First

Quarter

2011

VULCAN
VALUE
PARTNERS

Portfolio Review

General

We are pleased to report Vulcan now has a four year track record and is off to a solid start in 2011; however, progress was uneven across our investment strategies. Small Cap continued to deliver exceptional results with a 9.1% return. Large Cap was the laggard with a 3.6% gain. Focus and Focus Plus were up 4.4% and 6.1% respectively. With these results in mind, we repeat what we said in our fourth quarter letter:

As we have said many times before, 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. Performance is detailed below.

Directory

As of March 31, 2011

	QTD	YTD	Annualized Since Inception*	Peer Rank[1]
Large Cap Composite (Gross)	**3.6%**	**3.6%**	**4.4%**	**Top 8%**
Russell 1000 Value Index	6.5%	6.5%	-2.2%	
S&P 500 Index	5.9%	5.9%	0.4%	
Focus Composite (Gross)	**4.4%**	**4.4%**	**4.9%**	**Top 5%**
Russell 1000 Value Index	6.5%	6.5%	-2.5%	
S&P 500 Index	5.9%	5.9%	1.1%	
Focus Plus Composite (Gross)	**6.1%**	**6.1%**	**5.1%**	**Top 4%**
Russell 1000 Value Index	6.5%	6.5%	-2.2%	
S&P 500 Index	5.9%	5.9%	0.4%	
Small Cap Composite (Gross)	**9.1%**	**9.1%**	**8.8%**	**Top 7%**
Russell 2000 Value Index	6.6%	6.6%	0.3%	
Russell 2000 Index	7.9%	7.9%	2.7%	

[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 March 31, 2011. 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.

There are several quantifiable reasons why Large Cap and Small Cap's first quarter results diverged, both on absolute level and relative to their respective benchmarks. We view these reasons as short term noise as explained in the following paragraph.

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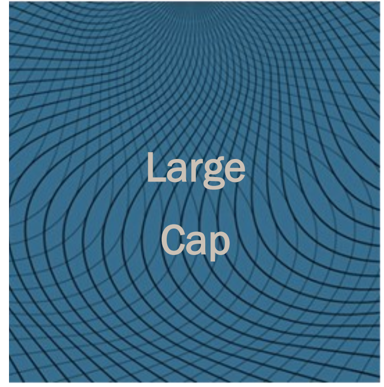
Portfolio Review (Cont.)

First, in general we have very little exposure to energy related businesses and none in Large Cap. Energy was by far and away the best performing group within the broader market with a 16.8% return. Why didn't we own energy stocks? Simply put, we found more compelling long term investments outside of the energy sector. Second, in Large Cap we purchased new positions and added to existing positions at the end of last year and during the first quarter of this year that hurt our results on both a relative and, more important, an absolute basis. Third, we had one position (out of twenty four) in Large Cap that reported results below our expectations, which hurt both its value and stock price. Last, we simply had better recognition of values in Small Cap with one of our companies taken away from us through M&A activity. As we discussed in our fourth quarter letter, as credit markets continue to improve, it is not surprising that initially Small Caps would benefit more than Large Caps.

Now the important point: We buy fantastic businesses that produce ample amounts of free cash flow and we buy them at discounts to our estimate of fair value. The better the business and the larger the discount, the more we like it and the more we buy. Right now the higher quality companies that we prefer to own are often the most discounted and this is especially true in Large Cap. What we are concerned about is the underlying value growth of the businesses we own. Every quarter, and sometimes more often than quarterly, if there is significant news, we update the value of our businesses. On average, our companies are growing their values well in excess of our long term expectations. Our values are distinct from quoted stock prices. In the short run, price and value can deviate substantially. When values are rising and stock prices are falling we buy more. This investment activity, which is fundamental to producing superior long term results, hurts our short term results. Over our five year time horizon, price and the ever increasing value of the businesses we own tend to converge, resulting in outsized long term gains while simultaneously reducing risk. By taking advantage of short term price declines and adding to companies with improving price to value ratios, we set the stage for long term compounding. The cost of creating this pleasant long term outcome is quarterly or short term results that can deviate, sometimes substantially, from benchmarks. We think the cost is modest because it enables us to deviate substantially from the benchmarks in the long run as well…in a positive direction.

