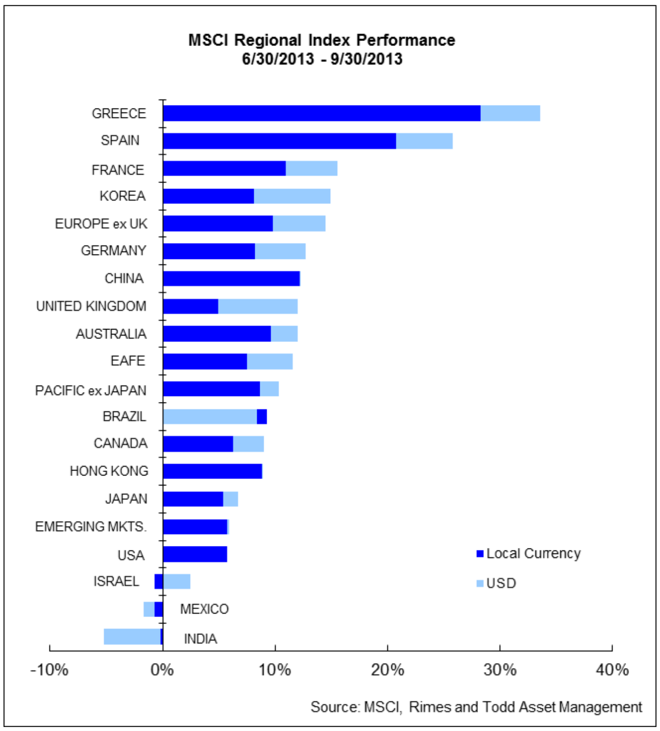
October 16, 2013
Jack White, CFA
Partner, Senior Portfolio Manager

Todd International Intrinsic Value Review

	3Q 2013	YTD	1 Year	3 Year*	5 Year*	7 Year*
International Intrinsic Value (Gross)	9.70%	13.77%	21.01%	9.58%	8.26%	4.79%
(Net)	9.47%	13.06%	20.00%	8.66%	7.36%	3.92%
MSCI ACWI ex-U.S.	10.17%	10.47%	16.98%	6.43%	6.74%	3.49%

** Annualized Total Returns. Please refer to the attached Performance Disclosure for further information*

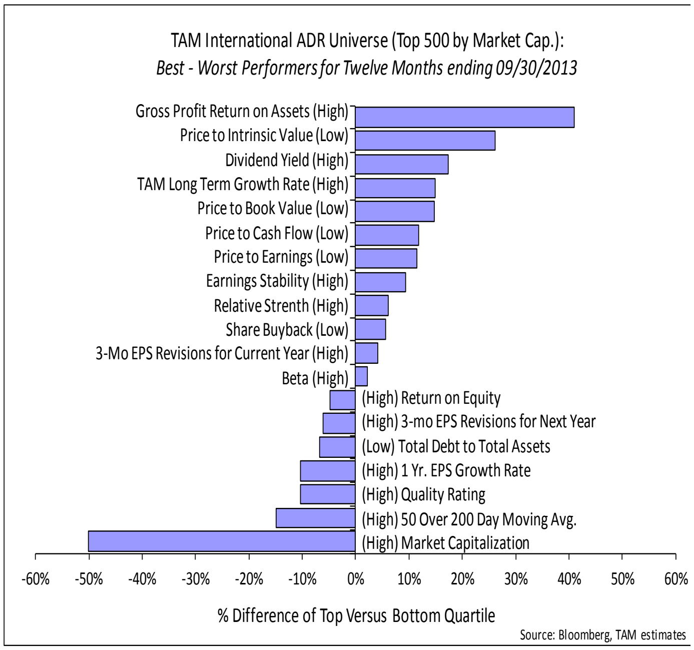
International markets performed well during the quarter, with the ACWI ex-US returning 10.17%. The International Intrinsic Value product slightly lagged this for the quarter, though we remain comfortably ahead of the ACWI ex-US for the year to date period. We expect that both the Emerging and Developed markets offer good opportunities over the coming year.

