Fourth Quarter 2015

VULCAN VALUE PARTNERS

Portfolio Review

General

We materially re-positioned our portfolios into more concentrated positions in more deeply discounted businesses during the third quarter when we experienced meaningful market volatility for the first time in years. These decisions impacted our results in the third quarter and continued to do so in the fourth quarter. We are not pleased with our poor short-term performance, but, as you know, we place no weight on short-term results, good or bad, and neither should you. In fact, we have and will continue to willingly make decisions that negatively impact short-term performance when we think we can lower risk and improve our long-term returns. We encourage you to place more weight on our longer term historical results and a great deal of weight on our long-term prospects. Within this context we are gratified that all of our investment strategies are ranked in the top 2% or 3% of our peers since inception.

A more detailed discussion of our results follows the table below.

Directory

	As of December 31, 2015			
	QTD	YTD	Annualized Since Inception*	Peer Rank Since Inception[1]
Large Cap Composite (Gross)	**1.3%**	**-8.3%**	**9.5%**	**Top 3%**
Large Cap Composite (Net)	**1.2%**	**-8.8%**	**8.7%**	
Russell 1000 Value Index	5.6%	-3.8%	4.5%	
S&P 500 Index	7.0%	1.4%	6.5%	
Small Cap Composite (Gross)	**2.7%**	**-3.3%**	**10.6%**	**Top 2%**
Small Cap Composite (Net)	**2.5%**	**-4.1%**	**9.5%**	
Russell 2000 Value Index	2.9%	-7.5%	3.7%	
Russell 2000 Index	3.6%	-4.4%	5.5%	
Focus Composite (Gross)	**4.0%**	**-8.3%**	**10.2%**	**Top 2%**
Focus Composite (Net)	**3.8%**	**-9.0%**	**8.8%**	
Russell 1000 Value Index	5.6%	-3.8%	4.9%	
S&P 500 Index	7.0%	1.4%	6.4%	
Focus Plus Composite (Gross)	**4.2%**	**-8.0%**	**9.3%**	**Top 3%**
Focus Plus Composite (Net)	**4.1%**	**-8.5%**	**8.0%**	
Russell 1000 Value Index	5.6%	-3.8%	4.5%	
S&P 500 Index	7.0%	1.4%	6.5%	
All Cap Composite (Gross)	**2.1%**	**-6.9%**	**12.8%**	**Top 3%**
All Cap Composite (Net)	**1.9%**	**-7.7%**	**11.8%**	
Russell 3000 Value Index	5.4%	-4.1%	10.0%	
Russell 3000 Index	6.3%	0.5%	11.3%	

[1]Peer ranking information sourced from eVestment as of February 6, 2019 using Vulcan Value Partners Large Cap, Focus and Focus Plus Composites versus peer group of US Large Cap Value Equity Universe, Vulcan Value Partners Small Cap Composite versus peer group of US Small Cap Value Equity Universe and Vulcan Value Partners All Cap Composite versus peer group of US All Cap Value Equity Universe since inception ending December 31, 2015. All returns are shown gross and net of fees. Vulcan Value Partners claims compliance with the Global Investment Performance Standards (GIPS®). *Inception date is 3/31/2007 for Large Cap, Small Cap, and Focus Plus Composites. Inception date is 11/30/2007 for Focus Composite. Inception date is 4/1/2011 for All Cap Composite. Past performance is no guarantee of future results. Please see important disclosures at the end of this document.

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Portfolio Review (Cont.)

Our investment philosophy is designed to lower risk and produce exceptional returns over our five year time horizon. It is not designed to perform well in all market environments, and it is not designed to perform well over shorter periods of time. In fact, accepting poor short-term results is necessary to produce superior long-term results.

The current market environment reminds us of 2007. Then, as now, our short-term performance was poor. Then, as now, valuation levels were stretched, and what was working we simply did not want to own. In 2015, a narrow group of over-valued companies led the S&P 500 higher. Without the so-called FANG stocks (Facebook, Amazon, Netflix, and Google), the S&P 500 would have had a negative return. What else worked in 2015? The most expensive stocks trounced the cheapest stocks. The 50 highest P/E stocks in the S&P 500 returned 5.4%, while the lowest 50 P/E stocks returned -10.9%. Growth worked well too. The top quintile fastest growing S&P 500 stocks returned 12.9%, while the slowest growing returned -5.13%. The largest stocks did well, while smaller cap stocks did not. The fifty largest stocks in the S&P 500 gained 5.6%, while the smallest 50 declined 5.3%. Momentum worked while mean reversion produced awful results – the exact opposite of what has happened over the long-term. Over the last ten years, mean reversion, which is fundamental to value investors such as ourselves, produced a 7.2% annualized return versus 3.1% for momentum. In 2015, mean reversion produced a loss of 28.6%, while momentum produced a 2.4% gain.[1]

So, if we had thrown out our investment philosophy and bought the fastest growing, most expensive, largest companies that had gone up the most in price, we would have had a pretty good year. Instead, we methodically executed our investment philosophy, reduced risk and improved our long-term prospects. We allocated capital away from more expensive companies and added capital to more discounted companies with higher margins of safety. We responded to second half volatility by becoming more concentrated in our most discounted companies. The values of the underlying businesses we own grew even though prices declined. As a result, we have deferred returns, not lost them, and our prospective returns come to us with less risk because our price to value ratios have improved materially over the past twelve months. Said another way, our margin of safety improved, not just because of price declines, but also because of rising values.

