Performance Comparison[1]

Periods Ended 6/30/20 (%)	QTR	YTD	1 Yr	3 Yr	5 Yr	S. I.[1]
DCM Equity Income (gross)	13.82	-11.61	-4.04	4.66	8.39	10.51
DCM Equity Income (net)	13.66	-11.88	-4.62	4.04	7.71	9.77
Russell 1000 Value[2]	14.29	-16.26	-8.84	1.68	4.58	8.58

Periods greater than 1 year are annualized
[1]DCM Equity Income inception was January 1, 2011
[2]Effective 1/1/19, the benchmark was changed from Russell 3000 Value to Russell 1000 Value. Benchmark returns presented reflect Russell 3000 Value for time periods prior to January 1, 2019.

Performance Summary

The DCM Equity Income composite gross total return was 13.82% in the second quarter of 2020, compared with the Russell 1000 Value Index 14.29%.

Broad market factors served as a considerable headwind in the second quarter of 2020. The Equity Income portfolio positioning in higher profitability and growth as well as lower volatility and momentum combined to be a considerable drag on performance in this rebound quarter. On the other hand, owning smaller capitalization stocks relative to the benchmark with higher dividend yield and lower debt leverage were modestly positive mitigating factors.

Sector Drivers

GICS Sectors	Average Weight			Stock Level Returns		Portfolio Impact	
	Port	Bench	Active	Port	Bench	Contribution	Attribution
Financials	19.9%	20.9%	-1.0%	17.1%	11.1%	330 bps	121 bps
Industrials	10.4%	9.4%	1.0%	25.7%	17.2%	254 bps	83 bps
Consumer Staples	10.2%	10.2%	0.0%	9.9%	7.8%	100 bps	26 bps
Information Technology	7.3%	7.0%	0.3%	18.7%	18.9%	135 bps	1 bps
Real Estate	5.3%	4.9%	0.4%	10.5%	12.5%	61 bps	-6 bps
Utilities	11.1%	7.3%	3.8%	6.0%	2.9%	66 bps	-9 bps
Health Care	11.7%	15.4%	-3.8%	9.3%	11.2%	120 bps	-11 bps
Energy	6.3%	6.2%	0.1%	25.7%	32.3%	151 bps	-33 bps
Consumer Discretionary	2.5%	5.7%	-3.2%	30.3%	29.9%	69 bps	-44 bps
Materials	3.9%	4.4%	-0.6%	15.0%	27.6%	62 bps	-54 bps
Communication Services	8.6%	8.5%	0.0%	3.2%	11.9%	28 bps	-80 bps

(see disclosures)

The best sector for Equity Income in the second quarter was Financials. The portfolio was underweight this underperforming sector, but the bigger driver of the outperformance was stock selection, particularly in the Diversified Financial and Insurance industry groups. Specifically, financial advisory and insurance providers Ameriprise (AMP) and Principal Financial Group (PFG), and asset managers T Rowe Price (TROW) and BlackRock (BLK), were strong in the second quarter up 47.7%, 34.5%, 27.4%, and 24.5%, respectively. Financial advisory, life insurance, and asset management firms all benefited from the quarter's strong stock market returns. The portfolio continues to hold these positions.

The second best sector in the quarter was Industrials. The portfolio was overweight this outperforming group, and stock selection added to the strength. In fact, every portfolio Industrial holding outperformed both the benchmark overall and the Industrial sector specifically. Leading performers represented a broad swath of industrial companies including industrial supplier Fastenal (FAST, +38.0% in the second quarter), electrical components and equipment manufacturer Emerson Electric (EMR, +31.4%), construction machinery and heavy equipment manufacturer Cummins (CMI, +29.1%), and pollution control equipment provider Donaldson (DCI, +21.0%). The portfolio continues to hold these Industrial positions, though the sector weighting is now below the benchmark weight due to annual index rebalancing.

