Performance Comparison[1]

Periods Ended 6/30/18 (%)	QTR	YTD	1 Yr	3 Yr	5 Yr	S. I.[1]
DCM Equity Income (gross)	3.29	-2.51	8.77	12.39	11.35	12.70
DCM Equity Income (net)	3.14	-2.80	8.13	11.65	10.60	11.92
Russell 3000 Value	1.71	-1.16	7.25	8.48	10.40	11.29

Periods greater than 1 year are annualized
[1]DCM Equity Income inception was January 1, 2011

Performance Summary

The DCM Equity Income composite gross total return was 3.29% in the second quarter of 2018, compared with the Russell 3000 Value Index up 1.71%.

High dividend yield stocks performed very well in the second quarter, providing a strong tailwind for Dean Equity Income. Additionally, size was an important factor as small caps outperformed large and large outperformed mid. Our portfolio is overweight both small and large caps with mid cap exposure below the benchmark.

On the negative side, stocks with lower valuations and lower earnings variability underperformed in the second quarter, providing headwinds as the portfolio is overweight these factors.

Sector Drivers

GICS Sectors	Average Weight			Stock Level Returns		Portfolio Impact	
	Port	Bench	Active	Port	Bench	Contribution	Attribution
Financials	21.2%	26.9%	-5.8%	-0.9%	-2.8%	-18 bps	66 bps
Materials	3.7%	3.2%	0.6%	14.5%	2.7%	52 bps	43 bps
Information Technology	7.0%	9.3%	-2.2%	2.9%	-0.5%	21 bps	31 bps
Health Care	11.2%	13.6%	-2.4%	5.1%	2.9%	57 bps	22 bps
Real Estate	6.7%	5.1%	1.7%	10.7%	9.5%	69 bps	19 bps
Utilities	8.9%	5.8%	3.1%	4.9%	4.5%	45 bps	15 bps
Consumer Discretionary	7.3%	7.1%	0.2%	6.4%	3.9%	39 bps	13 bps
Industrials	6.3%	8.4%	-2.1%	-2.4%	-1.9%	-15 bps	4 bps
Consumer Staples	8.2%	6.7%	1.5%	-2.1%	-3.8%	-22 bps	3 bps
Telecommunication Services	5.7%	2.7%	3.0%	-0.3%	-2.9%	-3 bps	-2 bps
Energy	10.2%	11.3%	-1.1%	9.5%	14.9%	95 bps	-58 bps

(see disclosures)

The best sector for the portfolio in the second quarter was Financials. It was the largest underweight sector in the portfolio, and the sector performance lagged the benchmark during the quarter. The portfolio exposure to Banks was particularly additive in both allocation and selection, as the portfolio was underweight the underperforming industry, and security selection was strong. For example, small cap banks Capitol Federal Financial (CFFN) and Northwest Bancshares (NWBI) were up 9.3% and 6.1%, respectively, while the average bank holding in the index fell -1.4%. Additionally, asset manager T Rowe Price Group (TROW) was up 8.1%. The portfolio continues to hold CFFN, NWBI, and TROW.

The second best sector during the quarter was Materials. Stock selection was the principal driver, with crop fertilizer manufacturer and agricultural retailer Nutrien (NTR) up 15.9% in the second quarter. See further discussion of NTR below. Additionally, small cap fine paper manufacturer Schweitzer-Mauduit International (SWM) was up 12.8%. The portfolio continues to hold NTR and SWM.

The worst sector for the portfolio this quarter was Energy. Selection was the key factor in the relative performance in this group. It was a challenging group to stay with, as the sector was up 14.9% during the quarter, and the portfolio holdings lagged this benchmark despite strongly positive moves. Southeast U.S. master limited partnership Spectra Energy (SEP) and leading energy services provider Schlumberger (SLB) were up 7.8% and 4.2%, respectively, and were the worst performing energy holdings from an attribution basis. In general, when a stock, sector, or the whole market for that matter, makes a very steep move either direction, our portfolio will typically move less. The reason for this is the relatively narrow range of outcomes, quality, and safety we look for in investment opportunities. Such was the case with Energy this quarter. The portfolio continues to hold SEP and SLB.

The second worst sector this quarter was Telecommunication Services. The portfolio investment in AT&T (T) was the cause of the weakness, due to the stock's -8.7% return in the quarter. AT&T received Justice Department approval to complete their $85 billion purchase of Time Warner. The hope is that the vertical integration with Time Warner will allow for AT&T to build a streaming video platform with premium content to compete with Netflix, Amazon, and other 21st century market leaders. Of course, there is risk in such a move, and hence the underperformance in the second quarter. We continue to hold the position and feel the dividend yield of over 6% is relatively secure, though there is more near term risk due to the deal.

