



About EPOCH Investment Partners

COMPANY OVERVIEW Epoch Investment Partners was founded in April 2004 by experienced professionals who foresaw a significant change in both the drivers of investment returns and the structure of investment management firms. Following almost 20 years of expanding P/E ratios, interest rates bottomed in June 2003 and were poised to begin rising, thereby eliminating P/E ratios as the major driver of total equity returns as was the case over the 1980–2000 period. Free cash flow and its intelligent use for shareholder value creation will replace earnings as the dominant explanatory variable of investment returns. In addition, shareholder yield will regain its historical role as a significant contributor to total return.

Whereas clarity of investment processes has always been relevant to investors, a similar demand will be made of an investment firm's business practices. In view of the events that occurred at the turn of this century reflecting inadequate institutional oversight at the corporate accounting and regulatory levels, greater transparency of conduct and business processes are required. As a result, we chose to become a public company with all of its rigorous disclosure requirements. There can be no greater transparency requirement than that of being public.

We are a well capitalized and stable firm composed of experienced people. Partners and Directors own 58% of our Company. It is our intention that all employees own stock of the firm. Ownership is a shared value that binds us together in the pursuit of value creation for our clients.

INVESTMENT PHILOSOPHY All services are created in a manner consistent with our firm's investment philosophy. At Epoch, we desire to produce superior risk adjusted returns by building portfolios of businesses with outstanding risk/reward profiles without running a high degree of capital risk. We analyze a business in the same manner a private investor would in looking to purchase the entire company and only invest in those businesses we understand and where we have confidence in their financial statements. We seek businesses that generate "free cash flow" and securities that have unrecognized potential yet possess a combination of above average yield, above average free cash flow growth, and/or below average valuation.

Our goal is to produce an efficient portfolio on a risk/return basis. At the heart of portfolio construction is diversification. We diversify across attractive sectors, limit individual holding sizes, and have a strict sell discipline with low portfolio turnover. If we have identified a "good business" at a "good price," time is our ally as patient investors.

INVESTMENT PROCESS

Analyze the Business - Determine the sustainability of the business, drivers of earnings, barriers to entry, and competitive advantages.

Understand the Cash Flow Structure - Focus on companies generating cash earnings and assess the quality and character of those earnings to determine the net cash flow from the business.

Relate Cash Flow to Enterprise Value - Examine relevant claims against that net cash flow and determine their necessity to maintain and grow the business. Evaluate how management will use this "free cash flow"; value the cash flow stream and compare it to enterprise value to determine the attractiveness of the investment.

Management Quality - Identify management with a reputation and demonstrated ability to create shareholder value.

Seek Unrecognized Assets - Identify, where possible, hidden, undervalued or underutilized assets, especially in small and mid cap companies where many companies are under-researched.

Our services differ from one another largely due to differences within the universe of securities eligible for purchase and portfolio construction techniques appropriate for creation of rich profiles sought by the client.

Founding Partners



WILLIAM W. PRIEST
CEO, CIO & Portfolio Manager

Bill's experience includes serving as a Co-Managing Partner and Portfolio Manager at Steinberg Priest & Sloane Capital Management, LLC. Prior to that he spent 30 years at Credit Suisse Asset Management (CSAM) and its predecessor firm, BEA Associates, which he co-founded in 1972. Bill has an outstanding reputation as an industry CEO and portfolio manager. He is also the author of several published articles on investing and finance, including his most recent book, Free Cash Flow and Shareholder Yield: New Priorities for the Global Investor, published by John Wiley & Sons.



TIMOTHY T. TAUSSIG
President & COO

Tim was Chief Operating Officer of Trident Investment Management, LLC, ("Trident") a global hedge fund and a sub-advisor to a mutual fund for non-U.S. equity mandates. At Trident he was responsible for the firm's business, operations, and marketing requirements. Prior to Trident, he was Managing Director and Member of the Global Executive Committee for Credit Suisse Asset Management (CSAM) and Co-Head of Marketing for CSAM worldwide and its predecessor firm, BEA Associates, which he joined in 1985.



