

Shaker Investments
Explanation of Performance

Shaker Investments
Equity Investment Performance

	Shaker Gross	Shaker Net	Russell 2500 Growth	Russell 2000	S&P 500⁽²⁾		Shaker Gross	Shaker Net	Russell 2500 Growth	Russell 2000	S&P 500⁽²⁾
4Q	19.93	19.56	11.14	5.73	8.38	1Q	3.61	3.24	-1.05	-5.42	4.98
1991	19.93	19.56	11.14	5.73	8.38	2Q	26.10	25.72	16.81	15.55	7.05
						3Q	10.61	10.24	-3.47	-6.32	-6.25
1Q	14.74	14.37	-0.75	7.50	-2.53	4Q	39.09	38.71	39.36	18.44	14.88
2Q	-19.73	-20.11	-10.21	-6.82	1.90	1999	101.00	98.46	55.48	21.26	21.04
3Q	0.33	-0.05	2.36	2.87	3.15						
4Q	23.82	23.45	15.96	14.92	5.04	1Q	37.56	37.18	15.15	7.08	2.29
1992	14.42	12.74	5.79	18.41	7.62	2Q	-11.29	-11.67	-6.91	-3.78	-2.66
						3Q	-7.27	-7.65	-2.94	1.11	-0.97
1Q	11.84	11.47	-1.26	4.27	4.37	4Q	-20.84	-21.22	-19.35	-6.91	-7.82
2Q	-1.92	-2.30	2.44	2.18	0.49	2000	-10.44	-11.84	-16.09	-3.02	-9.11
3Q	9.54	9.17	8.06	8.74	2.58						
4Q	4.25	3.88	2.59	2.62	2.32	1Q	-24.51	-24.89	-19.91	-6.51	-11.86
1993	25.26	23.50	12.14	18.91	10.08	2Q	24.83	24.45	21.27	14.29	5.85
						3Q	-43.40	-43.78	-27.07	-20.79	-14.68
1Q	5.07	4.70	-2.94	-2.65	-3.79	4Q	40.98	40.61	25.90	21.09	10.69
2Q	-9.88	-10.26	-6.47	-3.89	0.42	2001	-24.82	-26.11	-10.83	2.49	-11.88
3Q	21.76	21.39	9.63	6.94	4.89						
4Q	6.39	6.02	-0.81	-1.87	-0.02	1Q	-7.45	-7.82	-2.95	3.98	0.28
1994	22.66	20.91	-1.28	-1.82	1.32	2Q	-28.98	-29.36	-16.63	-8.35	-13.40
						3Q	-28.08	-28.46	-19.06	-21.40	-17.27
1Q	8.59	8.22	8.46	4.61	9.74	4Q	11.51	11.14	8.28	6.16	8.43
2Q	28.20	27.83	8.92	9.37	9.55	2002	-47.28	-48.22	-29.09	-20.48	-22.10
3Q	16.97	16.60	11.11	9.88	7.95						
4Q	-1.52	-1.90	1.75	2.17	6.02	1Q	1.91	1.54	-3.20	-4.49	-3.15
1995	60.36	58.22	33.54	28.44	37.58	2Q	25.14	24.77	22.72	23.42	15.40
						3Q	11.01	10.63	9.97	9.08	2.64
1Q	2.56	2.19	7.00	5.10	5.37	4Q	13.03	12.66	12.00	14.52	12.18
2Q	0.58	0.21	5.11	5.00	4.49	2003	60.03	57.90	46.31	47.25	28.68
3Q	9.62	9.25	1.37	0.34	3.09						
4Q	14.47	14.10	0.93	5.20	8.34	1Q	5.66	5.28	5.50	6.26	1.69
1996	29.44	27.63	15.07	16.49	22.96	2Q	-3.01	-3.39	0.14	0.47	1.71
						3Q	-7.93	-8.31	-5.61	-2.86	-1.87
1Q	-1.27	-1.65	-8.00	-5.17	2.68	4Q	17.60	17.23	14.91	14.09	9.21
2Q	23.12	22.75	16.25	16.21	17.48	2004	10.96	9.34	14.59	18.33	10.86
3Q	15.76	15.39	16.64	14.88	7.49						
4Q	-13.78	-14.16	-8.01	-3.35	2.87	1Q	-4.18	-4.55	-4.33	-5.34	-2.15
1997	21.32	19.58	14.76	22.36	33.36	2Q	5.23	4.86	3.56	4.32	1.36
						3Q	4.21	3.84	6.29	4.69	3.61
1Q	9.84	9.46	11.15	10.06	13.95	4Q⁽³⁾	-1.64	-2.01	2.72	1.13	2.10
2Q	-2.87	-3.24	-4.88	-4.66	3.30	2005⁽³⁾	3.37	1.84	8.18	4.56	4.91
3Q	-13.45	-13.82	-22.21	-20.15	-9.95						
4Q	46.77	46.39	25.35	16.31	21.30						
1998	35.52	33.61	3.10	-2.55	28.58						

- 1) Past Performance not necessarily predictive or indicative of future results.
- 2) Index returns provided by Russell/Mellon Analytical Services; S&P 500 figures use S&P's calculations.
- 3) Shaker's returns are estimate for the most recent period.

Shaker Investments Explanation of Performance

Shaker Investments ("Shaker") has prepared and presented this report in compliance with the Performance Presentation Standards of the Association for Investment Management and Research (AIMR-PPS™), the U.S. and Canadian version of the Global Investment Performance Standards (GIPS™). AIMR has not been involved with the preparation or review of this report. These results have been prepared and presented in compliance with the AIMR-PPS™ standards for the entire period presented. A Level II Verification of compliance in accordance with AIMR-PPS™ for the time period October 1, 1991 to December 31, 2004. Data for the most recent quarter is estimated.

AIMR Compliance Requirements:

- Use of total return to calculate performance.
- Use of accrual, as opposed to cash, accounting, except for dividends and calculations of performance for periods prior to 1993.
- Use of time-weighted rates of return, with valuation on at least a quarterly basis and geometric linking of period returns. *Shaker utilizes the modified Dietz method in calculating time-weighted returns. From inception to 12/31/96 quarterly valuations were used. Beginning 10/1/96, Shaker began using monthly valuations.*
- Inclusion of cash and cash equivalents in composite returns.
- Inclusion of all actual, fee-paying, discretionary portfolios in at least one composite.
- No linkage of simulated and model portfolios with actual performance.
- Asset-weighting of composite using beginning-of-period values.
- Addition of new portfolios to a composite after the start of the next performance measurement period or according to reasonable and consistently applied manager guidelines. *Shaker adds new accounts to the composite at the beginning of the first full calendar month after the initial contribution. From 10/1/91 to 10/1/96 new accounts were added to the composite at the beginning of the first full calendar quarter after the initial contribution.*
- Exclusion of terminated portfolios from a composite for all periods after the last full period they were in place, but inclusion for all periods prior to termination. *From inception to 12/31/96 terminated accounts were included in the composite through their last full calendar quarter under management. Beginning 10/1/96 terminated accounts are included in the composite through their last full calendar month under management.*
- No restatement of composite results following changes in a firm's organization.
- Deduction from gross performance of all trading costs and embedded fees, such as wrap fees, that cannot be unbundled.
- Presentation of at least a 10 year performance record (or for the period since firm inception, if shorter).
- Presentation of annual returns for all years.

	Shaker Gross	Shaker Net	Russell 2500 Growth	Russell 2000	S&P 500		Shaker gross	Shaker net	Russell 2500 Growth	Russell 2000	S&P 500		Shaker gross	Shaker net	Russell 2500 Growth	Russell 2000	S&P 500
2005	3.37%	1.84%	8.18%	4.56%	4.91%	1999	101.00%	98.46%	55.49%	21.26%	21.14%	1993	25.26%	23.50%	12.14%	18.91%	10.00%
2004	10.96%	9.34%	14.59%	18.33%	10.86%	1998	35.52%	33.61%	3.09%	-2.55%	28.76%	1992	14.42%	12.74%	5.79%	18.41%	7.68%
2003	60.03%	57.90%	46.31%	47.25%	28.68%	1997	21.32%	19.58%	14.75%	22.36%	33.38%	4Q91	19.93%	19.56%	11.14%	5.73%	8.36%
2002	-47.28%	-48.22%	-29.09%	-20.48%	-22.10%	1996	29.44%	27.63%	15.07%	16.49%	23.25%						
2001	-24.82%	-26.11%	-10.83%	2.49%	-11.88%	1995	60.36%	58.22%	33.55%	28.44%	37.50%						
2000	-10.44%	-11.84%	-16.08%	-3.02%	-9.11%	1994	22.66%	20.91%	-1.28%	-1.82%	1.33%						

