

Long-Short Fund *(closed to new investors)*

As of March 31, 2018



OBJECTIVE

Long-term capital appreciation by investing in companies selling for less than and shorting companies selling for more than our estimate of intrinsic value.

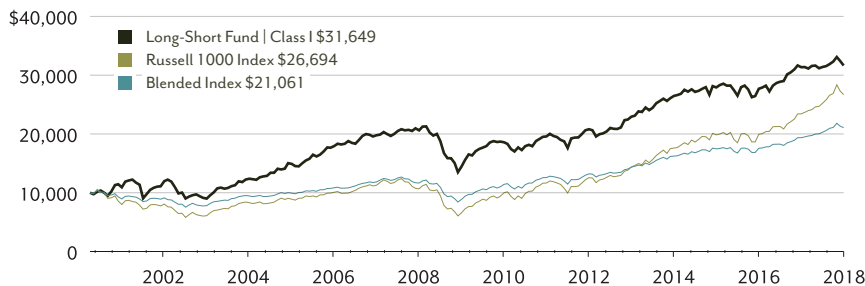
INVESTMENT STRATEGY

- To estimate intrinsic value, the business must be understandable, and we must be able to reasonably forecast its cash flows. For long positions, we seek businesses with sustainable competitive advantages, conservative balance sheets, and management with an ownership mentality. The inverse is often true for our short positions.
- Seek positive total returns on both long and short positions.
- The strategy maintains a long-bias; however the short positions reduce net exposure and therefore tend to reduce volatility compared to long-only funds.

PORTFOLIO MANAGEMENT

Chris Bingaman, CFA Portfolio Manager
Jason Downey, CFA Portfolio Manager
Ric Dillon, CFA Portfolio Manager
Chuck Bath, CFA Asst. Portfolio Manager

GROWTH OF \$10,000 SINCE INCEPTION^{1,2}



¹ The chart represents a comparison of a hypothetical \$10,000 investment and the reinvestment of dividends and capital gains in Class I shares versus the benchmark(s). The Index is unmanaged and does not incur fees. The Fund's performance is before taxes and reflects the deduction of fees and expenses.

² The Fund was long-only from inception through June 2002.

An investor should consider the Fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus or summary prospectus contain this and other important information about the Fund(s) and are available at diamond-hill.com or by calling 888.226.5595. Please read the prospectus or summary prospectus carefully before investing. The Diamond Hill Funds are distributed by Foreside Financial Services, LLC (Member FINRA). Diamond Hill Capital Management, Inc., a registered investment adviser, serves as Investment Adviser to the Diamond Hill Funds and is paid a fee for its services. Diamond Hill Funds are not FDIC insured, may lose value, and have no bank guarantee.

Side One. Not Valid Without Side Two.

PORTFOLIO GUIDELINES

Fund Guidelines

- A long-biased fund with typically 40–60 long positions and 20–40 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

| | |
|---------------------------------------------------------|------|
| United Continental Holdings, Inc. Industrials | 3.8% |
| Citigroup, Inc. Financials | 3.8 |
| Alphabet, Inc. (CI A) Info. Technology | 3.3 |
| MetLife, Inc. Financials | 3.0 |
| Discover Financial Services Financials | 3.0 |

TOP FIVE SHORT EQUITY HOLDINGS

| | |
|------------------------------------------------------------|--------|
| Best Buy Co., Inc. Cons. Discretionary | (2.3)% |
| Grand Canyon Education, Inc. Cons. Discretionary | (1.9) |
| McDonald's Corp. Cons. Discretionary | (1.4) |
| Varian Medical Systems, Inc. Health Care | (1.2) |
| Bank of Hawaii Corp. Financials | (1.2) |

BEST & WORST PERFORMERS³

| SECURITY NAME | IQ18 CONTRIBUTION | POSITION AS OF IQ18 |
|----------------------------------------------------|-------------------|---------------------|
| Best | | |
| Popular, Inc. | 0.3% | 1.7% Long |
| Cognizant Technology Solutions Corp. (CI A) | 0.2 | 2.0 Long |
| Worldpay, Inc. (CI A) | 0.2 | 2.0 Long |
| Kirby Corp. | 0.2 | 1.5 Long |
| Microsoft Corp. | 0.2 | 3.0 Long |
| Worst | | |
| Cimarex Energy Co. | -0.6% | 2.3% Long |
| Citigroup, Inc. | -0.3 | 3.7 Long |
| Comcast Corp. (CI A) | -0.3 | 1.9 Long |
| Grand Canyon Education, Inc. | -0.3 | (1.9) Short |
| Juniper Networks, Inc. | -0.2 | 1.5 Long |

³ The holdings identified do not represent all of the securities purchased, sold, or recommended for the adviser's clients. The reader should not assume that an investment in the securities identified was or will be profitable. To obtain the contribution calculation methodology and a complete list of every holding's contribution to the overall portfolio's performance during the measurement period, contact 855.255.8955 or info@diamond-hill.com.

