



# THE OBERWEIS REPORT™

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## A Monthly Review

### Portfolio Performance Summary

(Since Origin: September 27, 1976)

## JANUARY 2009

		\$ Change	% Change	Compound Growth Rate	Theoretical \$1 Grew To:
Model Theoretical Portfolio <i>original investment - \$50,000</i>		+14,285,999	+28,572%	19.2%	\$286.72
Dow Jones Industrial Average	8,776.39	+7,767pts.	+770%	6.9%	\$8.70
S & P 500 Index	903.25	+796pts.	+746%	6.8%	\$8.46
NASDAQ Composite	1,577.03	+1,485pts.	+1,608%	9.2%	\$17.08
Oberweis Universe P/E	17.1				

Note: While past performance does not guarantee future success, and an investment in the model theoretical portfolio might lose money for a client, we believe investing in rapidly growing companies will produce superior investment results. Dividends and commissions are ignored in performance calculations. The model theoretical performance noted above includes performance history of the model account prior to the establishment of the firm while Jim Oberweis was employed at other firms. The theoretical performance contains many high beta growth stocks which tend to be more volatile than DJIA stocks. The theoretical performance of the model does not represent actual trading and does not reflect the impact that material economic and market factors might have had if actual client money were managed. Tax consequences must be carefully considered. Changes in our theoretical portfolio and current quote prices are made as of the last Friday of each month. (This issue as of close of 12/31/08)

## OUTLOOK 2009: HAPPIER DAYS AHEAD



Jim Oberweis, CFA

Frankly, our 2008 forecast proved off the mark. We were far too optimistic in asserting that the sub-prime mortgage mess would pass. A year ago we wrote, “We do expect massive asset write-downs early in 2008 as well as dividend cuts.” That part was right. However, we also said that big financials would hit new lows but recover by the end of the year. Instead, the problems were far worse than anticipated and equity markets performed far worse than we anticipated.

For 2009, we expect a far different year. Expectations are very low and we believe it will take only a modest improvement in fundamentals to spark a significant increase in equity markets. 2009 will be a year for bargain buyers and may represent the best buying opportunity in decades for depressed high growth small caps. We predict returns for the Russell 2000 Growth Index of at least 20%, with the potential for significantly more than that. We believe the risk/reward opportunity for equity investors in nearly every asset class to be better than normal, and the valuations for small-cap growth stocks to be simply extraordinary. At this point, a nasty recession is already baked into stock prices. The economy will deteriorate further in the first half of 2009, but by the end of 2009, we expect favorable returns for equities, as by then investors will have bid up stock prices in anticipation of a light at the end of this miserable tunnel.

Fears of deflation will soon be long forgotten. Why? Because the guy in charge – “helicopter” Ben Bernanke – has the keys to the printing press and it’s working overtime cranking out dollars. Ok, not literally, but the Fed can control the amount of money in the system by buying U.S. Treasuries and keeping interest rates low, among other things. (On that note, refer to a 2002 speech by Mr. Bernanke to the National Economists Club titled, “Deflation: Making Sure ‘It’ Doesn’t Happen Here.” It’s basically a “how to beat deflation in a hurry” speech that seemingly serves as

his playbook during this crisis. The web link follows: <http://www.federalreserve.gov/BOARDDOCS/SPEECHES/2002/20021121/default.htm>). You’ll observe marked similarities between remedies outlined in the speech and the Fed’s plan of action, as outlined in its official statement following the last Fed meeting on December 16.

His basic message is this: Deflation is bad. Don’t let it happen. If that means you have to spend money like a drunken sailor, fine. Spread the cash like an out-of-control forest fire. Because if a lot of money falls from the sky, dollars won’t be worth as much. If dollars are worth less, then the amount required by folks to exchange it for hard assets – stuff like cars, gold, steel, real estate, and food – will increase. That, of course, is called rising prices — the opposite of deflation. Bernanke realizes the downside of pumping prices up, but he clearly notes that if one has to overshoot, inflation is better than deflation. When we pair this playbook with President-elect Obama’s mojo — “stimulate everyone, everywhere” — you have a sure-fire recipe for inflation.

