

Long-Short Fund

As of 30 Sep 2022

DIAMOND HILL

INVESTED IN THE LONG RUN

Team

Chris Bingaman, CFA
Portfolio Manager

Nate Palmer, CFA, CPA
Portfolio Manager

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Asst. Portfolio Manager

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Portfolio Specialist

Tickers

Investor: DIAMX

Class I: DHLSX

Class Y: DIAYX

Philosophy and Process Highlights

We aim to identify long positions that outperform the Russell 1000 Index and short positions that underperform the index. Under our intrinsic value philosophy, we:

- Treat every investment as a partial ownership interest in that company
- Seek to invest at a discount to intrinsic value for long positions and at a premium to intrinsic value for short positions
- Possess a long-term investment temperament
- Recognize that market price and intrinsic value tend to converge over a reasonable period of time

Portfolio Guidelines

- A long-biased fund with typically 40-60 long positions and 20-45 short positions
- Total long positions are generally between 80-100% of net assets
- Total short positions are generally between 10-40% of net assets

Exposure Guidelines

- Maximum gross market exposure (long % + short %) = Up to 140%
- Target net market exposure (long % - short %) = 40-75%

Top Five Long Equity Holdings¹

	Sector	% of Net Assets
Alphabet, Inc. (CI A)	Communication Services	3.5
American International Group, Inc.	Financials	3.2
Microsoft Corp.	Info. Technology	2.7
KKR & Co., Inc. (CI A)	Financials	2.6
Humana, Inc.	Health Care	2.6

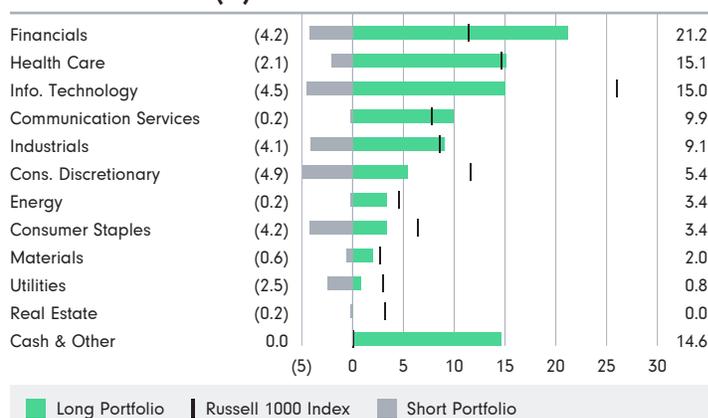
Top Five Short Equity Holdings¹

	Sector	% of Net Assets
Ormat Technologies, Inc.	Utilities	(1.8)
Commerce Bancshares, Inc.	Financials	(1.6)
Brown-Forman Corp. (CI B)	Consumer Staples	(1.6)
WD-40 Co.	Consumer Staples	(1.5)
United Parcel Service, Inc. (CI B)	Industrials	(1.3)

Best and Worst Performers (%)^{1,3}

	3Q22 Contribution	Ending Weight	
Best			
MultiPlan Corp. (CI A)	0.2	0.0	Short
WD-40 Co.	0.2	(1.5)	Short
HCA Healthcare, Inc.	0.2	1.6	Long
Waters Corp.	0.2	(0.6)	Short
United Parcel Service, Inc. (CI B)	0.2	(1.3)	Short
Worst			
Alphabet, Inc. (CI A)	-0.4	3.5	Long
Fidelity National Information Services, Inc.	-0.4	2.5	Long
Comcast Corp. (CI A)	-0.4	1.2	Long
SS&C Technologies Holdings, Inc.	-0.3	2.0	Long
Wolverine World Wide, Inc.	-0.3	1.2	Long

Sector Allocation (%)²



Morningstar Ratings™

Class I Shares | Long-Short Equity

Overall Rating⁴ ★★ ★

Fee level⁵ Below Average

The Overall Morningstar Rating™ among 178 Long-Short Equity funds is derived from a weighted average of the risk-adjusted performance figures associated with its 3-, 5- and 10-year periods Morningstar Ratings as of 30 September 2022.

Carefully consider the Fund's investment objectives, risks and expenses. This and other important information are contained in the Fund's prospectus and summary prospectus, which are available at diamond-hill.com or calling 888.226.5595. Read 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. Not FDIC insured | No bank guarantee | May lose value

¹ Securities referenced may not be representative of all portfolio holdings. The reader should not assume that an investment in the securities was or will be profitable.

² Cash & Other may include cash, treasuries, money market funds and short duration fixed income funds.

³ To obtain contribution calculation methodology and a complete list of every holding's contribution to return during the period, contact 855.255.8955 or info@diamond-hill.com.

⁴ The Fund's Class I rating was 2 stars among 178, 3 stars among 158 and 4 stars among 59 funds for the 3-, 5- and 10-year periods ended 30 September 2022. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star.

