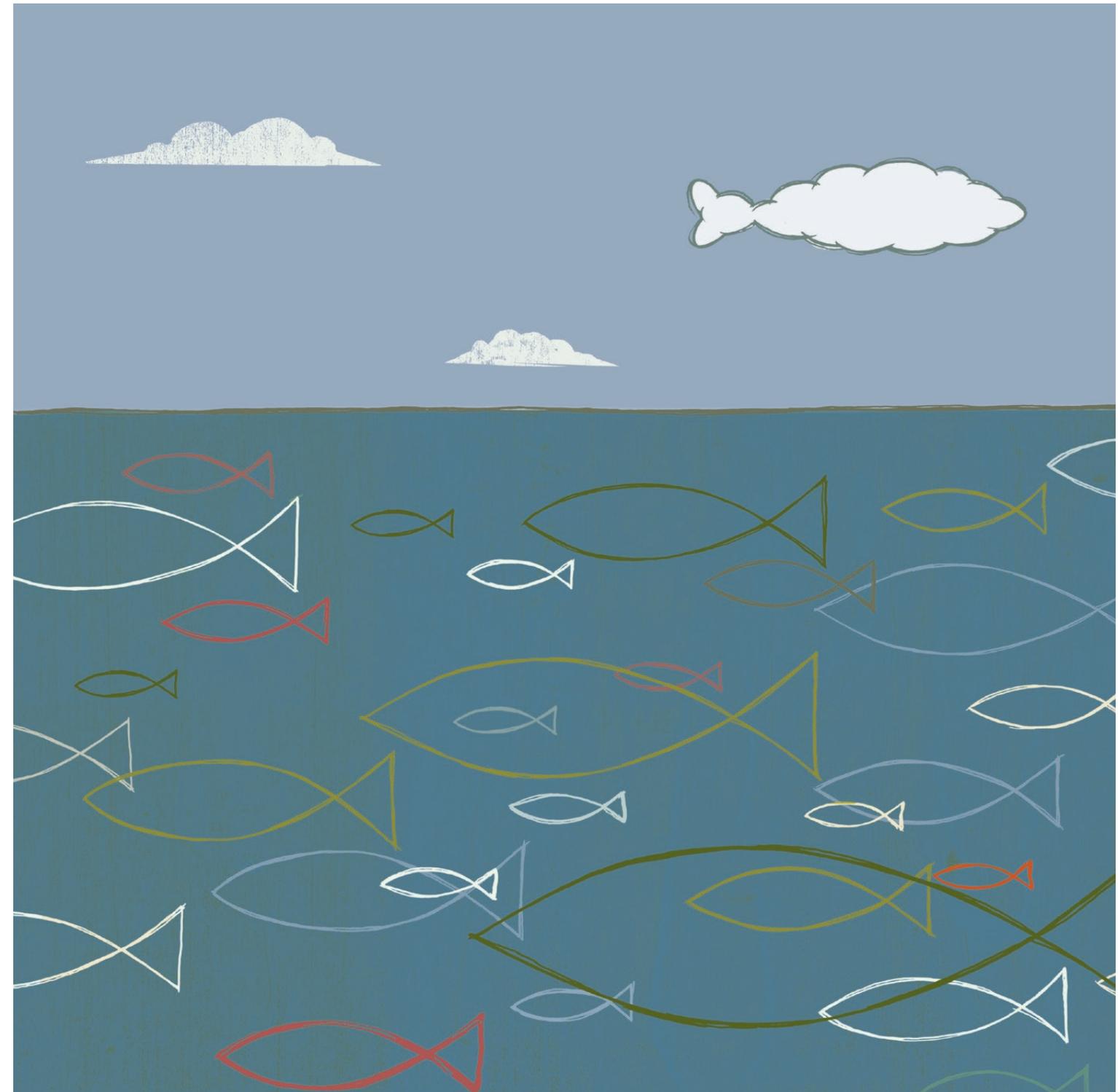
Markets change, so innovation matters—there's profit in it. We always look for new ways to help our clients reach their objectives.