Because we are able to find sufficient numbers of exceptional businesses at equally exceptional discounts across all market caps, we are feeling very good about our long term prospects. We have no idea what will happen to our portfolios or the market over the balance of the year. We are willing to sacrifice short term performance if we can improve our prospects for long term compounding. Regardless of quarterly, or even annual, market price derived performance, know that we, together, own a collection of outstanding businesses with stable, steadily rising values. We own them at a substantial discount to any reasonable estimate of their intrinsic worth. When their results are properly weighed, as they inevitably will be, we will be rewarded as price rises to reflect value.

Please note in the commentary that follows regarding each of our four strategies, we generally define material contributors and detractors as having a greater than 1% impact on the portfolio.



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Vulcan Value Partners Large Cap Review

As of March 31, 2011					
			Annualized		
Investment Strategy	QTD	YTD	1 year	3 year	Since Inception*
VVP Large Cap (Gross)	3.6%	3.6%	9.5%	9.5%	4.4%
VVP Large Cap (Net)	3.5%	3.5%	8.5%	8.5%	3.4%
Russell 1000 Value Index	6.5%	6.5%	15.2%	0.6%	-2.2%
S&P 500 Index	5.9%	5.9%	15.7%	2.4%	0.4%

*Inception Date March 31, 2007

There were no material contributors and detractors to performance in the first quarter of 2011. However, our results were held back by a heavy weighting in technology companies which, in the aggregate, delivered negative returns in the quarter. We added to our positions in this part of the portfolio, which had a furthered negative effect on our short term results. If our assessments of these businesses are close to accurate, then adding to the size of our investments should deliver outstanding long term returns. All of our companies have very strong balance sheets, produce ample free cash flow, and have sustainable competitive advantages in the markets they serve. Several of them are aggressively buying in their stock at large discounts, according to our estimate of intrinsic worth, further improving our growth in value per share.

As an example, Microsoft is one of our largest positions. Microsoft's stock price declined during the first quarter resulting in a high single digit negative return. In contrast, our value has grown consistently through the production of free cash flow, all of which has been used to repurchase stock at large discounts, and solid bottom line growth. Microsoft's stock price seems to be depressed because of fears that laptops and PCs will be displaced by new, smaller devices resulting in a waning demand for Microsoft's PC centric products. We believe the long term global demand for PCs and laptops will remain robust. PCs and laptops will remain the anchor for work related tasks and Microsoft will continue to dominate this business. Tablets and, to a lesser extent, smart phones, will continue to grow and will access data from "anchor" PCs through the cloud. Moreover, Microsoft is well positioned in the cloud based services that will provide the bulk of software used by tablets and smart phones. While Microsoft may or may not have success with consumer functions on tablets and smart phones, its anchor products will be important applications for these devices. Our value for Microsoft is not dependent on the company being successful outside of its existing business lines.

Our media investments, including Direct TV, Comcast, Walt Disney, and Time Warner Cable, performed well in the first quarter. They, like Microsoft, are all growing their values steadily, producing ample free cash flow, and allocating capital wisely.

Vulcan Value Partners Large Cap Review (Cont.)

We exited Harley Davidson and Dr. Pepper Snapple during the first quarter. Both companies were very successful investments for us. Harley Davidson deserves special mention. We started buying Harley Davidson during February 2010. Despite cyclically depressed results, the company continued to produce free cash flow and did a fantastic job protecting their brand and managing margins during the recession. With a 52.9% gain in the stock since we purchased it, the price rose to reflect value, our margin of safety eroded and we sold it to buy more discounted names including Microsoft and Cisco Systems.

At March 31, 2011 we are fully invested.

Small Cap

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Vulcan Value Partners Small Cap Review

As of March 31, 2011					
			Annualized		
Investment Strategy	QTD	YTD	1 year	3 year	Since Inception*
VVP Small Cap (Gross)	9.1%	9.1%	27.3%	15.9%	8.8%
VVP Small Cap (Net)	8.9%	8.9%	26.0%	14.5%	7.5%
Russell 2000 Value Index	6.6%	6.6%	20.6%	6.8%	0.3%
Russell 2000 Index	7.9%	7.9%	25.8%	8.6%	2.7%

I applaud our research team for their fine work in Small Cap. I do not mean to complement them on our good performance in the quarter – short term performance is a function of the timing of value recognition that we cannot control and for which we should not take credit. Instead, I am pleased with our research productivity. We exited three companies in the first quarter but also purchased four new names at attractive discounts. As a result, our price to value ratio has been amazingly constant, despite an extended period of double digit returns.