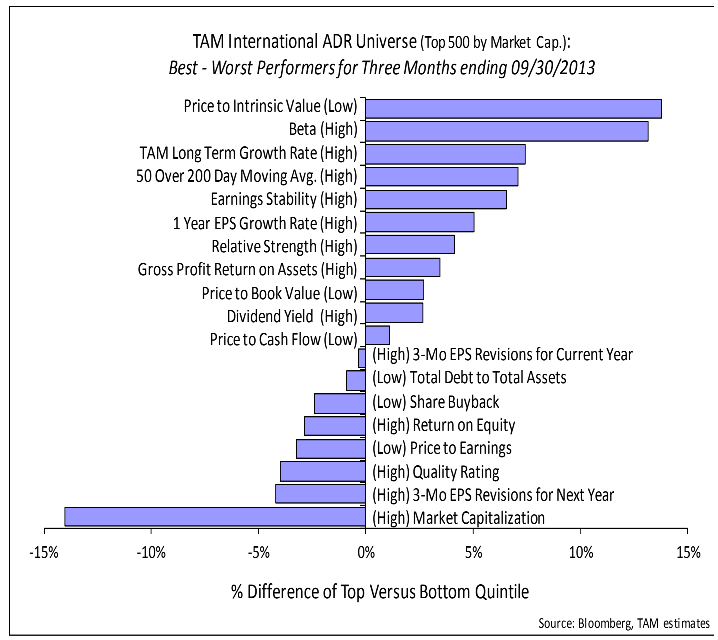


Reviewing the events of this quarter, we found that the economic news was encouraging on many fronts. Europe showed positive growth in the quarter, a dramatic change from the past couple of years. The German elections are completed, which allow their government to now start addressing growth. We believe that more growth oriented policies are likely from Germany and other European governments. China saw a self-induced spike in short term rates that concerned some observers, but was the new governments' way of telling the unregulated financial system in their country that excessive lending to questionable credits would not be tolerated. This places the new government firmly in control and their policies are now designed to spur internal consumption. In Japan, the drive to improve their economy continues, though it has entered a new phase. They have implemented some tax increases, but are looking to offset them with fiscal spending. Economic results are improving and most analysts have raised estimates of growth, primarily based on the outlook for their large exporters.

Worldwide, many measures of manufacturing are improving, a trend that we think can continue. Looking at specific countries, the chart above shows how various global markets performed during the quarter. Note that the two leaders are Greece and Spain, part of the "troubled" southern European economy. To us, this signifies that many investors are feeling better about the Euro area and further recovery is likely. Typically, when economies start to turn, pent up demand drives a dramatic increase in GDP. We do not believe that the market is expecting this for Europe, but it is something that may occur. Emerging markets have underperformed versus the developed markets. Concerns over Chinese demand and commodity prices have weighed on performance. Additionally, some countries with high current account deficits saw their financial purse strings cut when long term US rates backed up to 3.0%. This was part of the reason that India and Mexico trailed in quarterly performance.

We present the factors that added and detracted from performance for the 500 largest ADRs traded in the US in the quarter and most recent twelve months below.





The chart on the left shows the trailing twelve month performance while the chart on the right illustrates the most recent quarter. In our last review, we noted the uncertainty in the international markets caused investors to seek visibility over valuation. This quarter seemed to be the exact opposite of that. Investors sought attractively valued stocks with high growth rates and high betas. What they shunned were large cap, high quality companies with attractive financial returns and visible earnings. Over the past year, Investors sought attractively valued stocks with higher yields. It seems we are shifting from a risk off trade over the past 12 months to a risk on trade in the most recent quarter.

In reviewing the portfolio, we performed generally in line with the ACWI ex-US Index. Our largest positions are in the Financials, Industrials and Information Technology companies. This is where our multi-factor model is directing our concentrations to be. Our smallest positions are in the Utilities, Telecom and Consumer sectors.

The sectors that detracted the most from our performance during the quarter were the Materials and Energy sectors. Materials stocks generally had an enormous snapback after poor performance earlier in the year, led by metals producers. We had trimmed much of our exposure to that portion of the materials when we cut back on the sector earlier this year. Our exposures have generally been in specialty chemicals and agricultural commodities. Potash was the worst performer in the portfolio for the quarter as a result of the price war in their main product, potash. We sold the stock in recognition that it could take some time for this to recover. The other sector that hurt our performance was Energy. We were overweight the sector, and the sector outperformed the index. Our stock selection was the culprit for underperformance as two of our deep-water drillers lagged the index returns.

The best contributors to our return were the Information Technology and Consumer Discretionary sectors. Information technology helped as stock selections proved to be better than the index. Generally, the sector lagged the index, but our selections outpaced the index. Many of our emerging market internet services names like Soufun, Yandex and Netease performed well as demand for their services increase. Some of our mobility hardware companies also contributed to this outperformance. The Consumer Discretionary sector also outperformed, despite the fact that we were underweight a sector that outperformed the index. Selections like LVMH, Volkswagen and WPP all contributed to this outperformance, as expectations for Europe and the economy in general improved.

The worst five performers in the portfolio were Potash, ICICI Bank, Sanofi, Ensco and Transocean, with all posting negative returns. Icici Bank underperformed as the Indian market retreated. Sanofi pulled back as poor earnings and a pulled product filing negatively impacted their outlook. We had previously discussed the other laggards.

The best performers were as follows. Soufun, a Chinese real estate listing service, gained on strong demand. Banco Bilbao Vizcaya, a Spanish bank, recovered with that market. Guangshen Railway, a Chinese rail company, benefitted from the Chinese production recovery. Yandex, a Netherlands based Internet Company serving Russia gained on strong results as well. Lastly, Shinhan Financial Group, the Korean Bank gained strongly in the quarter.

