



Absolute Value – Absolute Returns

Overview

- Independent/privately owned
- Value equity specialists
- Research driven
- Expertise in small/mid cap companies
- 28-year history of investment success

Objective

- Absolute return
- Maximize return per unit of risk
- 3 to 5 year investment horizon

Key Features

- Bottom-up fundamental research
- Seek “free or strategic call”
- “Cash on cash” valuation
- Focused portfolio
- Low annual turnover

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Firm

Steinberg Asset Management, LLC (SAM), was founded by Michael A. Steinberg in 1982, originally as a research boutique. The firm manages approximately \$2.3 billion for large institutions, endowments, foundations, family offices, and wealthy individuals. SAM specializes in the management of small, mid and all-cap value equity portfolios.

Philosophy

SAM believes a focused investment portfolio of businesses, with extraordinary risk/return profiles that are purchased at attractive valuations, generates superior long-term investment returns.

Investment Process

SAM employs a bottom-up, fundamental investment approach. The firm focuses on stocks that are under-researched and selling at a discount to their “private transaction value” —the price an acquirer would pay to buy the company in its entirety. Research identifies a “free or strategic call,” which refers to a future event or transaction that may or may not occur, the value of which is not reflected in a company’s share price. This event or transaction when realized serves as a long-term catalyst for the share price and will, in SAM’s estimation, add value to the company that will be reflected in a higher share price as the market recognizes this.

SAM invests with conviction in its best ideas, taking a long-term investment view of 3 to 5 years. The firm emphasizes the importance of capital preservation in its investment analysis and strives to invest in companies that will provide a compelling return on that capital.

SAM’s ability to analyze businesses and develop appropriate risk/reward profiles is the key element of its success. While statistics and ratios play a quantitative role, judgment is still of paramount importance. This approach encompasses an evaluation of the quality and character of a company’s businesses, management, and financial structure.

Research Approach

SAM examines businesses to understand the asset value of a company and searches for companies selling at or below that value with attractive risk/reward profiles. The analysis consists of the following evaluations:

- **Business:** Understand the sustainability of the business, any barriers to entry, and whether a particular niche exists.
- **Cash flow structure:** Focus on companies generating high quality cash earnings. SAM identifies a strategic opportunity for that cashflow that is not currently reflected in the valuation of the stock.
- **Management:** Target management with a demonstrated ability to create shareholder value.
- **Asset Valuation:** Identify hidden, undervalued or underutilized assets.

Only fundamental analysis is used in selecting securities. Analysts meet with managements of companies and develop customized financial models for each company. The modeling performed includes strategic uses for cash and is instrumental in establishing a long-term target value as well as near-term risk measures.

