

# QuantVal® Small-Cap Value Equity

Performance through July 31, 2010



QuantVal is a 100% quantitative value equity strategy designed to maximize exposure to factors within a given benchmark that are statistically significant drivers of consistent excess returns (see methodology packet for details).

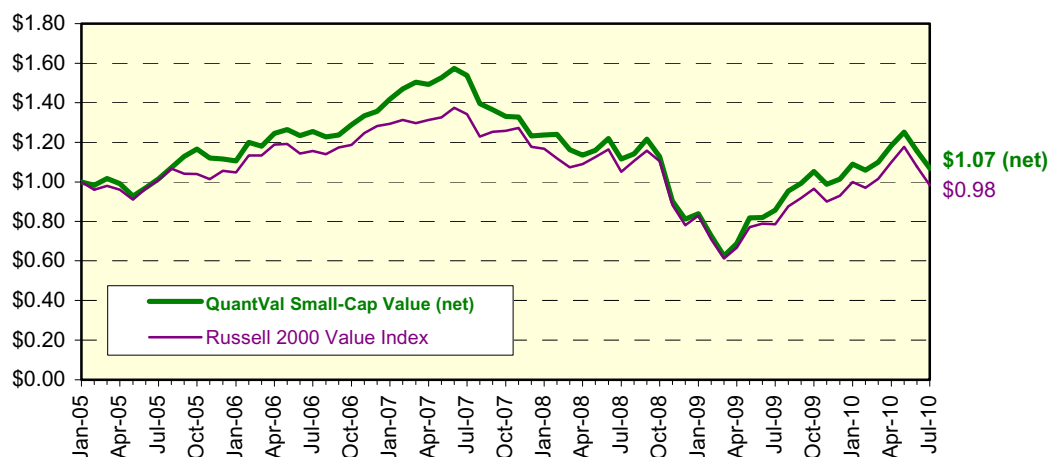
**QuantVal Small-Cap Value Goal:** Outperform the Russell 2000 Value Index by 3% per year with similar standard deviation, a beta of 1, and 6% tracking error over a complete market cycle.

## QuantVal® Composite Performance as of 7/31/10

Trailing Returns								Statistics				
SMALL-CAP VALUE EQUITY	Month	QTD	YTD	1yr	3yr	5yr	Since Incept	Std Dev	Track Error	Beta	Alpha	Sharpe Ratio
QuantVal Small-Cap Value Equity (gross)	5.5%	-4.6%	3.8%	32.5%	-9.2%	2.8%	2.8%	22.2%	7.6%	0.95	1.9%	0.12
QuantVal Small-Cap Value Equity (net)	5.4%	-4.9%	3.4%	31.5%	-9.9%	2.1%	2.2%	22.2%	7.6%	0.95	1.3%	0.09
Russell 2000 Value Index	7.1%	-4.2%	5.4%	34.0%	-7.8%	0.9%	0.9%	21.9%	n/a	n/a	n/a	0.04

*Inception is Jan, 2005. Returns for periods greater than 1 year are annualized. Statistics are calculated using monthly returns since inception and are annualized.*

## Cumulative Performance Since Inception Jan 2005 through Jul 2010



**Please contact us for a detailed fact sheet.  
See back page for monthly returns and complete GIPS® disclosures.**

**Annual & Monthly Returns Since Inception (%)**  
Jan 2005 through Jul 2010

	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2005	QuantVal (gross)	11.37	(1.61)	3.55	(2.48)	(6.41)	4.61	4.72	5.52	5.49	3.25	(3.79)	(0.38)	(0.74)
	QuantVal (net)	10.65	(1.61)	3.38	(2.48)	(6.41)	4.43	4.72	5.52	5.33	3.25	(3.79)	(0.55)	(0.74)
	Russell 2000 Value Index	4.71	(3.87)	1.99	(2.06)	(5.16)	6.10	4.42	5.69	(2.30)	(0.17)	(2.51)	4.06	(0.77)
2006	QuantVal (gross)	29.01	8.33	(1.37)	5.51	1.59	(2.27)	1.66	(2.14)	0.97	4.11	3.48	1.90	4.53
	QuantVal (net)	28.13	8.33	(1.53)	5.51	1.49	(2.35)	1.66	(2.17)	0.82	4.11	3.47	1.76	4.53
	Russell 2000 Value Index	23.48	8.27	(0.01)	4.84	0.27	(4.14)	1.23	(1.39)	2.99	0.98	5.09	2.85	0.87
2007	QuantVal (gross)	(12.16)	3.70	2.47	(0.62)	2.32	3.10	(2.31)	(9.12)	(2.22)	(2.44)	(0.19)	(7.09)	0.41
	QuantVal (net)	(12.79)	3.60	2.47	(0.80)	2.26	3.10	(2.32)	(9.24)	(2.28)	(2.44)	(0.30)	(7.09)	0.34
	Russell 2000 Value Index	(9.78)	1.50	(1.23)	1.21	1.04	3.67	(2.33)	(8.51)	2.00	0.45	1.09	(7.49)	(0.85)
2008	QuantVal (gross)	(31.72)	0.24	(6.10)	(2.40)	2.21	5.30	(8.45)	2.41	6.46	(7.30)	(19.80)	(10.05)	3.47
	QuantVal (net)	(32.07)	0.24	(6.22)	(2.40)	2.10	5.27	(8.45)	2.31	6.42	(7.30)	(19.85)	(10.11)	3.47
	Russell 2000 Value Index	(28.92)	(4.10)	(3.97)	1.51	3.16	3.42	(9.60)	5.13	4.75	(4.69)	(19.98)	(11.58)	6.15
2009	QuantVal (gross)	30.67	(13.18)	(14.15)	10.10	19.28	0.15	4.44	11.51	4.09	5.98	(6.01)	2.67	7.51
	QuantVal (net)	29.69	(13.27)	(14.27)	10.10	19.14	0.11	4.44	11.38	4.04	5.98	(6.12)	2.60	7.51
	Russell 2000 Value Index	20.58	(14.28)	(13.89)	8.88	15.87	2.16	(0.32)	11.56	4.73	5.02	(6.64)	3.18	7.57
2010	QuantVal (gross)	3.83	(2.66)	3.89	7.65	5.85	(7.59)	(7.57)	5.49					
	QuantVal (net)	3.40	(2.76)	3.81	7.65	5.75	(7.66)	(7.57)	5.42					
	Russell 2000 Value Index	5.38	(2.93)	4.64	8.32	7.00	(8.45)	(8.73)	7.14					