In last year's year-end letter we wrote:

> "As we enter the New Year and compare our expectations over our five year time horizon to the previous five years, we are virtually certain that our returns will be lower. In the short run, anything can happen. In the long run, our returns are a function of two primary drivers. The first determinant is the underlying growth in the value of the companies we own. The second determinant is the discount to fair value that is available to us, which is the same thing as our margin of safety.
>
> On the first count, the underlying growth in the value of the businesses we own has been consistently higher than the assumptions we use to value our businesses. Our estimated values have compounded at a mid-teens rate compared to our expectations of low double-digit value growth. Our companies are extraordinary, so it is not surprising that their value growth would be extraordinary as well. Our companies have produced large amounts of free cash flow, which has been reinvested wisely; they have grown their top lines, and margins have expanded. Going forward, we expect them to continue to produce ample free cash flow and to continue to reinvest wisely. In the aggregate, however, margins are closer to a peak than a trough. Top line results will muddle along with growth shifting from one region of

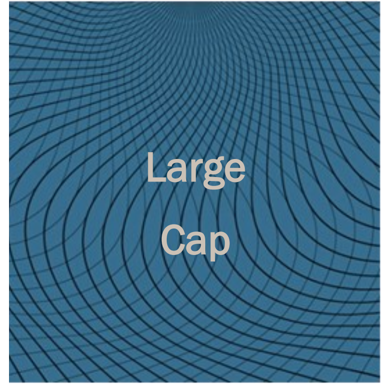
Portfolio Review (Cont.)

> the world to another, but the global economy is not firing on all cylinders and there is little prospect that it will be over our five year time horizon. So, the growth in the value of the businesses we own, while still positive and very attractive compared to inflation or bonds, will have to moderate over the next five years.
>
> On the second count, we do not enjoy as wide of a margin of safety today as we did five years ago. Today, our weighted average price to value ratios across all strategies average in the mid-seventies. Five years ago, it was in the low sixties. As you know from our previous letters, our primary concern is reducing risk and protecting capital; not returns. As the margin of safety available to us has shrunk, we have reduced risk through greater diversification in our diversified strategies. Our returns are a by-product of reducing risk. A qualifying sixty-cent-dollar[2] has a larger margin of safety and less risk than a qualifying seventy-five-cent-dollar. Stated simply, a seventy-five-cent-dollar that moves to a dollar, or fair value, generates less return than a sixty-cent-dollar that does the same thing."

As this letter is being written, global equity markets are off to their worst start in recent memory with the S&P 500 down 9.0%, the Stoxx Europe 600 down 11.9%, and the Shanghai composite down 15.9%.[3] The global economy remains weak. Europe is improving slightly, the U.S. is muddling along below its potential, the developing world is slowing sharply with some large economies such as Brazil in recession, and China is not only slowing but its headline growth is overstated. The dollar remains strong, and the Federal Reserve has begun raising interest rates in the U.S. Primarily due to the strong dollar, value growth for our portfolio companies was mid-single digits in 2015, better than the average company, but well below trend. 2016 looks like more of the same in terms of subdued value growth. Valuation levels, while improving, are a long way from cheap.

The silver lining to this somewhat glum outlook is that increased volatility and market declines give us the opportunity to continue to improve our price to value ratios, reduce risk, and improve our long-term prospects. As long-term investors with a five year time horizon, we want prices to decline more. We are not yet at a point where we are feeling bullish, but we are feeling better. We thank you for your confidence in us, and for your patient capital which allows us to execute our investment philosophy and compound our own capital alongside yours over our five year time horizon.

In the discussion that follows, we generally define material contributors and detractors as companies having a greater than 1% impact on the portfolio.



Vulcan Value Partners Large Cap Review

As of December 31, 2015						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP Large Cap (Gross)	**1.3%**	**-8.3%**	**-8.3%**	**13.4%**	**14.1%**	**9.5%**
VVP Large Cap (Net)	**1.2%**	**-8.8%**	**-8.8%**	**12.7%**	**13.3%**	**8.7%**
Russell 1000 Value Index	5.6%	-3.8%	-3.8%	13.1%	11.3%	4.5%
S&P 500 Index	7.0%	1.4%	1.4%	15.1%	12.6%	6.5%