Portfolio Management & Investment Team

Michael A. Steinberg
 Managing Partner
 Portfolio Manager/Analyst

Jason A. Kesselman
 Managing Director,
 Analyst

Megan W. Kulick
 Managing Director,
 Analyst

Lisa G. Shaplen
 Managing Director, Analyst/
 Client Portfolio Manager

Justin S. Steinberg
 Managing Director, Chief
 Operating Officer/Analyst

Grant A. Toch
 Managing Director,
 Analyst

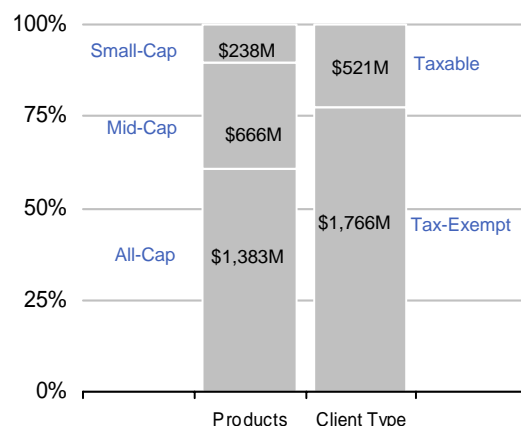
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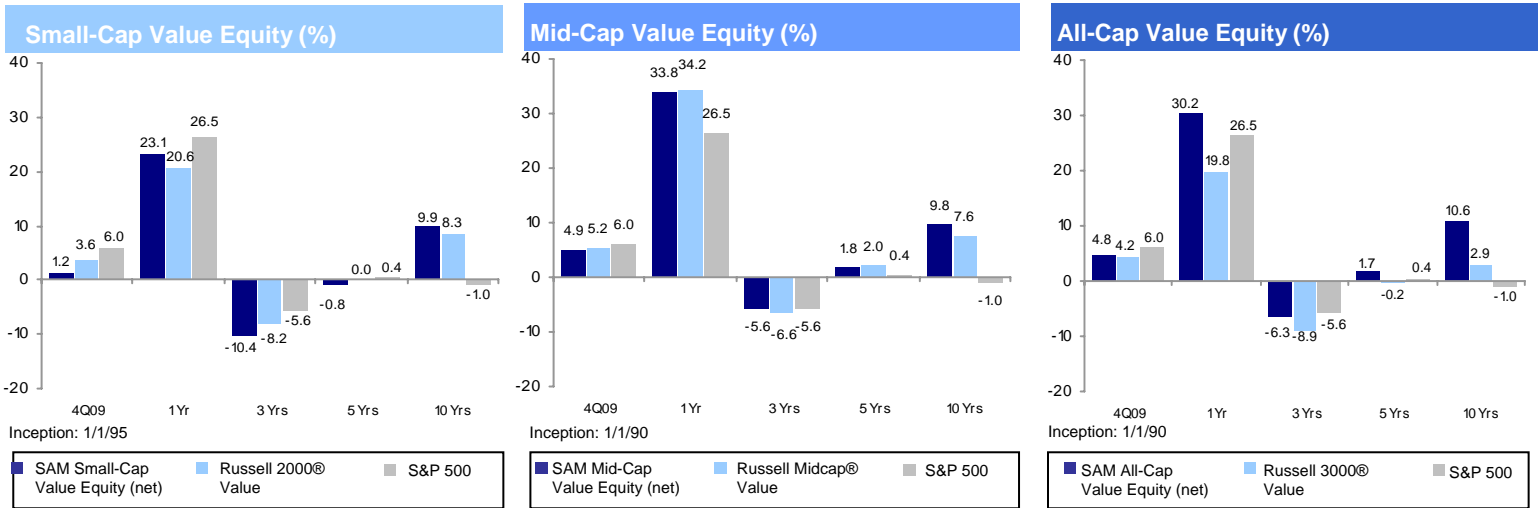
Assets Under Management: \$2.3B



*28 Years
 of Value Investing
 1982 - 2010*



Performance History (Figures as of the Period Ending 12/31/09)



Small-Cap Value Equity Top Ten Holdings	
Company	Weighting(%)
Golar LNG Ltd	7.2
Ascent Media Corp-A	4.7
Willis Group Holdings PLC	4.7
Waste Connections Inc	4.6
Bowne & Co Inc	4.5
Syneron Medical Ltd	4.5
IAC/InterActiveCorp	4.3
Arch Capital Group Ltd	4.1
MarketAxess Holdings Inc	4.0
GulfMark Offshore Inc	3.8

Mid-Cap Value Equity Top Ten Holdings	
Company	Weighting(%)
Golar LNG Ltd	6.9
Arch Capital Group Ltd	6.7
Laboratory Corp of America	5.7
Willis Group Holdings	5.6
Ralcorp Holdings Inc	4.9
Thermo Fisher Scientific Inc	3.7
IAC/InterActiveCorp	3.3
NeuStar Inc	3.0
News Corp – CL A	2.8
Kroger Co	2.8

All-Cap Value Equity Top Ten Holdings	
Company	Weighting(%)
Golar LNG Ltd	6.5
Willis Group Holdings PLC	5.6
Laboratory Corp of America	5.4
Arch Capital Group Ltd	5.1
Thermo Fisher Scientific Inc	4.6
Ralcorp Holdings Inc	4.3
Kroger Co	4.0
Lockheed Martin Corp	3.8
News Corp - CL A	3.8
IAC/InterActiveCorp	2.9

Small-Cap Value Equity Statistics	
Turnover	50.08%
Beta	0.74
R ²	0.63
Sharpe Ratio	-0.15

Characteristics Summary		
	SAM	Russell 2000® Value
Price/Cash Flow	19.1x	20.7x
Price/Book	1.29x	1.27x
Dividend Yield	0.99%	1.87%
Median Market Cap.	\$1.13B	\$0.36B

Mid-Cap Value Equity Statistics	
Turnover	41.89%
Beta	0.84
R ²	0.80
Sharpe Ratio	-0.03

Characteristics Summary		
	SAM	Russell Midcap® Value
Price/Cash Flow	14.8x	16.7x
Price/Book	1.74x	1.46x
Dividend Yield	0.65%	2.12%
Median Market Cap.	\$2.99B	\$3.32B

