

J. L. BAINBRIDGE
& COMPANY, INC.

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Dear Client:

As listed below the companies selected for investment posted mixed earnings in the most difficult economic environment since the 1981-1982 recession. The earnings per share percentage change are 2009 versus 2008 for the most recent earnings period versus a year earlier.

INVESTMENT	EPS GROWTH
American Express	-64%
A T & T	+2%
Avon Products	+21%
Boeing	-23%
Cardinal Health	+2%
Caterpillar	Loss
Amdocs Limited	-19%
Disney	-29%
Eaton	Loss
Emerson Electric	-3%
Fiserv	+10%
General Electric	-36%
Goodrich	+10%
Henry Schein	+14%
IBM	+6%
Johnson & Johnson	Flat
Korn/Ferry Int'l	Loss
Lincoln Electric	Loss
Manitowoc	-75%
Mc Donald's	+4%
McGraw-Hill	-20%
Medtronic	+14%
3M Company	-41%
Pepsi	+3%
Precision Casting	+8%
Procter & Gamble	+2%
Regal Beloit	-58%
T Rowe Price	-49%
Stryker	+2%
United Technologies	-17 %

While the recession had a negative impact on earnings of most of the companies in our portfolio, earnings in the first quarter were reduced much further due to the following factors: aggressive efforts to reduce cost caused an increase in one-time expenses, while the associated savings will not appear until the next quarter, customers and companies throughout the supply chain reduced inventories to unprecedented levels, and lastly the dollar was much stronger which depressed revenue as much as 7%. All of these should improve and become positive over the next few quarters. Anticipating these improvements, we saw a strong upward movement in the markets during April.

Jerry L. Bainbridge, President