⁵ The Morningstar Broad Fee Level data point compares the fund's prospectus adjusted operating net expense ratio to the prospectus adjusted operating net expense ratio of all the other funds within its Morningstar Category. See Morningstar for fee level grouping methodology. © 2022 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Long-Short Fund

As of 30 Sep 2022

Period and Annualized Total Returns (%)	Since Inception (30 Jun 2000)	20Y	15Y	10Y	5Y	3Y	1Y	YTD	3Q22	Expense Ratio (%)	
										Gross	Net ⁶
Investor (DIAMX)	5.91	7.15	3.88	5.80	3.58	2.07	-10.43	-13.90	-5.31	1.95	1.94
Class I (DHLSX)	6.18	7.45	4.19	6.09	3.88	2.36	-10.18	-13.74	-5.25	1.66	1.65
Class Y (DIAYX)	6.12	7.39	4.19	6.22	4.00	2.48	-10.08	-13.66	-5.25	1.54	1.53
Russell 1000 Index	6.28	9.97	8.03	11.60	9.00	7.95	-17.22	-24.59	-4.61	—	—
60%/40% Blended Index	4.64	6.67	5.36	7.37	6.21	5.47	-9.98	-14.95	-2.38	—	—
Russell 1000 Value Index	6.78	8.67	5.71	9.17	5.29	4.36	-11.36	-17.75	-5.62	—	—

Past performance is not indicative of future results. Investment returns and principal values 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 quoted. For current to most recent month-end performance, visit diamond-hill.com. Performance assumes reinvestment of all distributions. Returns for periods less than one year are not annualized. Class I shares and Class Y shares include Investor share performance achieved prior to the creation of Class I shares and Class Y shares.

⁶ Includes dividend expense relating to short sales. If dividend expenses relating to short sales were excluded, the Expense Ratio for the Long-Short Fund would have been 1.37% for Investor, 1.08% for Class I and 0.96% for Class Y. The Fund may invest in another Diamond Hill Fund. Diamond Hill Capital Management, Inc. is required to permanently waive a portion of its management fee in the pro-rata amount of the management fee charged by the underlying Diamond Hill Fund.

Portfolio Characteristics

Management Fee	0.90%
Total Net Assets	\$1.8B
Distributions Long/(Short)	Annual
Median Market Capitalization	\$46.0B / (\$6.5B)
Portfolio Turnover (1Y) ⁷	51%
Number of Long/(Short) Holdings in Portfolio	55 / (44)
Long/(Short) Holdings (% of Net Assets)	85.4% / (27.8)%
Gross Exposure (Long + Short)	113%
Net Exposure (Long - Short)	58%

Five-Year Risk Statistics⁸ (Class I)

	vs Russell 1000 Index	vs 60%/40% Blended Index
Standard Deviation (%)	15.06	15.06
Beta (%)	0.72	1.20
Sharpe Ratio	0.25	0.25
Alpha (%)	-2.84	-2.79
R-squared (%)	78.10	78.03

Since Inception Upside/Downside Capture Ratio (%)⁸ (Class I)

vs Russell 1000 Index	72/64
vs 60%/40% Blended Index	117/110

Calendar Year Returns (%)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Class I	3.59	-23.36	18.39	0.03	3.29	8.77	23.19	7.55	-1.40	10.55	5.99	-7.04	23.11	-0.27	19.40
Russell 1000 Index	5.77	-37.60	28.43	16.10	1.50	16.42	33.11	13.24	0.92	12.05	21.69	-4.78	31.43	20.96	26.45
60%/40% Blended Index	5.48	-23.46	16.98	9.90	1.22	9.75	18.93	7.86	0.75	7.33	12.92	-1.92	19.15	13.30	15.35
Russell 1000 Value Index	-0.17	-36.85	19.69	15.51	0.39	17.51	32.53	13.45	-3.83	17.34	13.66	-8.27	26.54	2.80	25.16

Risk disclosure: The portfolio uses short selling which incurs significant additional risk. Theoretically, stocks sold short have the risk of unlimited losses. Overall equity market risks may affect the portfolio's value.

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

The Russell 1000 Index measures the performance of roughly 1,000 US large-cap companies. The Russell 1000 Value Index measures the performance of US large-cap companies with lower price/book ratios and forecasted growth values. The Long-Short Fund Blended Index represents a 60/40 weighted blend of the Russell 1000 Index and the Bloomberg US Treasury Bills 1-3 Month Index. The Russell 1000 Index measures the performance of roughly 1,000 US large-cap companies. The Bloomberg US Treasury Bills 1-3 Month Index measures the performance of US Treasury bills with time to maturity between 1 and 3 months. The indexes are unmanaged, market capitalization weighted, include net reinvested dividends, do not reflect fees or expenses (which would lower the return) and are not available for direct investment. Index data source: London Stock Exchange Group PLC and Bloomberg Services Limited. See diamond-hill.com/disclosures for a full copy of the disclaimer.

⁷ This calculation is the lesser of long buys plus short sales or long sales plus short covers divided by the average gross value of portfolio securities excluding cash equivalents.

⁸ **Standard Deviation** measures the volatility of a portfolio's returns. **Beta** measures a portfolio's sensitivity to market movements. **Sharpe Ratio** is the measure of risk-adjusted return of an investment portfolio. **Alpha** is the excess return of an investment relative to the index's return. **R-squared** represents the percentage of a portfolio's movements that can be explained by general market movements. **Up/Down Capture Ratio** is used to evaluate how well a portfolio performed relative to an index during periods when that index has risen/dropped. Statistics for periods less than one year are not annualized.