
ATALANTA SOSNOFF

U.S. Equity Outlook

Kamani B. Kuala'au
Senior Vice President

November 2013



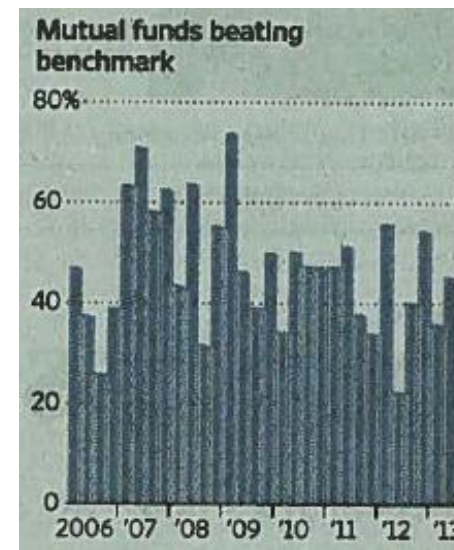
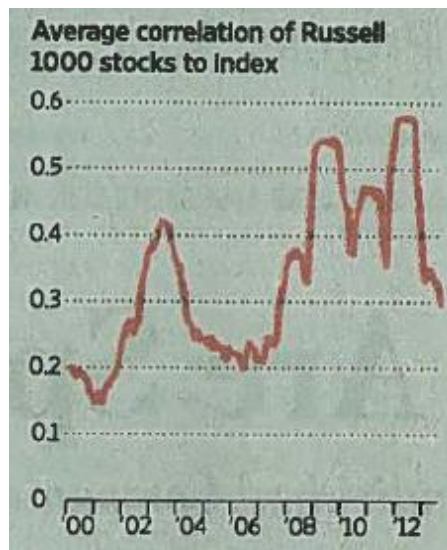
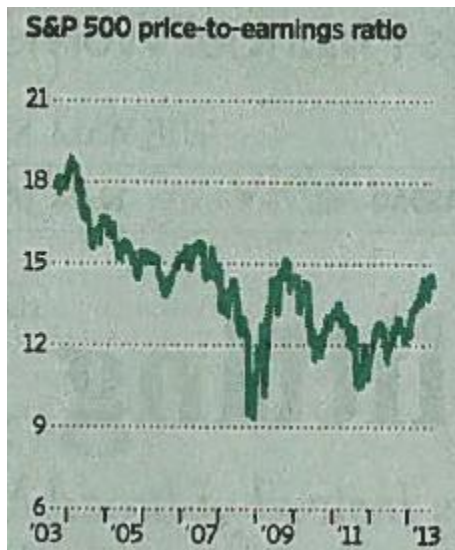
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Building on Long-Term Success

This report is intended for a one on one presentation.

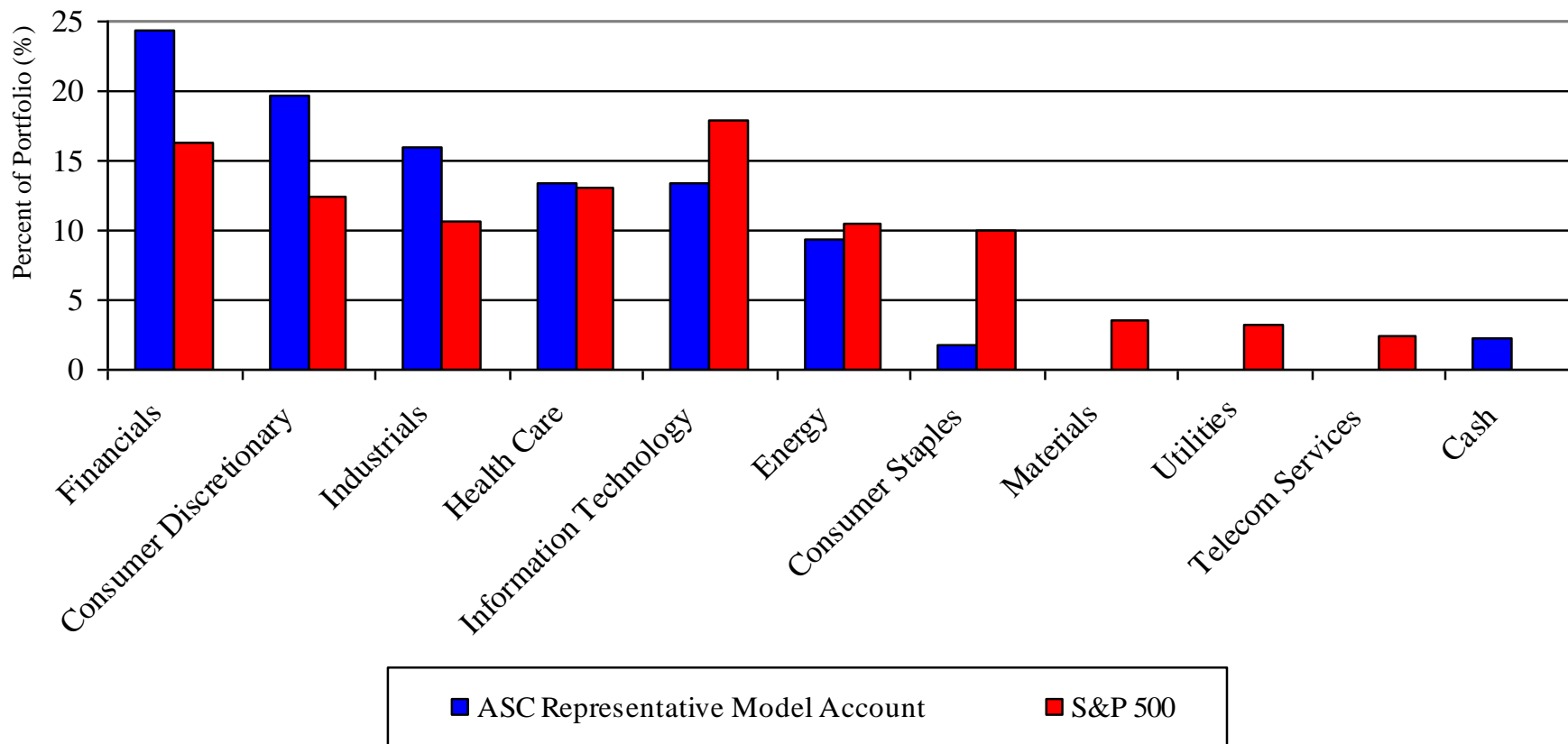
FOR INTERNAL USE ONLY

STOCK CORRELATIONS DECREASING



Report as of August 19, 2013.