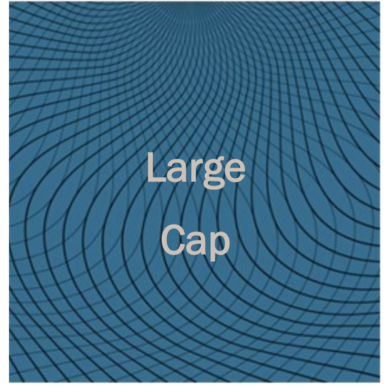
*Inception Date March 31, 2007

We purchased three new positions in the fourth quarter, Intercontinental Hotels Group, United Technologies, and The Carlisle Companies. Intercontinental Hotels Group and United Technologies should be familiar names to our long time clients. We have owned both companies before, and both were excellent investments for us. Since we sold them, their values have remained stable in the face of economic headwinds, but their stock prices have declined, providing a margin of safety which allows us to own them again. Intercontinental Hotels Group, based in the UK, owns leading global hotel brands including Intercontinental, Holiday Inn and Kimpton Hotels. United Technologies is a large industrial company with leading global market positions in aerospace and elevators. The Carlisle Companies, while smaller than United Technologies, is also an industrial company with leading market positions in the aerospace industry, but its largest business is commercial roofing products. Both United Technologies and The Carlisle Companies' results have been held back by the strong dollar, but the long-term outlook for their core businesses is excellent. All of these companies are competitively entrenched, produce high levels of free cash flow, and are extremely well managed.

We exited one position during the fourth quarter. We sold F5 Networks because we believed its competitive composition was declining. F5 Networks dominates the market for load balancers, which are used to optimize data traffic in large enterprises. We believe that the company will continue to dominate this industry, but that demand for its products will decline as more of its customers move data loads to the cloud where F5 Networks does not have a leading position.

There were no material contributors to performance during the fourth quarter. There was one material detractor.

Fossil Group has been a disappointing investment for us throughout 2015. We forecasted that 2015 was going to be a down year when we purchased Fossil and factored it into our valuation. It now looks like 2016 is going to be a down year as well, which we did not expect. While we would prefer to have been more accurate in our forecast for Fossil, we understand the reasons why and remain supportive of Fossil's management team. Fossil has a very strong competitive position in the watch industry with global distribution and scale, strong internally developed brands, and a broad portfolio of third party brands. Fossil is the preferred partner for leading lifestyle brands including Michael Kors, Burberry, Armani



Vulcan Value Partners Large Cap Review (Cont.)

Exchange, DKNY, Diesel, Tory Burch, Kate Spade, Adidas, and others. We think Fossil's competitive strengths will enable it to compete effectively in the rapidly expanding wearables market. Fossil is investing heavily to participate in the wearables market, which is the main reason we expect 2016 to be a down year. If Fossil fails in wearables and retreats to traditional watches, it is extremely discounted. If Fossil is modestly successful in wearables, it is one of the cheapest companies we have ever owned.

We call attention to the fact that we are staying with Fossil even though its short-term financial results are challenged, and we are selling F5 Networks even though its current financial results are robust. The more important analysis is our understanding of each company's competitive position. In the case of Fossil, we believe it remains intact. In the case of F5 Networks, we believe the competitive threat from the cloud poses unacceptable risks. We are human and we certainly could be wrong, but our long-term results are much more dependent on our analysis of the competitive position of our companies than on financial modeling and earnings forecasts.

Our price to value ratio improved by over 10 points in 2015 and ended the year in the mid-sixties. While we would have preferred better short-term performance in 2015, we are pleased to have been able to lower our price to value ratio by concentrating in our most discounted companies. In addition, the underlying value of the businesses in the portfolio grew. These improvements bode well for future compounding over our five year time horizon.

Large Cap Strategy

4Q 2015 Top 5 Performers		4Q 2015 Bottom 5 Performers		2015 Top 5 Performers		2015 Bottom 5 Performers	
Security	**Return %**	**Security**	**Return %**	**Security**	**Return %**	**Security**	**Return %**
Microsoft Corp	26.2%	Fossil Group Inc	-34.6%	Microsoft Corp	36.0%	Fossil Group Inc	-67.0%
Swiss Re AG	14.6%	F5 Networks Inc	-15.9%	Sabre Corp	31.1%	National Oilwell Varco Inc	-36.6%
Swiss Re AG (ADR)	14.6%	National Oilwell Varco Inc	-10.0%	Aetna Inc	22.9%	Aberdeen Asset Management PLC (ADR)	-35.9%
Visa Inc	11.5%	MSC Industrial Direct Company Inc	-7.2%	Visa Inc	19.1%	Aberdeen Asset Management PLC	-35.6%
Boeing Company	11.1%	Aberdeen Asset Management PLC (ADR)	-6.6%	Chubb Corp	18.5%	Franklin Resources Inc	-32.5%

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list. A company's relative contribution to return for the portfolio may not equal its absolute return and return for other portfolios for the relevant period because of differences in portfolio weights and holding periods. The returns shown above reflect the actual returns of the above securities in our composite for the time period indicated.

Vulcan Value Partners Small Cap Review

As of December 31, 2015						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP Small Cap (Gross)	**2.7%**	**-3.3%**	**-3.3%**	**12.9%**	**13.4%**	**10.6%**
VVP Small Cap (Net)	**2.5%**	**-4.1%**	**-4.1%**	**12.0%**	**12.5%**	**9.5%**
Russell 2000 Value Index	2.9%	-7.5%	-7.5%	9.1%	7.7%	3.7%
Russell 2000 Index	3.6%	-4.4%	-4.4%	11.7%	9.2%	5.5%

*Inception Date March 31, 2007

We did not purchase any new positions and exited five positions during the fourth quarter.

