

LUTHER KING CAPITAL MANAGEMENT
LKCM SMID CAP EQUITY COMPOSITE
Third Quarter, 2019 Update



Performance **	3rd QTR 2019	YTD 2019	3 Years Annualized	5 Years Annualized	10 Years Annualized	Since Inception Annualized*
LKCM SMID Cap Equity Composite (gross)	(2.50%)	21.63%	11.92%	8.17%	11.65%	9.32%
LKCM SMID Cap Equity Composite (net)	(2.61%)	21.21%	11.34%	7.48%	10.73%	8.38%
Russell 2500 Index	(1.28%)	17.72%	9.51%	8.57%	12.22%	8.73%

Small to mid-sized companies, as measured by the Russell 2500, declined 1.3% in 3Q19. The market continues to consolidate the gains from earlier in the year. It was another choppy quarter and weakness in August was partially offset by positive performance in July and September. Trade dispute uncertainty and continued slowing in the manufacturing sector were the biggest concerns during the quarter.

The U.S. economy continues to grow about 2% annually led by the strength of the consumer. While the Index of Leading Indicators remains near its record highs, it has flattened out over the past year. The consumer remains healthy (robust job growth, high employment levels, solid wage gains, etc.) but the manufacturing economy has slowed. This is the third meaningful slowdown for the economy since the last recession. To help offset this weakness, and as we expected, the Federal Reserve cut the Fed Funds rate twice during the quarter which caused the yield curve to return to a more normal, positive slope. With both monetary and fiscal stimulus now firmly in place, we expect the economy to continue to grow for the foreseeable future and for corporate profits to continue to increase. Companies continue to use their profits and cash flow to buy back stock, increase dividends, and remain active in mergers and acquisitions, all which are supportive of the market.

We continue to be positive on the markets and, although valuations are a little above normal, the market should continue to follow earnings higher.

The benchmark saw more mixed performance at the sector level with six sectors declining and only five advancing. The best performing were the highest dividend sectors, Utilities and Real Estate. The weakest, by far, was once again the Energy sector. Defensive characteristics worked the best: low leverage, profitable, dividend paying, and low beta stocks were the best performers. As a result, Value stocks outperformed Growth stocks. Despite the 3Q19 setback, on a year-to-date basis, all sectors are positive (except the Energy sector) with Technology and Real Estate being the best performers. Year-to-date, market leadership has been driven by companies with larger market caps, higher return on equity, and ones that are more attractively valued.

The LKCM SMID Cap Equity Composite underperformed during 3Q19 but remains ahead of the benchmark on a year-to-date basis. For the quarter, both our stock selection and our sector allocation decisions detracted from our relative performance. The biggest factor was the market's rotation towards defensive, value stocks. Stock selection was a slight negative as positive results in the Industrials, Communications and Health Care sectors were more than offset by underperformance in the Consumer Discretionary, Financials and Technology sectors. Sector allocation decisions detracted as we were underweight the two best sectors, Utilities and Real Estate, and we were overweight the underperforming Health Care sector. On a year-to-date basis, we benefited from both our stock selection and our sector allocation decisions. Stock selection was significantly additive in the Industrials, Communications, Technology and Financials sectors. Our overweight to the best performing sector, Technology, was a positive to our sector allocation decisions. The only material detractors were our stock selection in the Consumer Discretionary sector and being overweight the Health Care sector. The strategy remains positioned for continued economic growth (overweight Technology, Industrials and Health Care) and is underweight the interest rate sensitive sectors (Financials and Utilities). As a high quality, Growth tilting investment strategy, we are not surprised with our 3Q19 results and are pleased with our first 9 months results.

Our investment strategy is to maximize our internal, research-intensive process and to identify competitively advantaged companies that generate strong financial returns with good reinvestment opportunities and purchase these stocks at attractive prices. We believe this strategy of investing in higher quality, competitively advantaged companies with viable strategies to increase the value of their businesses will continue to be beneficial for our investors. Our goal is to generate superior returns over time relative to our benchmark by consistently executing our strategy and to minimize the risk (volatility) of the portfolio with a focus on achieving long term capital appreciation.

* 4/1/05 – 9/30/19

** This presentation is supplemental to the attached full disclosure presentation. Past performance is not indicative of future results.

