



COMPANY OVERVIEW Epoch Investment Partners, Inc. (“Epoch”) is a global asset management firm formed in April 2004 by experienced professionals. Epoch was created with the specific goal of responding to paradigm shifts within the sources of global equity investment returns and within the structure of the investment management business as a whole.

Our investment philosophy reflects the changing hierarchy within the three determinants of investment returns: earnings, dividends, and P/E ratios. Throughout history, the relative importance of each determinant has changed dramatically depending upon the economic landscape of the period under review. In the 1980s and 1990s, for example, rising P/E ratios were the principal drivers of equity returns, leading to the popularity of valuation methodologies that reflected Price-to-Book value and Price-to-Earnings metrics. Underlying this 20-year P/E expansion was a collapse in interest rates. However, beginning in June of 2003, this two-decade period of declining interest rates and expanding P/E ratios began to show signs of ending.

We believe we have entered a period in which P/E ratios are more likely to remain flat or contract rather than expand as interest rates are more likely to rise rather than fall from recent historical lows. Given the inverse relationship of P/Es to interest rates, P/E multiple expansion will cease to be the primary explanatory variable of equity returns going forward, leaving only earnings growth and dividends to drive equity returns. These two drivers come from a single source: cash flow. Consequently, Epoch’s security selection process is focused upon free cash flow metrics as opposed to traditional accounting-based metrics. It is a better and more transparent methodology to understand how a business works. In our view, the key to producing superior risk-adjusted equity returns is the identification of companies with an ability to generate free cash flow and to allocate it properly among dividends, share repurchases, debt pay downs, internal reinvestment opportunities and/or acquisitions.

In addition to offering a responsive, insightful free cash flow-based investment strategy, the second key principle underlying the firm’s foundation was the desire to provide greater transparency of our businesses practices. We understand that clients and consultants want to know as much as possible about the character of the people and the structure of the organization charged with executing their fiduciary responsibilities. As a result, Epoch has been a public company since its inception (Nasdaq: EPHC) and has adhered to all associated demands surrounding appropriate financial and business practices disclosures. All Epoch employees are shareholders in our business further support that Epoch’s business principles align employee and client interests.

Epoch is committed to seeking out the most promising investment opportunities, whether domestic or international, on behalf of our clients. We are a global firm in terms of both our product set and our mindset. Successful investing in today’s markets requires a thorough knowledge of the integration of trade and financial flows and an ability to capture the opportunities that arise from this integration. Epoch’s global research efforts ensure timely, actionable insight into a rapidly changing international marketplace.

INVESTMENT PHILOSOPHY At Epoch, we strive to produce superior risk-adjusted returns by constructing portfolios with outstanding risk/reward profiles that do not assume a high degree of capital risk. Before making an investment, we analyze a company as if we were private investors looking to purchase the entire business. We only invest in businesses with understandable operating models, straightforward financial statements, and a proven ability to generate free cash flow. We also seek securities that, in our view, have unrecognized potential.

Our goal is to produce an efficient portfolio on a risk/return basis. We diversify across attractive sectors, limit individual holding sizes, and have a strict sell discipline and 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, earnings drivers, barriers to entry, and competitive advantages.
- *Understand the Cash Flow Structure* - Focus on companies that generate 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 net cash flow and determine the necessity of these claims to maintain and grow the business. Evaluate how management will use free cash flow. Value the cash flow stream and compare it to enterprise value to determine the attractiveness of the investment.
- *Evaluate Management Quality* - Identify management with an intention and demonstrated ability to create shareholder value.
- *Seek Unrecognized Assets* - Uncover, where possible, hidden, undervalued or underutilized assets, especially in under-researched small and mid cap companies.

While the security selection and research methodology is the same for all of Epoch’s equity strategies, the portfolio construction process is adaptable to the specific parameters of each client’s individual mandate.



