Coho Partners, Ltd.

Relative Value Equity

December 31, 2009

Philosophy

Our equity investment philosophy is based on the premise that the most effective way to create and sustain wealth is to achieve an asymmetrical pattern of returns over time, where the portfolio demonstrates a down market beta which is considerably less than its up market beta. This combination of protection and participation should ultimately lead to better than market performance over an economic cycle, with less than market risk. Our primary focus is on risk control and protecting principal in the down markets. A close second is strong participation in all but the most speculative of bull markets. We believe this objective is achievable and repeatable by populating the portfolio with high quality companies that demonstrate stable, predictable growth in revenues, earnings and dividends at reasonable valuations.

Calendar Year Performance

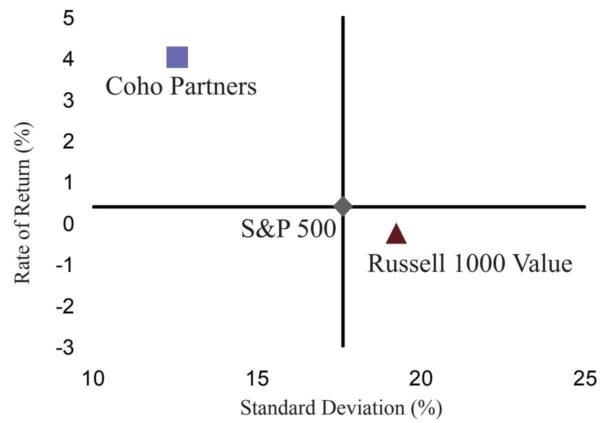
	Coho	R1000 Value	S&P 500
2009	18.4%	19.7%	26.5%
2008	-17.0%	-36.9%	-37.0%
2007	5.3%	-0.2%	5.5%
2006	17.2%	22.3%	15.8%
2005	0.5%	7.1%	4.9%
2004	15.4%	16.5%	10.9%
2003	23.9%	30.0%	28.6%
2002	-13.2%	-15.5%	-22.2%
2001	1.9%	-5.6%	-11.9%
2000*	11.7%	3.6%	-7.8%

* Inception date is 9/30/2000

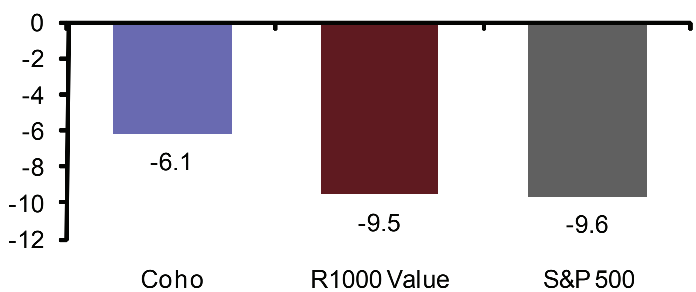
Returns-Based Characteristics (5 Year Returns)

Excess Returns	4.28
Standard Deviation	12.59
Alpha (Jenson)	2.71
Tracking Error	8.18
Information Ratio	0.52
Sharpe Ratio	0.09
Beta	0.62

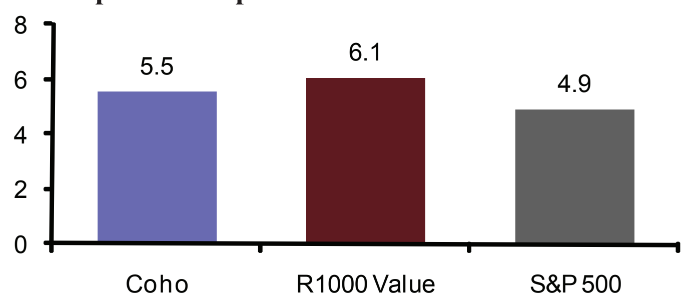
Risk/Reward Comparisons (5 Year Returns)



