



## PERFORMANCE SCHEDULE – VALUE OPPORTUNITIES

	% Total Return Gross of Fees	% Total Return Net of Fees	% Total Return S&P	% Total Return R3000	% Total Return R3000V	# of Accts	Internal Dispersion (%)	Comp. Assets (\$mm)	Total Firm Assets (\$mm)
2011	-6.0	-6.7	2.1	1.0	-0.1	<6	n/m	69	16,171
2010	36.4	35.4	15.1	16.9	16.2	<6	n/m	61	18,148
2009	67.8	66.6	26.5	28.3	19.8	<6	n/m	44	14,494
2008	-40.2	-40.7	-37.0	-37.3	-36.3	<6	n/m	41	10,807
2007	-10.7	-11.4	5.5	5.1	-1.0	<6	n/m	16	27,698
2006	9.2	8.4	15.8	15.7	22.3	8	0.5	346	35,571
2005	7.5	6.7	4.9	6.1	6.9	11	0.7	469	29,613
2004	14.2	13.4	10.9	12.0	16.9	12	1.9	405	19,482
2003	72.8	71.5	28.7	31.1	31.1	10	n/m	275	9,634
2002 <sup>(1)</sup>	6.9	6.7	-0.3	0.1	1.8	<6	n/a	16	4,884

<sup>(1)</sup> Period from November 1, 2002 (composite inception) through December 31, 2002.

n/a – not applicable for periods less than one year.

n/m – not considered meaningful for composites with five accounts or less for the full year.

Hotchkis and Wiley Capital Management, LLC (the “Firm” or “H&W”) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. H&W has been independently verified for the periods October 9, 2001 through December 31, 2011. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm’s policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Value Opportunities Composite has been examined for the periods November 1, 2002 through December 31, 2011. The verification and performance examination reports are available upon request.

H&W is an independent investment management firm registered with the U.S. Securities and Exchange Commission and manages U.S. value equity and high yield assets for institutional and mutual fund investors. Its predecessor firm was established in 1980. The U.S. equity team of the predecessor firm established H&W in October 2001.

H&W refers to itself as a “registered investment adviser” in materials distributed to current and prospective clients. As a registered investment adviser with the SEC, H&W is subject to the rules and regulations adopted by the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Registration as an investment adviser is not an indication that H&W or its directors, officers, employees or representatives have attained a particular level of skill or ability.

Valuations and returns are stated in U.S. dollars. Investment returns include reinvestment of dividends, interest, and capital gains. Gross performance results are presented before management and custodial fees but after all trading expenses. Net performance results are presented after actual management fees and all trading expenses but before custodial fees. H&W’s management fees are described in Part II of its Form ADV. The standard Value Opportunities management fee schedule is 90 basis points on the first \$25 million and 75 basis points after \$25 million. Internal dispersion is calculated using the equal-weighted standard deviation of all portfolios that were included in the Composite for the entire year. A list of composite descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Past performance is no guarantee of future performance.

**Composite:** The Composite includes all Value Opportunities discretionary accounts. The Value Opportunities strategy seeks capital appreciation primarily through investments in companies that H&W believes have strong capital appreciation potential, with no market capitalization restrictions. The typical market cap range is Micro to Mega and the number of stocks in the portfolio generally ranges from 15 – 50 securities. For the periods January 1, 2006 through May 31, 2009, accounts with significant cash flows ( $\geq$  10% of beginning of the month assets) were excluded from the respective month’s composite calculation and included in the subsequent month. There were four non-fee paying accounts in the Composite which represented 13% of the Composite assets as of December 31, 2003 and 10% as of December 31, 2004. Thereafter, the four accounts are fee paying. (Composite creation: 2002)

**Indexes:** The S&P 500® Index (“S&P”) is a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The Russell 3000® Index (“R3000”), an unmanaged index, is comprised 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 (“R3000V”) measures the performance of those Russell 3000® companies with lower price-to-book ratios and lower forecasted growth values. The Indexes assume reinvestment of dividends and capital gains, and assumes no management, custody, transaction or other expenses. The value disciplines used in managing the accounts in the Composite may prevent or limit investment in major stocks in the S&P, R3000 and R3000V and returns may not be correlated to the indexes. Benchmark returns are not covered by the report of independent verifiers.

The 3-year annualized standard deviation measures the variability of the composite (using gross returns) and the benchmark(s) returns over the preceding 36-month period ended:

	3-Year Annualized Standard Deviation (%)			
	Composite	S&P	R3000	R3000V
2011	27.5	18.7	19.3	21.0