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Additional data specific to Polaris' global and international investments is available as follows:

For current global equity performance, **please click here**

For current international equity performance, **please click here**

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For current global equity performance commentary, **please click here**

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FIRST QUARTER 2019 GLOBAL EQUITY COMPOSITE REPORT

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GLOBAL EQUITY COMPOSITE REPORT

	2019		Annualized as of March 31, 2019				
	YTD	QI	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since 9/30/1984
Polaris Capital Global Equity Composite gross	**10.44%**	**10.44%**	**-0.68%**	**10.20%**	**6.48%**	**15.26%**	**12.13%**
Polaris Capital Global Equity Composite net	**10.31%**	**10.31%**	**-1.25%**	**9.67%**	**5.97%**	**14.67%**	**11.26%**
MSCI World Index, gross dividends reinvested	12.65%	12.65%	4.61%	11.31%	7.37%	13.01%	9.86%

Q1 2019 composite returns are preliminary. Past performance is not indicative of future results.

The Polaris Global Equity Composite returned 10.44% for the first quarter of 2019, underperforming the MSCI World Index, which rose 12.65%. Although lagging the benchmark, the portfolio was in absolute positive territory as global markets recovered from the late 2018 selloff. Approximately 90% of portfolio stocks had gains, with nearly half posting double-digits returns. Cyclical sectors rebounded with substantial contributions from financials, consumer discretionary, information technology (IT) and materials. The global portfolio's underweight position in the U.S. market (33% vs. 63% in the MSCI World Index) detracted from performance. The portfolio benefited from its overweight position and outperformance in the United Kingdom, Norway, Germany and Ireland. Out-of-benchmark holdings in emerging markets, including Colombia and India, added to gains.

FIRST QUARTER 2019 PERFORMANCE ANALYSIS

Financials were led by Bancolombia, Norway's DNB ASA and Sparebank 1 SR, and Puerto Rico's Popular, Inc. An optimistic two-year outlook for Colombia's economy, driven by commercial and infrastructure activity, emboldened the local stock market. Bancolombia was one beneficiary, noting volume and consumer loan growth, as well as credit and operating cost controls. DNB reported robust quarterly results and profits, lifted by commission and fee income in capital markets, credit/security brokerage and asset management. Sparebank 1 SR was similarly positioned, bouncing back with better net interest margins (NIMs) and solid credit quality. Popular, Inc. reported top-line growth and improving NIMs, while discharging more non-performing loans. Income contributions from the acquisition of Wells Fargo's auto finance business, Reliable Financial Services, further boosted results.

U.K. companies dominated the consumer discretionary sector, as stock prices rose in excess of 20% for Next PLC, Bellway and Taylor Wimpey. BREXIT fears were seemingly allayed in early 2019, as consumer confidence returned. Quarterly results from clothing retailer, Next PLC, met market expectations with strong online and overseas sales that mitigated declines in brick-and-mortar stores. Homebuilders recovered from fourth quarter 2018 lows, citing solid forward sales indicators and strong order books in all U.K. locales outside of Central London.

All but one of the portfolio's IT holdings were up more than 13% this quarter; three U.S. companies topped the sector. Xerox Corp. was the best performing stock in the entire portfolio, recouping its losses from late 2018. Shares rose after 2018 full year results beat analyst estimates. Xerox announced plans to restructure its business under a holding company, seemingly signaling its intent to unwind its debt-heavy receivables financing business and refocus on core competencies. Microsoft Corp. reported solid quarterly results, with revenue and operating income up more than 10% from the comparable 2018 period. Commercial cloud revenue grew 48% year-over-year, with more targeted investments slated in this space. Electronic components distributor Avnet, Inc. executed on all fronts: double-digit sales, good cost management, share buybacks and acquisitions to enhance their presence in the "Internet of things" space.

In materials, supply-demand metrics worked in BHP Group's favor, as competitor Vale's iron ore tailings dam failed in January. Iron prices rose from the low $70s to mid-$80s due to the supply disruption. Linde PLC unveiled ambitious buyback plans for the next three years, in addition to sizeable dividend payouts. In industrials, VINCI SA's stock traded up throughout the quarter, rebounding from the Yellow Vest social unrest in Paris. Fiscal year numbers were decent, with higher airport concessions and stable construction business.

