Performance Comparison[1]

Periods Ended 9/30/17 (%)	QTR	YTD	1 Yr	3 Yr	5 Yr	S. I.[1]
DCM Mid Cap Value (gross)	3.47	9.08	15.54	11.92	15.00	13.12
DCM Mid Cap Value (net)	3.25	8.40	14.55	10.90	13.94	12.06
Russell Midcap Value	2.14	7.43	13.37	9.19	14.33	10.30

Periods greater than 1 year are annualized
[1]DCM inception was June 30, 2008

Performance Summary

The DCM Stategy returned 3.47% (gross of fees) for the quarter ended September 30, 2017, compared with the Russell Midcap Value Index, up 2.14%.

Macro style factors were a slight negative this quarter relative to the Russell Mid Cap Value Index. Stock volatility, earnings and price momentum and wider earnings variability outperformed in the quarter, all factors we are less exposed to than the benchmark. Partially offsetting these negative factors, our overweight to more profitable companies and our underweight to dividend yield, primarily in the Utilities and Real Estate sectors, were beneficial to returns.

While style factors had a slight impact relative to our primary benchmark, taking a step back and looking at a style neutral index such as the Russell Mid Cap Index shows a much different picture. Relative to the style neutral index, style factors were a significant negative driven by strong performance in stocks with growth, price and earnings momentum, wider earnings variability and higher volatility. Similar to last quarter, the market continues to consolidate into stocks with demonstrated growth and momentum. This has led to a significant earnings and valuation gap between value and growth stocks. As we rotate out of overvalued stocks into better risk/rewards, long momentum markets tend to create a large headwind for our strategy. When expectations become unattainable or valuation gaps become too wide, the current cycle will break, and we will see a broadening of the market. Improved capital spending on real assets, a more certain political environment and/or an uptick in pricing power (inflation) would also prove beneficial to value strategies.

Sector Drivers

GICS Sectors	Average Weight			Stock Level Returns		Portfolio Impact	
	Port	Bench	Active	Port	Bench	Contribution	Attribution
Industrials	16.1%	11.4%	4.7%	6.8%	4.7%	111 bps	47 bps
Consumer Discretionary	14.4%	12.0%	2.4%	3.6%	0.3%	51 bps	43 bps
Real Estate	6.7%	14.8%	-8.1%	4.1%	-0.1%	24 bps	40 bps
Consumer Staples	6.7%	4.1%	2.6%	3.7%	-1.7%	25 bps	26 bps
Telecommunication Services	0.0%	0.8%	-0.8%	0.0%	-12.5%	0 bps	13 bps
Materials	8.4%	5.2%	3.2%	6.6%	7.2%	56 bps	12 bps
Utilities	7.9%	11.0%	-3.1%	3.8%	2.5%	30 bps	10 bps
Energy	6.2%	7.6%	-1.4%	7.3%	6.2%	43 bps	-2 bps
Financials	17.2%	19.8%	-2.5%	3.8%	4.1%	67 bps	-8 bps
Health Care	5.8%	6.8%	-1.0%	-7.6%	-5.7%	-57 bps	-13 bps
Information Technology	8.1%	6.5%	1.6%	-0.7%	3.9%	-6 bps	-35 bps

(see disclosures)

The best performing sector relative to the benchmark was Industrials. Allocation was positive due to our overweight within the Capital Goods industry, which solidly outperformed the benchmark. Stock selection in the Transportation industry was beneficial as we owned Kansas City Southern (KSU), which outperformed the industry, especially the airline stocks which have been negatively impacted by pricing power concerns.

The second best performing sector relative to the benchmark was Consumer Discretionary. Allocation was positive due to our overweight in the Automobiles & Components industry, which significantly outperformed other industries within the Consumer Discretionary sector. Stock selection also contributed to performance with auto parts retailers LKQ Corp (LKQ) and Monro Inc (MNRO) and apparel manufacturers Gildan Activewear (GIL) and Carter's Inc. (CRI) posting a strong quarter. After a rough second quarter, much of the outperformance was due to retail related names having a modest bounce back in the third quarter.

Information Technology was the worst performing sector relative to the benchmark. While we were overweight an outperforming sector, our stock selection accounted for the weak performance. Software holdings Alliance Data Systems (ADS) and DST Systems (DST) generated double digit declines based on weak second quarter results. In addition, the strategy was void Semiconductor & Semiconductor Equipment holdings, which significantly outperformed the overall sector.

