



DAVIS HAMILTON JACKSON & ASSOCIATES

Presented by:

Robert C. Davis,
CFA/CIC
Principal
Chief Investment Officer

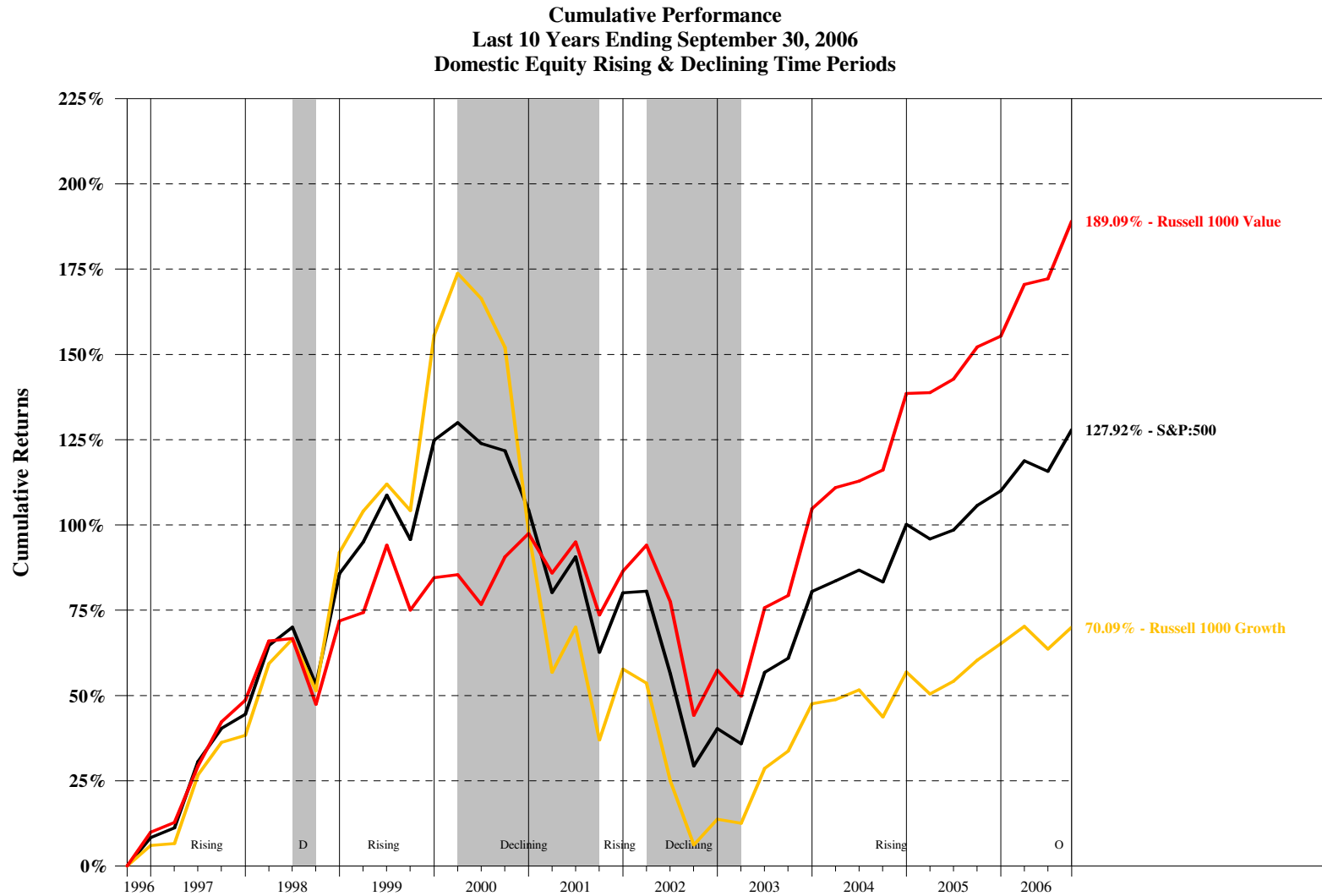


In Favor of High Quality Growth
September, 2006

5 Houston Center
1401 McKinney, Suite 1600
Houston, TX 77010
Tel: (713) 853-2322
Fax: (713) 853-2300
www.dhja.com

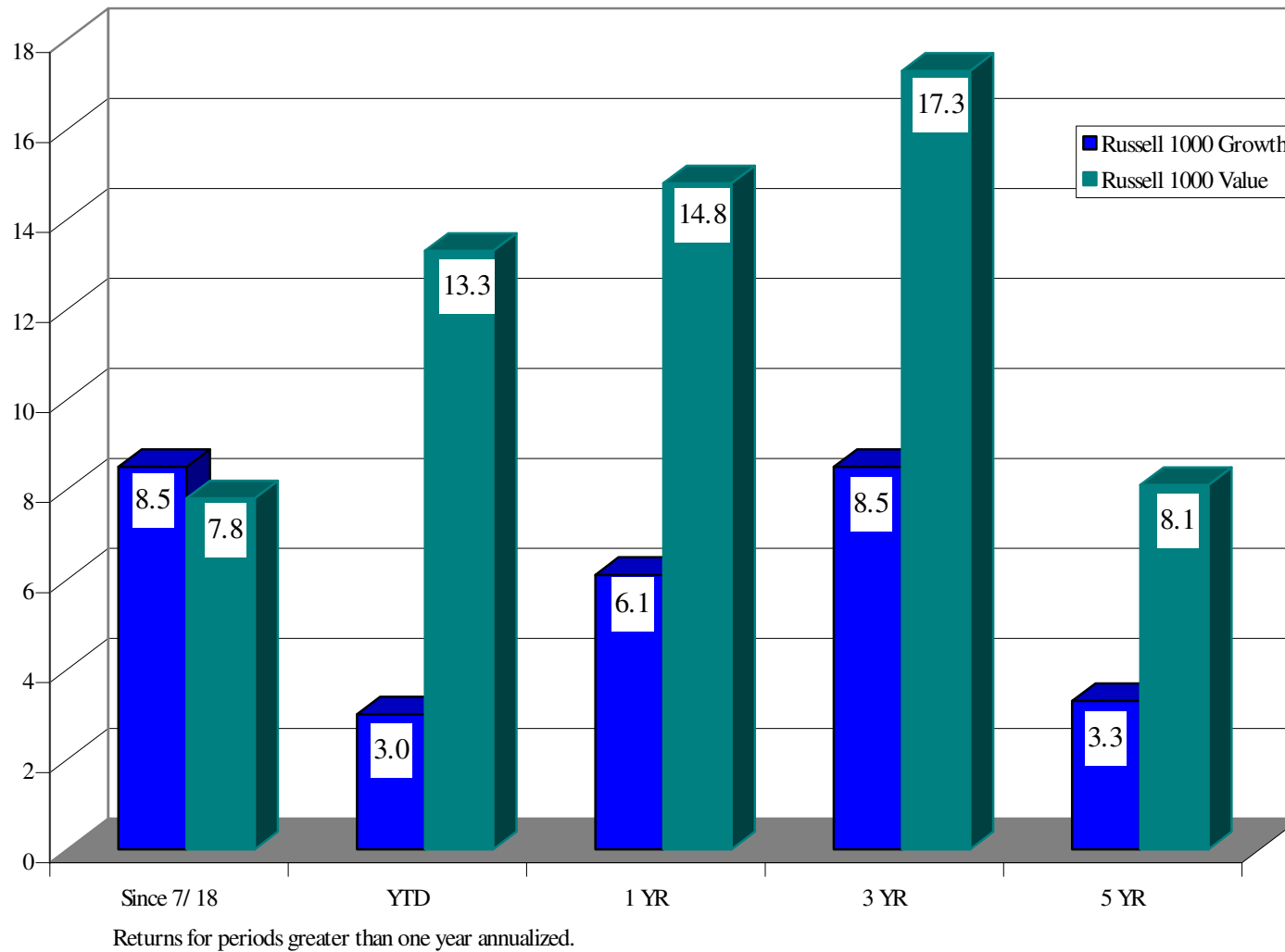
ACTIVE
ASSET
MANAGEMENT
IMPLEMENTING A PHILOSOPHY
& STYLE FOR OVER 25 YEARS

Performance Comparison – Growth vs. Value



Performance Comparison- Growth vs. Value

September 30, 2006



Performance Comparison By Sector

SECTOR	TOTAL RETURN 6/30/03-6/30/06 (ANNUALIZED)	EST. EARNINGS GROWTH 06 VS 05	EST. EARNINGS GROWTH 07 VS 06	TOTAL RETURN 7/18/06- 9/30/06
Consumer Discretion	8.3%	16%	15%	11.6%
Consumer Staples	8.6%	4%	11%	5.4%
Energy	31.8%	17%	4%	-2.2%
Financials	12.4%	19%	9%	9.9%
Health Care	2.5%	4%	11%	10.6%
Industrials	15.8%	15%	13%	5.2%
Information Technology	6.9%	9%	16%	15.1%
Materials	18.3%	24%	4%	4.5%
Telecommunications	9.9%	14%	9%	13.6%
Utilities	17.7%	10%	12%	4.4%

