



STRATEGY PROFILE

U.S. Small Cap Value

FOURTH QUARTER 2011



SEEKS SUPERIOR TOTAL AND RISK-ADJUSTED RETURNS BY INVESTING IN U.S. SMALL-CAP COMPANIES

AT A GLANCE

Our U.S. Small Cap Value strategy pursues long-term capital appreciation by investing in a portfolio of 60-90 small-capitalization U.S. companies. As fundamental investors with a long-term orientation, we select companies based on their ability to generate free cash flow and allocate it intelligently for the benefit of shareholders. Our bottom-up security selection process balances investing in our convictions with diversification and rigorous risk control. We limit the market capitalization of the securities in the portfolio to that of the Russell 2000 Index at time of purchase.

THE U.S. SMALL CAP VALUE OPPORTUNITY

- Access to a diversified portfolio of companies with high return potential
- Minimal research coverage, creating opportunities to discover promising but overlooked companies
- Active management by an investment team with an average of over 20 years of experience
- Risk management integrated with the investment process to minimize unintended risks and reduce volatility
- Record of strong risk-adjusted returns since inception
- Cash-flow-oriented approach and relatively low correlation with benchmark complements other managers within an overall asset allocation plan

EPOCH'S DISTINCT INVESTMENT PHILOSOPHY AND APPROACH

The bedrock of our philosophy is that growth and applications of free cash flow represent the best predictor of long-term shareholder return. As a result, our security selection process is focused on free-cash-flow metrics and capital allocation as opposed to

traditional accounting-based metrics such as price-to-book and price-to-earnings. We look for a consistent, straightforward ability to generate free cash flow and to allocate it effectively among internal reinvestment opportunities, acquisitions, dividends, share repurchases and debt pay downs. An essential factor is the evaluation of each company's management team to confirm their commitment to transparency and building shareholder value. The companies uncovered by this process have inherently less volatility due to their ability to generate cash flow.

This strategy incorporates qualitative and quantitative analysis to identify potential investments, taking into consideration factors that can lead to growing cash flow. Stocks are then subject to rigorous fundamental research. We develop an investment thesis as we assess the sources of the company's long-term value creation and management's ability to nurture it. We scrutinize management's track record of allocating capital, looking for those with the discipline to use free cash flow to maximize return on investment, thereby creating shareholder value. Once a stock has been purchased, we continually revisit our thesis and sell the stock if our price target is reached, our thesis changes or we see another investment with a better risk-reward profile.

While the portfolio is constructed from the bottom up, decisions are made with consideration of the macro context. Epoch's Investment Policy Group, composed of senior members of our different strategy groups, provides insight and guidance on the global market environment and macroeconomic and industry trends.

We analyze risk as part of the portfolio construction process to monitor portfolio volatility and better ensure the delivery of the strategy's goals. Our chief risk officer is a co-portfolio manager on all our strategies so that portfolio managers are aware of unintended biases and the effect individual securities may have on the portfolio. The portfolio is diversified across sectors and the sizes of individual positions are limited.

EXPERIENCED U.S. SMALL CAP VALUE TEAM

		Years Experience
David Pearl	Co-Chief Investment Officer	29
Janet Navon	Portfolio Manager	31
Mike Welhoelter	Quantitative Research & Risk Management	26
Bill Priest	Co-Chief Investment Officer	47

Supported by a team of analysts with an average of 20 years experience

RISK/RETURN PROFILE

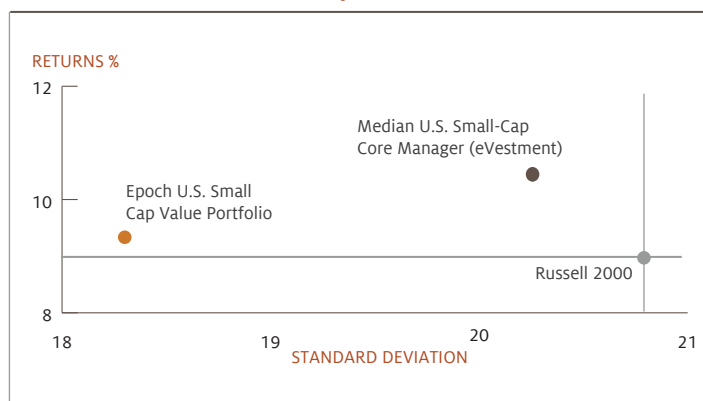
Annualized Relative Return ^{1,2}				
	vs. Russell 2000			0.3%
	vs. Russell 2000 Value			0.7%
Risk Return Metrics	Epoch	Universe Rank ³	Russell 2000	Russell 2000 Value
Standard Deviation	18.2	83rd	20.7	20.6
Sharpe Ratio	0.41	49th	0.34	0.33

