



Investment Results & Portfolio Characteristics as of June 30, 2009

Large Cap						
Performance						
	Large Cap Core	LC Socially Responsible	Russell 1000	S&P 500	Large Cap Growth	Russell 1000 Growth
2Q09	10.9%	14.5%	16.5%	15.9%	11.7%	16.3%
YTD	6.9%	9.0%	4.3%	3.2%	7.7%	11.5%
1 Year	(24.1)%	(28.0)%	(26.7)%	(26.2)%	(22.6)%	(24.5)%
3 Year	(8.6)%	(8.1)%	(8.2)%	(8.2)%	(6.4)%	(5.5)%
5 Year	(1.7)%	(2.1)%	(1.9)%	(2.2)%	(1.9)%	(1.8)%
10 Year	0.9%	0.1%	(1.8)%	(2.2)%	0.7%	(4.2)%
Characteristics						
Price to Earnings	14.5x	13.8x	18.6x	18.1x	16.6x	20.5x
Price to Book	4.5x	4.0x	3.6x	3.6x	5.3x	5.4x
Yield	1.8%	1.6%	2.2%	2.3%	1.4%	1.8%
Forecast Growth	6.4%	6.5%	4.3%	4.0%	7.0%	7.1%
Return on Equity	25.8%	18.7%	17.1%	18.5%	31.0%	24.8%
Wtd. Avg. Mkt. Cap.	\$35.5 B	\$38.1 B	\$63.5 B	\$70.8 B	\$39.0 B	\$64.4 B
Median Mkt. Cap.	\$17.7 B	\$17.1 B	\$3.2 B	\$6.8 B	\$19.7 B	\$3.6 B

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he second quarter proved to be a challenging environment for a number of our products. However, we are pleased to report that year to date our Large Cap Active Equity, Large Cap Socially Responsible Active Equity and All Cap Active Equity portfolios remain ahead of their respective benchmarks, while the Small Cap Active Equity portfolio remains ahead of two of its three benchmarks.

The unusually sharp rally that began late in the first quarter and continued through most of the second quarter was initially fueled by companies with the lowest ROE, lowest cash flow relative to net income, and highest debt levels; in fact, companies reporting negative earnings outperformed those with positive earnings by a margin of nearly 2-to-1 for the quarter. These companies were rewarded the most during the quarter, posing a strong headwind to our process, which focuses on high quality, growth-at-a-reasonable price (GARP) holdings. The low-quality rally was at its strongest in April, when our relative performance suffered the most. We saw something of a return to normalcy later in the quarter, with higher quality beating out lower quality and our performance leading the index, but not enough to make up for April's shortfall. We expect the quarter's month-by-month trend of improving performance to continue going forward, as GARP strategies typically outperform in slower growth environments.

We are deeply appreciative of the trust and loyalty that our clients have shown us, and we are working hard to keep your portfolios in line with the strong long term track record that we've been able to deliver.

New Amsterdam Partners continues to use our proven process, strategy and proprietary technology to successfully

invest our clients' assets with a long-term perspective. We use a valuation model to identify companies with better than average forecast growth and profitability selling at reasonable valuation multiples. We then subject the high expected return companies to rigorous fundamental scrutiny.

Our products are founded on our belief that the best investment opportunities are companies that are reasonably priced with strong growth potential. We utilize the same philosophy and process for each strategy and invest approximately \$2.8 billion in the U.S. equity market on behalf of our clients.

