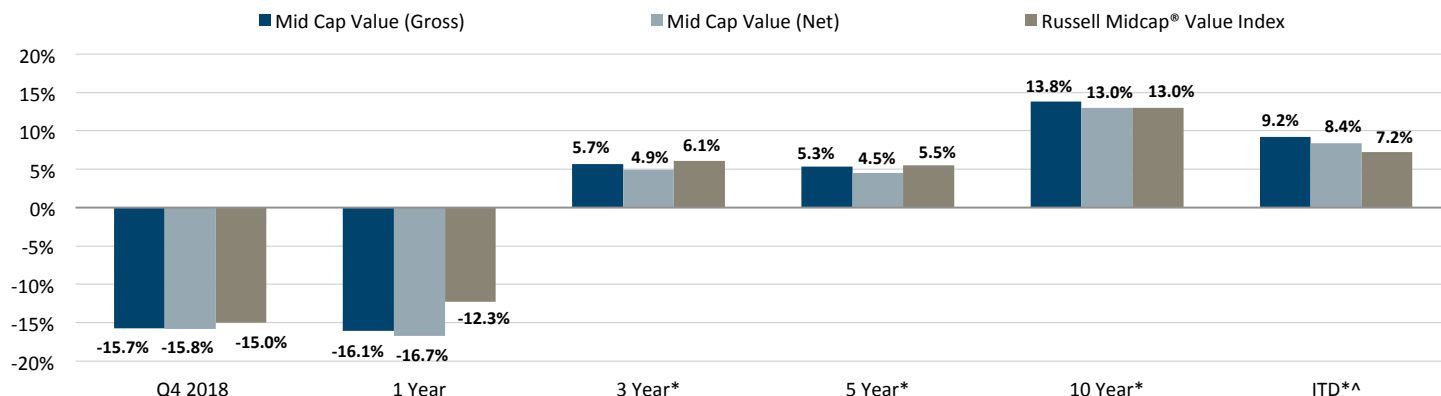


### PERFORMANCE SNAPSHOT

The LMCG Mid Cap Value strategy underperformed its benchmark, the Russell Midcap Value Index, during the fourth quarter of 2018, returning -15.7% versus the Index's -15.0% return. Long-term investment results continue to be favorable with the strategy returning an annualized 9.2% since its inception on October 1, 2005, while the Index gained 7.2%.

### COMPOSITE PERFORMANCE

As of 12/31/2018, U.S. Dollar



\* Annualized. ^ Inception: October 1, 2005.

Past performance is not indicative of future results. Gross performance returns presented above are net of transaction costs and include the reinvestment of dividends and other earnings but do not reflect the deduction of investment management fees which would reduce returns. Net returns are calculated by applying the investment management fee schedule noted in the composite disclosure to the gross returns of the accounts included in the composite. For information regarding the impact of investment management fees on performance, please refer to the attached composite disclosure.

### MARKET REVIEW

Within US mid-cap equities, value stocks modestly outpaced growth stocks during the fourth quarter with the Russell Midcap Growth Index returning -16%, behind the Value benchmark by 1.0%. The Growth Index still finished the year solidly ahead, returning -4.8% vs. the Value Index's -12.3% return. Value managers struggled in Q4 and in 2018 in general with just 31% and 32% outperforming the benchmark, respectively. The fourth quarter was an extreme risk-off quarter with lower beta stocks significantly outpacing higher beta stocks. The market environment also favored larger companies with higher yield, lower sales growth and higher P/E.

### INVESTMENT RESULTS AND ATTRIBUTION

Relative to the Index on a sector basis, performance was weakest in the Industrials, Real Estate, Financials and Information Technology sectors, and strongest in Materials, Consumer Discretionary and Consumer Staples.

The portfolio's underperformance in Industrials was largely a result of macro factors that impacted the portfolio's holdings. *AerCap*, *Fluor*, *Clean Harbors* and *Stericycle* were all in the bottom 10 performers in the portfolio during the quarter. Aircraft leasing company *AerCap* sold off in typical fashion on fears that slowing global growth will increase credit risk and crimp demand for leasing new planes. If anything, the team expects the opposite will happen and demand for leasing will increase as capital leaves the industry. A steep drop in the price of oil in the fourth quarter contributed to the underperformance in *Clean Harbors* and *Fluor*. *Fluor*, an engineering and construction company, and *Clean Harbors*, a waste management company, trade in sympathy with oil on fears that lower commodity prices will crimp future demand. *Fluor* also had another project write-down in the third quarter, which did not help the shares. Finally, medical waste company, *Stericycle*, missed expectations in a business that is currently being marketed for sale. While the business that is being marketed is small relative to the whole company, the market saw this as another execution error by management and sold the stock.

