Second

Quarter

2013

VULCAN
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Portfolio Review

General

We made additional progress compounding your capital and ours during the second quarter but slightly underperformed our relevant benchmarks as we reallocated capital to reduce risk as prices rose faster than the underlying values of the businesses we own. We responded by selling or reducing our stakes in more fully valued businesses and buying more discounted companies. We also increased diversification as the number of deeper discounted companies became less plentiful. Our goal is first and foremost to protect your capital and ours by reducing risk. We prefer to reduce risk by concentrating our investments in companies with stable values and large margins of safety. When prices rise faster than values, the margin of safety shrinks and we become more diversified. We never compromise on business quality.

Directory

As of June 30, 2013

	QTD	YTD	Annualized Since Inception*	Peer Rank Since Inception[1]
Large Cap Composite (Gross)	**1.7%**	**12.3%**	**8.9%**	**Top 2%**
Large Cap Composite (Net)	**1.5%**	**12.0%**	**8.0%**	
Russell 1000 Value Index	3.2%	15.9%	2.6%	
S&P 500 Index	2.9%	13.8%	4.2%	
Small Cap Composite (Gross)	**2.3%**	**18.9%**	**11.6%**	**Top 1%**
Small Cap Composite (Net)	**2.2%**	**18.5%**	**10.4%**	
Russell 2000 Value Index	2.5%	14.4%	3.1%	
Russell 2000 Index	3.1%	15.9%	4.7%	
Focus Composite (Gross)	**1.3%**	**11.0%**	**9.4%**	**Top 3%**
Focus Composite (Net)	**1.1%**	**10.5%**	**7.9%**	
Russell 1000 Value Index	3.2%	15.9%	3.0%	
S&P 500 Index	2.9%	13.8%	3.7%	
Focus Plus Composite (Gross)	**1.8%**	**11.8%**	**8.3%**	**Top 3%**
Focus Plus Composite (Net)	**1.5%**	**11.1%**	**6.8%**	
Russell 1000 Value Index	3.2%	15.9%	2.6%	
S&P 500 Index	2.9%	13.8%	4.2%	

[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 June 30, 2013. 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.

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As we have often said, 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

Portfolio Review (Cont.)

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 3% of our peers since inception of the strategies through June 30, 2013. Our results are detailed in the table on the previous page.

The second quarter was a lot like the first quarter with generally rising equity prices and our response was the same. In fact, what we wrote in the first quarter seems as relevant now as it did three months ago:

"We are more concerned with risk than we are with return. We reduce risk by limiting our investments to extremely high quality companies with stable values. We further reduce risk by demanding a discount to those stable values. Our discipline allows us to take advantage of stock price volatility because our companies' values are less volatile than their stock prices. Unfortunately for us stock price volatility has waned so far in 2013 as it did in 2012. We would characterize the environment we are in as "normal." In the aggregate, prices are neither extraordinarily discounted as they were in 2008 or extraordinarily elevated as they were in 2007. As a result, our portfolios have become slightly more diversified as prices have risen faster than our values have compounded. We have reduced our weights or sold wonderful companies whose prices have risen closer to or reached our conservative estimate of intrinsic value. At the same time we have increased our positions in companies whose prices are more discounted in relation to our estimate of fair value. Consequently, our margin of safety is higher than it would be otherwise."

It did not surprise us that equity markets moved higher while the bond market suffered its worst decline in years. What we predicted in the fall of last year has come to pass. So, as long as we are quoting old letters we cannot resist quoting our third quarter 2012 letter:

"The relationship between bonds and stocks does not make mathematical sense. Moreover, bonds do not make mathematical sense. The yield on 10-year treasuries was 1.64% at the end of the quarter. The most recent CPI release showed year over year increases in both actual and core CPI of 2%. Most forecasts of inflation exceed 2%. Our own opinion is that over the next ten years (admittedly back loaded) inflation will significantly exceed 2%. Stated simply, investors in 10-year treasuries are accepting a negative real return in exchange for "safety." There are many kinds of risks, and preserving purchasing power is among the most important. Also and very importantly, valuation can either increase or decrease risk. When we buy ownership in a publicly traded company at a discount we reduce risk. If we pay a premium (and we never knowingly do) we increase risk. Bonds are the same. Investors in long-term treasuries are taking on very high levels of risk because of high valuations. An investor in a 10-year treasury will suffer a 9% capital loss if interest rates rise a mere 1%. When you're going in yield is less than 2% nominally and negative in real terms, a 9% capital loss is a calamity. An investor in 30-year treasuries would suffer a 20% loss with only 1% rise interest rates. Valuation matters. Long-term treasuries have no margin of safety in our opinion.

