

## Investment Philosophy

Based on three core beliefs:

- Momentum is a significant source of alpha
- Behavioral inefficiencies create the opportunity
- Actively addressing risk retains alpha

## Investment Process

Our Informed Momentum® approach combines momentum with stock selection, tailored risk management, and efficient implementation to deliver alpha for our clients.

## Investment Objective

To deliver consistent alpha by investing in emerging markets small cap companies that correspond to the market capitalization range of the MSCI Emerging Markets Small Cap Index.

## Portfolio Managers

Joshua Moss  
Managing Director, Portfolio Manager

John Scripp  
Managing Director, Portfolio Manager

Travis Prentice  
Chief Investment Officer

## Benchmark

MSCI Emerging Markets Small Cap Index

## Inception Date

April 1, 2012

## Firm AUM

\$2.2 Billion

## Strategy AUM

\$335 Million

Strong inception-to-date alpha

Benchmark-like volatility with beta at or below 1.0

Favorable upside and downside capture ratios

Consistent exposure to stock-specific risk and momentum

Excess return correlations complement traditional styles

## Performance

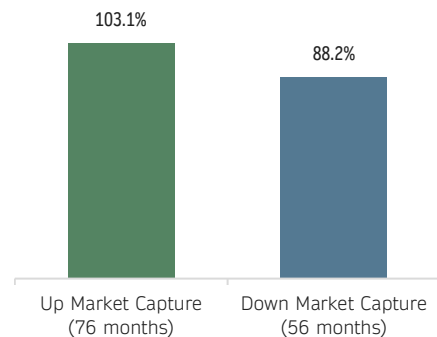
	QTD	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	ITD*
EAM Emerging Markets Small Cap (Gross)	4.03%	4.03%	-17.83%	16.67%	1.18%	5.65%	4.44%	7.34%
EAM Emerging Markets Small Cap (Net)	3.81%	3.81%	-18.52%	15.69%	0.33%	4.76%	3.55%	6.44%
MSCI Emerging Markets Small Cap Index	3.87%	3.87%	-10.99%	20.68%	1.80%	5.80%	3.18%	3.71%
MSCI EM Small Cap Growth Index	6.09%	6.09%	-12.54%	20.22%	1.77%	4.93%	2.65%	3.43%
MSCI EM Small Cap Value Index	1.67%	1.67%	-9.51%	20.94%	1.68%	6.55%	3.61%	3.91%

## Risk Statistics

	EAM Emerging Markets Small Cap	MSCI Emerging Markets Small Cap Index
Excess Return (Gross)	3.63%	-
Excess Return (Net)	2.72%	-
Alpha	4.07%	-
Tracking Error	8.72%	-
Standard Deviation	17.3%	17.1%
R-Squared	0.76	1.00
Beta	0.88	1.00
Information Ratio	0.42	-
Sharpe Ratio	0.38	0.17

Risk statistics are annualized for the period beginning April 1, 2012, and calculated gross of fees. Source: Northern Trust

## Market Capture

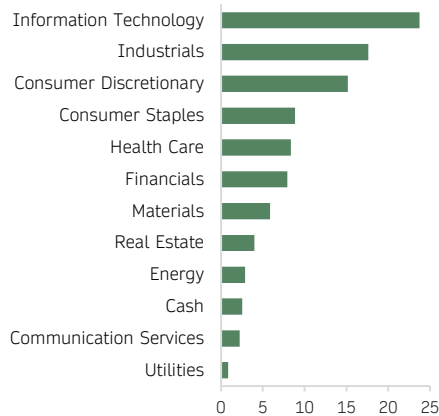


Market capture is calculated versus the MSCI Emerging Markets Small Cap Index for the inception to date period beginning April 1, 2012, gross of fees. Source: Northern Trust

Performance data is based on the firm's composite for this strategy. **Past performance does not guarantee future results.** All periods greater than one year are annualized.

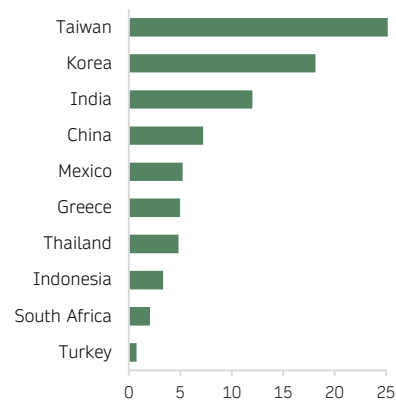
\* Inception date for the strategy is April 1, 2012. EAM Investors, LLC claims compliance with the Global Investment Performance Standards (GIPS)

## Sector Weights (%)



Portfolio weights are subject to change. Source: FactSet, GICS

## Top 10 Country Weights (%)



Portfolio weights are subject to change. Source: FactSet, MSCI

## Characteristics

	EAM Emerging Markets Small Cap	MSCI Emerging Markets Small Cap Index
# of holdings	133	1,866
% of Portfolio in the Top 10	10.0%	3.6%
Market Cap (Wtd Avg, \$M)	2,710	1,685
Active Share	93%	-
% of Stocks with Positive Earnings Surprise	26%	19%
% of Stocks with Upward Earnings Revisions	44%	22%
Earnings Growth, FY2	19.5%	18.4%
Price/Earnings, FY2	12.1x	10.3x
Enterprise Value/Sales, FY2	0.93x	0.80x

Source: FactSet

## About EAM

EAM Investors is solely focused on delivering alpha for clients in global equity markets. Our momentum-driven approach to investing leverages our collective insight within a systematic process designed to deliver consistent and predictable outcomes. EAM's Informed Momentum® investment process has been applied consistently across all strategies since inception of the firm in 2007.

**INSTITUTIONAL INVESTOR USE ONLY. Past performance does not ensure future results, and there is no assurance that the portfolios will achieve their investment objectives.**

Gross and net returns are presented net of brokerage commissions and include the reinvestment of income from interest and dividends as well as capital gains less applicable withholdings. The returns do not reflect the deduction of other taxes a typical investor may accrue or custodial fees. The U.S Dollar is the currency used to express performance. Net returns are net of the maximum annual management fee of 0.85%.

All periods greater than one year are annualized. Inception-To-Date returns for the EAM Emerging Markets Small Cap portfolio is from the period beginning April 1, 2012.

The MSCI Emerging Markets Small Cap Index includes small cap representation across 25 Emerging Markets countries (EM) and is designed to measure small cap equity market performance in the global emerging markets. The MSCI Emerging Markets Small Cap Index has been chosen as a benchmark to the EAM Emerging Markets Small Cap strategy because the Advisor believes that it is the most appropriate broad-based securities index available to be used for comparative purposes given the investment strategy of the portfolios. The MSCI Emerging Markets Small Cap Growth Index captures small cap securities exhibiting overall growth style characteristics across 25 EM countries. The MSCI Emerging Markets Value Index captures small cap securities exhibiting value style characteristics across 25 EM countries. The MSCI Emerging Markets Small Cap Growth Index and the MSCI Emerging Markets Small Cap Value Index are being presented for informational purposes only.

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