SECTOR ALLOCATION⁴

| | LONG PORTFOLIO | RUSSELL 1000 INDEX | SHORT PORTFOLIO |
|---------------------|----------------|--------------------|-----------------|
| Financials | 24.4% | 14.9% | (3.5)% |
| Info. Technology | 14.2 | 24.5 | (2.2) |
| Cons. Discretionary | 13.8 | 13.4 | (9.2) |
| Industrials | 11.0 | 10.5 | (1.5) |
| Consumer Staples | 7.7 | 6.7 | (0.5) |
| Health Care | 6.8 | 13.1 | (1.8) |
| Energy | 3.4 | 5.6 | (1.5) |
| Materials | 1.9 | 3.2 | 0.0 |
| Utilities | 0.0 | 2.8 | (1.1) |
| Real Estate | 0.0 | 3.4 | 0.0 |
| Telecom | 0.0 | 1.9 | 0.0 |
| Cash & Other | 16.7 | 0.0 | 0.0 |

⁴ Cash & Other may include cash, treasuries, money market funds, and short duration fixed income funds.

PERIOD AND AVERAGE ANNUAL TOTAL RETURNS AS OF MARCH 31, 2018

| | SINCE INCEPTION | 10-YR | 5-YR | 3-YR | 1-YR | YTD | 1Q18 |
|---------------------------------------|--------------------|-------|-------|-------|-------|--------|--------|
| RETURNS AT NAV (WITHOUT SALES CHARGE) | | | | | | | |
| Class A | 6.45% | 4.07% | 6.36% | 3.97% | 0.61% | -2.10% | -2.10% |
| Class C | 5.64 | 3.29 | 5.57 | 3.20 | -0.11 | -2.26 | -2.26 |
| Class I | 6.71 | 4.38 | 6.65 | 4.27 | 0.93 | -2.05 | -2.05 |
| Class Y | 6.60 | 4.34 | 6.79 | 4.38 | 1.02 | -2.00 | -2.00 |
| BENCHMARK | | | | | | | |
| Russell 1000 Index | 5.69 | 9.61 | 13.17 | 10.39 | 13.98 | -0.69 | -0.69 |
| 60%/40% Blended Index | 4.29 | 6.09 | 7.97 | 6.45 | 8.72 | -0.22 | -0.22 |
| RETURNS AT POP (WITH SALES CHARGE) | | | | | | | |
| Class A | 6.14 | 3.54 | 5.27 | 2.21 | -4.43 | -7.01 | -7.01 |
| Class C | 5.64 | 3.29 | 5.57 | 3.20 | -1.09 | -3.23 | -3.23 |

CALENDAR YEAR RETURNS (%)

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|------------------------------|--------|-------|-------|------|-------|-------|-------|-------|-------|-------|
| Class I | -23.36 | 18.39 | 0.03 | 3.29 | 8.77 | 23.19 | 7.55 | -1.40 | 10.55 | 5.99 |
| Russell 1000 Index | -37.60 | 28.43 | 16.10 | 1.50 | 16.42 | 33.11 | 13.24 | 0.92 | 12.05 | 21.69 |
| 60%/40% Blended Index | -23.47 | 16.98 | 9.90 | 1.22 | 9.75 | 18.93 | 7.86 | 0.75 | 7.32 | 12.92 |

FEES AND EXPENSES

| | CLASS A | CLASS C | CLASS I | CLASS Y |
|-----------------------------------------|-----------|-----------|-----------|-----------|
| Ticker | DIAMX | DHFCX | DHLSX | DIAYX |
| CUSIP | 25264S403 | 25264E107 | 25264S833 | 25264S650 |
| Minimum Initial Investment | \$2,500 | \$2,500 | \$2,500 | \$500,000 |
| Maximum Front-End Sales Charge | 5.00% | None | None | None |
| Contingent Deferred Sales Charge | None | 1.00% | None | None |
| Management Fee | 0.90% | 0.90% | 0.90% | 0.90% |
| Distribution Fee (12b-1) | 0.25% | 1.00% | None | None |
| Other Expenses | 0.81% | 0.81% | 0.77% | 0.65% |
| Gross Expense Ratio | 1.96% | 2.71% | 1.67% | 1.55% |
| Net Expense Ratio⁵ | 1.95% | 2.70% | 1.66% | 1.54% |

