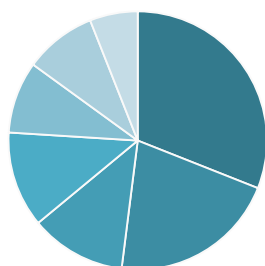


FIRM OVERVIEW

- Founded in 1987, privately owned
- Value-oriented, bottom-up investment philosophy
- Exclusively US fixed income
- \$69.3 billion in AUM
- Consistent management team since inception
- Tailored solutions to meet client investment objectives

ASSETS BY MANDATE

Broad Market Strategies (\$35.6bn)
Short
Intermediate
Core
Core Plus
Crossover
Long
Focused Market Strategies (\$33.7bn)
Corporate/Liability Driven Investing
Municipal
Inflation Protection
Government
Convertible

ASSETS BY CLIENT TYPE


- 31% Corporate
- 21% Not-for-Profit
- 12% Insurance
- 12% Taft Hartley/Union/Other
- 9% Government
- 9% Sub-Advisory
- 6% Private

IR+M CORE PLUS STRATEGY
Target duration neutral to benchmark
Emphasize undervalued sectors

- Introduce incremental risk to portfolios when compensation is attractive
- Reduce risk when spread sectors are rich

Capitalize on our strengths: experience and security selection

- Seek securities with embedded, often over-looked value
- Take what the market gives you
- Invest in markets that offer structural and price advantages

Opportunistically invests in non-benchmark “plus” sectors
Best ideas in all portfolios

Characteristics	IR+M Core Plus Portfolio ¹	IR+M Aggregate Portfolio ¹	Bloomberg Barclays Aggregate Index
Yield (%) ²	3.67	3.27	3.12
Spread to Tsy (bp)	105	62	41
Effective Duration (yrs)	5.96	5.96	6.08
Convexity	0.57	0.52	0.32
Number of Issues	125	144	9,868
Average Quality	A1/A	Aa2/AA-	Aa2/AA

Sector Distribution (%)	IR+M Core Plus Portfolio ¹	IR+M Aggregate Portfolio ¹	Bloomberg Barclays Aggregate Index
Government	18.9	27.1	38.9
Treasury	18.9	23.2	37.2
Agency	0.0	0.0	1.5
Govt Guaranteed	0.0	3.9	0.2
Credit	40.2	33.5	29.7
Finance	15.7	12.9	8.1
Industrial	21.4	18.1	15.4
Utility	2.6	2.5	1.8
Non-Corporate	0.5	0.0	4.4
Securitized	39.4	37.5	30.6
RMBS	5.6	2.0	0.0
Agency RMBS	17.3	23.5	28.1
ABS	7.7	6.0	0.6
CMBS	8.8	6.0	1.2
Agency CMBS	0.0	0.0	0.7
Municipals	1.2	1.7	0.8
GO	0.5	0.5	0.3
Revenue	0.7	1.2	0.4
Municipal Other	0.0	0.0	0.1
Cash	0.3	0.2	0.0
<i>Total</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

Rating Distribution (%)	IR+M Core Plus Portfolio ¹	IR+M Aggregate Portfolio ¹	Bloomberg Barclays Aggregate Index
Aaa	51.1	64.8	71.6
Aa	0.0	1.7	3.7
A	9.3	11.8	11.2
Baa	32.0	20.6	13.5
Ba	5.7	0.9	0.0
Below Baa	1.6	0.0	0.0
Cash	0.3	0.2	0.0

All data as of 3/31/18.

¹Representative portfolio characteristics. Some statistics require assumptions for calculations which can be disclosed upon request. A similar analysis can be provided for any portfolio we manage.

²Yields are represented as of the above date and are subject to change.

Source: Bloomberg Barclays

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