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Industry
Quantitative Equity Research

Headquarters
111 West Micheltorena, Suite 310
Santa Barbara, CA 93101
T/ 805-730-7777

Contact
Scott Martindale
Senior Managing Director
T/ 805.730.7594

Products & Services
- Long selections, by market cap & style
- Short selections
- Sector ETF rankings
- Index rankings
- Industry group rankings
- Custom scorecards
- Individual filter ranks
- Portfolio strategy development

> *"Sabrient blends fundamental and technical disciplines into quantitative Smart Filters that are backtested over multiple market periods to find what is working in the current market. The result is a unique ranking of equities that are free of analyst bias and fully customizable to a client's investing strategy or style."*
>
> **David L. Brown**
> Chief Market Strategist

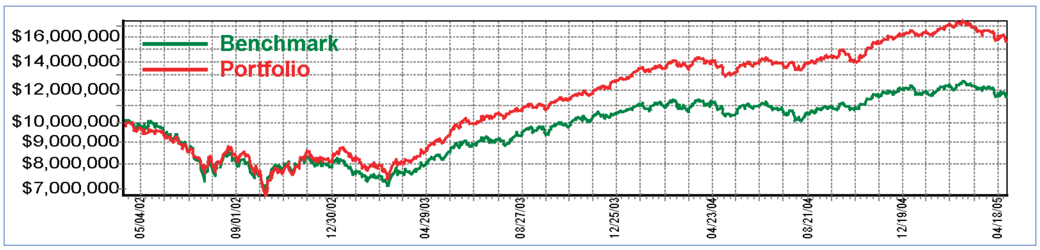
Why Quant? A quantitative approach provides a structured, computer-driven framework for making sense of the extensive data available on publicly traded stocks. In general, "quant" offers an unbiased and cost-effective analysis of the numbers. It is free of conflicts of interest, gut feel, or preconceptions of an individual analyst, while still taking into account factors that reflect changes in analyst opinions, consensus EPS estimates, and insider trading.

Why Sabrient? No other quant firm drills as deeply, measures as broadly, or analyzes the data as thoroughly as Sabrient—and none adapts as dynamically to changing markets. Sabrient ranks over 5,500 U.S.-traded stocks, ADRs, and ETFs on a weekly basis using proprietary mathematical models that adapt to evolving market preferences. Our proprietary methodology employs multi-factor filters and "fuzzy logic" scoring to identify stocks that appear poised to outperform or underperform the market. Sabrient employs a scientific approach to ensure the models are rigorous (not "curve-fitted"), robust, and scalable.

Sabrient offers comprehensive stock selection "scorecards," customized rankings, and individual stock reports, as well as winning portfolio models, custom portfolio analysis, and expert strategy development support.

Performance: Sabrient's stock selections have shown remarkable performance over a range of styles, market caps, and market conditions. Simple long-only and long/short strategies based on SmartRank scorecards or individual filters test with annual returns in the range of 14 - 60%. For example, our monthly selection of the top 50 Mid-Cap Value stocks, which has been published since early 2002, shows an average annual return of 14.3% vs. 3.5% for the S&P 400 benchmark.

Monthly Scorecard Performance: Mid-Cap Value Selections

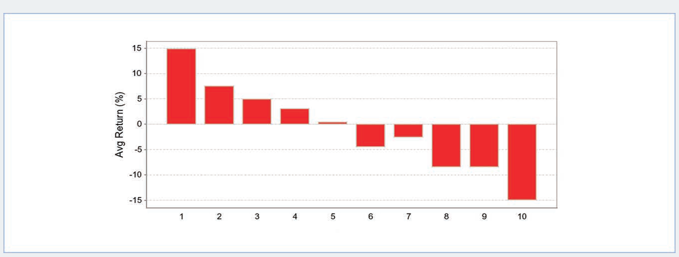


Sabrient Methodology: Sabrient uses a computer-driven, quantitative methodology to identify which characteristics of a stock are most predictive in the prevailing market, and which stocks best reflect those characteristics but are not yet fully rewarded. The Sabrient methodology was developed by an experienced research team led by David Brown, former NASA scientist and retired CEO of Telescan, Inc.

