

THIRD QUARTER 2008
PERFORMANCE

	<i>3Q 2008</i>	<i>YTD</i>	<i>Trailing 12 Months</i>	<i>3Years</i>	<i>5 Years</i>
SCM US Equity	-11.77%	-22.90%	-22.09%	0.12%	3.52%
vs. Russell 1000 Growth	-12.33%	-20.27%	-20.88%	0.05%	3.74%
vs. S&P 500 (total return)	-8.37%	-19.28%	-21.97%	0.22%	5.17%
SCM Global Equity	-16.00%	-25.33%	-24.67%	0.35%	4.47%
vs. MSCI World Growth	-17.87%	-23.65%	-23.77%	1.37%	6.63%
vs. MSCI World	-15.25%	-24.21%	-26.04%	0.75%	7.33%
SCM Int'l Equity	-19.99%	-26.80%	-25.02%	2.48%	6.34%
vs. MSCI EAFE Growth	-21.92%	-28.28%	-28.48%	2.16%	9.23%
vs. MSCI EAFE	-20.56%	-29.27%	-30.51%	1.12%	9.69%

Performance is net of fees. Please see last page for important GIPS disclosures.

The terrible third quarter of 2008 was unlike any other we have seen, topped off by September, the worst month in the capital markets in memory. Who would have expected so many failures or the disappearance of so many large institutions: the bankruptcy of Lehman, the bailout of AIG, Fannie Mae, Freddie Mac, Merrill Lynch, Washington Mutual, Wachovia, the Primary Reserve Fund (only the second money market fund that “broke the buck”)? As if this wasn’t enough, there was the initial failure of the US House of Representatives to pass the Troubled Asset Relief Program (TARP).

There has been an unprecedented decline in global financial markets and an unprecedented global effort to provide liquidity and capital to troubled institutions in the wake of the credit crisis. Every effort is being made to turn the markets and lessen the severity of the recession that is sure to grip the US and the other major economies around the world. Due to the overwhelming focus on the big picture, we are not compiling our typical quarterly summary with regional details. Our performance is above, and our portfolio characteristics follow. If you are interested in more specific information or would like to discuss our investment outlook, please call us directly at 203-252-5704.

We wish to remind everyone of who we are at Simms Capital and how we differ from the firms that are having a difficult time sustaining their businesses.

Simms Capital Management:

Is NOT a hedge fund

Is NOT dependent on, and does NOT invest in the credit markets

Does NOT employ leverage, short selling or derivatives

The firm is stable, profitable and debt-free. Although performance has been very painful, SCM’s portfolios are ahead of (or close to) their benchmarks. For the last year, we have by and large, avoided the financial sector and have maintained minimal specific positions within the sector. We remain well diversified in almost all of the other market sectors to minimize concentration or risk in any one of them.

We remain committed to the long-term advantages of investing in equities. We invest in large capitalization companies with positive earnings and attractive earnings growth prospects. Recent commitments made by Warren Buffet point to the attractive valuations for patient long-term investors.

SUPPLEMENTAL INFORMATION - CHARACTERISTICS - PLEASE SEE PAGE 2 FOR DISCLOSURES

	SCM US Equity	SCM INTL Equity		SCM US Equity	SCM INTL Equity
P/E 2008	17.0X	11.9X	Yield	0.9%	2.9%
P/E 2009	14.5X	10.4X	PEG 2008	1.0X	1.0X
5 Year Growth Rate	19.4%	13.1%	PEG 2009	.8X	.8X
ROE (LT Gr. Rate)	22.1%	19.6%	Avg. Mkt. Cap.	\$49.7B	\$54.5B



SCM is an independent registered investment advisor. The SCM US Equity Composite contains fully discretionary domestic equity accounts. The SCM International Equity Composite contains fully discretionary international equity accounts. The SCM Global Equity Composite contains fully discretionary international equity accounts. Returns are calculated in U.S. dollars. Past performance is not indicative of future results. Performance results are total return including the reinvestment of all income. This presentation should be read in conjunction with the full disclosure presentation. Please contact us to receive one at 203.252.5700. SCM claims compliance with the Global Investment Performance Standards (GIPS®). For comparison purposes the SCM Global Composite Is measured against the MSCI World and MSCI World Growth indices, the SCM Domestic Composite against the S&P 500 and Russell 1000 Growth indices, and the SCM International Composite against the MSCI EAFE and MSCI EAFE Growth indices.