Health Care was the second worst performing sector relative to the benchmark. Our overweight in Health Care Equipment & Services industry was a detractor as was our holding in Patterson Companies (PDCO), a distributor of dental, lab and veterinary supplies. While revisions to the Affordable Care Act have been avoided to date, the continued discussion of changes to the rules have weighed heavily on the Health Care sector leading to significant underperformance in the quarter.

Top 10 Contributors/Detractors

	Top 10 Contributors	Average % Weight	Contribution
1	MONRO INC	1.37	42 bps
2	AGRIUM INC	1.66	30 bps
3	RPC INC	1.30	29 bps
4	XYLEM INC	2.02	26 bps
5	AMERIPRISE FINANCIAL INC	1.59	25 bps
6	DELPHI AUTOMOTIVE PLC	2.00	24 bps
7	OCEANEERING INTL INC	1.37	22 bps
8	TYSON FOODS INC-CL A	1.74	22 bps
9	BROWN & BROWN INC	1.63	19 bps
10	CITIZENS FINANCIAL GROUP	0.32	19 bps

	Top 10 Detractors	Average % Weight	Contribution
1	PATTERSON COS INC	0.63	-30 bps
2	ADVANCE AUTO PARTS INC	1.35	-24 bps
3	INTERPUBLIC GROUP OF COS INC	1.39	-24 bps
4	ALLIANCE DATA SYSTEMS CORP	1.45	-22 bps
5	DST SYSTEMS INC	1.44	-18 bps
6	SIGNATURE BANK	0.74	-15 bps
7	UNIVERSAL HEALTH SERVICES-B	1.50	-15 bps
8	ZIMMER BIOMET HOLDINGS INC	1.64	-15 bps
9	NOBLE ENERGY INC	0.57	-14 bps
10	STERICYCLE INC	1.01	-11 bps

Selected Contributor(s) to Performance

Monro Muffler Brake (MNRO), up 34.8%, was the largest contributing stock in the quarter. The company operates approximately 1,200 retail locations under several brand names focusing on automotive undercar repair services such as brakes, exhaust, suspension and on tire sales and services. The company has increased its focus on growing the tire sales and service business with tires now accounting for 50% of the sales mix. Last quarter, the stock was pummeled on weak sales and concerns related to Amazon taking share and was one of our worst stocks the prior quarter. After the second quarter report, it appears a good portion of the sales weakness was timing and weather related as sales improved. As competition fears have subsided, the stock rebounded meaningfully in the quarter.

Agrium (AGU), up 19.4% in the quarter, was the second best contributing stock. Agrium is a leading producer and distributor of agricultural products and services. The company's wholesale division supplies products (primarily fertilizer, nitrogen and potash) to distributors globally. The retail division is the number one retail distributor globally. The division provides advice and products (crop nutrients, crop protection, and seeds) directly to farmers. The wholesale fertilizer markets have been under pressure due to weak crop pricing as well as surplus industry capacity in nitrogen and potash. The oversupply in the industry has led Agrium and Potash Corp (POT) to agree to a merger of equals which should be completed late 2017 and is expected to generate synergies of ~$500M. A slight improvement in fertilizer commodities pricing drove the appreciation in the quarter.

Selected Detractor(s) from Performance

The largest detracting stock in the quarter was Patterson Companies (PDCO), down -18.4% for the period held. Patterson is a distributor serving the dental and animal supply markets. Historically, Patterson was a stable company operating in a slow-growth, fragmented market. The entrance into animal health added opportunities in a faster growing market segment. In recent periods, Patterson has seen both segment's end markets slow or go into decline and chose to exit a distribution agreement with Sirona. In addition, the company has experienced a management shakeup with the CEO of the company resigning in June and the Animal Health division CEO resigning in July. The company currently does not have a CEO. With a less than stellar outlook after the last quarter and a questionable path to improvement, we chose to exit the position after several years of underperformance.

The second largest detracting stock in the quarter was Advanced Auto Parts, down 14.9%. AAP is a leading aftermarket car parts provider serving both professional installers and do-it-yourself (DIY) customers with approximately 5,100 retail locations. Retail sales within auto retailers have been soft over the past several quarters due to mild weather and increased promotional activity. Continuing with the theme of last quarter when Advanced Auto was a top detractor, AAP has continued to lower earnings expectations with a dramatic reduction in margins highlighted this quarter. Post the end of the quarter, we exited our position in Advanced Auto.

Current Opportunities

The portfolio's largest overweight sectors relative to the benchmark are Industrials and Consumer Staples. During the quarter, we added a new position in the Industrials sector, increasing our overweight, and modestly added to Consumer Staples as the sector has lagged. Utilities and Real Estate continue to be our largest underweighted sectors due to their valuation and exposure to interest rates, which have remained stubbornly low relative to history. However, we did add a new position in the Real Estate sector this quarter.

