



**Value, Performance, & Service**

From the desk of:  
Kenneth R. Skarbeck, CFA  
ken@aldebarancapital.com  
(317) 818-7827

---

*\* The following is a reproduction of the letter sent to clients of Aldebaran Capital, LLC with their portfolio reports. Past performance is not a guarantee of future results. Nothing within these writings, directly or indirectly, should be construed as a solicitation of an offer to buy or sell any particular securities mentioned. While we stand by our commentary and opinions, readers should not view these writings as personal investment advice, and should individually determine whether anything we say is suitable for them.*

---

#### Letter to Clients - January 2000

We have enclosed reports as of December 31, 1999, on your Aldebaran Capital, LLC investment portfolio. We encourage you to review them based on the results for the year and within the context of the goals of our long-term investment operation.

For the most part, we spent the year trading water against a stock market that in certain sectors defied logic. Last spring, many of the value-oriented stocks that we own came to life for a month or so, only to be abandoned for the momentum driven hyper-growth of the technology stocks. And while the market averages posted strong returns for the year, it was the technology sector that single-handedly pushed the indices forward. This is demonstrated by the fact that while the S&P 500 returned 21% for the year, approximately 2/3rds of the stocks traded on the New York Stock Exchange were down for the year.

In order to sufficiently address our thoughts on the market this past year, and the prospects of your investment portfolio going forward, we will be publishing a detailed 1999 Annual Report in mid-February. In addition, as a client of Aldebaran Capital, LLC you will receive a supplement to this report that will discuss the reasons why we own many of the individual companies you hold in your portfolio.

As we start the New Year, we believe the short-term casino-type mentality that overtook the market and accelerated toward year-end will leave many stock buyers wondering why they paid such high prices. In any event, we don't believe a gunslinging approach to investing is appropriate for clients who have entrusted us with capital under a long-term investment program. We are still nostalgic enough to believe in the time-tested wisdom of the story of The Tortoise and the Hare.

As always, we would be more than happy to schedule a time to meet with you and discuss the enclosed reports in greater detail. Please just give us a call. We appreciate your continued confidence and business.

Sincerely,

Kenneth R. Skarbeck, CFA

Edward A. Skarbeck

10291 North Meridian Street • Suite 150 • Indianapolis, Indiana 46290  
PH 317-818-STAR (7827) • TOLL FREE 888-742-STAR (7827) • FAX 317-818-7830  
E-MAIL [info@aldebarancapital.com](mailto:info@aldebarancapital.com) • [www.aldebarancapital.com](http://www.aldebarancapital.com)  
Copyright ©2000 Aldebaran Capital, LLC. All Rights Reserved.