

December 31, 2018

WASATCH MICRO CAP VALUE PORTFOLIO



ABOUT THE PORTFOLIO

Inception	7/28/2003
Total Strategy Assets[^]	\$303 million
Objective	Long-term growth of capital
Core Beliefs	<ul style="list-style-type: none"> Earnings drive stock prices An undervalued company that begins to show consistent earnings growth will enjoy two drivers for stock price appreciation: 1) earnings growth, and 2) P/E multiple expansion
Research Tenets	<ul style="list-style-type: none"> Leverage the firm's thorough, collaborative and disciplined research process--particularly utilizing the Wasatch growth managers Four primary types of holdings: <ul style="list-style-type: none"> Fallen Angels: growth companies that have suffered a temporary setback Value Momentum: inexpensive companies showing a catalyst for future earnings growth Undiscovered Gems: growth companies trading at value prices Hidden Value: assets or earnings that are not fully reflected in the stock price Continue holding into growth phase as long as value stays reasonable
Account Minimum	\$1 million

ABOUT THE PORTFOLIO MANAGER

The Wasatch Micro Cap Value Portfolio is managed by a team of portfolio managers led by Brian Bythrow.



Brian Bythrow, CFA
Portfolio Manager

Mr. Bythrow has been a Portfolio Manager for the Wasatch Micro Cap Value portfolios since joining Wasatch Advisors in 2003.

From 1998 to 2003, Mr. Bythrow was a portfolio manager for the Monogram Special Equity Fund where he also managed separate account value portfolios. Earlier, he was an equity analyst with Parkstone Funds and a credit analyst with Shoreline Bank.

Mr. Bythrow earned a Master of Business Administration from California State University in Sacramento and a Bachelor of Science in Social Sciences from the United States Air Force Academy where he earned the Outstanding Cadet in Social Sciences award for being the top graduate in Social Sciences.

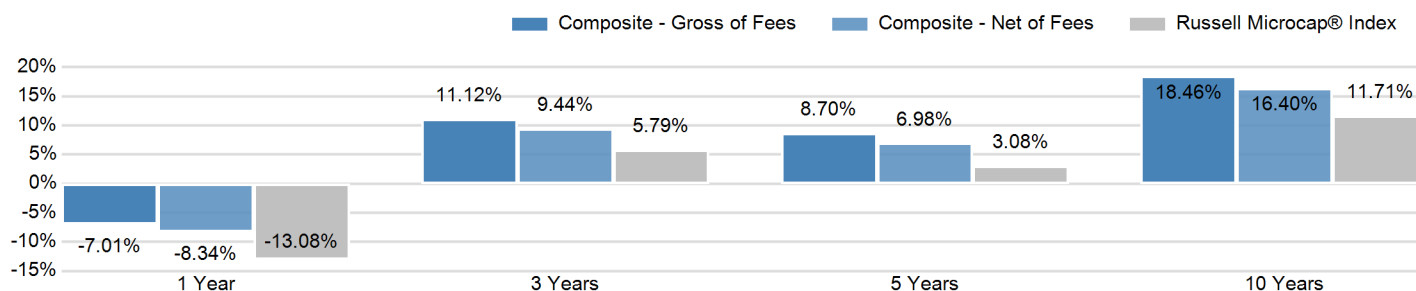
Mr. Bythrow served in the United States Air Force as a communications/computer officer from 1989 to 1994 where he was awarded the Meritorious Service Medal and obtained the rank of Captain. While in the Air Force, he was the leader of the United States Air Force International Rifle Shooting Team and set several individual and team records for marksmanship.

Brian is a Michigan native who enjoys spending time with his family outdoors, camping, hiking and hunting.

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ANNUALIZED TOTAL RETURNS

As of 12/31/2018



[^]Total strategy assets across all vehicles and composites. Composite returns for the Micro Cap Value Composite have been provided. The Wasatch Micro Cap Value Composite contains fully discretionary equity accounts following the Wasatch Micro Cap Value style. The composite primarily invests in growing micro cap companies with the goal of long-term growth of capital. Income is an objective only when consistent with long-term growth of capital. For comparison purposes the composite is measured against the Russell Microcap® Index. Wasatch Advisors is an independent registered investment advisor. Registration does not imply a certain level of skill or training. Wasatch Advisors claims compliance with Global Investment Performance Standards (GIPS®). To receive a complete list and description of Wasatch Advisors' composites and/or a GIPS-compliant presentation, e-mail inforequest@wasatchadvisors.com. Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance. Returns are presented both gross and net of investment management fees. Returns are preliminary.