LKCM SMID CAP EQUITY COMPOSITE

September 30, 2019

CO-MANAGERS: STEVEN R. PURVIS, CFA
J. LUTHER KING, JR., CFA

INCEPTION: April 1, 2005

INVESTMENT STRATEGY: Provide superior performance with lower volatility relative to our benchmark with a focus on achieving long term capital appreciation through long-term investment in competitively-advantaged small-cap and mid-cap companies.

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TEN LARGEST HOLDINGS 09/30/2019 *	
MERCURY SYSTEMS INC	3.3 %
POOL CORPORATION	2.6 %
NEXSTAR MEDIA GROUP INC	2.4 %
PROOFPOINT INC	2.4 %
BUILDERS FIRSTSOURCE INC	2.2 %
HANOVER INS GROUP INC	2.1 %
HORIZON THERAPEUTICS PLC	2.1 %
AMERICAN CAMPUS COMMUNITIES REIT	2.1 %
OMNICELL	2.0 %
NEOGEN CORP	1.9 %
	23.2 %

*The largest ten holdings are at 09/30/2019 and may not reflect current holdings.

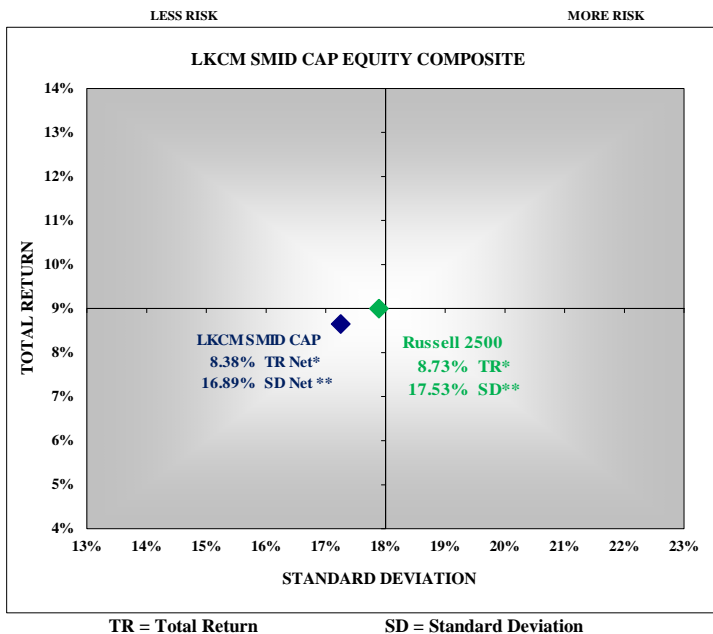
PORTFOLIO RESULTS	
(Benchmark - Russell 2500) □ (Since Inception)	
	Net
ALPHA	0.43%
BETA	0.91
R ²	90%

UP CAPTURE	92%
DOWN CAPTURE	92%

PORTFOLIO CHARACTERISTICS	
RETURN ON EQUITY (Median)	12%
LONG TERM DEBT TO TOTAL CAPITAL	31%
P/E FWD 4 Quarters (ex Neg-earnings)	22 x

WTD AVG. MARKET CAPITALIZATION	\$5,766 Million
TOTAL SMID CAP EQUITY COMPOSITE ASSETS	\$31 Million
#HOLDINGS	58
PORTFOLIO TURNOVER*	50%
ACTIVE SHARE	94%

*Turnover rate is based on a representative portfolio for a rolling one year period ending 09/30/2019



ATTRIBUTION (3Q 2019)				
	Avg. Portfolio Weight	Portfolio Contribution	Avg. Benchmark Weight	Benchmark Contribution
FINANCIALS	10.6%	-0.6	18.0%	0.1
HEALTH CARE	20.0%	-1.7	15.8%	-1.2
INDUSTRIALS	15.9%	0.6	14.9%	-0.1
INFORMATION TECHNOLOGY	22.6%	-0.7	13.8%	-0.2
CONSUMER DISCRETIONARY	8.5%	-0.9	12.2%	0.0
REAL ESTATE	6.6%	0.5	7.2%	0.7
ENERGY	2.1%	-0.5	4.3%	-0.6
MATERIALS	3.0%	0.1	3.9%	-0.1
UTILITIES	0.0%	0.0	3.6%	0.3
COMMUNICATION SERVICES	4.1%	0.0	3.4%	-0.2
CONSUMER STAPLES	0.7%	0.2	2.8%	0.1
CASH & EQUIVALENTS	6.0%	0.0	0.0%	0.0
TOTAL PORTFOLIO	100.0%	-2.9	100.0%	-1.3

Source: Thomson Reuters (Refinitiv). Performance results calculated by Refinitiv may differ significantly from those calculated by LKCM due to differences in methodology for transaction pricing and accounting for capital transactions.