The worst Equity Income sector in the second quarter was Communication Services. While the portfolio weight was approximately in line with the benchmark, stock selection and industry exposure were strong headwinds. Perhaps more than anywhere else, the underperformance of higher profitability and lower volatility securities was a drag on Communication Services performance. While the lower range of outcomes, higher quality holdings in the portfolio were up modestly, several benchmark index securities were up more than 60%. As many of the largest returning securities in the quarter do not produce positive free cash flow, let alone pay a dividend, they are not an option for the portfolio, and we just have to bear such moves knowing that they often reverse, sometimes spectacularly.

Materials was the second worst sector this quarter. The portfolio was underweight this outperforming sector, while stock selection contributed to the weakness. There were several opportunities missed on the market rebound in the Materials space. This quarter's winners were generally wider range of outcome businesses with more cyclical exposure. The first quarter decision to trim exposure to highly cyclical holdings in aggregate has worked out quite well. Even some of the strongest second quarter securities are still trading below where we sold them. Nonetheless, it would have worked well to have bought them back late in the first quarter. As we do not have a crystal ball, we did not do this, and it hurt second quarter performance.

Top 10 Contributors/Detractors

	Top 10 Contributors	Average % Weight	Contribution
1	GENUINE PARTS CO	2.48	69 bps
2	BLACKROCK INC	2.79	65 bps
3	CISCO SYSTEMS	3.28	65 bps
4	CUMMINS INC	2.34	63 bps
5	AMERIPRISE FINANCIAL	1.42	62 bps
6	FASTENAL CO	1.78	60 bps
7	T ROWE PRICE GROUP	2.33	59 bps
8	LAMAR ADVERTISING A	1.24	56 bps
9	AMGEN INC	3.19	55 bps
10	PAYCHEX INC	2.58	54 bps

	Top 10 Detractors	Average % Weight	Contribution
1	NORTHWEST BANCSHARES	1.77	-23 bps
2	CAPITOL FEDERAL	2.08	-10 bps
3	PINNACLE WEST	0.54	-10 bps
4	PUBLIC STORAGE	0.54	-10 bps
5	PHILIP MORRIS INTERNATIONAL	1.84	-4 bps
6	SOUTHERN CO	1.17	-3 bps
7	OMNICOM GROUP	2.59	0 bps
8	PEPSICO INC	0.55	0 bps
9	CASH	2.94	0 bps
10	DUKE ENERGY CORP	2.76	1 bps

Selected Contributor(s) to Performance

The highest contributing security in the second quarter was Genuine Parts Company (GPC). GPC is a global distributor of automotive replacement parts, industrial parts, and business products and was up 30.3% in the second quarter. GPC's core business is providing replacement auto parts to commercial repair shops throughout its geographic markets. GPC's outperformance was driven by the market's hopes for a gradual recovery throughout the summer months, where automobile-based travel would be the mode du jour, as gas prices hit levels not seen since the early 2000's and cars provided a socially-distant friendly mode of transportation for families. The bullish macro outlook throughout the quarter came on the heels of management's announcement that the cost savings plan announced in third quarter 2019 remained on track and would be boosted by further expense cuts that revealed themselves through operational reviews occurring due to COVID-19. Genuine Parts remains the sole Consumer Discretionary holding in the portfolio.

The second highest contributing holding in the quarter was BlackRock Inc. (BLK). BlackRock is the world's largest asset manager offering advice-driven asset management, active investing strategies, and passive ETFs. The stock was up 24.5% in the second quarter as the market returned to near-all-time highs, and the company saw large net inflows. Also, its recent investments in ETFs and technology proved prescient as demand for ETFs grew stronger in the face of record volatility along with employees working from home seamlessly on a global scale. Increased demand for liquidity, price discovery, and tighter spreads have all contributed to the net inflows BLK saw in the second quarter, and it is set up well for a long runway of growth through its sustainable investing initiatives and iShares ETFs. The portfolio continues to hold BLK.

