

Thornburg Core Growth A

Ticker: THCGX Load: 4.50% NAV: \$16.44 Yield: 0.0% Total Assets: \$752 mil Mstar Category: Mid-Cap Growth

Governance and Management

Stewardship Grade:

Portfolio Manager(s)

Alex Motola has managed this fund since its inception at the end of 2000. He's supported by three investment professionals.

Strategy

Alex Motola divides the portfolio fairly evenly between three types of growth stocks with varying risk/reward profiles: growth industry leaders (fast-growing firms with proprietary advantages and in rapidly expanding industries), consistent growers (those with steady earnings and revenue growth), and emerging-growth companies (firms establishing leading positions in promising areas). He relies on a quantitative-driven and model-oriented approach focusing on earnings quality. And he normally holds just 35 to 40 names, often builds big stakes in individual sectors, and

Performance 04-30-06

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
2002	1.48	-25.26	-10.29	8.22	-26.37
2003	4.01	31.27	6.09	8.01	56.45
2004	0.64	-1.84	0.77	15.88	15.36
2005	-3.08	7.16	8.61	8.27	22.12
2006	8.90	—	—	—	—

Trailing	Total Return%	+/- S&P 500	+/- Russ MG	%Rank Cat	Growth of \$10,000
3 Mo	-0.61	-3.49	-2.57	96	9,939
6 Mo	19.40	9.77	4.22	19	11,940
1 Yr	39.30	23.89	11.03	10	13,930
3 Yr Avg	28.33	13.66	5.14	3	21,134
5 Yr Avg	9.33	6.63	3.56	13	15,621
10 Yr Avg	—	—	—	—	—
15 Yr Avg	—	—	—	—	—

Tax Analysis	Tax-Adj Rtn%	%Rank Cat	Tax-Cost Rat	%Rank Cat
3 Yr (estimated)	26.27	6	0.08	7
5 Yr (estimated)	8.28	15	0.05	6
10 Yr (estimated)	—	—	—	—

Potential Capital Gain Exposure: 14% of assets

Morningstar's Take by William Samuel Rocco 01-31-06

Growth fans will find a lot to like here, but they also need to understand the risks.

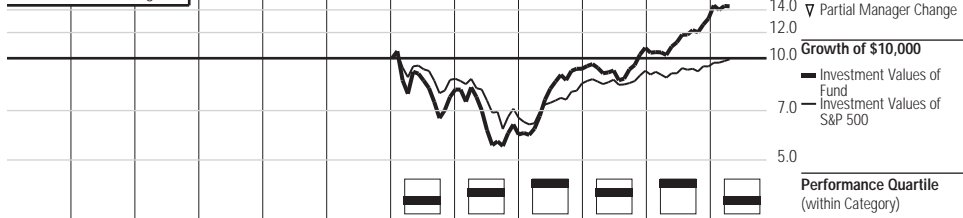
Thornburg Core Growth Fund provides exposure to a wide variety of growth stocks in a compact package. While Alex Motola usually owns just 35 to 40 names, he divides the fund's assets fairly evenly among three types of firms: growth industry leaders, consistent growers, and emerging-growth opportunities. Thus, the portfolio includes giant caps that dominate expanding industries (Microsoft), good-sized and reliable growers (DirectTV), and up and comers with terrific prospects (Ormat Technologies).

Further, Motola readily looks abroad for the three types of growth stocks he favors. Thanks to its stakes in Sanofi-Aventis, Satyam Computer, and a few other foreign stocks, the fund has 20% of its assets overseas, which is 4 times the mid-growth norm.

Motola has regularly put his compact but wide-ranging strategy to good use. The fund earned

Historical Profile

Return: Above Avg
Risk: Above Avg
Rating: ★★★★★ Above Avg



Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	04-06	History
NAV	—	—	—	—	—	11.73	9.48	6.98	10.92	12.60	15.13	16.44	NAV
Total Return %	—	—	—	—	—	-1.76*	-19.18	-26.37	56.45	15.36	22.12	8.65	Total Return %
+/-S&P 500	—	—	—	—	—	—	-7.30	-4.28	27.78	4.49	17.21	3.05	+/-S&P 500
+/-Russ MG	—	—	—	—	—	—	0.97	1.04	13.74	-0.12	10.02	0.58	+/-Russ MG
Income Return %	—	—	—	—	—	—	0.00	0.00	0.00	0.00	0.00	0.00	Income Return %
Capital Return %	—	—	—	—	—	—	-19.18	-26.37	56.45	15.36	22.12	8.65	Capital Return %
Total Rtn % Rank Cat	—	—	—	—	—	—	52	48	3	35	1	63	Total Rtn % Rank Cat
Income \$	—	—	—	—	—	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Income \$
Capital Gains \$	—	—	—	—	—	0.00	0.00	0.00	0.00	0.00	0.24	0.00	Capital Gains \$
Expense Ratio %	—	—	—	—	—	—	0.82	1.63	1.65	1.62	1.57	—	Expense Ratio %
Income Ratio %	—	—	—	—	—	—	4.73	-1.44	-1.43	-1.37	-1.14	—	Income Ratio %
Turnover Rate %	—	—	—	—	—	—	18	212	103	109	115	—	Turnover Rate %
Net Assets \$mil	—	—	—	—	—	—	8	6	34	41	209	413	Net Assets \$mil

