

*Press Release*

**DIVIDEND DECLARATION**

On February 26, 2004, Middlefield Mutual Funds Limited (the "Fund") declared a capital gains dividend of \$0.86 per share to Growth Class shareholders of record on that date, payable on February 27, 2004. The dividend has been automatically reinvested in additional shares of the Growth Class. Client account statements will be mailed to shareholders to reflect the new number of shares issued.

It is important to note that the total value of a shareholder's investment will not change as a result of this dividend due to the increase in the number of shares now owned by each shareholder. Since the Fund is non-certificated, new share certificates will not be issued. To obtain the new number of shares now owned by each Growth Class shareholder, the pre-dividend number of shares held must be multiplied by 1.227948.

For further information visit our website at [www.middlefield.com](http://www.middlefield.com) or contact:

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