In contrast to virtually everyone else, we expect that inflation will be a realistic worry by the end of 2009. We believe the dollar is poised to decline against the Yen and the Euro, both due to inflation fears as well as a flight from safety as the prospects for deflation dim and investors anticipate an economic recovery. By the end of next year we anticipate that scared-y-cat investors who sought safe haven in the dollar and U.S. Treasuries will have figured out that the world, indeed, has not ended. But above and beyond these less-than-pleasant problems, the absurdly low valuations in our universe of small-cap growth stocks will trump all other worries. Small-cap growth stocks will FINALLY get their time in the spotlight, and 2009 will likely be their opening act.

Jim Oberweis, CFA



Dave Covas, CFA



Ken Farsalas, CFA



Kevin Cowell

<b>Akorn, Inc.</b>	<b>(NGM-AKRX-\$2.30)</b>		
	<b><u>2007</u></b>	<b><u>2008E</u></b>	<b><u>2009E</u></b>
Revenue (millions)	\$52	\$100	\$190
E.P.S.	def	def	\$0.20

Akorn, Inc. develops ophthalmic and injectable pharmaceutical products. One of the company's main growth drivers is its generic Tetanus Diphtheria vaccine, which the company estimates has already taken 25% of the market share versus its brand-name competitor in just a little over a year. Other near-term developments include the October 2008 launch of a premium ophthalmic anesthetic, Akten Gel 3.5%, which can be used for a variety of procedures including cataract surgery, retina surgery, and other miscellaneous ocular procedures. In the company's latest reported third quarter, sales increased approximately 102% to \$31.9 million from \$15.8 million in the third quarter of last year. Akorn reported earnings per share of \$.03 versus a loss in the same quarter of last year. Clients of Oberweis Asset Management own approximately 850,000 shares. These shares may be appropriate for risk oriented investors. The company is located at 2500 Millbrook Dr., Buffalo Grove, IL 60089. (847) 279-6100. [www.akorn.com](http://www.akorn.com).

<b>Alexion Pharmaceuticals, Inc.</b>	<b>(NGM-ALXN-\$36.19)</b>		
	<b><u>2007</u></b>	<b><u>2008E</u></b>	<b><u>2009E</u></b>
Revenue (millions)	\$72	\$260	\$400
E.P.S.	def	\$0.30	\$0.90

Alexion Pharmaceuticals Inc. is a biopharmaceutical company focused on the development of therapeutic products for the treatment of severe diseases including cardiovascular and autoimmune disorders and cancer. The majority of the company's current sales come from their Soliris product used to treat a rare blood disorder referred to as PNH (paroxysmal nocturnal hemoglobinuria). PNH is a rare, acquired (not inherited) blood disorder that causes an individual's immune system to destroy its own red blood cells (called hemolysis), resulting in life-threatening thrombosis, recurrent pain, kidney disease, disabling fatigue, and impaired quality of life. Soliris is the only available therapy to block hemolysis in patients with PNH. Soliris was discovered, developed and marketed exclusively by Alexion following FDA approval in the US in March 2007. In June of 2007, the European Commission (EU) approved Soliris for the treatment of patients with PNH in 29 countries. Today roughly 67% of the company's revenues are derived in the US with the remainder coming from Europe. In the company's latest reported third quarter, sales increased approximately 250% to \$76.5 million from \$21.8 million in the third quarter of last year. Alexion Pharmaceuticals reported earnings per share of \$.23 in the latest reported third quarter versus a loss in the same quarter of last year. Clients of Oberweis Asset Management own approximately 34,000 shares. These shares may be appropriate for risk oriented investors. The company is located at 352 Knotter Drive, Cheshire, CT 06410. (203) 272-2596. [www.alexionpharm.com](http://www.alexionpharm.com).