All-Cap Value Equity Statistics	
Turnover	40.53%
Beta	0.90
R ²	0.74
Sharpe Ratio	-0.04

Characteristics Summary		
	SAM	Russell 3000® Value
Price/Cash Flow	12.5x	14.1x
Price/Book	1.72x	1.54x
Dividend Yield	0.90%	2.21%
Median Market Cap.	\$4.02B	\$0.73B

All information except Price/Cash Flow, Price/Book, Dividend Yield and Median Market Capitalization is from the composite as of the period ending 12/31/09. Price/Cash Flow, Price/Book, Dividend Yield and Median Market Capitalization are from a representative account in the composite. Beta, R² and Sharpe Ratio are computed using the monthly composite returns for the historical five-year period ending 12/31/09. Turnover represents the 12-month period ending 12/31/09. The securities in the Top Ten Holdings list should not be deemed as a recommendation to buy the specific securities in the list and do not represent all the securities purchased or sold and it should not be assumed that investments in these securities were or will be profitable. A listing of our 13(f) securities is filed with the SEC on Form 13F, please contact Steven Feld if you would like a copy of the last filed form. This information is shown as supplemental information only and complements the disclosures which appear at the bottom of this page.

PERFORMANCE DISCLOSURE

SAM is an SEC registered investment advisor. All composite accounts were invested using the same "value" investment philosophy now employed at SAM.

The Mid-Cap Value Equity and All-Cap Value Equity composites were created in January 2000 and inceptioned on January 1, 1990 and the Small-Cap Value Equity composite was created in January 2000 and inceptioned on January 1, 1995. These composites were created to reflect all portfolios managed with a similar mandate. Each composite contains concentrated, commission-paying, non-taxable accounts with a market capitalization focus of holdings consistent with the composite name. All accounts are included in these composites unless: (a) the account size is less than \$250,000; or (b) the account has been in place less than a full calendar quarter; or (c) the client has not given full investment discretion over the account. Both gross and net results include the reinvestment of dividends and income and are gross of custody fees but net of transaction costs. Withholding tax on dividends is treated as a reduction of the security's dividend income for companies not domiciled in the U.S. Withholding tax on U.S. equities held by non-domestic accounts is treated as a cash withdrawal. Returns include the effect of foreign currency exchange rates. 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. Net performance reflects the deduction of actual advisory fees. Other expenses, such as custody fees, which the investors may have incurred independently, may have further reduced investors' actual results. A percentage of the composites may be invested in non-U.S. securities. The currency used to calculate performance is the U.S. dollar. Portions of the Small-Cap Value composite have been carved-out from an account with an all capitalization mandate. (The carve-out represents 100% of the Small-Cap Value Equity composite from 1995-1999 and 80.71%, 72.82%, 67.24% and 51.81% respectively from 2000-2003. Cash has been allocated to the carve-out based on the small cap percentage of the total account using the ending market value. Beginning January 1, 2004, carve-outs were no longer included in the Small-Cap Value Equity Composite.) Additional information regarding the policies for calculating and reporting returns as well as a complete list of SAM's composites is available upon request. SAM's investment management fee schedule is 1.00%. Actual investment advisory fees incurred by clients may vary. Non-commission portfolios generally incur fees, e.g. 'wrap fees' charged separately by the plan sponsor and are included in net of fee performance calculations.

SAM's Small-Cap Value Equity composite is compared to the Russell 2000® Value Index, SAM's Mid-Cap Value Equity composite is compared to the Russell Midcap® Value Index, and SAM's All-Cap Value composite is compared to the Russell 3000® Value Index. For additional information, these composites have also been compared to the S&P 500 Index. The Russell 2000® Value Index, Russell Midcap® Value Index, and Russell 3000® Value Index, are hypothetical and unmanaged indices compiled by the Frank Russell Company. The S&P 500 Index is a hypothetical and unmanaged index compiled by Standard and Poor's. All four indices are weighted by market capitalization and their returns include the reinvestment of dividends. The indices do not account for transaction costs or other expenses which an investor might incur in attempting to obtain such returns. The Russell and S&P indices are taken from published sources and deemed reliable. Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a presentation of SAM. Russell Investment Group is not responsible for the formatting or configuration of this material or for any inaccuracy in SAM's presentation thereof. The composites may differ significantly from the relevant performance benchmarks. Specifically, the composites may invest in fewer companies, and have significantly different industry exposure. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year.

Historic performance is no guarantee of future performance, profitability, or the avoidance of losses.

Steinberg Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®).

Compliance with GIPS® has been verified from January 1, 1992 through December 31, 2008.