Two other notable contributors hailed from the consumer staples sector: Tyson Foods and The J.M. Smucker Company. Tyson reported solid quarterly results, demonstrating the resiliency of its four-pillar business model: chicken, pork, beef and prepared foods. Chicken and pork prices were softer toward the end of last year, while beef and prepared foods had strong sales, prices and operating income. In the first few months of 2019, both chicken and pork prices have recovered; the latter up more than 40% as swine flu in China tightened supply. Similarly, business diversification was key to Smucker's success. Its pet food division, Big Heart Brands, held ground, while sales rose for its K-cup coffee collaboration with Dunkin Donuts and its own branded 1850 Coffee. Smucker reaffirmed upbeat guidance for 2019.

Only a handful of portfolio holdings had negative returns for the quarter, predominantly focused in the communication services sector. LG Uplus, the only decliner of more than 10%, ceded the heady gains of 2018, dropping in lockstep with its Korean industry peers. Although LG Uplus is slated to launch its 5G services commercially in April, the broader telecom industry is adjusting the timeline for 5G implementation, pushing it out to 2020. Japan's KDDI Corporation faced numerous headwinds: handset discounts to entice subscribers; possible government regulations to limit the discount practice; competitor NTT Docomo's plan to lower mobile charges, which KDDI will likely be forced match; and looming competition from fourth mobile carrier entrant, Rakuten. French advertising and PR firm, Publicis Groupe, missed its quarterly organic revenue estimates, due to some client losses. Guidance was understandably muted.

Table reflects sector and regional allocation for a representative global equity portfolio as of March 31, 2019.

	Portfolio Weight	Energy	Utilities	Materials	Industrials	Consumer Discretionary	Consumer Staples	Health Care	Financials	Information Technology	Comm. Services	Real Estate	Cash
N. America	37.9%	1.3%	3.2%	1.4%	2.3%	3.5%	2.7%	5.9%	10.0%	6.2%	1.4%	0.0%	0.0%
Japan	5.4%	0.0%	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%	0.0%	2.8%	0.0%	0.0%
Other Asia	13.6%	0.0%	0.0%	1.6%	0.0%	1.8%	0.9%	1.1%	3.6%	3.6%	1.0%	0.0%	0.0%
Europe & Middle East	28.6%	0.0%	0.0%	5.7%	4.2%	6.2%	1.3%	1.5%	5.3%	0.0%	4.5%	0.0%	0.0%
Scandinavia	9.1%	0.0%	0.0%	1.2%	3.5%	0.4%	0.0%	0.0%	4.0%	0.0%	0.0%	0.0%	0.0%
Africa & South America	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.4%	0.0%	0.0%	0.0%	0.0%
Cash	3.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.9%
Portfolio Totals	100%	1.3%	4.6%	9.8%	10.0%	11.9%	4.9%	8.4%	25.6%	9.8%	9.7%	0.0%	3.9%

Table may not cross foot due to rounding.

INVESTMENT ENVIRONMENT AND STRATEGY

The growth/value disparity was obvious in the first quarter of 2019, with the MSCI World Growth Index (+14.91%) outperforming the MSCI World Value Index (+10.40%) by more than 400 basis points. We posit that these growth drivers may not be sustainable, as many portfolio companies with which we meet are projecting sluggish business conditions. We are already seeing signs of this at a macro-economic level, with China's economy slowing, compounded by worries in Europe. Stocks may become attractively priced as volatility persists. As value managers, we intend to capitalize on these periods to add high-quality, undervalued companies to the portfolio.

FOOTNOTES: The information presented is supplemental. It should not be considered as a recommendation to purchase or sell a particular security mentioned, may change at any time and may not represent current or future investments. References to individual securities throughout this document are intended to illustrate contributors to recent performance or market trends and to provide examples of thematic or security-specific catalysts identified by the investment team as part of its investment process. References to specific securities should not be viewed as representative of an entire portfolio, nor should the performance of any particular security be viewed as representative of the performance experienced by any other security or portfolio. Please refer to the annual disclosure presentation. Past performance is not indicative of future results. The MSCI World Index, gross dividends reinvested, measure the performance of a diverse range of global stock markets in the United States, Canada, Europe, Australia, New Zealand and the Far East. The Index measures the performance of stock markets in these geographic areas including reinvestment of gross dividends. The MSCI World Growth Index and MSCI World Value Index capture large- and mid-cap securities exhibiting overall growth and value style characteristics, respectively, across 23 Developed Market countries. One cannot invest directly in an index.