J. PHILIP CLARK
Executive Vice President & Head of Client Relations

Phil, a 17 year veteran of Sanford C. Bernstein & Co., was National Managing Director of Bernstein's private client business where he frequently spoke at the firm's Client and Professional Conferences. Previously, he was Managing Director of Bernstein's Institutional Asset Management business and initiated and managed Bernstein's successful sub-advisory business.

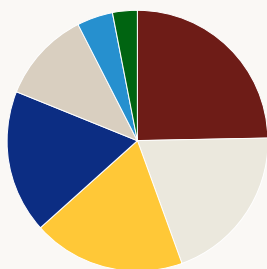


DAVID N. PEARL
Executive Vice President, Head of U.S. Equities & Portfolio Manager

David was a Managing Director and Portfolio Manager at Steinberg Priest & Sloane Capital Management, LLC. Previously, he held a similar portfolio management position at ING Furman Selz Asset Management. He also founded and managed Sagacity International Ltd, a long/short hedge fund. Prior to that, he was a Senior Portfolio Manager at Citibank Global Asset Management where he ranked in the top decile of his peer group.

Assets Under Management

Total: \$5,375 Million



■ U.S. All Cap Value/Balanced	\$1,323
■ Global Equity Shareholder Yield	\$1,074
■ U.S. Value	\$1,015
■ U.S. Small/SMID Cap Value	\$949
■ International	\$616
■ Absolute Return	\$236
■ Global Small Cap Value	\$164

