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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**

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GLOBAL EQUITY COMPOSITE REPORT

	2015			Annualized as of June 30, 2015						
	YTD	QII	QI	1 Yr	3 Yrs	5 Yrs	10 Yrs	20 Yrs	30 Yrs	Since 9/30/1984
Polaris Capital Global Equity Composite gross	**5.97%**	**0.79%**	**5.13%**	**3.21%**	**18.13%**	**15.84%**	**7.77%**	**10.99%**	**11.62%**	**12.76%**
Polaris Capital Global Equity Composite net	**5.72%**	**0.67%**	**5.01%**	**2.73%**	**17.57%**	**15.25%**	**7.13%**	**10.22%**	**11.01%**	**11.84%**
MSCI World Index, gross dividends reinvested	2.95%	0.49%	2.45%	1.97%	14.90%	13.71%	6.96%	7.23%	9.67%	10.09%

Q2 2015 composite returns are preliminary. Past performance is not indicative of future results.

PERFORMANCE ANALYSIS

The Polaris Global Equity Composite, gross outperformed the MSCI World Index, gross benchmark in the quarter. The global portfolio returned 0.79%, while the Index advanced 0.49%. Holdings in six of 10 sectors were in absolute positive territory for the quarter. The consumer discretionary sector drove performance, with multiple holdings posting double-digit returns. U.S. community banks, rallying on rising interest rate expectations, boosted results in the financial sector. The materials and energy sectors added measurably.

British homebuilders, Taylor Wimpey, Bellway, Barratt Developments and Persimmon, were among the top individual stock performers. Freenet AG was a standout in the telecom industry, after announcing healthy March 2015 quarter-end revenues and an increasing subscriber base; declines at Frontier Communications dampened industry returns. Gains by Microsoft could not offset losses in the information technology sector, with Xerox Corp, Wincor Nixdorf and Samsung Electronics down.

We capitalized on volatility in global markets, induced by negative headline news, to bolster positions in undervalued, but fundamentally-strong companies. We continued to update our investment theses, scrutinize company financials and cash flows, and execute sales and purchases for better risk/return profiles. The efforts of our research team paid off, as approximately half of portfolio holdings produced gains during the quarter. On a year-to-date basis, the global portfolio returned 5.97% compared to the MSCI World Index, net, which is up 2.95%.

The consumer discretionary sector was led by the aforementioned U.K. homebuilders, which rose as a result of more liberalized land availability. The British government instituted a five-year plan to make more municipal land available for additional housing, ensuring that housing prices do not accelerate too fast due to supply-demand constraints. Previously owned government and industrial sites have recently opened for sale, allowing homebuilders to purchase most of that inexpensive land. U.S. children clothing manufacturer, Carter's, had double digit growth after one of its subsidiaries, OshKosh, staged a rebound. OshKosh implemented a strategy to start promoting its branded clothing in Carter's stores, which effectively boosted sales. Michelin, a French tire manufacturer, reported first quarter 2015 earnings, noting global volume growth due to lower gas prices and lower raw material prices. Rexlot Holdings was the main detractor in the sector, as the stock dropped and was suspended from trading after an Anonymous Analytics' report criticized the company's accounting standards, claiming that Rexlot exaggerated revenues. Short sellers took advantage of this purported news. We have found no evidence of such irregularities following discussions with Rexlot's management. During the quarter, we added one new holding to the consumer discretionary sector: Kia Motors, a South Korean manufacturer of more than 1.5 million motor vehicles each year.

Many U.S. financials rallied on expectations that the Federal Reserve would raise interest rates sooner than previously projected. A majority of community banks in the portfolio had strong returns during the quarter. Independent Bank Corp. was up approximately 10% after reporting first quarter 2015 profits that topped Wall Street expectations. Investors were also heartened by the seamless completion of the bank's recent acquisition of Peoples Federal Bancshares. Webster Financial Corp. continued to reap the benefits from the acquisition of J.P. Morgan's health savings account business.

