

# Long-Short Composite

As of 31 Dec 2025

# DIAMOND HILL

INVESTED IN THE LONG RUN

## Team

**Chris Bingaman, CFA**  
Portfolio Manager

**Nate Palmer, CFA, CPA**  
Portfolio Manager

**Brian Fontanella, CFA**  
Portfolio Specialist

## Philosophy and Process Highlights

We aim to identify long positions that outperform the Russell 1000 Index and short positions that underperform the index. Under our intrinsic value philosophy, we:

- Treat every investment as a partial ownership interest in that company
- Seek to invest at a discount to intrinsic value for long positions and at a premium to intrinsic value for short positions
- Possess a long-term investment temperament
- Recognize that market price and intrinsic value tend to converge over a reasonable period of time

## Portfolio Guidelines

- A long-biased fund with typically 40-60 long positions and 25-50 short positions
- Total long positions are generally between 80-100% of net assets
- Total short positions are generally between 10-40% of net assets

## Exposure Guidelines

- Maximum gross market exposure (long % + short %) = Up to 140%
- Target net market exposure (long % - short %) = 40-75%

## Top Five Long Equity Holdings<sup>1</sup>

	Sector	% of Net Assets
Alphabet, Inc. (CI A)	Communication Services	4.5
Microsoft Corp.	Info. Technology	4.2
American International Group, Inc.	Financials	3.9
Taiwan Semiconductor Manufacturing Co. Ltd.	Info. Technology	3.9
Meta Platforms, Inc. (CI A)	Communication Services	3.9

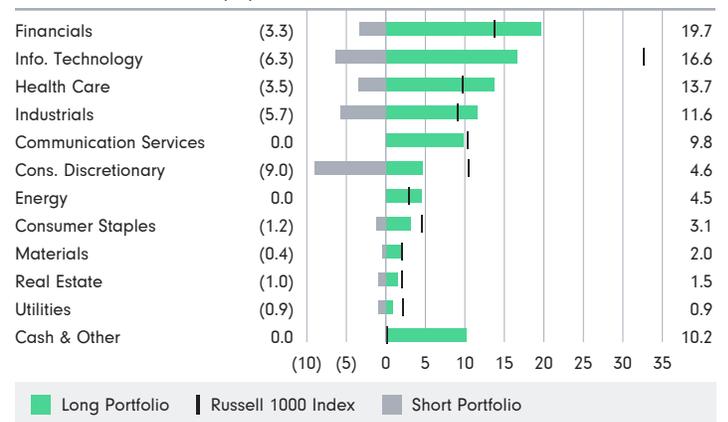
## Top Five Short Equity Holdings<sup>1</sup>

	Sector	% of Net Assets
International Business Machines Corp.	Info. Technology	(2.0)
Medpace Holdings, Inc.	Health Care	(1.6)
Garmin Ltd.	Cons. Discretionary	(1.3)
eBay, Inc.	Cons. Discretionary	(1.3)
Matson, Inc.	Industrials	(1.3)

## Best and Worst Contributors (%)<sup>1,3</sup>

	4Q25 Contribution	Ending Weight	
<b>Best</b>			
Alphabet, Inc. (CI A)	1.3	4.5	Long
Ciena Corp.	0.7	0.9	Long
Citigroup, Inc.	0.6	3.8	Long
American International Group, Inc.	0.4	3.9	Long
Taiwan Semiconductor Manufacturing Co. Ltd.	0.4	3.9	Long
<b>Worst</b>			
Perrigo Co. PLC	-0.4	1.1	Long
Meta Platforms, Inc. (CI A)	-0.4	3.9	Long
Microsoft Corp.	-0.3	4.2	Long
Matson, Inc.	-0.3	(1.3)	Short
Booz Allen Hamilton Holding Corp. (CI A)	-0.3	1.8	Long

## Sector Allocation (%)<sup>2</sup>



<sup>1</sup>Securities referenced may not be representative of all portfolio holdings. The reader should not assume that an investment in the securities was or will be profitable.

<sup>2</sup>Cash & Other may include cash, treasuries, money market funds and short duration fixed income funds.

<sup>3</sup>Source: FactSet. To obtain contribution calculation methodology and a complete list of every holding's contribution to return during the period, contact 855.255.8955 or info@diamond-hill.com. Contribution is shown gross of fees and should be viewed in conjunction with the net of fee returns included in this document.

# Long-Short Composite

As of 31 Dec 2025

## Portfolio Characteristics vs Benchmark<sup>4,5</sup>

	Long Portfolio	Russell 1000 Index	Short Portfolio
Median Forward P/E	18.0x	20.2x	20.5x
Median Trailing P/E	24.6x	24.0x	20.8x
Median Price/Book	3.1x	3.2x	5.8x
Median Price/Sales	3.1x	2.8x	3.5x
Median Market Capitalization	\$59.2B	\$15.7B	\$6.7B
Weighted Average Market Cap.	\$544.5B	\$1,200.5B	\$31.6B
Portfolio Turnover (5Y) <sup>6</sup>	56%	—	—
Upside/Downside Capture Ratio <sup>7</sup> vs Core Benchmark <sup>8</sup>	74%/59%	—	—
Upside/Downside Capture Ratio <sup>7</sup> vs Blended Benchmark <sup>9</sup>	119%/102%	—	—

<sup>4</sup>Source: FactSet.