Our Strategies

- Large Cap Active Equity
- Large Cap Growth Active Equity
- Large Cap Socially Responsible Active Equity
- Mid Cap Active Equity
- Mid Cap Growth Active Equity
- Mid Cap Socially Responsible Active Equity
- Small Cap Active Equity
- All Cap Active Equity

Year to Date Performance Spotlight on Large Cap Socially Responsible Active Equity

Year to date the portfolio outperformed both the Russell 1000 and the S&P 500 Indexes. Our sector selection was positive and stock selection was strong. Our underweight positions in finance, energy minerals, transportation and



Large Cap Socially Responsible Active Equity Top Ten Composite Holdings

Security	%	Security	%
Prudential Finl Inc	3.5	Cummins Inc	3.1
Express Scripts Inc	3.4	Cisco Sys Inc	3.0
CME Group Inc	3.2	Becton Dickinson	2.9
Praxair Inc	3.2	Lowes Cos Inc	2.9
EMC Corp	3.2	St. Jude Med Inc	2.9

utilities added to performance. Our overweight position in consumer non-durables detracted from performance. Our stock picking in finance, producer manufacturing and energy minerals added value. Our stock picking was weak in electronic technology, communications and retail trade.

Social restrictions had a positive impact on performance as accounts with social restrictions outperformed those without them by roughly 200 basis points. Names held in lieu of holdings excluded for poor governance practices generally outperformed, particularly in consumer services where Darden Restaurants and Expedia were both strong performers.

Market Outlook

The stock market has rallied sharply off its lows, with the S&P 500 up 15.9% for the quarter and 35.6% from its March 6 close. This was despite a continuation of grim economic news: negative GDP growth and rising unemployment (albeit at a slower rate). We expect that growth will have continued to be negative in the second quarter of 2009 but that it will begin to turn positive in the third quarter and increasingly so in the fourth quarter (though not yet back to historical averages). Growth will be fueled by continued government spending and inventory restocking, though it will be hampered by weak consumer spending. So far inflation remains under control and we expect that to continue. The government stimulus has helped avoid deflation, while low capacity utilization and high unemployment is helping avoid inflation. Interest rates continue to be extremely low and are likely to stay low through the end of the year. The credit markets are functioning better, with a pronounced drop in credit spreads, but credit is still relatively tight, particularly consumer credit. This, coupled with a rise in the savings rate (due to households' continued negative wealth effect and need to deleverage), is likely to dampen the positive effects of government and business sector activity in the near term. Eventually, however, the amount of liquidity in the system provided by the fiscal and monetary stimulus will need to be reined in for fear of reigniting inflation once

the economy is back on track. But the political will to do that may be lacking.

Corporate profits, though down from a year ago, held up better than expected in the second quarter, primarily due to cost cutting. Revenue growth in general was anemic at best. In recent weeks profit expectations have increased and low capacity utilization rates mean that a small uptick in demand and high operating leverage may translate into better than expected corporate earnings going forward. The rally that started in early March was very much a "junk" rally, led by poor quality, low price stocks that had been beaten down. Many continue to have little or no earnings, poor cash flow generation and low quality balance sheets. We believe that it is important to look for companies with good earnings and cash flow potential and solid balance sheets. We expect the relative outperformance of the low quality stocks to peter out over the coming months and that growth at a reasonable price stocks will come to the fore again as they usually do in this type of economic environment.

New Amsterdam News

We are excited to kick off our Summer Internship Program with the arrival of this year's class: Soumya Nettimi (*Harvard University, MA*), Thomas O'Toole (*Oxford University, England*) and Julie Smelyansky (*Baruch College, NY*). All interns are working on projects in Investments, Compliance and Marketing.

We will be attending the following conferences this year:

- *Schwab IMPACT*; September 13-16 in San Diego, CA
- *NASP*, September 23-25 in Bolton Landing, NY
- *NCTR*; October 10-15 in Indian Wells, CA
- *IFEFP*; November 8-11 in Orlando, FL

See you there!

