



May 14, 2008

To Our Clients & Friends,

Fundamental Research Pays Off

In a year when economic and financial crises have dominated the news headlines, it's very easy to forget that many public companies – including substantial number of Wolverine's largest holdings – have managed to contribute strong relative performance to our portfolios. An independent resource to distinguish these so-called “*overachievers*” is at the top of the **Barron's 500**, a unique ranking of the 500 largest (by sales) publicly-traded companies in the U.S and Canada, published last weekend in Barron's magazine.

As further insight into Wolverine's research and decision-making process, our team ensures that a flow of investment opportunities are uncovered by continually anticipating changes in various sectors of the economy. Extensive fundamental analysis is conducted in-house to identify specific investment themes that will respond to emerging growth trends or to cyclical opportunities. Consistent with each theme, portfolio investments are made in targeted companies with over \$1 billion in capitalization, a parameter which elicits greater confidence in the evaluation of their business fundamentals. In addition to being well managed, these companies generally possess a sustainable differentiating competitive advantage. This advantage can come in the form of providing a superior product or service, having a leading market share position, being the low-cost producer, possessing a better distribution system, leveraging a unique information technology infrastructure, commanding superior research and development technology, or simply offering the best customer service.

Barron's magazine recently attempted to identify the best corporations – those most successful at boosting their sales and cash flow – utilizing important differentiating criteria that we at Wolverine also rely upon in our own research.

May 14, 2008

Page two

The **Barron's 500** was prepared by Credit Suisse Holt, a unit of Credit Suisse Group. Holt used four measures to grade and rank companies, after first calculating and comparing criteria such as company sales growth; stock-price performance relative to the S & P 500 Index; and the median cash-flow return on investment for the past one year as well as for the past three years. Companies were then assigned a grade of A through F, using the percentage change in one-year cash flow to break ties and determine final rankings. As a result, the rankings are totally quantitative and do not reflect the views of analysts either within Credit Suisse or at other Wall Street firms.

We were not surprised that 14 of Wolverine's largest client holdings found their way into the top Quartile (i.e., the top 25%) of the **Barron's 500**. As a matter of fact, four of our largest holdings across all our client portfolios – ***Freeport-McMoRan, Thermo Fisher Scientific, Halliburton, and Goldman Sachs Group*** – were ranked within the top 5% of companies using the aforementioned parameters.

We should point out that each of the fourteen names will not always make their way into each and every client portfolio due to a variety of reasons. While we view this independent listing and ranking as a useful research tool and just one of numerous factors we take into account when constructing our portfolios, we do feel the list can be viewed as an affirmation of our successful research methodology and process. Attached please find the top 120 companies in **Barron's 500**, with Wolverine's top holdings appropriately highlighted.

In closing, we remain ever vigilant to fulfilling your expectations so that together we may achieve your long-term financial goals. Please don't hesitate to call or e-mail us with any questions or to review portfolio strategy, and feel free to visit us at our firm's web site at www.wolverineinvest.com.

Sincerely yours,

John M. Babyak
President & Chief Investment Officer