



# SUNCOAST EQUITY MANAGEMENT, LLC.

## FACT SHEET

### OBJECTIVE

Suncoast Equity Management, Inc. (SEM) is an independent investment management firm that invests in U.S. listed equity securities. Our objective is to produce rates of total return in excess of the S&P 500 and most other money managers, over the long-term, while incurring a relatively moderate amount of risk.

Our discipline is bottom-up fundamental approach and blends value and growth parameters in selecting a "relatively concentrated" portfolio of between 15 to 25 stocks. Our ownership of an individual stock is typically for 5 or more years. Our investment approach is focused on long-term performance results and may be viewed by others as "tax-advantaged".

### PHILOSOPHY

SEM is an investment manager employing our interpretation of the principles and teachings of two of the most successful investment practitioners over the last century, Benjamin Graham and Warren Buffett. There are three principles at the foundation of our philosophy:

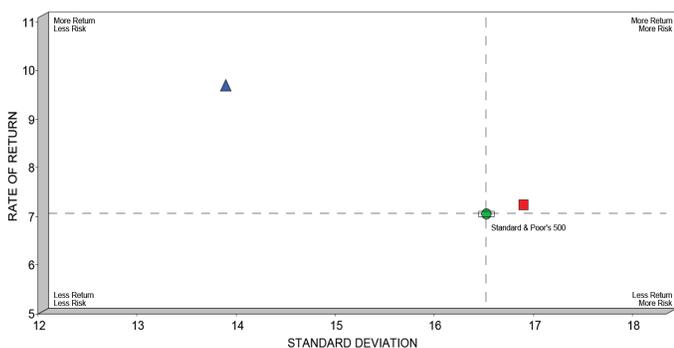
**Invest in businesses not stocks** – Our view of investing as part owners in a business rather than just buying and selling shares of stock gives us a sustainable advantage. We focus on individual companies, not the stock market.

**Margin of Safety concept** – Our mindset here is to look for every opportunity to reduce the chance of a permanent loss of capital. The greater the Margin of Safety, the lower the chance of loss.

**Stock market approach and attitude** – Our business analysis assesses the intrinsic value of a company; and takes advantage of the stock market pricing when it is favorable. We do not try to forecast stock market movements.

**Note: Reducing risk**—This is a key characteristic of outstanding investment results. Risk is not the volatility of stock prices to the long-term value investor. Risk is paying more than the businesses is proven to be worth.

Suncoast Equity Management  
Total Risk/Reward  
December 31, 1997 to September 30, 2017



**PSN Chart:** Provided by PSN, a nationally-recognized database provider of information on investment managers. The performance/risk comparison in the graph above was created using PSN and is shown gross of management fees.

Suncoast Equity Management  
Growth of \$1,000,000  
December 31, 1997 to September 30, 2017



### 2017 Annualized Performance Through September 30, 2017 (Gross of fees)

	1 Year	3 Year	5 Year	Since Inception (19 3/4 Years)
SEM	+21.5%	+9.2%	+13.5%	+9.6%
S&P 500	+18.6%	+10.8%	+14.2%	+6.9%

*GROSS OF FEES			
Year	SEM*	S&P 500	Relative Results
1998	27.6%	28.6%	-1.0%
1999	25.6%	21.0%	4.6%
2000	5.7%	-9.1%	14.8%
2001	1.5%	-11.9%	13.4%
2002	-9.9%	-22.1%	12.2%
2003	21.5%	28.6%	-7.1%
2004	13.9%	11.0%	2.9%
2005	0.6%	4.9%	-4.3%
2006	9.4%	15.8%	-6.4%
2007	11.2%	5.5%	5.7%
2008	-29.4%	-37.0%	7.6%
2009	26.2%	26.5%	-0.3%
2010	8.0%	15.1%	-7.1%
2011	5.4%	2.1%	3.3%
2012	20.4%	16.0%	4.4%
2013	37.5%	32.4%	5.1%
2014	11.1%	13.7%	-2.6%
2015	4.8%	1.4%	3.4%
2016	-2.0%	11.9%	-13.9%
2017 through 9/30	21.9%	14.2%	7.7%
Since Inception (Overall Gain)	512.6%	276.3%	236.3%
Average Annual Gain	9.6%	6.9%	2.7%

