First

Quarter

2015

VULCAN
VALUE
PARTNERS

Portfolio Review

General

Large Cap, Small Cap, and All Cap produced positive returns and beat their primary benchmarks during the quarter. Focus and Focus Plus delivered negative returns and did not beat their benchmarks during the first quarter. Much more importantly, all five of our investment strategies have produced exceptional long-term returns and all strategies are in the top 1% or top 2% of their peer groups since inception. These results are detailed in the table below.

As we have often said, we place no weight on short-term results, good or bad, and neither should you. In fact, we have made and will continue to make decisions that negatively impact short-term performance when we think we can improve our long-term returns and lower risk. We encourage you to place more weight on our longer term historical results and a great deal of weight on our long-term prospects.

Directory

As of March 31, 2015

	QTD	YTD	Annualized Since Inception*	Peer Rank Since Inception[1]
Large Cap Composite (Gross)	**0.2%**	**0.2%**	**11.7%**	**Top 1%**
Large Cap Composite (Net)	**0.0%**	**0.0%**	**10.8%**	
Russell 1000 Value Index	-0.7%	-0.7%	5.3%	
S&P 500 Index	1.0%	1.0%	7.1%	
Small Cap Composite (Gross)	**4.1%**	**4.1%**	**12.6%**	**Top 1%**
Small Cap Composite (Net)	**3.8%**	**3.8%**	**11.5%**	
Russell 2000 Value Index	2.0%	2.0%	5.3%	
Russell 2000 Index	4.3%	4.3%	7.2%	
Focus Composite (Gross)	**-1.5%**	**-1.5%**	**12.4%**	**Top 1%**
Focus Composite (Net)	**-1.7%**	**-1.7%**	**10.9%**	
Russell 1000 Value Index	-0.7%	-0.7%	5.9%	
S&P 500 Index	1.0%	1.0%	7.0%	
Focus Plus Composite (Gross)	**-1.5%**	**-1.5%**	**11.2%**	**Top 2%**
Focus Plus Composite (Net)	**-1.6%**	**-1.6%**	**9.8%**	
Russell 1000 Value Index	-0.7%	-0.7%	5.3%	
S&P 500 Index	1.0%	1.0%	7.1%	
All Cap Composite (Gross)	**3.4%**	**3.4%**	**18.5%**	**Top 2%**
All Cap Composite (Net)	**3.1%**	**3.1%**	**17.4%**	
Russell 3000 Value Index	-0.5%	-0.5%	13.0%	
Russell 3000 Index	1.8%	1.8%	13.9%	

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

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Portfolio Review (Cont.)

We have made two important decisions that we think will enhance our long-term prospects:

First, we are closing all of Vulcan Value Partners' investment strategies to new investors. Existing investors can continue to add to or reduce their committed capital. However, if anyone leaves they cannot come back. We closed Small Cap in late 2013 and All Cap in early 2014. We did so because we wanted to remain nimble enough to continue to execute our investment philosophy. The same logic applies to Large Cap, Focus, and Focus Plus. We are very fortunate to have partnered with outstanding clients who share our long-term time horizon and provide stable capital. As fiduciaries, we first and foremost want to protect our clients' capital and our own. Continued growth has several downsides. Increased size makes it more difficult to execute on the trading desk. We have additional capacity in that area, but we want it to accrue to our existing clients instead of being absorbed by new clients. Growth also adds to complexity. Complexity makes it more difficult to focus on our core competencies. We have always been a research driven shop and want to remain so. Limiting the number of client relationships we have will allow us to serve our existing clients better and will allow our research team to focus on research.

Second, Adam McClain has been appointed President. Adam is a founding partner of Vulcan Value Partners and will continue to lead the firm's client service team. Adam is the right person and it is the right time to make this change. Adam knows our company, our clients, and our investment philosophy extremely well, having been intimately involved in the development of each since we started the firm. He is well respected both inside and outside of Vulcan Value Partners. Adam's ability and willingness to take on these additional responsibilities will allow me to spend even more time on research, which is my highest and best use.