Top 10 Contributors/Detractors

	Top 10 Contributors	Average % Weight	Contribution
1	EXXON MOBIL CORP	3.43	42 bps
2	NUTRIEN LTD	1.96	30 bps
3	CHEVRON CORP	2.56	30 bps
4	PAYCHEX INC	2.44	28 bps
5	AMGEN INC	2.73	25 bps
6	CUBESMART	1.74	25 bps
7	MERCK & CO. INC	2.11	24 bps
8	CAPITOL FEDERAL FINANCIAL INC	2.37	21 bps
9	SCHWEITZER-MAUDUIT INTL INC	1.78	21 bps
10	SIMON PROPERTY GROUP INC	1.93	21 bps

	Top 10 Detractors	Average % Weight	Contribution
1	INVESCO LTD	1.40	-25 bps
2	FASTENAL CO	1.99	-24 bps
3	AT&T INC	2.46	-24 bps
4	PRINCIPAL FINANCIAL GROUP	1.86	-24 bps
5	ALTRIA GROUP INC	2.49	-22 bps
6	PRUDENTIAL FINANCIAL INC	1.70	-16 bps
7	BLACKROCK INC	1.98	-15 bps
8	INTEL CORP	2.60	-9 bps
9	JOHNSON & JOHNSON	1.75	-8 bps
10	METLIFE INC	1.69	-6 bps

Selected Contributor(s) to Performance

The highest contributing security in the second quarter was Exxon Mobil (XOM). As mentioned above, Energy was the top performing sector during the quarter, and XOM was the portfolio's largest position, with an average weight of 3.53% and a 12.0% total return. A principal driver of the group as well as Exxon's strong performance was the 14.2% rise in market price for crude oil. Oil prices are higher due to the removal of production from Iran as a result of the U.S. administration's decision to exit the Iran nuclear deal, as well as OPEC and Russia's efforts to constrict global supply. The portfolio continues to hold XOM.

The second strongest security contribution this quarter was from Nutrien (NTR). As mentioned above, NTR was up 15.9% in the second quarter. Nutrien is the world's largest crop nutrient company, formed in early 2018 as a result of the merger between Potash Corporation of Saskatchewan and Agrium. The company is also the largest agricultural retailer in North America and Australia, with more than 1,400 locations. Its retail centers sell fertilizers, crop chemicals, and seeds directly to farmers. The company also benefits from selling proprietary and private label products at its stores. The stock reacted positively to the company turning more bullish on potash. Nutrien increased full-year earnings guidance, citing low potash inventories and robust demand in China and India. The portfolio continues to hold NTR.

Selected Detractor(s) from Performance

The lowest contributing security in the second quarter was Invesco (IVZ), down -16.1% in the quarter. Invesco is a publicly owned investment manager. The company manages equity, fixed income, balanced mutual funds, and exchange traded funds (ETF's). The cause of the underperformance appears to be weakness and increased volatility in financial markets. As the profitability of all asset managers are tied to market values, falling stock prices, or even simply the fear of such, can have an outsized effect on the share price of publicly traded investment managers. Increasing fears of a trade war and U.S. tensions with friends and allies alike, combined with above average valuation levels, have shaken confidence in investment returns in the near term. The portfolio continues to hold IVZ.

The second lowest contributing security this quarter was Fastenal (FAST). Fastenal sells and delivers wholesale and retail industrial construction supplies. Their products include threaded fasteners, cutting tool blades and abrasives, and components and accessories for HVAC, plumbing, and hydraulics. FAST was down -11.2% in the second quarter, primarily due to fears of potential economic weakness on the horizon and the ever present threat of Amazon entering their industry in a bigger way. Fears aside, the company reported very good quarterly results that included a 13.2% rise in sales and 10.7% rise in operating income. The company's profits remain very strong, and their balance sheet has minimal debt. Finally, the company increased the dividend payment by over 15% to a current indicated dividend yield of 3.09%. The security and company meet our criteria for investment on many levels, and so the portfolio continues to hold the shares while monitoring potential economic bumps in the road.

Current Positioning

The portfolio is generally tilted to less economically sensitive areas of the market. The largest overweight sectors are Utilities and Telecommunication Services, whereas the largest underweight sectors are Financials (principally banks), Information Technology, and Industrials.

As expressed in the portfolio's current exposures, we are finding a better risk/reward balance in less cyclical industries. Broadly speaking, the economy is strong, and economically sensitive businesses' earnings are above normal mid-cycle levels. With valuations a little stretched on top of that, we feel the better investments now are those with lower ranges of outcome and strong balance sheets while we take a cautious approach to building the portfolio.

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.

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The Equity Income style is a fully invested style of large, mid, and small cap stocks which ranges from 90%-100% equity. The remainder of the portfolios is typically invested in short term U.S. Treasury Bills or other cash equivalents.

Future performance based on prior results should not be assumed. The Russell 3000 Index measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market. The Russell 3000 Value Index measures the performance of those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values. 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.

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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, and 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: 2011: 10.6% 2012: 12.1% 2013: 10.6% 2014: 7.0% 2015: 6.7% 2016: 4.8% 2017: 4.2% 2018: 3.3%.

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.