Preservation in Down Markets*

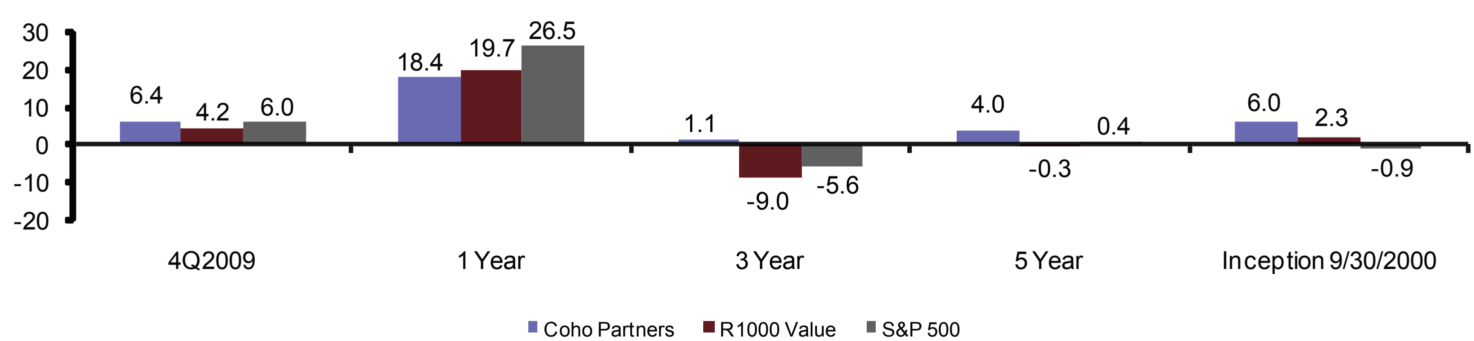


Participation in Up Markets*



* Average Quarterly Returns in Down Markets and Up Markets as defined by the Russell 1000 Value Index since inception 9/30/2000

Annualized Performance (Periods 1 Year & greater)



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What Makes Our Portfolio Unique

We invest in two types of companies: 1) Demand Defensive, and 2) Economically Sensitive. Demand Defensive companies generally comprise between 40% - 80% of the portfolio, are largely impervious to economic down turns and are most predictable in earnings, dividends, and cash flow. Economically Sensitive companies generally comprise 20% - 60% of the portfolio and exhibit stable growth with modest economic cyclicality. Portfolios contain 25 - 30 stocks with each security typically between 2% and 5% of the total. Cash is normally less than 5 percent of the portfolio.

Top Ten Holdings

ConocoPhillips Company	4.7%
3M Company	4.3%
Sysco Corporation	4.1%
Microchip Technology Inc.	4.1%
CVS/Caremark Corporation	4.0%
Johnson & Johnson	4.0%
Amgen, Inc.	3.9%
UnitedHealth Group, Inc.	3.9%
Illinois Tool Works Inc.	3.8%
Procter & Gamble Co.	3.7%

Economic Sector Allocation

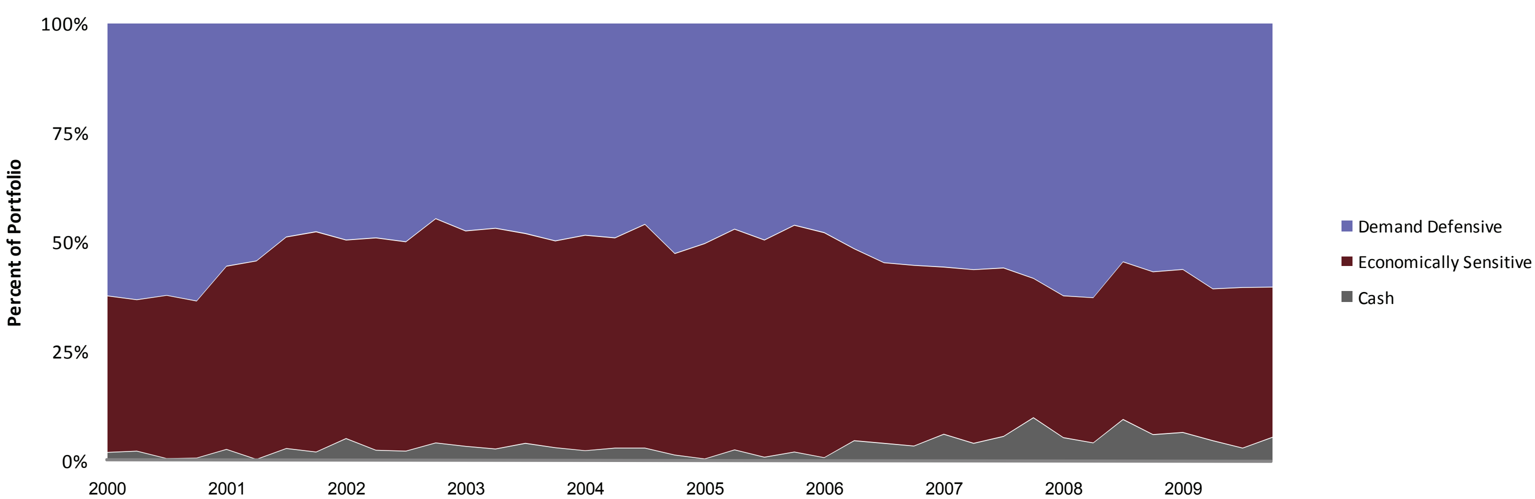
	Coho	R1000 V	S&P 500
Consumer Staples*	31.9%	5.5%	11.5%
Health Care*	17.0%	9.1%	13.1%
Industrials**	13.5%	10.7%	10.2%
Energy*	11.5%	18.6%	11.7%
Information Technology**	11.0%	5.2%	18.7%
Consumer Discretionary**	9.8%	9.8%	9.2%
Financial Services**	-	24.1%	15.2%
Materials**	-	4.1%	3.5%
Telecommunication*	-	5.7%	3.2%
Utilities*	-	7.1%	3.7%
Cash Equivalents	5.3%	-	-