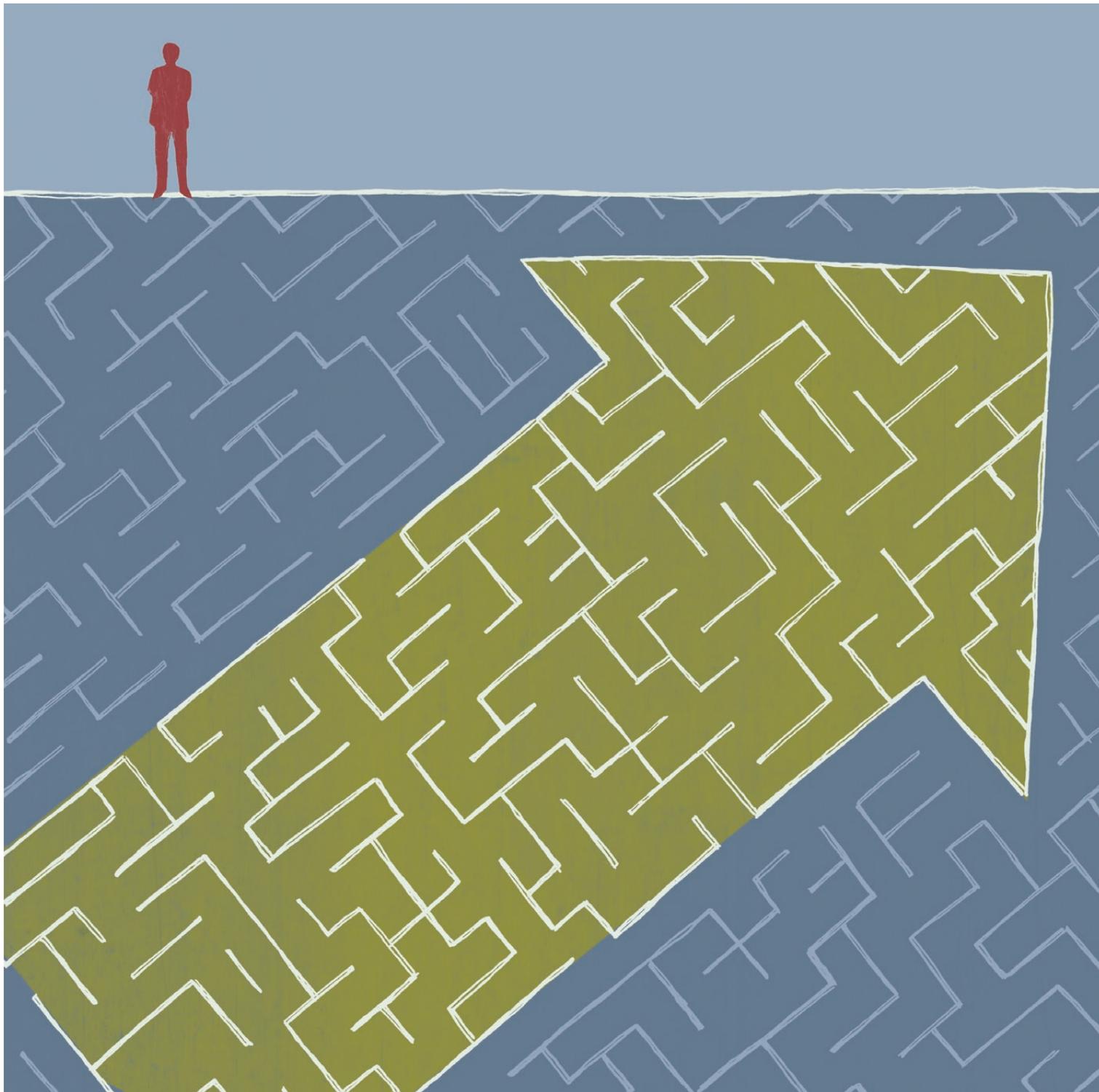
First Quadrant's history of innovation is documented and it is ongoing. We pioneered many of our industry's groundbreaking strategies. The drive to find alternative paths to

benefit clients motivated FQ initiatives in:

- global macro strategies
- extended equity
- global tactical asset allocation
- global equity management
- tax-efficient equity management
- currency management
- tactical risk allocation

This trail of innovation forms a nucleus of intellectual capital that continues to generate new ideas for FQ today.





*Global perspective. Multiple markets.
Diverse asset classes. Breadth of
alpha. That's the big picture we
delve into every day. Our job is to
guide clients through the maze.*

THE BIG PICTURE MATTERS.

First Quadrant strategies examine broad economic trends across multiple markets on a global basis. We specialize in discerning the common threads that tie assets together; and in finding shared attributes in the behavior of markets, individual stocks, asset classes, and broad categories of risk. This expertise differentiates FQ.

FOREST & TREES

FQ's equity strategy stems from our belief that groups of stocks sharing common fundamental characteristics are what move equity markets. We have long noted that the market rewards (or punishes) stocks that:

- belong to a certain industry or sector;
- share a vulnerability or exposure to interest rates;
- have growing sales, profits, or balance sheets that reflect underlying strength or weakness;
- share these, or other, fundamental characteristics.

We always bear in mind that stock groups are comprised of individual companies. In this sense, our equity decisions stem from evaluating both the forest and the trees.

MACRO MANAGERS

Global macro forges a matrix of investment strategies into a multi-strategy framework. The contributing sub-strategies seek to profit from movements in global equity, bond, currency, and commodity markets, among others.