The portfolio's underweight to the real estate sector drove relative underperformance. REITs outperformed the broader market during the quarter as a defensive sector with increased GDP growth concerns, trade-war risk and equity market volatility. These factors increased demand for yield and stability as Treasury rates rallied 30bps. Underperformance in financials was driven by poor stock selection in banks and capital markets and lack of consumer finance exposure, specifically in credit cards and student lenders.

Risk-off rotation within the tech sector continued in Q4 and stocks were punished severely for earnings guide downs or lowered visibility. Underperformance in the sector was driven by semiconductor company *MACOM Technology Solutions*. *MACOM* was a volatile stock during the quarter as it sold off in line with the semi-conductor industry early on, bounced back

after posting solid results, and sold off again when Hauwei's CFO was arrested in early December. The team continues to feel MACOM has a tremendous outlook over the next few years.

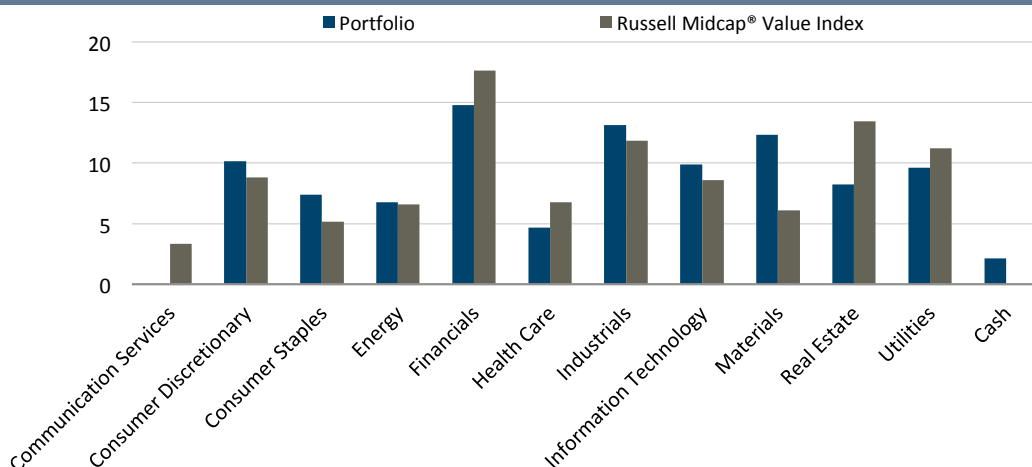
Materials was the best performing sector in the portfolio during the quarter, driven by strong stock selection in packaging and chemicals, as an overweight to quality helped and raw materials price plays performed better than pure cyclicals. Plastic packaging company *Berry Global* was a contributor to the portfolio during the quarter after posting in-line results and strong fiscal year 2019 guidance.

The Consumer Discretionary sector sold off on macro weakness during the quarter. The portfolio's outperformance in the sector was driven primarily by dollar store ownership in *Dollar Tree*. Dollar Tree posted better than expected results and is accelerating their investment in the troubled Family Dollar brand.

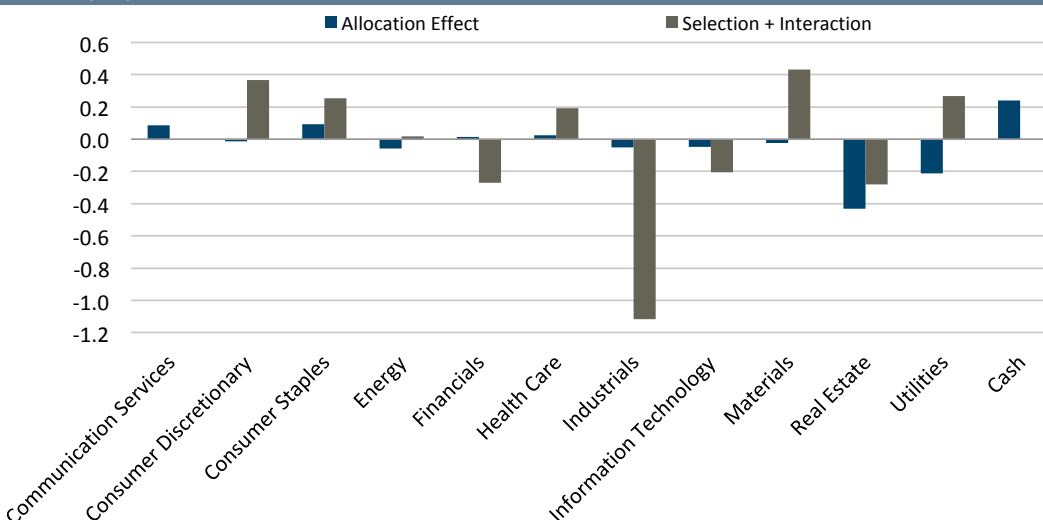
Consumer Staples performed well relative to the benchmark during the quarter on a flight to safety during the market sell-off. Private label packaged foods company, *Treehouse Foods*, was the best performing stock in the sector. The new CEO continues to interact well with the street and has outlined a solid long-term plan for the company. Natural ingredients company *Darling Ingredients* also performed well on the expansion of their Diamond Green Diesel facility and the likely implementation of a biodiesel tax credit.