Turning to our portfolios, our primary concern is always to reduce risk. Returns will take care of themselves. The strong dollar has reduced values across the board for U.S. companies with operations abroad, which comprise the majority of our portfolios. Our overseas domiciled companies have benefitted from the strong dollar but not enough to offset the strong dollar's impact on our U.S. companies. As prices have continued to rise and values are under pressure, valuation levels are rising and risk is increasing. As valuation levels continue to rise, fear has given way to complacency, and complacency will eventually give way to greed. Greed will lead to the next bubble and then to the next bear market. We look forward to it. We are at our best when others are panicking. The current environment is the most challenging for us. It might seem counter-intuitive, but the complacency in the markets we are now experiencing increases risk. The energy markets, especially oil, seemed to be pretty complacent a year ago. Then, look at what happened with oil declining from over $100 per barrel to under $50 per barrel. We cannot predict the timing nor the magnitude, but the same dynamic will play out in the stock market. Our goal is to be ready for it. How? We own superior businesses with stable, steadily growing values. We own them at a discount that provides a margin of safety. Admittedly, those discounts are not as large as they have been nor as we would wish them to be. So, we are more diversified than at any time since we started the company. Our 1% and 2% positions provide liquidity that can quickly be redeployed into larger positions in more deeply discounted companies when they become available to us. As you know, we are not big fans of energy. Not having any energy exposure helped us last year. It was not a macro or sector call. We simply could not find any energy companies that qualified for investment in terms of quality or valuation. After oil dropped below $50 per barrel, we found a couple of energy related companies that did qualify. Keep on reading…

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

Large Cap

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Vulcan Value Partners Large Cap Review

As of March 31, 2015						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP Large Cap (Gross)	**0.2%**	**0.2%**	**16.2%**	**20.3%**	**17.4%**	**11.7%**
VVP Large Cap (Net)	**0.0%**	**0.0%**	**15.5%**	**19.6%**	**16.6%**	**10.8%**
Russell 1000 Value Index	-0.7%	-0.7%	9.3%	16.4%	13.8%	5.3%
S&P 500 Index	1.0%	1.0%	12.7%	16.1%	14.5%	7.1%

*Inception Date March 31, 2007

We bought seven new positions and sold one position during the first quarter.

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

New positions included Partner RE, Axis Capital Holdings, Precision Castparts, Qualcomm, Emerson Electric, Schlumberger and National Oilwell Varco.

We sold eBay to redeploy capital into more discounted companies with larger margins of safety. Shortly after we bought eBay in late 2013 (we have owned it before) activists became involved in the stock and drove its price higher. Subsequently, the company announced it would separate its Marketplaces division from Paypal. The stock market reacted favorably to this news. Price rose faster than value, and eBay's margin of safety eroded.

We purchased Partner RE and Axis Capital in combination. The two companies announced a merger and at certain times it made more sense to buy one company instead of the other, but our intention was to have a position in the merged company. Subsequent to the end of the first quarter, the Agnelli family announced that they were making an unsolicited bid for Partner RE. Partner RE's stock price has risen as a result. We are monitoring the situation and will follow our investment discipline.

Precision Castparts makes products that are integral to Airbus and Boeing's aircraft programs. They also make products used in the energy sector. Flagging demand for energy related products has masked strong demand for aircraft products. Precision Castparts is dominant in its industry, has a large backlog of products going into newer aircraft programs, produces high levels of free cash flow, and has attractive returns on capital.

Vulcan Value Partners Large Cap Review (Cont.)

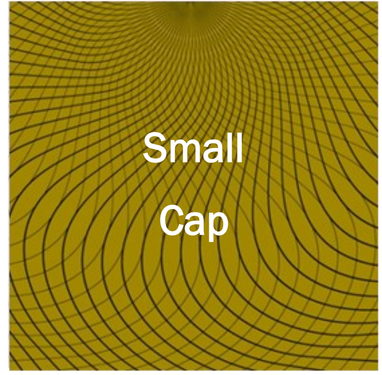
We have owned Qualcomm in the past. We sold it because of increased risk associated with its Chinese licensing agreements. Recently, Qualcomm reached agreements with Chinese authorities that were more favorable than many, including us, had expected. After an initial rally, Qualcomm's stock declined due to concerns about its chip making business. The company's licensing business is much more valuable than its chip making business. With risk to the licensing business greatly reduced and GAAP earnings weakness caused by the smaller chip making business, we were able to re-acquire Qualcomm at attractive valuation levels that provided an adequate margin of safety.

