

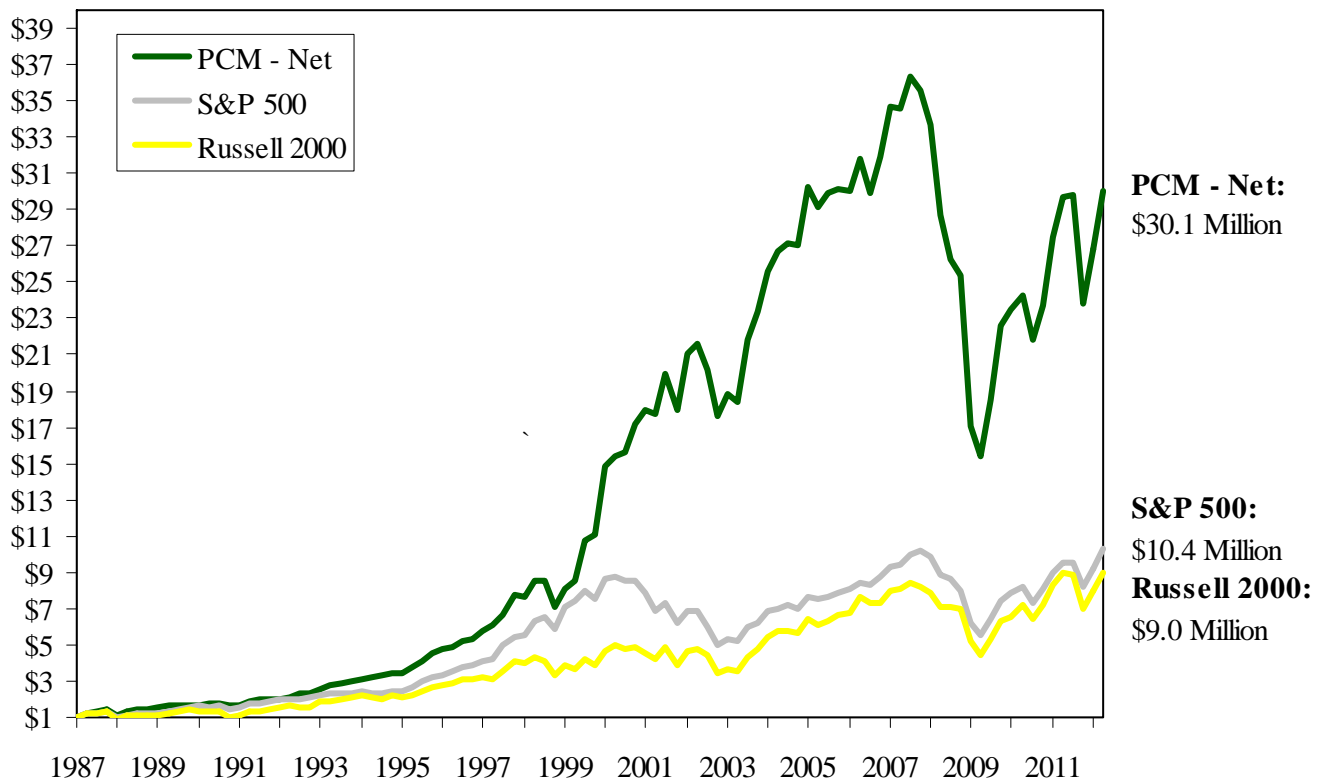
PCM Performance History - Since Inception

December 31, 1986 – March 31, 2012

	<u>Annualized Return</u>	<u>Cumulative Return</u>
<i>PCM Commission Fee Composite – Net:</i>	14.43%	2,905.78%
S&P 500:	9.70%	935.50%
Russell 2000:	9.09%	799.92%

GROWTH OF \$1 MILLION

Performance: cumulative / time-weighted (12/31/86 - 3/31/12)



Composite returns for the most recent quarter are preliminary subject to verification by PCM's external GIPS auditor. Returns for the period 1987 – 1992 are provided as supplemental information only. These returns reflect the performance of PCM's firm-wide equity holdings for client accounts and do not include fixed income or cash allocations. Please see the provided Explanation of Performance. Past performance does not guarantee future results. Individual account performance will vary.

EXPLANATION OF PERFORMANCE

Private Capital Management, L.P. (collectively with its predecessor firm, Private Capital Management, Inc., "PCM"), is a registered investment adviser under the Investment Advisers Act of 1940. Since 2001, PCM has been a wholly owned subsidiary of Legg Mason, Inc. PCM manages client portfolios (including separate accounts and several pooled vehicles) using a value investment style and may invest in companies of any market capitalization. PCM invests client assets primarily in publicly traded equity securities of U.S. based companies.

I. PRESENTATION DESCRIPTION.

The Commission Fee Account Total Return Composite contains fully discretionary long and short core equity accounts managed by PCM. The composite's investment philosophy focuses on under-valued companies (over-valued in the case of short positions) based on PCM's proprietary investment analysis, including an analysis of the companies' free cash flow and other relevant factors. The composite includes accounts that permit use of leverage (principally short sales), which can carry higher comparative risk. Throughout the composite's history the use of leverage has not been a primary investment strategy. During the specific periods when leverage has been utilized, it has amounted to less than 10% of gross composite assets. The use of margin (or other use of leverage) occurs only for client accounts that authorize its use. PCM does not limit its clients' ability to restrict the use of leverage in their accounts.