Despite falling oil prices, Norway maintained a robust economy with high employment rates. DNB Bank continued to thrive in this environment, achieving good mortgage margins and lower loan loss provisions. German reinsurer, Munich Re, detracted from sector returns after announcing quarterly profit below the comparable prior year period. The reinsurer maintained its profit target for the year, pointing to demand for primary insurance and reinsurance coverage.

Our research has identified a wealth of undervalued financial companies worldwide, including Capital One, the fourth largest credit card and third largest automotive financing company in the U.S. We decided to purchase Capital One on the back of lower oil prices, which we felt would benefit the bank. We believe consumers may use the savings from gas expenditures to strengthen their credit and pay off debts. Optimism about the U.S. economy will likely spur on consumer purchases, ranging from new cars to greater credit card usage, all of which potentially help Capital One's business.

German specialty chemicals producer, LANXESS AG, boosted the materials sector as the company announced robust product demand in conjunction with lower raw material costs. A variable exchange rate in Euros against the U.S. dollar also aided performance. Imerys SA, a French multi-national firm specializing in processing industrial minerals, saw gains after announcing quarterly earnings. Increased revenues were attributable to the integration of 2014-2015 acquisitions, S&B, Monolithic Refractories and Carbonates. Irish building materials supplier CRH PLC was sold during the quarter. While we still consider the company a good long-term investment, we determined that CRH's current earnings volatility and higher debt load, following the recent acquisition of Lafarge and Holcim assets, offered a less favorable risk/return profile than new portfolio investments.

The $70 billion merger of Royal Dutch Shell and BG Group lifted the entire energy sector, with expectations of further industry consolidation. All of the global portfolio's long-standing energy holdings were in positive territory for the quarter, including Tullow Oil, Sasol Ltd and Thai Oil. Tullow benefited from a recent international ruling, whereby Ghana may continue developing an off-shore oil project in an area of border dispute with the Ivory Coast. The firm leads a consortium developing the "TEN" field (oil development at Tweneboa, Enyenra and Ntomme in Ghana) and has already drilled the wells it needs to begin production in mid-2016.

Energy and oil services stocks dropped in tandem with oil prices over the past few months. We saw this as an opportunity to purchase Australia's WorleyParsons, a capital-light business involved in the engineering and design of oil and mining exploration and production (E&P). Over the next three to five years, we believe that capital expenditures on oil E&P will resume, and WorleyParsons may prove to be a lead service supplier.

The consumer staples sector was boosted by Greencore Group, which continued to execute well on its convenience foods business. First half revenues and profits continued to climb, driven by good performance in the U.K. and U.S. Once new plants are completed in Rhode Island and Seattle, capacity will ramp up and U.S. revenues may expand. As reported last quarter, Japanese dairy, confectionery and pharmaceutical manufacturer Meiji Holdings' stock rose markedly following news of a licensing agreement to develop new drugs. Optimistic market sentiment drove the stock price to the upper end of our valuation target. We sold the stock at a profit.

Actavis (renamed to Allergan) and Anthem Inc. added to performance in the health care sector, which continued to see more industry consolidation. Pharmaceutical maker Actavis, after digesting the acquisitions of Allergan in March 2015 and Forest Labs in July 2014, was expected to achieve 80% of an estimated $1.8 billion in synergies by the end of the first quarter of 2016. M&A activity was also heating up on the health insurer industry, with the CFO of Anthem Inc. suggesting the company could make a "meaningful" acquisition.

German telecom provider, Freenet AG, had double-digit gains after publishing its interim earnings report. Strong revenues were attributable to high customer ownership and demand for mobile digital lifestyle services. Freenet's management also confirmed guidance for the year. Japan's KDDI Corporation had similarly solid quarterly results, announcing increased operating revenues due to a steady rise in mobile communications sales. Gains from these two companies were offset by losses from Frontier Communications. Frontier conducted a secondary offering to finance its acquisition of Verizon's wireline assets in California, Florida and Texas. The stock declined due to the dilutive effect of this additional equity coming into the market. We believe this to be a short-term concern, as the acquisition is expected to bolster Frontier's scale of business over the next few years.