Equities, on the other hand, look attractive. Our equities look very attractive. All of our strategies are managed by the same investment philosophy, and they all have similar long-term returns. At certain points in time one strategy will be more attractive than another. Right now, everything is remarkably uniform. So, we can use our Large Cap portfolios as a proxy for all of our portfolios in this example. The dividend yield on our Large Cap portfolio is 1.9%. This yield is approximately the same as the yield on 10-year treasuries. The yield on 10-year treasuries is fixed. The yield on our portfolio is not fixed, and it is likely to grow at rates well above inflation. Why? Our companies' earnings and, much more important, our companies' free cash flow are both growing well above inflation. Moreover, our companies have strong balance sheets (a lot stronger than the Federal Government). This combination of strong balance sheets, ample free cash flow, and strong earnings growth has and should continue to result in dividend growth well ahead of inflation.

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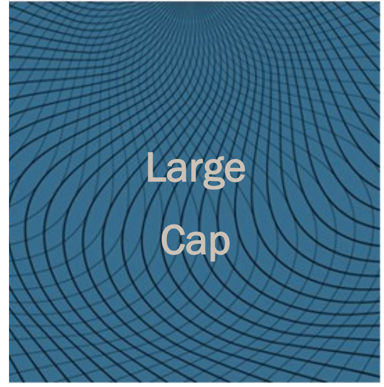
Portfolio Review (Cont.)

Why would anyone prefer a fixed rate of return below the rate of inflation with meaningful risk of capital loss to an equivalent yield that should grow well in excess of the rate of inflation?

There is no rational answer. Yet, hundreds of billions of dollars continue to flow out of equities and into bonds. Like all bubbles, this bubble too will burst eventually. When it does, equities and bonds will be re-priced. Those who understand the true risks they are taking will be rewarded and those who do not will suffer. In the meantime, our values are continuing to grow and our portfolios, despite above average price appreciation, remain attractively discounted in the mid to upper 60's. This price to value discount is our margin of safety. Said another way, valuation is reducing risk for us, and it is increasing risk for bond investors. We much prefer to be equity investors."

At the risk of piling on about the disconnect between equity markets and bond markets, during the first quarter letter we promised to provide you with more detail about Apple's brilliant capital allocation decisions to take advantage of the arbitrage between the bond market and the stock market. A couple of weeks after announcing plans to return $100 billion of capital to shareholders over the next three years with an emphasis on share repurchases, Apple sold $17 billion of bonds, the majority of which were long-term fixed rate bonds with 5-, 10- and 30-year maturities. The yield on Apple's 10-year bond was 2.44%. On an after-tax basis, Apple's cost of capital on that bond is less than 2%. Apple is using the proceeds from these bonds to repurchase its stock. Apple's stock has an earnings yield of approximately 18% after adjusting for its large net cash position. More importantly, since Apple converts more than 100% of its earnings into free cash flow, its free cash flow yield is higher than its earnings yield. The stock market is pricing Apple as if it will cease to exist in a few years. The bond market expects Apple to be around long enough to repay the principal on its bonds thirty years from now. Apple is borrowing at less than 2% after-tax and reinvesting at 18% after-tax. We, as shareholders, benefit greatly. Apple's stock is extremely discounted because of fears that it will not be able to grow as fast in the future as it has in the past and because of short-term disappointment about the timing of its product release cycle. On the first point, if Apple never grows again but just manages to stagnate, we will make an 18% rate of return based on its current earnings yield. On the second point, Apple is correctly managing its business for the benefit of long-term shareholders instead of short-term speculators. Apple is one of the few companies available to us whose price has declined and whose value has risen. Consequently, Apple is our largest position in all of our strategies except in the Small Cap program (obviously Apple is not a small cap company). Buying more Apple has hurt our results so far in 2013. The same is true for other companies where we have added to our existing positions this year. As investors with a five-year time horizon we think it is a small price to pay to lower risk and improve our long-term prospects.

