

Small Cap Fund

As of June 30, 2020



DIAMOND HILL FUNDS

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

Aaron Monroe, CFA
Portfolio Manager

Chris Welch, CFA
Portfolio Manager

PORTFOLIO GUIDELINES

Fund Guidelines

- Typically 50-80 positions
- Maximum sector exposure is 30%

Market Capitalization

The Fund typically invests at least 80% of its net assets in small capitalization companies, defined as those companies with a market capitalization below \$3.0 billion (or, if greater, the maximum market capitalization of companies generally within the capitalization range of the Russell 2000 Index) at the time of purchase.

TOP TEN EQUITY HOLDINGS

Vail Resorts, Inc.	Cons. Discretionary	4.3%
Cal-Maine Foods, Inc.	Consumer Staples	4.3
Bank OZK	Financials	4.1
Sterling Bancorp	Financials	3.9
CubeSmart	Real Estate	3.5
WNS Holdings Ltd.	Info. Technology	3.3
Enstar Group Ltd.	Financials	3.1
Post Holdings, Inc.	Consumer Staples	3.0
Live Nation Entertainment, Inc.	Communication Services	2.9
Colfax Corp.	Industrials	2.9
Total as % of Net Assets		35.4%

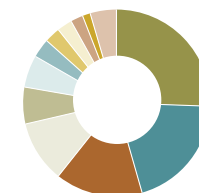
BEST & WORST PERFORMERS²

SECURITY NAME	2Q20 CONTRIBUTION	POSITION AS OF 2Q20
Best		
Bank OZK	1.2%	4.1%
Vail Resorts, Inc.	1.2	4.3
Colfax Corp.	1.1	2.9
Aaron's, Inc.	0.9	1.7
WPX Energy, Inc.	0.9	0.0
Worst		
ProAssurance Corp.	-1.2%	1.8%
Live Nation Entertainment, Inc.	-0.4	2.9
Enstar Group Ltd.	-0.3	3.1
Sanmina-SCI Corp.	-0.1	1.3
First of Long Island Corp.	-0.1	0.8

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.

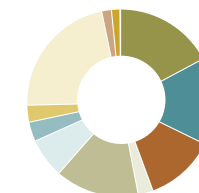
SECTOR ALLOCATION³

Small Cap Fund



Financials	23.5%
Industrials	18.6
Cons. Discretionary	14.3
Consumer Staples	10.4
Info. Technology	6.6
Real Estate	5.9
Materials	3.9
Utilities	3.4
Health Care	3.3
Communication Services	2.9
Energy	2.2
Cash & Other	5.0

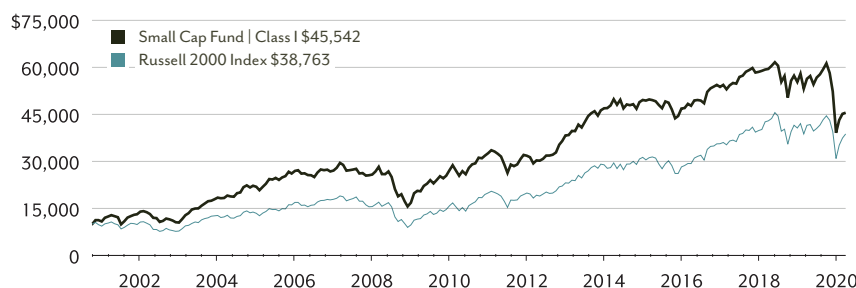
Russell 2000 Index



Financials	16.3%
Industrials	14.4
Cons. Discretionary	11.8
Consumer Staples	3.3
Info. Technology	13.9
Real Estate	7.1
Materials	4.0
Utilities	3.6
Health Care	20.7
Communication Services	2.5
Energy	2.3
Cash & Other	0.0

³ Cash & Other may include cash, treasuries, money market funds, and short duration fixed income funds.

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	8.08%	6.00%	-1.67%	-5.68%	-19.20%	-25.68%	16.42%
BENCHMARK							
Russell 2000 Index	7.19	10.50	4.29	2.01	-6.63	-12.98	25.42
Russell 2000 Value Index	7.03	7.82	1.26	-4.35	-17.48	-23.50	18.91

CALENDAR YEAR RETURNS (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Class I	23.39	-6.91	13.17	40.08	4.86	-3.47	14.45	10.95	-14.88	21.75
Russell 2000 Index	26.85	-4.18	16.35	38.82	4.89	-4.41	21.31	14.65	-11.01	25.52
Russell 2000 Value Index	24.50	-5.50	18.05	34.52	4.22	-7.47	31.74	7.84	-12.86	22.39

FEES AND EXPENSES

	CLASS I
Ticker	DHSIX
CUSIP	25264S858
Minimum Initial Investment	\$2,500
Maximum Front-End Sales Charge	None
Management Fee	0.80%
Distribution Fee (12b-1)	None
Other Expenses	0.17%
Expense Ratio	0.97%

PORTFOLIO STATISTICS

Inception	December 29, 2000
Total Net Assets	\$457M
Distributions	Annual
Median Market Capitalization	\$3.2B
Portfolio Turnover (12 months trailing)	23%
Active Share⁴	98%
Number of Equity Holdings in Portfolio	54

RISK STATISTICS⁴ (CLASS I SHARES)

	SINCE INCEPTION	5-YR
Standard Deviation (%)	17.89	18.66
Beta (%)	0.84	0.87
Sharpe Ratio	0.45	-0.05
Alpha (%)	1.67	-5.49
R-squared (%)	86.46	90.21
Upside / Downside Capture Ratio vs. Core Benchmark⁵ (%)		
	85 / 78	71 / 91
Upside / Downside Capture Ratio vs. Value Benchmark⁵ (%)		
	90 / 83	75 / 86

MORNINGSTAR CLASSIFICATION

Small Value

LIPPER CLASSIFICATION

Small-Cap Core

Risk Disclosure: There are specialized risks associated with small 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. Class I shares include Class A share performance achieved prior to the creation of Class I shares.

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

The Russell 2000 Index is an unmanaged market capitalization-weighted index comprised of the smallest 2,000 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 2000 Value Index is an unmanaged market capitalization-weighted index measuring the performance of the small cap value segment of the U.S. equity universe including those Russell 2000 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.

⁴ **Key Definitions:** **Active Share** measures the difference between portfolio holdings and the benchmark. The higher the active share, the greater the difference. **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 2000 Index.

⁵ The Russell 2000 Index is the core benchmark. The Russell 2000 Value Index is the value benchmark.

Side Two. Not Valid Without Side One.