Third

Quarter

2010

VULCAN
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Portfolio Review

General

We are pleased with our progress in the third quarter, which is summarized below. We delivered double digit results across all of our investment strategies. Admittedly, we have to round up to count Focus in the double digit category with a 9.7% return but we will take it. Small Cap remains the standout once again with an 11.8% return in the third quarter and 18.0% year to date. Our performance was slightly above or slightly below major market indices in the quarter, depending on the strategy, and is ahead of the major market indices in each of our strategies year to date. Having said all of the above, we place no weight on short term results, good or bad, and neither should you. We are focused on producing superior real rates of return over our five year time horizon. Everything we do is with that goal in mind, even if it hurts our results in the short run. We encourage you to place more weight on our longer term historical results and a great deal of weight on our long-term prospects. On that score, we are feeling very good.

Directory

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Through September 30, 2010

	QTD	YTD	Annualized Since Inception*	Peer Rank[1]
Large Cap Composite (Gross)	**10.5%**	**4.2%**	**1.6%**	**Top 5%**
Russell 1000 Value Index	10.1%	4.5%	-6.9%	
S&P 500 Index	11.3%	3.9%	-4.0%	
Focus Composite (Gross)	**10.8%**	**4.6%**	**1.3%**	**Top 3%**
Russell 1000 Value Index	10.1%	4.5%	-6.9%	
S&P 500 Index	11.3%	3.9%	-4.0%	
Focus Plus Composite (Gross)	**9.7%**	**5.1%**	**1.5%**	**Top 5%**
Russell 1000 Value Index	10.1%	4.5%	-6.9%	
S&P 500 Index	11.3%	3.9%	-4.0%	
Small Cap Composite (Gross)	**11.8%**	**18.0%**	**3.9%**	**Top 4%**
Russell 2000 Value Index	9.7%	7.9%	-5.4%	
Russell 2000 Index	11.3%	9.1%	-3.4%	

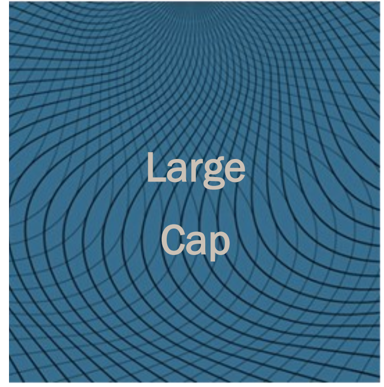
[1]Peer ranking information sourced from eVestment as of February 6, 2019 using Vulcan Value Partners Large Cap, Focus and Focus Plus Composites versus peer group of US Large Cap Value Equity Universe, and Vulcan Value Partners Small Cap Composite versus peer group of US Small Cap Value Equity Universe since inception ending September 30, 2010. 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. Past performance is no guarantee of future results. Please see important disclosures at the end of this document.

Portfolio Review (Cont.)

Stated simply, we are bullish. Why?