Currently, stocks with lackluster growth and/or stocks that exhibit a lack of price or earnings momentum are providing the greatest opportunities as valuation gaps widen. Investors have moved to the certainty of growth and are sticking with what is working. Economic growth remains lackluster as businesses digest an uncertain political backdrop around the Affordable Care Act, tax reform, trade policies, and foreign relations, etc. With tax reform on the horizon in 2018, we may continue to see momentum benefit and valuation gaps widen as losing stocks continue to be sold, holding gains on the premise of a new tax code. On this premise, we believe many of 2017's underperforming stocks may benefit in 2018 as selling pressure abates and valuations once again matter. We will continue to move toward high quality companies as valuation warrants. While we expect any form of Tax Reform to be moderate relative to current expectations, we do believe any movement will help provide clarity for future capital investment which should benefit many value oriented stocks.

Disclosures

Dean Capital Management, LLC (DCM) is an independent investment management firm owned by LLC members and entities affiliated with C.H. Dean, LLC. The firm manages a variety of equity and fixed income assets for institutional and individual investors. Dean Capital Management, LLC claims compliance with the Global Investment Performance Standards (GIPS). Past performance is no guarantee of future results.

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The Mid Cap Value style uses value oriented equities, the majority of which have a market capitalization between $2 billion and $20 billion at purchase. These are fully invested equity styles which range from 90%-100% in equity.

Future performance based on prior results should not be assumed. The Russell Midcap Index is a subset of the Russell 1000 Index and includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap represents approximately 31% of the total market capitalization of the Russell 1000 companies.

The Russell Midcap Value Index measures the performance of those Russell Midcap Index companies with lower price-to-book ratios and lower forecasted growth values. Members of the Russell Midcap Value Index are also members of the Russell 1000 Value Index. These stock indexes assume reinvestment of dividends and capital gains, and assume no management, custody, transaction or other expenses. Russell statistics used in this presentation were obtained from Russell Investments (www.russell.com).

Performance represents all fully discretionary commission accounts for the respective strategy. A complete list and description of DCM's composites and additional information regarding the calculation and reporting of returns is available upon request. To obtain a GIPS compliant presentation and/or the firm's list of composite descriptions please contact us at 1.913.944.4452.

The securities discussed do not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any of the securities' transactions or holdings discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein. The contributors/detractors listed do not represent all securities purchased or sold for our clients. To obtain a list showing the contribution of each holding that contributed to overall performance during the period and the calculation methodology, please call 1.913.944.4452. The detailed sector attribution table is specific to the policy portfolio for the strategy. Individual account results may vary.

Gross performance figures do not reflect payment of investment advisory fees, but do reflect deduction of brokerage commissions and trading expenses. Net of fee performance reflects the deduction of advisory fees, brokerage commissions, trading and other expenses. Net results reflect the deduction of a model fee equivalent to the highest applicable advisory fee. The net compounded effect of the deduction of fees over time will be affected by the amount of the fee, the time period, and investment performance. Management fee schedules are available on Form ADV Part 2A.

Performance presents results with all dividend and interest income reinvested and are stated in U.S. Dollar terms. Leverage is not used in any portfolio in these composites. Certain accounts owned or controlled by DCM or C.H. Dean, LLC employees are non-fee paying assets and represent the following percentage of the composites: Mid Cap Value: 2008: 100.0% 2009: 100% 2010: 39.9% 2011: 11.1% 2012: 7.4% 2013: 6.8% 2014: 4.0% 2015: 4.1% 2016: 3.6% 2017: %*

FOR MORE INFORMATION

Patrick J. Krumm
Founding Member/
Director of Institutional Sales

7400 W. 130th St., Suite 350
Overland Park, KS 66213

pkrumm@deancapmgmt.com
913-944-4452
www.deancapmgmt.com

ABOUT DEAN CAPITAL MANAGEMENT, LLC

Dean Capital Management, LLC ("DCM") is an employee-owned registered investment advisor founded in March 2008. Located in Overland Park, Kansas, DCM is a long-only, fundamental U.S. Value equity manager. DCM manages portfolios across the capitalization spectrum for institutional clients, financial intermediaries and advisors.

Dean Capital Management is majority-owned by the founding principals, who also comprise the investment team. Additionally, all investment professionals maintain significant personal investments in DCM managed products, further aligning the investment team with our clients.