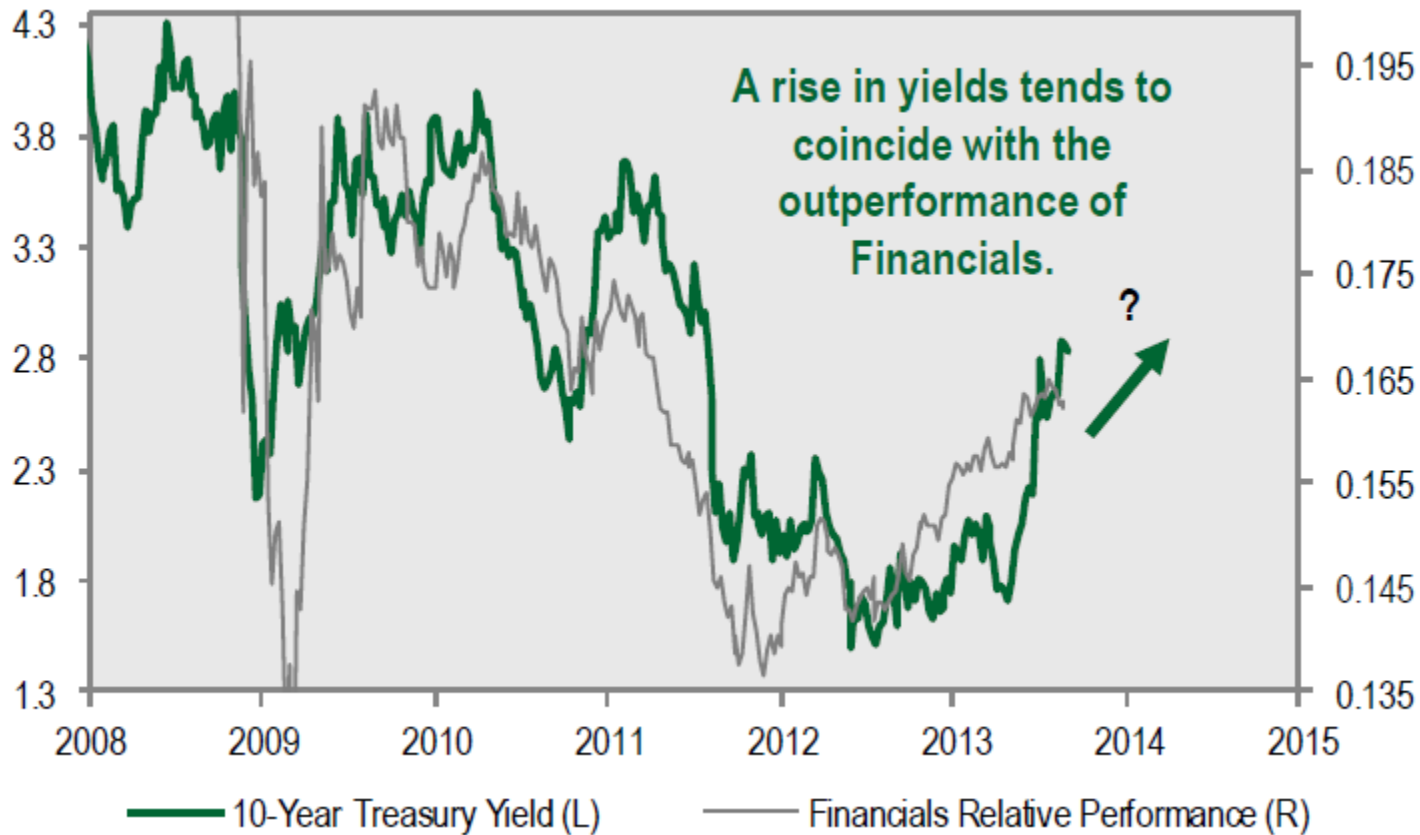
Source: Wall Street Journal (LEFT Chart: FactSet; CENTER: Deutsche Bank; RIGHT: Morningstar).



Portfolio Characteristics as of September 30, 2013

Sector weightings derived from a representative model account. Characteristics as compiled by The Bank of New York Mellon Analytical Services. Portfolios and weightings are subject to change at any time at Atalanta's discretion. Individual portfolios may vary. Supplemental Information to the Annual Disclosure Presentation.

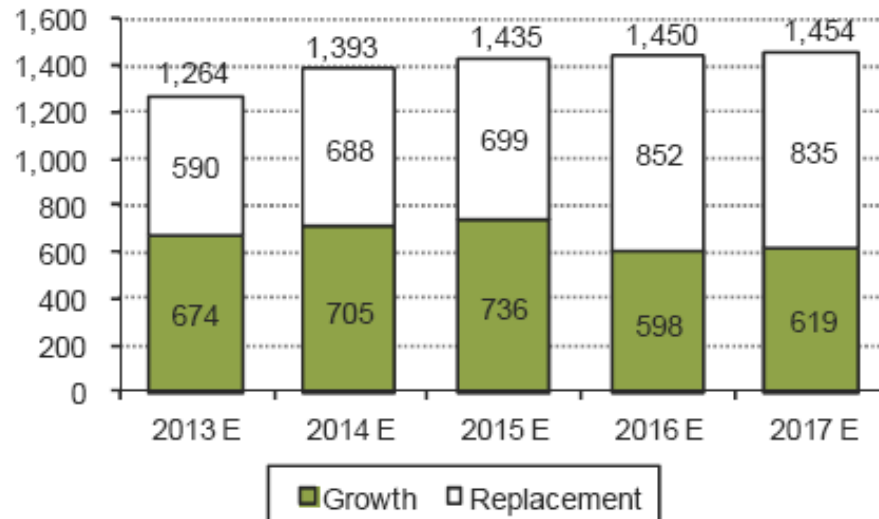
TREASURY YIELDS AND FINANCIALS



COMMERCIAL AIRCRAFT: DELIVERY OUTLOOK

Airbus and Boeing delivery outlook, split by growth and replacement demand

Number of aircraft, 2013-2017



Report as of March 8, 2013.

Source: Bernstein, company reports.

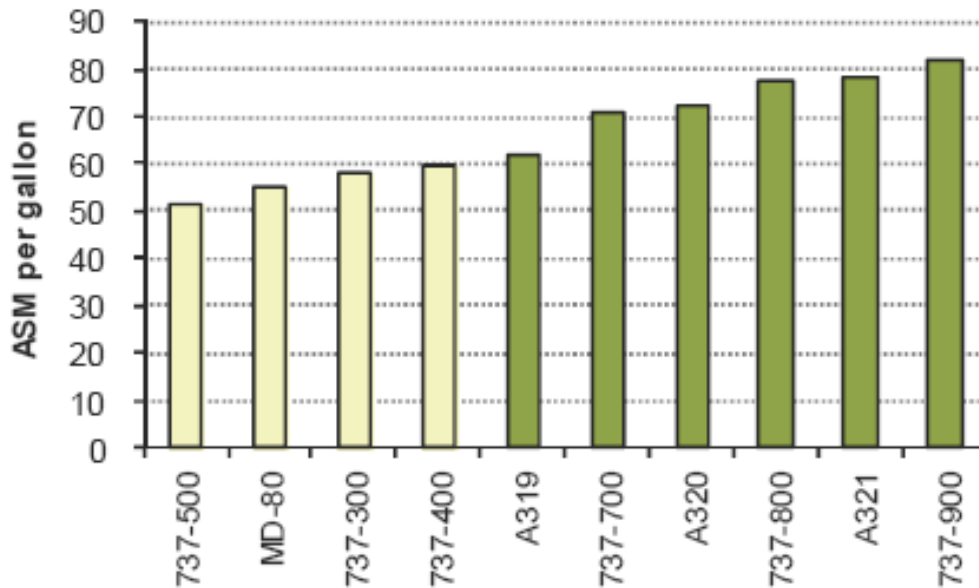


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COMMERCIAL AIRCRAFT: FUEL EFFICIENCY

Narrowbody fuel efficiency

Available seat miles per gallon



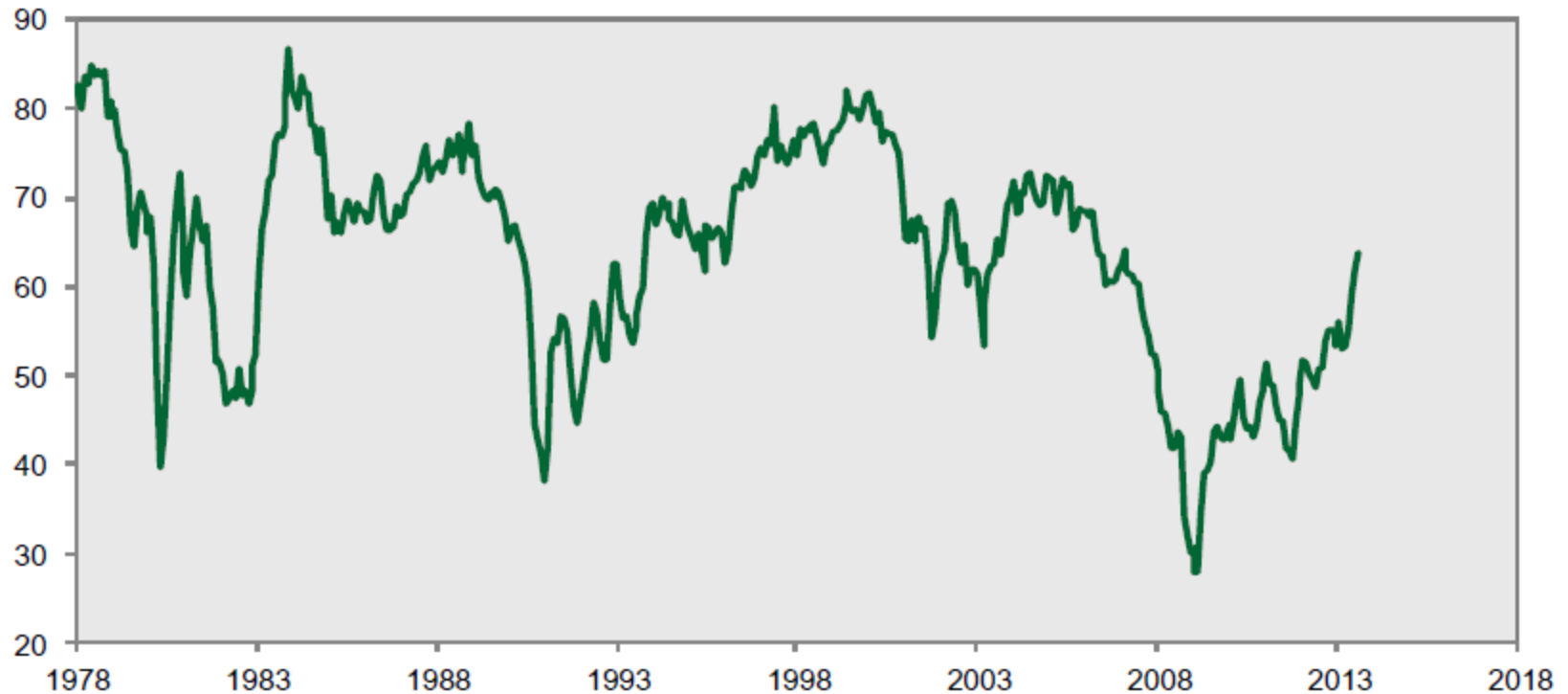
Report as of March 8, 2013.

