

# SCHARF INVESTMENTS CORE EQUITY COMPOSITE PERFORMANCE 1991-2016

Year	Composite Total Return Before Fees	Composite Total Return After Fees	Benchmark Return	Number of Composite Portfolios	Composite Assets (\$)	Composite Assets as % of Firm Total	Composite 3 Year St Dev	Benchmark 3 Year St Dev
1991	42.2%	40.3%	30.5%	19	3,192,775	N/A	N/A	N/A
1992	8.1%	6.5%	7.6%	35	5,623,314	N/A	N/A	N/A
1993	9.1%	7.5%	10.1%	59	11,106,371	N/A	N/A	N/A
1994	6.9%	5.3%	1.3%	86	12,901,152	31.9%	N/A	N/A
1995	36.8%	34.9%	37.6%	135	30,179,155	43.2%	N/A	N/A
1996	32.0%	30.2%	23.0%	188	57,835,869	56.2%	N/A	N/A
1997	30.1%	28.4%	33.4%	212	84,808,260	64.3%	N/A	N/A
1998	27.6%	25.9%	28.6%	278	118,412,989	71.3%	N/A	N/A
1999	22.2%	20.7%	21.0%	307	147,198,870	69.9%	16.9%	16.5%
2000	12.5%	11.1%	-9.1%	348	164,086,403	74.9%	18.2%	17.4%
2001	19.2%	17.7%	-11.9%	385	204,188,689	74.2%	15.1%	16.7%
2002	-11.1%	-12.2%	-22.1%	478	202,541,718	74.0%	16.7%	18.5%
2003	28.5%	26.9%	28.7%	557	295,200,382	76.3%	14.6%	18.1%
2004	13.3%	11.9%	10.9%	696	409,671,208	83.7%	12.1%	14.9%
2005	12.3%	11.0%	4.9%	781	498,459,218	87.7%	8.8%	9.0%
2006	11.3%	10.0%	15.8%	817	544,877,064	87.8%	7.6%	6.8%
2007	5.7%	4.4%	5.5%	831	584,521,293	85.7%	8.4%	7.7%
2008	-26.1%	-27.1%	-37.0%	796	396,386,690	81.6%	13.8%	15.1%
2009	28.4%	26.8%	26.5%	750	447,830,002	59.7%	18.2%	19.6%
2010	15.9%	14.5%	15.1%	834	540,529,490	54.7%	19.3%	21.9%
2011	4.6%	3.4%	2.1%	957	602,673,598	54.0%	15.6%	18.7%
2012	14.3%	12.9%	16.0%	1,024	805,587,366	54.1%	11.4%	15.1%
2013	33.2%	31.8%	32.4%	1,038	1,143,735,361	52.4%	9.5%	11.9%
2014	17.2%	16.0%	13.7%	1,101	1,587,542,982	49.2%	8.4%	9.0%
2015	2.9%	1.9%	1.4%	1,229	2,011,766,652	50.6%	9.7%	10.5%
2016	4.9%	3.9%	12.0%	1,134	2,086,880,625	50.4%	9.8%	10.6%

**Notes:**

- Scharf Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Scharf Investments has been independently verified for the periods January 1, 1997 through December 31, 2015 by Ashland Partners & Company LLP. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Scharf Core Equity Composite has been examined for the periods January 1, 1997 through December 31, 2015. The verification and performance examination reports are available upon request.
- The period January 1, 1991 through December 31, 1996 is not in compliance as performance for these years includes only those fee-paying, fully discretionary equity accounts that were open for the entire calendar year. Adequate documentation for calculating total assets under management was not available for the years 1991-1993.
- The Scharf Core Equity Composite may not be an accurate representation of any specific account, as specific account performance depends on investment timing, account specific guidelines, and other factors that vary from account to account.
- Scharf Investments is an independent investment advisory firm. The firm maintains a complete list and description of composites, which is available upon request.
- Scharf Investments does not manage assets against any specific benchmark. The Scharf Core Equity Composite includes all non-wrap, asset-based fee-paying, fully discretionary equity accounts that invest in a concentrated portfolio of equity securities that the Adviser believes have significantly more appreciation potential than downside risk over the long term. Because the equity mandate may be described as diversified, the benchmark shown is the Standard & Poor's 500 Index. The Standard & Poor's 500 Index contains 500 industrial, transportation, utility and financial companies regarded as generally representative of the large capitalization U.S. stock market. The comparison of composite performance to the benchmark is inappropriate because the benchmark index is more diversified than the composite portfolios generating such performance and the index returns represent only unmanaged results. Due to these differences, potential investors are cautioned that no market index is directly comparable to the performance shown above.
- Returns are presented gross and net of management fees. Prior to 1997, net of fee performance was calculated using the highest management fee of 0.375% per quarter. Beginning 1997, net of fee performance was calculated using actual management fees. Performance includes the reinvestment of dividends and other income and the deduction of trading commissions and other costs. The annual management fee schedule for new, directly managed accounts is: 0.375% of assets per quarter for the first \$1 million under management, 0.25% per quarter for the next \$2 million, 0.225% per quarter for the next \$2 million, and 0.20% per quarter thereafter.
- Annualized 1991-2016 return for the composite was 14.5% before management fees, 13.0% after management fees. Annualized return for the benchmark was 9.9%. Returns are size-weighted and calculated using beginning of period values on an adjusted capital basis. Any foreign taxes paid in an account were treated as a flow and had no effect on the account's return. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.
- The dispersion of annual returns for 1991 through 1996 is measured by the standard deviation unweighted by the size of the account. Dispersion from 1997 forward uses a gross of fees, size-weighted calculation of standard deviation. There is no minimum portfolio size for the accounts in the composite. In addition, individual accounts may have been part of a multi-account relationship. In these cases, diversification might have occurred at the relationship level rather than the individual account level. Relationship level management was discontinued in 2004 and phased out during 2004 and 2005. The factors above have an unknown effect on the dispersion statistics which follow: 1991: 6.9%, 1992: 2.9%, 1993: 2.8%, 1994: 2.5%, 1995: 11.2%, 1996: 5.3%, 1997: 5.9%, 1998: 8.3%, 1999: 9.5%, 2000: 7.7%, 2001: 5.5%, 2002: 2.7%, 2003: 5.0%, 2004: 1.5%, 2005: 1.2%, 2006: 1.0%, 2007: 0.7%, 2008: 0.8%, 2009: 1.0%, 2010: 0.6%, 2011: 0.6%, 2012: 0.4%, 2013: 1.0%, 2014: 0.6%, 2015: 0.3%, 2016: 0.4%.
- Data to calculate ex-post standard deviation for the trailing 36 months was not available for periods before 1999.
- The Scharf Core Equity Composite was created on December 31, 2013 and retains performance from the Scharf Equity Composite prior to 2009. Valuations and returns are computed and stated in U.S. dollars.
- Results were generated using an investment philosophy and methodology that Scharf Investments expects to continue using. However, future investments may be made under different economic conditions and in different securities. Further, the results do not reflect performance in every type of economic cycle. Past performance is not indicative of future results.