

Small-Mid Cap Fund *(closed to new investors)*

As of June 30, 2020



OBJECTIVE

Long-term capital appreciation by investing in companies selling for less 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. We seek businesses with sustainable competitive advantages, conservative balance sheets, and management with an ownership mentality.
- Investments are sold when the stock price reaches our estimate of intrinsic value, our estimate of intrinsic value is revised such that there is no longer a discount to intrinsic value, a holding reaches our stated maximum position size, or to raise proceeds for a more attractive opportunity.

TEAM

Chris Welch, CFA
Portfolio Manager

PORTFOLIO GUIDELINES

Fund Guidelines

- Typically 50-70 positions
- Maximum sector exposure is 30%

Market Capitalization

The Fund typically invests at least 80% of its net assets in small and medium capitalization companies, defined as those companies with a market capitalization between \$500 million and \$10 billion (or, if greater, the maximum market capitalization of companies generally within the capitalization range of the Russell 2500 Index) at the time of purchase.

TOP TEN EQUITY HOLDINGS

Post Holdings, Inc.	Consumer Staples	4.1%
CubeSmart	Real Estate	3.1
BorgWarner, Inc.	Cons. Discretionary	2.9
NVR, Inc.	Cons. Discretionary	2.5
Colfax Corp.	Industrials	2.5
UGI Corp.	Utilities	2.4
Hub Group, Inc. (CI A)	Industrials	2.4
Kirby Corp.	Industrials	2.3
Sensata Technologies Holding PLC	Industrials	2.3
Ashland Global Holdings, Inc.	Materials	2.3
Total as % of Net Assets		26.8%

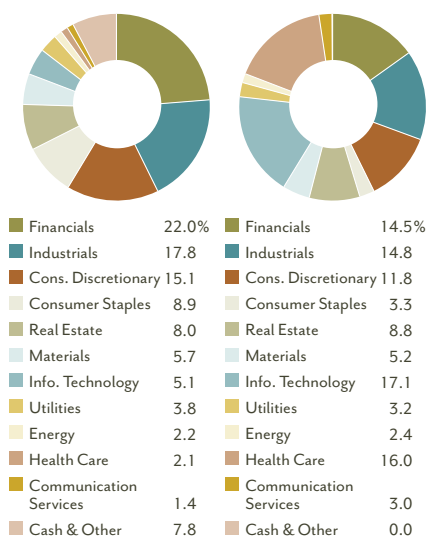
BEST & WORST PERFORMERS²

SECURITY NAME	2Q20 CONTRIBUTION	POSITION AS OF 2Q20
Best		
BorgWarner, Inc.	1.0%	2.9%
Colfax Corp.	0.9	2.5
Ashland Global Holdings, Inc.	0.8	2.3
WESCO International, Inc.	0.7	1.8
W. R. Grace & Co.	0.7	1.5
Worst		
ProAssurance Corp.	-0.7%	1.1%
Sanmina-SCI Corp.	-0.1	1.3
Molson Coors Beverage Co. (CI B)	-0.1	0.7
Enstar Group Ltd.	0.0	0.9
iStar, Inc.	0.0	0.6

² 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.

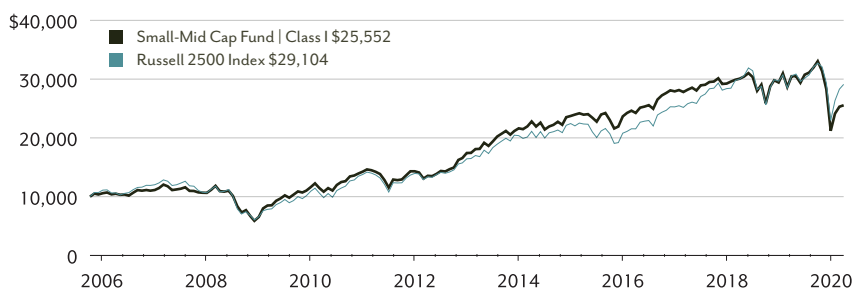
SECTOR ALLOCATION³

Small-Mid Cap Fund Russell 2500 Index



³ Cash & Other may include cash, treasuries, money market funds, and short duration fixed income funds. Includes a 1.5% investment in the Diamond Hill Short Duration Total Return Fund.

GROWTH OF \$10,000 SINCE INCEPTION¹



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.

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.

PERIOD AND ANNUALIZED TOTAL RETURNS AS OF JUNE 30, 2020

	SINCE INCEPTION	10-YR	5-YR	3-YR	1-YR	YTD	2Q20
RETURNS AT NAV (WITHOUT SALES CHARGE)							
Class I	6.69%	8.96%	1.30%	-3.24%	-16.19%	-22.68%	20.51%
BENCHMARK							
Russell 2500 Index	7.65	11.46	5.41	4.08	-4.70	-11.05	26.56
Russell 2500 Value Index	5.64	8.81	1.85	-2.60	-15.50	-21.18	20.60

CALENDAR YEAR RETURNS (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Class I	23.43	-3.86	15.74	41.64	7.36	1.32	18.18	8.63	-12.56	27.74
Russell 2500 Index	26.71	-2.51	17.88	36.80	7.07	-2.90	17.59	16.81	-10.00	27.77
Russell 2500 Value Index	24.82	-3.36	19.21	33.32	7.11	-5.49	25.20	10.36	-12.36	23.56

FEES AND EXPENSES

	CLASS I
Ticker	DHMIX
CUSIP	252645783
Minimum Initial Investment	\$2,500
Maximum Front-End Sales Charge	None
Management Fee	0.75%
Distribution Fee (12b-1)	None
Other Expenses	0.18%
Gross Expense Ratio	0.93%
Net Expense Ratio⁴	0.92%

⁴ 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.

PORTFOLIO STATISTICS

Inception	December 30, 2005
Total Net Assets	\$1.7B
Distributions	Annual
Median Market Capitalization	\$4.2B
Portfolio Turnover (12 months trailing)	26%
Active Share⁵	95%
Number of Equity Holdings in Portfolio	62

RISK STATISTICS⁵ (CLASS I SHARES)

	SINCE INCEPTION	5-YR
Standard Deviation (%)	18.49	19.02
Beta (%)	0.94	0.95
Sharpe Ratio	0.38	0.11
Alpha (%)	-0.48	-3.70
R-squared (%)	91.96	93.33

Upside / Downside Capture Ratio vs. Core Benchmark⁶ (%)	90 / 91	86 / 101
Upside / Downside Capture Ratio vs. Value Benchmark⁶ (%)	94 / 89	90 / 92

MORNINGSTAR CLASSIFICATION

Mid-Cap Value

LIPPER CLASSIFICATION

Mid-Cap Core

Risk Disclosure: There are specialized risks associated with small and mid capitalization issues, such as market illiquidity and greater market volatility, than large capitalization issues.

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. These total return figures may reflect the waiver of a portion of a Fund's advisory or administrative fees for certain periods. Without such waiver of fees, the total returns would have been lower.

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

The Russell 2500 Index is an unmanaged market capitalization-weighted index comprised of the smallest 2,500 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 Russell 2500 Value Index is an unmanaged market capitalization-weighted index measuring the performance of the small and midcap value segment of the U.S. equity universe including those Russell 2500 Index companies with lower expected growth values. These indices do not incur fees and 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 for a full copy of the disclaimer.

⁵ **Key Definitions:** **Active Share** measures the difference between portfolio holdings and the benchmark. The higher the active share, the greater the risk. **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 2500 Index.

⁶ The Russell 2500 Index is the core benchmark. The Russell 2500 Value Index is the value benchmark.

Side Two. Not Valid Without Side One.