Source: Bernstein, FAA Form 41 data.



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U.S. LEADING INDICATOR



— LEI Average: Mfg ISM, Non-Mfg ISM, NAHB Index, Consumer Sentiment

Report as of September 10, 2013.

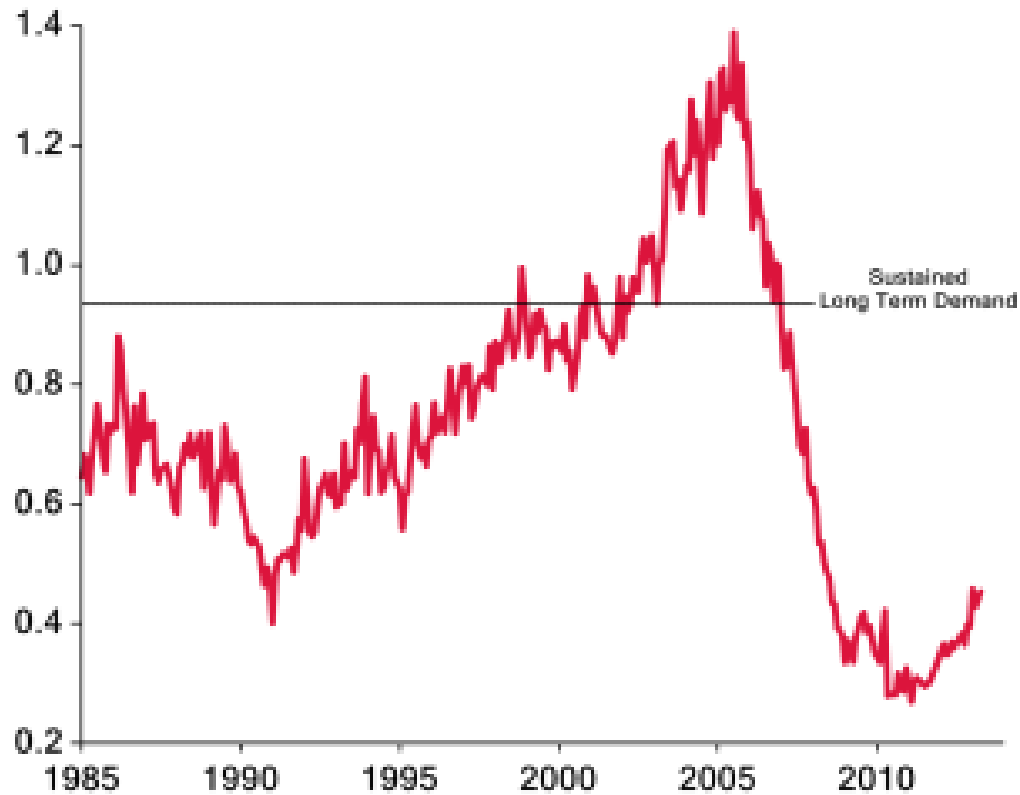
Source: Cornerstone Macro.



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NEW HOUSE SALES

(millions of homes)



Report date May 23, 2013.

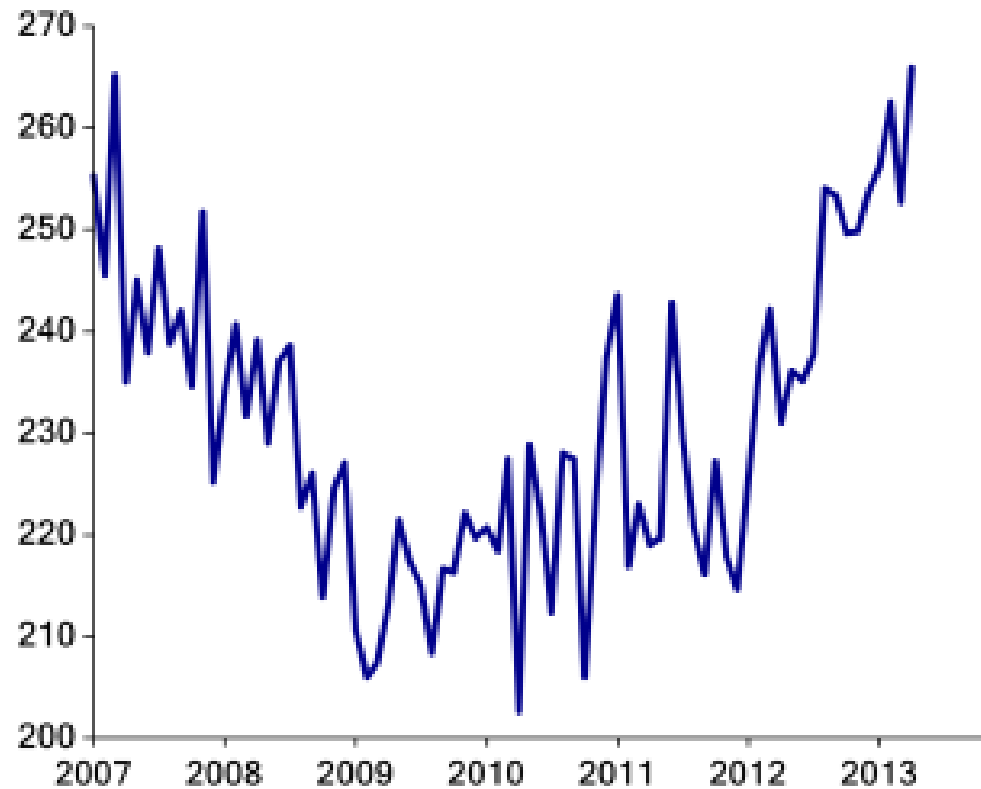
Source: ISI.



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MEDIAN NEW HOUSE PRICE

Thousands of \$, S.A.



