

# Composite Summary as of 12/31/2015

## Disciplined Value



### Investment Objective

To provide competitive returns consistent with the broad equity markets while also providing a level of capital protection during sustained market downturns.

### Composite Facts

Inception Date	11/01/2003
Range of Holdings	80 – 110

### Top Ten Investments

MICROSOFT CORP	4.41%
PROCTER & GAMBLE CO	3.70%
PFIZER INC	3.31%
HOME DEPOT INC	3.15%
JOHNSON & JOHNSON	3.11%
PEPSICO INC	2.99%
WAL MART STORES	2.95%
INTEL CORP	2.64%
MERCK & CO INC	2.60%
MCDONALDS CORP	2.46%

### Portfolio Turnover

2015	47.29%
2014	38.27%
2013	19.56%
2012	19.31%
2011	22.34%
Five Year Average	29.35%

### Active Share

Disciplined Value vs. Russell 1000 Value	70.19%
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	Disciplined Value	Russell 1000 Value
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### Portfolio Valuations

Average Mkt. Cap (\$millions USD)	\$57,849.77	\$18,313.17
Median Mkt. Cap (\$millions USD)	\$29,701.60	\$6,480.38
Weight. Mkt. Cap (\$millions USD)	\$115,259.80	\$105,017.15
Est. P/E (ex. neg. earnings)	16.16	N/A
P/Book	3.07	1.76
P/Sales	1.53	1.50
P/Cash Flow	10.54	11.00
Dividend Yield	2.89%	2.65%

### Sector Allocation

Consumer Discretionary	11.80%	5.18%
Consumer Staples	19.21%	7.03%
Energy	3.52%	12.28%
Financials	6.42%	30.34%
Health Care	12.40%	11.93%
Industrials	18.01%	10.33%
Information Technology	20.32%	11.55%
Materials	5.51%	2.64%
Telecommunication Services	2.55%	2.53%
Utilities	0.26%	6.19%

# Composite Summary as of 12/31/2015

## Disciplined Value



	Disciplined Value	Russell 1000 Value	75/25 Blended Index
<b>Annualized Performance</b>			
Inception	10.15%	7.60%	7.21%
Ten Year	9.09%	6.16%	5.37%
Seven Year	12.17%	13.04%	11.41%
Five Year	10.22%	11.27%	8.66%
Three Year	11.02%	13.08%	9.81%
Two Year	4.26%	4.46%	1.65%
One Year	-0.91%	-3.83%	-5.04%
Year-to-Date	-0.91%	-3.83%	-5.04%
Quarter	6.29%	5.64%	4.26%

	Disciplined Value	Russell 1000 Value	75/25 Blended Index
<b>Calendar Year Performance</b>			
2015	-0.91%	-3.83%	-5.04%
2014	9.70%	13.45%	8.81%
2013	25.90%	32.53%	28.17%
2012	9.81%	17.51%	17.22%
2011	8.24%	0.39%	-2.43%
2010	9.76%	15.51%	13.55%
2009	25.16%	19.69%	23.84%
2008	-24.07%	-36.85%	-38.24%
2007	16.10%	-0.17%	3.94%
2006	21.14%	22.25%	23.41%

	Disciplined Value	Russell 1000 Value	75/25 Blended Index
<b>Standard Deviation</b>			
Inception	12.22%	16.21%	16.50%
Five Year	10.15%	13.54%	13.26%
Ten Year	13.16%	17.52%	17.77%

	Disciplined Value	Russell 1000 Value	75/25 Blended Index
<b>Sharpe Ratio</b>			
Inception	0.657	0.354	0.318
Five Year	1.002	0.829	0.649
Ten Year	0.601	0.285	0.237

Unless otherwise noted, figures are based in USD.

Source: FactSet. Analysis: Manning & Napier. Based on available data. Statistical measurements shown are calculated using quarterly performance. The since inception time period starts with the first full quarter after inception (01/01/2004). All periods greater than one year are annualized. Alpha is calculated using Market Model approach.