Emerson Electric is a well-managed, diversified, global manufacturer that produces consistently high levels of free cash flow, has attractive returns on capital, and a steadily growing value. Emerson Electric's results have been negatively impacted by the strong dollar and sluggish global economic growth. We are pleased to be able to add it to our holdings.

We purchased Schlumberger and National Oilwell Varco after oil dropped to below $50 per barrel. Neither company actually produces energy, but both supply value-added services to the industry that are required to produce and find new supplies of oil. Consequently, both companies have superior economics compared to their customers yet sell at larger discounts to them. We expect lower earnings but high levels of free cash flow and stable values for both companies this year and next. Over the longer term, we expect both companies to grow their values at a low double-digit rate.

Large Cap Strategy			
1Q 2015 Top 5 Performers		1Q 2015 Bottom 5 Performers	
Security	Return %	Security	Return %
Anthem Inc	23.1%	Fossil Group	-25.6%
Sabre Corp	20.8%	Discovery Communications	-12.3%
Aetna Inc	20.7%	MSC Industrial Direct Co	-10.3%
Boeing Company	16.2%	Parker Hannifin Corp	-7.3%
Apple Inc	13.6%	National Oilwell Varco Inc	-7.3%

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



Vulcan Value Partners Small Cap Review

As of March 31, 2015						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP Small Cap (Gross)	4.1%	4.1%	10.3%	19.9%	18.7%	12.6%
VVP Small Cap (Net)	3.8%	3.8%	9.4%	18.9%	17.6%	11.5%
Russell 2000 Value Index	2.0%	2.0%	4.4%	14.8%	12.5%	5.3%
Russell 2000 Index	4.3%	4.3%	8.2%	16.3%	14.6%	7.2%

*Inception Date March 31, 2007

We bought two new positions and sold six positions during the first quarter.

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

We sold Insperity, Universal Technical Institute, Avery Dennison, Montpelier RE, Genpact, and Iconix Brands. In all cases except Universal Technical Institute, we sold our stakes because our margin of safety had eroded as price rose faster than value. In the case of Universal Technical Institute, we sold it because government regulations impacting the for-profit education business became even more onerous and uncertain than we expected. Our investment in Universal Technical Institute was predicated on the assumption that increased government regulation would drive out companies that did not offer value for their students/customers, and that those that did add value, such as Universal Technical Institute, would ultimately thrive. Unfortunately, proposed additional regulations did not differentiate between productive and non-productive institutions. The range of possibilities became too extreme, and our margin of safety eroded so we sold our position.

New purchases included MSC Industrial and Fossil Group. MSC Industrial has a large distribution network stocking hundreds of thousands of SKU's that are needed to keep the nation's factories running. Their ability to supply relatively small cost but mission critical items within 24 hours allows them to charge a premium for their products. The strong dollar is pressuring their customer base, and low inflation is muting their pricing power. The company is a clear leader in its market segment, continues to gain market share, produces strong free cash flow, and has attractive returns on capital. As conditions for their customer base improve so should MSC Industrial's results. In the meantime, they are producing returns that most businesses would envy.

VULCAN VALUE PARTNERS

Vulcan Value Partners Small Cap Review (Cont.)

Fossil Group has a unique business franchise in that it produces timepieces, has a global distribution network, and owns and licenses watch brands. As a result, they are an attractive partner for watch brand owners. The strong dollar has obscured their underlying growth. In addition, concerns about the impact that the Apple Watch may have on their business has weighed on the stock price. Fossil has partnered with Google to produce several versions of Android smart watches. We think a market will exist for both traditional and smart watches. We think Fossil is uniquely positioned to prosper with both traditional watches and smart watches, regardless how the market evolves.