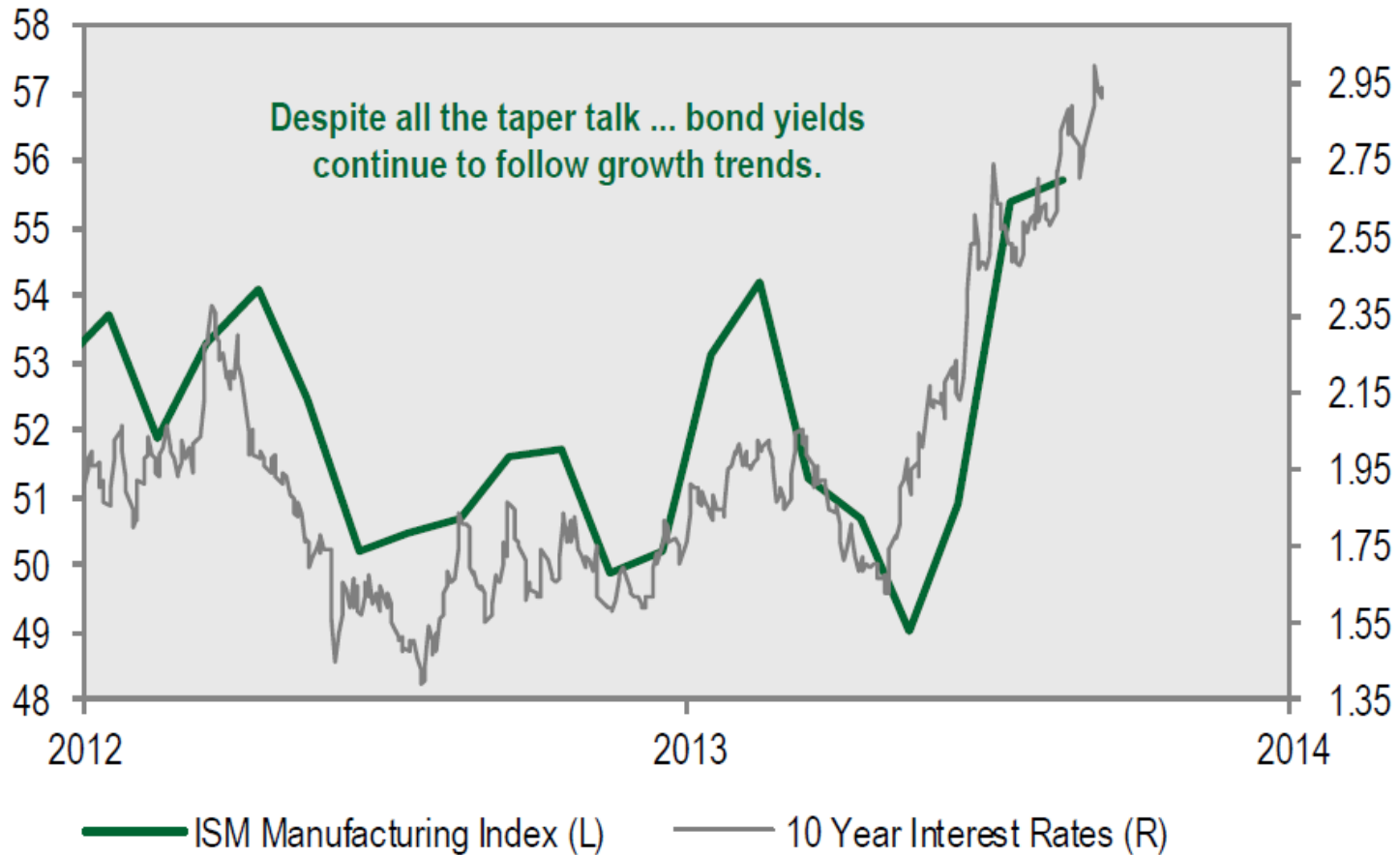
Report date May 23, 2013.

Source: ISI.