The Manning & Napier Disciplined Value (formerly known as Manning Yield® Dividend-Focus) Composite is a weighted average of discretionary separately managed and mutual fund accounts with a Disciplined Value objective. Accounts in this composite must have a market value greater than \$1 million USD and tenure of at least one month under our management. This composite includes accounts invested primarily in the U.S. with some non-U.S. equities. The composite consists of diversified portfolios of mid-to-large capitalization stocks based on attractive free cash flow yields and attractive dividend yields. The proprietary criteria used include screens based on dividend yields, free cash flow yields, bankruptcy risk estimates, and market capitalization. Portfolios are typically rebalanced according to these criteria in April of each year. At such time, we may use our discretion to attempt to minimize commission costs and realized capital gains. Net-of-fee returns are calculated based off of the effective fees of the accounts in the composite. They are after brokerage commissions, reinvested income, and advisory fees, but if applicable, before custodian costs and the fees of the investor's Personal Financial Advisor. Also, accounts subject to solicitation fees may incur as much as 0.15% in additional expenses. Fees will vary with size and circumstances and these fee differentials would impact returns accordingly. Fees and composite minimum are quoted and administered in USD. All returns were earned in USD and are stated here in USD. CAD returns are available upon request. Past performance does not guarantee future results. Prior to 01/01/2009, proprietary mutual fund accounts with a Disciplined Value objective were excluded from the composite. Proprietary mutual funds are not available in Canada. All data are subject to revision. Sector allocation, top ten investments, and active share exclude cash. Investments will change over time. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property and a service mark of MSCI Inc. (MSCI) and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. (S&P) and is licensed for use by Manning & Napier when referencing GICS sectors. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification nor shall any such party have any liability therefrom.

The Russell 1000® Value Index (Russell 1000 Value) is an unmanaged, market capitalization-weighted index consisting of those Russell 1000® Index companies with lower price-to-book ratios and lower forecasted growth values. The Index returns are based on a market capitalization-weighted average of relative price changes of the component stocks plus dividends whose reinvestments are compounded daily. The Index returns do not reflect any fees or expenses. Index returns provided by Bloomberg.

Due to the active allocation process, actual allocations may vary from benchmarks. These are unmanaged mixed-asset class benchmarks. Benchmarks shown are a weighted blend of the respective indices. The 75/25 Blended Index is 75% Russell 1000® Value Index (Russell 1000 Value) and 25% S&P ADR Index (S&P ADR). Russell 1000 Value is an unmanaged, market capitalization-weighted index consisting of those Russell 1000® Index companies with lower price-to-book ratios and lower forecasted growth values. The Index returns are based on a market capitalization-weighted average of relative price changes of the component stocks plus dividends whose reinvestments are compounded daily. Index returns provided by Bloomberg. S&P ADR is an unmanaged, capitalization-weighted measure of non-U.S. companies within the S&P Global 1200 Index which are listed as Level I or Level II ADRs, or ordinary shares in the U.S. The S&P Global 1200 Index is designed to measure the performance of the global equity market and is a composite of seven headline indices provided by S&P. The Index returns assume daily reinvestment of dividends. Index returns provided by Bloomberg. S&P Dow Jones Indices LLC, a subsidiary of the McGraw Hill Financial, Inc., is the publisher of various index based data products and services and has licensed certain of its products and services for use by Manning & Napier. All such content Copyright © 2016 by S&P Dow Jones Indices LLC and/or its affiliates. All rights reserved. Neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors make any representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and none of these parties shall have any liability for any errors, omissions, or interruptions of any index or the data included therein. The returns of the indices do not reflect any fees or expenses. Returns provided are calculated monthly using a blended allocation.

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	Alpha	Beta	R-Squared
<b>Disciplined Value vs. Russell 1000 Value</b>			
Inception	4.04%	0.71	87.80%
Five Year	1.89%	0.72	92.77%
Ten Year	4.33%	0.71	89.38%

	Alpha	Beta	R-Squared
<b>Disciplined Value vs. 75/25 Blended Index</b>			
Inception	4.35%	0.70	90.57%
Five Year	3.62%	0.73	91.04%
Ten Year	4.84%	0.71	92.35%

	Up Market Capture	Down Market Capture
<b>Disciplined Value vs. Russell 1000 Value</b>		
Inception	84.69%	57.31%
Five Year	74.03%	52.37%
Ten Year	83.62%	57.31%

	Up Market Capture	Down Market Capture
<b>Disciplined Value vs. 75/25 Blended Index</b>		
Inception	87.49%	59.14%
Five Year	83.42%	47.54%
Ten Year	88.03%	59.14%