

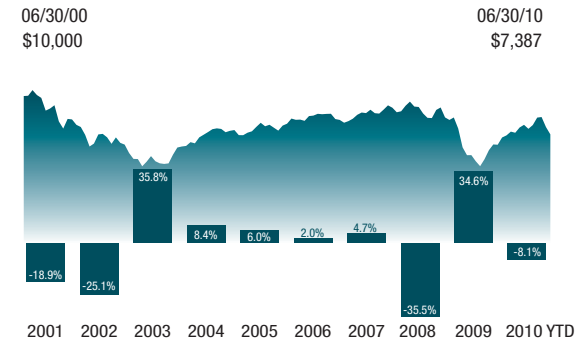
# Investment Update

## Fund Performance

	3 month	YTD	1 year	3 year**	5 year**	10 year**
Bridges Investment Fund	-13.40%	-8.10%	10.57%	-7.07%	-1.86%	-2.98%
S&P 500 Stock Index	-11.43%	-6.65%	14.43%	-9.81%	-0.79%	-1.59%
Russell 1000 Growth Index	-11.75%	-7.65%	13.62%	-6.91%	0.38%	-5.14%

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Fund performance current to the most recent month-end may be lower or higher than the performance quoted and can be obtained by calling 866-934-4700.  
 \*\* Annualized Return

## Growth of 10k and Annual Year Returns

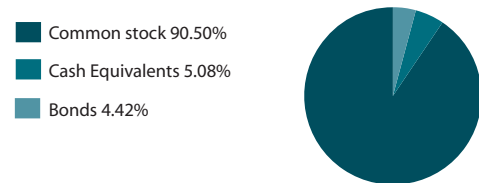


This chart illustrates the performance of a hypothetical \$10,000 investment made 10 years ago. Assumes reinvestment of capital gains and dividends, but does not reflect the effect of any applicable sales charges or redemption fees. This chart is not intended to imply any future performance and represents past performance.

## Top 10 Stock Holdings

Apple, Inc.	4.9%
Mastercard, Inc.	4.0%
Express Scripts, Inc.	3.8%
Capital One Financial Corp.	3.3%
Google, Inc.	3.2%
Best Buy, Inc.	2.7%
Apache Corp.	2.7%
Berkshire Hathaway, Inc. - Class B	2.6%
Wells Fargo & Co.	2.5%
Pepsico, Inc.	2.5%
<b>Total Top Ten Holdings</b>	<b>32.2%</b>

## Portfolio Statistics



Fund holdings and sector allocations are subject to change and should not be considered a recommendation to buy or sell any security. Current and future portfolio holdings are subject to risk.

## Fund Facts

Symbol:	BRGIX
Cusip:	108439100
Dividend Policy:	Quarterly
Inception Date:	07/01/63
Minimum Investment	\$1,000.00
Manager Tenure:	Over 13 years
Total Fund Assets:	\$61.7 million
Total # Stocks:	56
Total # Fixed Income:	11
Turnover Ratio:	14.14%
Expense Ratio:	1.03%
Sales Charge:	None
Redemption Fee:	None

## Industry Allocation (Top 12) (% of stocks)

Computer & Elec. Product Mfg.	13.45%
Credit Intermediation	12.39%
Chemical Manufacturing	7.16%
Bevg & Tobacco Product Mfg.	5.99%
Oil & Gas Extraction	5.84%
Cash and Cash Equivalents	5.08%
Prof., Scientific, and Tech. Svcs.	4.89%
Machinery Manufacturing	4.31%
Health and Personal Care Stores	3.80%
Sec., Commodity, & Other Invest.	3.35%
Other Information Services	3.23%
General Merchandise Stores	3.01%
<b>Total</b>	<b>72.50%</b>

The stock market had its worst quarter since the fourth quarter of 2008, as investors reacted negatively to increasing economic problems in the European Union, the Gulf of Mexico oil spill, and as concerns regarding the sustainability of the economic recovery increased.

Ironically, the market's decline during the quarter began toward the end of April as the first quarter earnings season wound down. Earnings for the first quarter saw a fifth straight quarter of strong corporate profit improvement, as S&P 500 earnings grew 52% year over year, and 77.7% of S&P 500 companies reported positive earnings surprises.