(over for more)



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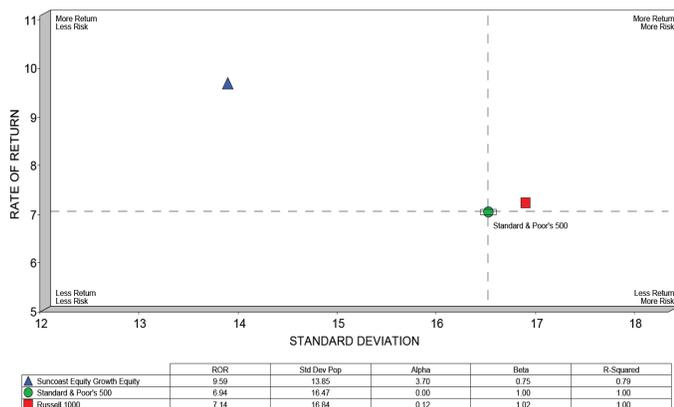
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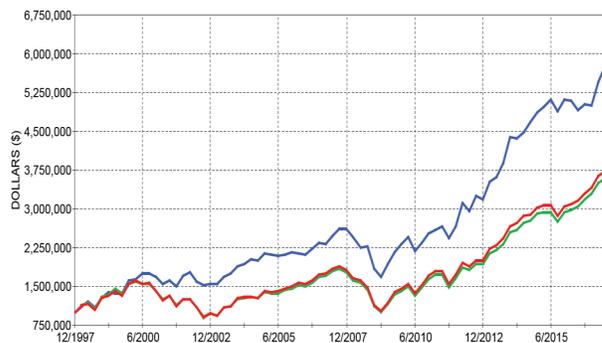
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Total Risk/Reward  
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Suncoast Equity Management  
Growth of \$1,000,000  
December 31, 1997 to September 30, 2017



	Since Inception
Suncoast Equity Growth Equity	6,089,917
Standard & Poor's 500	3,783,387
Russell 1000	3,803,454

### 2017 Annualized Performance Through September 30, 2017

After All Management Fees

	1 Year	3 Year	5 Year	Since Inception (19 3/4 Years)
SEM	+20.4%	+8.2%	+12.4%	+8.5%
S&P 500	+18.6%	+10.8%	+14.2%	+6.9%

Year	SEM*	S&P 500	Relative Results
1998	26.1%	28.5%	-2.4%
1999	24.1%	21.0%	3.1%
2000	4.5%	-9.1%	13.6%
2001	0.3%	-11.9%	12.2%
2002	-10.9%	-22.1%	11.2%
2003	20.1%	28.6%	-8.5%
2004	12.5%	10.9%	1.6%
2005	-0.5%	4.8%	-5.3%
2006	8.2%	15.8%	-7.6%
2007	10.1%	5.5%	4.6%
2008	-30.1%	-37.0%	6.9%
2009	24.7%	26.4%	-1.7%
2010	6.8%	15.0%	-8.2%
2011	4.3%	2.1%	2.2%
2012	19.2%	16.0%	3.2%
2013	36.2%	32.4%	3.8%
2014	10.0%	13.6%	-3.6%
2015	3.9%	1.4%	2.5%
2016	-2.9%	11.9%	-14.8%
2017 through 9/30	21.2%	14.2%	7.0%
Since Inception (Overall Gain)	396.8%	276.3%	120.5%
Average Annual Gain	8.5%	6.9%	1.6%

(over for more)



# SUNCOAST EQUITY MANAGEMENT, LLC.

## DISCIPLINED INVESTMENT SYSTEM (SEM-DIS)

Our strategy is to select individual companies that score highly by Suncoast Equity Management's Disciplined Investment System (SEM-DIS). The five-step process involves:

- 1. Financial Performance and Strength** - Identify companies that a) earn above average return on capital, b) generate excess free cash flow and, c) employ moderate to low debt.
- 2. Business Track Record** - Emphasis on companies which have a consistent operating history.
- 3. Business Outlook & Opportunities** - Select companies with favorable long-term prospects. We want to own companies that have a sustainable franchise or business advantage. We seek growth businesses.
- 4. Management: Ownership and Capital Allocation Skills** - Partnering with management that thinks and behaves like an owner. We require that management be candid with shareholders and demonstrate keen skills in the allocation of capital. Analysis of management, their strategies approach and attitudes, is vital.
- 5. Valuation** - Assess the business value and invest with a margin of safety. The SEM-DIS measures the intrinsic value of a business and its internal rate of return to that of other stocks and fixed income.