*Total Net Return Since Inception (4/01/05 to 09/30/2019) Annualized

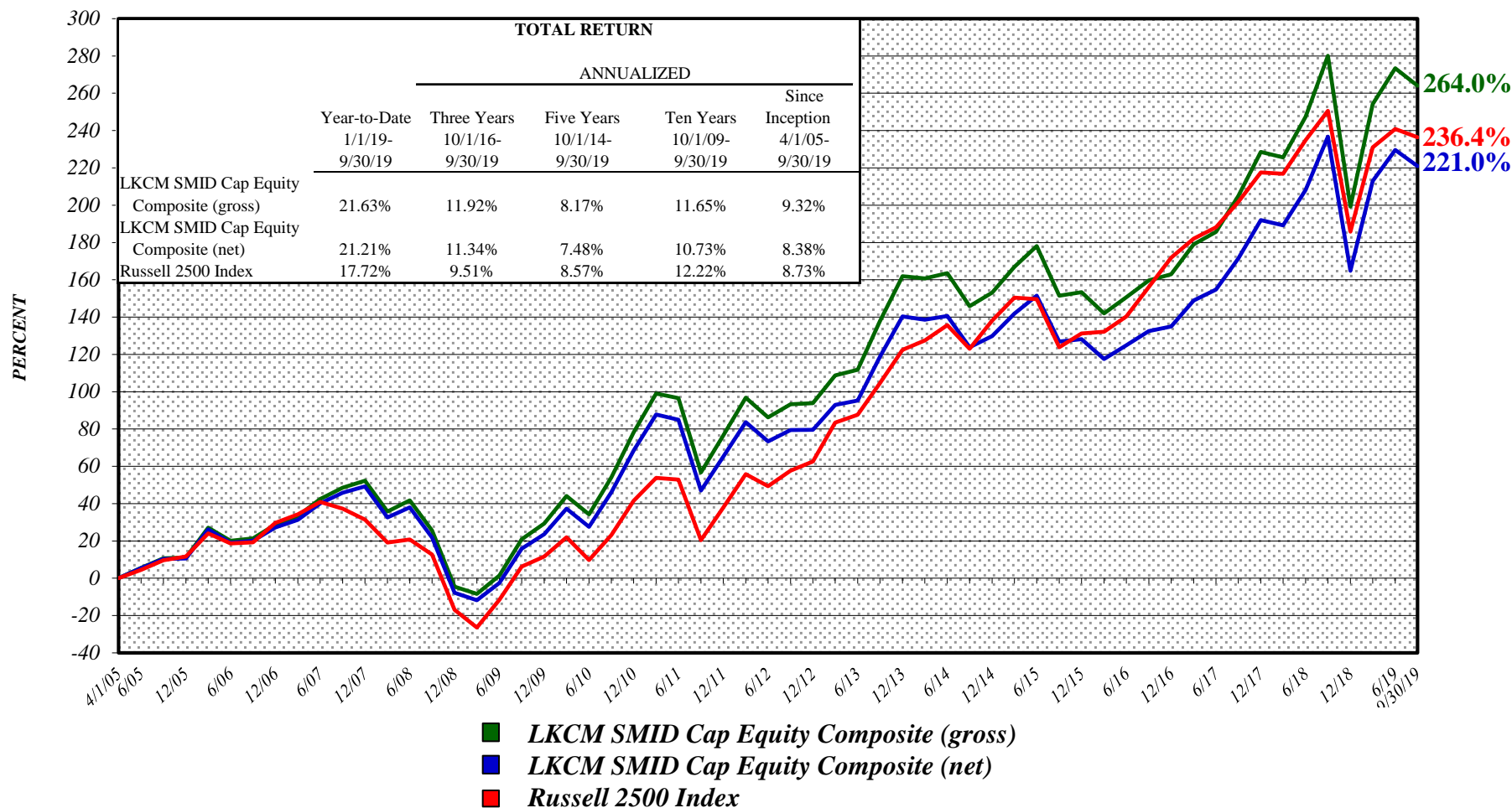
**Standard deviation and performance characteristics reporting period (4/01/05 to 09/30/2019)

This presentation is supplemental to the attached full disclosure presentation. Past performance is not indicative of future results.