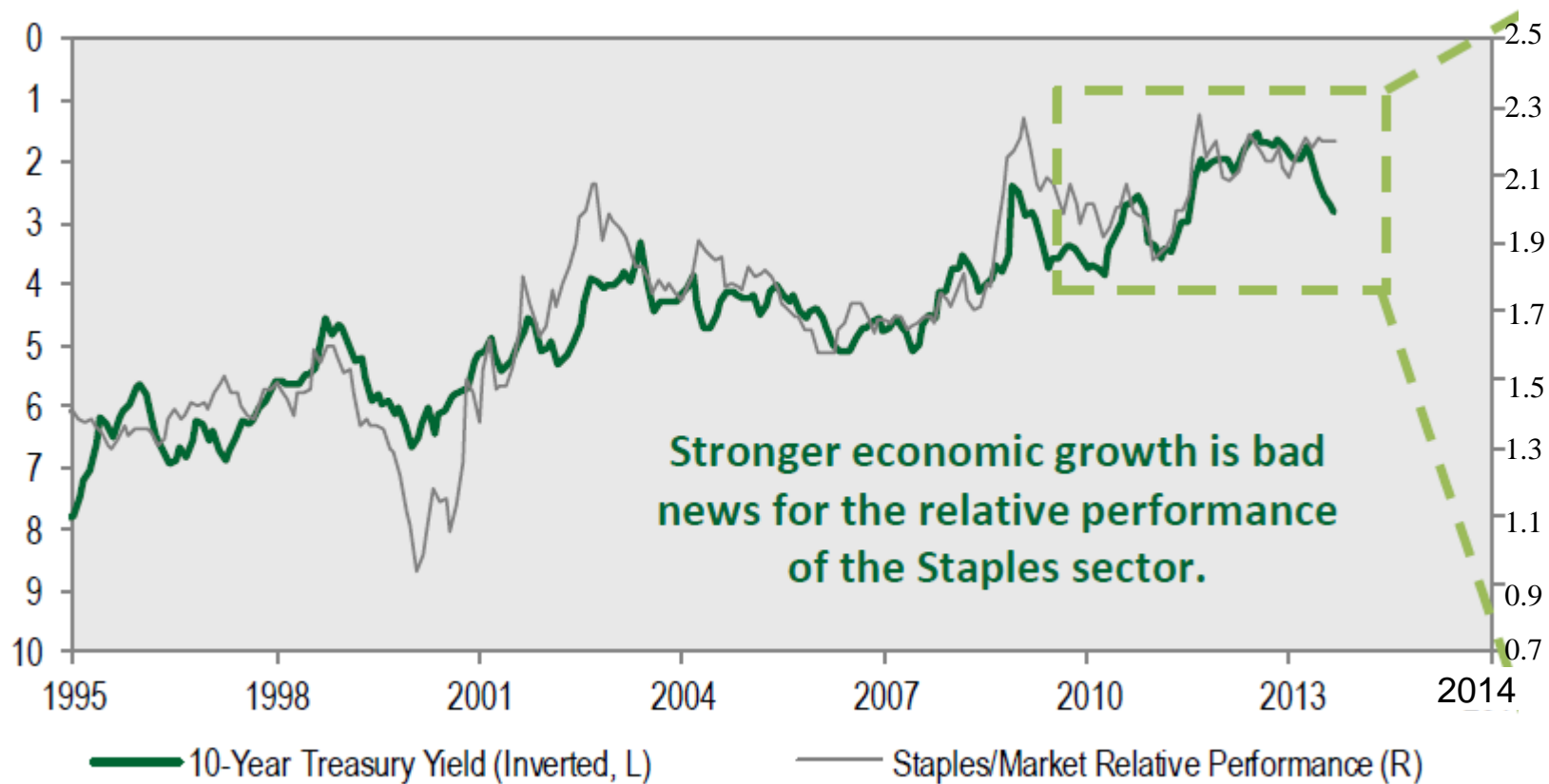


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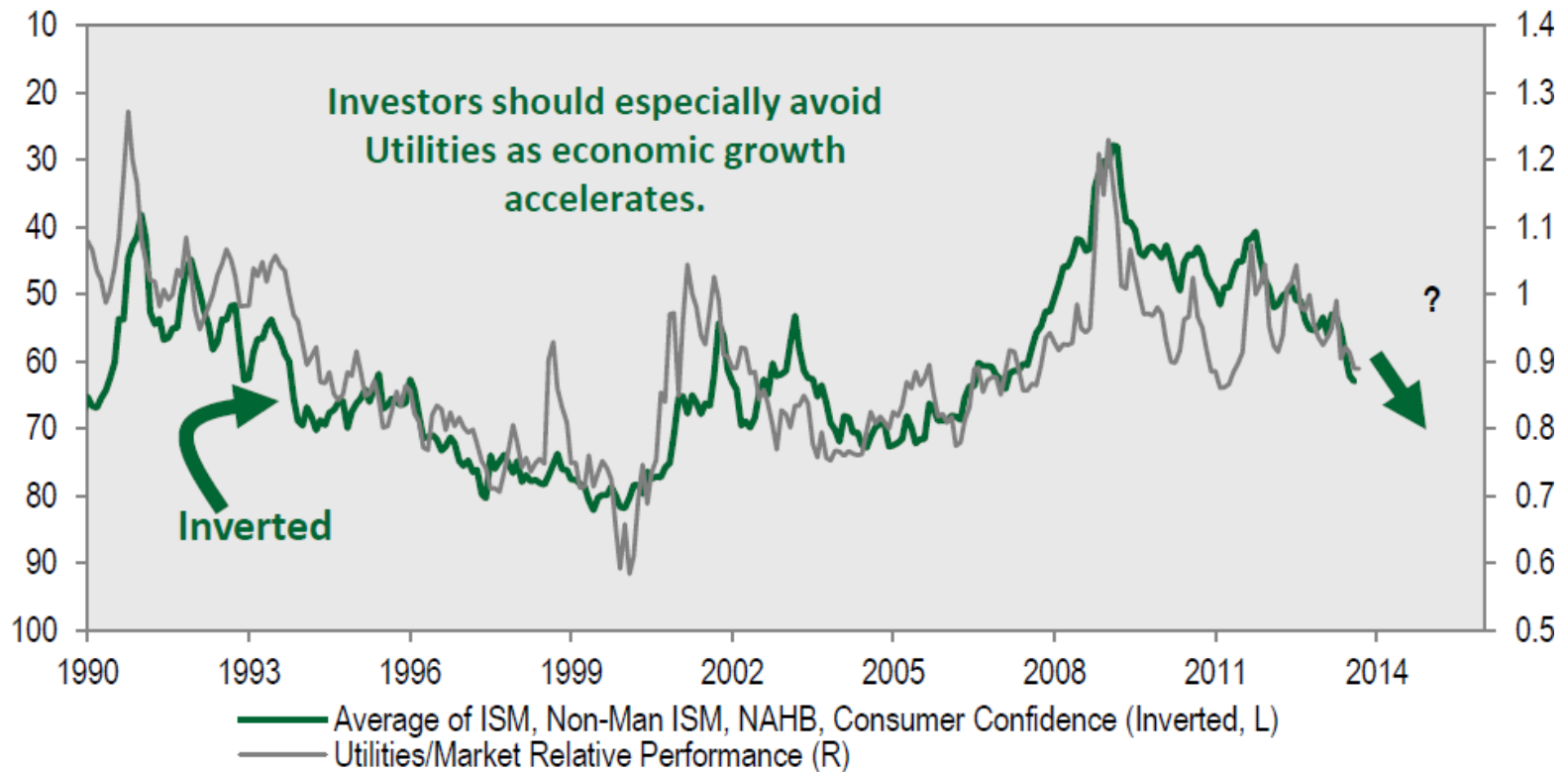
BOND YIELDS AND GROWTH TRENDS



TREASURY YIELDS AND CONSUMER STAPLES

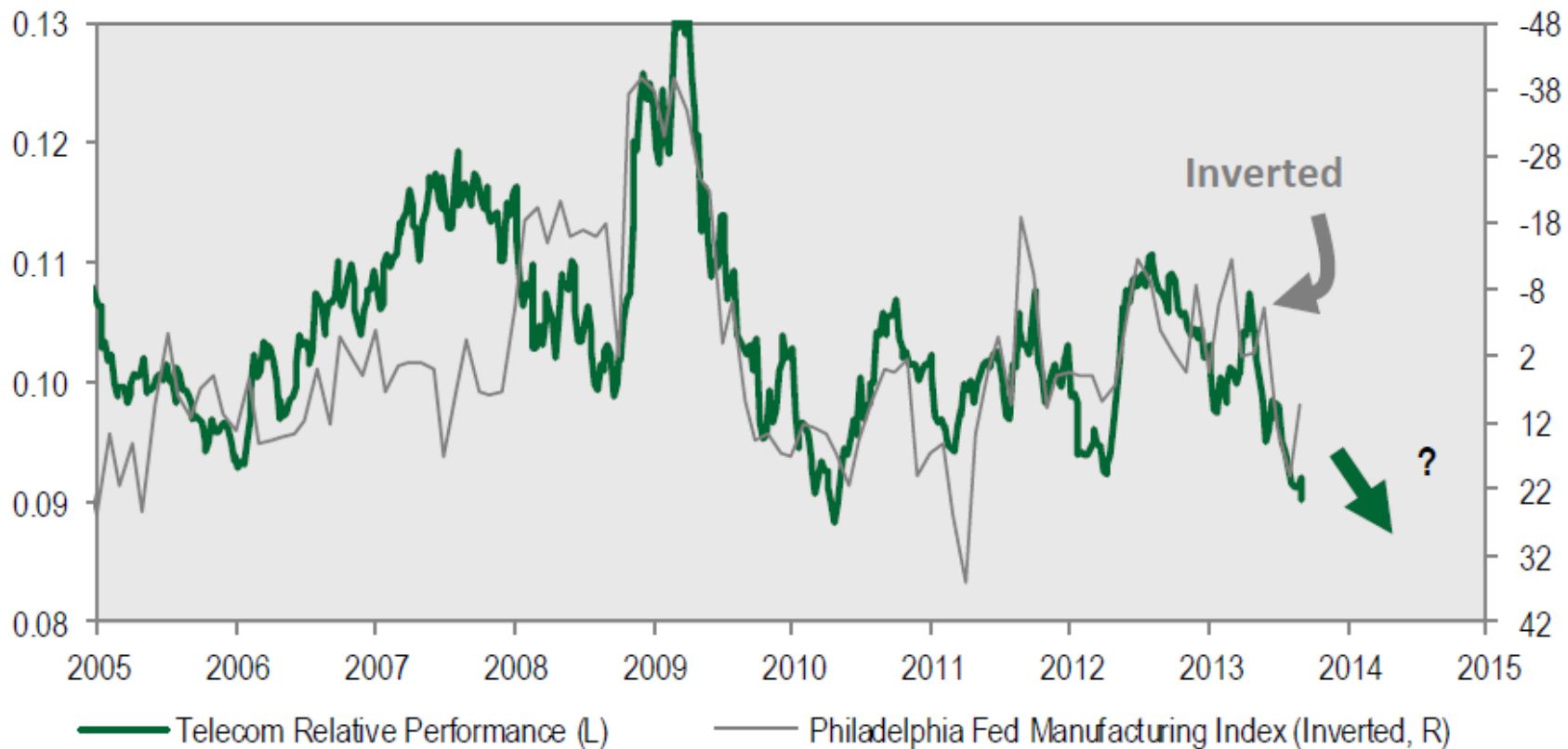


UTILITIES AND ECONOMIC DATA



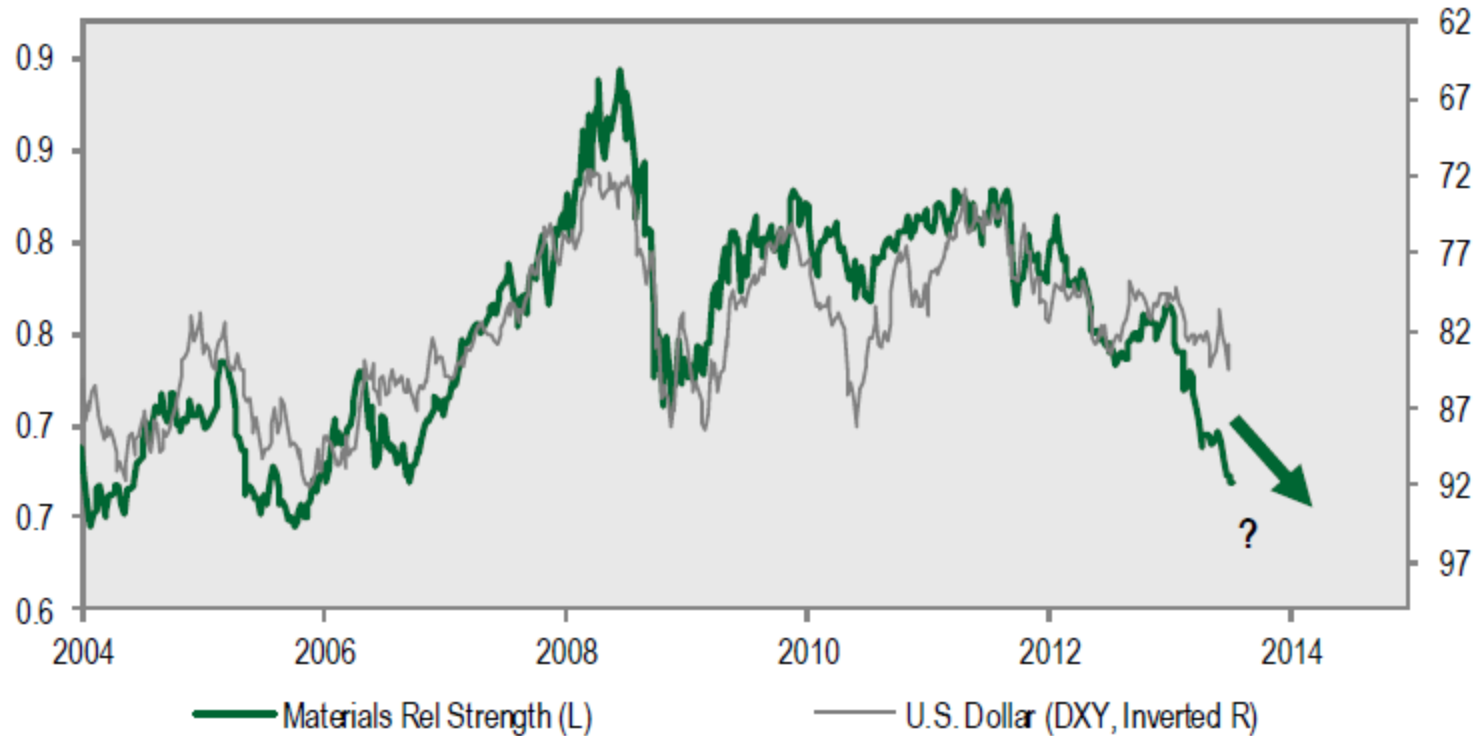
Report as of September 9, 2013.
Source: Cornerstone Macro.