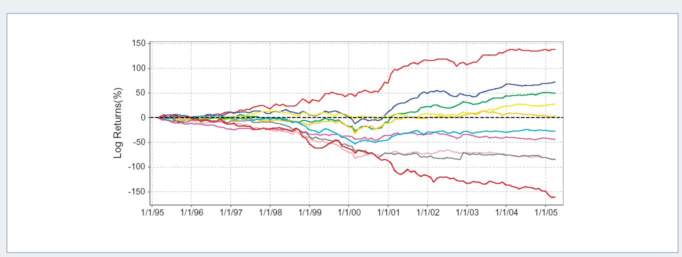
The team employs a scientific approach to the creation and testing of Sabrient filters and models, selecting from more than 400 factors to create a library of over 100 multi-factor filters. Each filter targets a key area of traditional stock analysis, including value, growth, momentum, fundamentals, earnings, balance sheet, and group strength.

Using an adaptive process, filters are continually tested to ensure that only the best performing filters are at work. Sabrient uses these top filters to extract stocks that share their desirable attributes, but have not yet been sufficiently rewarded. A composite scoring system employs a range of high-performing filters to refine the rankings of the extracted stocks, or to simply rank top-to-bottom any given universe of stocks.

Sabrient Adaptive Rank – Decile Return Summary



Sabrient Adaptive Rank - Decile Return History



These charts show the top-to-bottom decile gradation on the S&P400 using a Sabrient Adaptive Rank (run monthly for 10 years). On the left is the annualized average active return for each decile, and on the right is the cumulative active return for each decile.

SmartRank Scorecards: Using a proprietary composite scoring process across many high-performing filters, Sabrient creates a series of "SmartRank" products, or scorecards, which provide comprehensive scoring of the best long and short selections, as well as rankings of various market indices and sector ETFs. These scorecards permit drill-down to individual filters and sub-scores, and allow the portfolio manager to re-weight those inputs and customize the composite scores to their preferences.

The best Long stocks are segmented by three major investing styles (value, growth, and momentum) and, within each style, by the four market caps (micro, small, mid, and large). In a similar fashion, Short scorecards deliver rankings of the weakest stocks, and ETF scorecards deliver rankings of the sector exchange-traded funds (based on bottom-up scoring of their component stocks). Current index rankings include the S&P 100, 400, 500, and 600, Nasdaq 100, and Russell 1000 and 2000. We can also create a custom scorecard for a client's personal universe.

SmartRank scorecards can be used for generating new ideas, pre-screening stocks for further analysis, setting portfolio allocations (e.g., over- or under-weighting), or as a flexible quantitative overlay.

SmartStock Reports: Sabrient translates its analyses through a proprietary, interpretive text generator into attractive, reader-friendly "SmartStock" reports on individual companies, with expanded discussion, charts, and market analysis. The reports show how the subject company stacks up against the market, its industry group, and a selection of its peers. Through a competitive process, several major Wall Street brokerages (including Bear Stearns, UBS, Deutsche Bank, and Lehman Bros) have selected these Sabrient SmartStock reports for distribution to their clients.

SmartRank/SmartStock Combo: Enjoy the convenience of a slimmed-down SmartRank scorecard that clicks through to the comprehensive SmartStock reports. This makes a very powerful product for the busy investment professional who needs to make quick decisions and have the detailed analysis supporting those decisions at his fingertips. With a combo product, Sabrient's SmartStock reports are but a click away.

Portfolio Strategy Support: Sabrient can help the investment manager craft optimal portfolio strategies using our powerful testing platform. Either using the PM's ideas or Sabrient's internal testing, we can develop and backtest long-only, long/short, or enhanced index strategies based upon scorecards or individual filters (or combinations of filters). We are currently working with several hedge funds and private account managers in this way, effectively serving as their "outsourced" quant research staff.

For example, the accompanying chart shows a 5-year backtest on the Sabrient Adaptive Rank, which employs the strongest of 3 top filters (Value, Momentum, GARP) to choose positions for the next month. Average annual return is 37.9% vs 7.9% for the S&P 400.

SmartRank Scorecard for Mid-Cap Value Stocks

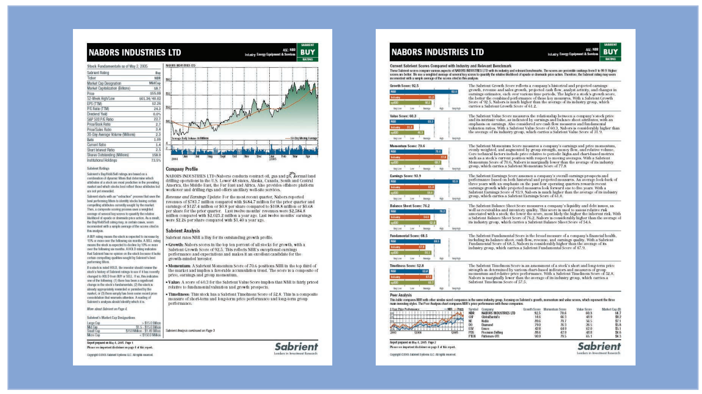
Sabrient Scorecard: Mid-cap Value 04.08.2005 [MARKET DAT