Industrials were mixed for the quarter. YIT Oyj was one of the top individual stock performers in the global portfolio; conversely, Trevi Finanziaria was among the worst. Stocks with Russia-related exposure, such as YIT, have rebounded this year. YIT has been able to start new projects in Russia and Finland. Additionally, the company made strides in managing its Euro funding of Russian operations and reducing interest-bearing debt. Trevi encountered a series of challenges as it tried to build out its oil division, causing extensive capital expenditures. A delayed oil rig delivery to a Mexican customer forced Trevi to incur additional costs.

Good performance from Microsoft, which is evaluating a bid for cloud-based software maker salesforce.com, could not offset declines elsewhere in the information technology sector. Wincor Nixdorf was down after announcing a restructuring program that reduces its workforce by 12% and accelerates its transition from an ATM hardware vendor to a software and IT service company. Diebold expressed interest in acquiring Wincor, which was declined by Wincor management. Xerox guided down for the year, citing unfavorable foreign exchange rates, slower growth from its services business and additional costs. Samsung's stock price dropped due to cell phone competition.

The following table reflects the sector and regional allocation for a representative global equity composite portfolio as of June 30, 2015.

	MSCI World Index	Portfolio Weight	Energy	Utilities	Materials	Industrials	Consumer Discretionary	Consumer Staples	Health Care	Financials	Information Technology	Telecom Services	Cash
N. America	*61.2%*	38.8%	2.5%	2.1%	2.4%	1.3%	2.3%	1.1%	6.8%	12.5%	5.2%	2.4%	0.0%
Japan	*8.9%*	3.9%	0.0%	0.0%	1.3%	0.0%	0.0%	1.2%	0.0%	0.0%	0.0%	1.5%	0.0%
Other Asia	*4.5%*	8.3%	2.2%	1.0%	1.4%	0.0%	1.6%	0.0%	0.0%	0.0%	2.1%	0.0%	0.0%
Europe & Middle East	*23.0%*	32.9%	0.9%	0.0%	8.2%	1.1%	10.3%	3.7%	2.5%	3.0%	0.7%	2.4%	0.0%
Scandinavia	*2.4%*	10.7%	0.0%	0.0%	1.2%	4.1%	1.3%	0.0%	0.0%	4.1%	0.0%	0.0%	0.0%
Africa & South America	*0.0%*	0.7%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash	*0.0%*	4.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.7%
Portfolio Totals		100.0%	6.4%	3.1%	14.6%	6.6%	15.5%	6.0%	9.3%	19.6%	8.1%	6.3%	4.7%

Table may not cross foot due to rounding.

INVESTMENT ENVIRONMENT AND STRATEGY

As we enter the second half of 2015, our outlook is one of cautious optimism. Modest improvement in the global economy has been led by the United States, with activity picking up in developed countries spurred on by lower oil prices and monetary easing throughout Europe. The Chinese government has instituted policies to recharge growth in the country. Other emerging markets are in the initial stages of revival, but still face headwinds including weaker commodity prices and government scandals. While we are encouraged by tentative signs of recovery, we expect that political developments in Greece, China, the Middle East and Russia may cause disruption and global market volatility.

It is worth noting that these macro-economic conditions only serve as a backdrop to our investment process. As value managers, we look for market volatility as an opportunity to purchase "watch list" companies at attractive prices. Our bottom-up fundamental research continues to pinpoint undervalued companies across industry and country; we expect to add to portfolio holdings in the quarters ahead. We encourage investors to re-balance opportunistically by investing when equity prices decline.

As always, we welcome your questions and comments.

DISCLOSURES & 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, gross dividends reinvested, measures the performances of a diverse range of global stock markets in the United States, Canada, Europe, Australia, New Zealand and the Far East. The MSCI World Index measures the performance of stock markets in these geographic areas including reinvestment of gross dividends. The MSCI EAFE Index (Europe, Australia and the Far East) is an equity index, which captures large and mid cap representation across Developed Markets countries around the world, excluding the U.S. and Canada.