



# Stock Traders Press

June 28, 2002

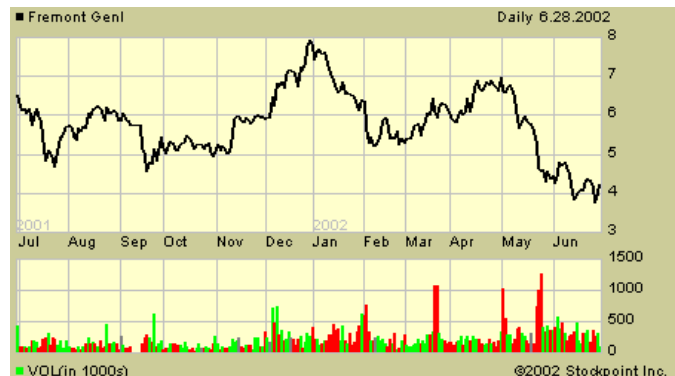
**Fremont General Corp. (NYSE) FMT \$4.15**

**Initially Recommended  
June 28, 2002**

## Company Data

52-week range	\$3-\$8
Market Cap	\$303.7M
Shares Outstanding	72.7M
Book Value	\$5.21
Price/Book	0.77
Average Daily Vol.	301.3K
Dividend / Yield	\$0.08 / 2.01%
Target Price	\$8.00
Target Percentage	92.7%

Recommendation – Strong Buy



**Fremont General Corporation** is a financial services holding company, which is primarily engaged in commercial and consumer real estate loans. We believe that Fremont General is substantially undervalued and thus an attractive long term investment.

The reasons for our constructive view on Fremont General are:

-In December 2001 Fremont General decided to discontinue its workmen's compensation insurance operation. This operation had been a money loser over the past several years and Fremont General has entered into an agreement with Employers Insurance Company of Nevada to sell the workman's compensation operation.

-**The company's real estate lending operation has been especially profitable over the past several years.** In FY2001 Fremont General earned 76 cents per share and for the first quarter ended March 31, 2002 the company earned 25 cents per share. It appears that Fremont General is on track to achieve earnings of \$0.95 to \$1.00 for the year ending December 31, 2002.

-**As of March 31, 2002, the company had a book value of \$5.05 per share and cash per share of \$2.14.**

-**At its current price of \$4.15 per share the stock is selling below book value and at a price/earnings ratio of about 4.2 times which is substantially below the industry average of 7x to 9x earnings.**

We believe that Fremont General is undervalued and overlooked by the investment community.