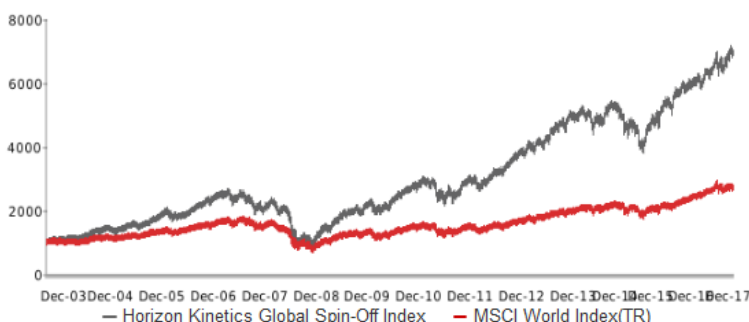


## Horizon Kinetics Global Spin-Off Index

### Index Description

The Horizon Kinetics Global Spin-Off Index provides a benchmark for investors interested in tracking the performance of Globally-listed, publicly-held spin-offs that are domiciled and trade in the U.S., Western Europe and Developed Asia. These securities generally result from large companies divesting small subsidiaries in a way that bypasses traditional analyst coverage, often resulting in a short-term valuation disconnect. In many cases, spin-off transactions may have the potential to unlock shareholder value that has been obscured by a dysfunctional corporate structure. While operating as a unit of a parent or holding company, for instance, a business unit may be subject to revenue targets and other corporate planning that incentivize short-term initiatives at the cost of long-term competitive advantage. These entities may also be saddled with excessive overhead costs from the parent organization, or cede control of their cash flow to the parent. Consequently, the true economics of the underlying business may be shrouded and even suppressed by the operations of larger business segments. A spin-off has the potential to enable management to make more rational long-term operational and financial decisions, and allows investors the freedom to invest in the portion of the business that they believe offers greater investment potential. The use of a spin-off strategy as a predictive index variable, appears to provide relative returns well in excess of the MSCI World Index, while also providing diversification benefits, as measured by the correlation of their returns with those of the MSCI World Index.

### Performance Graph



### Index Characteristics

Base Date	12/31/2003
No. of Constituents	96
Total Market Cap (\$ Mn)	492,266
Average Market Cap (\$ Mn)	5,128
Median Market Cap (\$ Mn)	2,743
Largest Constituent (\$ Mn)	98,874
Smallest Constituent (\$ Mn)	154

### Sample 5 Constituents

Company Name	ISIN	Industry	Weight
The Madison Square Garden Co.	US55825T1034	Consumer Discretionary	1.22%
California Resources Corp.	US13057Q2066	Energy	1.20%
Apergy Corp.	US03755L1044	Energy	1.18%
International Seaways, Inc.	MHY410531021	Industrials	1.14%
International Petroleum Corp. (British Columbia)	CA46016U1084	Energy	1.14%
Rayonier Advanced Materials, Inc.	US75508B1044	Materials	1.13%
Aker Solutions ASA	NO0010716582	Energy	1.11%
Four Corners Property Trust, Inc.	US35086T1097	Financials	1.11%
Nilfisk Holding A/S	DK0060907293	Consumer Discretionary	1.10%
Lifestyle China Group Ltd.	KYG548741050	Consumer Discretionary	1.09%

### Fundamentals

Price to Earnings Ratio*	20.65x
Price to Sales Ratio*	2.60x
Sharpe Ratio*	1.39
Dividend Yield*	1.79%
52 Week High/Low**	7093 / 5863

\*Trailing 12 months data for current year portfolio

\*\*Trailing 12 months

### Market Cap Breakdown

Large Cap ( > \$10 Bn )	9.28%
Mid Cap ( \$2 Bn - \$10 Bn )	48.55%
Small Cap ( \$0.1 Bn - \$2 Bn )	42.17%

### Top 5 Industry Breakdown

Financials	19.70%
Consumer Discretionary	18.81%
Industrials	13.37%
Information Technology	12.42%
Materials	10.47%

### Risk & Return Statistics

Statistic	QTD	YTD	1 Year	3 Year	5 Year	Since Base Date
Annualized Return	6.82%	5.94%	14.72%	10.82%	12.11%	14.20%
Standard Deviation	-	-	8.52%	14.40%	13.74%	19.41%
Beta <sup>1</sup>	-	-	0.75	1.13	1.16	1.26
Correlation <sup>1</sup>	-	-	0.75	0.83	0.86	0.93

<sup>1</sup>w.r.t. MSCI World Index(TR)

#### Disclosures:

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