

Why Hotchkis & Wiley Mid-Cap

December 2011



Research Advantage

H&W research is organized by industry rather than by strategy or market cap, which is common with many investment managers. This allows for more resources per dollar of assets managed.

26	Investment Professionals
2	Portfolio Coordinators
18	Research Analysts
6	Research Associates

This large team translates into superior coverage of a broad, inefficient asset class.

Experience

We have managed the Mid-Cap Value strategy since 1997, but have invested in mid-cap stocks since the firm's inception in 1980. Our research team averages 17 years of industry experience and 10 years with the firm. Our two mid-cap value portfolio managers average 23 years experience and 19 years with the firm.

Performance

Mid-Cap Value stocks have exhibited attractive, risk-adjusted returns.

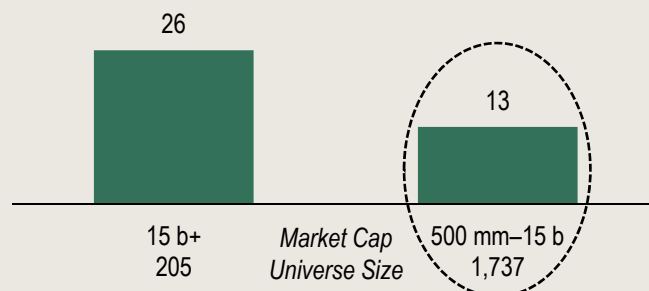
Equity Class	Annualized Return ¹	Sharpe Ratio ¹
Mid Value (Russell Midcap Value)	11.4%	0.44
Large Value (Russell 1000 Value)	9.9%	0.38
Small Value (Russell 2000 Value)	10.1%	0.34
Mid Growth (Russell Midcap Growth)	10.0%	0.28
Large Growth (Russell 1000 Growth)	9.0%	0.27
Small Growth (Russell 2000 Growth)	6.5%	0.11

¹ 1/86 – 12/11 (Inception date of Russell Midcap Value Index)
Past performance is no guarantee of future performance

HWMIXs average annual total returns were -8.60%, -1.88%, 7.56% and 11.00% for the one-, five-, ten-year and since inception (1/2/97) periods ended December 31, 2011, respectively. The Russell Midcap Index average annual total returns were -1.55%, 1.41%, 6.99% and 8.53% for the one-, five-, ten-year and since inception periods ended December 31, 2011, respectively. The Russell Midcap Value Index average annual total returns were -1.38%, 0.04%, 7.67% and 9.00% for the one-, five-, ten-year and since inception periods ended December 31, 2011, respectively. The minimum investment for Class I shares is \$1 million. Expense Ratio: 1.08%. 30-Day SEC yield (Class I): 0.66%. Periods over one year are average annual total return. Average annual total returns include reinvestment of dividends and capital gains.

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-796-5606 or visiting www.hwcm.com.

Wall Street Analysts Per Stock



Source: Bloomberg

Stan Majcher, CFA

Portfolio Manager and Principal

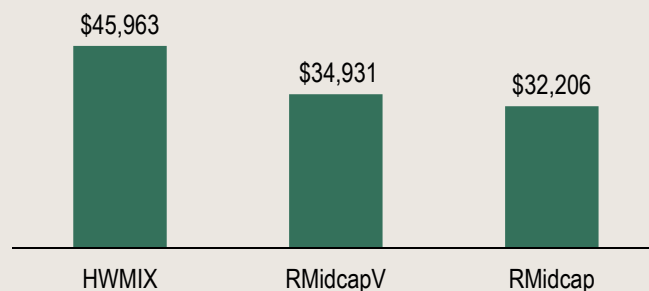
- ▶ Joined H&W in 1996
- ▶ 19 Years of Industry Experience

George H. Davis, Jr., CEO

Portfolio Manager and Principal

- ▶ Joined H&W in 1988
- ▶ 28 Years of Industry Experience

Growth of \$10,000 2/1/1997 – 12/31/2011



Consistent Approach

We have an unwavering commitment to bottom-up, fundamental value investing. We seek to exploit market inefficiencies created by excessive investor reactions through diligent research. We do not deviate from this approach.