Subtotals in millions, as of 3/31/2007

	Inception Date	1Q 2007	Annualized Returns					Risk Statistics - Since Inception ¹						
			1 Year	3 Years	5 Years	10 Years	Since Inception	Std Dev.	Sharpe Ratio	Inform. Ratio	Alpha	Beta	R ²	
US ALL CAP VALUE	07/31/1994													
Epoch Gross Return		2.4	13.0	14.3	13.4	13.6	14.9	10.6	1.0	--	--	--	--	
Epoch Net Return		2.1	11.8	13.2	12.3	12.4	13.8	--	--	--	--	--	--	
Russell 3000		1.3	11.3	10.8	7.2	8.7	11.4	14.4	0.6	0.4	6.0	0.6	0.6	
Russell 3000 Value		1.3	16.2	14.4	10.5	11.0	13.1	13.1	0.7	0.2	4.6	0.7	0.6	
US VALUE	07/31/2001													
Epoch Gross Return		2.8	16.4	15.1	10.2	NA	9.1	10.4	0.7	--	--	--	--	
Epoch Net Return		2.6	15.2	14.0	9.1	NA	8.0	--	--	--	--	--	--	
Russell 1000		1.2	11.8	10.7	6.9	NA	5.4	12.9	0.3	0.6	4.4	0.7	0.8	
Russell 1000 Value		1.2	16.8	14.4	10.2	NA	8.9	12.4	0.6	0.0	1.8	0.7	0.8	
S&P 500		0.6	11.8	10.1	6.3	NA	4.7	12.9	0.2	0.7	4.9	0.7	0.8	
US SMALL CAP VALUE	12/31/2002													
Epoch Gross Return		3.4	9.8	12.2	NA	NA	17.8	9.7	1.5	--	--	--	--	
Epoch Net Return		3.2	8.7	11.0	NA	NA	16.7	--	--	--	--	--	--	
Russell 2000		2.0	5.9	12.0	NA	NA	20.4	14.4	1.2	(0.3)	4.4	0.6	0.8	
Russell 2000 Value		1.5	10.4	14.5	NA	NA	22.2	13.2	1.4	(0.6)	2.5	0.6	0.8	
US CHOICE	04/30/2005													
Epoch Gross Return		2.9	15.3	NA	NA	NA	17.0	9.0	1.3	--	--	--	--	
Epoch Net Return		2.5	13.6	NA	NA	NA	15.3	--	--	--	--	--	--	
Russell 3000		1.3	11.3	NA	NA	NA	14.7	6.8	1.4	0.5	1.2	1.1	0.7	
INTERNATIONAL SMALL CAP	01/31/2005													
Epoch Gross Return		8.2	28.8	NA	NA	NA	33.6	13.1	2.0	--	--	--	--	
Epoch Net Return		8.0	27.4	NA	NA	NA	32.2	--	--	--	--	--	--	
S&P/Citigroup EMI EPAC Index		6.6	24.0	NA	NA	NA	26.8	10.5	2.0	1.7	1.5	1.2	0.9	
MSCI EAFE Small Cap (Net)		7.1	15.6	NA	NA	NA	23.6	11.6	1.6	2.2	7.3	1.1	0.9	
GLOBAL SMALL CAP VALUE	12/31/2002													
Epoch Gross Return		6.2	20.5	19.0	NA	NA	24.2	9.9	2.0	--	--	--	--	
Epoch Net Return		5.9	19.2	17.7	NA	NA	22.9	--	--	--	--	--	--	
MSCI World (Gross)		2.6	16.0	15.2	NA	NA	19.1	8.9	1.7	1.1	5.0	1.0	0.8	
GLOBAL CHOICE	09/30/2005													
Epoch Gross Return		5.0	21.9	NA	NA	NA	28.2	11.1	1.9	--	--	--	--	
Epoch Net Return		4.6	20.1	NA	NA	NA	26.3	--	--	--	--	--	--	
MSCI World (Gross)		2.6	16.0	NA	NA	NA	17.7	7.1	1.7	1.8	4.4	1.4	0.8	
GLOBAL EQUITY SHAREHOLDER YIELD	12/31/2005													
Epoch Gross Return		4.0	23.1	NA	NA	NA	24.9	6.7	2.7	--	--	--	--	
Epoch Net Return		3.7	21.8	NA	NA	NA	23.5	--	--	--	--	--	--	
S&P/Citigroup BMI World Index		2.9	15.6	NA	NA	NA	18.9	7.2	1.8	1.5	8.0	0.8	0.7	
GLOBAL ABSOLUTE RETURN	12/31/2001													
Epoch Gross Return		4.7	18.6	18.9	18.6	NA	18.4	10.0	1.5	--	--	--	--	
Epoch Net Return		4.3	16.8	17.2	16.9	NA	16.6	--	--	--	--	--	--	
S&P 500		0.6	11.8	10.1	6.3	NA	6.0	12.2	0.3	1.2	13.8	0.5	0.4	
MSCI World (Gross)		2.6	16.0	15.2	11.0	NA	10.5	12.2	0.7	0.8	11.5	0.5	0.4	
Lehman U.S. Aggregate		1.5	6.6	3.3	5.4	NA	5.1	3.8	0.7	1.2	16.7	(0.2)	0.0	

See page 4 for performance disclosure. Past performance is not indicative of future results.

¹ The information provided is supplemental information only and complement the Composite presentation which is located within the Performance Disclosure section of the End Notes.

Equity Returns: Sources and Drivers for the First Decade of the 21st Century

By William W. Priest, CEO, CIO and Portfolio Manager

At Epoch Investment Partners, Inc., we have built our investment philosophy around the changing order of the sources of equity return. The backbone of this strategy is captured in *Figures 1 and 2*.

