Performance Comparison[1]

Periods Ended 12/31/19 (%)	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	S. I.[1]
DCM Mid Cap Value (gross)	5.90	28.26	28.26	10.32	9.92	13.20	12.44
DCM Mid Cap Value (net)	5.68	27.21	27.21	9.40	8.95	12.17	11.41
Russell Midcap Value	6.36	27.06	27.06	8.10	7.62	12.41	9.74

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

Performance Summary

The DCM Mid Cap Value composite was up 5.90% (gross of fees) for the quarter ended December 31, 2019, compared with the Russell Midcap Value Index, up 6.36%.

Macro style factors were decidedly negative this period. Lower quality attributes such as higher volatility, higher earnings variability, higher debt leverage, and lower profit outperformed in the quarter. With China and the United States tentatively agreeing to a phase 1 trade agreement, optimism returned to the market with increased risk taking. Lower quality stocks often outperform in this environment as the downside protection of quality is less valued.

Sector Drivers

GICS Sectors	Average Weight			Stock Level Returns		Portfolio Impact	
	Port	Bench	Active	Port	Bench	Contribution	Attribution
Real Estate	7.4%	14.4%	-7.0%	3.4%	-0.3%	25 bps	75 bps
Industrials	17.3%	11.8%	5.5%	11.0%	9.3%	186 bps	43 bps
Information Technology	8.7%	7.4%	1.3%	12.7%	11.5%	107 bps	17 bps
Financials	19.5%	19.0%	0.5%	7.4%	7.1%	145 bps	6 bps
Consumer Staples	7.8%	4.5%	3.3%	6.6%	6.5%	52 bps	2 bps
Utilities	7.6%	11.3%	-3.7%	-4.9%	-0.1%	-44 bps	-17 bps
Communication Services	1.9%	3.8%	-1.9%	5.9%	11.2%	3 bps	-24 bps
Materials	7.6%	6.6%	1.0%	5.7%	9.4%	45 bps	-26 bps
Health Care	7.2%	6.8%	0.4%	3.9%	7.8%	28 bps	-28 bps
Consumer Discretionary	7.7%	9.1%	-1.4%	3.8%	8.3%	31 bps	-36 bps
Energy	3.8%	5.4%	-1.6%	6.7%	10.6%	10 bps	-38 bps

(see disclosures)

Real Estate was the best performing sector relative to the benchmark this quarter. The majority of the outperformance was a result of the portfolio being underweight the worst performing sector in the benchmark. As investor concern the economy was headed toward recession subsided this quarter, long term interest rates moved higher, causing bond proxies such as Real Estate and Utilities to underperform other sectors. Stock selection was also additive to performance as our office building and hotel REIT holdings outperformed the sector. These holdings tend to fare better with a stronger economy allowing for higher rents and room rental fees.

The second best performing sector was Industrials. Being overweight an outperforming sector led to approximately half the relative outperformance. Significant outperformance by ITT Inc (ITT), Patrick Industries (PATK), Masco (MAS), and Kansas City Southern (KSU) led to positive stock selection. Each of the stocks mentioned were up more than 15% in the period. While each of the companies participate in very different end markets, the common theme was the businesses exceeded low expectations and expect a continued improvement moving forward.

The worst sector relative to the benchmark was Energy. The underperformance was a function of being underweight the sector relative to the benchmark as well as poor stock selection. The Energy sector outperformed in the fourth quarter as oil demand sentiment improved on hopes of a trade deal with China and a lower probability of a recession. However, oil remains oversupplied with significant spare capacity, thus, our underweight in the sector. Stock selection relative to the benchmark was poor this quarter due to an earnings miss by TechnipFMC PLC (FTI), which is discussed in more detail in the stock detractors section of this report.

Consumer Discretionary was the second weakest sector relative to the benchmark. The underperformance was driven by poor stock selection as two holdings materially underperformed the benchmark in which the Consumer Discretionary sector was up 8.3%. Basic apparel manufacturer Gildan Activewear (GIL) declined -16.4% as the company's sales materially weakened at wholesale distributors. This led to reduced forward expectations as the company realigns inventory with a slower pace of sales. Restaurant operator Cracker Barrel Old Country Store (CBRL) also performed poorly, down -4.7% in the quarter. Cracker Barrel reported weaker than expected sales partially due to poor traffic trends in their restaurants, and long-time activist shareholder Bilgari Holdings (BH) reported a reduction in their CBRL position in a 13F filing in November. The combination of events led to the shares trading down in the quarter, negatively impacting the sector's return.