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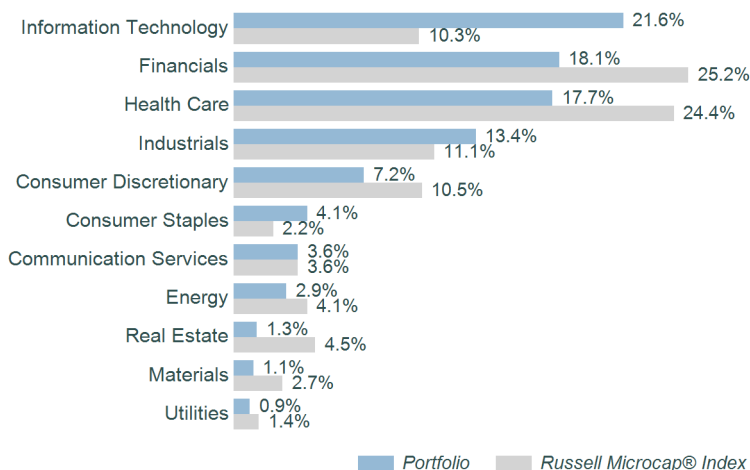
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PORTFOLIO CHARACTERISTICS

	Portfolio	Russell Microcap® Index
Est. 5-year EPS Growth	20.2	15.4
Forward 12-month P/E Ratio	14.9	12.7
P/E to Growth Rate	0.7	0.8
ROE	17.0	3.1
ROA	8.9	-0.7
Median Market Cap	\$472m	\$194m
Weighted Average Market Cap	\$820m	\$532m
Number of Holdings	89	1,563
Portfolio Turnover	76%	n/a
Alpha (5 year)	5.94	n/a
Beta (5 year)	0.69	n/a
Standard Deviation (5 year)	12.34	16.33

SECTOR ALLOCATION



ANNUAL TOTAL RETURNS

Years Ended 12/31	Composite Gross of Fees	Composite Net of Fees	Russell Microcap® Index
2018	-7.01%	-8.34%	-13.08%
2017	28.78%	26.91%	13.17%
2016	14.58%	12.69%	20.37%
2015	9.25%	7.44%	-5.16%
2014	1.26%	-0.52%	3.65%
2013	46.38%	43.63%	45.62%
2012	24.87%	22.51%	19.75%
2011	-8.33%	-10.16%	-9.27%
2010	22.82%	20.52%	28.89%
2009	74.14%	70.97%	27.48%
2008	-45.92%	-47.07%	-39.78%

TOP TEN HOLDINGS

As of 9/30/2018	% of Portfolio
Freshpet Inc. (Packaged Foods & Meats)	2.0
I3 Verticals Inc. (Data Processing & Outsourced Services)	1.8
OrthoPediatrics Corp. (Health Care Supplies)	1.7
Sun Hydraulics Corp. (Industrial Machinery)	1.7
Oxford Immunotec Global PLC (Health Care Equipment)	1.5
Kadant Inc. (Industrial Machinery)	1.5
Ferro Corp. (Specialty Chemicals)	1.5
Esquire Financial Holdings Inc. (Regional Banks)	1.5
Napco Security Technologies Inc. (Electronic Equipment & Instruments)	1.4
Datawatch Corp. (Application Software)	1.4
Total	16.0

Portfolio holdings are subject to change at any time. References to specific securities should not be construed as recommendations by the Advisor.

WHY WASATCH ADVISORS

Wasatch Advisors originated from a simple market theory: earnings growth drives stock prices. We share a disciplined passion for extraordinarily deep due diligence and cross-team collaboration. We thoroughly study each company, leveraging knowledge and insight across our entire research department to find quality long-term investments.

A culture of teamwork fills the office at Wasatch. Our primary focus centers on our founding principles: hard work, discipline, collaboration, candor, and responsibility. We strive to deliver for our clients through the strength of our team rather than the strength of any one individual.

Unique to Wasatch is our cross-team collaboration--portfolio teams pooling knowledge, talent, and experience to gain a richer perspective of each investment. We refer to this collaboration as "multiple eyes," and find it particularly useful in discussions between analysts of different styles, scopes, and sizes. We believe the ability to tap into our collective investing experience makes our research process uniquely powerful.



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Portfolio Characteristics, Allocations and Top Ten Holdings are derived from representative accounts following the Wasatch Micro Cap Value style. Individual client accounts may differ from the representative accounts. Portfolio Characteristics are calculated by Wasatch using data from FactSet, Bloomberg and internal models. **Est. 5-year EPS Growth %:** Estimated percentage increase in earnings per share (EPS) per year of the portfolio's holdings over the next 5 years. These returns are not guaranteed and may be higher or lower. Source: Wasatch and FactSet. **Trailing 12-mo. P/E Ratio:** The sum of the stock prices of the portfolio's holdings divided by the aggregate earnings per share of those holdings for the past 12 months, calculated as a weighted harmonic average. **P/E to Growth Rate:** The trailing 12-month P/E ratio divided by the estimated 5-year EPS growth rate. Portfolios with a number less than 1.0 would be considered undervalued, around 1.0 would be considered fair valued and significantly greater than 1.0 would be considered overvalued. **ROE:** The percentage a company earns on its shareholders' equity in a given year. **ROA:** The percentage a company earns on its assets in a given year. **Weighted Average Market Cap:** The average market capitalization of companies held by the portfolio, weighted by their percentage of portfolio net assets. **Portfolio Turnover:** A measure of trading activity in a fund's portfolio over the past 12 months expressed as a percentage of the fund's average total assets. **Alpha** measures a portfolio's risk/reward potential. A positive alpha means the portfolio outperformed the index. A negative alpha means the portfolio underperformed the index. **Beta** measures a portfolio's risk in relation to the market. A beta of 0.8 means the portfolio's total return is likely to move up or down 80% of the market change; 1.25 means total return is likely to move up or down 25% more than the market. **Standard Deviation** measures historical volatility of a portfolio. More generally, it is a measure of the extent to which numbers are spread around their average. Returns are preliminary.