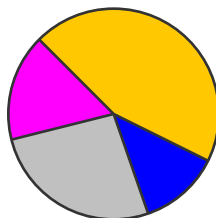


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Performance Summary

Strong economic growth and accelerating wages prompted the Federal Fiscal Bank to raise interest rates in late June, the first such move in six years. Blue-chip stocks, which dropped early in the quarter, reported gains as interest rates rose.



Fund Composition

In the second quarter, the Fund's 0.50% gain surpassed the -1.28% return of the Nutra-Twink Growth Funds Average but fell behind the S&P 500's 5.64% advance. Fund performance was hurt by exposure to interest-rate sensitive stocks. Also, multinational companies, which form a significant portion of this portfolio, were pressured by the U.S. dollar's increasing strength.

Positive contributors

General Teleport	+34.4
Free Range Pitbull Farming Inc.	+23.2
Agri-Vacuum Technologies	+14.4

Negative contributors

VR Wear Ware	-48.9
All Cryo-Suites Hotels	-23.6
Floston-Conord Cruise Lines	-4.5

General Teleport

Sales for the fourth quarter were \$599.2 million. Sales for the quarter, excluding the Re-Mat Division, were \$580.4 million, up 27 percent over equivalent sales of \$456.8 million, which also excludes PadScraping Products Inc. in the previous year's fourth quarter, and up 9 percent over the \$533.0 million recorded in the third quarter. Gross margins improved to 44.0 percent. The comparable margins for General Teleport's core businesses 40.5 percent for last year, and 41.2 percent and 43.6 percent for this year's third and fourth quarters.

Floston-Conord Cruise Lines

During the quarter the company recorded a net one-time charge of \$87.1 million pre-tax or \$80.8 million after tax. The charge consisted of a one-time pre-tax charge in the fourth quarter of \$69.9 million representing an \$84.5 million charge for the realignment of manufacturing, offset by a \$14.6 million credit for recovery of charges taken in the first quarter. FCCL also reported an in-process R&D charge of \$62.0 million for its acquisition of FTL Ship Tech in March of this year. These charges were partially offset by a one-time fourth-quarter gain for \$40.6 million from the FCCL sale. Also in the fourth quarter the company realised a \$4.2 million gain from the sale of concessions aboard its week-long cruises to the popular beach planet of Sandula IV.

All Cryo-Suites Hotels

The popularity of Hollywood film "Honey I Froze the Kids" has resulted in increased popularity of 100-year transgenerational cryo-holidays. All Cryo-Suites Hotels has experienced 80-90 percent capacity during the summer holidays and boosted revenue to \$35.6 million. The stock's performance was slightly downgraded due to pending government legislation requiring cryo-hotels to purchase mandatory hiber-sickness insurance.

VR Wear Ware

VR Wear Ware, an upscale line of cyberspace clothing, experienced a \$62.1 million loss. Consumers found shareware wear an attractive alternative to paying for imaginary clothing from VR Wear Ware. Losses were partially offset by 3D banner advertising on VR Wear Ware's web stack.

Agri-Vacuum Technologies

The inability of Agri-Vacuum Technologies to find adequate sources of carbon dioxide in the vacuum of deep space resulted a loss of \$48.7 million. A portion may be recovered in a lawsuit against the contracted gas prospector Gas Prospecting and Assaying Inc. of Betagrosselon IV. Unknown to Agri-Vacuum Technologies, Gas Prospecting and Assaying Inc. CEO Lord Keifer Schengberts of Mingo III was a minority shareholder in Agri-Vacuum Technologies and stood to gain millions of dollars if the assaying results showed harvestable amounts of carbon dioxide.

Free Range Pitbull Farming Inc.

An increase in violent crime in every megalopolis in Known Space resulted in a 40 percent increase in the demand for Insane-o-Gash® certified guard dogs. Free Range Pitbull Farming Inc.'s gross revenue was a record \$78.4 million in the fourth quarter. Free Range Pitbull Farming Inc.'s method of animal rearing without cages proved initially to be a public relations coup following TV news magazine "2000/2000" shocking exposé of DenseChurn animal rearing practices. Revenues unfortunately were offset by several successful class-action lawsuits filed by the surviving residents of Troika Towers Zero-G Retirement Community after the free ranging pitbulls found their way off the farm and into the Troika Towers' recreational room.