Performance Third Quarter 2009

| | Inception Date | 3Q 2009 | YTD | Annualized Returns | | | | | Risk Statistics - Since Inception | | | | | | |
|--|----------------|---------|------|--------------------|---------|---------|----------|-----------------|-----------------------------------|--------------|---------------|-------|------|----------------|---|
| | | | | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Std Dev. | Sharpe Ratio | Inform. Ratio | Alpha | Beta | R ² | |
| U.S. ALL CAP VALUE | 7/31/1994 | | | | | | | | | | | | | | |
| Epoch Gross Return | | 14.7 | 22.6 | (6.4) | (2.3) | 4.2 | 8.5 | 11.1 | 13.2 | 0.6 | - | - | - | - | - |
| Epoch Net Return | | 14.4 | 21.6 | (7.3) | (3.3) | 3.2 | 7.4 | 10.0 | - | - | - | - | - | - | - |
| Russell 3000 | | 16.3 | 21.2 | (6.4) | (5.1) | 1.6 | 0.7 | 7.7 | 15.9 | 0.3 | 0.4 | 5.3 | 0.7 | 0.7 | |
| Russell 3000 Value | | 18.6 | 15.0 | (10.8) | (7.8) | 1.0 | 3.0 | 8.4 | 15.3 | 0.3 | 0.3 | 4.7 | 0.7 | 0.7 | |
| U.S. VALUE | 7/31/2001 | | | | | | | | | | | | | | |
| Epoch Gross Return | | 11.8 | 21.2 | (4.5) | (1.4) | 5.7 | - | 4.5 | 14.2 | 0.1 | - | - | - | - | - |
| Epoch Net Return | | 11.6 | 20.3 | (5.4) | (2.3) | 4.6 | - | 3.5 | - | - | - | - | - | - | - |
| Russell 1000 | | 16.1 | 21.1 | (6.1) | (5.1) | 1.5 | - | 0.7 | 16.1 | (0.1) | 0.6 | 3.8 | 0.8 | 0.9 | |
| Russell 1000 Value | | 18.2 | 14.8 | (10.6) | (7.9) | 0.9 | - | 1.9 | 16.4 | (0.0) | 0.4 | 2.9 | 0.8 | 0.8 | |
| S&P 500 | | 15.6 | 19.3 | (6.9) | (5.4) | 1.0 | - | 0.3 | 15.9 | (0.1) | 0.7 | 4.2 | 0.8 | 0.9 | |
| U.S. SMID CAP VALUE | 8/31/2006 | | | | | | | | | | | | | | |
| Epoch Gross Return | | 17.7 | 29.1 | (4.3) | (1.9) | - | - | (1.5) | 22.1 | (0.2) | - | - | - | - | - |
| Epoch Net Return | | 17.5 | 28.1 | (5.2) | (2.8) | - | - | (2.5) | - | - | - | - | - | - | - |
| Russell 2500 | | 20.1 | 27.9 | (5.7) | (3.8) | - | - | (3.3) | 23.5 | (0.3) | 0.4 | 1.5 | 0.9 | 1.0 | |
| Russell 2500 Value | | 22.8 | 22.0 | (8.3) | (5.7) | - | - | (5.2) | 23.8 | (0.3) | 0.5 | 3.2 | 0.9 | 0.9 | |
| U.S. SMALL CAP VALUE | 12/31/2002 | | | | | | | | | | | | | | |
| Epoch Gross Return | | 16.5 | 25.4 | (8.6) | (2.4) | 3.2 | - | 8.2 | 17.4 | 0.3 | - | - | - | - | - |
| Epoch Net Return | | 16.2 | 24.5 | (9.5) | (3.3) | 2.2 | - | 7.1 | - | - | - | - | - | - | - |
| Russell 2000 | | 19.3 | 22.4 | (9.5) | (4.6) | 2.4 | - | 8.4 | 19.9 | 0.3 | (0.0) | 1.2 | 0.8 | 0.9 | |
| Russell 2000 Value | | 22.7 | 16.4 | (12.6) | (6.6) | 1.8 | - | 8.4 | 19.9 | 0.3 | (0.0) | 1.4 | 0.8 | 0.8 | |
| U.S. CHOICE | 4/30/2005 | | | | | | | | | | | | | | |
| Epoch Gross Return | | 18.8 | 25.2 | (3.3) | (2.7) | - | - | 3.0 | 17.3 | (0.0) | - | - | - | - | - |
| Epoch Net Return | | 18.4 | 23.8 | (4.8) | (4.2) | - | - | 1.5 | - | - | - | - | - | - | - |