1) Most everyone we talk to is negative on the economy, the business environment, and equities in general. We acknowledge all of the challenges that give rise to these concerns but we also are acutely aware of what we are paying to bear these macro risks. Ten years ago, virtually everyone who was not a value investor was wildly bullish and valuation levels reflected this optimism. The result? Equities have provided a negative return over the last ten years. Yet, over the last decade the economy has grown, and, unlike the terrible fiscal management of the government, corporate America has done a very good job of growing values and strengthening balance sheets. The problem has not been with the performance of the companies, the problem has been the price that people paid for equities ten years ago. Today is the opposite of 2000. Rampant pessimism has resulted in very attractive valuation levels. As a result, the next ten years are likely to be much better than the previous decade.
2) For the past several years investors have been taking money out of equities and putting money into bonds. Since the beginning of 2009 investors have withdrawn $100 billion from U.S. stock funds and have put $620 billion into bond funds. The trend continued in the third quarter, with $43 billion flowing out of U.S. stock funds and $87 billion going into bond funds. In light of record low bond yields and very attractive stock valuation levels we view this herd mentality as extremely bullish for equities.
3) There are numerous ways to compare the attractiveness of equities to bonds and other asset classes. One measure often used is to compare earnings yields (earnings divided by price, which is the inverse of the P/E ratio) to bond yields (usually the 10 year treasury). The basic idea of this comparison is that stocks are more risky than bonds but they can grow their value while bonds do not. For equities, the negative of higher risk is more or less offset by the positive of higher growth and the resulting higher long term returns. Averaging the results over many decades, this ratio of earnings yield to bond yield is close to 1.0. We pay no attention to this market metric except in cases when it is far off the average. Today the earnings yield on equities is 8% on 2011 estimates and the ten year treasury yield is 2.5%, for a ratio of 3.2 to 1. This valuation differential is at extreme levels and it is even more extreme than it looks when you adjust for record levels of cash on corporate balance sheets (more of that below). When this relationship returns to its long term average, equities should perform very well or bonds should perform very poorly, or both in combination.
4) Corporations are in exceptional financial shape. At June 30, the most recent data available, industrial companies in the S&P 500 had a record $843 billion in cash on their balance sheets, up from $773 billion a year ago. This staggering number is equal to 11.6% of their market value and is roughly double the average percentage since 1980. Equity investors today are paying comparatively little for equities and are taking little financial risk based on historical balance sheet numbers.
5) Finally and most importantly, the highest quality companies are often the cheapest. Since these are the companies we limit ourselves to buying, we have been able to assemble portfolios full of exceptional businesses at extremely attractive prices. All of our portfolios are fully invested. Most of our companies are compounding their values at double digit rates. When price eventually converges with our growing values we will be handsomely rewarded. Meanwhile, we will have taken on comparatively little operational or financial risk to do so.

So, we are bullish. On the macro front, things could get worse before they get better. If they do, our companies are extremely well positioned to ride out the storm as they did during the recession and emerge stronger than ever. If things get better faster than expected, all of the trends that have caused valuations to be so attractive should reverse and we will be rewarded sooner rather than later. We have no idea when values will be recognized but we are confident they will be eventually. That is why we are long term investors. As long as our values are rising we are content to be patient and remain bullish.



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Vulcan Value Partners Large Cap Review

Investment Strategy	Through September 30, 2010				
	QTD	YTD	1 year	3 year	Annualized Since Inception*
VVP Large Cap (Gross)	10.5%	4.2%	13.9%	0.0%	1.6%
VVP Large Cap (Net)	10.2%	3.4%	12.8%	-1.0%	0.6%
Russell 1000 Value Index	10.1%	4.5%	8.9%	-9.4%	-6.9%
S&P 500 Index	11.3%	3.9%	10.2%	-7.2%	-4.0%

*Inception Date March 31, 2007

Top contributors to performance included Direct TV, Everest RE, and Google. We went into some detail about Direct TV in the second quarter as it was one of our top contributors then as well. Since nothing has changed except that its value is higher, we will repeat what we said three months ago: Direct TV made progress on multiple fronts. First, the company produced outstanding operational results with strong revenue gains, led by robust subscriber growth, which resulted in higher profitability and outstanding growth in free cash flow. In addition, the company improved its corporate governance by its decision to move to one class of stock. Lastly, Direct TV announced a plan to optimize its capital structure by increasing leverage and aggressively accelerating an already robust share repurchase program. Direct TV has an extremely strong balance sheet and substantial free cash flow that is growing at high double digit rates. Meanwhile, the stock price is trading at a discount to the company's growing value. Therefore, every dollar spent repurchasing stock results in more than a dollar of return to us, as shareholders. Direct TV's financial leverage will remain moderate compared to its free cash flow. We applaud its management team for delivering both strong operating results and outstanding capital allocation decisions.

Everest RE combines two of the qualities we prize, it is very cheap and very well managed. The company provides reinsurance in the U.S., Bermuda and International markets. Despite a soft underwriting market, the company is compounding its value at double digit rates through intelligent capital allocation and disciplined underwriting. Its formidable balance sheet is getting stronger. When the hard market eventually returns it will have ample capacity to write business at attractive prices.