<b>Arcsight, Inc.</b>	<b>(NGM-ARST-\$8.01)</b>		
<i>Year Ends in April</i>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009E</u></b>
Revenue (millions)	\$69.8	\$102	\$130
E.P.S.	\$0.07	\$0.12	\$0.30

ArcSight is a leading provider of security and compliance management solutions that intelligently identify and mitigate business risk for enterprises and government agencies. The company's award winning ESM platform collects and distills millions of enterprise-wide events down to the most critical information necessary for organizations to make informed decisions to protect their businesses. ArcSight's business has remained robust amidst a weak economic climate in part because businesses have prioritized spending on fraud prevention and compliance controls, both of which are addressed by ArcSight's products. ArcSight was an initial public offering (IPO) in February of 2008 at \$9 per share. In the company's latest reported second quarter, sales increased approximately 33% to \$32.8 million from \$24.6 million in the second quarter of last year. ArcSight reported earnings per share of \$.11 in the latest reported second quarter versus \$.04 in the same quarter of last year. Clients of Oberweis Asset Management own approximately 700,000 shares. These shares may be appropriate for risk oriented investors. The company is located at 5 Results Way, Cupertino, CA 95014. (408) 864-2600. [www.arcsight.com](http://www.arcsight.com).

<b>The Female Health Company</b>	<b>(NYSE-FHC-\$3.55)</b>		
<i>Year Ends in September</i>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009E</u></b>
Revenue (millions)	\$19	\$25	\$35
E.P.S.	\$0.03	\$0.15	\$0.25

The Female Health Company manufactures and markets the female condom. This product currently is the only medical device approved by the FDA under a woman's control intended to prevent unintended pregnancies and the spread of sexually-transmitted diseases. The rise of the global HIV/AIDS pandemic, especially in emerging countries, has increased the need for women to have their own means of disease prevention products. Approximately 80% of the company's customers are public sector agencies including USAID, which distribute the products to areas in need. Near-term drivers include pending FDA approval of its second generation female condom and the recent reauthorization of the President's Emergency Plan for AIDS Relief (PEPFAR) which will allocate \$48 billion for AIDS prevention and treatment over the next 5 years. In the company's latest reported fourth quarter, sales increased approximately 52% to \$7.8 million from \$5.2 million in the fourth quarter of last year. The Female Health Co. reported earnings per share of \$.08 in the latest reported fourth quarter versus \$.04 in the same quarter of last year. Clients of Oberweis Asset Management own approximately 600,000 shares. These shares may be appropriate for risk oriented investors. The company is located at 515 N. State St., Suite 2225, Chicago, IL 60610. (312) 595-9123. [www.femalehealth.com](http://www.femalehealth.com).

The information and statistics in this report have been obtained from sources we believe reliable, including but not limited to the publicly filed reports of the companies discussed herein, Standard and Poor's and William O'Neil & Company. The information is not warranted by us to be accurate or complete. Also, any and all earnings projections and estimates assume certain economic conditions and industry developments, which are subject to change. The performance of each security may vary. To accommodate the objectives of the investment accounts, including The Oberweis Funds, that are under the management of affiliates of Oberweis Publishing Company, LLC ("OPC"), the publisher of this letter, those affiliates' accounts may hold a long or short position in the securities that are the subject of this report, and such positions may be inconsistent with the information contained in this report. In addition, the officers, directors and employees of OPC and its affiliates may hold long or short positions in the securities that are the subject of this report, and likewise such personal holdings may be inconsistent with the information contained herein. Oberweis Securities, Inc. ("OSI"), an affiliate of OPC, is a registered broker/dealer, investment advisor and is the distributor of The Oberweis Funds. Oberweis Asset Management ("OAM"), an affiliate of OPC and OSI is a registered investment adviser and is the investment adviser to The Oberweis Funds, as well as institutions and individuals. The writers of this letter are registered representatives of OSI, with the exception of Ken Farsalas.