| Russell 3000 | | 16.3 | 21.2 | (6.4) | (5.1) | - | - | 0.6 | 17.2 | (0.1) | 0.5 | 2.6 | 1.0 | 0.9 | |
| INTERNATIONAL SMALL CAP | 1/31/2005 | | | | | | | | | | | | | | |
| Epoch Gross Return | | 23.7 | 44.5 | 12.8 | 0.4 | - | - | 9.0 | 22.7 | 0.3 | - | - | - | - | - |
| Epoch Net Return | | 23.3 | 43.3 | 11.6 | (0.7) | - | - | 7.8 | - | - | - | - | - | - | - |
| S&P EPAC SmallCap Index | | 21.7 | 42.8 | 10.5 | (2.9) | - | - | 5.2 | 22.6 | 0.1 | 0.7 | 3.8 | 1.0 | 0.9 | |
| MSCI World ex USA Small Cap (Net) | | 22.9 | 50.1 | 14.7 | (3.5) | - | - | 3.7 | 23.2 | 0.0 | 1.1 | 5.2 | 1.0 | 1.0 | |
| GLOBAL SMALL CAP | 12/31/2002 | | | | | | | | | | | | | | |
| Epoch Gross Return | | 17.5 | 31.8 | 4.9 | 1.0 | 7.8 | - | 12.2 | 15.6 | 0.6 | - | - | - | - | - |
| Epoch Net Return | | 17.2 | 30.7 | 3.7 | (0.1) | 6.6 | - | 11.0 | - | - | - | - | - | - | - |
| S&P Developed SmallCap Index | | 21.3 | 36.1 | 1.7 | (3.5) | 5.7 | - | 11.5 | 19.2 | 0.5 | 0.1 | 2.7 | 0.8 | 0.9 | |
| MSCI World Small Cap (Net) | | 22.2 | 40.2 | 5.2 | (3.4) | 5.2 | - | 12.3 | 19.7 | 0.5 | (0.0) | 2.5 | 0.8 | 0.9 | |
| GLOBAL CHOICE | 9/30/2005 | | | | | | | | | | | | | | |
| Epoch Gross Return | | 14.8 | 25.9 | 1.6 | 1.3 | - | - | 7.0 | 17.3 | 0.2 | - | - | - | - | - |
| Epoch Net Return | | 14.4 | 24.5 | 0.1 | (0.2) | - | - | 5.5 | - | - | - | - | - | - | - |
| MSCI World (Net) | | 17.4 | 24.9 | (2.3) | (4.4) | - | - | (0.0) | 19.1 | (0.2) | 0.9 | 7.0 | 0.8 | 0.8 | |
| GLOBAL ABSOLUTE RETURN | 12/31/2001 | | | | | | | | | | | | | | |
| Epoch Gross Return | | 13.2 | 26.0 | 5.8 | 1.6 | 8.5 | - | 10.9 | 12.6 | 0.7 | - | - | - | - | - |
| Epoch Net Return | | 12.7 | 24.6 | 4.2 | 0.1 | 6.9 | - | 9.3 | - | - | - | - | - | - | - |
| S&P 500 | | 15.6 | 19.3 | (6.9) | (5.4) | 1.0 | - | 0.9 | 15.6 | (0.1) | 1.0 | 10.3 | 0.6 | 0.6 | |
| MSCI World (Net) | | 17.4 | 24.9 | (2.3) | (4.4) | 3.5 | - | 3.4 | 16.7 | 0.1 | 0.8 | 8.6 | 0.6 | 0.6 | |
| Barclays Capital U.S. Aggregate | | 3.7 | 5.7 | 10.6 | 6.4 | 5.1 | - | 5.6 | 3.9 | 0.8 | 0.4 | 10.2 | 0.3 | 0.0 | |
| GLOBAL EQUITY SHAREHOLDER YIELD | 12/31/2005 | | | | | | | | | | | | | | |
| Epoch Gross Return | | 12.5 | 16.2 | (1.1) | (1.2) | - | - | 2.8 | 14.7 | (0.0) | - | - | - | - | - |
| Epoch Net Return | | 12.2 | 15.3 | (2.2) | (2.3) | - | - | 1.7 | - | - | - | - | - | - | - |
| S&P Developed BMI Index | | 18.6 | 28.3 | (0.5) | (3.5) | - | - | (0.1) | 20.3 | (0.2) | 0.4 | 2.5 | 0.7 | 0.9 | |
| MSCI World (Net) | | 17.4 | 24.9 | (2.3) | (4.4) | - | - | (0.8) | 19.5 | (0.2) | 0.6 | 3.1 | 0.7 | 0.9 | |

The information provided is supplemental information only and supplements the Composite presentation which is located in the Performance Disclosure section of the End Notes. Past performance is not indicative of future results.