There were no material detractors to performance. The only material contributor to performance in the first quarter of 2011 was Fair Isaac. Fair Isaac provides sophisticated financial analytics and software products to the financial services industry and is best known for its FICO scores. Their customer base has been severely affected by the credit crisis but they are recovering. Unlike their customers, Fair Isaac has a strong balance sheet and continued to produce strong free cash flow throughout the financial crisis to the present. They recently announced a cost cutting plan and the stock has risen as a result.

We exited three positions in the first quarter. Genoptix was taken away from us in a buyout.

We sold Harley Davidson. We started buying Harley during the 2008 downturn at absurdly low prices. Despite cyclically depressed results, the company continued to produce free cash flow and did a fantastic job protecting their brand and managing margins during the recession. With a 151% gain in the stock since we purchased it, the price rose to reflect value, our margin of safety eroded and we sold it to buy more discounted names.

When we started buying Harley Davison, it was a small cap. The position became a “small” large cap as its price rose from extremely discounted levels, but it was still too discounted to sell. When it approached fair value and we exited, it was a large cap stock. We used the proceeds from Harley Davidson to purchase new small cap stocks. Depending on their value growth and the timing of the recognition of value, these new small caps may or may not be small when we sell them. We will always look for small caps when we sell a

Vulcan Value Partners Small Cap Review (Cont.)

position but we will not sell a high quality, discounted company just because it is no longer technically a small cap.

We sold Global Payments. Global Payments is an interesting story. It is a credit card processor and was a solid investment for us. When we bought it, we were not only aware of, but we quantified a meaningful pension fund deficit. We deducted this deficit from our value. We are only able to get detailed information on the pension and other hidden assets and liabilities once a year in the annual 10-K. Allen Cox, a fine analyst who joined us in 2007, had just received the 10-K and discovered that the pension deficit had gotten materially worse compared to previous disclosures. Our value dropped, which always sets off alarm bells. Stock price declines, in and of themselves, do not bother us in the least. Almost simultaneously, an unnamed Wall Street firm came out with a strong buy on the stock, sending the price materially higher. One of the rationales for their recommendation was that because the stock had performed well, Global Payments would be able to issue shares for acquisitions. Thanks to Allen's timely work and our friends on Wall Street, we were able to exit this position at fair value with a substantial gain.

We are very pleased with the new companies we purchased this quarter. Cash levels at quarter end were approximately 9.0%. This cash is frictional. We are using limit orders and hope to have orders completely filled soon. We are also doing due diligence on several companies that could take our frictional cash at quarter end to zero quickly. We generally expect to be fully invested but frictional cash levels will fluctuate when value recognition is high, as it has been recently.

VULCAN
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Vulcan Value Partners Focus Review

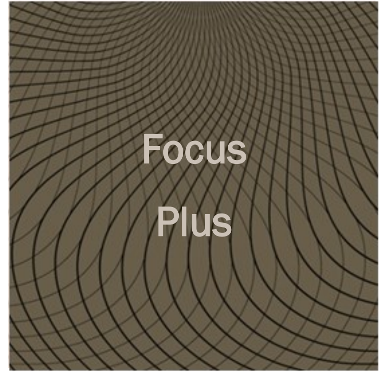
As of March 31, 2011					
			Annualized		
Investment Strategy	QTD	YTD	1 year	3 year	Since Inception*
VVP Focus (Gross)	4.4%	4.4%	11.9%	9.5%	4.9%
VVP Focus (Net)	4.0%	4.0%	10.2%	7.8%	3.4%
Russell 1000 Value Index	6.5%	6.5%	15.2%	0.6%	-2.5%
S & P 500 Index	5.9%	5.9%	15.7%	2.4%	1.1%

There were no material detractors to performance. There were two material contributors to performance in the first quarter of 2011: Direct TV and MasterCard.

Direct TV continues to be a fantastic investment for us, both in terms of its value recognition, as reflected in its rising share price, but more important, because of its consistent value per share growth. Direct TV has produced double digit bottom line growth, large and growing amounts of free cash flow, dramatically improved its return on capital, and made material share repurchases at significant discounts to its steadily rising value. For icing on the cake, Direct TV converted from two to one class of stock last year. As a result, we have enjoyed above average value per share growth and above average share price appreciation. We are grateful to Michael White and his management team. Rarely does one find a management team as good at operations and capital allocation as Direct TV's. Usually, the best you can hope for is an A/B combination (most management teams are C's by definition). At Direct TV, we have A+/A+.