Traditional "Growth" Sectors
Traditional "Value" Sectors

Valuation Comparison- Growth vs. Value

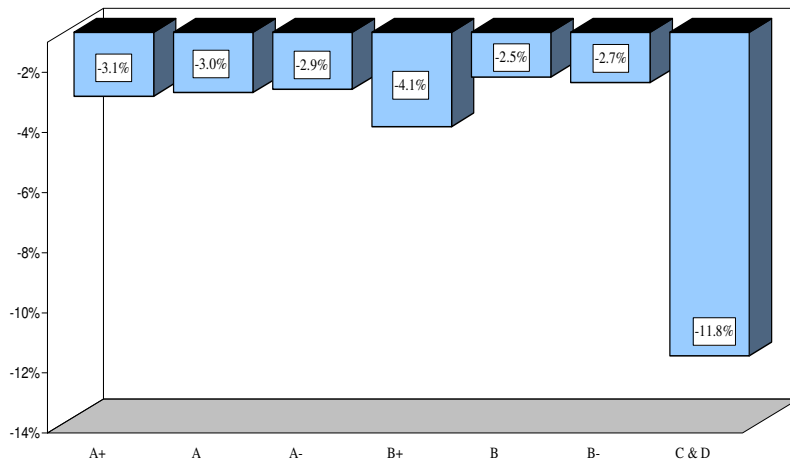
September 30, 2006

	Calendar P/E <u>2007</u>	Calendar EPS Growth <u>07 vs 06</u>	P/E to <u>Growth</u>
DHJA	18.7	18.1	1.0
Russell 1000 Growth	18.2	17.4	1.1
S&P 500	15.4	12.7	1.2
Russell 1000 Value	13.6	9.4	1.5

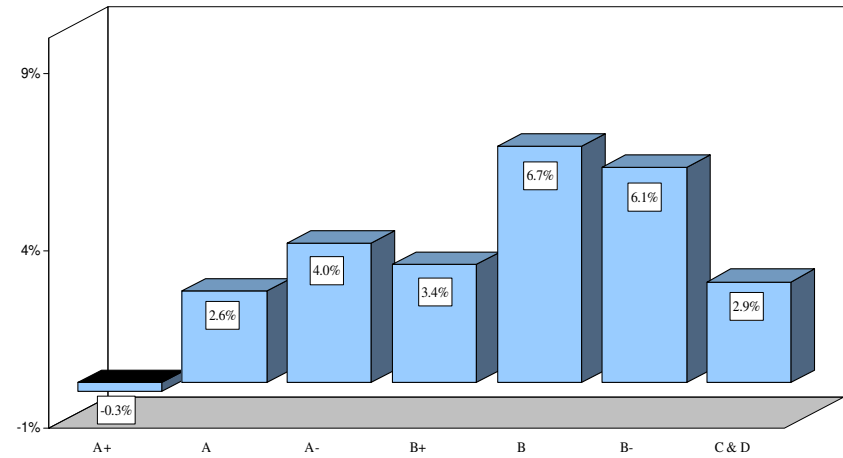
2006 Equity Performance Review

Merrill Lynch Quantitative Strategy “Quality” Indices

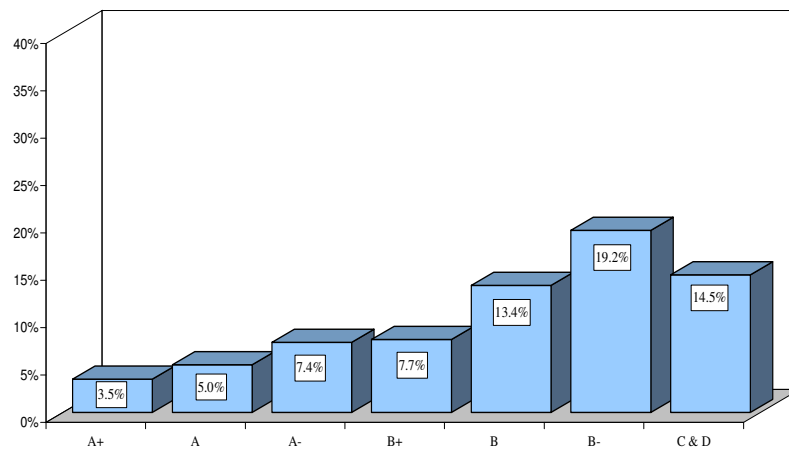
2nd Quarter Price Performance Through 06/30/06