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



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Vulcan Value Partners Large Cap Review

As of June 30, 2013						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP Large Cap (Gross)	**1.7%**	**12.3%**	**24.9%**	**21.2%**	**13.4%**	**8.9%**
VVP Large Cap (Net)	**1.5%**	**12.0%**	**24.1%**	**20.4%**	**12.4%**	**8.0%**
Russell 1000 Value Index	3.2%	15.9%	25.3%	18.5%	6.7%	2.6%
S&P 500 Index	2.9%	13.8%	20.6%	18.5%	7.0%	4.2%

*Inception Date March 31, 2007

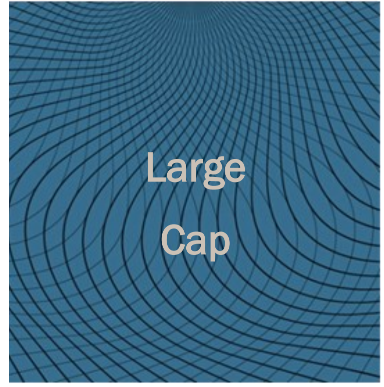
We bought four new positions during the second quarter and sold one position.

There were no material contributors or detractors to performance in the second quarter.

New purchases include Starwood Hotels & Resorts, Express Scripts Holding Company, LVMH Moet Hennessy Louis Vuitton and Qualcomm. We have followed all of these companies for many years and watched their values grow steadily. All have strong balance sheets, produce high levels of free cash flow, and are leaders in their respective industries. They are rarely ever discounted. We are pleased to be able to add these exceptional businesses to our portfolios at discounts that improve our margin of safety.

We sold one position, Microsoft. We believe that Microsoft will continue to dominate its markets in the PC industry. Unfortunately for Microsoft, the PC is under increasing competitive assault from tablets and even smart phones. When a company's competitive position begins to erode we sell it. Microsoft is a fine company and it was a good investment for us. As always, lowering risk is our first priority. We are pleased to have been able to reallocate capital from a company whose risk is increasing into companies with less risk and higher prospective rates of return.

During the first quarter letter we promised to provide you with more detail about Apple's brilliant capital allocation decisions to take advantage of the arbitrage between the bond market and the stock market. A couple of weeks after announcing plans to return $100 billion of capital to shareholders over the next three years with an emphasis on share repurchases, Apple sold $17 billion of bonds, the majority of which were long-term fixed rate bonds with 5-, 10- and 30-year maturities. The yield on Apple's 10-year bond was 2.44%. On an after-tax basis, Apple's cost of capital on that bond is less than 2%. Apple is using the proceeds from these bonds to repurchase its stock. Apple's stock has an earnings yield of approximately 18% after adjusting for its large net cash position. More importantly, since Apple converts more than 100% of its earnings into free cash flow, its free cash flow yield is higher than its earnings yield. The stock market is pricing Apple as if it will cease to exist in a few years. The bond market expects Apple to be around long enough to repay the principal on its bonds thirty years from now. Apple is borrowing at less than 2% after-tax and reinvesting at 18% after-tax. We, as shareholders, benefit greatly. Apple's stock is extremely discounted because of fears that it will not be able to grow as fast in the future as it has in the past and because of short-term disappointment about the timing of its product release cycle. On the first point, if Apple never grows again but just manages to stagnate, we will make an 18% rate of return based on its current



Vulcan Value Partners Large Cap Review (Cont.)

earnings yield. On the second point, Apple is correctly managing its business for the benefit of long-term shareholders instead of short-term speculators. Apple is one of the few companies available to us whose price has declined and whose value has risen. Consequently, Apple is our largest position in all of our strategies except in the Small Cap program (obviously Apple is not a small cap company). Buying more Apple has hurt our results so far in 2013. The same is true for other companies where we have added to our existing positions this year. As investors with a five-year time horizon we think it is a small price to pay to lower risk and improve our long-term prospects.