<sup>5</sup>Data, where applicable, is shown gross of fees and should be viewed in conjunction with the net of fee returns included in this document.

<sup>6</sup>This calculation is the lesser of long buys plus short sales or long sales plus short covers divided by the average gross value of portfolio securities, excluding cash equivalents.

<sup>7</sup>Source: eVestment based on monthly returns from 1 July 2000 – 31 December 2025.

<sup>8</sup>The Russell 1000 Index is the core benchmark.

<sup>9</sup>The blended benchmark represents a 60/40 weighted blend of the Russell 1000 Index and the Bloomberg US Treasury Bills 1-3 Month Index.

## Period and Annualized Total Returns (%)

	Since Inception (30 Jun 2000)	20Y	15Y	10Y	5Y	3Y	1Y	YTD	4Q25
Gross of Fees	8.91	8.11	9.74	9.80	11.87	15.75	21.07	21.07	5.62
Net of Fees	7.82	7.03	8.64	8.70	10.76	14.59	19.86	19.86	5.36
Russell 1000 Index	8.33	10.94	13.87	14.59	13.59	22.74	17.37	17.37	2.41
60%/40% Blended Index	6.01	7.45	9.01	9.78	9.64	15.50	12.12	12.12	1.85
Russell 1000 Value Index	8.02	8.32	10.78	10.53	11.33	13.90	15.91	15.91	3.81

## Calendar Year Returns (%)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Gross of Fees	4.84	10.30	25.03	9.24	0.18	12.34	7.85	-5.46	25.15	1.41	21.40	-6.92	14.27	12.09	21.07
Net of Fees	3.90	9.30	23.91	8.26	-0.72	11.33	6.88	-6.31	24.02	0.50	20.30	-7.75	13.25	10.97	19.86
Russell 1000 Index	1.50	16.42	33.11	13.24	0.92	12.05	21.69	-4.78	31.43	20.96	26.45	-19.13	26.53	24.51	17.37
60%/40% Blended Index	1.22	9.75	18.93	7.86	0.75	7.33	12.92	-1.92	19.15	13.30	15.35	-10.86	17.82	16.63	12.12
Russell 1000 Value Index	0.39	17.51	32.53	13.45	-3.83	17.34	13.66	-8.27	26.54	2.80	25.16	-7.54	11.46	14.37	15.91

Diamond Hill Capital Management, Inc. (DHCM) is an investment adviser registered with the Securities and Exchange Commission and a wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. DHCM provides investment management services to individuals and institutions through mutual funds, separately managed accounts, collective investment trusts, a private fund, a closed-end interval fund and other pooled vehicles including subadvised funds and model delivery programs. Policies for valuing investments, calculating performance and preparing GIPS reports, as well as a complete list and description of all composites, are available upon request. To receive a complete list and description of all Diamond Hill composites and/or a GIPS® report, contact Scott Stapleton at 614.255.3329, sstapleton@diamond-hill.com or 325 John H. McConnell Blvd., Suite 200, Columbus, OH 43215. A list of broad distribution pooled funds is available upon request. In addition, a list of limited distribution pooled fund descriptions is available upon request. The Long-Short Composite is comprised of discretionary, fee paying non-wrap accounts managed according to the firm's Long-Short with no leverage equity strategy. The strategy's investment objective is to achieve long-term capital appreciation by investing in companies selling for less than and shorting companies selling for more than our estimate of intrinsic value. The strategy normally invests in securities with a market cap greater than \$2.5 billion at initial purchase for longs and a \$500 million minimum market cap for shorts. The strategy is long biased with typically 40-60 long positions and 25-50 short positions. Targeted net exposure range is 40-75%. As of 30 September 2024, there is no minimum account size. Prior to this date, the minimum account size was \$25 million. The composite results reflect the reinvestment of dividends, capital gains and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Returns are calculated using US Dollars. Net returns are calculated by reducing the gross returns by the highest stated fee in the composite fee schedule. Only transaction costs are deducted from gross of fees returns. The Russell 1000 Index is the benchmark. This index measures the performance of roughly 1,000 US large-cap companies. The blended Index is shown as additional information. This index represents a 60/40 weighted blend of the Russell 1000 Index and the Bloomberg US Treasury Bills 1-3 Month Index. The Bloomberg US Treasury Bills 1-3 Months Index tracks the market for treasury bills with 1 to 3 months to maturity issued by the US government. The Russell 1000 Value Index measures the performance of US large-cap companies with lower price/book ratios and forecasted growth values. The indexes are unmanaged, market capitalization weighted, include net reinvested dividends, do not reflect fees or expenses (which would lower the return) and are not available for direct investment. Index data source: London Stock Exchange Group PLC. See [diamond-hill.com/disclosures](http://diamond-hill.com/disclosures) for a full copy of the disclaimer. **The performance data quoted represents past performance; past performance does not guarantee future results.** GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.