

Long-Short Fund *(closed to new investors)*

As of June 30, 2017



OBJECTIVE

Long-term capital appreciation by investing in companies selling for less than and shorting companies selling for more than our estimate of intrinsic value.

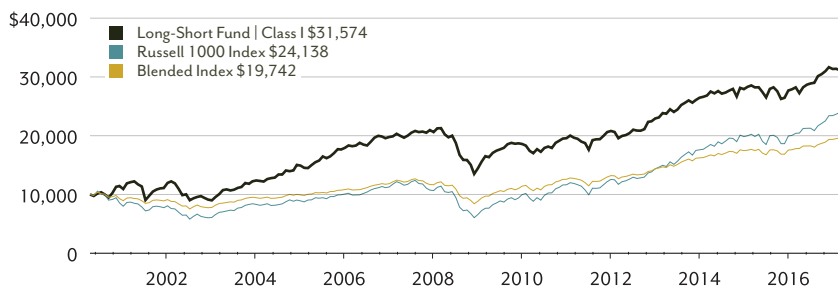
INVESTMENT STRATEGY

- To estimate intrinsic value, the business must be understandable, and we must be able to reasonably forecast its cash flows. For long positions, we seek businesses with sustainable competitive advantages, conservative balance sheets, and management with an ownership mentality. The inverse is often true for our short positions.
- Seek positive total returns on both long and short positions.
- The strategy maintains a long-bias; however the short positions reduce net exposure and therefore tend to reduce volatility compared to long-only funds.

PORTFOLIO MANAGEMENT

Chris Bingaman, CFA Portfolio Manager	Chuck Bath, CFA Asst. Portfolio Manager
Ric Dillon, CFA Portfolio Manager	Jason Downey, CFA Asst. Portfolio Manager

GROWTH OF \$10,000 SINCE INCEPTION^{1,2}



¹The 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.

²The Fund was long-only from inception through June 2002.

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 BHIL Distributors, 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.

PORTFOLIO GUIDELINES

Fund Guidelines

- A long-biased fund with typically 40–60 long positions and 20–40 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 HOLDINGS

Citigroup, Inc. Financials	4.0%
Abbott Laboratories Health Care	3.9
Alphabet, Inc. (CIA) Info. Technology	3.2
MetLife, Inc. Financials	2.9
United Continental Holdings, Inc. Industrials	2.6

TOP FIVE SHORT EQUITY HOLDINGS

Best Buy Co., Inc. Cons. Discretionary	(2.6)%
Boeing Co. Industrials	(2.3)
Arista Networks, Inc. Info. Technology	(1.8)
Cincinnati Financial Corp. Financials	(1.7)
McDonald's Corp. Cons. Discretionary	(1.5)

BEST & WORST PERFORMERS³

SECURITY NAME	2Q17 CONTRIBUTION	POSITION AS OF 2Q17
Best		
Citigroup, Inc.	0.5%	4.0% Long
Abbott Laboratories	0.4	3.9 Long
Alere, Inc.	0.3	1.2 Long
Alphabet, Inc. (CIA)	0.3	3.2 Long
Whirlpool Corp.	0.2	1.6 Long
Worst		
Cimarex Energy Co.	-0.5%	1.9% Long
Best Buy Co., Inc.	-0.4	(2.6) Short
Stamps.com, Inc.	-0.3	(1.3) Short
Boeing Co.	-0.3	(2.3) Short
Twenty-First Century Fox, Inc. (CI B)	-0.2	1.7 Long

³The 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 ALLOCATION⁴

	LONG PORTFOLIO	RUSSELL 1000 INDEX	SHORT PORTFOLIO
Financials	25.3%	14.7%	(4.4)%
Cons. Discretionary	17.5	13.1	(9.2)
Info. Technology	13.2	21.8	(4.0)
Industrials	9.8	10.5	(3.5)
Health Care	8.5	13.9	(2.7)
Consumer Staples	4.2	8.0	(1.6)
Energy	1.9	5.8	(0.8)
Materials	1.7	3.3	0.0
Utilities	0.0	3.1	(1.5)
Telecom	0.0	2.1	(0.5)
Real Estate	0.0	3.8	0.0
Cash & Other	18.0	0.0	0.0

⁴Cash & Other may include cash, treasuries, money market funds, and short duration fixed income funds.