Virtus declined 23% during the quarter as assets under management (AUM) at one of its sub-advisors declined. The strategy managed by this sub-advisor accounts for less than 20% of Virtus' AUM. Other areas continue to grow. We value the 20% managed by the sub-advisor at a discount to the 80%. When combined, we think Virtus' stock price is very discounted and provides a large margin of safety.

Nu Skin was our largest position going into the first quarter, and it was up 38.8% during the quarter. We discussed Nu Skin in our third quarter 2014 letter, saying: "*Nu Skin is a highly profitable, rapidly growing company with the majority of its sales outside the U.S. The company utilizes a direct selling model to distribute its skin care and health related products. A temporary regulatory issue, since resolved, caused an interruption in their rapidly expanding Chinese operations. We believe the long-term fundamentals driving the company's business remain intact and that this short-term disruption has created an attractive buying opportunity*." In summary, things played out exactly as we thought, and the stock rallied accordingly.

Small Cap Strategy

1Q 2015 Top 5 Performers		**1Q 2015 Bottom 5 Performers**	
Security	**Return %**	**Security**	**Return %**
Nu Skin Enterprises Inc	38.8%	Virtus Investment Partners Inc	-23.0%
KMG Chemicals I	33.8%	Universal Technical Institute Inc	-22.2%
MSCI Inc	29.7%	Rovi Corp	-19.5%
Genpact Limited	23.4%	Navigant Consulting Inc	-15.7%
Sabre Corp	20.6%	Actuant Corp	-12.9%

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Focus

VULCAN VALUE PARTNERS

Vulcan Value Partners Focus Review

As of March 31, 2015						
			Annualized			
Investment Strategy	**QTD**	**YTD**	**1 year**	**3 year**	**5 year**	**Since Inception***
VVP Focus (Gross)	-1.5%	-1.5%	11.9%	19.3%	17.5%	12.4%
VVP Focus (Net)	-1.7%	-1.7%	11.1%	18.2%	16.2%	10.9%
Russell 1000 Value Index	-0.7%	-0.7%	9.3%	16.4%	13.8%	5.9%
S & P 500 Index	1.0%	1.0%	12.7%	16.1%	14.5%	7.0%

*Inception Date November 30, 2007

We bought one new position and sold three positions during the first quarter.

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

We have owned ACI Worldwide in our Small Cap program for nearly two years. During that time, we have seen its value grow and its competitive position improve. The stock price has not kept pace, so ACI Worldwide's margin of safety has become more attractive. Consequently, we sold more fully valued companies and redeployed capital to ACI Worldwide. The company makes software used to process transactions. As an example, ACI Worldwide makes the switch used to process transactions for Visa Europe. Their customer retention is very high, margins are rising, and underlying growth is approaching double-digit rates. Free cash flow production is outstanding, as is return on capital. Why is it discounted? Headline growth numbers are being held back by the strong dollar and also a transition from enterprise to cloud-based delivery of their products, similar to Oracle. Viewed through our five year time horizon lens, we believe ACI Worldwide provides attractive returns with less risk than similar companies with higher valuations and more tentative prospects. If our time horizon was next quarter or next year, we would avoid it. We are fortunate to have investment partners that provide us with stable capital so that we can take advantage of time arbitrage opportunities such as ACI Worldwide.

We sold three positions during the first quarter, eBay, Starwood Hotels and Resorts, and Apple. Each company's stock price had appreciated faster than their growing values, so our margin of safety eroded. Our investment discipline forces us to sell businesses and redeploy capital into more discounted companies when we can materially improve our margin of safety, which is why we exited these profitable investments.

Discovery Communications was our only material detractor, which was down 12% in the first quarter. The company has been an outstanding investment for us for many years. Its underlying competitive advantages, which include

Vulcan Value Partners Focus Review (Cont.)

nearly 100% owned low cost content, global distribution, and high viewership, remain intact. In the short run, however, they are experiencing headwinds that should continue to create volatility in their stock price. Over 50% of their revenue comes from overseas, so the strong dollar is hurting their reported results. More importantly, they are adjusting their business model to changes in how content is delivered. Some of you might recall that we sold all of our content distribution companies several years ago because we believed that their competitive position was eroding. Well, we were right. As alternative “over the top” distribution models continue to emerge to challenge traditional cable and satellite companies, content owners like Discovery Communications will face bumps in the road as they negotiate new distribution agreements. We are willing to endure these short-term issues because we believe Discovery Communications offers compelling content at lower cost than its competition. Said another way, they will have to use their competitive advantages to navigate a rapidly changing distribution industry, and we think they can do so successfully.