Sources: LKCM Smid Cap Equity Composite, Zephyr Associates, Inc., Thomson Reuters (Refinitiv)

LKCM SMID Cap Equity Composite

Cumulative Returns Since Inception (4/1/05 – 9/30/19)



*The performance results should be reviewed along with the attached full disclosure presentation.
Past performance is not indicative of future results.*

LUTHER KING CAPITAL MANAGEMENT

SMID CAP EQUITY COMPOSITE

FULL DISCLOSURE PRESENTATION AS OF SEPTEMBER 30, 2019

Year	Total Return		Russell 2500 Index	SMID Cap Eq Comp Annual Standard Deviation	3-Year Annualized Gross Standard Deviation		Number of Accounts	SMID Cap Eq Composite Assets (millions)	Total Firm Assets (billions)
	Gross	Net			SMID Cap	Russell			
	of Fees	of Fees			Eq Comp	2500 Index			
2019 (1/1-9/30)	21.63 %	21.21 %	17.72 %	NA %	NA %	NA %	5	31	17.2
2018	-8.89	-9.33	-10.00	0.1	14.48	14.10	5	28	14.5
2017	24.92	24.29	16.81	0.7	11.82	12.13	6	40	15.3
2016	3.81	2.97	17.59	1.2	13.24	13.67	9	66	13.1
2015	0.10	-0.68	-2.90	0.8	13.13	12.42	16	453	13.1
2014	-3.41	-4.40	7.07	0.3	12.04	11.67	23	557	15.0
2013	35.15	33.88	36.80	0.3	15.87	15.63	29	704	14.7
2012	9.77	8.68	17.88	0.5	19.47	18.97	24	511	11.4
2011	-0.90	-1.95	-2.51	0.8	20.99	23.40	22	214	8.8
2010	37.71	36.31	26.71	0.8	NA	NA	17	178	8.1
2009	35.52	34.04	34.39	0.8	NA	NA	11	121	7.0

NA – Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year and/or the period is a partial year and/or the information was not required.

Luther King Capital Management (LKCM) is a registered investment adviser under the Investment Advisers Act of 1940 and is defined as an independent investment management firm. LKCM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. LKCM has been independently verified for the periods January 1, 1992 through December 31, 2018. 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 SMID Cap Equity Composite has been examined for the periods April 1, 2005 to December 31, 2018. The verification and performance examination reports are available upon request.

The SMID Cap Equity Composite contains all fully discretionary taxable and non-taxable, fee-paying small to mid-cap equity accounts under management, including applicable registered investment companies for which LKCM serves as investment adviser or subadviser. Our small-mid cap strategy seeks to achieve long-term capital appreciation and investment returns that exceed the applicable benchmark while attempting to manage portfolio risk and volatility. Our small-mid cap strategy seeks to achieve its investment objective through fundamental analysis of individual companies and seeks high quality companies based on various criteria, such as profitability levels, balance sheet quality, competitive advantages, market share positions, ability to generate excess cash flows, meaningful management ownership stakes, reinvestment opportunities, and relative valuation. The strategy typically purchases securities of companies with market capitalizations between \$1.25 billion and \$12 billion at the initial time of purchase. For comparison purposes, the composite is measured against the Russell 2500 Index, which is a market capitalization weighted index that measures the performance of the 2500 smallest companies in the Russell 3000 Index. It includes only common stocks incorporated in the U.S. and its territories.