* Demand Defensive Sectors
** Economically Sensitive Sectors

Portfolio Characteristics

	Coho	R1000 Value	S&P 500
Current Holdings	28	679	500
Range of Holdings	25-30	-	-
3 Year Annualized Turnover	15.7%	-	-
Dividend Yield	2.6%	2.4%	2.0%
Dividend Growth (Past 5 Yrs)	13%	2%	5%
Earnings Growth (Past 5 Yrs)	7%	-8%	-2%
P/E (Trailing 4 Qtrs)	15.6x	20.7x	18.8x
P/E (Forward 4 Qtrs)	13.8x	15.2x	15.4x
P/B	2.6x	1.5x	2.2x
LT Debt/Capital	28%	39%	33%
5 Year ROE	27.6%	23.8%	16.4%
Weighted Avg. Mkt. Cap	$50.2 B	$68.3 B	$80.9 B
Median Mkt. Cap	$35.9 B	$3.9 B	$8.9 B
Beta	0.75	1.10	1.00

Coho Historical Portfolio Allocation



Performance benchmarks include the Russell 1000 Value and the S&P 500 (including dividends). The returns-based analysis uses the Russell 1000 Value Index as the market proxy and 3 month T-Bills as the risk-free rate. Sources for portfolio characteristics include Thomson Reuters Baseline, Russell Investment Group, Standard & Poors and eVestment Alliance.

GIPS Disclosure

Past performance is no guarantee of future results. Coho Partners Ltd. has prepared and presented this report in compliance with the Performance Presentation Standards of the Global Investment Performance Standards (GIPS). GIPS has not been involved in the preparation or review of this report.

Coho Partners, Ltd is registered with the Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940.

The information presented with respect to the Coho Tax Exempt Composite is composite information comprised of all discretionary client portfolios with similar investment strategies and objectives, including those clients no longer with the firm. The composite results portrayed reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. The Tax Exempt Composite includes all discretionary, tax-exempt, non-wrap separately managed select accounts. As of the date of this report, no non-fee paying portfolios were included in the Tax Exempt composite. "Gross of fees" performance is presented net of transaction costs, but does not include the effect of management fees. If those fees were included, returns would be lower. None of the accounts making up the Tax Exempt Composite use leverage or derivatives. A complete list and description of the Tax Exempt Composite is available upon request.

The S&P 500 is a market capitalization weighted index made up of 500 U.S. companies, selected by Standard & Poor's Index Committee, designed to be a proxy for the entire U.S. equity market. The Russell 1000 Index is an unmanaged market-capitalization weighted index measuring the performance of the largest 1,000 U.S. companies, on a market capitalization basis, in the Russell 3000 Index. The Russell 1000 Value Index includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. Our selection process may lead to investments that differ markedly from the benchmarks presented. Returns may be more volatile than, and/or may not be correlated to, these indices (for comparative purposes only).

Additional Disclosure

Coho Partners Ltd. is an independent, registered investment management company, striving to produce superior risk-adjusted returns. Our clients include individuals, trusts and estates, endowments, foundations, corporate and employee benefit plans and other eleemosynary organizations.

Coho Partners Ltd. has two composites: one for tax exempt accounts as presented herein, and one for taxable accounts that is available upon request. Generally, the size of an individual account needs to be approximately $1 million or more to be included in either composite. This ensures that the account has a representative mix of equities. The strategy for both types of accounts is to maintain a diligent focus on preserving capital, while striving to maximize client returns. All returns are expressed in U. S. dollars.

If you are interested in obtaining a list and description of the firm composites, please contact Glenn Dever.

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