We believe the pace and sustainability of the economic recovery that has been in place since early 2009 is the most significant risk facing investors for the remainder of 2010 and into 2011.

It appears that current equity market valuations are discounting either a double dip recession, or a material economic slowdown over the next several quarters.

At present, the S&P 500 trades at about 12-13x estimated 2010 earnings, well below the average of the past several decades. We anticipate continued earnings growth on balance over the next several years which in combination with a return to more normal valuation levels would drive satisfactory equity returns.

While we expect continued market volatility given the challenging nature of the current global economic situation, we believe the Fund's holdings remain attractively valued and are well positioned to show continued improvement in financial performance going forward.

■ Ticker symbol: BRGIX

■ Cusip number: 108439100 ■ Toll free number: 866-934-4700

**Bridges Investment Fund, Inc.**  
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 Omaha, NE 68114  
[www.bridgesfund.com](http://www.bridgesfund.com)

# Investment Strategy

The Bridges Investment Fund, Inc. is a general equity fund whose primary investment objective is long-term growth of capital.

The Fund's equity investment process focuses on identifying companies which have superior revenue, earnings, dividend, and free cash flow growth and above-average profit margins, profitability and balance sheet quality.

Historically, the Fund has tended to primarily own larger companies, although at any time, the Fund may own small, medium, or large capitalization companies.

Normally, equity securities of U.S. companies will represent 60% or more of the Fund's assets. The Fund's secondary investment objective is the generation of a moderate amount of investment income.

The Fund may acquire investment grade corporate bonds, debentures, U.S. Treasury bonds and notes, and preferred stocks. Normally, such fixed-income securities will not constitute more than 40% of the Fund's portfolio.



## Fund Management



### Edson (Ted) L. Bridges III

Edson (Ted) L. Bridges III, CFA is the portfolio manager of the Bridges Investment Fund, Inc. Mr. Bridges has been responsible for the day-to-day management of the Fund's portfolio since April 11, 1997, when he was elected President of the Fund. He is also President and CEO of Bridges Investment Management, Inc., the Fund's investment adviser. He graduated from Dartmouth College and earned a J.D. degree from the University of Nebraska Law School. Mr. Bridges joined Bridges Investment Counsel, Inc. in 1983 and has been responsible for the Firm's securities research and portfolio management.

## Fund Objective

The Bridges Investment Fund's primary investment objective is long-term capital growth with a secondary objective of generation of a moderate amount of investment income.

## Investor Profile

This multi-cap fund may be suitable core holding for an investor's overall portfolio should that investor desire to invest in the broad U.S. equity markets.

## The Bridges Advantage

**Focused** - Emphasis on identifying companies with superior growth and profitability metrics, and attractive long-term market valuations.

**Experienced** - The portfolio manager has over 26 years of investment experience and has been managing the Fund for over 13 years.

**Independent** - The portfolio manager is supported by a team of seasoned financial analysts who conduct independent fundamental research.

**Cost Efficient** - The expense ratio is lower than the equity mutual fund universe average.\* The fund's low portfolio turnover minimizes transaction expenses. \*Source: Morningstar

**Committed** - The portfolio manager and other Fund officers invest their own money in the Fund.

**Proven** - The Fund has a long track record of performance.

*The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectuses contain this and other important information about the investment company, and may be obtained by calling 1-866-934-4700 or visiting [www.bridgesfund.com](http://www.bridgesfund.com). Read carefully before investing.*

The S&P 500 Index is a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. You cannot invest directly in an index.

Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

**Mutual fund investing involves risk; principal loss is possible.**

**Growth stocks typically are more volatile than value stocks; however, value stocks have a lower expected growth rate in earnings and sales.**

**Small and medium capitalization companies tend to have limited liquidity and greater price volatility than large capitalization companies. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for long-term debt securities.**

• **Earnings Growth:** A measure of growth in a company's net income over a specific period, often one year. The term can apply to actual data from previous periods or estimated data for future periods.

• **Cash Flow:** Measures the cash generating capability of a company by adding non-cash charges (e.g. depreciation) and interest expense to pretax income.

While the fund is no-load, management fees and other expenses still apply.

Quasar Distributors, LLC, distributor 7/10

Bridges Investment Fund, Inc.  
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[www.bridgesfund.com](http://www.bridgesfund.com)

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