Performance Comparison[1]

Periods Ended 3/31/19 (%)	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	S. I.[1]
DCM Mid Cap Value (gross)	12.84	12.84	4.30	10.52	8.82	16.21	12.02
DCM Mid Cap Value (net)	12.61	12.61	3.43	9.57	7.84	15.14	10.99
Russell Midcap Value	14.37	14.37	2.89	9.50	7.22	16.39	9.38

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

Performance Summary

The DCM Mid Cap Value composite was up 12.84% (gross of fees) for the quarter ended March 31, 2019, compared with the Russell Midcap Value Index, up 14.37%.

Macro factors were decidedly negative for the portfolio this quarter. As we have discussed in the past, in swiftly rising markets where lower quality stocks lead in performance, our strategy tends to lag the upturn in the market. That was the case this quarter. Quality factors such as lower volatility, higher profits, and lower debt leverage underperformed relative to the benchmark. These quality factors are core to the DCM process. In addition, the portfolio owns a higher concentration of stocks with international exposure relative to the benchmark, which proved negative as international markets underperformed North America.

From a broad market perspective, the momentum factor was the weakest performing factor by a wide margin. DCM's process tends to lean against momentum by selling stocks with rising prices and valuations based on our normalized earning power, while buying stocks that have seen weaker relative performance and more attractive valuations. Momentum has been one of the strongest performing factors over the past two years and has only recently begun to underperform. While we have stuck with our discipline of selling expensive stocks and buying stocks with attractive valuations, the portfolio is slightly overweight the momentum factor relative to its benchmark. Due to the outsized underperformance of the factor, the fall of momentum was a headwind this quarter.

An additional headwind was the change in the central bank's stance on continued monetary tightening. The central bank acknowledged slowing economic growth and muted inflation expectations and moderated its outlook to a stance of patience as it determines future adjustments to the target federal funds rate. This led to a change in market expectations from two rate hikes in 2019 and one in 2020 to zero hikes in 2019 and one in 2020. The reduction in tightening expectations fueled the rally, especially within growth stocks, which outpaced value stocks once again.

Sector Drivers

GICS Sectors	Average Weight			Stock Level Returns		Portfolio Impact	
	Port	Bench	Active	Port	Bench	Contribution	Attribution
Industrials	16.6%	12.1%	4.6%	18.9%	16.0%	302 bps	52 bps
Information Technology	8.3%	8.7%	-0.4%	26.1%	21.1%	207 bps	34 bps
Utilities	9.5%	11.2%	-1.7%	13.1%	11.6%	121 bps	16 bps
Communication Services	1.7%	3.2%	-1.5%	2.8%	6.8%	6 bps	5 bps
Materials	6.7%	6.1%	0.6%	11.1%	11.4%	72 bps	-3 bps
Health Care	5.3%	6.9%	-1.6%	14.7%	16.4%	76 bps	-11 bps
Real Estate	8.4%	14.3%	-5.8%	14.9%	16.0%	127 bps	-20 bps
Consumer Staples	8.2%	5.0%	3.3%	9.3%	9.9%	79 bps	-22 bps
Consumer Discretionary	9.0%	8.8%	0.1%	10.7%	13.5%	98 bps	-28 bps
Energy	4.6%	6.1%	-1.4%	13.6%	21.3%	49 bps	-53 bps
Financials	18.9%	17.8%	1.1%	7.3%	11.7%	144 bps	-88 bps

(see disclosures)

The best performing sector relative to the benchmark was Industrials. The outperformance was driven by the portfolio's overweight position as well as stock selection. The sector rebounded sharply in the first quarter as cyclical sectors outpaced the benchmark. Stock selection was driven by our holdings in Masco (MAS), a building product supply company, which benefitted from easing interest rates and Kansas City Southern (KSU), which benefitted from a 2-year commitment with a reputable consultant to improve operational efficiencies and reduce structural costs.

Information Technology was the portfolio's second-best performing sector relative to the benchmark. Positive stock selection drove the outperformance in the quarter. With the central bank reducing the likelihood of an interest rate increase in 2019, markets reverted to their form of 2017 and early 2018 by bidding up shares of technology companies. In the previous quarter sell-off, we added a new position in KLA-Tencor (KLAC) and continued to hold shares in Keysight Technologies (KEYS) and Synopsis (SNPS). The three stocks named above were the top contributors to portfolio returns in the first quarter, and KEYS and SNPS are discussed in more detail below.

The worst performing sector relative to the benchmark was Financials. The underperformance was driven by the portfolio's overweight in the Insurance industry as well as negative stock selection. With the change in central bank language reducing the likelihood of interest rate increases in 2018, capital markets reversed the decline of the previous quarter, benefitting the Diversified Financials sub-sector. However, the Bank and Insurance sub-sectors lagged as the yield curve remains relatively flat, implying difficult margin gains ahead on their spread based business. Our four bank holdings underperformed the industry as they were more asset sensitive which typically perform best in a rising rate environment. Our insurance holdings experienced similar headwinds with the current rate environment not benefitting their lines of business.

Energy was the second-worst performing sector in the quarter. The underperformance was due to being underweight the top performing sector and stock selection. The strong performance in the Energy sector was driven by an approximate 30% increase in oil prices. Our two largest Energy holdings in Diamondback Energy (FANG) and Concho Resources (CXO) underperformed the sector. Both companies' primary assets are in the Permian Basin in West Texas. While the basin's economics are superior, the area has been plagued with infrastructure and asset issues over the past 12-24 months. Most recently, concern has risen that drilling wells close together is damaging existing wells and reducing economic returns. Thus, the stocks have been re-rated lower as the prospective drilling potential is lower than originally believed.