Is the Crisis Over? Yes, Maybe, and No.

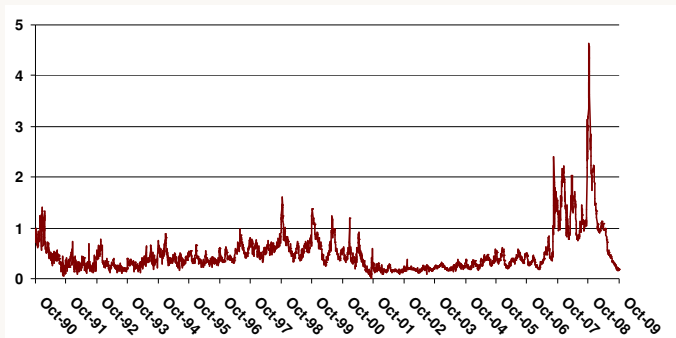
By William W. Priest, CEO, Co-CIO and Portfolio Manager

We see today's economic "crisis" as three problems in one: a liquidity problem, a solvency problem, and a recession problem. In order to answer the question of whether or not the crisis is over, we must address each of these problems in turn.

To begin with, the liquidity problem has passed, as expressed in Figures 1 and 2. Figure 1 shows the TED (Treasury Eurodollar) spread, the proxy for the cost of interbank lending, over a multi-year period. The first evidence of the liquidity problem appeared in August of 2007 when the TED spread soared to 200 basis points following redemption and valuation problems with a large BNP Paribas Fund. This caused the ECB to inject a large amount of capital into the European banking system. In a similar fashion, the Federal Reserve injected reserves into the U.S. banking system the very next day as well.

Normally, the TED spread ranges from 25 to 50 basis points. Beginning in August of 2007, however, it stayed between 100 to 200 basis points for more than a year, and then rose to nearly 460 basis points with the failure of Lehman and AIG. The seizure of the credit markets ended when central banks around the world made massive injections of liquidity into the monetary system and governments began to guarantee the various liabilities of financial institutions, including deposits and money market funds. As a result of these initiatives, today's TED spread is 19 basis points.

Figure 1¹
TED Spread (as of September 30, 2009)



A second way of looking at the liquidity problem is the BFCI Index (Bloomberg Financial Conditions Index) shown in Figure 2. This index combines yield spreads and indices from the money markets, bond markets, and equity markets into a normalized index. The values of this index are called Z-scores, which represent the number of standard deviations by which current financial conditions lie above or below the average level of the 1992-2008 periods.

Figure 2²
TED Spread (as of September 30, 2009)

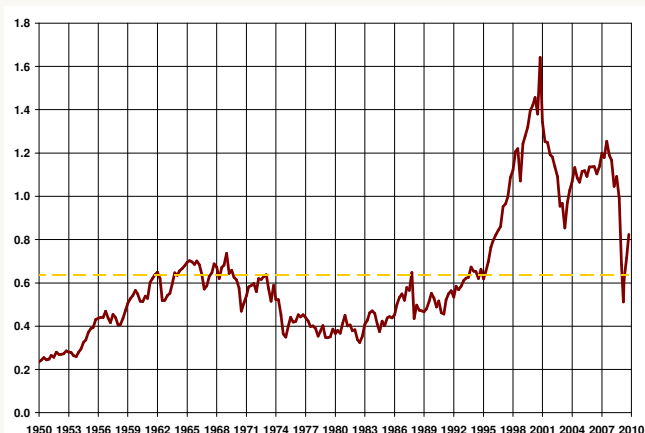


The most compelling feature of this chart is the breathtaking decline from the fall of 2008 to December of the same year: a 12 standard deviation event. Talk about your "black swans!" What's even more astounding is that this collapse in the index is outdone in many respects by the ensuing resurgence of the very same index over the next few months. We are now within one-half of one standard deviation of normalcy for the entire 16-year period. Truly remarkable.