We sold Core Labs, Herman Miller, Inc., Jack Henry and Associates, Nasdaq, Inc., and Graco. All were good investments for us, and all were sold because they reached our estimate of fair value. We have owned the majority of these companies in the past. Nasdaq, Inc. deserves special mention. We bought it during the financial crisis and held it until the end of 2015. While we owned it, the company produced consistently high levels of free cash flow, grew its bottom line, and intelligently allocated capital. As a result, we enjoyed strong value growth as well as the closing of Nasdaq, Inc.'s price to value gap. We are grateful to Nasdaq, Inc.'s strong management team for their excellent stewardship while we were shareholders.

There were no material contributors and one material detractor to performance during the fourth quarter.

Fossil Group has been a disappointing investment for us throughout 2015. We forecasted that 2015 was going to be a down year when we purchased Fossil and factored it into our valuation. It now looks like 2016 is going to be a down year as well, which we did not expect. While we would prefer to have been more accurate in our forecast for Fossil, we understand the reasons why and remain supportive of Fossil's management team. Fossil has a very strong competitive position in the watch industry with global distribution and scale, strong internally developed brands, and a broad portfolio of third party brands. Fossil is the preferred partner for leading lifestyle brands including Michael Kors, Burberry, Armani Exchange, DKNY, Diesel, Tory Burch, Kate Spade, Adidas, and others. We think Fossil's competitive strengths will enable it to compete effectively in the rapidly expanding wearables market. Fossil is investing heavily to participate in the wearables market, which is the main reason we expect 2016 to be a down year. If Fossil fails in wearables and retreats to traditional watches, it is extremely discounted. If Fossil is modestly successful in wearables, it is one of the cheapest companies we have ever owned.

Nu Skin, also noteworthy, was the second largest contributor to performance in 2015 with just under a 1% positive impact on the portfolio, despite the fact that its stock returned -10.5% for the year. How can this be? Because we followed our

Vulcan Value Partners Small Cap Review (Cont.)

discipline and purchased Nu Skin when its price declined and its value was stable. When its stock price rose and our margin of safety eroded, we reduced our weight. We size positions according to discount. The larger the discount the greater the weight and vice versa.

Despite a tremendous amount of work, Small Cap's price to value ratio barely improved year over year and is in the upper sixties. Cash levels peaked in the second quarter, came down substantially during the third quarter but began to rise again during the fourth quarter. Even though Small Cap ended the year with good relative performance, we still lost money during the year. The number of qualifying investments available to us in Small Cap has improved marginally over the past 12 months, but the environment remains challenging. We would not recommend adding capital to our Small Cap program at this time.

Small Cap Strategy							
4Q 2015 Top 5 Performers		4Q 2015 Bottom 5 Performers		2015 Top 5 Performers		2015 Bottom 5 Performers	
Security	Return %	Security	Return %	Security	Return %	Security	Return %
Actuant Corp	30.3%	Fossil Group Inc	-34.6%	KMG Chemicals Inc	54.8%	Fossil Group Inc	-56.9%
Woodward Inc	22.3%	Thermon Group Holdings Inc	-17.7%	MSCI Inc	41.1%	Virtus Investment Partners Inc	-30.1%
Virtus Investment Partners Inc	17.4%	Nu Skin Enterprises Inc	-7.2%	Sabre Corp	39.9%	Thermon Group Holdings Inc	-30.1%
Core Laboratories	16.5%	MSC Industrial Direct Company Inc	-7.2%	Chemed Corp	37.5%	Timken Company	-28.3%
Graco Inc	14.8%	Ituran Location and Control Ltd	-7.1%	Nasdaq Inc	26.0%	MSC Industrial Direct Company Inc	-25.4%

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VULCAN VALUE PARTNERS

Vulcan Value Partners Focus Review

As of December 31, 2015						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP Focus (Gross)	**4.0%**	**-8.3%**	**-8.3%**	**13.7%**	**14.2%**	**10.2%**
VVP Focus (Net)	**3.8%**	**-9.0%**	**-9.0%**	**12.8%**	**13.1%**	**8.8%**
Russell 1000 Value Index	5.6%	-3.8%	-3.8%	13.1%	11.3%	4.9%
S & P 500 Index	7.0%	1.4%	1.4%	15.1%	12.6%	6.4%

*Inception Date November 30, 2007

It was a quiet quarter in terms of trading. We did not purchase any new companies during the fourth quarter. We did not exit any companies during the fourth quarter. Moreover, there were no material contributors or detractors during the fourth quarter.

For the year, Visa, MasterCard, and Boeing were material contributors and were also the top three contributors in the fourth quarter. For the year, Franklin Resources, Discovery Communications, Parker Hannifin, and Oracle were material detractors. During 2015, we reduced our weights in Visa, MasterCard, and Boeing as their prices rose more than their values grew. We increased our weights in Discovery Communications, Parker Hannifin and Oracle as their prices declined while their values remained stable.

The strong dollar had a negative impact on every company in Focus during 2015, and it was a headwind to value growth. However, the dollar is cyclical and, over time, companies can mitigate its impact. Adjusting for currency, the underlying fundamentals of our companies are much better than the headline numbers suggest.

Our price to value ratio improved by over 10 points in 2015 and ended the year in the mid-sixties. We became more concentrated going from 13 names to 11. By mandate we can hold as few as 7 names and as many as 14 names in Focus. While we would have preferred better short-term performance in 2015, we are pleased to have been able to lower our price value ratio by concentrating in our most discounted companies. These improvements bode well for future compounding over our five year time horizon.

Vulcan Value Partners Focus Review (Cont.)

Focus Strategy							
4Q 2015 Top 5 Performers		**4Q 2015 Bottom 5 Performers**		**2015 Top 5 Performers**		**2015 Bottom 5 Performers**	
Security	**Return %**	**Security**	**Return %**	**Security**	**Return %**	**Security**	**Return %**
Visa Inc	11.5%	Franklin Resources Inc	-0.7%	Visa Inc	19.1%	Franklin Resources Inc	-32.5%
Boeing Company	11.1%	Parker-Hannifin Corp	0.3%	Boeing Company	14.1%	Discovery Communications Inc	-25.2%
Mastercard Inc	8.2%	ACI Worldwide Inc	1.3%	Mastercard Inc	13.8%	Parker-Hannifin Corp	-23.1%
Dover Corp	7.9%	Oracle Corp	1.5%	Walt Disney Company	12.9%	Oracle Corp	-17.6%
Bank of New York Mellon Corp	5.7%	Walt Disney Company	3.5%	ACI Worldwide Inc	4.5%	Dover Corp	-12.4%

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Focus Plus

VULCAN VALUE PARTNERS

Vulcan Value Partners Focus Plus Review

As of December 31, 2015						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP Focus Plus (Gross)	4.2%	-8.0%	-8.0%	14.0%	13.6%	9.3%
VVP Focus Plus (Net)	4.1%	-8.5%	-8.5%	13.0%	12.5%	8.0%
Russell 1000 Value Index	5.6%	-3.8%	-3.8%	13.1%	11.3%	4.5%
S & P 500 Index	7.0%	1.4%	1.4%	15.1%	12.6%	6.5%

*Inception Date March 31, 2007

We finally had the opportunity to write option contracts during the fourth quarter. Volatility began to decrease in the fourth quarter of 2011 and has remained low for the last several years, which has made direct purchase and sale of stock more attractive. Recently, volatility has been increasing. If it continues, we might be able to use options more broadly. We use options to lower risk. We also make high, equity-like returns when option prices reflect higher levels of implied volatility. If exercised, these options give us the right to purchase stakes in companies we want to own at a lower price than the market price at the time the option was written. We would like for these options to be exercised and have set aside cash for that purpose. We employ no leverage. In effect, we are being paid double-digit returns on our cash while we wait for lower prices and a corresponding larger margin of safety. We also use options to exit positions. Generally, we write covered calls with the strike price being our estimate of fair value. As with our puts, we are being paid to do something we would do anyway at a given price.

We sold call options on Disney with the strike price equal to our estimate of intrinsic worth. We are earning a 10% annualized return on these options.

It was a quiet quarter in terms of trading. We did not purchase any new companies during the fourth quarter. We did not exit any companies during the fourth quarter. Moreover, there were no material contributors or detractors during the fourth quarter.

For the year, Visa, MasterCard, and Boeing were material contributors and were also the top three contributors in the fourth quarter. For the year, Franklin Resources, Discovery Communications, Parker Hannifin, and Oracle were material detractors. During 2015, we reduced our weights in Visa, MasterCard, and Boeing as their prices rose more than their values grew. We increased our weights in Discovery Communications, Parker Hannifin and Oracle as their prices declined while their values remained stable.

The strong dollar had a negative impact on every company in Focus Plus during 2015, and it was a headwind to value growth. However, the dollar is cyclical and, over time, companies can mitigate its impact. Adjusting for currency, the underlying fundamentals of our companies are much better than the headline numbers suggest.

Vulcan Value Partners Focus Plus Review (Cont.)

Our price to value ratio improved by over 10 points in 2015 and ended the year in the mid-sixties. We became more concentrated by increasing our stakes in our most discounted names, and the number of companies owned in the portfolio decreased to 11. By mandate we can hold as few as 7 names and as many as 14 names in Focus Plus. While we would have preferred better short-term performance in 2015, we are pleased to have been able to lower our price value ratio by concentrating in our most discounted companies. These improvements bode well for future compounding over our five year time horizon.

Focus Plus Strategy							
4Q 2015 Top 5 Performers		**4Q 2015 Bottom 5 Performers**		**2015 Top 5 Performers**		**2015 Bottom 5 Performers**	
Security	**Return %**	**Security**	**Return %**	**Security**	**Return %**	**Security**	**Return %**
Visa Inc	11.5%	Franklin Resources Inc	-0.7%	Visa Inc	19.1%	Franklin Resources	-32.5%
Boeing Company	11.1%	Parker-Hannifin Corp	0.3%	Boeing Company	14.1%	Discovery Communications Inc	-25.2%
Mastercard Inc	8.2%	ACI Worldwide Inc	1.3%	Mastercard Inc	13.8%	Parker-Hannifin Corp	-23.1%
Dover Corp	7.9%	Oracle Corp	1.5%	Walt Disney Company	12.9%	Oracle Corp	-17.6%
Bank of New York Mellon Corp	5.7%	Walt Disney Company	3.5%	ACI Worldwide Inc	4.5%	Dover Corp	-12.4%

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list. A company's relative contribution to return for the portfolio may not equal its absolute return and return for other portfolios for the relevant period because of differences in portfolio weights and holding periods. The returns shown above reflect the actual returns of the above securities in our composite for the time period indicated.

Vulcan Value Partners All Cap Review

As of December 31, 2015						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP All Cap (Gross)	2.1%	-6.9%	-6.9%	**13.3%**	-	12.8%
VVP All Cap (Net)	1.9%	-7.7%	-7.7%	**12.3%**	-	11.8%
Russell 3000 Value Index	5.4%	-4.1%	-4.1%	**12.8%**	-	10.0%
Russell 3000 Index	6.3%	0.5%	0.5%	**14.7%**	-	11.3%

*Inception Date April 1, 2011

We purchased two new positions and exited three positions during the fourth quarter.

United Technologies and Woodward Industries should be familiar names to our long time clients. We have owned United Technologies before, and it was an excellent investment for us. Since we sold it, United Technologies' value has continued to compound, but its stock price has declined, providing a margin of safety which allows us to own it again. Woodward is a similar story except that we have owned it in Small Cap for several years. United Technologies is a large industrial company with leading global market positions in aerospace and elevators. Woodward, while smaller than United Technologies, is also an industrial company with leading market positions in the aerospace industry, but it also has a large segment providing products to the energy sector. The majority of those products are related to energy production, so it is more insulated from commodity prices than is generally appreciated.

We exited Ashmore Group, Eaton Vance and F5 Networks. We sold Ashmore and Eaton Vance to redeploy capital into more discounted companies. We sold F5 Networks because we believed its competitive composition was declining. F5 Networks dominates the market for load balancers, which are used to optimize data traffic in large enterprises. We believe that the company will continue to dominate this industry, but demand for its products will decline as more of its customers move data loads to the cloud where F5 Networks does not have a leading position.

There were no material contributors and one material detractor to performance during the fourth quarter.

Fossil Group has been a disappointing investment for us throughout 2015. We forecasted that 2015 was going to be a down year when we purchased Fossil and factored it into our valuation. It now looks like 2016 is going to be a down year as well, which we did not expect. While we would prefer to have been more accurate in our forecast for Fossil, we understand the reasons why and remain supportive of Fossil's management team. Fossil has a very strong competitive position in the watch industry with global distribution and scale, strong internally developed brands, and a broad portfolio of third party brands. Fossil is the preferred partner for leading lifestyle brands including Michael Kors, Burberry, Armani

Vulcan Value Partners All Cap Review (Cont.)

Exchange, DKNY, Diesel, Tory Burch, Kate Spade, Adidas, and others. We think Fossil's competitive strengths will enable it to compete effectively in the rapidly expanding wearables market. Fossil is investing heavily to participate in the wearables market, which is the main reason we expect 2016 to be a down year. If Fossil fails in wearables and retreats to traditional watches, it is extremely discounted. If Fossil is modestly successful in wearables, it is one of the cheapest companies we have ever owned.

We call attention to the fact that we are staying with Fossil even though its short-term financial results are challenged, and we are selling F5 Networks even though its current financial results are robust. The more important analysis is our understanding of each company's competitive position. In the case of Fossil, we believe it remains intact. In the case of F5 Networks, we believe the competitive threat from the cloud poses unacceptable risks. We are human and we certainly could be wrong, but our long-term results are much more dependent on our analysis of the competitive position of our companies than on financial modeling and earnings forecasts.

We ended 2015 with All Cap's price to value ratio in the mid-sixties versus low seventies a year ago. As you would expect, this improvement is better than Small Cap but not as good as we experienced in our Large Cap portfolios.

All-Cap Strategy

4Q 2015 Top 5 Performers		4Q 2015 Bottom 5 Performers		2015 Top 5 Performers		2015 Bottom 5 Performers	
Security	Return %	Security	Return %	Security	Return %	Security	Return %
Microsoft Corp	26.2%	Fossil Group Inc	-34.6%	MSCI Inc	31.4%	Fossil Group Inc	-56.9%
Woodward Inc	15.1%	F5 Networks Inc	-16.3%	Aetna Inc	22.9%	National Oilwell Varco Inc	-36.6%
Ashmore Group PLC	14.7%	National Oilwell Varco Inc	-10.0%	Visa Inc	19.1%	Aberdeen Asset Management PLC (ADR)	-35.9%
Swiss Re AG	14.6%	Nu Skin Enterprises Inc	-7.2%	Mircrosoft Corp	18.1%	Aberdeen Asset Managemet PLC	-35.6%
Swiss Re AG (ADR)	14.6%	MSC Industrial Direct Company Inc	-7.2%	Chubb Corp	17.7%	Franklin Resources Inc	-32.5%

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list. A company's relative contribution to return for the portfolio may not equal its absolute return and return for other portfolios for the relevant period because of differences in portfolio weights and holding periods. The returns shown above reflect the actual returns of the above securities in our composite for the time period indicated.