Boeing was our only material contributor, which was up 16.2% in the first quarter. Boeing is reaping the rewards of long-term investments made years ago in the 787 and other jet programs. They are continuing to invest in new programs like the 777-X. Free cash flow is growing rapidly, return on capital is improving, and Boeing has a record backlog of new orders. Boeing is using its free cash flow to repurchase its discounted stock. Unfortunately for us, it is not as discounted as it was - a nice problem to have. Boeing’s value is compounding steadily.

Focus Strategy			
1Q 2015 Top 5 Performers		1Q 2015 Bottom 5 Performers	
Security	**Return %**	**Security**	**Return %**
Boeing Company	16.2%	Discovery Communications	-12.0%
Disney (Walt) Company	11.4%	Parker Hannifin Corp	-7.3%
ACI Worldwide Inc	6.0%	Franklin Resources Inc	-7.0%
Apple Inc	2.4%	Starwood Hotels & Resorts Worldwide	-5.4%
Ebay Inc	1.1%	Oracle Corp	-3.6%

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Vulcan Value Partners Focus Plus Review

As of March 31, 2015						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP Focus Plus (Gross)	-1.5%	-1.5%	11.6%	19.8%	16.6%	11.2%
VVP Focus Plus (Net)	-1.6%	-1.6%	10.9%	18.5%	15.3%	9.8%
Russell 1000 Value Index	-0.7%	-0.7%	9.3%	16.4%	13.8%	5.3%
S & P 500 Index	1.0%	1.0%	12.7%	16.1%	14.5%	7.1%

*Inception Date March 31, 2007

We did not write any options contracts during the first quarter. Volatility began to decrease in the fourth quarter of 2011 and has remained low since then, 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 bought one new position and sold two positions during the first quarter.

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

We have owned ACI Worldwide in our Small Cap program for nearly two years. During that time, we have seen its value grow and its competitive position improve. The stock price has not kept pace, so ACI Worldwide's margin of safety has become more attractive. Consequently, we sold more fully valued companies and redeployed capital to ACI Worldwide. The company makes software used to process transactions. As an example, ACI Worldwide makes the switch used to process transactions for Visa Europe. Their customer retention is very high, margins are rising, and underlying growth is approaching double-digit rates. Free cash flow production is outstanding, as is return on capital. Why is it discounted? Headline growth numbers are being held back by the strong dollar and also a transition from enterprise to cloud-based delivery of their products, similar to Oracle. Viewed through our five year time horizon lens, we believe ACI Worldwide provides attractive returns with less risk than similar companies with higher valuations and more tentative prospects. If our time horizon was next quarter or next year, we would avoid it. We are fortunate to have investment partners that provide us with stable capital, so we can take advantage of time

Vulcan Value Partners Focus Plus Review (Cont.)

arbitrage opportunities such as ACI Worldwide.

We sold two positions during the first quarter, Starwood Hotels and Resorts and Apple. Both company's stock prices had appreciated faster than their growing values, so our margin of safety eroded. Our investment discipline forces us to sell businesses and redeploy capital into more discounted companies when we can materially improve our margin of safety, which is why we exited these profitable investments.