U.S. SMALL CAP VALUE RESULTS



	2011	2010	2009	2008	2007	2006	2005	2004	2003
EPOCH (Gross)	0.7	25.6	29.6	-35.1	7.6	16.2	5.3	20.8	31.4
EPOCH (Net)	0.3	25.1	29.1	-35.3	6.6	15.0	4.2	19.6	30.1
Russell 2000	-4.2	26.9	27.2	-33.8	-1.6	18.4	4.6	18.3	47.3
Russell 2000 Value	-5.5	24.5	20.6	-28.9	-9.8	23.5	4.7	22.3	46.0

SUPERIOR RISK/RETURN PROFILE²



RISK METRICS²

EPOCH vs.	Info. Ratio	Alpha	Beta	R2
Russell 2000	0.04	1.57	0.84	0.91
Russell 2000 Value	0.09	2.04	0.82	0.87
Universe Rank ³	65th	47th	86th	73rd

	Upside Capture	Downside Capture
Epoch U.S. Small Cap Value		
vs. Russell 2000	65.2	93.2
vs. Russell 2000 Value	68.1	93.1

PORTFOLIO COMPOSITION

10 LARGEST HOLDINGS

	Portfolio %	Russell 2000 %	Russell 2000 Value %
Woodward Inc.	2.4	0.2	-
Alkermes PLC	2.2	0.1	-
Corn Products International Inc.	2.2	-	-
NeuStar Inc. Cl A	2.2	-	-
Great Plains Energy Inc.	2.1	-	-
Texas Capital Bancshares Inc.	2.0	0.1	0.2
Mueller Industries Inc.	1.9	0.1	0.2
Arthur J. Gallagher & Co.	1.8	-	-
Vectren Corp.	1.8	-	-
Endo Pharmaceuticals Holdings	1.7	-	-
Total	20.1	0.6	0.4

SECTOR WEIGHTS

	Portfolio %	Russell 2000 %	Russell 2000 Value %
Industrials	21.0	15.7	14.8
Consumer Discretionary	17.6	13.0	11.7
Financials	13.9	22.1	36.8
Health Care	12.7	12.7	5.3
Information Technology	12.6	17.2	10.9
Utilities	5.4	3.5	7.0
Materials	5.1	4.3	4.6
Consumer Staples	3.1	3.7	3.1
Telecommunication Services	2.0	0.8	0.6
Energy	1.4	6.7	4.6
Cash	5.0	-	-
Total	100.0	100.0	100.0

CHARACTERISTICS

	Portfolio	Russell 2000	Russell 2000 Value
Weighted Avg Mkt Cap (\$M)	1,671	1,227	1068
Weighted Med Mkt Cap (\$M)	1,621	1,087	931
12 Month Turnover	37%	-	-
Number of Equity Positions	78	1,964	1,352

Inception date:	December 31, 2002
Assets:	\$359 million
Minimum investment:	
Separate account	\$25 million
Mutual fund - MainStay U.S. Small Cap Fund	
Ticker: MOPIX (I Share)	\$5 million

All data as of December 31, 2011 unless otherwise noted. Source: FactSet Research Systems, Inc.; Russell Investments, Epoch Investment Partners, Inc.

¹ Excess return is the difference between annualized return (Gross-of-Fees) since inception for Epoch U.S. Small Cap Value and the Russell 2000 and Russell 2000 Value Indexes.

² Since inception - December 31, 2002. Performance for the most recent quarter is preliminary and subject to change. The risk statistics are shown for informational purposes only and are not indicative of future results.

³ Manager Universe Percentile Rank Information (as of December 31, 2011); Source: eVestment Alliance; Index: Russell 2000; Small Cap Core Equity Universe. Past performance is no guarantee of future results.

Totals may not add due to rounding.

The statements expressed herein are informed opinions, are as of the date noted, and are subject to change at any time based on market or other conditions. International investments involve special risks including currency fluctuation, long liquidity and different accounting methods and economical and political systems. Securities of smaller companies tend to be more volatile and less liquid than that of large companies. Information about indices allows for the comparison of an investment strategy's results to that of a widely recognized broad market index. There is no representation that such index is an appropriate benchmark for such comparison. Results for an index do not reflect trading commissions and costs. Index volatility may be materially different from a strategy's volatility and portfolio holdings may differ significantly from the securities comprising an index.

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