TELECOM AND ECONOMIC DATA



Report as of September 9, 2013.
Source: Cornerstone Macro.

MATERIALS RELATIVE STRENGTH



Sector Weighting as of September 30, 2013

% of Equity

Materials

Representative Model Account*
S&P 500
Underweighted

0.0%
3.5%
-3.5%

* Based on a representative model account. Individual accounts may vary.

Report as of July 22, 2013.

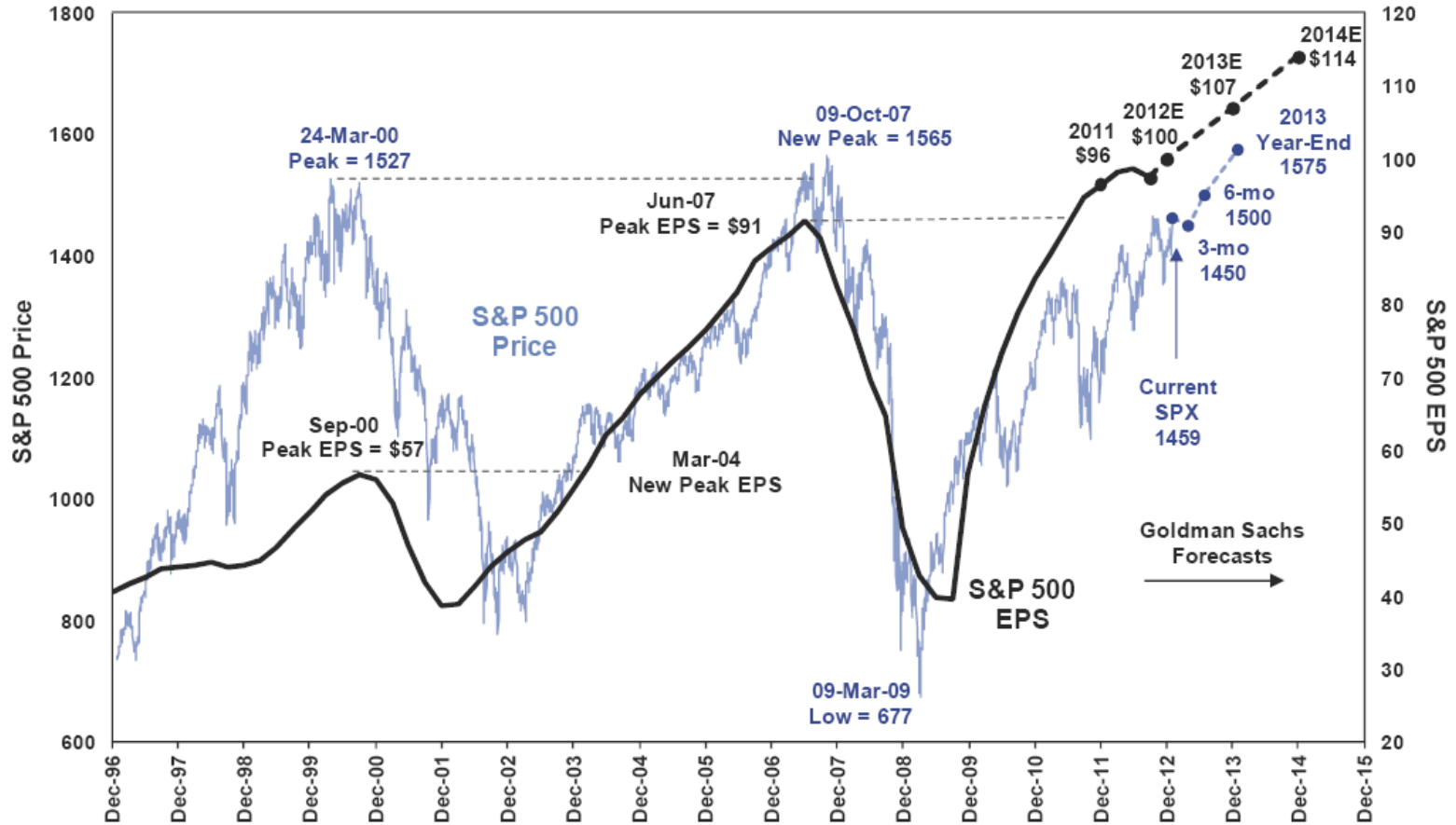
Source: Cornerstone Macro.



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S&P 500 FORECAST

As of January 3, 2013



Report as of January 8, 2013.

Source: Goldman Sachs, Compustat, IDC via FactSet.



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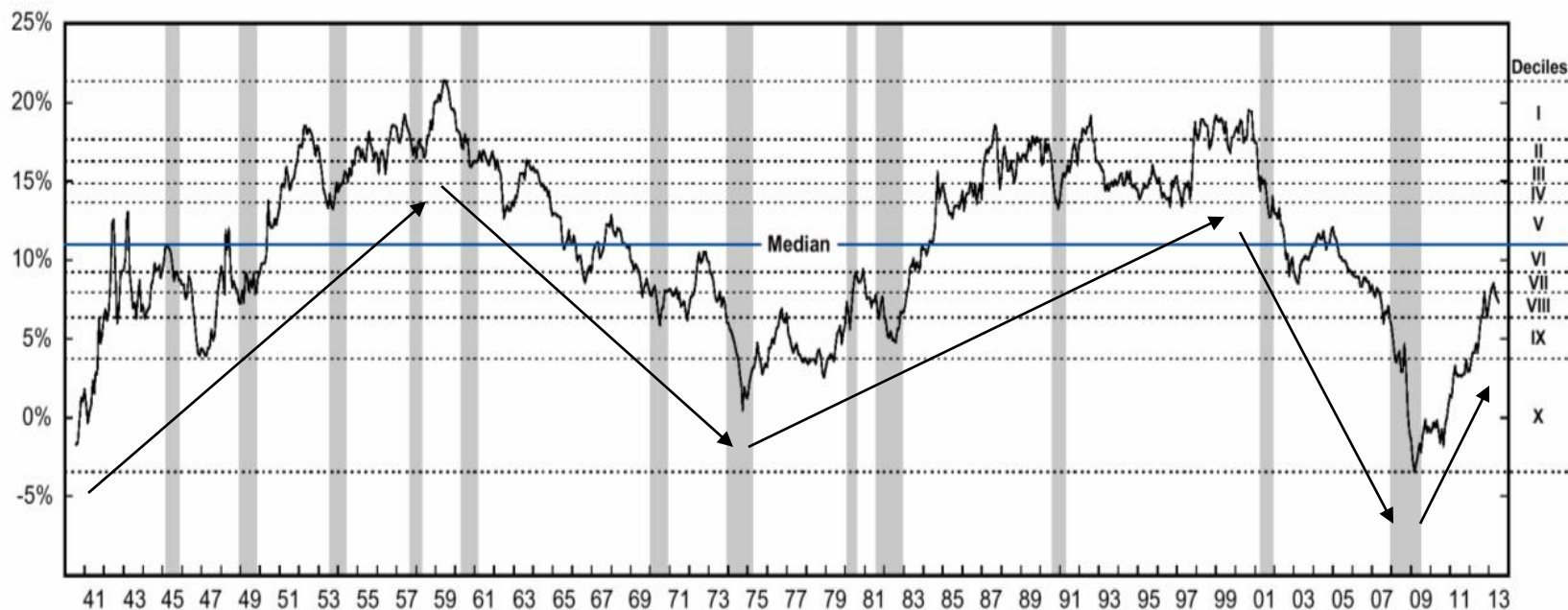
MARKET VALUATION