One can also interpret Figure 2 as mirroring the cost of capital. When the BFCI Index collapsed, the cost of capital went through the roof. Similarly, as the index rises, the cost of capital falls: a correlation that can also be seen in the shrinkage of credit spreads and the decline in the equity risk premium over the past several months.

Figures 1 and 2, more than any other graphic depictions of the liquidity problem and its aftermath, explain the strength of the equity market since its March 2009 lows. The events that comprise this dramatic fall and rise have led to significant changes in the relationship of the financial economy to the real economy. To explore these changes, we turn to Figure 3.

Figure 3³
Total Stock Market Value/ GDP (1950-2009)



Here we show the relationship of the value of U.S. equities to the value of U.S. GDP over the past 60 years. A simple average for the period is 62%, with an effective low around 40%, and a remarkable high of 160%, which indicates the peak of the internet bubble at the end of the twentieth century. At the bottom of the market in March of this year, this percentage was 52%. After the recent rally, it now exceeds 80%. So, from the perspective of the liquidity problem, we can say, "Yes. The crisis is over." But there are still other problems to address.

As noted earlier, the second problem is one of solvency. According to the IMF, the estimated write-offs of financial assets within banks and non-bank financial institutions now total over \$4 trillion. We can account for three quarters of this total, but there is still at least \$1 trillion of write-offs on the way. Some of this \$1 trillion is linked to commercial real estate, but much of it reflects the rise in non-performing loans of many varieties. In our view, the fourth quarter will see an acceleration of questions surrounding this topic. Our view is that, from the perspective of the solvency problem, the answer is a "maybe." Maybe the financial crisis is over. In any case, we certainly understand its solvency dimensions better today than we did a year ago.

This brings us to our third and final problem: the recession. Many have called this period the "Great Recession" because of the economy's sharp decline and its soaring unemployment. Granted, it is not the 1930's nor do we expect it to become so. But the slope of the recovery will be shallow, and this is a problem.

The recession itself probably ended in June of this year, thereby lasting 18 months. But that does not mean real growth has (cont'd)

¹ Source: Bloomberg

² Source: Bloomberg

³ Source: Federal Reserve, FactSet

Is the Crisis Over? Yes, Maybe, and No.

been given the green light. A period of sustainable real growth requires a transition from growth based on government stimulus to growth led by the private sector. In order for this to happen, the following must transpire: 1) the employment rate must be higher 12 months from now than it is today, and 2) those who are employed must have higher incomes. Without these two events occurring, there can be no sustainable recovery. In this respect, when we ask “Is the crisis over?” the answer is an unambiguous “No.”

In the meantime, we will add \$9 trillion to our fiscal deficit over the next several years with quantitative easing machinations already in place to finance it. Despite this soaring deficit, other than the decline of the dollar, there are few outward signs that inflation is a problem. Inflation in the real economy is not a cause for concern at the moment; there is simply too much excess labor and too large an output gap on a global basis at present. Inflation could, however, take the form of another asset bubble, particularly in commodities and equities. Many commodities are dollar based, and there has been a clear link between the declining dollar and rising commodity prices, particularly in the case of oil (see Figure 4). In addition, a number of Far Eastern currencies are pegged to the dollar. For these countries, U.S. monetary policy is, by default, their monetary policy as well.

Figure 4⁴
Oil Price vs. USD/EUR



All of these trends bear watching. And while we can take solace in the fact that “Armageddon” is off the table, so is “normal.” So, is the crisis over? Yes, no and maybe. Twelve months from now, the answer will be obvious.