Michelle R. Clayman, CFA
Managing Partner & CIO

Nathaniel Paull, CFA
Partner & Senior Portfolio Manager



Investment Results & Portfolio Characteristics as of June 30, 2009 (continued)

Mid Cap						
	Mid Cap Core	MC Socially Responsible	Russell Midcap	S&P MidCap	Mid Cap Growth	Russell Midcap Growth
Performance						
2Q09	10.1%	12.7%	20.8%	18.7%	11.6%	20.7%
YTD	2.8%	5.4%	10.0%	8.5%	2.3%	16.6%
1 Year	(33.8)%	(34.9)%	(30.4)%	(28.0)%	(33.8)%	(30.3)%
3 Year	(10.4)%	(10.9)%	(9.3)%	(7.5)%	(9.8)%	(7.9)%
5 Year	(1.3)%	(2.1)%	(0.1)%	0.4%	(1.5)%	(0.4)%
10 Year	3.2%	-	3.2%	4.6%	-	0.0%
Characteristics						
Price to Earnings	13.4x	14.4x	20.1x	20.3x	12.6x	19.5x
Price to Book	3.8x	3.0x	3.1x	3.1x	3.8x	4.8x
Yield	1.4%	1.2%	2.0%	1.8%	1.2%	1.3%
Forecast Growth	7.9%	9.2%	5.5%	6.4%	7.8%	8.2%
Return on Equity	29.8%	20.5%	9.6%	6.6%	30.2%	16.1%
Wtd. Avg. Mkt. Cap.	\$3.6 B	\$3.5 B	\$4.9 B	\$2.4 B	\$3.4B	\$5.2 B
Median Mkt. Cap.	\$2.8 B	\$3.0 B	\$2.7 B	\$1.7 B	\$2.8B	\$2.8 B

Small Cap				
	Small Cap	Russell 2500	Russell 2000	S&P SmallCap
Performance				
2Q09	13.9%	20.3%	20.7%	21.1%
YTD	3.2%	6.5%	2.6%	0.7%
1 Year	(30.1)%	(26.7)%	(25.0)%	(25.3)%
3 Year	(6.9)%	(9.3)%	(9.9)%	(9.6)%
5 Year	2.1%	(0.9)%	(1.7)%	(0.9)%
10 Year	-	3.7%	2.4%	4.7%
Characteristics				
Price to Earnings	12.4x	18.6x	20.4x	18.8x
Price to Book	3.7x	3.2x	3.5x	2.2x
Yield	0.9%	1.7%	1.7%	1.4%
Forecast Growth	10.3%	6.5%	7.0%	6.5%
Return on Equity	24.7%	1.4%	-2.2%	7.5%
Wtd. Avg. Mkt. Cap.	\$2.2 B	\$1.7 B	\$0.8 B	\$0.8 B
Median Mkt. Cap.	\$2.2 B	\$0.4 B	\$0.3 B	\$0.5 B

All Cap				
	All Cap	Russell 3000	Russell 1000	S&P 500
Performance				
2Q09	12.3%	16.8%	16.5%	15.9%
YTD	6.1%	4.2%	4.3%	3.2%
1 Year	(28.3)%	(26.6)%	(26.7)%	(26.2)%
3 Year	(9.3)%	(8.4)%	(8.2)%	(8.2)%
5 Year	(5.5)%	(1.8)%	(1.9)%	(2.2)%
10 Year	1.6%	(1.5)%	(1.8)%	(2.2)%
Characteristics				
Price to Earnings	14.3x	18.8x	18.6x	18.1x
Price to Book	5.1x	3.6x	3.6x	3.6x
Yield	1.4%	2.2%	2.2%	2.3%
Forecast Growth	7.7%	4.5%	4.3%	4.0%
Return on Equity	30.8%	15.7%	17.1%	18.5%
Wtd. Avg. Mkt. Cap.	\$21.4 B	\$58.7 B	\$63.5 B	\$70.8 B
Median Mkt. Cap.	\$6.1 B	\$0.6 B	\$3.2 B	\$6.8 B

Note: Past performance is not indicative of future results. Performance is preliminary, annualized for periods greater than one year and calculated NET of fees. Results include the reinvestment of dividends and other earnings. Please be aware that these are composite returns and individual account returns may vary from composite returns. The returns of each strategy may be more volatile than those of the indexes. Dispersion and volatility numbers are available upon request. A full disclosure report is included with the distribution of this newsletter. Our performance disclosure statement is also posted on our website and a hard copy is available upon request. Russell Index data disclosures are an integral part of any disclosure presentation and are included therein.