Figure 1:
Components of Compound Annual Total
Returns for Trailing 10-Year Periods
(S&P 500 Index 1926-2006)

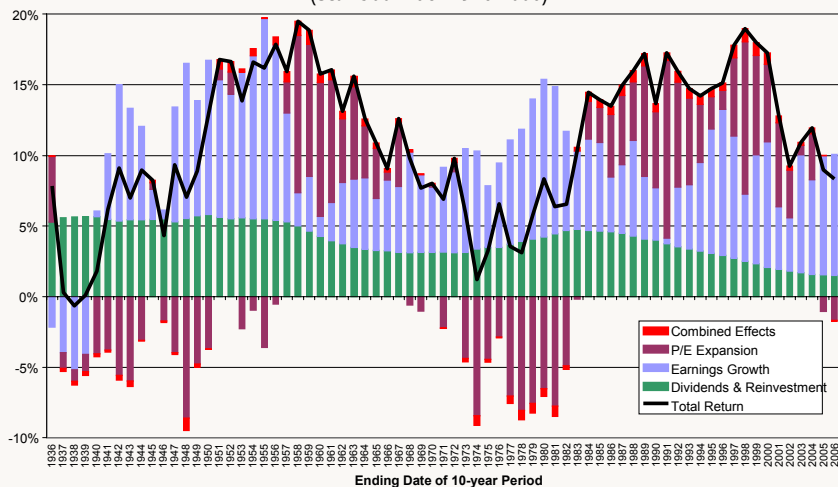
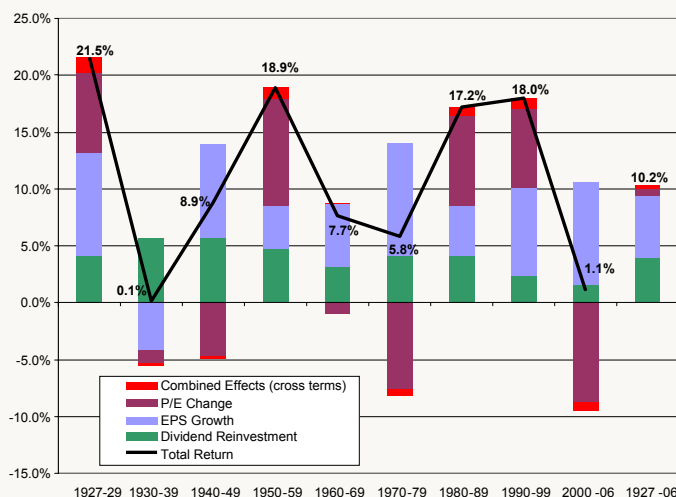


Figure 2:
Components of Total Returns by Decade
(S&P 500 Index 1926-2006)



Source: Epoch Investment Partners, Inc. and Standard & Poor's.

Figure 1 shows an 80-year history of equity returns over rolling ten-year periods. Figure 2 shows the same information, but displayed decade by decade. As indicated in these figures, there are only three sources of return – earnings, dividends, and P/E ratios. These sources of return never change, but their *order of importance* does. That is, during any given decade, one of these variables exerts a more dominant influence on total equity return than the other two. In the 1980s and 1990s, for instance, the P/E ratio had the largest positive effect on the era's spectacular market performance. This was the result of falling interest rates, which resulted in expanding P/Es.

Recently, however, interest rates have been on the rise since reaching a low of 3.11% in June of 2003. Going forward, we can expect further increases in interest rates, and further decreases in P/E ratios. Thus, with P/Es declining in importance as a positive source of equity return, the two other sources – earnings and dividends – have come to the fore.

Earnings and dividends have had a consistently positive effect on total return throughout the history of the markets, as seen in *Figures 1 and 2*. This distinguishes them from the highly volatile P/E ratio. Earnings in particular have recently reached record highs, but may be poised for an upcoming decline from their recent double-digit growth rates. This phenomenon can be explained by three factors, the most relevant of which is globalization. Globalization has led to an all-time high in return to capital, which has boosted earnings. This historical peak in return to capital, however, may soon flatten or perhaps decline, resulting in lower earnings.¹

The second most important explanatory factor for the recent gains in corporate earnings – and, perhaps, their potential decline – is the worldwide housing bubble. In the U.S., this has been the biggest housing bubble in 100 years – and it is over. This bubble was comprised of residential investment spending and home equity loan expansion, which temporarily turbo-charged earnings. Now, as the bubble pops, direct residential investment spending will actually contract this year from 2006 levels, which will lead to an earnings decline.