# Current Portfolio

No. of Shares	Company Name	Stock Symbol	Opinion	Date Recmend	Recmend Price	Current Market	Cost	Market Value	Exch	# Mil Shrs	Last Yr Revenue	Price/ Sales	Fiscal Year	2007 Actual	2008 Est.	2009 Est.	Latest 4C Reported	P/E Last 4C	P/E 2007	P/E 2008E		
110500	Akorn Inc.	AKRX	Buy*	12/31/08	2.30	2.30	254150	254150	NGM	90.1	53.0	3.9	Dec	def	def	0.20	0.03	77	N/M	N/M		
7000	Alexion Pharmaceuticals Inc.	ALXN	Buy*	12/31/08	36.19	36.19	253330	253330	NGM	89.8	72.0	45.1	Dec	def	0.30	0.90	0.26	139	N/M	121		
15500	Almost Family Inc.	AFAM	Buy	10/28/07	20.24	44.98	313720	697190	NGM	8.4	132.1	2.9	Dec	1.36	2.05	2.50	1.89	24	33	22		
41600	American Caresource Hldgs.	ANCI	Buy*	9/28/08	8.39	7.05	349024	293280	ASE	18.0	23.5	5.4	Dec	def	0.20	0.35	0.15	47	N/M	35		
31800	ArcSight Inc.	ARST	Buy*	12/31/08	8.01	8.01	254718	254718	NGM	32.8	102.0	2.6	Apr	0.07	0.12	A 0.30	0.28	29	114	67		
33200	ATA, Inc.	ATAI	Buy	8/31/08	11.81	5.09	392092	168988	NGM	23.6	24.6	4.9	Mar	0.16	0.40	0.70	0.18	28	32	13		
5300	Baidu, Inc.	BIDU	Buy*	5/28/06	79.45	130.57	421085	692021	NGM	34.8	232.6	19.5	Dec	2.50	4.50	6.50	4.05	32	52	29		
12800	CardioNet, Inc.	BEAT	Buy*	8/31/08	30.50	24.65	390400	315520	NGM	24.0	72.9	8.1	Dec	def	0.40	1.00	0.30	82	N/M	62		
34000	Carrizo Oil & Gas, Inc.	CRZO	Buy	9/28/03	6.95	16.10	236300	547400	NGM	31.0	125.8	4.0	Dec	0.87	2.00	1.60	1.86	9	19	8		
21300	Cavium Networks, Inc.	CAVM	Buy	11/30/08	10.85	10.51	231105	223863	NGM	42.6	54.2	8.3	Dec	0.12	0.40	3.50	0.34	31	88	26		
19688 #	Central European Dist. Corp.	CEDC	Buy*	4/1/01	1.28	19.70	25156	387844	NGM	47.0	1189.8	0.8	Dec	1.70	2.90	4.00	2.44	8	12	7		
27100	Ceragon Networks Ltd.	CRNT	Buy	7/29/07	13.76	5.05	372893	136855	NGM	38.7	161.8	1.2	Dec	0.48	0.50	0.65	0.51	10	11	10		
100800	ClickSoftware Technologies, Ltd	CKSW	Buy*	11/2/08	2.90	1.85	292320	186480	NCM	29.3	40.0	1.4	Dec	0.09	0.15	0.20	0.12	15	21	12		
18000	Conceptus, Inc.	CPTS	Buy*	11/2/08	16.20	15.22	291600	273960	NGM	31.2	64.4	7.4	Dec	def	0.05	0.60	0.02	N/M	N/M	304		
11600 #	Ctrip.com International	CTRP	Buy	3/27/05	9.71	23.80	112636	276080	NGM	69.0	164.4	10.0	Dec	0.78	0.90	1.20	0.94	25	31	26		
34300	Cybersource Corporati	CYBS	Buy*	4/02/06	11.16	11.99	382788	411257	NGS	72.3	117.0	7.4	Dec	0.39	0.65	0.80	0.63	19	31	18		
8700	Dolby Laboratories, Inc.	DLB	Buy	6/29/08	39.35	32.76	342345	285012	NY	115.0	640.2	5.9	Sep	1.26	1.73	A 1.90	1.73	19	26	19		
11400 #	Ebix, Inc.	EBIX	Buy*	3/2/08	25.33	23.90	288800	272460	NGS	12.2	42.8	6.8	Dec	1.19	2.30	2.80	2.03	12	20	10		
10200	Emergent Biosolutions, Inc.	EBS	Buy*	11/30/08	22.62	26.11	230724	266322	NY	30.6	182.9	4.4	Dec	0.76	0.80	1.15	1.57	17	34	33		
6900	Energy Conversion Devices	ENER	Buy	7/27/08	62.87	25.21	433803	173949	NGS	43.1	255.9	4.2	Jun	def	0.48	A 1.75	0.85	30	N/M	53		
71600	The Female Health Co.	FHC	Buy*	12/31/08	3.55	3.55	254180	254180	NY	28.1	25.6	3.9	Sept	0.03	0.15	A 0.25	0.15	24	118	24		
15500	FLIR Systems, Inc.	FLIR	Buy*	4/27/08	34.40	30.68	533200	475540	NGS	163.1	779.4	6.4	Dec	0.89	1.25	1.65	1.18	26	34	25		
11100	Genoptix, Inc.	GXDX	Buy	3/2/08	25.67	34.08	284937	378288	NGM	17.8	59.3	10.2	Dec	0.78	1.20	1.30	1.36	25	44	28		
43700	Global Traffic Network, Inc.	GNET	Buy*	3/30/08	8.44	5.84	368828	255208	NGM	18.5	51.0	2.1	Jun	def	0.09	A 0.25	0.15	39	N/M	65		