Closing

2015 was disappointing in terms of absolute compounding and relative performance, with the sole exception of Small Cap's relative performance. However, as we say repeatedly in every letter, whether our performance is good or bad: we place no weight on short-term results, good or bad, and neither should you. In fact, we have and will continue to willingly make decisions that negatively impact short-term performance when we think we can lower risk and improve our long-term returns. We encourage you to place more weight on our longer term historical results and a great deal of weight on our long-term prospects. Our prospects have improved as our values have grown, and our price to value ratios have improved materially over the course of 2015, with Small Cap being the sole exception to this general improvement.

In addition, we continue to strengthen our organization. Bill Hjorth, who many of you know, and who has been at Vulcan Value Partners since the early days, is joining us as a partner. So is his colleague in Client Service, John Collier. John and Bill have made considerable contributions to Vulcan Value Partners, as has our Chief Compliance Officer Blevins Naff, who also is joining us as a partner. Last but not least, Jim Falbe, on our research team, is becoming a partner in our firm. Jim has strengthened our research efforts on multiple fronts, and we are looking forward to many more great things from him.

We greatly appreciate the confidence you have placed in us. We could not produce the excellent long-term results we have without intelligent, long-term focused client-partners. Thank you for your thoughtful support. We look forward to working with you throughout the New Year.

Sincerely,

C.T. Fitzpatrick
Chief Investment Officer

Disclosures

The performance presented is for our Large Cap Composite, Focus Composite, Focus Plus Composite, Small Cap Composite, and All Cap Composite. The model composite portfolio performance figures reflect the deduction of brokerage or other commissions and the reinvestment of dividends and capital gains. Past performance is no guarantee of future results and we may not achieve our return goal. We have presented returns gross and net of fees. Gross of fees returns are calculated gross of management and custodial fees and net of transaction costs. Net of fees returns are calculated net of management fees and transaction costs and gross of custodian fees, taken at the highest applicable fee. The performance figures do not reflect the deduction of any taxes an investor might pay on distributions or redemptions. Our standard fees are presented in Part 2 of our ADV.

Value is our estimate of the intrinsic worth of a company based on our assessment of certain quantitative and qualitative factors. Vulcan defines risk reduction as reducing the portfolio's price to value ratio by either buying (or adding to existing positions) high quality companies which are trading well below fair value as estimated by Vulcan, or selling positions which are trading at or near their fair values. Total return percentage for an individual security is the performance of the security from price at initial purchase date to the price at final sale date. Actual returns for the composites holdings of those securities may differ from total return as the composites rebalanced or changed weights in the individual securities. There may be market or economic conditions which affect our performance, or that of our relevant benchmarks, that may have changed Vulcan Value Partners' views regarding the prospects of any particular investment. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities discussed in this letter. The information provided in this presentation is furnished as of the date shown, and no representation is being made with respect to its accuracy on any future date. Vulcan Value Partners does not assume any duty to update any information in this presentation. Vulcan buys concentrated positions for our portfolios, at times averaging 5% in our model portfolios, which may make our performance more volatile than that of our benchmark indices, and our performance may diverge from an index, positively or negatively, as a result. Our focus is on long term capital appreciation, so our clients should consider at least a five year time horizon for an investment with Vulcan.

The S&P 500 Index is an unmanaged index of 500 common stocks chosen for market size, liquidity, and industry group representation. It is a market-value weighted index. The Russell 1000® Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. The Russell 2000® Index includes the 2000 firms from the Russell 3000® Index with the smallest market capitalizations. The Russell 2000® Index Value Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. Index figures do not reflect deductions for any fees, expenses, or taxes. Investors cannot invest directly in an index.

Vulcan Value Partners is an investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Vulcan focuses on long term capital appreciation; targeting securities purchases that we believe have a substantial margin of safety in terms of value over price and limiting our investments to companies that we believe have sustainable competitive advantages that will allow them to earn superior returns on capital. Vulcan Value Partners claims compliance with the Global Investment Performance Standards (GIPS®). To receive a complete list and description of Vulcan Value Partners' composites and a presentation that adheres to the GIPS standards, please contact Blevins Naff at 205.803.1582 or write Vulcan Value Partners, Three Protective Center, 2801 Highway 280 South, Suite 300, Birmingham, AL 35223.

Large Cap Composite Information: This portfolio strategy invests in companies with larger market capitalizations. Subject to price, any publicly traded company with above average economics that is too large to be included in our small capitalization composite would be a potential investment in this portfolio. A core position is 5% so that theoretically our clients would hold 20 names diversified across various industries. It is very rare that enough companies are sufficiently discounted to warrant this level of concentration so concentration will vary with the price to value ratio. We will invest client assets in positions as small as 1% when price to value ratios are higher. We will not invest client assets in any business that is trading above our estimate of fair value. The composite benchmark is the S&P 500 which is an index of 500 stocks selected based on market size, liquidity, and sector and is designed to provide a broad snapshot of the overall U.S. equity market. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. The composite was created on March 31, 2007. Portfolios below the minimum asset level of $50,000 are not included in the composite. Effective February 2019, the following returns were restated: 2009 Large Cap composite returns – Gross of Fees changed from 60.26% to 55.80% and Net of Fees changed from 58.67% to 54.25%; 2011 Large Cap composite returns – Gross of Fees changed from 5.88% to 5.23% and Net of Fees changed from 5.15% to 4.51%. All associated inception to date returns, dispersions, and 3 yr ex-post standard deviation calculations have also been updated to reflect these adjustments. Additional information regarding these changes is available upon request.