Google is a wonderful company to own. Its value consistently compounds, it generates tremendous free cash flow, and management is relentlessly focused on strengthening the company's competitive position. We were pleased to be featured in an article in Bloomberg BusinessWeek entitled "Google a Value Play? Really?" Yes, really: Google has roughly $100 a share in net cash and significant non-earning but very valuable assets that are poised to become highly profitable soon (YouTube, Android). Adjusting for these assets and cash, its core search business, which Google dominates globally, is very attractively priced. Why is Google cheap? The company does not issue

Vulcan Value Partners Large Cap Review (Cont.)

any earnings guidance whatsoever. Google's conference calls are refreshingly centered around competitive position, corporate strategy, and building long term value. We wish every company's conference calls were like Google's. Despite the fact that Google does not offer guidance, Wall Street analysts forecast detailed quarterly earnings estimates for the company. Google routinely reports double digit growth, coupled with strong free cash flow generation. However, when its EPS is a penny or two shy of the "whisper numbers" that it is supposed to beat, the stock sells off. Whenever Google "misses" earnings estimates and only grows 18% instead of 20% it is usually because it is investing to strengthen its competitive advantage and build long term value. The value goes up, the stock goes down, and we buy more. Over time, as Ben Graham noted many years ago, the market is a weighing machine while in the short run it is a voting machine. This quarter the market weighed Google's growing value a little more accurately.

Detractors to performance included Dr. Pepper Snapple Group, Hewlett-Packard, and Whirlpool Corp. Dr. Pepper Snapple Group was one of our top performers in the second quarter and is up nearly 30% year to date. Its value is growing above our expectations. As long as our values are growing we view short term fluctuations in price as opportunities.

Hewlett-Packard, on the other hand, was a bit of a soap opera in the second quarter. The reason we demand a margin of safety in terms of value over price is to protect us from unknowable events. We had no idea that Mark Hurd, who had done a wonderful job running Hewlett-Packard, would fall out of favor with the board of directors and leave the company. We have a favorable impression of Hewlett-Packard's new CEO, Leo Apotheker. The company has a very strong balance sheet, is highly profitable, is a dominant force in the global technology industry, and its price is very discounted. We are not pleased with the drama of the last several months but we are willing to put up with all of the noise to own one of the premier technology companies in the world at a single digit price to free cash flow ratio.

In spite of a severe U.S. housing recession, Whirlpool Corp. is generating strong free cash flow, producing double digit bottom line results, and building its brands around the world, with notable success in Brazil and India. Whirlpool Corp. has the number one market position in the U.S., where only 10% of its business is dependent on new home construction. Our value is growing. The stock is dropping. As our clients, you can surmise what we are doing.

As this letter is being written, Vulcan Value Partners Large Cap is fully invested. Its weighted average price to value ratio is very attractive, values are growing, and we continue to find qualifying investments.

Small Cap

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Vulcan Value Partners Small Cap Review

Investment Strategy	Through September 30, 2010				
	QTD	YTD	1 year	3 year	Annualized Since Inception*
VVP Small Cap (Gross)	11.8%	18.0%	24.5%	3.8%	3.9%
VVP Small Cap (Net)	11.5%	16.9%	23.0%	2.5%	2.6%
Russell 2000 Value Index	9.7%	7.9%	11.8%	-5.0%	-5.4%
Russell 2000 Index	11.3%	9.1%	13.4%	-4.3%	-3.4%

*Inception Date March 31, 2007

There is a moderate amount of overlap between our Small Cap and Large Cap programs so sometimes the top contributors overlap as well. This overlap occurs primarily because sometimes the Small Cap companies we purchase grow into Large Cap companies over time.

Top contributors to performance included Everest RE, Harley Davidson, and Towers Watson.

Everest RE combines two of the qualities we prize, it is very cheap and very well managed. The company provides reinsurance in the U.S., Bermuda and International markets. Despite a soft underwriting market, the company is compounding its value at double digit rates through intelligent capital allocation and disciplined underwriting. Its formidable balance sheet is getting stronger. When the hard market eventually returns it will have ample capacity to write business at attractive prices.

Harley Davidson is doing a great job of responding to the poor economy by aggressively cutting costs while continuing to strengthen its iconic brand. We are very pleased with its progress on margins. When demand returns, the company will be very well positioned and translate revenues into bottom line gains. The company's stock has responded favorably to these positive developments, as it should.

