Performance Comparison[1]

Periods Ended 12/31/17 (%)	QTR	YTD	1 Yr	3 Yr	5 Yr	S. I.[1]
DCM Mid Cap Value (gross)	6.70	16.38	16.38	11.63	15.72	13.53
DCM Mid Cap Value (net)	6.49	15.42	15.42	10.61	14.65	12.47
Russell Midcap Value	5.50	13.34	13.34	9.00	14.68	10.64

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

Performance Summary

The Dean Mid Cap Value composite was up 6.70% (gross of fees) for the quarter ended December 31, 2017, compared with the Russell Midcap Value Index, up 5.50%.

Macro style factors were a slight negative this quarter relative to the Russell Mid Cap Value Index. Stocks with larger market capitalizations and lower share turnover outperformed in the quarter, both factors the portfolio was underexposed to. Quality attributes performed well as companies with high profitability and low financial leverage outperformed. These attributes are a core of our process but were not enough to offset the negative impacts of the aforementioned factors.

As has been discussed in recent quarters, the overall market environment continues to be a headwind to value style indexes and our process. Over the past year, the market has been dominated by larger capitalization, growth-oriented stocks. Momentum stocks, those with strong trends in earnings and/or price, continue to march higher as investors consolidate in “what’s working” without regard to valuation. The trend toward passive investing along with the move toward large capitalization and momentum has led to historically low market volatility. Combined, this environment has been a significant headwind to our active investing style that focuses on quality, valuation, and benefits from the volatility of price changes in the market. In 2017, low valuation proved to be one of the weakest factors in determining performance.

Sector Drivers

GICS Sectors	Average Weight			Stock Level Returns		Portfolio Impact	
	Port	Bench	Active	Port	Bench	Contribution	Attribution
Industrials	16.7%	12.1%	4.6%	11.5%	6.9%	186 bps	83 bps
Real Estate	7.5%	14.5%	-6.9%	3.3%	1.9%	25 bps	37 bps
Utilities	7.9%	10.9%	-3.1%	3.2%	0.9%	27 bps	33 bps
Financials	17.8%	20.2%	-2.4%	9.1%	7.1%	161 bps	31 bps
Consumer Staples	7.0%	3.9%	3.1%	11.5%	8.6%	79 bps	28 bps
Telecommunication Services	0.0%	0.5%	-0.5%	0.0%	-8.5%	0 bps	7 bps
Information Technology	8.0%	6.2%	1.8%	6.3%	5.6%	50 bps	5 bps
Health Care	5.0%	6.5%	-1.5%	3.1%	4.3%	18 bps	-3 bps
Consumer Discretionary	13.3%	11.8%	1.5%	5.0%	6.7%	64 bps	-25 bps
Materials	8.6%	5.4%	3.2%	4.7%	10.5%	45 bps	-32 bps
Energy	5.8%	8.0%	-2.2%	2.9%	7.2%	12 bps	-33 bps

(see disclosures)

The best performing sector relative to the benchmark was Industrials. The outperformance was driven by stock selection within the Capital Goods industry. The portfolio’s holdings had exposure to improving fundamentals in end markets related to energy, construction, aerospace and electrical equipment.

The second best performing sector relative to the benchmark was Real Estate. The concern over rising inflation and interest rates has muted the returns of bond-like equities such as Real Estate and Utilities, causing the sectors to underperform the benchmark, leading to our underweight being beneficial. In addition, the portfolio’s holdings in Weingarten Realty Investors (WRI) and Equity Lifestyle Properties (ELS) positively contributed to the outperformance of the sector. Weingarten primarily invests in strip center destinations anchored by grocery stores or other large retailers. The company benefitted from the improved outlook for retailers in the quarter. Equity Lifestyle Properties owns and operates seasonal resort properties in the south and the southeast United States. The stock performed well after hurricane-related concerns eased.

Energy was the worst performing sector relative to the benchmark. The underperformance was driven by stock selection. The portfolio held a deepwater drilling services company that missed analysts' earnings expectations and lowered 2018 earning projections, accounting for the sector's underperformance.

Materials were the second-worst performing sector relative to the benchmark. While the portfolio was overweight an outperforming sector, stock selection accounted for the weak performance. With improved global growth expectations and implications of a possible uptick in inflation, commodity chemical companies and metals and mining stocks drove the sector's performance as higher demand and inflation increased pricing power. The portfolio was void of these stocks as our holdings are focused on specialty chemical and packaging end markets.