We are encouraged by evidence of a globally synchronized economic recovery. Our sense is that global economies have better potential as the benefits of easier monetary policies worldwide are finally reflected in the economy. We are positioned in the portfolio to benefit from such a development. As always, we are here to serve you. Please feel free to contact any of us for further information.

Jack White, CFA Curt Scott, CFA Jack Holden, CFA
Todd Asset Management LLC
October 16 , 2013
MSCI ACWI ex-US- 273

Refer to Performance Disclosure on the following page for more information on the performance numbers presented. These notes are an integral part of this letter and should not be reproduced or duplicated without these notes.

TODD

ASSET MANAGEMENT LLC

TODD ASSET MANAGEMENT LLC
INTERNATIONAL INTRINSIC VALUE COMPOSITE DISCLOSURE

Past performance does not provide any guarantee of future performance, and one should not rely on the composite performance as an indication of future performance. Investment return and principal value of an investment will fluctuate so that the value of the account may be worth more or less than the original invested cost.

Specific stocks discussed in this presentation are included solely as part of a review of the Composite's quarterly results and are not and were not recommendations for purchase or sale by investors. All or some of the specific stocks mentioned may have been purchased or sold by accounts within the Composite during the period, or since the period, and may be purchased or sold in the future. Investors should not construe the Composite's performance or any security as predictive of future results. A complete listing of the holdings as of the period end is available upon request.

Todd Asset Management LLC ("TAM") is a registered investment adviser. The performance presented represents a composite of public funds, endowments and high net-worth individuals, invested primarily in large cap international equity securities with the objective to seek capital appreciation. This goal is pursued by investing in a diversified portfolio of equity securities that TAM believes are trading at a discount to their intrinsic value.

Todd Asset Management LLC, formerly Todd-Veredus Asset Management LLC, began operations on June 1, 1998 as Veredus Asset Management LLC ("VAM"). Effective May 1, 2009, VAM combined with Todd Investment Advisors, Inc. ("TIA"). TIA (and its predecessors) was founded in 1967 by Bosworth M. Todd. Upon the combination of VAM and TIA in 2009, Veredus Asset Management LLC changed its name to Todd-Veredus Asset Management LLC ("TVAM"). On February 28, 2013, TVAM redeemed ownership units held by individuals who supported the growth products founded under VAM and changed its name to Todd Asset Management LLC. The Firm continues to offer the same products and strategies managed by the same individuals and process founded under TIA.

The International Intrinsic Value Composite contains fully discretionary, taxable, and tax-exempt accounts that use either the MSCI ACWI ex-US (Gross) or the MSCI EAFE Index (Gross) as the benchmark. Prior to April 1, 2010, this composite was known as the International Equity Composite; no changes in the strategy were made in conjunction with the name change. All fee-paying, fully discretionary portfolios under our management are included in a composite. Accounts are eligible for inclusion in the composite at the beginning of the first calendar quarter after the month of initial funding and upon being fully invested.

TAM claims compliance with the Global Investment Performance Standards (GIPS®). The Firm has been verified for the period January 1, 2008 through June 30, 2013 by Ashland Partners & Company LLP and for the period July 1, 1989 through December 31, 2007 by a previous verifier. TIA's compliance with the GIPS® standards has been verified for the period January 1, 1993 through April 30, 2009 by Ashland Partners & Company LLP. In addition, a performance examination was conducted on the International Intrinsic Value Composite for the period January 1, 2011 through June 30, 2013. To receive a complete list and description of TAM composites and/or a full disclosure presentation which complies with the GIPS® standards, please contact TAM at 1-888-544-8633, or write Todd Asset Management LLC, 101 South Fifth Street, Suite 3100, Louisville, Kentucky 40202, or contact us through our Web site at www.toddasset.com.

The performance information is presented on a trade date basis, both gross and net of foreign withholding taxes and management fees, and includes the reinvestment of all income. Net of fee performance was calculated using the highest all inclusive annual management fee of .80% applied monthly. Prior to January 2007, the highest management fee applied to the composite was .60%. The currency used to calculate and express performance is U.S. dollars. All cash reserves and equivalents have been included in the performance. As of 6/30/2013, the primary benchmark was changed to the MSCI ACWI ex-US from the MSCI EAFE. The ACWI better reflects the strategy guidelines with emerging market and Canadian exposure. Both indexes have been presented in the past. As of the aforementioned date the EAFE has been removed.

The composite performance has been compared to the following benchmark (shown with dividends reinvested):

MSCI ACWI ex-U.S. (Gross) Index is a float-adjusted market capitalization index that is designed to measure the combined equity market performance of developed and emerging market countries excluding the United States. The ACWI ex-U.S. includes both developed and emerging markets. For investors who benchmark their U.S. and international stocks separately, this index provides a way to monitor international exposure apart from U.S. investments. In August 2008, the MSCI ACWI ex-U.S. held 23 countries classified as developed markets and 25 classified as emerging markets.