PERIOD AND AVERAGE ANNUAL TOTAL RETURNS AS OF JUNE 30, 2017

	SINCE INCEPTION	10-YR	5-YR	3-YR	1-YR	YTD	2Q17
RETURNS AT NAV (WITHOUT SALES CHARGE)							
Class A	6.74%	4.36%	9.33%	4.40%	15.56%	3.41%	0.59%
Class C	5.93	3.57	8.51	3.62	14.75	3.02	0.43
Class I	7.00	4.68	9.61	4.69	15.92	3.58	0.69
Class Y	6.88	4.59	9.76	4.81	15.99	3.60	0.69
BENCHMARK							
Russell 1000 Index	5.32	7.29	14.67	9.26	18.03	9.27	3.06
60%/40% Blended Index	4.08	4.83	8.76	5.68	10.73	5.62	1.91
RETURNS AT POP (WITH SALES CHARGE)							
Class A	6.41	3.82	8.22	2.63	9.80	-1.75	-4.45
Class C	5.93	3.57	8.51	3.62	13.75	2.02	-0.57

CALENDAR YEAR RETURNS (%)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Class I	3.59	-23.36	18.39	0.03	3.29	8.77	23.19	7.55	-1.40	10.55
Russell 1000 Index	5.77	-37.60	28.43	16.10	1.50	16.42	33.11	13.24	0.92	12.05
60%/40% Blended Index	5.50	-23.47	16.98	9.90	1.22	9.75	18.93	7.86	0.75	7.32

FEES AND EXPENSES

	CLASS A	CLASS C	CLASS I	CLASS Y
Ticker	DIAMX	DHFCX	DHLSX	DIAYX
CUSIP	25264S403	25264E107	25264S833	25264S650
Minimum Initial Investment	\$2,500	\$2,500	\$2,500	\$500,000
Maximum Front-End Sales Charge	5.00%	None	None	None
Contingent Deferred Sales Charge	None	1.00%	None	None
Management Fee	0.90%	0.90%	0.90%	0.90%
Distribution Fee (12b-1)	0.25%	1.00%	None	None
Other Expenses	0.92%	0.92%	0.87%	0.77%
Expense Ratio⁵	2.07%	2.82%	1.77%	1.67%

⁵ 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 1.40% for Class A, 2.15% for Class C, 1.10% for Class I, and 1.00% for Class Y.

PORTFOLIO STATISTICS

Inception	June 30, 2000
Total Net Assets	\$4.8B
Distributions	Annual
Median Market Capitalization – Long / (Short)	\$24.0B / (\$9.7B)
Portfolio Turnover (12 months trailing)⁶	37%
Number of Long / (Short)	
Holdings in Portfolio	52 / (33)
Long / (Short) Holdings (% of Net Assets)	82.0% / (28.2%)
Gross Exposure (Long + Short)	110%
Net Exposure (Long – Short)	54%

⁶ 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.

SINCE INCEPTION RISK STATISTICS⁷
(CLASS I SHARES)

Standard Deviation (%)	12.99
Beta (%)	0.68
Sharpe Ratio	0.47
Alpha (%)	2.87
R-squared (%)	60.44
Upside / Downside Capture Ratio (%)	77 / 62

MORNINGSTAR CLASSIFICATION

Long-Short Equity

LIPPER CLASSIFICATION

Alternative Long-Short Equity

Risk Disclosure: The Fund 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 value of the fund.

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 C, Class I, and Class Y shares include Class A share performance achieved prior to the creation of Class C, Class I, and Class Y shares.

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

The Russell 1000 Index is an unmanaged market capitalization-weighted index comprised of the largest 1,000 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 blended index represents a 60% weighting of the Russell 1000 Index and a 40% weighting of the BofA Merrill Lynch U.S. T-Bill 0-3 Month Index. The BofA Merrill Lynch U.S. T-Bill 0-3 Month Index is comprised of U.S. dollar denominated U.S. Treasury Bills with a term to maturity of less than 3 months. These indexes do not incur fees and expenses (which would lower returns) and are not available for direct investment.

⁷ **Risk Statistic Definitions:** **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 1000 Index.

Side Two. Not Valid Without Side One.