Rating and Risk

Time Period	Load-Adj Return %	Morningstar Rtn vs Cat	Morningstar Risk vs Cat	Morningstar Risk-Adj Rating
1 Yr	33.03	—	—	—
3 Yr	26.37	High	+ Avg	★★★★★
5 Yr	8.33	+ Avg	+ Avg	★★★★★
10 Yr	—	—	—	—
Incept	5.59	—	—	—

Other Measures	Standard Index S&P 500	Best Fit Index DJ Wilshire 4500
Alpha	7.9	1.7
Beta	1.35	1.05
R-Squared	57	80
Standard Deviation	14.07	—
Mean	28.33	—
Sharpe Ratio	1.70	—

Portfolio Analysis 03-31-06

Share change since 02-06	Total Stocks:34	Sector	PE	Tot Ret%	% Assets
⊕	Las Vegas Sands, Inc. Co	Consumer	81.0	64.20	4.75
⊕	Microsoft Corporation Co	Software	20.1	-7.34	4.49
⊕	Amdocs Ltd. Common Stock	Software	27.6	35.27	4.19
⊕	Google, Inc. Common Stoc	Business	83.3	0.74	4.16
⊕	DirectTV, Inc. Common Sto	Media	77.6	20.96	3.98
⊕	Gilead Sciences, Inc. Co	Health	33.4	9.38	3.64
⊕	Cytoc Corporation Common	Health	27.5	-8.54	3.51
⊕	NII Holdings, Inc. Commo	Telecom	56.5	37.13	3.40
⊕	Apple Computer, Inc. Com	Hardware	37.8	-2.09	3.35
⊕	ATP Oil & Gas Corporatio	Energy	—	23.05	3.22
⊕	F5 Networks, Inc. Common	Hardware	40.4	2.40	3.19
⊕	America Movil S.A. de C.	Telecom	—	—	3.05
⊕	Ormat Technologies, Inc.	Utilities	71.3	30.97	2.99
⊕	Satyam Computer	Software	—	—	2.94
⊕	WellPoint, Inc. Common S	Health	18.0	-11.02	2.93
⊕	Caremark RX, Inc. Common	Health	22.2	-12.05	2.89
⊕	Affiliated Managers Grou	Financial	36.0	26.23	2.85
⊕	Kohl's Corporation Commo	Consumer	23.0	14.90	2.80
⊕	RF Micro Devices, Inc. C	Hardware	—	71.90	2.62
⊕	Sanofi-Synthelabo	Health	—	—	2.61

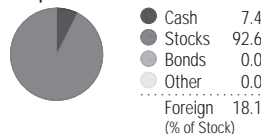
Current Investment Style

Value	Blind Growth	Market Cap	%
Large	23.9	Giant	23.9
Mid	25.5	Large	25.5
Small	32.1	Mid	32.1
Micro	17.4	Small	17.4
Avg \$mil:	1.1	Micro	1.1
9,130			

Value Measures	Rel Category
Price/Earnings	22.45 1.02
Price/Book	3.38 1.00
Price/Sales	2.58 1.34
Price/Cash Flow	13.44 1.19
Dividend Yield %	0.63 1.24
Growth Measures	% Rel Category
Long-Term Erngs	18.34 1.13
Book Value	15.26 1.23
Sales	20.40 1.75
Cash Flow	25.09 1.22
Historical Erngs	34.90 1.41

Sector Weightings	% of Stocks	Rel S&P 500	3 Yr High Low
Info	35.55	1.78	—
Software	13.23	4.08	16 2
Hardware	10.43	1.03	17 6
Media	4.54	1.31	7 3
Telecom	7.35	2.31	10 4
Service	50.55	1.09	—
Health	23.01	1.89	35 15
Consumer	12.86	1.63	13 5
Business	11.43	2.42	17 4
Financial	3.25	0.15	14 3
Mfg	13.91	0.41	—
Goods	2.96	0.36	9 2
Ind Mtrls	0.00	0.00	4 0
Energy	7.55	0.75	9 0
Utilities	3.40	1.18	4 0

Composition



Address:	119 E Marcy St Santa Fe NM 87501 800-847-0200 www.thornburg.com	Minimum Purchase:	\$5000	Add: \$100	IRA: \$2000
Web Address:	www.thornburg.com	Min Auto Inv Plan:	\$5000	Add: \$100	
Inception:	12-27-00*	Sales Fees:	4.50%L, 0.25%S, 1.00%R		
Advisor:	Thornburg Investment Management Inc.	Management Fee:	0.88% mx./0.68% mn.		
Subadvisor:	None	Actual Fees:	Mgt:0.88% Dist:0.25%		
NTF Plans:	DATALynx NTF, Federated Tr NTF	Expense Projections:	3Yr:\$932 5Yr:\$1282 10Yr:\$2265		
		Income Distrib:			