22700	G-Market, Inc.	GMKT	Buy	7/02/06	15.37	17.25	348899	391575	NGM	50.8	238.2	3.7	Dec	0.71	0.90	1.00	1.01	17	24	19		
6400	Green Mountain Coffee Roasters	GMCR	Buy*	11/30/08	36.30	38.70	232320	247680	NGS	25.7	500.3	2.0	Sep	0.52	0.88	A 1.35	0.88	44	74	44		
7500	Guess?, Inc.	GES	B/H	1/27/08	37.21	15.35	279075	115125	NY	93.3	1749.9	0.8	Jan	2.07	2.45	2.10	2.44	6	7	6		
11800	HMS Holdings, Corp.	HMSY	Buy*	11/2/08	24.77	31.52	292286	371936	NGS	26.8	146.7	5.8	Dec	0.57	0.75	1.00	0.69	46	55	42		
91500	iCad, Inc.	ICAD	Buy*	8/31/08	4.28	1.13	391620	103395	NCM	46.6	26.8	2.0	Dec	def	0.15	0.20	0.09	13	N/M	8		
17400 #	Illumina, Inc.	ILMN	Buy*	10/29/06	22.16	26.05	385584	453270	NGM	119.7	366.8	8.5	Dec	0.76	0.65	0.95	0.55	47	34	40		
19100	IPC The Hospitalist Comp.	IPCM	Buy*	7/27/08	22.22	16.83	424402	321453	NGM	16.0	190.0	1.4	Dec	def	0.85	1.10	0.72	23	N/M	20		
9950	Life Partner Holdings, Inc.	LPHI	B/H	3/30/08	18.52	43.64	184274	434218	NGM	11.9	72.5	7.2	Feb	1.59	2.20	2.60	2.06	21	27	20		
10100	Netlogic Microsystems, Inc.	NETL	Buy	6/29/08	33.57	22.01	339057	222301	NGM	22.8	109.0	4.6	Dec	1.19	1.45	1.45	1.53	14	18	15		
32700	NetScout Systems, Inc.	NTCT	Buy	6/1/08	12.71	8.62	415617	281874	NGS	41.0	169.0	2.1	Mar	0.47	0.65	0.85	0.68	13	18	13		
37600	Nuance Communications, Inc.	NUAN	Buy*	10/29/06	10.12	10.36	380512	389536	NGS	246.5	602.0	4.2	Sep	0.57	0.85	1.05	0.87	12	18	12		
15700	Neutral Tandem, Inc.	TNDM	Buy*	11/30/08	14.71	16.22	230947	254654	NGM	33.3	85.6	6.3	Dec	0.24	0.67	1.00	0.58	28	68	24		
26900	Pegasystems, Inc.	PEGA	Buy*	9/28/08	12.99	12.36	349431	332484	NGS	38.2	162.0	2.9	Dec	0.18	0.30	0.45	0.26	48	69	41		
32800	RRSat Global Comm.	RRST	Buy	12/31/06	12.99	11.51	426203	377528	NGM	17.4	59.2	3.4	Dec	0.72	0.80	1.00	0.79	15	16	14		
38200	Sapient Corp.	SAPE	Buy	3/2/08	7.38	4.44	281916	169608	NGS	130.1	561.0	1.0	Dec	0.14	0.40	0.55	0.38	12	32	11		
10650	Somanetics Corp.	SMTS	Buy	11/2/03	8.50	16.51	90525	175832	NCM	13.2	28.7	7.6	Nov	0.67	0.75	1.00	0.70	24	25	22		
23700	Starent Networks Corp.	STAR	Buy*	6/1/08	17.51	11.93	414987	282741	NGM	74.2	145.8	6.1	Dec	0.12	0.90	0.70	0.73	16	N/M	13		
16800 #	Synaptics, Inc.	SYNA	Buy	4/29/07	20.33	16.56	341488	278208	NGS	35.5	361.1	1.6	Jun	0.87	1.30	A 1.70	1.44	12	19	13		
7900	T-3 Energy Services, Inc.	TTES	B/H	12/2/07	50.41	9.44	398239	74576	NGS	12.9	217.4	0.6	Dec	2.36	2.75	2.60	2.91	3	4	3		
16500	True Religion Apparel, Inc.	TRLG	B/H	6/1/08	25.28	12.44	417120	205260	NGM	24.2	173.3	1.7	Dec	1.31	1.60	1.95	1.63	8	9	8		
37600	VanceInfo Technologies, Inc.	VIT	Buy	6/29/08	9.00	4.75	338400	178600	NY	40.6	62.7	3.1	Dec	0.34	0.40	0.60	0.40	12	14	12		
22100	VASCO Data Security Intl, Inc.	VDSI	Buy*	11/30/08	10.44	10.33	230724	228293	NCM	38.2	120.0	3.3	Dec	0.55	0.75	0.95	0.66	16	19	14		
32100	VisionChina Media, Inc.	VISN	Buy*	3/30/08	11.48	5.46	368508	175266	NGM	73.3	29.4	13.6	Dec	0.19	0.60	0.90	0.56	10	29	9		
26200	Volterra Semiconductor Corp.	VLTR	Buy	6/1/08	15.90	7.15	416580	187330	NGS	25.6	74.7	2.5	Dec	0.17	0.70	0.35	0.72	10	42	10		
8900	VSE, Corp.	VSEC	Buy*	11/2/08	32.79	39.23	<u>291831</u>	<u>349147</u>	NGM	5.1	653.2	0.3	Dec	2.81	3.80	5.10	3.57	<u>11</u>	<u>14</u>	<u>10</u>		
	THEORETICAL INVESTED CAPITAL						15580680	14335784														
	MINUS GAINS						<u>15530895</u>															
	TOTALS						49785															