## PORTFOLIO MANAGERS

### Donald R. Jowdy - President & Chief Investment Officer

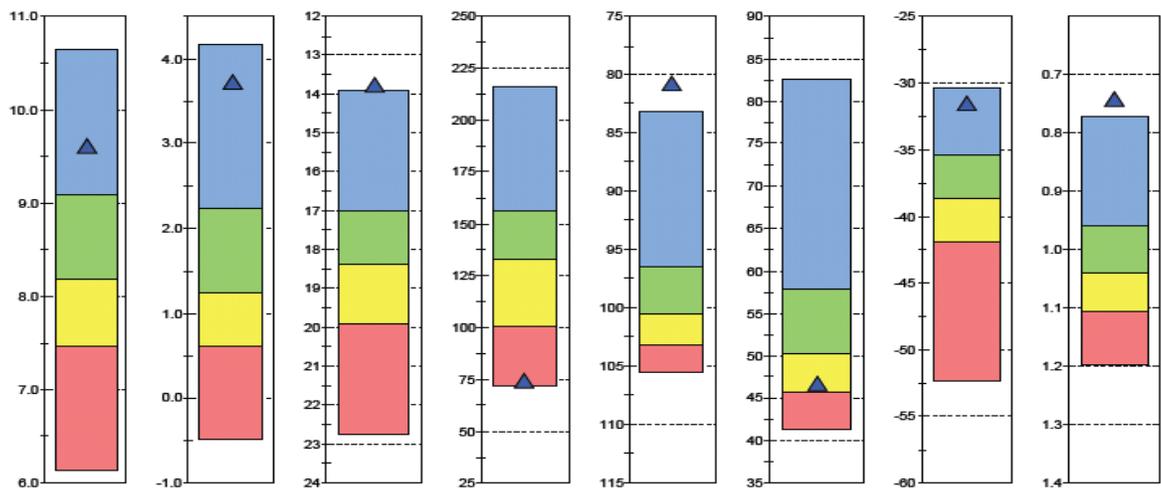
Prior to founding Suncoast Equity Management, Inc., Donald Jowdy was a Portfolio Manager with Polen Capital Management. The firm consistently performed in the top 10% of its peer group for three, five and ten year periods, as measured by several industry consultants including Effron/PSN and Nelson's Investment Manager Database. During his tenure, Mr. Jowdy played a key role in the company's growth from \$20 million in assets to approximately \$250 million. Don then served in an advisory capacity to Polen Capital Management during its growth to over \$1 billion in client assets, through September 2003. Previously, Mr. Jowdy was an equity analyst with 13D Research, Inc., advising institutional clients through an independent investment research organization. He provided an in-depth analysis of domestic as well as global investment opportunities in areas such as Latin America, Southeast Asia and the People's Republic of China. Mr. Jowdy was also a Senior Associate with Coopers & Lybrand. He is a graduate of Indiana University with a B.S. in Accounting.

### Amy A. Lord, CFA - Senior V.P. and Co-Portfolio Manager

Amy Lord was previously Vice President/Portfolio Manager with Intrepid Capital where she was sole manager of the company's Large Cap Equity and Investment Grade Fixed Income portfolios. Prior to joining Intrepid in 2001, Ms. Lord was Managing Director, Senior Portfolio Manager of The Investment Counsel Company. During her nine years with the firm, her responsibilities included equity and fixed income portfolio management and analysis; marketing and client servicing; and overseeing GIPS performance compliance. Ms. Lord earned a Bachelor of Science in Advertising, with a minor in Mathematics, from the University of Florida. She is a CFA charterholder and past President of the CFA Society of Orlando, as well as a member of the CFA Institute.