Profit opportunities are cyclical; they wax and wane. Therefore

global macro tactically allocates risk toward markets where the likelihood of profit is high and away from markets where the opportunity for profit has been exhausted.

Success is enhanced by access to liquid markets, where hurdles to exploiting mispricings are low, and the mispricing of assets is persistent and cyclical.

Risk is not the only issue that we simplify for clients, but it's probably the most complex. It's also the most potentially rewarding.

WE SIMPLIFY THE COMPLEX.

Risk is the raw material of return. Where risk resides, we can outperform. But risk comes in multiple forms; it's ephemeral and it's complicated. There's no single way to think about it. We simplify the complexities of risk so that clients can intuitively understand the trade-offs. To arrive at that point you just need to talk to us.

RISK MANAGEMENT / INVESTMENT MANAGEMENT.

Risk management means more than installing a system. It requires deep thinking about what has happened in the past and what may come in the future. We challenge ourselves to consider every aspect of risk we can reliably measure, monitor, and manage.

While risk management is integral to the investment process, FQ also performs a secondary and independent evaluation of risk, which seeks to identify innumerable risks that may influence portfolios.

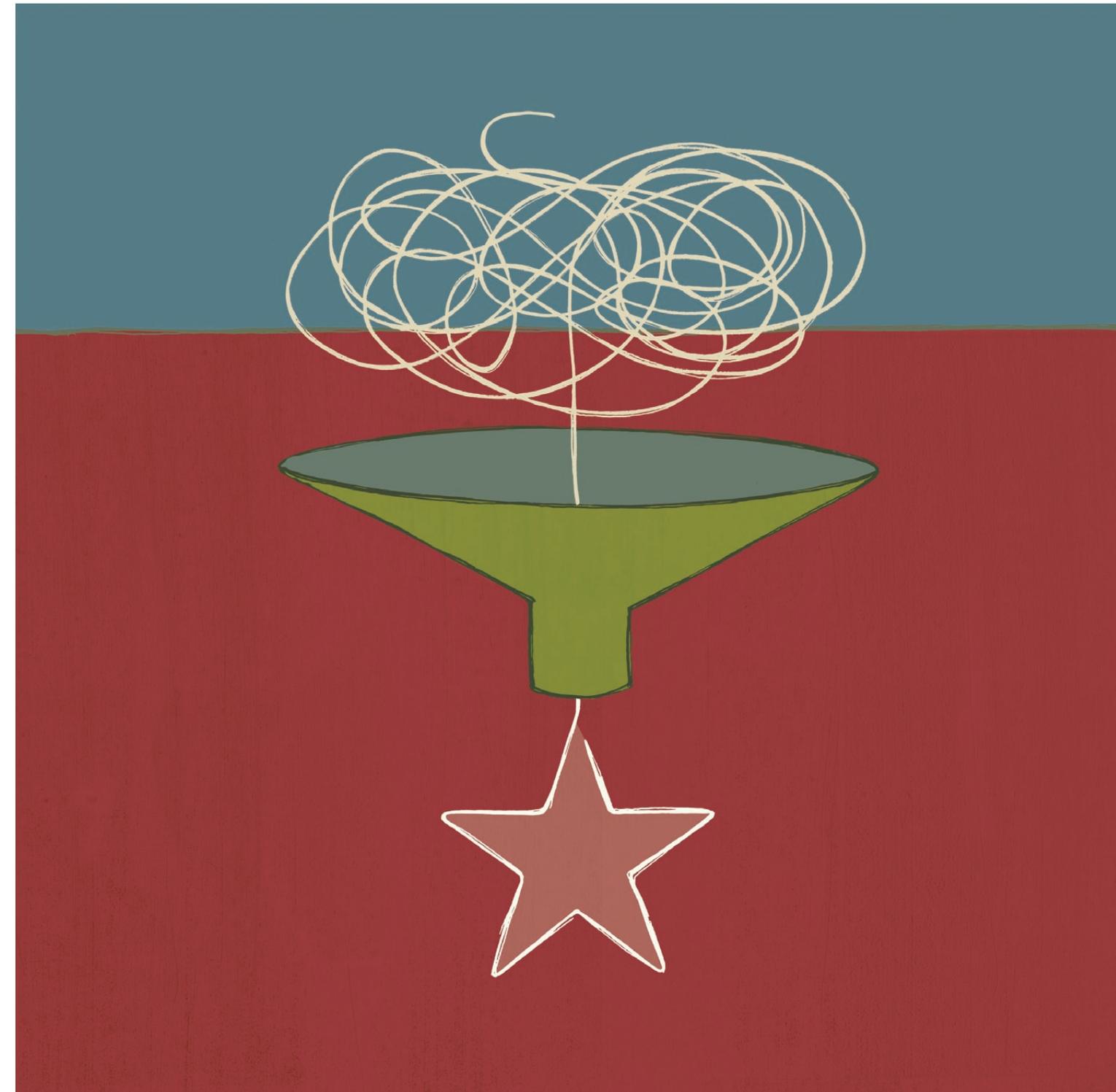
FQ's Risk Office focuses solely on risk, moving beyond investment risk to consider operational, trading, and other forms of enterprise risk.