Electric utility *Evergy* was the strongest performing stock in the portfolio during the quarter, closely followed by electric utility holding company *Pinnacle West*. Both stocks benefited from a flight to safety during the market sell-off. Changes to state energy laws created an improved regulatory environment in Missouri, which buoyed Evergy. Pinnacle West benefited from favorable results of commissioner elections and a renewables ballot question during the November elections.

**AVERAGE WEIGHT**



**PERFORMANCE ATTRIBUTION**



Past performance is not indicative of future results. Shown as supplemental information only and complements the Mid Cap Value composite disclosure attached. Performance attribution and average weight of a Mid Cap Value representative account. Calculated using FactSet. Data is as of 12/31/2018. Allocation Effect and Selection/Interaction Effect are sourced from FactSet's standard attribution model. Allocation Effect = the sector over/under weight relative to the benchmark multiplied by the sector benchmark performance minus the aggregate benchmark performance. Selection/Interaction Effect = the sector performance minus the benchmark performance multiplied by the sector's weight in the portfolio.

## OUTLOOK

On a sector basis as we enter 2019, the portfolio continues to be overweight the Materials and Consumer Staples sectors. The Consumer Discretionary sector moved from an underweight position to a modest overweight during the quarter. The portfolio maintains underweight positions in Real Estate and Financials, with no exposure to the new Communication Services sector.

## STRATEGY – INVESTMENT APPROACH

The LMCG Mid Cap Value strategy utilizes a classic value-driven philosophy based on the belief that leading businesses selling at a discount to fair value have the potential to generate excess returns. The strategy focuses on stocks that are temporarily out of favor in the market; specifically, companies with higher returns on capital, free cash flow and strong balance sheets. Emphasis is placed on those companies having the cash flow characteristics as well as the balance sheet strength necessary to buffer the company from any prolonged weakness. The team's holdings often dominate a particular industry niche and generally have significant barriers to entry. As a result, they are able to perpetuate a higher return on capital over time. The entire process utilizes fundamental bottom-up security selection, while risk control measures ensure security and sector diversification.

### CONTRIBUTORS & DETRACTORS

Contributors	Average Weight	Security Contribution to Portfolio Return	Detractors	Average Weight	Security Contribution to Portfolio Return
TreeHouse Foods, Inc.	1.9	0.4	Newfield Exploration Company	0.8	-0.4
Evergy, Inc.	2.6	0.4	Anadarko Petroleum Corporation	1.6	-0.4
Pinnacle West Capital Corporation	1.9	0.3	MACOM Technology Solutions Holdings, Inc	2.0	-0.3
Dollar Tree, Inc.	1.6	0.3	AerCap Holdings NV	1.8	-0.3
Berry Global Group Inc	1.8	0.2	Fluor Corporation	0.9	-0.3
Blackstone Mortgage Trust, Inc. Class A	1.5	0.2	Clean Harbors, Inc.	1.5	-0.3
Darling Ingredients Inc.	1.8	0.2	Cimarex Energy Co.	1.4	-0.3
American Campus Communities, Inc.	1.6	0.2	Stericycle, Inc.	1.0	-0.3
NiSource Inc	1.6	0.2	Hain Celestial Group, Inc.	0.8	-0.2
DTE Energy Company	1.9	0.2	Noble Energy, Inc.	1.3	-0.2

The holdings above represent the 10 best and 10 worst performing stocks for a representative account in the Mid Cap Value strategy as of 12/31/2018. A complete list of holdings and additional details on methodology for calculating performance and/or best/worst performers shown above is available upon request. Past performance is not a guarantee of future results. Shown as supplemental information only and complements the Mid Cap Value composite disclosure attached.