**Important Notes and GIPS® Disclosures**

**Important Notes:** Past performance does not guarantee future results. Investing in equities is speculative and involves risk, including the possible loss of principal. Historical returns should not be used as the primary basis for investment decisions. You should consider QuantVal based on the suitability of its strategy in relation to your objectives and risk tolerance. Although the statements of fact and data in this report have been obtained from sources believed to be reliable, Midwest does not guarantee their accuracy, and assumes no liability or responsibility for any omissions/errors.

**Presentation Standards:** Midwest Asset Management, Inc. has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). The CFA Institute has not been involved in the preparation or review of this report. The results are not independently verified.

**Firm Definition:** Midwest Asset Management, Inc. ("Midwest") is an independent Registered Investment Advisor registered with the State of Wisconsin. There has not been any material turnover in personnel responsible for the management of the portfolios in this Composite since its inception.

**Composite Definition:** The QuantVal Small-Cap Value Equity Composite (the "Composite") was created in Dec 2007, and includes all fully discretionary, fee-paying, taxable, and non-taxable equity portfolios larger than \$200,000 that are managed by Midwest in the quantitative small-cap value style. Although the philosophy behind each Composite portfolio is similar, performance varies due to different selection, market capitalization, sector weighting, and timing components. New portfolios are included in the Composite beginning with the first complete month of fully discretionary management. Closed portfolios remain in the Composite through the last complete month of fully discretionary management. The Composite was created in Dec 2007 to combine portfolios from the old QuantVal Small-Cap Value and QuantVal All-Cap Value composites since they were both essentially the same strategy with similar small-cap value holdings. There was not enough of a difference between portfolios to warrant two separate products, and therefore they were consolidated into a single small-cap value offering to more accurately reflect the strategy. The Composite includes equity segments that are carved out from balanced portfolios. Carve-out performance includes cash and cash equivalents that are allocated at the beginning of each month according to the portfolio's target equity allocation. Fees, cash flows, and disbursements are allocated throughout each month according to the portfolio's target equity allocation. Carve-out segments represent 36% of the Composite's total assets as of Dec 2009. A complete list and description of all Midwest composites is available upon request.

**Calculation Methodology:** Composite returns are presented both gross-of-fees and net-of-fees, are calculated using a time-weighted rate-of-return formula, and include cash, cash equivalents, realized and unrealized gains/losses, and the re-investment of all income. External cash flows are daily-weighted and accounted for using the modified Dietz formula. Market values are provided by each portfolio's custodian and are not verified by Midwest. Values are U.S. dollar based, and account for dividend accruals and interest accruals only if explicitly calculated by the custodian. Portfolios are valued at the end of each calendar month using trade-date accounting, and composite returns are calculated by weighting individual portfolio returns by their beginning market value as a percentage of the total Composite beginning value. Monthly Composite returns are geometrically linked to produce quarterly and annual returns. Performance analysis statistics are calculated using monthly returns since inception, and annualized where appropriate. Additional information regarding policies for calculating and reporting returns and performance statistics is available upon request.

**Expenses:** Net-of-fees returns reflect the deduction of Midwest investment management fees, and both net-of-fees and gross-of-fees returns reflect transaction expenses. Neither include non-Midwest custodial and administrative fees, and withholding taxes. Midwest investment management fees are allocated to portfolios in the month the custodian records the disbursement, or at the midpoint of the period covered if paid externally. Fees are pro-rated to account for any months not included in the Composite. Investment management fees vary depending mainly on portfolio size, but do not exceed a maximum of 70 bps annually. Please contact us for a detailed fee schedule.

**Annual Disclosures:** Number of Composite portfolios: 2005: 2; 2006: 5; 2007: 5; 2008: 3; 2009: 3. Composite dispersion (%), measured by the standard deviation of annual returns for portfolios in Composite the entire year): 2005: 0; 2006: 5.8; 2007: 4.7; 2008: 8.5; 2009: 4.1. Composite assets (\$millions): 2005: 3.50; 2006: 4.26; 2007: 2.22; 2008: 0.76; 2009: 1.20. Total firm assets (\$millions): 2000: 3.03; 2001: 3.77; 2002: 5.91; 2003: 5.17; 2004: 10.02; 2005: 10.36, 2006: 14.04; 2007: 13.01; 2008: 5.30; 2009: 7.1.

**Benchmarks & Trademark Info:** The Composite is compared to the Russell 2000 Value Index (which measure performance of companies in the Russell 2000 Index with lower price-to-book ratios and lower forecasted growth values). The Index includes the reinvestment of income, cannot be invested in directly, and does not incur any fees or expenses. The Russell 2000 Value Index is a registered trademark of Frank Russell Company. QuantVal is a registered trademark of Midwest Asset Management, Inc.