With market prices appreciating faster than our values, we have become more diversified throughout the year. The combination of additional diversification and reallocation of capital into lower price to value companies has mitigated our risk as equity prices have increased and the market's aggregate risk premium has decreased. Stated simply, with our own capital at risk we believe that the Vulcan Value Partners strategies have less risk and higher potential long-term returns than the market as a whole or mindless index funds and ETF's tracking the broader market.

Large Cap Strategy			
2Q 2013 Top 5 Performers		**2Q 2013 Bottom 5 Performers**	
Security	**Return %**	**Security**	**Return %**
Microsoft Corp	23.4%	Tesco PLC (ADR)	-10.7%
CME Group Inc	21.5%	Tesco PLC	-10.1%
Cisco Systems Inc	17.4%	Franklin Resources Inc	-9.9%
Google Inc	11.9%	Apple Inc	-9.8%
Disney (Walt) Company	11.4%	Intercontinental Hotels Group	-9.7%
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.			

Small Cap

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Vulcan Value Partners Small Cap Review

As of June 30, 2013						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP Small Cap (Gross)	**2.3%**	**18.9%**	**33.2%**	**24.9%**	**17.9%**	**11.6%**
VVP Small Cap (Net)	**2.2%**	**18.5%**	**32.3%**	**23.8%**	**16.7%**	**10.4%**
Russell 2000 Value Index	2.5%	14.4%	24.8%	17.3%	8.6%	3.1%
Russell 2000 Index	3.1%	15.9%	24.2%	18.7%	8.8%	4.7%

*Inception Date March 31, 2007

We had a lot of activity in Small Cap during the second quarter. In our Small Cap portfolio, prices have risen faster than values so that the margin of safety has decreased and risk has increased for the broader market as a whole. We have responded by selling companies that have reached our estimate of fair value and reducing our position in companies whose prices have risen faster than their values. We have reallocated capital to more discounted companies with larger margins of safety. We have also increased diversification throughout the year as price to value ratios have become less attractive in the aggregate. All of the above refers to marginal rates of change. As stated in the introduction to this letter, we best characterize market conditions to be “normal” and are neither deeply discounted nor overly elevated.

We bought six new positions during the second quarter and sold eight positions. Nonetheless, diversification increased throughout the year as we reduced weights in higher price to value companies.

There were no material contributors or detractors to performance in the second quarter.

These purchases and sales included one mistake, Federated Investors. We define a mistake as a company whose value declines, not a company whose stock price declines. When we make a mistake we admit it, correct it, and try our best to learn from it. We regret the additional trading and opportunity costs of the mistakes that we make but the far greater mistake would be to fail to execute a ruthlessly objective investment process.

All of the companies we purchased have strong balance sheets, produce high levels of free cash flow, and are leaders in their respective industries. They are rarely ever cheap. We are pleased to be able to add these exceptional businesses to our portfolios at discounts that improve our margin of safety.

Several of our sales deserve special mention. We sold Endurance Specialty Holdings because of a CEO transition that created more risk than we were comfortable with accepting. The odds favor a positive outcome but we want more than acceptable odds. Endurance is about to embark in a direction that is different from when we bought it. We made a good return on our investment and prefer to reduce risk rather than participate with the company in a new direction that might or might not prove profitable.

Small

Cap

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Vulcan Value Partners Small Cap Review (Cont.)

We also sold Joseph A. Bank, Janus Capital Group and Jarden. Joseph A. Bank was a good investment for us, and Janus was not. We sold both companies because we believed that their competitive position was eroding. We sold Jarden at our estimate of fair value. Jarden was an outstanding investment for us. The company executed brilliantly both operationally and in terms of capital allocation. The combination resulted in outstanding value growth which was ultimately recognized in the stock market. We are grateful to our management partners at Jarden and are pleased to recognize their contribution to our results.