Selected Detractor(s) from Performance

The lowest contributing security in the second quarter was Northwest Bancshares, Inc. (NWBI). Northwest is a Pennsylvania based bank offering personal and business banking solutions, investment management and trust services, and insurance products. NWBI was down -10.0% in the second quarter. Due to COVID-19, NWBI has seen around $1B of loan payment deferral requests granted, has provided fee concessions to customers to allow them access to their funds, and increased its loan-loss provision by almost 3.5x in an effort to account for the dramatic effect the virus has had on the economy, its customers, and its business. Pairing these events with the closing of an acquisition that was, at announcement in the fall of 2019, minimally accretive, and the Fed's 'lower for longer' interest rate stance, the market commensurately sold-off on the stock. However, the Company has ~$4B in liquidity between its cash, investments, and its revolver, which should allay investor fears of sustaining a dividend expected to yield ~8%. The portfolio continues to hold NWBI.

The second lowest contributing security this quarter was Capitol Federated Financial Inc. (CFFN). Capitol Federated is a Kansas based bank offering personal banking solutions, mortgage and commercial loans, and investment services to customers primarily in Kansas, Missouri, and Texas. CFFN was down -4.5% in the second quarter. CFFN saw its loan-loss provision grow to $22.1mm in the first quarter, up from near $0 at the end of 2019, attributable to the disruption caused by COVID-19, while net interest margin fell as asset yields fall quicker than liability costs due to the Fed's swift actions to support the economy. While CFFN has put its True Blue dividend, an annual special dividend typically paid in spring, on hold, management expects to pay both the regular dividend as scheduled, along with the True Blue dividend once the economic environment stabilizes. With 16% of assets in cash and investments, we feel confident in management's ability to weather the temporary storm. The portfolio continues to hold CFFN.

Current Positioning

In the midst of the current economic weakness many have wondered about the relative safety of Equity Income portfolio dividends. In the second quarter, out of 51 holdings, two cut their dividends, one did not pay a typical June special dividend, thirteen held their dividend constant, and 36 had a year over year increase averaging +8%. It is also worth noting that one of the dividend cuts was Lamar Advertising, an outdoor advertising REIT. Despite the cut, the stock was up nearly 80% from the March purchase to when we sold the stock soon after the May dividend cut. So clearly, dividend cuts are not necessarily connected with a terrible investment return. Overall portfolio dividends have held up well despite the economic environment. Along with the dividend, we are content with the portfolio 96% total return upside capture during one of the largest up quarters in decades. Of course, our goal is to outperform the benchmark over time, but typically, much of the outperformance (or "alpha") is derived in downside capture. That is, the portfolio holding up relatively well in down markets such as the first quarter this year.

The Equity Income portfolio is positioned with overweight positions in both the Utility and Consumer Staples sectors, while underweight Consumer Discretionary and Health Care. The portfolio is leaning toward less economically sensitive areas of the market. While the stock market has come roaring back from the March lows, the economy remains quite weak. Some parts of the economy have "re-opened" to one extent or another, but others remain entirely closed. It seems possible that the economy will not fully recover until COVID-19 is under control, and we are far from that. There remains a risk of a devastating second wave of infections and deaths in the fall that the market does not appear to appreciate. We are not able to project the virus spread or lack thereof any more than we can predict short term changes in the economy. However, the best risk/reward balance might be to invest where dire virus outcomes are less likely to result in similar portfolio results. Such a position aligns well with the quality oriented, defensive nature of the Equity Income 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.

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 Equity Income style is a fully invested style of large, mid, and small cap stocks which ranges 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.

Effective 1/1/19, the benchmark was changed from Russell 3000 Value to Russell 1000 Value to provide a better represenation of the investment strategy. The Russell 1000 Index measures the performance of the large-cap segment and includes approximately 1000 securities based on a combination of their market cap and current index membership. The Russell 1000 represents approximately 92% of the U.S. equity market. The Russell 1000 Value Index measures the performance of those Russell 1000 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.

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, 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: 7.6% 2016: 4.8% 2017: 4.2% 2018: 3.8% 2019: 2.7% 2020: 2.2%.*

**A performance examination has been performed on performance results through 12/31/19. A firm-wide verification was performed for the periods 1/1/93 through 12/31/19. Data subsequent to 3/31/20 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.