+ Implies an increase in our earnings estimate this month  
 # Adjusted for stock split or dividend  
 \* Strongest buy recommendation  
 - Implies a decrease in our earnings estimate this month  
 E=Estimates

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## NEWS ON PORTFOLIO STOCKS

American CareSource Holdings (ANCI) announced that it has implemented a new client service agreement with Insurers Administrative Corp. which will translate into an estimated \$5-6 million in additional claims volume per year. Baidu.com (BIDU) announced that it has changed its name to Baidu, Inc. Carrizo Oil & Gas (CRZO) announced its credit facility has been increased to \$250 million. Dolby Laboratories (DLB) amended a licensing pact with Verizon (VZ), which included a one-time payment to Verizon of \$17.5 million. Ebix (EBIX) completed the acquisition of Confirmnet Corp., an insurance business process outsourcer, for \$7.4 million. Emergent BioSolutions (EBS) announced that the FDA has approved its supplemental Biologics License Application for Anthrax Vaccine Adsorbed (BioThrax®). Standard & Poor's announced that it has added FLIR Systems (FLIR) to the S&P 500 Index. IPC The Hospitalist Company (IPCM) announced that it has acquired North Florida Hospitalists, Orange Park Hospitalists, and National Medical Affiliates. Pegasystems (PEGA) announced that it has approved a new share repurchase agreement of up to \$15 million of common stock.

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## STOCKS UNDER REVIEW

American Public Education Inc. (APEI – 37.19), American Science and Engineering Inc. (ASEI – 73.96), Amtech Systems Inc. (ASYS - 3.69), Athena Health Inc. (ATHN – 37.62), Axsys Technologies Inc. (AXYS – 54.86), Cogent Inc. (COGT – 13.57), Deckers Outdoor Corp. (DECK – 79.87), CEVA Inc. (CEVA – 7.00), GSE Systems Inc. (GVP – 5.90), ICON Plc. (ICLR – 19.69), ManTech International Corp. (MANT – 54.19), New Oriental Education (EDU – 54.91), NPS Pharmaceuticals Inc. (NPSP – 6.21), Sohu.com Inc. (SOHU - 47.34), Summer Infant Inc. (SUMR – 2.15), TeleCommunication Systems Inc. (TSYS – 8.59), Vocus (VOCS – 18.21).

