



VULCAN
VALUE
PARTNERS

FOCUS
DECEMBER 31, 2019

ANNUALIZED

PORTFOLIO TEAM

C.T. Fitzpatrick, CFA
Founder
Chief Executive Officer
Chief Investment Officer
Portfolio Manager

McGavock Dunbar, CFA
Principal, Analyst

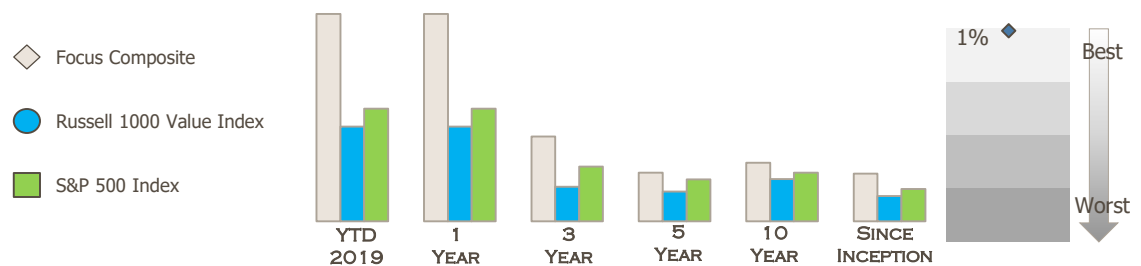
Hampton McFadden, CFA
Principal, Analyst

Stephen Simmons, CFA
Principal, Analyst

Jim Falbe, CFA
Principal, Analyst

SUMMARY
PERFORMANCE

	YTD 2019	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION	PEER RANK ¹ SINCE INCEPTION
Focus Composite (Gross)	58.0%	58.0%	23.7%	13.6%	16.4%	13.3%	1%
Focus Composite (Net)	56.8%	56.8%	22.7%	12.7%	15.2%	12.1%	-
Russell 1000 Value Index	26.5%	26.5%	9.7%	8.3%	11.8%	7.1%	-
S&P 500 Index	31.5%	31.5%	15.3%	11.7%	13.6%	9.0%	-



STRATEGY INCEPTION

November 30, 2007

INVESTMENT PHILOSOPHY

We limit our search for qualifying investments to good businesses with identifiable, sustainable competitive advantages which have the ability to consistently produce free cash flow. We have no interest in businesses with inferior economics that are statistically cheap. Qualifying investments have stable and growing values, a large part of which is derived from the production of free cash flow. Free cash flow can be measured and valued using conservative assumptions and discounted cash flow analysis. A margin of safety exists when price deviates below fair value. It is very important to understand and worth emphasizing that price is not the same thing as value. A margin of safety only occurs when underlying business values are less volatile than stock prices, which is why we limit ourselves to competitively entrenched businesses. Our time horizon is five years for each investment we make. ***Vulcan Value Partners' investment philosophy will not protect us from market volatility. However, it will allow us to take advantage of volatility and use it to our benefit.***

CHARACTERISTICS²

STATISTICS (vs. R1000V)³

Number of Holdings	10	Alpha	6.1%
Average Market Cap	\$329.6B	Upside Capture	123.0
Median Market Cap	\$144.0B	Downside Capture	94.4
Turnover	40.3%	Standard Deviation	17.7%
Name Turnover	31.3%	Sharpe Ratio	0.71
FCF Yield	4.0%	R Squared	78.4%
Dividend Yield	0.6%	Active Share	99.9
ROE	27.9%		
P/FCF	25.1x		
P/E Ratio	32.6x		
P/B Ratio	6.2x		
P/S Ratio	5.3x		

INVESTMENT STRATEGY

Invests in companies with larger market capitalizations. Subject to price, any publicly traded company with above average economics that is not small (as defined by the Russell 2000 Index) would be a potential investment in this portfolio. We concentrate in our most attractive companies. Typically, we will hold 7 to 14 companies. These are great (as opposed to only good) businesses selling at extremely compelling price to value ratios. Vulcan Value Partners' Focus portfolio exists to enable us to overweight capital in Vulcan Value Partners' most attractive ideas.

FOR ADDITIONAL INFORMATION, PLEASE VISIT OUR WEBSITE AT WWW.VULCANVALUEPARTNERS.COM OR CONTACT:

William Hjorth
Principal, Director
Client Service & Development

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DISCLOSURES

The performance presented is for our Focus 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.

There may be market or economic conditions which affect our performance, or that of our relevant benchmarks. Market conditions can vary widely over time and can result in a loss in portfolio value. 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. 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 Ashley Morris at 205.803.1582 or write Vulcan Value Partners, Three Protective Center, 2801 Highway 280 South, Suite 300, 35223.

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 index 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.

All returns are expressed in US dollars.

Note 1: Vulcan Value Partners Focus Composite versus peer group of the eVestment US Large Cap Value Equity Universe since inception through December 31, 2019 as of January 21, 2020. Information provided is supplemental information for the Focus Composite.

Note 2: Information provided is supplemental information for Focus Composite. All information is provided on a trailing 12 basis unless otherwise indicated. Free Cash Flow Yield is free cash flow divided by market price. P/FCF is market price divided by free cash flow. Characteristics run in FactSet on January 22, 2020 as of December 31, 2019.

Note 3: Information provided is supplemental information for Focus Composite. Statistics computed since strategy inception against Russell 1000 Value Index.