Small Cap Strategy			
2Q 2013 Top 5 Performers		**2Q 2013 Bottom 5 Performers**	
Security	**Return %**	**Security**	**Return %**
Dun and Bradstreet Corp	18.2%	Universal Technical Institute Inc	-17.3%
Opentext Corp	17.3%	Mistras Group Inc	-17.3%
Iconix Brand Group Inc	13.3%	Valueclick Inc	-13.9%
Heartland Pmt System	13.2%	Eaton Vance Corp	-9.8%
Jarden Corp	12.8%	Janus Cap Group Inc	-8.1%

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Focus

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Vulcan Value Partners Focus Review

As of June 30, 2013						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP Focus (Gross)	**1.3%**	**11.0%**	**22.1%**	**20.8%**	**12.8%**	**9.4%**
VVP Focus (Net)	**1.1%**	**10.5%**	**20.9%**	**19.2%**	**11.2%**	**7.9%**
Russell 1000 Value Index	3.2%	15.9%	25.3%	18.5%	6.7%	3.0%
S & P 500 Index	2.9%	13.8%	20.6%	18.5%	7.0%	3.7%

*Inception Date November 30, 2007

We did not buy any new positions during the second quarter but did exit one position and used the proceeds to reallocate capital to more discounted existing names.

There was one material contributor to performance in the second quarter and one material detractor.

We sold Eaton Vance to reallocate capital to more discounted companies within the portfolio. Eaton Vance is a well-managed company that provided excellent returns for us while we owned it. Our discipline forces us to sell outstanding businesses when we can reduce risk by reallocating capital from more fully valued companies into companies with a larger margin of safety.

CME Group was the largest contributor to performance in the second quarter with a 24.5% return. We have written about CME Group in prior letters and described how record low interest rates manufactured by the Federal Reserve's unprecedented easy money policies has depressed its underlying earnings power. As bond markets sank and interest rates rose CME Group's stock rose dramatically.

During the first quarter letter we promised to provide you with more detail about Apple's brilliant capital allocation decisions to take advantage of the arbitrage between the bond market and the stock market. A couple of weeks after announcing plans to return $100 billion of capital to shareholders over the next three years with an emphasis on share repurchases, Apple sold $17 billion of bonds, the majority of which were long-term fixed rate bonds with 5-, 10- and 30-year maturities. The yield on Apple's 10-year bond was 2.44%. On an after-tax basis, Apple's cost of capital on that bond is less than 2%. Apple is using the proceeds from these bonds to repurchase its stock. Apple's stock has an earnings yield of approximately 18% after adjusting for its large net cash position. More importantly, since Apple converts more than 100% of its earnings into free cash flow, its free cash flow yield is higher than its earnings yield. The stock market is pricing Apple as if it will cease to exist in a few years. The bond market expects Apple to be around long enough to repay the principal on its bonds thirty years from now. Apple is borrowing at less than 2% after-tax and reinvesting at 18% after-tax. We, as shareholders, benefit greatly. Apple's stock is extremely discounted because of fears that it will not be able to grow as fast in the future as it has in the past and because of short-term disappointment about the timing of its product release cycle.

Vulcan Value Partners Focus Review (Cont.)

On the first point, if Apple never grows again but just manages to stagnate, we will make an 18% rate of return based on its current earnings yield. On the second point, Apple is correctly managing its business for the benefit of long-term shareholders instead of short-term speculators. Apple is one of the few companies available to us whose price has declined and whose value has risen. Consequently, Apple is our largest position in all of our strategies except in the Small Cap program (obviously Apple is not a small cap company). Buying more Apple has hurt our results so far in 2013. The same is true for other companies where we have added to our existing positions this year. As investors with a five-year time horizon we think it is a small price to pay to lower risk and improve our long-term prospects.