Towers Watson is the product of a merger between publicly traded Watson Wyatt and privately held Towers Perrin. The combination is a consulting powerhouse with a global reach. We are not fans of mergers and acquisitions as prices are often too high and hoped for synergies rarely occur. To their credit, Towers Watson is proving to be the exception to the rule. The company's stock, which, in our opinion, over-discounted the risks of the merger, has reacted favorably as the company has made material progress bringing the two organizations together.

Detractors to performance included Dr. Pepper Snapple Group, Washington Post, and Investment Technology Group. Dr. Pepper Snapple Group was one of our top performers in the second quarter and is up nearly 30% year to date. Its value is growing above our expectations. As long as our values are growing we view short term fluctuations in price as opportunities.

Vulcan Value Partners Small Cap Review (Cont.)

Washington Post was an embarrassing mistake which we exited during the third quarter. We feel that we learn more from our mistakes than from our successes, so what did we learn? When we bought it, Washington Post had net cash on its balance sheet, some high profile "old media" assets to which we ascribed very little value (The Washington Post, Newsweek) and some highly profitable businesses that we liked (their cable business and Kaplan). Valuing each business segment separately resulted in a sum of the parts valuation well in excess of the stock price. Moreover, we have long admired the company's management team, led by Don Graham. We knew when we bought it that Kaplan, its for profit education business, was under scrutiny along with the rest of the industry. Having incomplete information but also having confidence in Washington Post's management team, we believed that the weaker players would withdraw from the market and that Kaplan would benefit as the Federal government proposed new rules for the for profit education industry. As the new rules were released and Kaplan disclosed details about its students for the first time, we were chagrined to learn that Kaplan did not measure up very well. In fact, it stands a good chance of failing one or more eligibility tests under the new rules. Consequently, our value for Kaplan declined and our margin of safety was reduced.

As we have said in this letter and in other letters, we are pleased when stock prices fall and our values grow. It gives us an opportunity to buy additional shares at a greater margin of safety. When our values fall, however, all of our alarm bells go off and we completely re-evaluate the investment. After doing so with Washington Post we decided that we did not have a sufficient margin of safety to compensate us for the risks facing Kaplan. We lost money on this investment but our investment disciplines contained the damage. So, the first lesson is to ruthlessly follow our investment disciplines and admit a mistake when we make one. We do not want to compound one mistake with others by arrogantly clinging to an idea where we were wrong. We did follow our disciplines and though the lesson is a painful one, which we will well remember, the net economic effect on the portfolio was less than 1/2 of one percent over the lifetime of our investment. The second lesson is not to take too much comfort in any management team, no matter how much we like them, when we do not have adequate disclosure to test our investment thesis. If we cannot quantify it with reasonable precision then assume the worst. If we had done so at Washington Post we would have saved you and us money. We hope to learn our lessons well and not have to re-learn them again.

Investment Technology Group has one of the best price to value ratios of any company we own. It is extremely out of favor. Why? Because their core customers are long only, active equity managers who are suffering withdrawals as investors take money out of stocks and put them into bonds (see point number 2 above as to why we are bullish). Investment Technology Group operates off exchange trading platforms, sometimes called "dark pools." In fact, it is one of three firms that dominate that business. Investment Technology Group's earnings are cyclical and difficult to forecast in the short run because it has a fixed cost base and revenues depend on trading volumes. With trading volumes down due to equity outflows their current earnings are depressed. In 2008 it earned $2.61 per share. This year it should earn a little more than $1.00 per share. Its long term earnings power is somewhere in between. Investment Technology Group has just under $8.00 per share of net cash on its balance sheet, zero debt, generate healthy free cash flow, and are repurchasing its shares which trade for $14. This is not a typo. It is trading for $6.00, net of cash, or 6X depressed earnings.

As this letter is being written, Vulcan Value Partners Small Cap is fully invested. Its weighted average price to value ratio is very attractive, values are growing, and we continue to find qualifying investments.