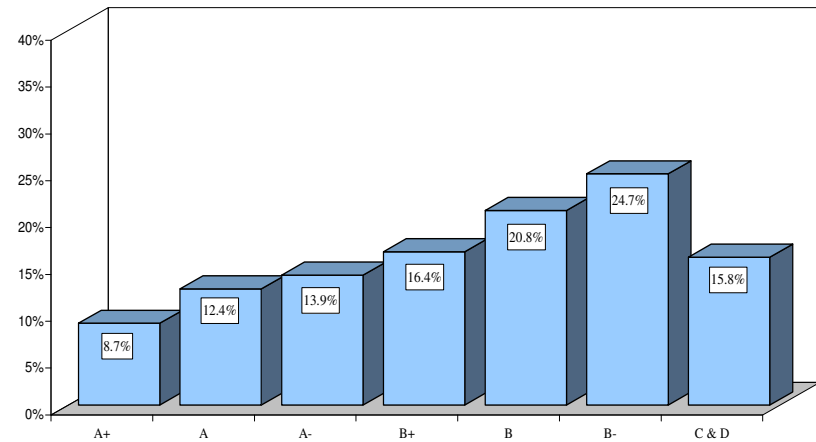
Year-To-Date Price Performance Through 06/30/06



1 Year Price Performance



3 Year Price Performance

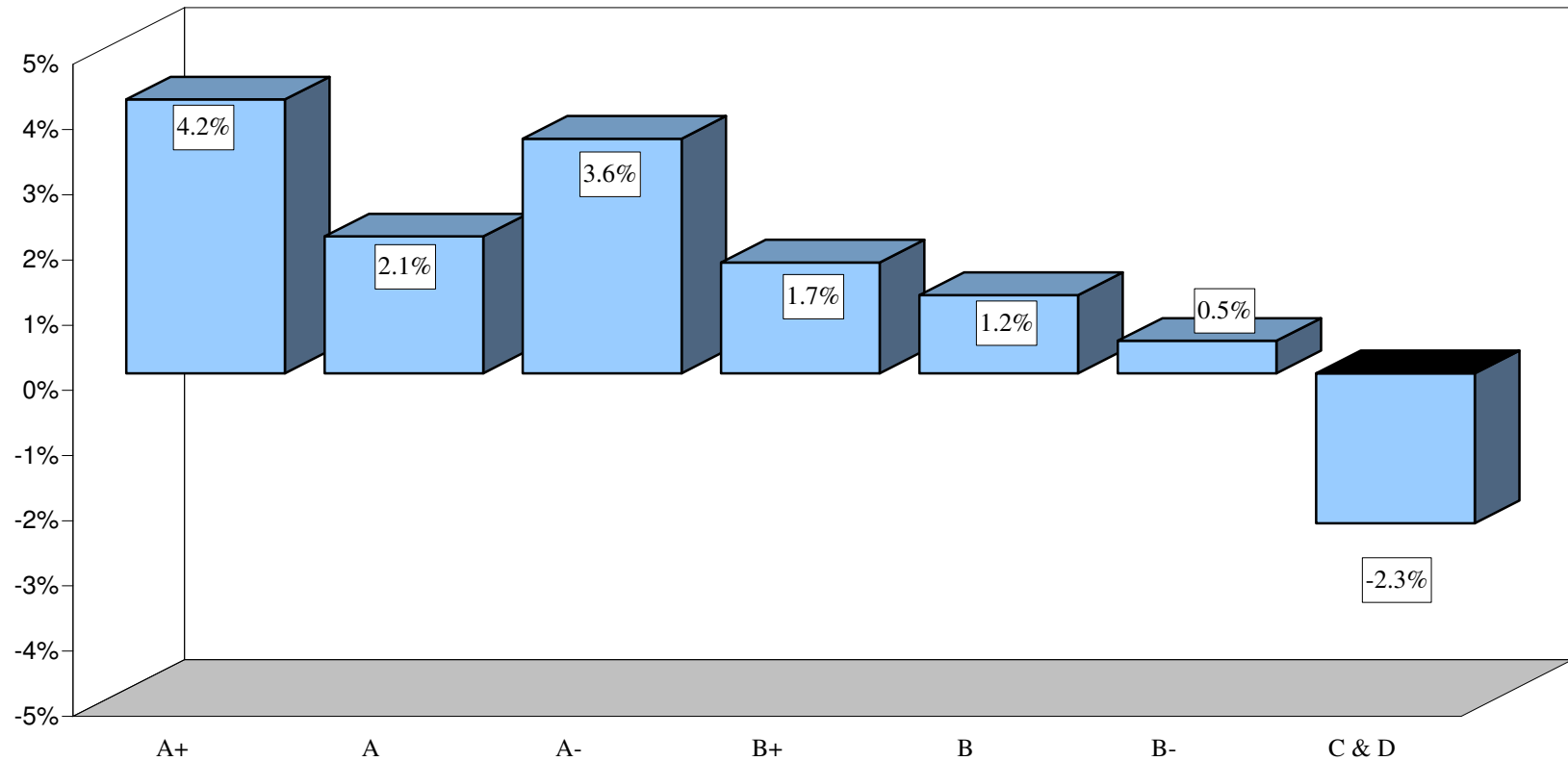


Based on an equal-weighted universe of approximately 1,500 securities. Returns for periods greater than one year are annualized.

Source: Merrill Lynch

Performance Comparison-Quality

3 Month Performance through 9/30/06

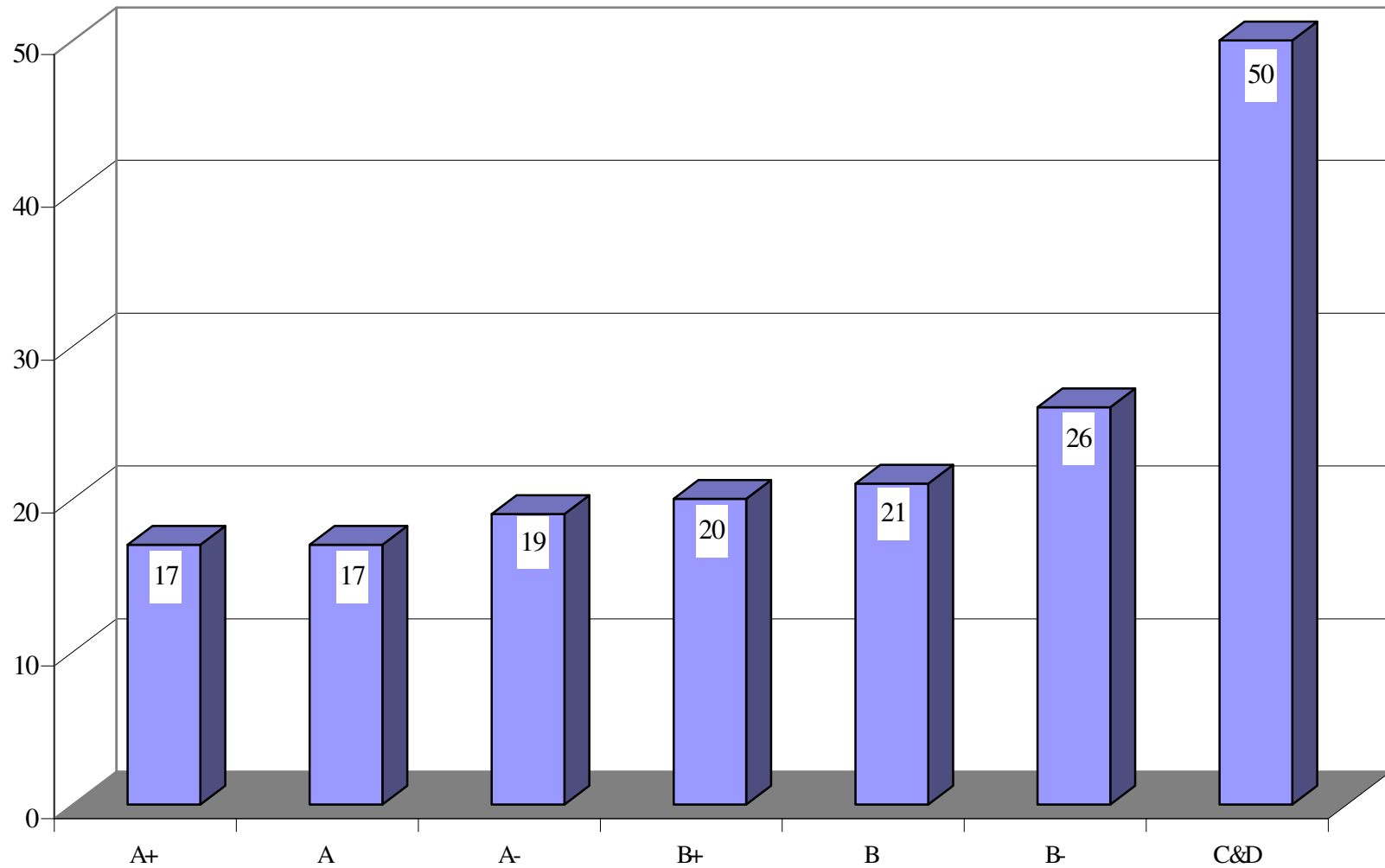


Based on an equal-weighted universe of approximately 1,500 securities.

Source: Merrill Lynch

Valuation Comparison- Quality

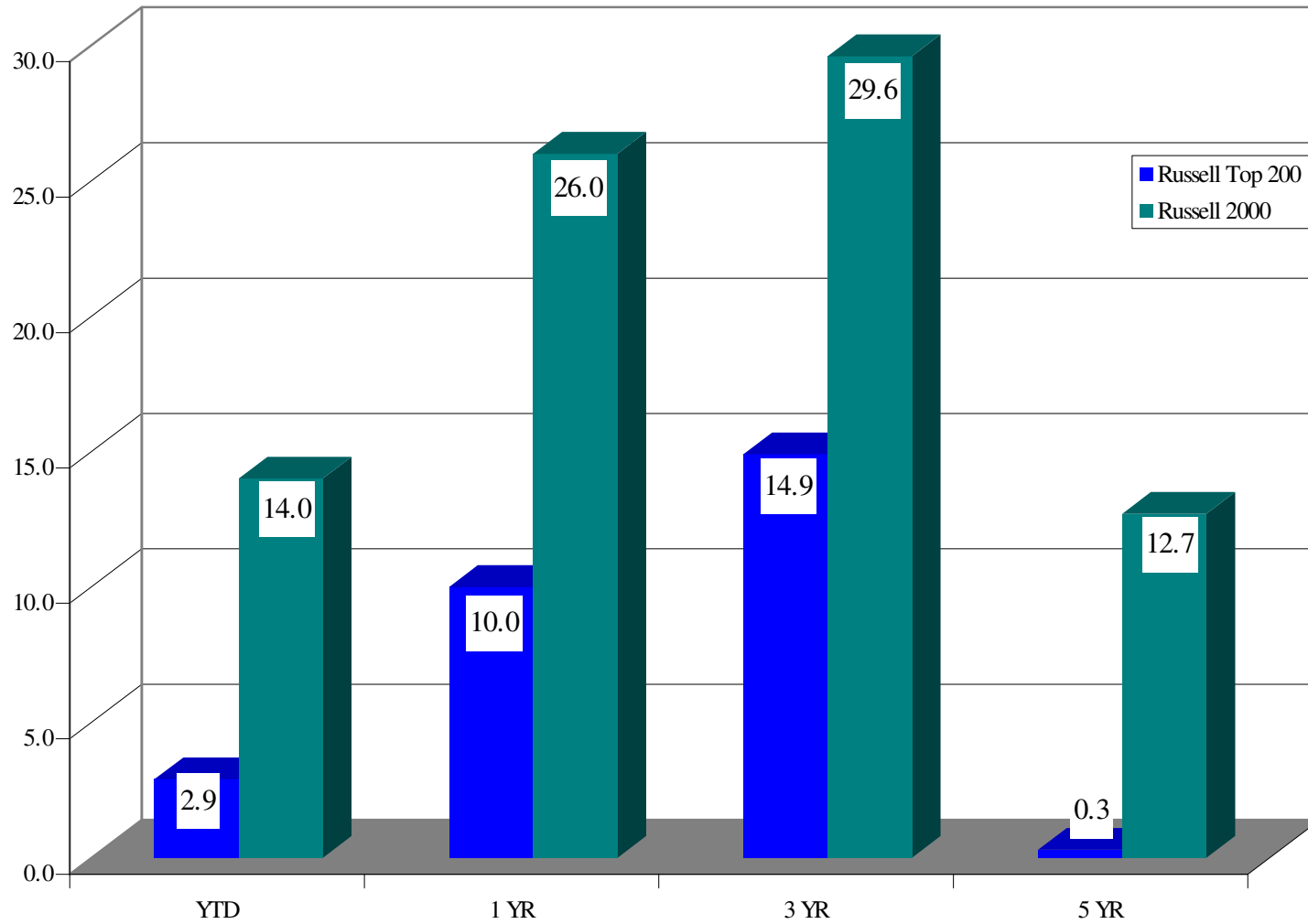
MLQS Quality Indices Average 2006 Est. P/E Ratio as of 9/30/06