Mandatory Disclosures:

- The availability of a complete list and description of the firm's composites.
- The number of portfolios and amount of assets in a composite, and the percentage of the firm's total assets the composite represents.

	# of Portfolios in Composite	Total Composite Assets (\$ millions)	Firm Assets (\$ millions)	Composite Assets as a % of Total Firm Assets		# of Portfolios in Composite	Total Composite Assets (\$ millions)	Firm Assets (\$ millions)	Composite Assets as a % of Total Firm Assets
12/31/05	227	\$447.0	\$503.1	90%	12/31/97	292	\$311.7	\$360.8	86%
12/31/04	360	\$586.3	\$643.1	91%	12/31/96	202	\$188.0	\$195.4	96%
12/31/03	379	\$682.5	\$770.3	87%	12/31/95	167	\$108.3	\$108.3	100%
12/31/02	451	\$569.9	\$956.6	60%	12/31/94	78	\$21.0	\$21.0	100%
12/31/01	570	\$1,080.9	\$2,237.5	48%	12/31/93	35	\$3.2	\$3.2	100%
12/31/00	538	\$975.8	\$1,374.8	71%	12/31/92	16	\$1.4	\$1.4	100%
12/31/99	279	\$768.7	\$980.4	78%	12/31/91	4	\$0.3	\$0.3	100%
12/31/98	173	\$353.7	\$493.3	72%					

- Whether balanced portfolio segments are included in single-asset composites, and an explanation of how cash has been allocated among asset segments. *Shaker does not include segments of balanced accounts in this composite.*
- Whether performance results are calculated gross or net of investment management fees; the manager's fee schedule; and for net results, the average weighted management fee. *Shaker has chosen to present performance both gross and net of fees. The net of fee calculation assumes a weighted average management fee of 0.375% per quarter. Shaker's standard institutional fee schedule for accounts greater than \$10 million is 1% annually on all assets.*
- The existence of a minimum asset size below which portfolios are excluded from a composite. *Shaker includes all fee paying, fully discretionary, same-style growth equity accounts managed by Edward P. Hemmelgarn in this composite. There is no minimum asset size criteria for inclusion in this composite.*
- The use of settlement date rather than trade date valuation. *Shaker recorded transactions on a settlement date basis from inception to 6/30/95. Beginning 7/1/95 Shaker began recording transactions on a trade date basis, which is the preferable method recommended by AIMR. Dividends are recognized when received.*
- Whether leverage has been used in portfolios included in a composite and extent of its use. *The growth equity accounts included in this composite do not utilize leverage.*
- The inclusion of any non-fee paying portfolios in composite. *Non-fee paying accounts represent related party accounts, for which Shaker has full discretionary power.*

	Non-Fee Paying Accounts	Non-Fee Paying Assets		Non-Fee Paying Accounts	Non-Fee Paying Assets		Non-Fee Paying Accounts	Non-Fee Paying Assets
2004	1	\$ 296,867	1999	10	\$5,435,720	1994	5	\$2,947,700
2003	3	\$1,127,870	1998	10	\$3,067,440	1993	5	\$509,584
2002	4	\$ 758,179	1997	12	\$3,444,626	1992	3	\$273,564
2001	4	\$1,561,913	1996	9	\$2,862,880			
2000	10	\$5,176,925	1995	7	\$4,750,962			

- If performance results are presented after taxes, the tax rate assumption. *Performance results are pre-tax.*
- The firm must state exactly how it is defining itself for purposes of compliance with the Standards. *Shaker Investments is an equity portfolio investment manager that invests primarily in U.S.-based securities. Shaker Investments is defined as an independent investment management firm that is not affiliated with any parent organization. Accounts are administered under Shaker Investments LLC, dba "Shaker Investments", a Registered Investment Adviser.*
- Performance history must include a measure of composite dispersion. *The calculations below include only those accounts in the composite for the entire calendar year.*