Focus Composite Information: This portfolio strategy invests in companies with larger market capitalizations. Subject to price, any publicly traded company with above average economics that is too large to be included in our small capitalization composite would be a potential investment in this portfolio. This is a very concentrated portfolio holding between seven and fourteen positions. We will not invest client assets in any business that is trading above our estimate of fair value. The composite benchmark is the S&P 500 which is an index of 500 stocks selected based on market size, liquidity, and sector and is designed to provide a broad snapshot of the overall U.S. equity market. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. The composite was created on November 30, 2007. Portfolios below the minimum asset level of $50,000 are not included in the composite. Effective February 2019, the following returns were restated: 2009 Focus composite returns – Gross of Fees changed from 66.42% to 60.28% and Net of Fees changed from 63.95% to 57.90%. The dispersion return was also adjusted from 2.40% to 0.66% to reflect the update. All associated inception to date returns, dispersions, and 3 yr ex-post standard deviation calculations have also been updated to reflect these adjustments. Additional information regarding these changes is available upon request.

Disclosures (Cont.)

Focus Plus Composite Information: This portfolio strategy invests in companies with larger market capitalizations. Subject to price, any publicly traded company with above average economics that is too large to be included in our small capitalization composite would be a potential investment in this portfolio. This is a very concentrated portfolio holding between seven and fourteen positions. We will use options instead of limit orders to acquire and/or sell the stock. We do not intend to employ any leverage, but will utilize options to sell volatility when it is expensive and buy volatility when it is cheap. We will focus on options which give our clients the right to buy or sell stock in companies at prices that we would buy or sell anyway, and we will generate revenue through option premiums. Generally, we plan to use options instead of buying stock directly when we can earn double digit returns from selling options. We only intend to purchase options under rare circumstances, and to continue to focus on reducing risk through the purchase of qualifying companies at attractive prices. We will not invest client assets in any business that is trading above our estimate of fair value. The composite benchmark is the S&P 500 which is an index of 500 stocks selected based on market size, liquidity, and sector and is designed to provide a broad snapshot of the overall U.S. equity market. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. The composite was created on March 31, 2007. Portfolios below the minimum asset level of $50,000 are not included in the composite.

Small Cap Composite Information: This portfolio strategy invests in companies with smaller market capitalizations. Subject to price, any publicly traded company with above average economics that is not "large" would be a potential investment in this portfolio. While we do not have any defined cutoffs, we use the Russell 2000 as a guide to define small cap, and any small publicly traded company with reasonable economics would be a potential investment in this portfolio. A core position is 5% so that theoretically our clients would hold 20 names diversified across various industries. It is very rare that enough companies are sufficiently discounted to warrant this level of concentration so concentration will vary with the price to value ratio. We will invest client assets in positions as small as 1% when price to value ratios are higher. We will not invest client assets in any business that is trading above our estimate of fair value. The composite benchmark is the Russell 2000 Index which measures the performance of the small-cap segment of the U.S. Equity universe and includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. The composite was created on March 31, 2007. Portfolios below the minimum asset level of $50,000 are not included in the composite.

All Cap Composite Information: This portfolio strategy invests in companies across all market capitalizations. Generally, positions held in this strategy will also be held in either the Large Cap or Small Cap strategies, though sometimes with differing weights. As with those strategies, a core position in this portfolio is 5% so that theoretically we would hold 20 positions diversified across various industries. Because it is rare that we would find 20 companies meeting our investment guidelines, concentration will vary with the price to value ratios we determine for companies in which we invest. We will invest client assets in positions as small as 1% when price to value ratios are higher. We will not invest client assets in any business that is trading above our estimate of fair value. The composite benchmark is the Russell 3000 Index which measures the performance of the largest 3000 US companies representing approximately 98% of the investable US Equity market. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. The composite was created on April 1, 2011. Portfolios below the minimum asset level of $50,000 are not included in the composite.

All returns are expressed in US dollars.

[1] Source data from FactSet. The momentum returns were calculated by taking the top 50 performing stocks of each year over the last 10 years from the S&P 500 and calculating their average subsequent year performance then annualizing those returns over the ten year period. The mean reversion returns were calculated by taking the bottom 50 performing stocks of each year over the last 10 years from the S&P 500 and calculating their average subsequent year performance then annualizing those returns over the ten year period.

[2] Value investing vernacular comparing the ratio of the current market price of an investment divided by the estimated fair value of the investment to the estimated fair value of the investment defined as a dollar.

[3] Source data from FactSet as of January 20, 2016.