Leaders in Investment Research

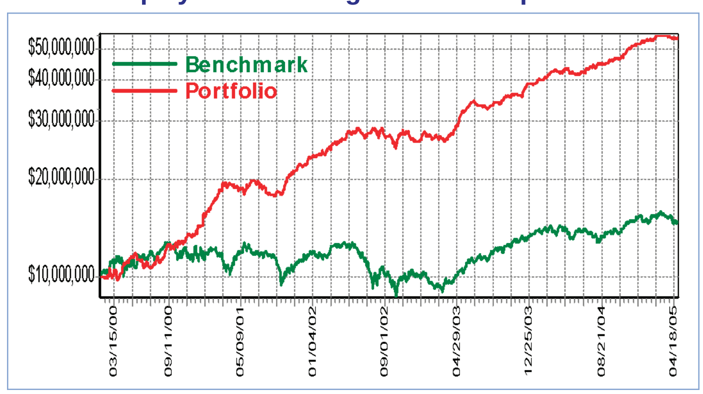
NINE KEY SCORES PROFILE

Symbol	FINAL COMPOSITE SCORE	SABRIENT VALUE SCORE	Sabrient Growth Score	Sabrient Momentum Score	Sabrient Earnings Score	Short-term Technical Score
KOSP	94.4	68.5	94.5	95.1	90.2	90.0
NTES	93.0	57.7	94.3	95.2	93.5	92.4
CDIS	92.9	85.6	96.5	95.4	97.7	77.2
VIP	92.6	78.8	94.8	93.4	95.5	94.1
CDWC	92.2	73.6	84.5	79.0	91.4	79.4
CAM	91.5	79.1	93.6	95.7	93.7	75.9
NXTP	91.0	50.4	95.6	94.6	92.3	95.3
WFT	90.0	77.9	94.7	93.3	94.8	62.9
UNT	90.0	77.3	96.5	94.8	93.8	56.0
AGN	88.0	69.3	60.0	91.7	83.3	85.1
NE	87.8	67.1	87.7	95.0	77.1	70.2
MATK	87.3	56.0	92.6	86.9	89.7	78.6
TKC	87.3	51.6	94.6	91.8	83.8	77.9
PDS	87.2	79.6	93.4	79.3	74.0	50.1
FMT	87.1	71.6	91.8	82.1	87.9	69.9
MERQ	86.8	71.1	91.9	90.8	93.8	53.1

Sample SmartStock Report (shows 2 of 4 pages)



Portfolio Equity Curve – using Sabrient Adaptive Rank



Benchmark is the S&P 400.

KEY SABRIENT STAFF

David Brown, Chief Market Strategist, is a former NASA scientist, retired CEO of Telescan, Inc., and author of several investing books. A co-founder of Sabrient, he led the development of the Sabrient methodology and directs the efforts of the research team. He holds an MBA in Finance.

R. Guy Kraines, President and COO, is a former vice president of finance of Genentech. He ensures cohesiveness among all Sabrient departments, including admin, finance, research, product development, sales, and client services. He holds an MS in Statistics/ Operations Research from Stanford.

Kassandra Bentley, Managing Member, is a co-author of several books on investing and was the founder of CyberInvest.com, a financial web portal in the late 1990s. She is a co-founder of Sabrient and in charge of administration.

Scott Martindale, Senior Managing Director, is broadly experienced in sales, marketing, project management, operations, analysis, and trading. He directs Sabrient's sales and business development efforts. He holds an MBA in Finance.

Joshua R. Anderson, Ph.D., Senior Research Scientist, is a financial model developer and systems architect at Sabrient. Formerly at BlackRock Financial, he built financial risk models. He holds a Ph.D. in Economics.

Neil Gibeau, Senior Research Analyst, has a strong background in statistical analysis and database management. He creates Sabrient filters and designs portfolio strategies, and is a Level 2 CFA candidate.

Luca Romani, Ph.D., Research Analyst, offers expertise in portfolio performance measurement and asset allocation. He holds a Doctorate in Economics.

Theodore Spradlin, Quantitative Equity Analyst, has extensive experience in stock screening models and equity analysis. He is the lead analyst and production engineer behind Sabrient's SmartRank scorecards and SmartStock report.

Paul Alvim, Chief Equity Analyst, was editor of Wall Street City.com. He is responsible for Sabrient's filter backtesting and production models.