Top 10 Contributors/Detractors

	Top 10 Contributors	Average % Weight	Contribution
1	KEYSIGHT TECHNOLOGIES	2.27	87 bps
2	SYNOPSYS INC	2.24	75 bps
3	KLA-TENCOR CORP	1.68	52 bps
4	SEALED AIR CORP	1.58	46 bps
5	EQUITY LIFESTYLE PROPERTIES	2.47	45 bps
6	JM SMUCKER CO	1.79	44 bps
7	MASCO CORP	1.50	43 bps
8	APTIV PLC	1.56	41 bps
9	ZIMMER BIOMET HOLDINGS	1.75	39 bps
10	AMERIPRISE FINANCIAL	1.75	38 bps

	Top 10 Detractors	Average % Weight	Contribution
1	AMDOCS LTD	1.42	-11 bps
2	NORDSTROM INC	1.16	-8 bps
3	NORTHERN TRUST	0.25	-8 bps
4	INTL FLAVORS & FRAGRANCES	1.71	-6 bps
5	CATALENT INC	0.17	-4 bps
6	ALCOA CORP	0.22	-2 bps
7	HANOVER INSURANCE	1.20	0 bps
8	CASH	2.75	0 bps
9	LOGMEIN INC	0.46	1 bps
10	TECHNIPFMC PLC	0.13	2 bps

Selected Contributor(s) to Performance

Keysight Technologies (KEYS), up 40.5%, was the best contributing stock in the quarter. Keysight is an electronic measurement company, focusing on wireless, modular, and software solutions. The company delivers solutions in wireless communications, aerospace and defense, and semiconductor markets. Keysight derives just over 60% of its revenue internationally with the remaining portion from the Americas. The stock significantly outperformed a strong market as the quarter's earnings outpaced expectations significantly. The company continues to see strong order growth in automotive, energy, and electrical end markets. Key drivers of growth are 5G Broadband, connected cars, and aerospace and defense spending. We have reduced our weight in the stock as the risk vs. reward has moved less favorable.

Synopsys (SNPS) was the second largest contributing stock, up 36.7%. SNPS is a leading provider of electronic design automation (EDA) tools and services. These services and tools aid technology companies in designing, testing, and manufacturing applications in-order to speed the time to market and reduce costs. SNPS continues to see strong end market demand with electronics growth continuing to accelerate new semiconductor technologies being brought to market, such as artificial intelligence, auto integration, and 5G. The company generates 80% of its revenue on annual technology license subscriptions, creating a relatively smooth and predictable revenue stream. The company continues to deliver consistent performance and growth on the back of the strength in the Semiconductor industry. We continue to hold SNPS on the strength of its recurring revenue model.

Selected Detractor(s) from Performance

Amdocs (DOX) was the largest detracting stock in the quarter. Amdocs is a provider of business management systems to the Telecommunications industry that provide support to the customer life cycle including customer acquisition, billing, product introductions as well as retention and cost management. Two-thirds of sales are from North America with AT&T being the largest customer. Historically, the business has been highly predictable with its strong customer base. In the quarter, short-selling activist Spruce Point issued a Strong Sell opinion on the stock, leading to a nearly 9% decline in the shares the day of the report. The report focused on the consistency of Amdocs's earnings implying the company wasn't being transparent in its reporting. While the report raises interesting points and causes a moment of pause, we continue to hold the shares for now.

The second largest detracting stock in the quarter was Northern Trust (NTRS). Northern Trust is a leading provider of wealth management, asset servicing, asset management, and banking to corporations, institutions, and high net worth individuals. Through its lines of business, Northern Trust's earnings are exposed to equity market and interest rate fluctuations as well as activity-based fees such as security lending and trading activity. After the sell-off in late 2018, we took a small position in Northern Trust in the first quarter. Concerns over a flattening yield curve, which would negatively impact the bank's net interest margin (NII), led to shares underperforming the market. We continue to build our position on market weakness. While Northern Trust is highly levered to market factors, it historically has been run more conservatively than its peers.

Current Opportunities

The portfolio's largest overweight sectors relative to the benchmark are in the Industrials and Consumer Staples sectors. The largest underweight sectors relative to the benchmark are in the Real Estate and Utility sectors. Throughout the quarter, the most weight was added in Energy and Health Care, while reducing the most weight from Consumer Discretionary and Utilities.

Currently, stocks with consistent earnings growth and/or defensive characteristics continue to be favored by the market. With the economy in the late stages of a bull market and showing signs of slowing, stocks with a wider range of outcomes due to cyclicality of their end markets or execution issues with their strategies have lagged. Using our valuations based on normal earnings power, many of these stocks with a wider range of outcomes appear to be a more favorable risk/reward. However, we do acknowledge, regardless of valuation, that cyclical areas of the market will likely underperform if the economy falls into a recession. Therefore, we are focusing on the highest quality companies in these markets and controlling our risk through weighting in the portfolio. If the central bank were to change the stance on interest rates to accommodative in the future from their current interest rate pause, this would be beneficial to many of the holdings recently added.

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% equity, and the number of holdings typically ranges between 40 and 60. 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 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: 2008: 100.0% 2009: 100.0% 2010: 39.9% 2011: 11.1% 2012: 7.4% 2013: 6.8% 2014: 4.0% 2015: 4.2% 2016: 3.6% 2017: 3.1% 2018: 2.7% 2019: 2.4%.*

**A performance examination has been performed on performance results through 12/31/18. A firm-wide verification was performed for the periods 1/1/93 through 12/31/18. Subsequent data represents preliminary performance results.*

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.