### SECURITIES DISCUSSED

Security	% of Portfolio as of December 31, 2018	Security	% of Portfolio as of December 31, 2018
AerCap Holdings NV	1.4	Dollar Tree, Inc.	1.8
Fluor Corporation	0.7	TreeHouse Foods, Inc.	2.2
Clean Harbors, Inc.	1.3	Darling Ingredients Inc.	1.9
Stericycle, Inc.	0.9	Evergy, Inc.	2.8
MACOM Technology Solutions Holdings, Inc.	1.9	Pinnacle West Capital Corporation	2.1
Berry Global Group Inc	2.2		

The holdings above represent holdings of a Mid Cap Value representative account discussed in the commentary. Percentage of portfolio calculated internally by LMCG. References to portfolio holdings above are not intended as investment advice. The holdings do not represent all of the securities purchased, sold or recommended for advisory clients. LMCG may have already bought or sold or may in the future buy or sell these securities on behalf of its clients.

**MID CAP VALUE COMPOSITE**

**Schedule of Annual Returns**

January 1, 2008 through December 31, 2017

	Gross Returns (%)	Net Returns (%)	Benchmark Returns <sup>1</sup> (%)	Dispersion (bps)	Composite 3yr Ex Post Standard Deviation (%)	Benchmark 3yr Ex Post Standard Deviation (%)	Number of Accounts	Composite Assets at End of Period (\$ millions)	Total Firm Assets (\$ millions)	Non-Fee Paying Assets (%)
2017	15.1	14.3	13.3	5	10.1	10.3	20	971.4	7,551.3	0
2016	22.1	21.2	20.0	6	11.2	11.3	20	828.4	7,367.5	0
2015	-1.1	-1.8	-4.8	6	10.5	10.7	20	651.3	6,786.9	0
2014	10.7	9.9	14.8	9	10.2	9.8	24	917.8	6,370.5	0
2013	34.8	33.8	33.5	14	14.6	13.7	29	843.4	5,831.5	0
2012	16.4	15.5	18.5	7	17.4	16.8	22	449.7	4,402.6	0
2011	-3.2	-3.9	-1.4	11	21.8	22.8	23	366.4	4,200.7	0
2010	25.5	24.5	24.8	9	24.7	27.1	16	342.5	4,412.7	0
2009	47.8	46.7	34.2	4	22.6	25.0	15	202.1	4,365.1	1.4
2008	-27.7	-28.3	-38.4	1	16.9	18.7	9	70.7	2,527.4	2.6

<sup>1</sup> Benchmark returns have been obtained from an independent source and have not been examined by independent accountants.

**Mid Cap Value Composite** consists of accounts managed in the Mid Cap Value ("MCV") strategy. MCV seeks to achieve long-term capital appreciation through investments in primarily high quality, though temporarily out of favor, U.S. equity securities. The market capitalization of these securities will generally fall within the range of the Russell Mid Cap Value Index. For comparison purposes, the composite is measured against the Russell Mid Cap Value Index. The inception date of the composite is October 1, 2005. The composite was created in October 2005.

Royal Bank of Canada ("RBC") became LMC's indirect majority owner in November 2015 when RBC acquired City National Corporation ("CNC"). Effective January 1, 2015, Lee Munder Capital Group, LLC is known as LMC Investments, LLC ("LMC"), an investment adviser registered with the Securities and Exchange Commission. In July 2009, the firm was reorganized as an affiliate of CNC and took the name of Lee Munder Capital Group, LLC., prior to which it was known as Lee Munder Investments Ltd. ("LML"), which itself was an investment adviser registered with the Securities and Exchange Commission. The firm maintains a complete list and description of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. There are no wrap accounts included in the composite. Account performance is calculated on a total return basis including income and realized and unrealized gains and losses. Composite performance is presented gross and net of management fees. Net returns are calculated by applying the investment management fee schedule noted below to the gross returns of the accounts included in the composite. The annual composite dispersion presented is an asset weighted standard deviation calculated for the accounts in the composite the entire year. The U.S. Dollar is the currency used to express performance. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The investment management fee schedule is as follows: 0.75% on the first \$25 million, 0.65% on the next \$25 million, and 0.55% thereafter. Actual investment advisory fees incurred by clients may vary.

LMC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. LMC has been independently verified for the periods October 1, 2000 through December 31, 2017. 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 Mid Cap Value Composite has been examined for the periods October 1, 2005 through December 31, 2017. The verification and performance examination reports are available upon request. Past performance is not indicative of future results.

Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and / or Russell ratings or underlying data and no party may rely on any Russell Indexes and / or Russell ratings and / or underlying data contained in this communication. No further distribution of Russell Data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication.