

BRIDGES

LASTING TRADITION.

DISCIPLINED APPROACH.

PERSONALIZED SERVICE.

VETERAN TEAM.

SINCE 1945



BRIDGES
INVESTMENT MANAGEMENT, INC.

OUR MISSION



Edson L. (Ted) Bridges III & Edson L. Bridges II

MISSION:
"To secure financial independence for our clients."

Lasting Tradition

Founded in 1945

After more than half a century of providing independent investment advice, Bridges has earned the trust of hundreds of families and institutions. The Firm's investment counsel affords these clients the fulfillment of their innermost ambitions. For some, this equates to financial security and independence; for others, philanthropy and legacy. Regardless of their objectives, our clients benefit from our rich tradition of integrity, leadership, and performance.



1945

Bridges Investment Counsel, Inc., founded in 1945 by Marvin W. Bridges, was the first investment adviser in Nebraska and the 208th in the country to register under the Investment Adviser Act of 1940.

1959

Edson L. Bridges II joined Bridges in 1959 after earning an MBA degree from the Harvard Business School and then gaining valuable business experience at the Western Pacific Railroad.

1963

In 1963 Bridges established the first mutual fund incorporated in the State of Nebraska in order to offer its investment expertise to a broader client base.

1992

In 1992, Edson L. Bridges II founded Provident Trust Company, a Nebraska chartered trust company, in order to provide trust and custodial services to its clients.

today

Bridges Investment Management, Inc. (BIM) remains an independent, employee-owned company led by the third generation of the Bridges family, Edson L. (Ted) Bridges, III. Ted joined Bridges in 1983 after earning a J.D. degree from University of Nebraska Law School and an A. B. degree from Dartmouth College.

"This is the house that research built."

- Edson L. Bridges II.

The BIM investment discipline is founded on this premise: over time, a company's financial performance is the most important determinant of its stock market performance. We add value to client portfolios by (1) identifying companies with strong fundamentals that can generate superior long-term financial performance and (2) investing in those companies at prices that allow our clients to earn competitive returns over the long run. This discipline has produced a track record of strong and stable investment returns.

RESEARCH

Our long-term investment approach begins and ends with research. BIM's team of Chartered Financial Analysts (CFA's) conducts extensive independent research of our investment ideas. We go beyond the research generated by brokerage firms and analyze original corporate documents and industry data. In addition to quantitative analysis we also evaluate qualitative issues such as industry dominance, technological leadership, and management's attitude toward shareholders. We talk to and often visit the management of companies that we are interested in, either at industry conferences or at the companies' offices. Our research process enables us to cut through the market noise and conflicts-of-interest that handicap much of Wall Street's establishment. We are focused on analyzing the financial performance of companies and estimating the long-term fair value of their securities.

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STYLE

Industry practice typically categorizes equity investment managers by style (usually either "growth" or "value") and by capitalization focus (large, medium or small companies). In contrast, our approach does not place artificial barriers between various categories of companies. As a result, our portfolios generally contain holdings from each of these categories. We may purchase a small capitalization company that, after five or more years of strong growth, becomes a large capitalization company. We don't think it makes sense to be prohibited from purchasing a great company or be required to sell a great company because of an arbitrary definition of capitalization or style. We simply want to identify and own those companies with a combination of the best financial performance and attractive valuation characteristics. Bridges' timeless approach is unique in an industry that relentlessly manufactures "flavor-of-the-day" strategies. We are more interested in achieving

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absolute long-term returns than short-term relative performance against narrow benchmarks.

Our fixed income style focuses primarily on investment grade securities and an analysis of interest rate spreads. Our primary goal is to provide a level of income that meets or exceeds the client's needs. We want to find securities that can be purchased at an attractive price commensurate with the risk taken and with an average duration that is appropriate for the client's time horizon. We analyze spreads between bonds from different economic sectors, different quality ratings and different maturities. This analysis help us identify the best opportunities based on our long-term outlook for inflation, interest rates, economic growth and sector-specific opportunities and risks. At various times we may find bonds that are

mispriced, in our opinion, due to the emotional sentiment and short term bias of other investors. Our capability to conduct independent research and our focus on long-term returns gives us an advantage in managing fixed income investments.

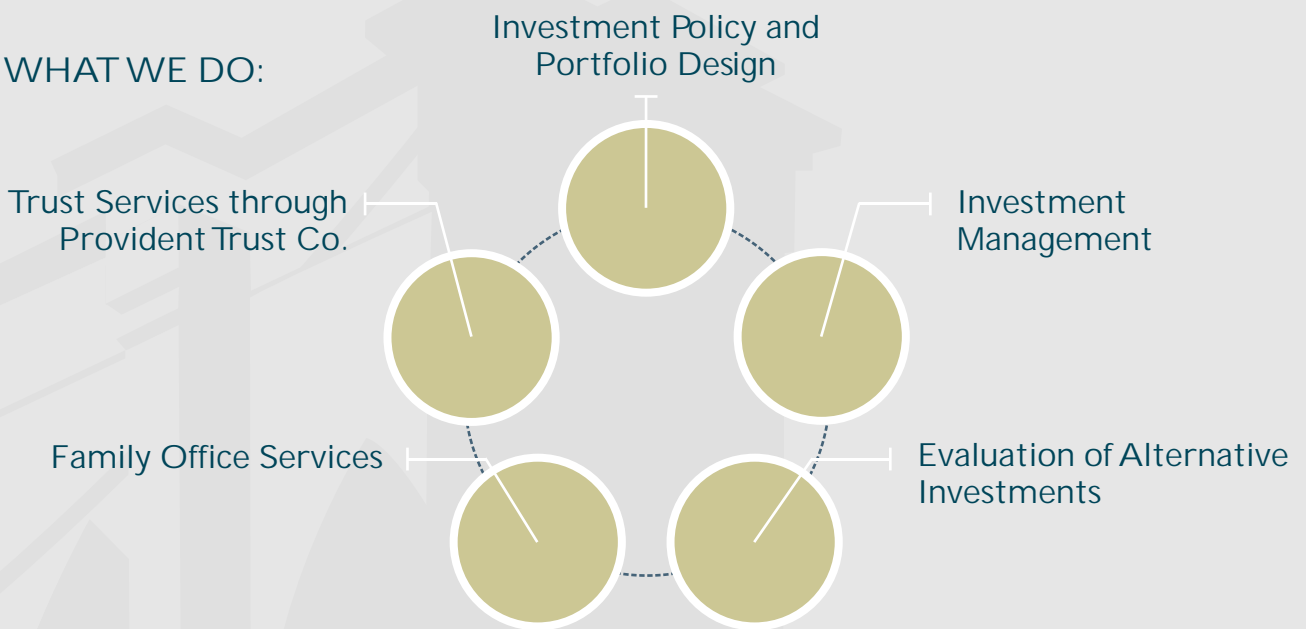
INVESTMENT SELECTION

We select and monitor investments within our 8-person Investment Committee. Each member of the Investment Committee has developed specific skill sets and areas of expertise that becomes synergistic when all of the members interact as a group. Our proprietary team methodology fosters a Socratic exchange of investment ideas and ensures thorough scrutiny of each security before purchases are made. Each investment idea must be approved by the Investment Committee to be eligible for inclusion in our clients' portfolios. Each portfolio is constructed using a bottom-up approach that focuses on securities developed from our rigorous research process while maintaining prudent diversification. We prefer to hold investments for five years or longer, which has resulted in very low turnover of investments in our portfolios. This is evidence of our commitment to due diligence and the conviction of our decisions. Low turnover enhances portfolio returns through low transaction costs and the efficient minimization of taxes on capital gains. The decision to sell a security is generally driven by either excessive valuation, an unanticipated deterioration of the company's long term fundamental position, or the discovery of a much better investment candidate.

The ultimate goal of our investment philosophy and research process is to construct well-diversified portfolios that meet the unique financial objectives and risk tolerance of our clients through investments in high quality companies with attractive long-term valuation characteristics.

We understand that each client is unique. At the beginning of each relationship we believe it is essential to have a confidential, in-depth discussion with the client to fully understand their financial needs and objectives. Then, we use our knowledge and experience to assist the client in formulating an investment policy and financial strategy that is designed to enable them to meet their objectives. The strategy typically goes beyond the construction of appropriate security portfolios and could include recommendations on related issues such as retirement plan funding, estate planning and establishing trusts. Once the necessary strategies are in place, we maintain an active dialogue with clients while monitoring the progress of the portfolios.

WHAT WE DO:



THE BRIDGES DIFFERENCE

- Clients have direct access to portfolio decision makers
- Firm's employee turnover is among the lowest in the industry therefore clients enjoy continuity and multi-generational relationships
- Portfolio managers share one-on-one time with clients to understand our clients' objectives and aspirations
- At Bridges, we revere trusted relationships. Our corporate structure keeps us objective and always representing only the interests of our clients.
- Confidence breeds confidence. We steadfastly keep the confidences of our clients.

WE PROVIDE EFFECTIVE SOLUTIONS WHEN YOU NEED TO KNOW...

- How do I build enough wealth to become financially independent?
- How much can I afford to spend in retirement?
- What happens to my assets when I'm gone?
- What's the best way to contribute to the non-profit organizations that I care about most?
- Should I exercise my stock options?
- How should I structure the sale of my business?
- How can I prevent my youngest child from squandering his inheritance?
- When do I start distributing my assets to my family?

VETERAN TEAM

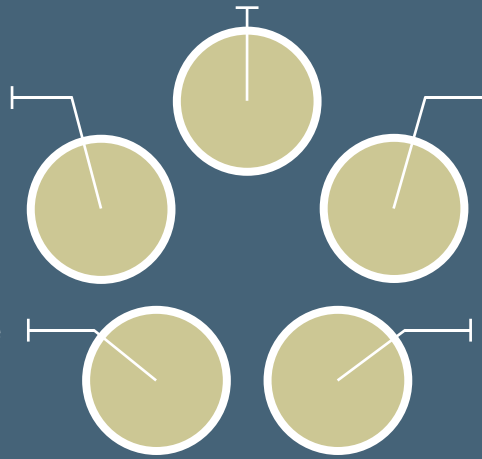


Investment Team

VETERAN TEAM

Our low employee turnover enables clients to enjoy continuity of service and long term personal relationships with our associates.

The members of the Investment Committee have an average industry experience of over 21 years and combined industry experience of over 172 years.



Employee-ownership and broad capital base allows Bridges to attract the best talent in the region.

A majority of the 8-person Investment Committee has earned the Chartered Financial Analyst (CFA) designation.

Administrative Team



Client Services Team



If independent, trustworthy and proven counsel is what you want,
contact us to schedule a confidential consultation.

John Smith
Marketing Manager



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