Focus Strategy			
2Q 2013 Top 5 Performers		2Q 2013 Bottom 5 Performers	
Security	**Return %**	**Security**	**Return %**
CME Group Inc	24.1%	Apple Inc	-9.9%
Disney (Walt) Company	11.5%	Franklin Resources Inc	-9.5%
Visa Inc	8.0%	Eaton Vance Corp	-6.0%
Dover Corp	7.4%	Oracle Corporation	-3.2%
Mastercard Inc	6.3%	Coca-Cola Co	0.1%

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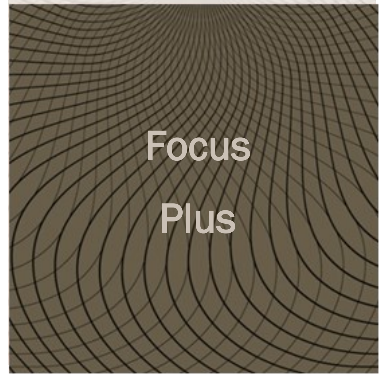


VULCAN VALUE PARTNERS

Vulcan Value Partners Focus Plus Review

As of June 30, 2013						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP Focus Plus (Gross)	**1.8%**	**11.8%**	**23.2%**	**19.7%**	**12.1%**	**8.3%**
VVP Focus Plus (Net)	**1.5%**	**11.1%**	**21.7%**	**18.2%**	**10.6%**	**6.8%**
Russell 1000 Value Index	3.2%	15.9%	25.3%	18.5%	6.7%	2.6%
S & P 500 Index	2.9%	13.8%	20.6%	18.5%	7.0%	4.2%

*Inception Date March 31, 2007

We did not write any options contracts during the second quarter. Volatility began to decrease in the fourth quarter of 2011 and has remained low so far in 2013, which has made direct purchase and sale of stock more attractive. 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.

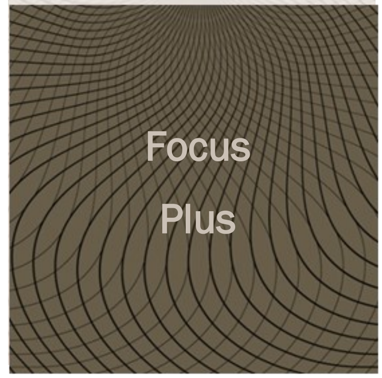
We did not buy any new positions during the second quarter but did exit one position and used the proceeds to reallocate capital to more discounted existing names.

There was one material contributor to performance in the second quarter and one material detractor.

We sold Eaton Vance to reallocate capital to more discounted companies within the portfolio. Eaton Vance is a well-managed company that provided excellent returns for us while we owned it. Our discipline forces us to sell outstanding businesses when we can reduce risk by reallocating capital from more fully valued companies into companies with a larger margin of safety.

CME Group was the largest contributor to performance in the second quarter with a 24.5% return. We have written about CME Group in prior letters and described how record low interest rates manufactured by the Federal Reserve's unprecedented easy money policies has depressed its underlying earnings power. As bond markets sank and interest rates rose CME Group's stock rose dramatically.

During the first quarter letter we promised to provide you with more detail about Apple's brilliant capital allocation decisions to take advantage of the arbitrage between the bond market and the stock market. A couple of weeks after announcing plans to return $100 billion of capital to shareholders over the next three years with an emphasis on share repurchases, Apple sold $17 billion of bonds, the majority of which were long-term fixed rate bonds with 5-, 10- and 30-year maturities. The yield on Apple's 10-year bond was 2.44%. On an after-tax basis, Apple's cost of



Vulcan Value Partners Focus Plus Review (Cont.)

capital on that bond is less than 2%. Apple is using the proceeds from these bonds to repurchase its stock. Apple's stock has an earnings yield of approximately 18% after adjusting for its large net cash position. More importantly, since Apple converts more than 100% of its earnings into free cash flow, its free cash flow yield is higher than its earnings yield. The stock market is pricing Apple as if it will cease to exist in a few years. The bond market expects Apple to be around long enough to repay the principal on its bonds thirty years from now. Apple is borrowing at less than 2% after-tax and reinvesting at 18% after-tax. We, as shareholders, benefit greatly. Apple's stock is extremely discounted because of fears that it will not be able to grow as fast in the future as it has in the past and because of short-term disappointment about the timing of its product release cycle. On the first point, if Apple never grows again but just manages to stagnate, we will make an 18% rate of return based on its current earnings yield. On the second point, Apple is correctly managing its business for the benefit of long-term shareholders instead of short-term speculators. Apple is one of the few companies available to us whose price has declined and whose value has risen. Consequently, Apple is our largest position in all of our strategies except in the Small Cap program (obviously Apple is not a small cap company). Buying more Apple has hurt our results so far in 2013. The same is true for other companies where we have added to our existing positions this year. As investors with a five-year time horizon we think it is a small price to pay to lower risk and improve our long-term prospects.

