

Mariner Concentrated Value

Perspectives

January 2010 Discussion

with Scott A. Moore, CFA—Partner, Chief Investment Officer and Senior Portfolio Manager

Performance Update

- Since its inception on November 13, 2008, the Mariner Concentrated Value Composite (through January 31, 2010) is up 35.05 percent (annualized and net of fees) versus the Russell Midcap Value Index up 27.16 percent, the S&P MidCap 400/Citigroup Value Index up 27.44 percent, and the S&P 500 Index up 17.32 percent.
- Year-to-date through January 31, 2010 the Mariner Concentrated Value Composite is down 2.67 percent (net of fees) versus the Russell Midcap Value Index down 2.73 percent, the S&P MidCap 400/Citigroup Value Index down 2.54 percent, and the S&P 500 Index down 3.60 percent.
- Overall, a rather benign month for your portfolio. However, the recent market downturn that resulted from an increasing awareness of the risks of slowing international growth, higher debt levels in the United States and its implications, along with valuation levels that suggest continued economic improvement, has resulted in some interesting purchase points for several of the leading companies that we monitor and own.

Stocks we recently added to your portfolio

- Cintas Corporation (CTAS) - We purchased CTAS, a leading supplier of specialized products and services (including uniforms, entrance mats, restroom products, first aid, and fire and safety products) to businesses of all types throughout the United States and Canada. The continued difficult employment picture in the United States resulted in disappointing results for the company and poor stock price performance over the last several years. At today's valuation, your team believes these negatives are reasonably discounted and we were provided an opportunity to purchase this leading company at reasonable prices.

Stocks we recently sold from your portfolio

- No new names were sold from your portfolio during January.

Interesting Notes For the Month

- Higher quality stocks (those rated B or worse by the S&P) outperformed lower quality stocks (those rated B+ or better by the S&P) this month with higher quality stocks down 1.81 percent while lower quality stocks were down 2.78 percent per Merrill Lynch. Remember that your team believe that higher quality stocks will outperform over the long-term.
- Value, as a style of investing, did well versus growth during the month of January. For example, the Russell Midcap Value Index was down 2.73 percent while the Russell Midcap Growth Index was down 3.99 percent. Remember that your team believes Value investing will outperform Growth investing over the long-term.
- Overall, we continue to believe that each company we own in your portfolio is trading at a discount to our internal view of intrinsic value. While the level of discount has diminished given the sharp rise in the market and our stocks since March of 2009, we continue to see opportunities in individual stocks.

Don't forget to visit our website at www.marinervalue.com for more information about our team, our process, and value investing. You can also get real-time access to Mariner Value website updates and information via traditional mail or e-mail. Simply contact us at client.services@marinervalue.com or call 913-387-2714 to sign-up.

Thank you for your continued confidence and support.



Scott A. Moore, CFA