Effective June 30, 2009, PCM's primary benchmark for comparison purposes was changed to the S&P 500. The Russell 3000 was the primary benchmark for the period January 1, 2006 through June 30, 2009, but is no longer being shown as PCM believes that the S&P 500 is a benchmark that is more widely used and understood by the investment community. Prior to January 1, 2006, PCM's primary benchmark for comparison purposes was the Russell 2000 Index. The composite does not have an investment goal of achieving returns that correlate with any particular benchmark over the long term.

PCM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. PCM has been independently verified for the periods January 1, 1993 through March 31, 2012. Verification assesses whether (i) a firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (ii) whether the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Commission Fee Account Total Return composite has been examined for the periods January 1, 1997 through March 31, 2012. The verification and performance examination reports are available upon request.

Performance for periods prior to January 1, 1993 is shown as supplemental information and is not in compliance with GIPS. Returns for those periods reflect PCM's firm-wide equity holdings for client accounts and do not include fixed income or cash allocations.

Year End	PCM Net	PCM Gross	Russell 2000	S&P 500	# of Accounts	Total Firm Assets**	Composite Assets**	Composite Dispersion	PCM Net	S&P 500	PCM Gross	
Q1 2012	12.21%	12.48%	12.44%	12.59%	284	1,596	1,349		1 Year*	1.3%	8.5%	2.1%
2011	-2.33%	-1.52%	-4.18%	2.11%	301	1,529	1,298	1.02%	3 Year*	24.9%	23.4%	26.0%
2010	16.87%	17.90%	26.85%	15.06%	322	1,683	1,405	3.10%	5 Year*	-2.8%	2.0%	-1.8%
2009	37.81%	39.05%	27.17%	26.46%	386	1,792	1,414	8.91%	10 Year*	3.3%	4.1%	4.3%
2008	-49.36%	-48.80%	-33.79%	-37.03%	633	2,560	1,967	4.06%	15 Year*	11.2%	6.1%	12.2%
2007	-2.96%	-2.08%	-1.57%	5.48%	1,441	15,757	10,906	2.18%				
2006	15.56%	16.60%	18.37%	15.80%	1,876	25,138	16,999	1.97%				
2005	-0.79%	0.07%	4.55%	4.88%	2,382	30,478	20,698	1.81%				
2004	18.13%	19.11%	18.33%	10.92%	2,328	32,162	22,519	2.70%				
2003	35.55%	36.65%	47.25%	28.62%	1,886	21,540	15,879	4.05%				
2002	-10.15%	-9.40%	-20.48%	-22.15%	1,388	11,485	8,820	3.32%				
2001	17.16%	18.12%	2.49%	-11.91%	1,006	10,550	8,274	3.39%				
2000	20.49%	21.58%	-3.02%	-9.15%	702	6,617	5,092	5.62%				
1999	82.70%	84.53%	21.26%	21.03%	538	4,949	3,878	13.40%				
1998	6.20%	7.23%	-2.55%	28.57%	491	2,454	1,894	3.42%				
1997	31.94%	33.35%	22.36%	33.34%	420	2,124	1,540	3.85%				
1996	22.93%	24.07%	16.49%	22.99%	312	1,244	952	6.49%				
1995	37.60%	38.78%	28.45%	37.53%	265	847	635	4.91%				
1994	11.21%	12.23%	-1.82%	1.27%	148	379	248	5.12%				
1993	21.37%	22.49%	18.88%	10.05%	89	259	139	5.58%				

** Assets in millions, U.S. Dollars.

* Trailing returns are provided as of 3/31/12.

The firm maintains a complete list of composite descriptions, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance is presented gross of foreign withholding taxes on dividends. Withholding taxes may vary according to the investor's domicile.

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. Both gross and net returns were calculated using actual brokerage commissions. Net of fee performance was calculated using actual management fees charged by PCM but does not reflect the deduction of expenses for custody, consulting or other service providers retained directly by clients. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding policies for valuing portfolios, calculating performance, and preparing Compliant Presentations are available upon request.

The standard investment management fee schedule for the composite is 1%. Actual investment advisory fees incurred by clients may vary.

The 2011 three-year annualized ex-post standard deviation of the composite is 23.42% compared to 18.70% for the S&P 500 and 24.99% for the Russell 2000. As of 3/31/12, the three-year annualized ex-post standard deviation of the composite is 20.68% compared to 16% for the S&P 500 and 22.26% for the Russell 2000.

The Commission Fee Account Total Return Composite was created August 1, 2007.

II. IMPORTANT PERFORMANCE DISCLOSURES.

1. Past performance is no guarantee of future results. No assurance can be given that an investor will not lose invested capital.
2. Individual account performance will vary.
3. PCM gross returns do not reflect the payment of investment management fees.

III. INDEX DESCRIPTIONS.

The S&P 500, a market-value weighted index of 500 stocks chosen for market size, liquidity and industry group representation, and the Russell 2000, the 2,000 smallest companies in the Russell 3000 Index (the 3,000 largest U.S. companies based on total market capitalization) are non-managed indices that do not accrue advisory or transactional expenses. Index performance data is sourced from Interactive Data Corporation. Market capitalization is the value of a corporation as determined by the market price of its issued and outstanding shares of common stock.

IV. ADDITIONAL INFORMATION.

Additional important information you should consider before investing with PCM is contained in PCM's Form ADV Part 2A. A copy of PCM's Form ADV Part 2A and other materials relating to PCM are available on PCM's website at www.private-cap.com.