

Small Cap Select Value

As of September 30, 2018

Objective

Long-term capital appreciation through investments in small capitalization companies that we believe are undervalued.

Philosophy

We believe that shorter investment horizons, fragmented analyst coverage, and increased passive investing contribute to opportunities for misplaced investor expectation and undervalued stocks.

We look for undervalued stocks with the potential for a positive reset of expectations within the next one to three years via a catalyst.

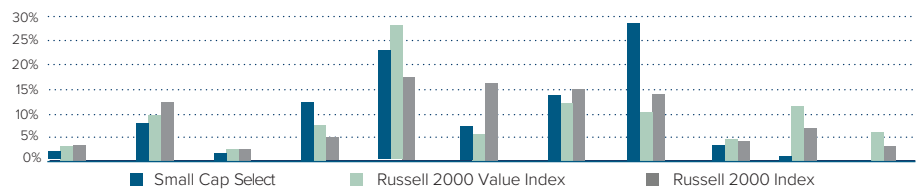
We believe stocks which possess at least one of a variety of catalysts to unlock value will lead to long term appreciation.

Investment Highlights

The Teton Small Cap Select Value Equity Strategy constructs a portfolio of quality, undervalued companies where the portfolio managers have identified a catalyst to unlock this value within a longer term investment horizon. The Strategy primarily invests in small cap equity securities with market capitalizations of \$100 million to \$3 billion at time of investment.

Relative Sector Weights

	Communication Services	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate	Utilities
Small Cap Select	1.66%	7.97%	1.65%	12.32%	22.94%	7.14%	13.71%	28.36%	3.32%	0.93%	0.00%
Russell 2000 Value	3.03%	9.51%	2.53%	7.51%	28.19%	5.02%	12.06%	10.26%	4.43%	11.49%	5.97%
Russell 2000	3.25%	12.25%	2.65%	4.82%	17.40%	16.45%	15.09%	13.93%	4.18%	6.88%	3.10%



Strategy Characteristics

	Small Cap Select	Russell 2000 Value Index	Russell 2000 Index
Number of holdings	90	1,386	2,039
Cash Exposure	8%	—	—
Weighted Avg. Market Cap	\$2.9 Bil	\$2.1 Bil	\$2.4 Bil
Median Market Cap	\$2.3 Bil	\$810 Mil	\$929 Mil
Price/Earnings*	20.9x	14.9x	18.5x
P/E Forecast (FY1)	16.4x	15.1x	17.8x
Price/Book*	2.0x	1.5x	2.2x
Price/Cash Flow*	11.6x	8.4x	10.7x
Price/Sales*	1.3x	0.9x	1.3x
Alpha**	1.56%	—	—
Beta***	1.06	1.00	—
Risk (Standard Deviation)****	21.70%	19.55%	19.39%

Top Ten Equity Holdings

Security Name	Weight
LegacyTexas Financial Group, Inc.	3.5%
Patterson-UTI Energy, Inc.	2.7%
Bottomline Technologies (de), Inc.	2.4%
Mitel Networks Corporation	2.2%
Pandora Media, Inc.	2.0%
Entegris, Inc.	2.0%
Omniceil, Inc.	1.9%
Infinera Corporation	1.9%
Centennial Resource Development, Inc.	1.9%
Patterson Companies, Inc.	1.9%
Total	22.3%

* Last 12 Months, Weighted harmonic average.

** Alpha is a measure of performance on a risk-adjusted basis. Number shown reflects the since inception alpha against the Russell 2000 Value Index.

*** Beta is the current measure of a portfolio's risk in relation to the market or a benchmark. Number shown reflects the since inception beta against the Russell 2000 Value Index.

**** Standard deviation is a statistical measurement of historical volatility and can be used to gauge the amount of expected volatility. Number shown reflects the since inception standard deviation.

The sector weights, characteristics, and top ten holdings shown are based on the model portfolio as of the date indicated.

Strategy Inception: July 1, 2008

Portfolio Construction

- 75 - 100 stocks
- Market Capitalization: Generally <\$3 billion at purchase
- Sector weight evaluated: +/- 10% to benchmark
- Initial position size: <1%
- Maximum position size: 5%

Small Cap Select Value

Investment Process

We apply a fundamental, bottom up stock selection process and leverage a history of internal research by a long-tenured team.

We consider four “value categories” for inclusion in the portfolio. At least one catalyst will be identified for each.

Undervalued Growth

Companies with a solid balance sheet and a potential for outsized growth but sell at a valuation below peers or the market.

Turnaround

Companies with changing corporate goals or structures, stabilizing balance sheets, and whose securities sell at a sizeable discount to earnings power within the next eight quarters.

Undervalued Asset

Companies which sell below probable liquidation value or don't properly reflect the value of a proprietary product, leading market position or cash flow.

Emerging Growth

Companies with a potential for an outsized rate of growth due to nascent products or a preeminent position in a high growth market.

Teton Advisors, Inc. is the registered investment adviser to this strategy.

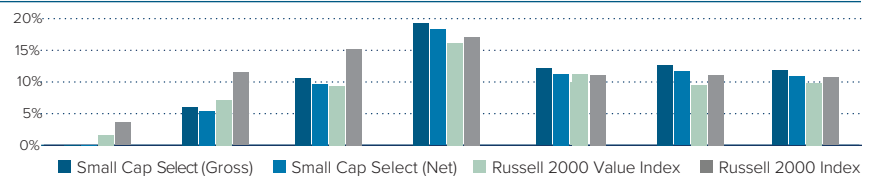
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Performance as of September 30, 2018 (Composite)

	Average Annualized						
	Quarter	YTD	1-Year	3-Years	5-Years	7-Years	Since Inception
Small Cap Select (Gross)	0.09%	6.08%	10.58%	19.28%	12.15%	12.64%	11.81%
Small Cap Select (Net)	-0.12%	5.42%	9.67%	18.31%	11.22%	11.68%	10.86%
Russell 2000 Value Index	1.60%	7.14%	9.33%	16.12%	9.91%	9.52%	9.80%
Russell 2000 Index	3.58%	11.51%	15.24%	17.12%	11.07%	11.11%	10.71%



Calendar Year Performance (Composite)

Calendar Year	2008*	2009	2010	2011	2012	2013	2014	2015	2016	2017
Small Cap Select (Gross)	-35.70%	55.55%	31.88%	-2.40%	10.28%	36.23%	0.86%	-2.71%	32.97%	17.34%
Small Cap Select (Net)	-36.05%	54.16%	30.82%	-3.22%	9.28%	35.08%	0.00%	-3.53%	31.90%	16.38%
Russell 2000 Value Index	-21.17%	20.58%	24.50%	-5.50%	18.05%	34.52%	4.22%	-7.47%	31.74%	7.84%
Russell 2000 Index	-26.94%	27.17%	26.86%	-4.18%	16.35%	38.82%	4.89%	-4.41%	21.31%	14.65%

*Composite performance inception date: July 1, 2008.

Portfolio Management Team



Nicholas F. Galluccio
President, CEO & Portfolio Manager
34 years experience



Scott R. Butler
Portfolio Manager
17 years experience

Smaller and medium-sized company stocks are more volatile and less liquid than larger, more established company securities. Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal will fluctuate so that an investor's portfolio, when redeemed, may be worth more or less than the original cost. Portfolio holdings will change, and should not be considered purchase recommendations. Top holdings and sector weights do not reflect cash, money markets or options/futures contracts holdings. The Russell 2000 Value Index measures the performance of the small-cap value segment of the U.S. equity universe and includes those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. Since inception benchmark returns are from 7/1/2008. 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"). Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any

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