October 31, 2013 S&P 500 Closing Value 1756

| P/E | EPS | | | | | | | | |
|------|------|------|-------|-------|-------|-------|-------|-------|-------|
| | \$90 | \$95 | \$100 | \$105 | \$110 | \$115 | \$120 | \$125 | \$130 |
| 10.0 | 900 | 950 | 1000 | 1050 | 1100 | 1150 | 1200 | 1250 | 1300 |
| 11.0 | 990 | 1045 | 1100 | 1155 | 1210 | 1265 | 1320 | 1375 | 1430 |
| 12.0 | 1080 | 1140 | 1200 | 1260 | 1320 | 1380 | 1440 | 1500 | 1560 |
| 13.0 | 1170 | 1235 | 1300 | 1365 | 1430 | 1495 | 1560 | 1625 | 1690 |
| 14.0 | 1260 | 1330 | 1400 | 1470 | 1540 | 1610 | 1680 | 1750 | 1820 |
| 15.0 | 1350 | 1425 | 1500 | 1575 | 1650 | 1725 | 1800 | 1875 | 1950 |
| 16.0 | 1440 | 1520 | 1600 | 1680 | 1760 | 1840 | 1920 | 2000 | 2080 |
| 17.0 | 1530 | 1615 | 1700 | 1785 | 1870 | 1955 | 2040 | 2125 | 2210 |
| 18.0 | 1620 | 1710 | 1800 | 1890 | 1980 | 2070 | 2160 | 2250 | 2340 |
| 19.0 | 1710 | 1805 | 1900 | 1995 | 2090 | 2185 | 2280 | 2375 | 2470 |
| 20.0 | 1800 | 1900 | 2000 | 2100 | 2200 | 2300 | 2400 | 2500 | 2600 |

STANDARD & POOR'S 500 STOCK INDEX

10 Year Annualized Returns



Shaded areas represent recessionary periods.

Data: Rolling 10 year compound annual rates (Total Return) using monthly data, 876 observations.

Sources: Standard & Poor's Corporation; Crandall, Pierce & Company.



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ASC LARGE CAP EQUITY COMPOSITE

Independent Accountant's Report

Members of the Investment Policy Committee
Atlanta Sosnoff Capital, LLC:



We have examined whether (1) Atlanta Sosnoff Capital, LLC (the "Firm") has complied with all the composite construction requirements of the Global Investment Performance Standards (GIPS® standards) on a firm-wide basis for the periods from January 1, 1990, to June 30, 2013, and (2) the Firm's policies and procedures are designed to calculate and present performance results in compliance with the GIPS standards as of June 30, 2013. We have also examined the accompanying performance presentation and Annual Disclosure Presentation of the Firm's **Large Cap Equity Composite** for the periods from January 1, 1990, to June 30, 2013. The Firm's management is responsible for compliance with the GIPS standards, the design of its policies and procedures and for the Quarterly Performance and Annual Disclosure Presentations. Our responsibility is to express an opinion based on our examination.

Scope of Work

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Firm's compliance with the previously mentioned requirements; evaluating the design of the Firm's policies and procedures previously referred to; examining, on a test basis, evidence supporting the accompanying composite compliant presentation; and performing the procedures for a verification and performance examination required by the GIPS standards and such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

Opinion

In our opinion, in all material respects,

- the Firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods from January 1, 1990, to June 30, 2013; and
- the Firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards as of June 30, 2013.

Also, in our opinion, in all material respects, the Firm has

- constructed the **Large Cap Equity Composite** and calculated the **Large Cap Equity Composite** performance for the periods from January 1, 1990, to June 30, 2013, in compliance with the GIPS standards; and
- prepared and presented the Annual Disclosure Presentation of the Firm's **Large Cap Equity Composite** for the periods from January 1, 1990, to June 30, 2013, in compliance with the GIPS standards.

This report does not contain an opinion on the accuracy of any composite presentation of the Firm other than the Annual Disclosure Presentation of the Firm's **Large Cap Equity Composite** for the periods from January 1, 1990, to June 30, 2013.

Ashland Partners + Company LLP
Ashland Partners & Company LLP
September 11, 2013

GIPS® Verification • Performance Examination
SSAE No. 16 Exam • Attestation Services • Consulting



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ASC LARGE CAP EQUITY COMPOSITE

Annual Disclosure Presentation

| Year End | Total Firm Assets (millions) | Composite Assets | | Annual Performance Results | | | | 3 Year Annualized Standard Deviation | |
|----------|------------------------------|-------------------------|--------------------|----------------------------|---------------|----------|----------------------|--------------------------------------|---------|
| | | U.S. Dollars (millions) | Number of Accounts | Composite Gross | Composite Net | S&P 500 | Composite Dispersion | Composite | S&P 500 |
| 2012 | 5,507 | 932 | 53 | 15.95% | 15.41% | 16.00% | 0.6% | 16.04% | 15.09% |
| 2011 | 7,848 | 1,767 | 78 | (7.97%) | (8.39%) | 2.12% | 0.5% | 17.74% | 18.70% |
| 2010 | 11,900 | 2,806 | 173 | 6.93% | 6.42% | 15.06% | 0.6% | 20.05% | 21.85% |
| 2009 | 10,047 | 2,190 | 130 | 33.02% | 32.34% | 26.46% | 1.0% | 17.96% | 19.63% |
| 2008 | 6,471 | 1,345 | 114 | (35.10%) | (35.48%) | (37.00%) | 1.2% | | |
| 2007 | 8,703 | 1,791 | 99 | 14.68% | 14.10% | 5.49% | 0.9% | | |
| 2006 | 6,178 | 1,455 | 66 | 14.61% | 14.00% | 15.80% | 0.8% | | |
| 2005 | 4,254 | 1,150 | 56 | 19.67% | 19.02% | 4.91% | 1.2% | | |
| 2004 | 3,567 | 984 | 50 | 9.02% | 8.43% | 10.87% | 0.7% | | |
| 2003 | 2,922 | 889 | 37 | 25.91% | 25.29% | 28.69% | 1.4% | | |
| 2002 | 2,046 | 660 | 31 | (18.08%) | (18.54%) | (22.11%) | 1.2% | | |
| 2001 | 2,338 | 750 | 32 | (11.23%) | (11.72%) | (11.88%) | 1.4% | | |
| 2000 | 2,697 | 1,044 | 37 | (1.82%) | (2.37%) | (9.11%) | 1.6% | | |
| 1999 | 2,681 | 1,101 | 32 | 37.45% | 36.78% | 21.03% | 3.8% | | |
| 1998 | 2,397 | 1,014 | 27 | 30.93% | 30.25% | 28.56% | 1.7% | | |
| 1997 | 2,675 | 1,205 | 35 | 26.43% | 25.71% | 33.37% | 1.9% | | |
| 1996 | 2,756 | 854 | 50 | 11.29% | 10.55% | 22.96% | 1.3% | | |
| 1995 | 3,603 | 1,217 | 54 | 35.42% | 34.68% | 37.58% | 1.7% | | |
| 1994 | 2,750 | 891 | 47 | (2.95%) | (3.54%) | 1.31% | 1.0% | | |
| 1993 | 2,646 | 844 | 36 | 18.54% | 17.89% | 10.06% | 1.7% | | |
| 1992 | 2,063 | 670 | 30 | 5.26% | 4.66% | 7.62% | 1.4% | | |
| 1991 | 1,824 | 676 | 27 | 47.36% | 46.58% | 30.47% | 3.5% | | |
| 1990 | 1,276 | 472 | 23 | 0.11% | (0.53%) | (3.11%) | 1.6% | | |

To be read in conjunction with the Disclosures on the next page.