Source: Merrill Lynch Investment Strategy, Thomson Financial, Standard & Poor's

Performance Comparison- Capitalization

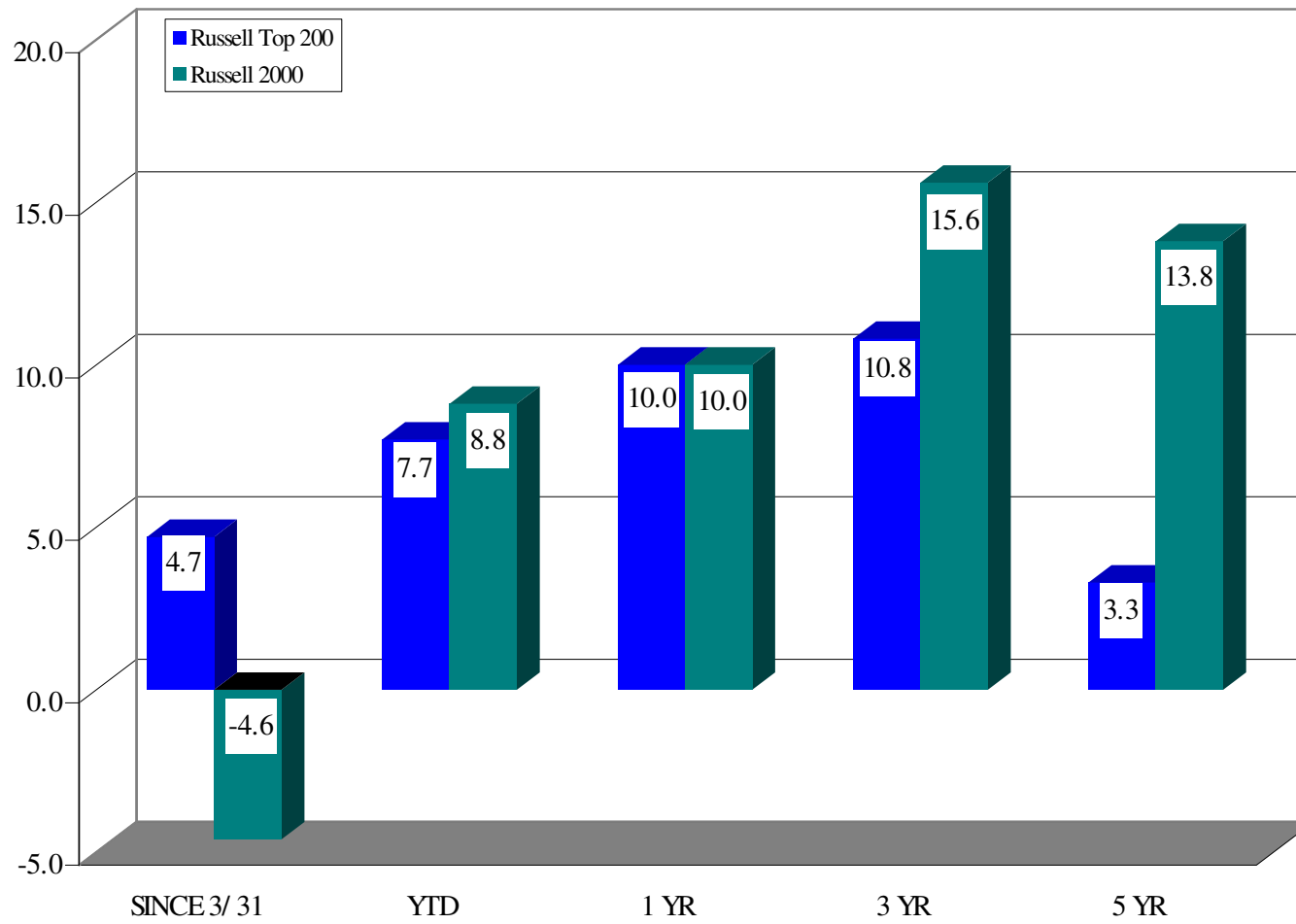
March 31, 2006



Returns for periods greater than one year annualized.