Top 10 Contributors/Detractors

	Top 10 Contributors	Average % Weight	Contribution
1	COMFORT SYSTEMS USA INC	1.65	33 bps
2	ITT INC	1.62	32 bps
3	CARTER'S INC	1.61	30 bps
4	INGREDION INC	1.83	29 bps
5	TYSON FOODS INC-CL A	1.96	29 bps
6	CURTISS-WRIGHT CORP	1.59	26 bps
7	PIONEER NATURAL RESOURCES CO	1.58	26 bps
8	ALLSTATE CORP	1.78	25 bps
9	HUBBELL INC	1.50	25 bps
10	AMERIPRISE FINANCIAL INC	1.72	24 bps

	Top 10 Detractors	Average % Weight	Contribution
1	OCEANEERING INTL INC	0.75	-49 bps
2	ADVANCE AUTO PARTS INC	0.13	-11 bps
3	KANSAS CITY SOUTHERN	1.67	-5 bps
4	HIGHWOODS PROPERTIES INC	1.84	-3 bps
5	INTERPUBLIC GROUP OF COS INC	1.28	-3 bps
6	BECTON DICKINSON AND CO	0.01	-1 bps
7	DELPHI TECHNOLOGIES PLC	0.26	0 bps
8	ARROW ELECTRONICS INC	1.64	0 bps
9	KEYSIGHT TECHNOLOGIES INC	1.55	0 bps
10	CASH	2.37	0 bps

Selected Contributor(s) to Performance

Comfort Systems (FIX), up 22.5%, was the largest contributing stock in the quarter. The company sells and services commercial HVAC systems for large buildings such as apartments, schools, retail centers, office buildings, manufacturing facilities, and hotels. Comfort Systems also designs automation control systems that integrate and monitor HVAC, lighting and access control systems. In the second quarter, the company disappointed the market with lower than expected earnings on slightly lower margins. A portion of the shortfall was due to costs associated with an acquisition. However, underlying booking trends improved, signaling improving commercial demand going forward. The decline in the stock allowed for an attractive entry point in September. With the company's third-quarter report, earnings exceeded the lowered expectations with strong organic revenue growth and a 21% growth in organic backlog, providing support to 2018 expectations and pushing the stock higher. The portfolio continues to hold the stock based on strong fundamentals and reasonable valuation.

ITT Inc (ITT), up 20.9% in the quarter, was the second-best contributing stock. ITT is a diversified manufacturer of highly engineered industrial products and solutions. The three core platforms are: Industrial Process (30% of revenue), which produces fluid process equipment for the chemical and oil & gas markets; Motion Technologies (47% of revenue), which makes brake components and damping technologies for the transportation markets; and Connect & Control Technologies, which makes connector solutions, actuation device and valves for industrial markets. ITT has seen earnings pressure since 2015 when oil and gas prices collapsed, negatively impacting the Industrial Process segment. Recently, the company has seen strong improvement in the Motion Technology segment with significant new platform wins and strong global growth in transportation end markets. In addition, the recent improvement in energy prices and oilfield activity have stabilized the declines in the Industrial Process segment. The portfolio continues to hold the stock on relative valuation and continued under-earning in the Industrial Process segment.

Selected Detractor(s) from Performance

The largest detracting stock in the quarter was Oceaneering International (OII), down -29.0% for the period held. Oceaneering is a provider of services and products to the offshore energy industry, with a focus on deepwater applications. Products and services include remotely operated vehicles, mobile offshore production systems, engineering and product management, and manned diving. Oceaneering reported earnings below estimates and lowered future earnings expectations significantly. With oil prices remaining stubbornly low, and the shift to onshore unconventional production with higher certainty, companies have been reluctant to commit capital to large offshore projects. With fundamental stabilization pushed out several years, the portfolio exited the position due to a high level of uncertainty in earnings power.

The second largest detracting stock in the quarter was Advanced Auto Parts (AAP), down -8.0% for the period held. 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 year due to mild weather and increased promotional activity. In addition, Advanced Auto has struggled with the integration of General Parts, which was acquired in 2014. After several quarters of continued fundamental deterioration and lowered earnings expectations, the portfolio exited the position early in the quarter.

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. With improving synchronized global growth and the specifics of tax reform now a certainty, we believe many of 2017's underperforming stocks may benefit in 2018 as selling pressure abates and valuations once again matter. While we view current valuations as high, we acknowledge the improved fundamental backdrop in which this occurred. In this period of elevated risk due to high valuations and indications of rising inflation, we will move forward cautiously focusing on high quality companies as valuation is warranted.

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. DCM claims compliance with the Global Investment Performance Standards (GIPS). Past performance is no guarantee of future results.

The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account at the time you receive this report or that securities sold have not been repurchased.

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: 3.1%.*

FOR MORE INFORMATION

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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.

DCM 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.