Like Direct TV, MasterCard has steadily grown its value. Unlike Direct TV, MasterCard has had to navigate through some challenging regulatory issues. Although the Durbin amendment to the Dodd-Frank Financial Reform Bill was aimed at banks and retailers, it also affected MasterCard. They have weathered the regulatory storm and still managed to deliver double digit bottom line gains. We believe they will continue to be able to do so and also continue to produce very good free cash flow as Dodd-Frank is implemented. MasterCard gets just over half of its revenue outside the U.S. and only a relatively small portion of its revenues are impacted by the Durbin amendment to the Dodd-Frank Act. To be clear, potential regulatory impacts were a negative drag on our value growth but the strength of MasterCard's franchise enabled them to increase their value anyway. Because of uncertainty caused by the Durbin amendment, MasterCard's share price dropped resulting in a double digit negative return in 2010. A lower price and higher value are good signs for future compounding. The first quarter should be just a start.

We did not buy or sell any new positions during the first quarter. At March 31, 2011 we are fully invested.



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Vulcan Value Partners Focus Plus Review

As of March 31, 2011					
			Annualized		
Investment Strategy	**QTD**	**YTD**	**1 year**	**3 year**	**Since Inception***
VVP Focus Plus (Gross)	6.1%	6.1%	12.7%	10.0%	5.1%
VVP Focus Plus (Net)	5.7%	5.7%	11.2%	8.5%	3.6%
Russell 1000 Value Index	6.5%	6.5%	15.2%	0.6%	-2.2%
S & P 500 Index	5.9%	5.9%	15.7%	2.4%	0.4%

There were no material detractors to performance. There were two material contributors to performance in the first quarter of 2011: Direct TV and MasterCard.

Direct TV continues to be a fantastic investment for us, both in terms of its value recognition, as reflected in its rising share price, but more important, because of its consistent value per share growth. Direct TV has produced double digit bottom line growth, large and growing amounts of free cash flow, dramatically improved its return on capital, and made material share repurchases at significant discounts to its steadily rising value. For icing on the cake, Direct TV converted from two to one class of stock last year. As a result, we have enjoyed above average value per share growth and above average share price appreciation. We are grateful to Michael White and his management team. Rarely does one find a management team as good at operations and capital allocation as Direct TV's. Usually, the best you can hope for is an A/B combination (most management teams are C's by definition). At Direct TV, we have A+/A+.

Like Direct TV, MasterCard has steadily grown its value. Unlike Direct TV, MasterCard has had to navigate through some challenging regulatory issues. Although the Durbin amendment to the Dodd-Frank Financial Reform Bill was aimed at banks and retailers, it also affected MasterCard. They have weathered the regulatory storm and still managed to deliver double digit bottom line gains. We believe they will continue to be able to do so and also continue to produce very good free cash flow as Dodd-Frank is implemented. MasterCard gets just over half of its revenue outside the U.S. and only a relatively small portion of its revenues are impacted by the Durbin amendment to the Dodd-Frank Act. To be clear, potential regulatory impacts were a negative drag on our value growth but the strength of MasterCard's franchise enabled them to increase their value anyway. Because of uncertainty caused by the Durbin amendment, MasterCard's share price dropped resulting in a double digit negative return in 2010. A lower price and higher value are good signs for future compounding. The first quarter should be just a start.

Vulcan Value Partners Focus Plus Review (Cont.)

We did not buy or sell any new positions during the first quarter. At March 31, 2011 we are fully invested.

For existing accounts, we did not have any options activity during the quarter. For new accounts becoming invested, the yield on our options averaged just north of 40% during the first quarter. These options give us the right to purchase stakes in companies we want to own at a lower price. 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 40% + 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.

Closing

Regardless if you are in one or all of our strategies, they are all managed the same way. We can control what we invest in and what we pay. We cannot control the timing of when we will get paid. If we focus on the former, the latter will take care of itself. So, at the risk of being repetitive, we caution you that we do not place importance on short term results and will willingly move against the crowd to generate superior long term returns. Our time horizon is five years and yours should be as well as our investment partners.

We thank you for the confidence you have placed in us and look forward to updating you again in our next report.

Sincerely,

C.T. Fitzpatrick

Chief Investment Officer

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.

Value is our estimate of the price a willing buyer would pay, and a willing seller would accept, assuming neither was compelled to enter into a transaction. Total return percentages 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, 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.

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.