The third damper on continued earnings growth is the rise in unit labor costs. For several years, the combination of rising productivity and low-wage increase resulted in falling unit labor costs, which had a beneficial impact on profit margins and, therefore, on earnings. This year, however, we are starting to see a reversal in this trend.

Our discussion of earnings brings us to the following conclusion: the double-digit earnings gains of 2002 to 2006 are likely behind us. While earnings should continue to rise in 2007 and 2008, this growth will occur at a more modest low-single-digit rate.

Now that we have discussed the first two sources of equity return – P/Es and earnings – we are left with the third and final source: dividends. Dividends, like earnings, are always additive to equity returns. And, in our view, they represent today's most compelling investment return source.

Our definition of a dividend goes beyond the traditional cash dividend; it also encompasses share buybacks and debt paydowns. Behind this definition lies a fundamental investment truth: if a firm can invest an unencumbered (free) dollar of cash flow at its cost of capital or higher, it should do so, as it is accretive to shareholder value. Such an investment can take the form of an internal investment or an acquisition. On the other hand, if a firm cannot reinvest that dollar of free cash flow at its cost of capital, it should return that dollar to its investors through one of three means: cash dividends, share repurchases, or debt paydowns. In an economic sense, these three cash deployment options are all functionally dividends. We refer to these dividends collectively as shareholder yield.²

Dividends, free cash flow, and shareholder yield have never been more crucial to successful investing than they are today. Corporations, particularly in the U.S., have never been more liquid. Dividends have not kept pace, however, with this growth in free cash flow. Dividends as a percent of cash flow, for example, is almost at a 30-year low. The 2006 dividend payout ratio for the S&P 500 was 29%, the lowest in 12 years and much lower than its historical average level of 45% to 50%. Taken together, these data point to the market's capacity for increased dividend payouts, whether in the form of cash or stock buybacks.

In fact, the trend toward higher stock buybacks is already apparent within the equity markets; according to Standard & Poor's, S&P 500 companies repurchased \$464 billion worth of shares in 2006, nearly \$100 billion more than 2005 which was \$100 billion more than 2004. It is only a matter of time before cash dividends and debt paydowns – the other two components of dividend-derived Shareholder Yield – follow suit. When this occurs, total equity return will certainly be impacted.

In summary, the investment philosophy at Epoch is based around the changing order of the sources of equity return. We believe that, for the foreseeable future, P/Es are unlikely to expand, and earnings growth will be more moderate than in the recent past. Hence, dividends, in all three forms, may well emerge as the dominant component of positive equity returns. We encourage you to refer to our most recent book, *Free Cash Flow and Shareholder Yield: New Priorities for the Global Investor* (John Wiley & Sons, 2006), for a comprehensive exploration of how the informed investor can understand and benefit from this change in equity market dynamics.

¹ See our white paper, "Why the World Works in the Long Run."

² We have created a mutual fund exclusively for this purpose. We also manage similar funds for CI Funds in Canada and John Hancock.

Key Personnel

ADAM BORAK
Chief Financial Officer
 UPenn, Wharton School, BS
Years experience: 18

J. PHILIP CLARK
Executive Vice President & Head of Client Relations
 Yale University, BS
Years experience: 26

DINA DICENSO, Ph.D.
Senior Associate & Analyst
 University of Arizona, BA
 Northeastern University, MSF
 Fordham University, Ph.D.
Years experience: 9

JOSEPH W. DONALDSON, CPA
Associate Portfolio Manager & Senior Analyst
 University of Georgia, BBA
 Columbia University, MBA
Years experience: 22

DANIEL GEBER
Portfolio Manager & Senior Analyst
 UCLA, BS
 Stanford University, MBA
Years experience: 22