Performance Comparison- Capitalization

September 30, 2006

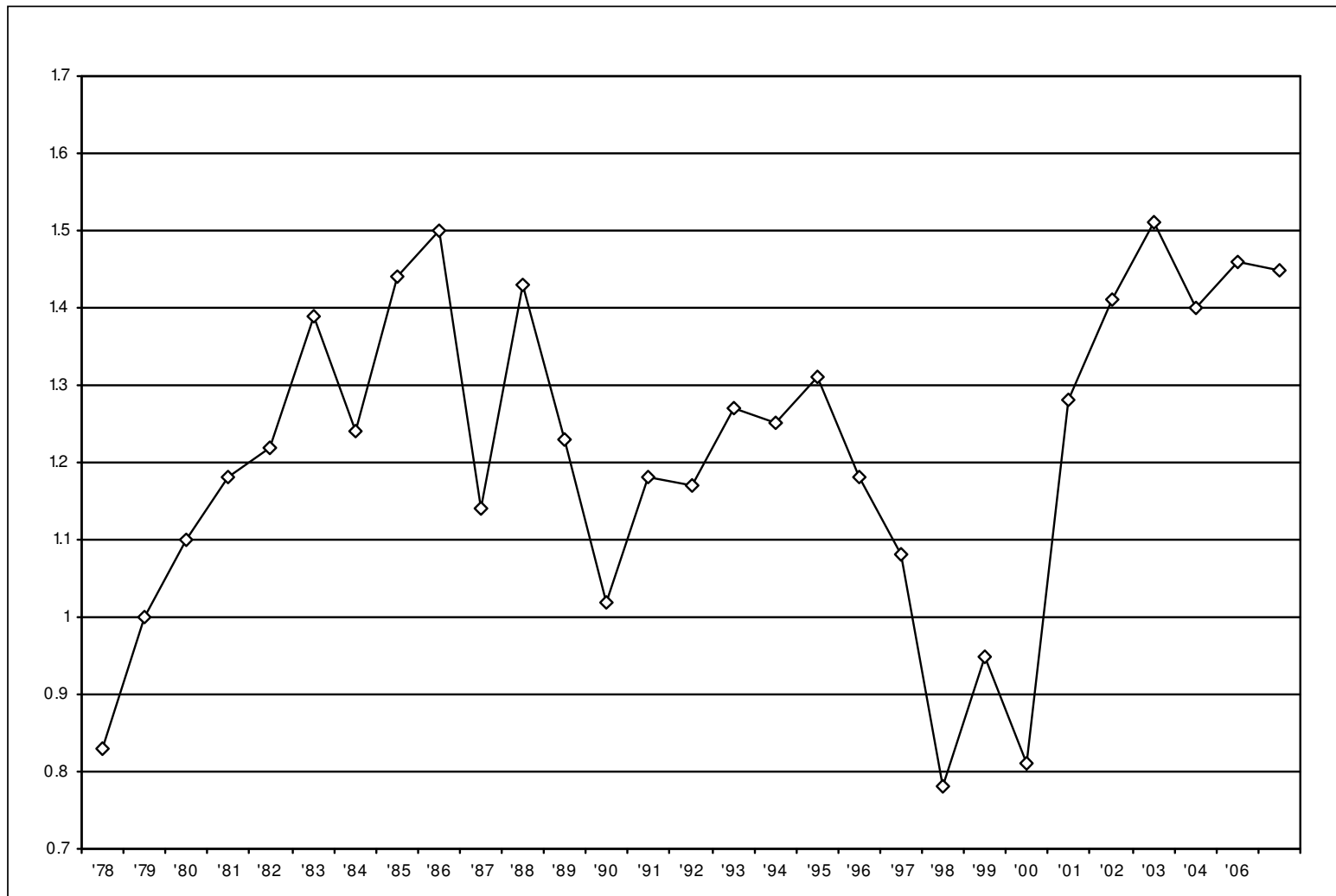


Returns for periods greater than one year annualized.

Valuation Comparison- Capitalization

September, 2006

Russell 2000 PE: Top 200



Source: Frank Russell Company; SB Consulting Group