April 1, 2005 is the effective creation date of the SMID Cap Equity Composite. During December 2006, the composite name was changed from SMID Composite to SMID Cap Equity Composite to more accurately describe the strategy. Quarterly performance from April 1, 2005 to September 30, 2019 is available upon request. The annual standard deviation presented is an asset-weighted calculation of performance dispersion for accounts in the composite the entire year. The SMID Cap Equity Composite included portfolio(s) that pay a bundled fee, which includes all charges for trading costs, portfolio management, custody, and other administrative fees. The year-end percent of composite assets is as follows: 2008, 7.85%; 2009, 8.20%; 2010, 7.26%; 2011, 5.60%; 2012, 2.39%; 2013, 2.42%; 2014, 2.25%. Gross returns for bundled fee portfolio(s) are presented as supplemental information as they do not reflect the deduction of any trading costs, fees, or expenses. Net returns for bundled fee portfolio(s) reflect the deduction of all charges for trading costs, portfolio management, custody, and other administrative fees. The current management fee schedule for this composite is as follows: 1% on the first \$5,000,000; .75 of 1% on the next \$5,000,000; .50 of 1% above \$10,000,000; minimum annual fee \$30,000. Fees for registered investment companies for which LKCM serves as adviser or subadviser are calculated and paid quarterly in arrears, at annualized rates up to 0.75% of such fund's average daily net assets. In some instances, LKCM voluntarily waives these fees and/or reimburses the applicable fund in order to maintain a designated expense ratio. LKCM may adjust or otherwise negotiate management fees in its discretion and, therefore, clients may have a different fee schedule. For a complete list of our management fees, please see our Form ADV, Part 2A.

Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Effective January 2010, this composite is to stay over 80% invested in stocks at all times. Effective January 1, 2005, new accounts are added quarterly when the account is at least 75% invested and fully representative of investment style. Prior to January 1, 2005, accounts were added soon after inception on a quarterly basis and/or when considered fully representative of investment style. A complete list and description of the firm's composites is available upon request. Results are presented before taxes, both gross of management fees (which is net of commissions and other transaction costs) and net of actual management fees, and includes the reinvestment of all income. The U.S. dollar is the currency used to express performance. Past performance is not indicative of future results.

LUTHER KING CAPITAL MANAGEMENT
SMID CAP EQUITY COMPOSITE
PERFORMANCE RESULTS*
APRIL 1, 2005 – SEPTEMBER 30, 2019

	Total Return		Equities	Cash Equivalents	Russell 2500 Index
	Gross of Fees	Net of Fees			
Annualized Returns Ending 09/30/19					
1 Year	(4.22) %	(4.69) %	(4.37) %	1.84 %	(4.04) %
2 Years	9.27	8.74	9.88	1.13	5.59
3 Years	11.92	11.34	12.67	0.75	9.51
4 Years	9.69	9.05	10.64	0.57	10.72
5 Years	8.17	7.48	9.02	0.46	8.57
6 Years	7.34	6.59	8.03	0.39	8.64
7 Years	9.47	8.66	10.21	0.34	11.43
8 Years	11.10	10.25	11.85	0.30	13.70
9 Years	10.02	9.15	10.81	0.27	11.81
10 Years	11.65	10.73	12.54	0.25	12.22
11 Years	10.16	9.21	10.91	0.26	10.46
12 Years	7.76	6.80	8.14	0.51	7.75
13 Years	8.81	7.86	9.17	0.84	8.30
14 Years	8.88	7.92	9.20	1.07	8.34
14 1/2 Years	9.32	8.38	9.58	1.13	8.73

* The results shown above should be reviewed along with Luther King Capital Management's full disclosure presentation. If you have not received a copy of the full disclosure presentation, please contact Luther King Capital Management for a copy. Segment returns, equities only and cash only, are supplemental information to this composite. Past performance is not indicative of future results.

GLOSSARY OF TERMS

Alpha represents the excess return of the composite over the expected market return.

Beta measures the risk or volatility of the composite relative to the market as a whole.

R^2 measures the correlation of composite returns to the benchmark.

Up Capture measures the percentage of benchmark performance captured by the composite during up quarters.

Down Capture measures the percentage of benchmark performance captured by the composite during down quarters.

Growth investing is an investment style and investment strategy that is focused on the growth of an investor's capital. Those who follow the growth investing style - growth investors - typically invest in growth stocks or companies whose earnings are expected to grow at an above-average rate compared to its industry or the overall market.

Value investing is an investment strategy where stocks are selected that trade for less than their intrinsic values. Value investors actively seek stocks they believe the market has undervalued. Investors who use this strategy believe the market overreacts to good and bad news, resulting in stock price movements that do not correspond with a company's long-term fundamentals, giving an opportunity to profit when the price is deflated.