Focus

VULCAN VALUE PARTNERS

Vulcan Value Partners Focus Review

Investment Strategy	Through September 30, 2010				
	QTD	YTD	1 year	3 year	Annualized Since Inception*
VVP Focus (Gross)	10.8%	4.6%	16.2%	-	1.3%
VVP Focus (Net)	10.4%	3.4%	14.5%	-	-0.2%
Russell 1000 Value Index	10.1%	4.5%	8.9%	-	-8.3%
S&P 500 Index	11.3%	3.9%	10.2%	-	-6.7%

*Inception Date November 30, 2007

Top contributors to performance included Direct TV, Google, and Coca-Cola. The only negative contributor was Hewlett-Packard.

We went into some detail about Direct TV in the second quarter as it was one of our top contributors then as well. Since nothing has changed except that its value is higher, we will repeat what we said three months ago: Direct TV made progress on multiple fronts. First, the company produced outstanding operational results with strong revenue gains, led by robust subscriber growth, which resulted in higher profitability and outstanding growth in free cash flow. In addition, the company improved its corporate governance by its decision to move to one class of stock. Lastly, Direct TV announced a plan to optimize its capital structure by increasing leverage and aggressively accelerating an already robust share repurchase program. Direct TV has an extremely strong balance sheet and substantial free cash flow that is growing at high double digit rates. Meanwhile, the stock price is trading at a discount to the company's growing value. Therefore, every dollar spent repurchasing stock results in more than a dollar of return to us, as shareholders. Direct TV's financial leverage will remain moderate compared to its free cash flow. We applaud its management team for delivering both strong operating results and outstanding capital allocation decisions.

Google is a wonderful company to own. Its value consistently compounds, it generates tremendous free cash flow, and management is relentlessly focused on strengthening the company's competitive position. We were pleased to be featured in an article in Bloomberg BusinessWeek entitled "Google a Value Play? Really?" Yes, really: Google has roughly $100 a share in net cash and significant non-earning but very valuable assets that are poised to become highly profitable soon (YouTube, Android). Adjusting for these assets and cash, its core search business, which Google dominates globally, is very attractively priced. Why is Google cheap? The company does not issue any earnings guidance whatsoever. Google's conference calls are refreshingly centered around competitive position, corporate strategy, and building long term value. We wish every company's conference calls were like Google's. Despite the fact that Google does not offer guidance, Wall Street analysts forecast detailed quarterly earnings estimates for the company. Google routinely reports double digit growth, coupled with strong free cash flow generation. However, when its EPS is a penny or two shy of the "whisper numbers" that it is supposed to beat, the stock sells off. Whenever Google "misses" earnings estimates and only grows 18% instead of 20% it is usually because it is investing to strengthen its competitive advantage a build long term value.

Vulcan Value Partners Focus Review (Cont.)

The value goes up, the stock goes down, and we buy more. Over time, as Ben Graham noted many years ago, the market is a weighing machine while in the short run it is a voting machine. This quarter the market weighed Google's growing value a little more accurately.

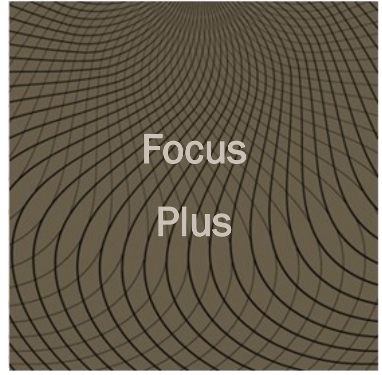
Coca-Cola's global brands are delivering strong volume gains around the world, leading to double digit bottom line growth and substantial increases in free cash flow. Coca Cola derives 80% of its profits outside of North America. The company has used its very strong financial resources to reinvest in its brands and distribution network throughout the economic downturn. Those investments are paying off and the stock market is beginning to recognize Coca-Cola's impressive results. Even though the company's shares have risen recently, its value has compounded consistently since we purchased it. A decade ago, Coca Cola carried an aggressive valuation. Despite two recessions in the U.S., the company has grown its value significantly over the last ten years while its stock price has gone nowhere. Consequently, its valuation is modest in relation to its prospects. In fact, compared to ten years ago, the company is more exposed to rapidly growing emerging and developing economies, its brand portfolio is more robust, its worldwide distribution strengths are greater, and its brands are stronger. Coca-Cola has only gotten better. The reason it has been a poor investment over the last ten years is that its valuation was too high then. Today, we believe it is too low. The next ten years look very promising.