ANDREA TASKER-GLOGOFF
Consultant Relations Director
 Colgate University, BA
Years experience: 13

KENNETH N. HIGHTOWER, Ph.D.
Director, Quantitative Research & Risk Management
 University of North Carolina, BA, Ph.D.
Years experience: 10

THOMAS HU
Senior Associate, Quantitative Research
 National Taiwan University, BS; LL.B
 Columbia University, MS
Years experience: 4

JANET K. NAVON
Portfolio Management & Senior Analyst
 Georgetown University, BS
 Columbia University, MBA
Years experience: 26

DAVID N. PEARL
Executive Vice President, Head of U.S. Equities & Portfolio Manager
 UPenn, BS
 Stanford University, MBA
Years experience: 24

TOM PERNICE
Client Service Director
 Stony Brook University, BA
Years experience: 26

WILLIAM W. PRIEST, CFA, CPA
CEO, CIO & Portfolio Manager
 Duke University, BA
 Wharton School, MBA
Years experience: 42

JOHN P. REDDAN, CFA
Senior Analyst
 Siena College, BA
 Columbia University, MBA
Years experience: 22

ERIC SAPPENFIELD
Portfolio Manager & Senior Analyst
 Stanford University, BA
 UCLA, MBA
Years experience: 21

MARK H. STRAUSS
Head of U.S. Trading
 Oneonta State University of NY, BA
 Pace University, MBA
Years experience: 21

TIMOTHY T. TAUSSIG
President & COO
 Dartmouth College, BA
Years experience: 28

THUY TRAN
Analyst
 New York University, BS
 Wharton School, MBA
Years experience: 11

NISHU TRIVEDI
International Trader
 Wilkes University, BS
 Harvard University, MS
Years experience: 7

JEFFREY M. ULNESS
Sub-Advisory Relations Director
 University of ND, JD & BA
 Georgetown University, LL.M.
Years experience: 21

MICHAEL A. WELHOELTER, CFA
Portfolio Manager, Quantitative Research & Risk Management
 Colgate University, BA
Years experience: 21

T. JON WILLIAMS, Ph.D., CFA
Client Relations
 Arizona State University, BA
 UCLA, Ph.D.
Years experience: 19

CHRIS WOLTERS, CFA
Senior Analyst
 University of Delaware, BME
 New York University, MBA
Years experience: 17

1. Presentation of the Firm—Epoch Investment Partners, Inc. became a registered investment adviser under the Investment Advisers Act of 1940 in June, 2004. Performance for prior periods is for Epoch's investment team and accounts while at Steinberg Priest & Sloane Capital Management, LLC. For the period 7/94 through 3/01 Bill Priest managed the accounts while at Credit Suisse Asset Management and was the only individual responsible for selecting the securities to buy and sell. Epoch Investment Partners has the books and records supporting the performance of this track record and will provide these records upon request. Epoch Investment Partners, Inc. claims compliance with the Global Investment Performance Standards (GIPS®).
2. Composite Structure—Epoch's Composites include all tax-exempt and taxable portfolios above \$500,000 in size and are generally managed relative to applicable market index. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Portfolios within the U.S. Small Cap Value Composite are managed relative to broad small cap index such as Russell 2000 Total Return Index; portfolios within the U.S. Value Composite are focused on the full capitalization range of the U.S. equity market and are managed relative to a broad market index such as the S&P 500 Index or the Russell 1000; portfolios within the Balanced Composite are managed relative to a combined stock/bond index such as 50% S&P 500 and 50% Lehman Aggregate Bond; portfolios within the Global Small Cap composite are generally managed relative to MSCI World Index (Gross); and portfolios within the U.S. All Cap Value are managed relative to the R3000 index which approximates 98% of the total U.S. Equity market (Effective 7/1/06, the U.S. All Cap Value Composite has been redefined to reflect only those discretionary accounts managed by the All Cap Value Team and following the respective All Cap Value model. As a result, all accounts which are not managed by the All Cap Value Team and have specified client risk preferences have been removed.); and portfolios within the Global Absolute Return Composite are generally compared to broad market indices such as the S&P 500, Lehman Aggregate Bond Index, and MSCI World Index (Gross).
3. Composite Creation Dates—U.S. All Cap Value, Balanced, Global Absolute Return, Global Small Cap Value, U.S. Small Cap Value, U.S. Value: June 2004; International Small Cap: February 2005; U.S. Choice: May 2005; Global Choice: October 2005; Global Equity Shareholder Yield: January 2006.
4. Risk Statistics source—Epoch Investment Partners. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Sharpe ratio is a measure of absolute risk adjusted return developed by Professor William Sharpe. It divides

