

# Matrix Asset Advisors, Inc.

## Large Cap Opportunistic Value Equity

4<sup>th</sup> Quarter, 2016

Firm Information	
Product Contact:	Lon F. Birnholz
Address:	747 Third Avenue, 31 <sup>st</sup> Floor New York, NY 10017
Phone:	212-486-2004
Firm/Product Assets:	\$763 Million / \$428 Million
Product Accounts:	286
Investment Style:	Large Cap Opportunistic Value
Market Capitalization:	\$2 Billion or more
Decision Making:	Bottom-Up Stock Selection
Portfolio Manager:	David A. Katz, CFA
Manager Tenure:	1986
Manager Experience:	1984

Top 10 Holdings			
J.P. Morgan Chase	4.7%	CVS Health Corp.	3.6%
Wells Fargo & Co.	4.3%	Eaton Corp.	3.5%
Qualcomm	3.8%	Zimmer Biomet	3.4%
Microsoft Corp.	3.7%	Cisco Systems Inc.	3.3%
TE Connectivity Ltd.	3.6%	MetLife Inc.	3.3%

Portfolio Characteristics		
Characteristics	Matrix	R1000V
\$ Wtd. Market Cap. (Bil.)	126.63	119.53
Median Market Cap. (Bil.)	62.12	8.36
Portfolio P/E (Forward)	14.26	16.61
Portfolio Price/Book	2.09	1.94
Dividend Yield (%)	2.68	2.51
EPS Growth 5 Yrs. (Fwd.)	8.46	7.43
Standard Deviation(%)**	18.39	14.91
# of Holdings	35	696

Sector Allocation (%)		
Sectors	Matrix	R1000V
Consumer Discretionary	5.0	5.6
Consumer Staples	8.8	7.0
Energy	13.1	13.7
Financial Services	29.1	31.6
Health Care	14.3	10.2
Materials & Processing	0.0	3.1
Producer Durables	9.7	9.9
Technology	20.1	9.1
Utilities	0.0	9.9

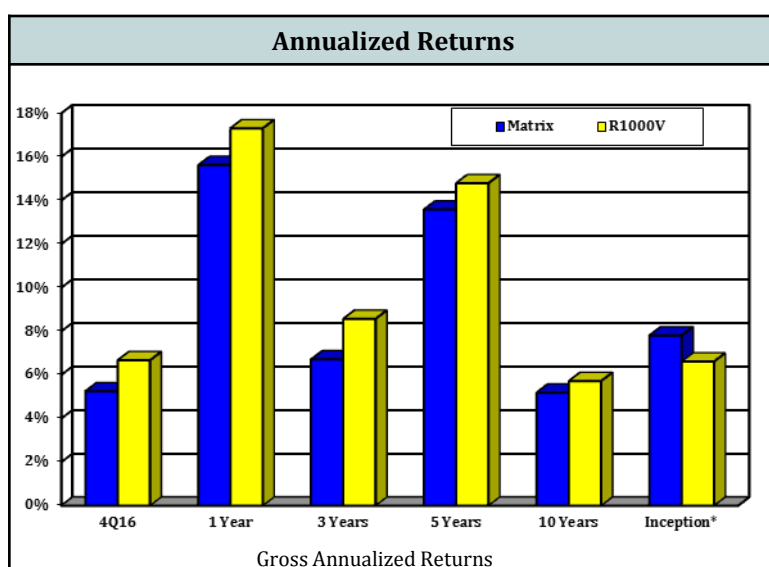
Source: Bloomberg, eVestment Alliance

Note: Returns less than a one-year period are not annualized. All portfolio information (Top 10 Holdings, Portfolio Characteristics, Sector Allocation and Portfolio Statistics) is supplemental to the GIPS disclosure presentation on the reverse side.

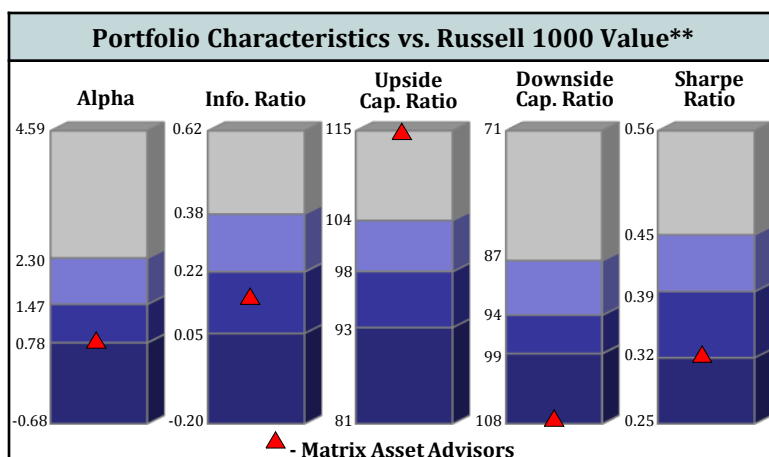
\*Inception date of 1/1/1999.

\*\*Portfolio statistics and returns are calculated from inception through 12/31/16 and are gross of fees. Performance and statistics rankings are based on the U.S. Large Cap Value Universe.

Statistics quartile ranks are calculated using the 5<sup>th</sup>, 25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup> and 95<sup>th</sup> percentile.