	Highest Performing Account	Lowest Performing Account	\$ Weighted Standard Deviation		Highest Performing Account	Lowest Performing Account	\$ Weighted Standard Deviation		Highest Performing Account	Lowest Performing Account	\$ Weighted Standard Deviation		Highest Performing Account	Lowest Performing Account	\$ Weighted Standard Deviation
2004	12.59	6.08	0.95	2000	-5.15	-18.28	1.99	1996	68.00	7.00	5.57	1992	42.11	-19.87	n/a
2003	65.28	55.98	1.34	1999	107.93	80.29	7.60	1995	64.01	16.70	12.27	1991	n/a	n/a	n/a
2002	-42.61	-52.80	1.26	1998	41.96	17.21	5.00	1994	59.71	13.67	7.71				
2001	-16.29	-29.89	1.83	1997	25.20	9.97	2.77	1993	42.28	8.14	6.88				

Shaker Investments Explanation of Performance

Mandatory Disclosures For Historical Records:

- The full record not being in compliance, if that is the case. *Shaker's full history is in compliance.*
- The non-compliance periods, if any. *Shaker's full history is in compliance.*
- A description of how non-compliance periods are out of compliance. *Shaker's full history is in compliance.*

Recommended Guidelines and Disclosures:

- Use of accrual accounting for dividends and for periods prior to 1993.
- Revaluation of a portfolio whenever cash flows and market action combine to distort performance.
- Use of trade-date accounting.
- Presentation of performance gross of investment management fees in one-on-one situations and before taxes. *Shaker has chosen to present performance both gross and net of fees. Performance is pre-tax.*
- Consistent treatment of convertible and other hybrid securities across and within composites. *Shaker does not utilize convertible or hybrid securities.*
- Provision of the following additional information:
 - External risk measures such as standard deviation of composite returns across time. *Shaker's statistics calculated from quarterly returns, gross of fees. Market Proxy: Russell 2500 Growth; Risk-Free Proxy: Citigroup 3 Month T-Bill. Since annualized risk calculations require a minimum of 12 observations for meaningful interpretation, 1 and 2 year statistics are not shown.*

		Shaker Annualized Standard Deviation	Russell 2500 Growth Annualized Standard Deviation	Alpha	Beta	R-Squared			Shaker Annualized Standard Deviation	Russell 2500 Growth Annualized Standard Deviation	Alpha	Beta	R-Squared
3 Years	12/31/02 to 12/31/05	18.54	16.16	-0.34	1.11	0.93	8 Years	12/31/97 to 12/31/05	42.29	30.99	1.02	1.28	0.89
4 Years	12/31/01 to 12/31/05	28.33	21.07	-1.80	1.31	0.95	9 Years	12/31/96 to 12/31/05	41.03	30.35	1.03	1.27	0.89
5 Years	12/31/00 to 12/31/05	39.99	28.44	-1.58	1.38	0.97	10 Years	12/31/95 to 12/31/05	39.12	28.85	1.21	1.26	0.87
6 Years	12/31/99 to 12/31/05	40.87	28.12	-0.49	1.40	0.94	Since Inception	10/01/91 to 12/31/05	35.49	25.28	1.99	1.28	0.83
7 Years	12/31/98 to 12/31/05	41.53	30.29	0.07	1.30	0.91							

- Benchmarks that parallel the risk or investment style the client portfolio is expected to track. *Shaker's portfolio benchmarks include the Russell 2500 Growth, Russell 2000 and the S&P 500. The securities held in Shaker's accounts are not limited to securities that are included in one or all of the selected indexes. Shaker's investment process does not attempt to reflect stock or sector weightings of any individual published index. The resulting characteristics of a portfolio (P/E, EPS, sector weightings, etc.) are not managed to shadow an index, but are the residual of the stock selection process. In comparing Shaker's performance to published indexes, many clients utilize the Russell 2500 Growth index because it includes small and mid capitalization growth companies. The index includes those Russell 2500 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 2500 and 2000 Indexes are composed of the smallest 2,500 and 2,000 companies in the Russell 3000 Index (the 3,000 largest U.S. companies, as determined by market capitalization). The S&P 500 Index covers 500 large companies of the US markets and represents about 75% of NYSE market capitalization and 30% of NYSE issues.*
- Cumulative returns for all periods.