Discovery Communications was our only material detractor, which was down 12.3% in the first quarter. The company has been an outstanding investment for us for many years. Its underlying competitive advantages, which include nearly 100% owned low cost content, global distribution, and high viewership, remain intact. In the short run, however, they are experiencing headwinds that should continue to create volatility in their stock price. Over 50% of their revenue comes from overseas, so the strong dollar is hurting their reported results. More importantly, they are adjusting their business model to changes in how content is delivered. Some of you might recall that we sold all of our content distribution companies several years ago because we believed that their competitive position was eroding. Well, we were right. As alternative “over the top” distribution models continue to emerge to challenge traditional cable and satellite companies, content owners like Discovery Communications will face bumps in the road as they negotiate new distribution agreements. We are willing to endure these short-term issues because we believe Discovery Communications offers compelling content at lower cost than its competition. Said another way, they will have to use their competitive advantages to navigate a rapidly changing distribution industry, and we think they can do so successfully.

Boeing was our only material contributor, which was up 16.1% in the first quarter. Boeing is reaping the rewards of long-term investments made years ago in the 787 and other jet programs. They are continuing to invest in new programs like the 777-X. Free cash flow is growing rapidly, return on capital is improving, and Boeing has a record backlog of new orders. Boeing is using its free cash flow to repurchase its discounted stock. Unfortunately for us, it is not as discounted as it was - a nice problem to have. Boeing's value is compounding steadily.

Focus Plus Strategy			
1Q 2015 Top 5 Performers		**1Q 2015 Bottom 5 Performers**	
Security	**Return %**	**Security**	**Return %**
Boeing Company	16.1%	Discovery Communications	-12.3%
Disney (Walt) Company	11.4%	Parker Hannifin Corp	-7.3%
ACI Worldwide Inc	6.3%	Franklin Resources Inc	-7.0%
Apple Inc	2.4%	Starwood Hotels & Resorts Worldwide	-5.4%
Mastercard Inc	0.5%	Oracle Corp	-3.7%

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Vulcan Value Partners All Cap Review

As of March 31, 2015						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP All Cap (Gross)	3.4%	3.4%	14.7%	**21.5%**	-	18.5%
VVP All Cap (Net)	3.1%	3.1%	13.8%	**20.4%**	-	17.4%
Russell 3000 Value Index	-0.5%	-0.5%	8.9%	**16.3%**	-	13.0%
Russell 3000 Index	1.8%	1.8%	12.4%	**16.4%**	-	13.9%

*Inception Date April 1, 2011

We purchased four new positions and exited seven positions in the first quarter.

We had one material contributor and no material detractors to performance during the first quarter.

We sold Starwood Hotels and Resorts, eBay, Cisco Systems, Universal Technical Institute, Apple, Anthem, and Sabre. In all cases except Universal Technical Institute, we sold our stakes because our margin of safety had eroded as price rose faster than value. In the case of Universal Technical Institute, we sold it because government regulations impacting the for-profit education business became even more onerous and uncertain than we expected. Our investment in Universal Technical Institute was predicated on the assumption that increased government regulation would drive out companies that did not offer value for their students/customers, and that those that did add value, such as Universal Technical Institute, would ultimately thrive. Unfortunately, proposed additional regulations did not differentiate between productive and non-productive institutions. The range of possibilities became too extreme, and our margin of safety eroded so we sold our position.

New purchases included Qualcomm, National Oilwell Varco, MSC Industrial, and Fossil Group.

We have owned Qualcomm in the past. We sold it because of increased risk associated with its Chinese licensing agreements. Recently, Qualcomm reached agreements with Chinese authorities that were more favorable than many, including us, had expected. After an initial rally, Qualcomm's stock declined due to concerns about its chip making business. The company's licensing business is much more valuable than its chip making business. With risk to the licensing business greatly reduced and GAAP earnings weakness caused by the smaller chip making business, we were able to re-acquire Qualcomm at attractive valuation levels that provided an adequate margin of safety.

Vulcan Value Partners All Cap Review (Cont.)

We purchased National Oilwell Varco after oil dropped to below $50 per barrel. National Oilwell Varco does not actually produce energy, but instead supplies value added services to the industry that are required to produce and find new supplies of oil. Consequently, National Oilwell Varco has superior economics compared to their customers yet sells at a larger discount to them. We expect lower earnings but high levels of free cash flow and stable values for the company this year and next. Over the longer term, we expect the company to grow its value at a low double-digit rate.