Period (Ending 12/31/16)	Matrix		Russell 1000 Value
	Gross	Net	
4 <sup>th</sup> Quarter, 2016	5.25%	5.00%	6.67%
1 Year	15.62%	14.51%	17.34%
3 Years	6.71%	5.67%	8.57%
5 Years	13.58%	12.48%	14.79%
10 Years	5.19%	4.15%	5.72%
Since Inception*	7.81%	6.75%	6.61%



Portfolio Statistics**	
Statistic	Matrix vs. Russell 1000 Value
Alpha	0.81
Information Ratio	0.15
Upside Capture Ratio	114.70
Downside Capture Ratio	107.78
Sharpe Ratio	0.32

**MATRIX ASSET ADVISORS, INC.**  
**LARGE CAP INSTITUTIONAL VALUE EQUITY COMPOSITE**  
**ANNUAL DISCLOSURE PRESENTATION**

Year End	Total Firm Assets (millions)	Composite Assets		Annual Performance Results					
		USD (millions)	Number of Accounts	Composite		Russell 1000 Value	Composite Dispersion	3 Year Annualized Standard Deviation	
				Gross	Net			Composite	Russell 1000 Value
2016	763	122	13	15.62%	14.51%	17.34%	N.A.*	N.A.*	N.A.*
2015	679	133	19	-7.39%	-8.33%	-3.84%	0.1%	12.74%	10.68%
2014	1,044	392	18	13.49%	12.40%	13.46%	0.1%	11.76%	9.20%
2013	978	385	19	41.34%	40.05%	32.54%	0.4%	16.63%	12.70%
2012	785	307	22	10.05%	8.98%	17.51%	0.1%	19.93%	15.51%
2011	874	349	29	-11.79%	-12.70%	0.39%	0.5%	24.09%	20.69%
2010	1,043	389	32	13.32%	12.21%	15.51%	0.4%	N.A.	N.A.
2009	1,226	661	36	39.37%	38.08%	19.69%	1.1%	N.A.	N.A.
2008	1,014	532	40	-38.96%	-39.65%	-36.85%	0.7%	N.A.	N.A.
2007	1,606	891	47	3.14%	2.12%	-0.17%	0.4%	N.A.	N.A.
2006	1,658	883	41	17.48%	16.36%	22.25%	0.3%	N.A.	N.A.
2005	1,799	588	48	1.21%	0.21%	7.05%	0.8%	N.A.	N.A.
2004	1,550	679	53	4.65%	3.62%	16.49%	0.4%	N.A.	N.A.
2003	1,077	304	33	44.75%	43.43%	30.03%	0.7%	N.A.	N.A.
2002	709	123	32	-20.15%	-21.00%	-15.52%	0.5%	N.A.	N.A.
2001	761	106	25	13.50%	12.40%	-5.59%	0.9%	N.A.	N.A.
2000	671	73	21	9.09%	8.03%	7.01%	2.2%	N.A.	N.A.
1999	456	60	21	31.09%	29.86%	7.35%	3.4%	N.A.	N.A.

2016 AUM data is preliminary. N.A.\* 2016 information is not yet calculated.

***The Large Cap Institutional Value Equity Composite*** contains fully discretionary tax-exempt accounts invested in equity securities of financially strong, U.S. Large Capitalization Companies using a value-oriented strategy. For comparison purposes the Large Cap Institutional Value Equity Composite is measured against the Russell 1000 Value Index, an index which measures the performance of the 1,000 largest companies in the Russell 3000 Index with lower price-to-book ratios and lower forecasted growth values. Composite performance comparisons to the S&P 500 Index, an index that measures the performance of 500 publicly traded companies, which are among the largest in the United States and the Russell 1000 Index which measures the performance of the 1,000 largest companies in the Russell 3000 Index may be presented for this composite. The minimum account size for this composite is \$1 million.

Matrix Asset Advisors, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. Matrix Asset Advisors, Inc. has been independently verified for the period January 1, 1992 through December 31, 2015. 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 Large Cap Institutional Value Equity Composite has been examined for the periods January 1, 2002 through December 31, 2015. The verification and performance examination reports are available upon request.

Matrix Asset Advisors, Inc. is a registered investment adviser that manages equity and fixed income assets for client accounts. The firm maintains a complete list and description of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Beginning July 1, 2002, composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow of 15% or greater of portfolio assets. Additional information regarding the treatment of significant cash flows is available upon request. Past performance is not indicative of future results. The 3 year annualized standard deviation is calculated using monthly data.

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. Net of fee performance was calculated using the highest management fee of 1%, applied quarterly. In addition to a management fee, some portfolios may also pay a performance fee. The annual composite dispersion presented is an asset-weighted standard deviation calculated for accounts in the composite the entire year. Policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.

The management fee schedule is as follows: 1.00% on accounts below \$1,000,000 of assets under management, 0.90% on the first \$1,000,000 to \$5,000,000 of assets under management, 0.80% on the next \$5,000,000 of assets under management, 0.75% on the next \$15,000,000 of assets under management, 0.65% on the next \$25,000,000 of assets under management, 0.55% on the next \$50,000,000 of assets under management and 0.45% on assets under management in excess of \$100,000,000. Actual investment advisory fees incurred by clients may vary.

The Large Cap Institutional Value Equity Composite was created January 1, 1999. The name of the composite was changed as of 9/30/14 from the Large Cap Institutional Equity Composite to the Large Cap Institutional Value Equity Composite to better describe the investment strategy.