⁵ Includes dividend expense relating to short sales. If dividend expenses relating to short sales were excluded, the Expense Ratio for the Long-Short Fund would have been 1.38% for Class A, 2.13% for Class C, 1.09% for Class I, and 0.97% for Class Y. The Fund may invest in another Diamond Hill Fund. Diamond Hill Capital Management, Inc. is required to permanently waive a portion of its management fee in the pro-rata amount of the management fee charged by the underlying Diamond Hill Fund.

Risk Disclosure: The Fund uses short selling which incurs significant additional risk. Theoretically, stocks sold short have the risk of unlimited losses. Overall equity market risks may affect the value of the fund.

The performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The Fund's current performance may be lower or higher than the performance data quoted. Investors may obtain performance information current to the most recent month-end, within 7 business days, at diamond-hill.com.

Performance returns assume reinvestment of all distributions. Returns for periods less than one year are not annualized. Class C, Class I, and Class Y shares include Class A share performance achieved prior to the creation of Class C, Class I, and Class Y shares.

Fund holdings, sector allocations, and portfolio statistics subject to change without notice.

The Russell 1000 Index is an unmanaged market capitalization-weighted index comprised of the largest 1,000 companies by market capitalization in the Russell 3000 Index, which is comprised of the 3,000 largest U.S. companies by total market capitalization. The blended index represents a 60% weighting of the Russell 1000 Index and a 40% weighting of the ICE BofAML U.S. T-Bill 0-3 Month Index. The ICE BofAML U.S. T-Bill 0-3 Month Index is comprised of U.S. dollar denominated U.S. Treasury Bills with a term to maturity of less than 3 months. The index data referenced herein is the property of ICE Data Indices, LLC, its affiliates ("ICE Data") and/or its third party suppliers and has been licensed for use by Diamond Hill Capital Management, Inc. ICE Data and its third party suppliers accept no liability in connection with its use. See diamond-hill.com for a full copy of the disclaimer. ICE Data was not involved in the creation of the blended index. These indexes do not incur fees and expenses (which would lower returns) and are not available for direct investment.

⁷ **Risk Statistic Definitions:** **Standard Deviation** measures the volatility of the Fund's returns. **Beta** measures the Fund's sensitivity to market movements. **Sharpe Ratio** uses the Fund's standard deviation and average excess return over the risk-free rate to determine reward per unit of risk. **Alpha** measures excess return relative to the market that is attributable to active portfolio management. **R-squared** represents the percentage of the portfolio's movements that can be explained by general market movements. **Upside / Downside Capture Ratio** measures a manager's ability to generate excess return above the benchmark return in up markets and retain more of the excess return in down markets. Statistics for periods less than one year are not annualized. Risk statistics are relative to the Russell 1000 Index.

Side Two. Not Valid Without Side One.

PORTFOLIO STATISTICS

| | |
|------------------------------------------------------------|--------------------|
| Inception | June 30, 2000 |
| Total Net Assets | \$4.6B |
| Distributions | Annual |
| Median Market Capitalization — | |
| Long / (Short) | \$29.0B / (\$8.0B) |
| Portfolio Turnover (12 months trailing)⁶ | 37% |
| Number of Long / (Short) | |
| Holdings in Portfolio | 49 / (26) |
| Long / (Short) Holdings | |
| (% of Net Assets) | 83.3% / (21.2)% |
| Gross Exposure (Long + Short) | 105% |
| Net Exposure (Long – Short) | 62% |

⁶ 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.

SINCE INCEPTION RISK STATISTICS⁷
(CLASS I SHARES)

| | |
|--------------------------------------------|---------|
| Standard Deviation (%) | 12.77 |
| Beta (%) | 0.67 |
| Sharpe Ratio | 0.45 |
| Alpha (%) | 2.37 |
| R-squared (%) | 60.31 |
| Upside / Downside Capture Ratio (%) | 75 / 62 |

MORNINGSTAR CLASSIFICATION

Long-Short Equity

LIPPER CLASSIFICATION

Alternative Long/Short Equity