As mentioned, our only negative contributor in Focus was Hewlett-Packard. It was a bit of a soap opera during the second quarter. The reason we demand a margin of safety in terms of value over price is to protect us from unknowable events. We had no idea that Mark Hurd, who has done a wonderful job running Hewlett-Packard, would fall out of favor with the board of directors and leave the company. We have a favorable impression of Hewlett-Packard's new CEO, Leo Apotheker. The company has a very strong balance sheet, is highly profitable, is a dominant force in the global technology industry, and its price is very discounted. We are not pleased with the drama of the last several months but we are willing to put up with all of the noise to own one of the premier technology companies in the world at a single digit price to free cash flow ratio.

Though positive, our second and third worst performers for the third quarter were Teva Pharmaceuticals and Comcast. We discussed Teva Pharmaceuticals in our second quarter update and since nothing has changed except that our value is higher, we repeat what we said three months ago. Teva Pharmaceuticals, which is domiciled in Israel, is the largest generic drug company in the world with a global footprint and a substantial U. S. presence. The company should be one of the largest beneficiaries of healthcare reform in the United States. Free cash flow production is high and growing. Our value is rising steadily. We are very pleased with Teva Pharmaceutical's results and view its recent stock weakness as a potential opportunity.

Comcast is a leading cable provider that with the NBC Universal acquisition is acquiring a substantial content asset to compliment its strong delivery business. The company is very well run and generates substantial free cash flow. Though the industry faces increased competition, we feel the threat is overblown. Comcast's customers are very sticky and for the foreseeable future, "cable cutters" should not be a significant part of the population. In addition Comcast has a number of initiatives to ensure it remains competitive as the industry develops, including a program to give paying customers online access to content.

As this letter is being written, Vulcan Value Partners Focus is fully invested. Its weighted average price to value ratio is very attractive, values are growing, and we continue to find qualifying investments.



Vulcan Value Partners Focus Plus Review

Investment Strategy	Through September 30, 2010				
	QTD	YTD	1 year	3 year	Annualized Since Inception*
VVP Focus Plus (Gross)	9.7%	5.1%	15.5%	0.0%	1.5%
VVP Focus Plus (Net)	9.3%	3.9%	13.9%	-1.5%	-0.1%
Russell 1000 Value Index	10.1%	4.5%	8.9%	-9.4%	-6.9%
S&P 500 Index	11.3%	3.9%	10.2%	-7.2%	-4.0%

*Inception Date March 31, 2007

The annualized yield on our option contracts written in the second quarter averaged north of 35%. 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. Therefore, 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 35% + on our cash while we wait for lower prices and a corresponding larger margin of safety. Unlike many market participants, we use options to decrease risk. We are long-term investors. Oftentimes, those on the other side of our trade are speculators. Their appetite for risk is the reason we enjoy high yields on our option positions. We are happy to provide liquidity for them.

Top contributors to performance included Direct TV, Google, and Coca-Cola. The only negative contributor was Hewlett-Packard.

We went into some detail about Direct TV in the second quarter as it was one of our top contributors then as well. Since nothing has changed except that its value is higher we will repeat what we said three months ago: Direct TV made progress on multiple fronts. First, the company produced outstanding operational results with strong revenue gains, led by robust subscriber growth, which resulted in higher profitability and outstanding growth in free cash flow. In addition, the company improved its corporate governance by its decision to move to one class of stock. Lastly, Direct TV announced a plan to optimize its capital structure by increasing leverage and aggressively accelerating an already robust share repurchase program. Direct TV has an extremely strong balance sheet and substantial free cash flow that is growing at high double digit rates. Meanwhile, the stock price is trading at a discount to the company's growing value. Therefore, every dollar spent repurchasing stock results in more than a dollar of return to us, as shareholders. Direct TV's financial leverage will remain moderate compared to its free cash flow. We applaud its management team for delivering both strong operating results and outstanding capital allocation decisions.