Top 10 Contributors/Detractors

	Top 10 Contributors	Average % Weight	Contribution
1	LAMB WESTON	2.02	35 bps
2	ITT INC	1.73	34 bps
3	CARTER'S INC	1.62	31 bps
4	PATRICK INDS INC	1.44	30 bps
5	NORTHERN TRUST	2.06	29 bps
6	COMMERCE BANCSHARES	1.59	27 bps
7	KLA CORP	2.04	27 bps
8	MASCO CORP	1.76	26 bps
9	KANSAS CITY SOUTHERN	1.68	25 bps
10	ARROW ELECTRONICS	1.78	24 bps

	Top 10 Detractors	Average % Weight	Contribution
1	TECHNIPFMC PLC	0.71	-29 bps
2	CENTERPOINT ENERGY	0.77	-25 bps
3	GILDAN ACTIVEWEAR	1.47	-20 bps
4	ESSEX PROPERTY	2.17	-17 bps
5	KAR AUCTION SERVICES	1.37	-16 bps
6	CINEMARK HOLDINGS	0.22	-12 bps
7	JM SMUCKER CO	2.09	-10 bps
8	PINNACLE WEST	1.57	-8 bps
9	AMEREN CORP	1.86	-7 bps
10	UNIVERSAL HEALTH-B	1.89	-7 bps

Selected Contributor(s) to Performance

The largest contributing stock in the quarter was Lamb Weston (LW), up 18.6%. The company is one of the largest producers of french fries and other frozen potato products in the world. The U.S. and Canada account for approximately 80% of sales with the remainder in Europe. Lamb Weston has an estimated market share of over 40% in North America and 20% in Europe with McDonald's being the largest customer at approximately 11% of sales. Early in 2019, the company lowered guidance due to a poor potato crop in Europe. In addition, the market was highly concerned over additional capacity coming online in 2020. In recent months, those concerns have abated as Europe volumes have rebounded from the poor crop and french fry demand has remained strong, easily absorbing new capacity with little impact on pricing. With the improvement in fundamentals, the company raised guidance for the back half of fiscal 2020, leading to solid stock performance. The portfolio continues to hold a position in Lamb Weston.

ITT Inc (ITT), up 21.0% 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 devices, and valves for industrial markets. While the operating environment has been challenging for most industrial companies, ITT's diverse portfolio and opportunity for productivity improvements allowed the company to raise guidance due to increased productivity while maintaining top line growth expectations. The portfolio continues to hold a position in ITT Inc.

Selected Detractor(s) from Performance

TechnipFMC PLC (FTI) was the largest detracting stock in the quarter, down -19.6% for the period held. The company's business is focused into three operating segments. The Subsea segment offers design, manufacturing, installation, and field monitoring for large deepwater projects. TechnipFMC is a market leader in the subsea tree market with an approximate 40% market share. The Onshore/Offshore segment offers engineering, construction, and project management with exposure to upstream, refining, and LNG projects. The Subsea and Onshore/Offshore segments are driven by large capital projects and are dependent upon final investment decisions for these projects. The Surface segment provides equipment and services to the hydraulic fracturing market and is dependent on land drilling activity. In August, the company announced it would spin-off the engineering and construction business into a separate entity. The remaining company will be a focused equipment and service company focused on upstream oil and gas markets. TechnipFMC missed 3Q earnings expectations significantly as several project milestone deliveries were pushed into the future in addition to lower activity in the Surface segment. The larger concern was the backlog of projects slipped significantly from expectations, calling into question future earnings power and the value of the company post the spin-off. The portfolio exited the position in the quarter.

The second largest detracting stock was CenterPoint Energy (CNP), down -16.0% for the period held. CenterPoint's earnings mix is approximately 75% regulated utility electric and natural gas, 20% midstream assets with an ownership in Enable Midstream Partners (ENBL), and 5% non- regulated utility. The primary electric utilities are located in Houston, Texas, and Indiana with natural gas primarily serving Indiana, Minnesota, and Mississippi. During the quarter, the Public Utility Commission of Texas made a negative ruling on a rate case related to the Houston utility business. The commission recommended a lower return on equity and equity mix than the utility was requesting, leading to future cash flow below expectation and a need to raise additional equity capital in 2020. Due to an increased need for external funding, the portfolio exited the position in the quarter.

Current Positioning

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

While we have seen a few short periods of value outperforming growth, the overall trend of the last few years with larger capitalization, growth, and momentum outperforming continues. As multiple expansion continues for stocks with these characteristics, we continue to rotate the portfolio "down and to the left" of the style box in high quality names with a favorable risk reward. In other words, the opportunities are in smaller market capitalizations with valuation support. While the majority of opportunities tend to be in cyclical areas of the market, we continue to focus on quality attributes and relatively narrower range of outcome situations in order to minimize the negative impact if market uncertainties persist.

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: 1.4%.*

**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. Data subsequent to 9/30/19 represents preliminary performance results.*

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.

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.