⁴ Source: Factset

1. Presentation of the Firm— Epoch Investment Partners, Inc. (“Epoch”) became a registered investment adviser under the Investment Advisers Act of 1940 in June 2004. Performance from April 2001 through May 2004 is for Epoch’s investment team and accounts while at Steinberg Priest & Sloane Capital Management, LLC. Performance from July 1994 through March 2001 is for Bill Priest and the accounts while at Credit Suisse Asset Management where Bill was the only individual responsible for selecting the securities to buy and sell. Epoch has the books and records supporting the performance of this track record and will provide these records upon request. Epoch has prepared and presented this report in 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 an applicable market index. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. The changes to benchmarks or composites noted below were made to present a more representative and insightful comparison to the investment strategies.

| Composite | Creation Date | Current Benchmark | History |
|---------------------------------|----------------|--|---|
| U.S. All Cap Value | June 2004 | Russell 3000; Russell 3000 Value | Effective 7/1/06, the U.S. All Cap Value Composite was redefined to include discretionary accounts managed by the All Cap Value Team that follow the U.S. All Cap Value Model. All accounts which were not managed by the All Cap Value Team or that have client-specified risk preferences were removed. |
| U.S. Small Cap Value | June 2004 | Russell 2000; Russell 2000 Value | |
| U.S. SMID Cap Value | September 2006 | Russell 2500; Russell 2500 Value | |
| U.S. Value | June 2004 | Russell 1000; Russell 1000 Value | |
| U.S. Choice | May 2005 | Russell 3000 | |
| Global Small Cap | June 2004 | MSCI World Small Cap (Net) | Prior to 7/1/2009, performance information for this composite was shown comparative to the S&P Developed SmallCap Index. |
| International Small Cap | February 2005 | MSCI World ex USA Small Cap (Net) | Prior to 7/1/2009, performance information for this composite was shown comparative to the S&P EPAC SmallCap Index. |
| Global Absolute Return | June 2004 | S&P 500, Barclays Capital U.S. Aggregate, and MSCI World (Net) | Prior to 1/1/2009, performance information for this composite was shown comparative to the S&P 500, Barclays Capital U.S. Aggregate and the MSCI World (Gross) Indices. |
| Global Choice | October 2005 | MSCI World (Net) | Prior to 1/1/2009, performance information for this composite was shown comparative to the MSCI World (Gross) Index. |
| Global Equity Shareholder Yield | January 2006 | MSCI World (Net) | Prior to 7/1/2009, performance information for this composite was shown comparative to the S&P Developed BMI Index. |

3. Risk Statistics Source— 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. 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.

4. Benchmark Source— Russell Investments; MSCI Inc.; Standard & Poor’s; and Barclays Capital are the source and owners of the index data contained herein (and all trademarks related thereto), which may not be redistributed. Reference to an index does not imply that the portfolio will achieve returns, volatility or other results similar to the index. The composition of the indices are provided for your information only and may not reflect the manner in which a portfolio is constructed in relation to expected or achieved returns, portfolio guidelines, restrictions, sectors, correlations, concentrations, volatility or tracking error targets, all of which are subject to change over time. Indices are unmanaged. The figures for each index reflects the reinvestment of dividends but do not reflect the deduction of any fees or expenses which would reduce returns except for the MSCI (Net) indices where net returns are net of withholding taxes applied to foreign investors based on tax rates that would be applied to a Luxembourg-based investor. Investors cannot invest directly in indices.

5. Total Return Methodology and Fee Structure—Composite returns are presented gross and net of management fees and include the reinvestment of all income. Composite performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor’s domicile. All information is calculated in USD. Returns may include the effect of foreign currency exchange rates. Periods over one year are annualized. 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 Small Cap, International Small Cap and Global Equity Shareholder Yield which is 1.1% and Global Absolute Return, Global Choice, U.S. Choice which is 1.5% of assets. 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. Different methods can be applied to the calculation of performance data. Additional information regarding policies for calculating and reporting returns is available upon request. Past performance is not indicative of future results. An account could incur losses as well as gains.

6. Significant Cashflow Policy – Effective January 1, 2008, Epoch does not apply a significant cash flow policy as all accounts are valued daily. From January 1, 2006 to December 31, 2007, Epoch defined a significant cash flow as one in excess of 25% of the portfolio market value. Prior to January 1, 2006 Epoch’s policy required the temporary removal of any portfolio incurring a client initiated significant cashflow of 10% or greater of portfolio market value. Additional information regarding the Epoch’s historical treatment of significant cash flows is available upon request.

7. To receive a complete list and description of Epoch 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.