## MULTI-STATISTIC QUARTILE RANKING BAR PSN LARGE CAP GROWTH DECEMBER 31, 1997 TO SEPTEMBER 30, 2017



Blue	HIGH (0.95)
Green	FIRST QUART
Yellow	MEDIAN
Red	THIRD QUART
Black	LOW (0.05)
Black	MEAN
Black	VALID COUNT

VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK
10.61		4.13		13.96		214.79		83.39		82.35		-30.51		0.78			
9.07		2.19		17.08		154.80		96.72		57.40		-35.60		0.96			
8.15		1.22		18.42		131.38		100.70		49.84		-38.90		1.04			
7.43		0.58		19.99		99.23		103.43		45.37		-42.05		1.11			
6.11		-0.52		22.84		69.98		105.71		41.05		-52.57		1.20			
8.24		1.43		18.35		131.82		99.24		52.19		-39.24		1.03			
99		99		99		99		99		99		99		99			

▲ Suncoast Equity Growth Equi	9.59	12	3.70	3	13.85	1	73.27	97	80.93	1	46.33	70	-31.76	9	0.75	1
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Suncoast Equity Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS). To receive a complete composite list or presentation that adheres to the GIPS standards please contact us using the information below.



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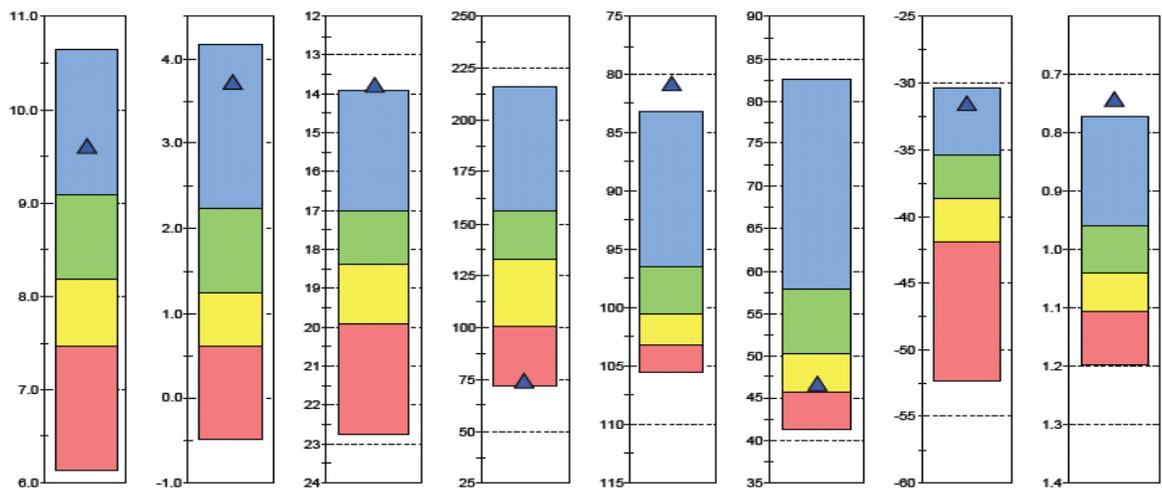
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# PSN

## MULTI-STATISTIC QUARTILE RANKING BAR PSN LARGE CAP GROWTH DECEMBER 31, 1997 TO SEPTEMBER 30, 2017



■ HIGH (0.95)  
■ FIRST QUART  
■ MEDIAN  
■ THIRD QUART  
■ LOW (0.05)  
 MEAN  
 VALID COUNT

	ROE	Alpha	Std. Dev. Pop.	Cum. Upside Cap. Ratio	Cum. Dnside Cap. Ratio	Best 4 Qtrs	Worst 4 Qtrs	Beta
VALUE	10.61	4.13	13.96	214.79	83.39	82.35	-30.51	0.78
RANK	9.07	2.19	17.08	154.80	96.72	57.40	-35.60	0.96
VALUE	8.15	1.22	18.42	131.38	100.70	49.84	-38.90	1.04
RANK	7.43	0.58	19.99	99.23	103.43	45.37	-42.05	1.11
VALUE	6.11	-0.52	22.84	69.98	105.71	41.05	-52.57	1.20
RANK	8.24	1.43	18.35	131.82	99.24	52.19	-39.24	1.03
VALID COUNT	99	99	99	99	99	99	99	99

	VALUE	RANK	VALUE	RANK	VALUE	RANK										
▲ Suncoast Equity Growth Equi	9.59	12	3.70	3	13.85	1	73.27	97	80.93	1	46.33	70	-31.76	9	0.75	1

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