- the excess return of an account above cash returns by the Standard Deviation of the excess return to determine the reward per unit of risk. Information Ratio is measure of relative risk-adjusted return. It is determined by dividing excess return by Tracking Error. Alpha is a measurement of the expected residual return adjusted for the account Beta. Beta is a quantitative measure of the volatility of the account relative to the account benchmark. R-squared is a measure of how closely an account's performance correlates with the performance of the account benchmark, ranging from 0, indicating no correlation, to 1, indicating perfect correlation. Market Statistics source: Standard & Poor's, Frank Russell Company, Morgan Stanley Capital International, Lehman Brothers and Epoch Investment Partners, Inc. Composite-level risk statistics are calculated using monthly rates-of-return. Statistics calculated using a sample of less than 36 months can be considered a less reliable estimate of the characteristic's true value.
5. Total Return Methodology and Fee Structure—Returns are presented gross and net of management fees and include the reinvestment of all income. Composite performance [Global Absolute Return, Global Small Cap Value, International Small Cap, Global Choice, Global Equity Shareholder Yield] is presented net of foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor's domicile. Returns may include the effect of foreign currency exchange rates. A fee schedule is an integral part of a complete presentation and is described in Part II of the firm's ADV, which is available upon request. Net of fee returns reflect the deduction of the highest annual management fee, payable quarterly in arrears. Net-of-fee performance reflects the compounding effect of such fees. Generally, the highest fee payable for an Epoch managed equity portfolio is 1.0 % of assets, annually, with the exception of Global and Non-U.S. which is 1.1% and Absolute Return which is 1.5% of assets.
6. Significant Cashflow Policy - Effective January 1, 2006, our significant cash flow policy has been redefined as in excess of 25% of the portfolio market value. This policy amendment will not be applied retroactively. Prior to January 1, 2006, composite policy required the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow of 10% or greater of portfolio market value. The temporary removal of such an account occurs at the beginning of the month in which the significant cash flow occurs and the account re-enters the composite the next full month (assuming the cash flow has been fully invested - as determined by Epoch Investment Partners, Inc.). This policy is not applied to the advised Epoch mutual funds (within the U.S. All Cap Value, International Small Cap and Global Equity Shareholder Yield Composites), U.S. Choice, Global Choice and SMID Value Composites. Additional information regarding the treatment of significant cash flows is available upon request.
7. Different methods can be applied to the calculation of performance data. Periods over one year are annualized. Additional information regarding policies for calculating and reporting returns is available upon request.
8. Past performance is not indicative of future results. All information is calculated in USD\$. An account could incur losses as well as gains.
9. To receive a complete list and description of Epoch Investment Partners, Inc. composites and/or presentation that adheres to the GIPS® standards, contact Jason Root at 212-303-7200, or write Epoch Investment Partners Inc., 640 Fifth Avenue, 18th Floor, New York, NY 10019, or send an email to info@eipny.com.

EPOCH Investment Partners, Inc.

640 Fifth Avenue, 18th Floor
 New York, NY 10019
 T: 212 303 7200 F: 212 202 4948

15303 Ventura Blvd., 9th Floor
 Sherman Oaks, CA 91403
 T: 818 380 3016 F: 818 380 3071

www.eipny.com