AFTER ALL, IT'S YOUR MONEY.

We believe that a client's risk management preferences should command a place in the dialogue equal to that of return. That's why we engage right up front with clients in the discovery of their objectives, both short and long term.

We expect clients will want to understand what's happening with their money. We encourage curiosity about what we do and why we do it.

If a close and transparent relationship with an investment manager makes sense to you, let's work together.





*We're specialists. High performers.
Your investment partner. We thrive by
excelling at what we do.*

FQ INVESTMENT TASK FORCE.

It begins with clients and their requirements. To perform, we capture fleeting profit opportunities in ever-changing markets. A robust investment platform draws upon FQ's fresh in-house thinking. Our people are equipped with the necessary tools. All of this contributes to stable, consistent, and reliable results for clients.

FQ PLATFORM

Nimble

Profit opportunities are fast, fleeting, and disparate. A nimble response to cyclical markets is paramount.

Focused

We work exclusively in equities and global macro. That's what we've always done, consistently, since 1988.

Global

Global strategies have global application. FQ clients are domiciled around the world.

Results Oriented

Our success is aligned with that of our client. We are therefore vitally interested in meeting client objectives.

TEAM FQ

There are no star portfolio managers at First Quadrant. Instead, we have specialists who assemble teams in response to distinct client requirements.

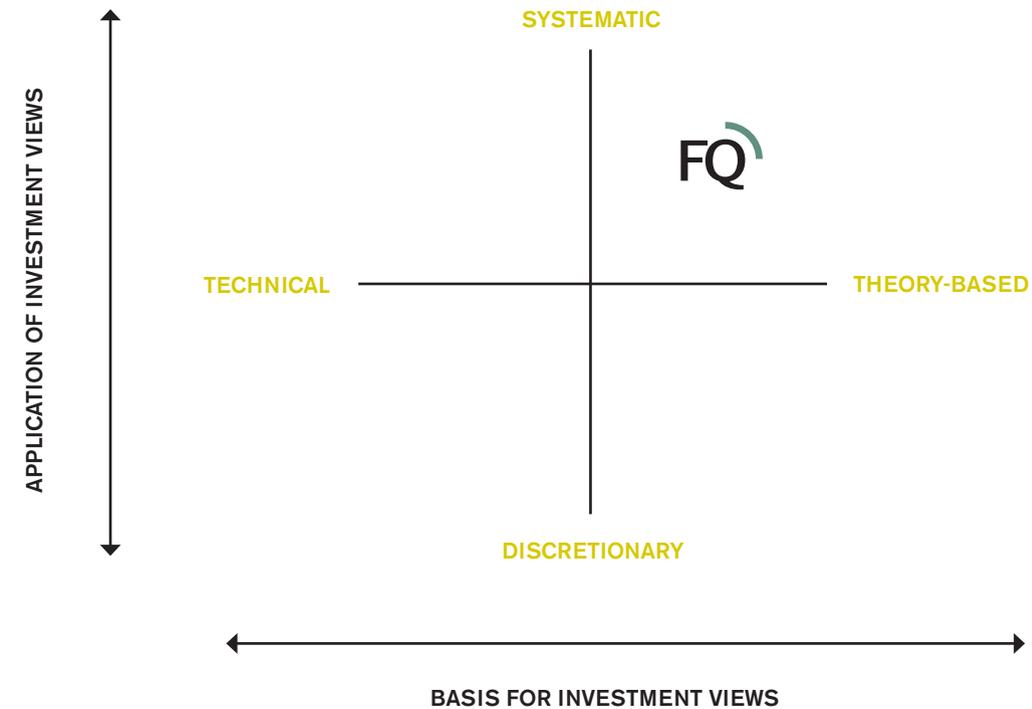
Leading First Quadrant is a cohesive senior management team that has worked together for over a decade. Behind this team is an organization

with the depth and breadth to cover all the contingencies of our business.

The diversity of our personnel reflects the complexity of markets and the real world. At every level, and in every function, the human element—curiosity, insight, intuition—is highly valued.

WE OCCUPY THE FIRST QUADRANT.

All investment strategies can be defined by the way they view markets and implement investment decisions. At First Quadrant, our views are based upon sound financial and economic theory. Our decisions are implemented on a systematic basis. If you are looking for an investment program with these characteristics, talk to us.



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