Focus Plus Strategy			
2Q 2013 Top 5 Performers		2Q 2013 Bottom 5 Performers	
Security	**Return %**	**Security**	**Return %**
CME Group Inc	23.6%	Apple Inc	-10.0%
Disney (Walt) Company	11.1%	Franklin Resources Inc	-9.6%
Visa Inc	7.8%	Eaton Vance Corp	-6.0%
Dover Corp	7.4%	Oracle Corporation	-3.0%
Mastercard Inc	6.3%	Coca-Cola Co	-0.1%

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All Cap

VULCAN VALUE PARTNERS

Vulcan Value Partners All Cap Review

As of June 30, 2013						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP All Cap (Gross)	**1.9%**	**15.0%**	**28.6%**	-	-	**16.3%**
VVP All Cap (Net)	**1.7%**	**14.4%**	**27.3%**	-	-	**15.1%**
Russell 3000 Value Index	3.1%	15.8%	25.3%	-	-	11.2%
Russell 3000 Index	2.7%	14.1%	21.5%	-	-	10.6%

*Inception Date April 1, 2011

We purchased three new positions in the second quarter and exited three positions.

There were no material contributors or detractors to performance in the second quarter.

New purchases include Starwood Hotels & Resorts, Chemed, and ACI Worldwide. We have followed all of these companies for many years and watched their values grow steadily. All have strong balance sheets, produce high levels of free cash flow, and are leaders in their respective industries. They are rarely ever cheap. We are pleased to be able to add these exceptional businesses to our portfolios at discounts that improve our margin of safety.

We sold Endurance Specialty Holdings, Joseph A. Bank, and Microsoft. We sold Endurance Specialty Holdings because of a CEO transition that holds more risk than we are comfortable with accepting. The odds favor a positive outcome but we want more than acceptable odds. Endurance is about to embark in a direction that is different from when we bought it. We made a good return on our investment and prefer to reduce risk rather than participate with the company in a new direction that might or might not prove profitable.

We sold Joseph A. Bank because we believed that its competitive position was eroding. We sold Microsoft for the same reason. We believe that Microsoft will continue to dominate its markets in the PC industry. Unfortunately for Microsoft, the PC is under an increasing competitive assault from tablets and even smart phones. When a company's competitive position begins to erode we sell it. Microsoft is a fine company, and it was a good investment for us. As always, lowering risk is our first priority. We are pleased to have been able to reallocate capital from a company whose risk is increasing into companies with less risk and higher prospective rates of return.

Vulcan Value Partners All Cap Review (Cont.)

All Cap Strategy			
2Q 2013 Top 5 Performers		2Q 2013 Bottom 5 Performers	
Security	**Return %**	**Security**	**Return %**
CME Group Inc	23.5%	Universal Technical Institute Inc	-17.4%
Microsoft Corp	22.2%	Valueclick Inc	-13.9%
Dun & Bradstreet Corp	19.1%	Tesco PLC (ADR)	-10.8%
Cisco Systems Inc	17.3%	Tesco PLC	-10.1%
Iconix Brand Group Inc	13.7%	Franklin Resources Inc	-9.9%
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.			

Closing

We are grateful for many things, and you, our clients, are at the top of the list. We have an exceptional group of client partners who share our five year time horizon, emphasize risk reduction over return, and provide us with stable, intelligent investment capital. Your partnership with us allows us to take actions that might hurt our short term results, but we believe will reduce risk and improve prospects over our five year time horizon.

Thank you for the confidence you have placed in us. We hope you enjoy the summer, and we look forward to updating you again when the weather is a little bit cooler.

Sincerely,

C.T. Fitzpatrick

Chief Investment Officer

Disclosures

The performance presented is for our Large Cap Composite, Focus Composite, Focus Plus Composite, Small 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 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 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.

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.

VULCAN
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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. The portfolio is typically invested in between seven and fourteen names. 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 with sometimes 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.