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Vulcan Value Partners Focus Plus Review (Cont.)

become highly profitable soon (YouTube, Android). Adjusting for these assets and cash, its core search business, which Google dominates globally, is very attractively priced. Why is Google cheap? The company does not issue any earnings guidance whatsoever. Google's conference calls are refreshingly centered around competitive position, corporate strategy, and building long term value. We wish every company's conference calls were like Google's. Despite the fact that Google does not offer guidance, Wall Street analysts forecast detailed quarterly earnings estimates for the company. Google routinely reports double digit growth, coupled with strong free cash flow generation. However, when its EPS is a penny or two shy of the "whisper numbers" that it is supposed to beat, the stock sells off. Whenever Google "misses" earnings estimates and only grows 18% instead of 20% it is usually because it is investing to strengthen its competitive advantage and build long term value. The value goes up, the stock goes down, and we buy more. Over time, as Ben Graham noted many years ago, the market is a weighing machine while in the short run it is a voting machine. This quarter the market weighed Google's growing value a little more accurately.

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As mentioned, our only negative contributor in Focus Plus was Hewlett-Packard. It was a bit of a soap opera during the second quarter. The reason we demand a margin of safety in terms of value over price is to protect us from unknowable events. We had no idea that Mark Hurd, who has done a wonderful job running Hewlett-Packard, would fall out of favor with the board of directors and leave the company. We have a favorable impression of Hewlett-Packard's new CEO, Leo Apotheker. The company has a very strong balance sheet, is highly profitable, is a dominant force in the global technology industry, and its price is very discounted. We are not pleased with the drama of the last several months but we are willing to put up with all of the noise to own one of the premier technology companies in the world at a single digit price to free cash flow ratio.

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Vulcan Value Partners Focus Plus Review (Cont.)

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As this letter is being written, Vulcan Value Partners Focus Plus is fully invested. Its weighted average price to value ratio is very attractive, values are growing, and we continue to find qualifying investments.

Closing

We have been able to deliver solid results in extreme market conditions since we began operations three and a half years ago. More importantly, the prospective returns implied by our discounted price to value ratios and consistent value growth are very compelling. Neither is by accident. Our research team has been very productive and very disciplined in executing our investment philosophy. I could not be more proud to associate myself with our outstanding research team comprised of Bruce Donnellan, Hampton McFadden, Allen Cox, and our newest addition, Mac Dunbar. I bring up the rear.

The stable capital entrusted to us by you is the cornerstone of our ability to execute our investment philosophy. Because of you we are able to make rational long term investment decisions when others are reacting to short term market noise. We take the confidence you have placed in us very seriously with our capital invested along side of yours.

We hope you and your families enjoy the upcoming holiday season and we look forward to updating you again early in the New Year.

Sincerely,

C.T. Fitzpatrick

Chief Investment Officer

VULCAN VALUE PARTNERS

Disclosures

The performance presented is for our Large Cap Composite, Focus Composite, Focus Plus Composite and Small 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 II of our ADV.

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, 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 advisor registered with the Securities and Exchange Commission under the Investment Advisors 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 Hampton McFadden at 205.803.1582 or write Vulcan Value Partners, 3500 Blue Lake Drive, Suite 400 Birmingham AL, 35243.

Large Cap Composite Information: This portfolio strategy invests in companies with larger market capitalizations. Subject to price, any publicly traded company with reasonable 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. New accounts that fit the composite definition are added at the beginning of the first full 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 reasonable 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 index is the S&P 500. New accounts that fit the composite definition are added at the beginning of the first full 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.

VULCAN VALUE PARTNERS

Disclosures (Cont.)

Focus Plus Composite Information: This portfolio strategy invests in companies with larger market capitalizations. Subject to price, any publicly traded company with reasonable economics that is too large to be included in our small capitalization composite would be a potential investment in this portfolio. The portfolio is typically invested in between seven and fourteen names. We will use options instead of limit orders to acquire the stock. 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 Index. New accounts that fit the composite definition are added at the beginning of the first full 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 reasonable 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. New accounts that fit the composite definition are added at the beginning of the first full 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 returns are expressed in US dollars.