Cumulative Returns						Annualized Returns							
		Shaker Gross	Shaker Net	Russell 2500 Growth	Russell 2000	S&P 500			Shaker Gross	Shaker net	Russell 2500 Growth	Russell 2000	S&P 500
1 Year	12/31/04 to 12/31/05	3.36	1.84	8.17	4.57	4.91	1 Year	12/31/04 to 12/31/05	3.36	1.84	8.17	4.57	4.91
2 Years	12/31/03 to 12/31/04	14.69	11.33	23.96	23.73	16.31	2 Years	12/31/03 to 12/31/04	7.09	5.51	11.34	11.23	7.85
3 Years	12/31/02 to 12/31/03	83.53	75.78	81.37	82.20	49.67	3 Years	12/31/02 to 12/31/03	22.44	20.69	21.95	22.14	14.39
4 Years	12/31/01 to 12/31/02	-3.25	-8.99	28.60	44.87	16.59	4 Years	12/31/01 to 12/31/02	-0.82	-2.33	6.49	9.71	3.91
5 Years	12/31/00 to 12/31/01	-27.26	-32.75	14.67	48.48	2.73	5 Years	12/31/00 to 12/31/01	-6.17	-7.63	2.78	8.23	0.54
6 Years	12/31/99 to 12/31/00	-34.85	-40.71	-3.78	43.99	-6.62	6 Years	12/31/99 to 12/31/00	-6.89	-8.34	-0.64	6.26	-1.14
7 Years	12/31/98 to 12/31/99	30.94	17.67	49.60	74.60	13.03	7 Years	12/31/98 to 12/31/99	3.93	2.35	5.92	8.29	1.77
8 Years	12/31/97 to 12/31/98	77.46	57.23	54.24	70.15	45.33	8 Years	12/31/97 to 12/31/98	7.43	5.82	5.57	6.87	4.78
9 Years	12/31/96 to 12/31/97	115.30	88.01	77.00	108.20	93.82	9 Years	12/31/96 to 12/31/97	8.89	7.27	6.55	8.49	7.63
10 Years	12/31/95 to 12/31/96	178.68	139.96	103.68	142.54	138.32	10 Years	12/31/95 to 12/31/96	10.79	9.15	7.37	9.26	9.07
Since Inception	12/31/91 to 12/31/05	842.24	664.30	254.05	355.29	326.54	Since Inception	10/01/91 to 12/31/05	17.05	15.34	9.28	11.22	10.72

- Portfolio size range for each composite (unless five or fewer portfolios) and the percentage of total assets managed in the same asset class as represented by the composite.

	Portfolio Size Range			Composite Assets as a % of Total Firm Equity Product Assets*	Portfolio Size Range			
	Largest	Smallest			Largest	Smallest		
12/31/05	\$88,519,706	\$53,966		90%	12/31/01	\$ 97,423,649	\$17,248	48%
12/31/04	\$89,185,244	\$55,306		91%	12/31/00	\$202,884,936	\$62,979	71%
12/31/03	\$79,925,002	\$63,909		87%	12/31/99	\$162,939,600	\$77,045	78%
12/31/02	\$50,518,864	\$ 5,963		60%				

- If leverage has been used, results on an all-cash (unleveraged) basis, where possible. *Shaker does not utilize leverage.*
- Equal-weighted composites in addition to asset-weighted composites. *Shaker's composite is asset-weighted.*
- For composite results that include both taxable and tax-exempt securities, the percentages of each class in the composite and, where possible, returns for each asset class. *Shaker's portfolios contain only taxable securities.*

Past performance is no guarantee of future results.

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*Shaker's performance and the performance of the indexes include the reinvestment of dividends. Index returns are provided by Russell/Mellon Analytical Services.

**Shaker's returns are estimated for the most recent period.