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## DELETIONS & CORRECTIONS

Focus Media Holding (FMCN) is being deleted due to expectations of decelerating growth. Lululemon Athletica (LULU) is being deleted due to expectations of decelerating growth. Rex Energy (REXX) is being deleted due to expectations of slowing production growth and poor relative strength. Yingli Green Energy (YGE) is being deleted due to negative earnings growth in the latest reported quarter and expectations of decelerating growth. We are also reducing our position in Life Partners Holdings (LPHI) by 50%.

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## CLOSED OUT POSITIONS BY YEAR

Oberweis Publishing Company, LLC  
3333 Warrenville Road Suite 500  
Lisle, IL 60532  
800-323-6166

Jim Oberweis, CFA  
Dave Covas, CFA, CFP  
Ken Farsalas, CFA  
Kevin Cowell

Year	# Issues Closed Out	Aggregate Cost	Aggregate Proceeds	Theoretical Gain	Avg # of Months Held
1977	7	32412	44107	11695	8.0
1978	8	43550	53386	9836	16.4
1979	9	43699	53334	9635	13.3
1980	18	115929	195760	79831	9.4
1981	22	168571	261277	92706	12.5
1982	32	305120	299110	-6010	10.7
1983	24	271969	468091	196122	7.9
1984	36	462941	437187	-25754	13.4
1985	31	414900	411353	-3547	11.4
1986	35	534263	770858	236595	11.9
1987	42	695614	799890	104276	9.5
1988	47	684206	579934	-104272	10.5
1989	56	887614	1298211	410597	12.5
1990	43	1008401	1097162	88761	10.9
1991	56	1388627	1985860	597233	10.7
1992	52	2024458	2553926	529468	11.0
1993	50	2742727	3598232	855505	12.0
1994	51	3307513	3526394	218881	11.3
1995	50.5	3568913	4708478	1139565	11.8
1996	58	6451096	7489251	1038155	10.2
1997	62.5	7802863	9181924	1379061	12.4
1998	54.5	7136798	5659524	-1477274	8.7
1999	54.5	6050201	6906292	856091	12.2
2000	62	10566751	14908979	4342229	9.3
2001	54	12486371	10249657	-2236715	11.1
2002	48	8270938	7737537	-533401	12.8
2003	45	7906066	10970604	3064538	13.4
2004	50.5	12281787	15623629	3341842	12.6
2005	45.5	12506657	15885961	3379304	14.9
2006	49	15544577	16929661	1385084	12.2
2007	45	15310382	19345125	4034743	17.5
2008	65	25611975	19414995	-6869055	14.4
2009	5	26108717	18624829	-614833	
		141,015,914	164,030,694	15,530,892	

2008

19900	Allscripts Healthscare Solution	349,245	383,473	34,228	17
59500	Edgewater Technology, Inc.	339,745	419,475	79,730	16
15400	EDO Corp.	504,966	862,400	357,434	6
24000	Acme Packet, Inc.	382,320	230,160	-152,160	15
24500	Kenexa Corp.	357,455	451,290	93,835	29
29000	ShoreTel, Inc.	341,210	267,930	-73,280	6
114500	Netsol Technologies, Inc.	372,650	168,200	-204,450	4
29000	Chordiant Software, Inc.	433,260	167,620	-265,640	6
18500	Novatel Wireless, Inc.	339,660	195,730	-143,930	10
35500	Perficient, Inc.	285,065	299,975	14,910	27
64000	Rainmaker Systems, Inc.	346,880	183,680	-163,200	20
12400	Tessera Technologies, Inc.	226,300	292,144	65,844	51
14000	AMERIGROUP Corporation	371,700	380,940	9,240	8
75400	GlobalSCAPE, Inc.	414,700	164,372	-250,328	3
18300	Liquidity Services, Inc.	310,002	145,119	-164,883	12
26000	LSB Industries Inc.	503,100	388,440	-114,660	10
10400	Riverbed Technology, Inc.	342,680	162,864	-179,816	11
15300	Zumiez, Inc.	413,100	231,948	-181,152	18