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ASC LARGE CAP EQUITY COMPOSITE

Annual Disclosure Presentation

Large Cap Equity Composite contains fully discretionary large cap institutional equity accounts. The strategy has focused on finding companies entering periods of earnings acceleration, where the growth rate looking forward is higher than in the past. This is predominately a fundamental bottom-up approach but takes into consideration macro factors when forming an investment opinion. The strategy will typically hold 40-55 stocks, diversified across 10-15 industries and 7-9 economic sectors. For comparison purposes the composite is measured against the S&P 500 Index. The composite account minimum is \$1 million prior to 2009 and \$500 thousand from 2009 forward.

Atalanta Sosnoff Capital, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Atalanta Sosnoff Capital, LLC has been independently verified for the periods January 1, 1990 through June 30, 2013.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Large Cap Equity composite was created January 1, 1982 and has been examined for the periods January 1, 1990 through June 30, 2013. The verification and performance examination reports are available upon request.

Atalanta Sosnoff Capital, LLC is a registered investment adviser and for GIPS purposes includes the assets of Atalanta Sosnoff Management, LLC also a registered investment adviser. On May 28, 2010, Evercore Partners, a leading independent investment banking advisory firm, acquired a 49% interest in Atalanta Sosnoff. The firm maintains a complete list and description of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance is calculated using actual management fees charged to the account. Additionally, the net of fee performance may be reduced further because of the inclusion of bundled fee accounts which include transaction costs, consulting fees and investment management fees. The percentage of the Large Cap Equity Composite that is made up of bundled fee accounts totals less than 1% for periods prior to 2012, and 7% at the end of 2012. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule is as follows: 1% on first \$20mm, 0.50% on next \$30mm, 0.30% on next \$50mm, 0.25% on next \$100mm, and 0.20% on assets greater than \$200mm. Actual investment advisory fees incurred by client may vary.

The S&P 500 Index measures the performance of large capitalization U.S. stocks. The S&P 500 is a market-value-weighted index of 500 stocks that are traded on the NYSE, AMEX and NASDAQ. The weightings make each company's influence on the Index's performance directly proportional to the company's value. The "500" is one of the most widely used benchmarks of US equity performance. The index does not reflect any initial or on-going expenses, but does reflect reinvestment of dividends and interest.



PERFORMANCE RECORD

| | Large Capitalization Equity Composite | | | | S&P 500 | |
|----------------------|---------------------------------------|------------|-------------|------------|-----------|------------|
| | Gross of Fees | | Net of Fees | | Per Annum | Cumulative |
| | Per Annum | Cumulative | Per Annum | Cumulative | | |
| Start-1/1/90 | | 100 | | 100 | | 100 |
| 1990 | 0.1% | 100 | -0.5% | 99 | -3.1% | 97 |
| 1991 | 47.4% | 148 | 46.6% | 146 | 30.5% | 126 |
| 1992 | 5.3% | 155 | 4.7% | 153 | 7.6% | 136 |
| 1993 | 18.5% | 184 | 17.9% | 180 | 10.1% | 150 |
| 1994 | -3.0% | 179 | -3.5% | 174 | 1.3% | 152 |
| 1995 | 35.4% | 242 | 34.7% | 234 | 37.6% | 209 |
| 1996 | 11.3% | 269 | 10.6% | 258 | 23.0% | 257 |
| 1997 | 26.4% | 340 | 25.7% | 325 | 33.4% | 342 |
| 1998 | 30.9% | 446 | 30.3% | 423 | 28.6% | 440 |
| 1999 | 37.5% | 613 | 36.8% | 579 | 21.0% | 533 |
| 2000 | -1.8% | 601 | -2.4% | 565 | -9.1% | 484 |
| 2001 | -11.2% | 534 | -11.7% | 499 | -11.9% | 427 |
| 2002 | -18.1% | 437 | -18.5% | 406 | -22.1% | 332 |
| 2003 | 25.9% | 551 | 25.3% | 509 | 28.7% | 428 |
| 2004 | 9.0% | 600 | 8.4% | 552 | 10.9% | 474 |
| 2005 | 19.7% | 719 | 19.0% | 657 | 4.9% | 497 |
| 2006 | 14.6% | 824 | 14.0% | 749 | 15.8% | 576 |
| 2007 | 14.7% | 944 | 14.1% | 854 | 5.5% | 608 |
| 2008 | -35.1% | 613 | -35.5% | 551 | -37.0% | 383 |
| 2009 | 33.0% | 815 | 32.3% | 730 | 26.5% | 484 |
| 2010 | 6.9% | 872 | 6.4% | 776 | 15.1% | 557 |
| 2011 | -8.0% | 802 | -8.4% | 711 | 2.1% | 569 |
| 2012 | 16.0% | 930 | 15.4% | 821 | 16.0% | 660 |
| Year to Date 9/30/13 | 21.4% | 1,130 | 21.1% | 994 | 19.8% | 790 |

| Annualized Return | Large Capitalization Equity Composite | | S&P 500 |
|--------------------------------------|---------------------------------------|-------------|---------|
| | Gross of Fees | Net of Fees | |
| 23 ³ / ₄ Years | 10.8% | 10.2% | 9.1% |

ASC Large Cap Equity performance is preliminary, asset weighted and gross of fees. See Notes to Large Capitalization Equity Composite Performance.



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NOTES TO THE LARGE CAPITALIZATION EQUITY COMPOSITE

Atalanta Sosnoff Capital, LLC claims compliance with the Global Investment Performance Standards (GIPS®).

- (1) Atalanta Sosnoff Capital, LLC is a registered investment adviser and for GIPS purposes includes the assets of Atalanta Sosnoff Management, LLC also a registered investment adviser. On May 28, 2010, Evercore Partners, a leading independent investment banking advisory firm, acquired a 49% interest in Atalanta Sosnoff. The firm maintains a complete list and description of composites, which is available upon request.
- (2) The U.S. Dollar is the currency used to express performance. Performance figures reflect the performance of a composite of our non-restricted institutional large capitalization core equity accounts, including reinvested dividends, and is presented before (Gross) and after (Net) investment advisory fees are considered. The composite of large capitalization core equity accounts consists of discretionary accounts managed under an equity only mandate. Prior to 2010, the composite also includes discretionary accounts where equity securities average 80% or more of the total market value of the account. Non-restricted equity accounts consist of client accounts where no significant investment restrictions have been imposed on the management of their assets. As of June 30, 2013, this composite includes 48 portfolios representing \$896 million in assets under management, or 16% of total assets under management.
- (3) For comparison purposes the composite is measured against the S&P 500 Index. Prior to 2009, the composite includes institutional accounts of \$1 million or more from their first full quarter under management, including those accounts no longer with the firm. In 2009, the composite includes institutional accounts of \$500,000 or more from their first full quarter under management, including those accounts no longer with the firm. From 2010 forward, the composite includes institutional accounts of \$500,000 or more from their first full month under management, including those accounts no longer with the firm. Data from all accounts has been continuous from their inception to the present or until their last full month prior to termination of the account relationship with the firm.
- (4) No alterations of composites as presented here have occurred due to changes in personnel or other reasons at any time.
- (5) The composite does not include non-manager costs associated with an account, such as custodial or other fees. The composite does reflect all commission costs.
- (6) **RESULTS FOR INDIVIDUAL ACCOUNTS MAY VARY AND PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.**
- (7) Atalanta Sosnoff Capital, LLC has been verified firm-wide from January 1, 1990 through June 30, 2013 by Ashland Partners & Company LLP. The Large Cap Core Equity Composite has undergone a performance examination starting January 1, 1990. Their opinion letter is available upon request.
- (8) A complete list of all composites is also available upon request.

The S&P 500 Index measures the performance of large capitalization U.S. stocks. The S&P 500 is a market-value-weighted index of 500 stocks that are traded on the NYSE, AMEX and NASDAQ. The weightings make each company's influence on the Index's performance directly proportional to the company's value. The "500" is one of the most widely used benchmarks of US equity performance. The index does not reflect any initial or on-going expenses, but does reflect reinvestment of dividends and interest.