MSC Industrial has a large distribution network stocking hundreds of thousands of SKU's that are needed to keep the nation's factories running. Their ability to supply relatively small cost but mission critical items within 24 hours allows them to charge a premium for their products. The strong dollar is pressuring their customer base, and low inflation is muting their pricing power. The company is a clear leader in its market segment, continues to gain market share, produces strong free cash flow, and has attractive returns on capital. As conditions for their customer base improve so should MSC Industrial's results. In the meantime, they are producing returns that most businesses would envy.

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Nu Skin was our largest position going into the first quarter and it was up 38.9% during the quarter. We discussed Nu Skin in our third quarter 2014 letter, saying: *"Nu Skin is a highly profitable, rapidly growing company with the majority of its sales outside the U.S. The company utilizes a direct selling model to distribute its skin care and health related products. A temporary regulatory issue, since resolved, caused an interruption in their rapidly expanding Chinese operations. We believe the long-term fundamentals driving the company's business remain intact and that this short-term disruption has created an attractive buying opportunity*." In summary, things played out exactly as we thought, and the stock rallied accordingly.

All Cap Strategy			
1Q 2015 Top 5 Performers		1Q 2015 Bottom 5 Performers	
Security	**Return %**	**Security**	**Return %**
Nu Skin Enterprises Inc	38.9%	Rovi Corp	-19.4%
MSCI Inc	30.2%	Universal Technical Institute Inc	-15.9%
Anthem Inc	21.8%	Discovery Communications	-12.3%
Aetna Inc	20.2%	Lindsay Corp	-10.7%
Apple Inc	19.5%	National Oilwell Varco Inc	-7.4%

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

Closing

We are only concerned about our long-term results, and everything we do is with that goal in mind. With valuation levels rising and complacency replacing fear, our short-term results are likely to be challenged. Having said that, we have taken a number of important steps operationally and strategically that position us very well to continue to produce superior long-term results. Operationally, our portfolios are highly liquid and more diversified than they ever have been. When deeper discounts become available, we will be able to deploy our liquidity opportunistically. In the meantime, we own outstanding businesses that are steadily compounding their values at discounts to our estimate of intrinsic worth, while companies we do not own trade at a premium to our estimate of fair value. Strategically, closing to new investors protects the high quality of our client base and reserves additional investment capacity for you, our client partners. Adam McClain's ability to take on more responsibility for day to day operations strengthens our research efforts. So, we feel better about our long-term prospects more than ever while cautioning you that in the short-term, systemic market-level risks are rising with valuation levels.

We hope that you are enjoying spring, and we look forward to updating you again this summer.

Thank you for the confidence you have placed in us.

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, Small Cap Composite, and All Cap Composite. The model composite portfolio performance figures reflect the deduction of brokerage or other commissions and the reinvestment of dividends and capital gains. Past performance is no guarantee of future results and we may not achieve our return goal. We have presented returns gross and net of fees. Gross of fees returns are calculated gross of management and custodial fees and net of transaction costs. Net of fees returns are calculated net of management fees and transaction costs and gross of custodian fees, taken at the highest applicable fee. The performance figures do not reflect the deduction of any taxes an investor might pay on distributions or redemptions. Our standard fees are presented in Part 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 percentage for an individual security is the performance of the security from price at initial purchase date to the price at final sale date. Actual returns for the composites holdings of those securities may differ from total return as the composites rebalanced or changed weights in the individual securities. There may be market or economic conditions which affect our performance, or that of our relevant benchmarks, that may have changed Vulcan Value Partners' views regarding the prospects of any particular investment. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities discussed in this letter. The information provided in this presentation is furnished as of the date shown, and no representation is being made with respect to its accuracy on any future date. Vulcan Value Partners does not assume any duty to update any information in this presentation. Vulcan buys concentrated positions for our portfolios, at times averaging 5% in our model portfolios, which may make our performance more volatile than that of our benchmark indices, and our performance may diverge from an index, positively or negatively, as a result. Our focus is on long term capital appreciation, so our clients should consider at least a five year time horizon for an investment with Vulcan.

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

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

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

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

Disclosures (Cont.)

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

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

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

All returns are expressed in US dollars.