35100	LifeCell Corp.	390,312	1,773,252	1,382,940	45
30600	O2Micro International Limited	431,766	229,500	-202,266	7
81400 #	Simulations Plus, Inc.	504,680	129,426	-375,254	11
16100	Cubist Pharmaceuticals	371,266	306,866	-64,400	10
12500	DealerTrack Holdings, Inc.	418,375	263,000	-155,375	5
20700	Network Equipment Tech, Inc.	311,328	101,223	-210,105	7
17400	Nighthawk Radiology	339,300	132,762	-206,538	24
28100	Obagi Medical Products, Inc.	503,271	252,057	-251,214	12
23800	Perceptron, Inc.	342,720	206,346	-136,374	8
26600	Silicom Ltd.	397,670	235,676	-161,994	15
68000	Silverstar Holdings, Inc.	341,353	48,280	-293,073	8
9900	Synchrononss Technologies, Inc.	371,349	131,571	-239,778	10
59100	Telular Corp.	397,743	214,533	-183,210	6
30000	ValueClick Inc.	94,200	603,300	509,100	62
19600	Hologic, Inc.	474,712	431,592	-43,120	19
19700	Sigma Designs, Inc.	470,633	289,787	-180,846	19
44300	VASCO Data Security	318,960	473,567	154,607	25
6800	Zoltek Companies, Inc.	314,092	168,708	-145,384	7
4200	Chipotle Mexican Grill, Inc.	436,758	278,502	-158,256	11
9400	Dynamic Materials Corp	313,772	301,082	-12,690	23
11300	NVE Corp.	397,760	344,763	-52,997	13
19000	Omrix Biopharmaceuticals	310,650	361,380	50,730	23
20900	Accuray Inc.	504,526	172,425	-332,101	15
27300	Anadigics, Inc.	279,279	92,001	-187,278	7
37500	FalconStor Software, Inc.	395,625	282,000	-113,625	14
41400	Flotek Industries, Inc.	357,075	697,590	340,515	36
17600	Fuel-Tech N.V.	280,016	322,784	42,768	27
10650 #	Bolt Technology Corp.	316,305	168,164	-148,141	11
15300	Iconix Brand Group, Inc.	312,120	199,818	-112,302	17
14100	Omniture, Inc.	400,581	286,653	-113,928	9
20600	Ultralife Corp.	415,090	198,790	-216,300	9
16300	Virtual Radiologic Corp.	283,294	191,362	-91,932	6
16500	Cynosure Inc.	396,495	144,540	-251,955	19
6000	Dawson Geophysical Co.	343,260	147,180	-196,080	4
59700	Digital Ally, Inc.	532,524	226,860	-305,664	6
23000	Double-Take Software, Inc.	310,730	170,200	-140,530	19
34600	Mellanox Technologies, Inc.	533,532	268,496	-265,036	6
70300	Voltaire Ltd.	415,473	210,900	-204,573	5
6300	Bucyrus International, Inc.	428,337	123,039	-305,298	4
102100	Chyron Corporation	532,962	162,329	-370,633	7
86600	CommTouch Software, Ltd.	368,050	145,488	-222,562	8
21600	eHealth, Inc.	433,080	236,952	-196,128	14
26300	Innerworking, Inc.	310,340	147,543	-162,797	19
18600	Phoenix Technologies Ltd.	279,930	62,124	-217,806	10
23200	PROS Holdings, Inc.	399,040	111,824	-287,216	11
9000	Suntech Power Holdings Co.	346,320	76,860	-269,460	2
10900	Willbros Group, Inc.	417,361	90,143	-327,218	11
	2009				
35400 #	Focus Media Holding, Ltd.	358,779	321,786	-36,993	40
9100	Lululemon Athletica	279,097	72,163	-206,934	11
18600	Rex Energy Corp.	415,896	54,684	-361,212	6
21800	Yingli Green Energy Holding Co.	392,618	132,980	-259,638	4
19900 #	Life Partner Holdings, Inc.	184,274	434,218	249,944	9