Portfolio Characteristics as of 12/31/11

	H&W	RMidcapV	RMidcap
Price/Normal Earnings	7.0x	12.1x	14.7x
Projected P/E (FY2)	9.3x	11.5x	12.6x
Price/Book	1.1x	1.3x	1.9x
Wtd Avg Market Cap (mm)	\$5,361	\$7,769	\$7,837

The portfolio will consistently exhibit value characteristics.

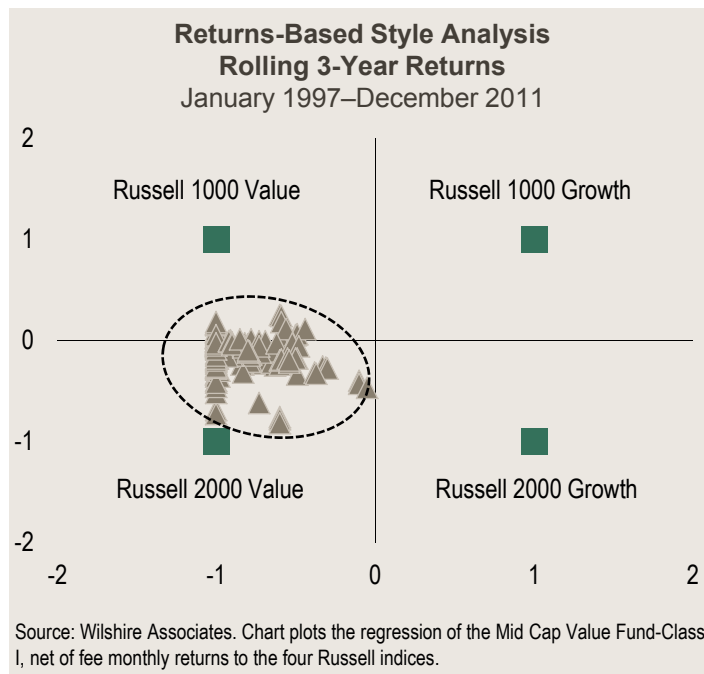
Strategy Assets at 12/31/11	\$1,731 million
Number of Stocks	50 – 100
Market Capitalization (at Purchase)	\$500 million – \$15 billion
Maximum Position Size	5% of market value
Maximum Industry Weight	15% of market value
Maximum Sector Weight	35% of market value

Investing in medium-sized companies involves greater risks than those associated with investing in large company stocks, such as business risk, significant stock price fluctuations and illiquidity. The Fund may invest in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods.

You should consider the Fund's investment objectives, risks, and charges and expenses carefully before you invest. This and other important information is contained in the Fund's summary prospectus and prospectus, which can be obtained by calling 1-800-796-5606 or visiting our website at www.hwcm.com. Read carefully before you invest.

Definitions—Information presented is based on proprietary or third-party estimates, which are subject to change and cannot be guaranteed

P/E Normal ratio is the current price divided by estimates of EPS in a normal environment. **Earnings per Share (EPS) ratio** is calculated by taking the total earnings divided by the number of shares outstanding. **P/E FY2 ratio** is the projected P/E ratios of the companies invested in the portfolio, which ratios represent current market price per share divided by a company's estimated future earnings-per-share. Projected earnings are consensus analyst forecasts; actual P/E ratios may differ from projected P/E ratios. The projected P/E ratios of the portfolio and indices may not have any relation to the performance of the portfolio. **P/B ratio** is the price of a stock divided by its book value. **Market capitalization** of a company is calculated by multiplying the number of outstanding shares by the current market price of a share. **Sharpe Ratio** is a measure of a portfolio's excess return relative to the total variability of the portfolio. The Russell 2000 Value Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Growth Index measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell Midcap Index measures the performance of the 800 smallest companies in the Russell 1000 Index. The Russell Midcap Value Index measures the performance of those Russell Midcap companies with lower price-to-book value ratios and lower forecasted growth values. The Russell Midcap Growth Index measures the performance of those Russell Midcap companies with higher price-to-book value ratios and higher forecasted growth values. The indexes do not reflect the payment of transaction costs, fees and expenses associated with an investment in the Fund. The Fund's value disciplines may prevent or restrict investment in major stocks in the benchmark indices. It is not possible to invest directly in an index. The Fund's returns may not correlate with the returns of their benchmark indexes.



Mutual fund investing involves risk. Principal loss is possible.
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