

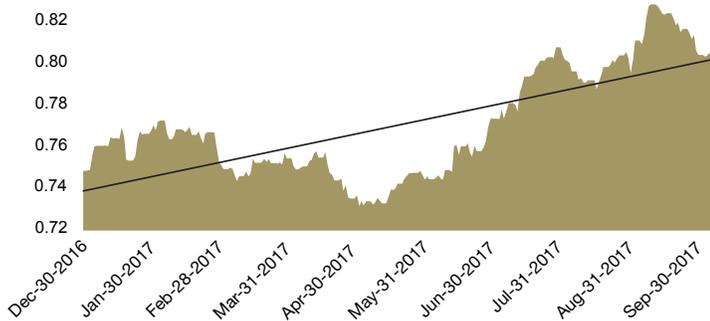
The Antares Value Portfolio focuses on companies that, in our analysis, are underpriced in the stock market relative to their underlying worth as businesses. Our strategy aims first to protect investors' capital by not overpaying for a given company - holding fixed income or cash when bargains cannot be found - and second to grow that capital through share price appreciation as the company's value gets properly recognized within the equity market.

MANAGER COMMENTARY

In recent months, several factors have had an impact on portfolios. On the positive side, the companies you own have delivered strong fundamental results. For example, Microsoft generated record free cash flow of \$31 billion for the 2017 fiscal year and raised its dividend yet again. Such positive developments have partially offset two headwinds that we believe to be temporary in nature: the strong Canadian dollar and the impact of rising interest rates.

With many of the companies you own denominated in U.S. dollars, the exchange rate will always be part of the equation. The rise of the Canadian dollar in 2017 (Figure 1) has been a headwind for any non-Canadian holdings when converted back to Canadian dollars.

Figure 1 - Canadian Dollar in 2017



Source: Bloomberg

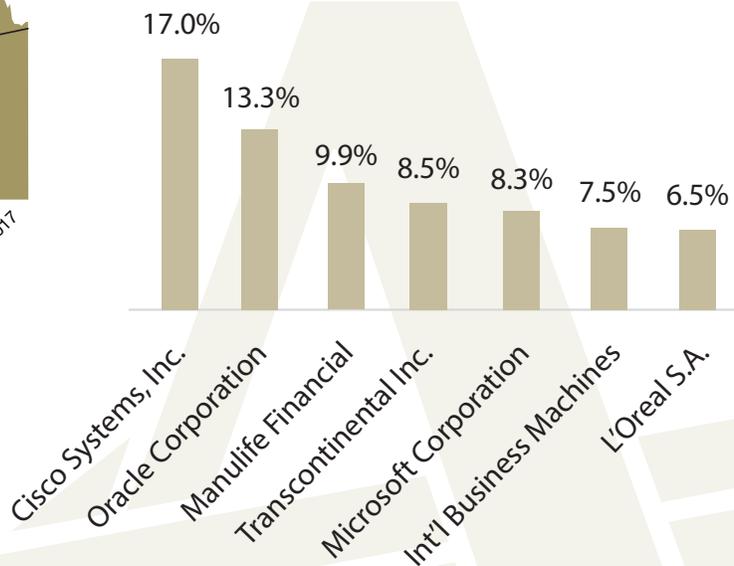
We believe this is temporary, because Canada is not competitive enough on world markets to support a high dollar for any sustained length of time. However, the non-Canadian companies you own can continue to grow in value because they provide many of the essential day-to-day products and services that are in high demand around the world. In many cases, these companies are global leaders in their industries and are substantially more profitable than many Canadian companies. In short, currency has had an outsized impact this year, but is unlikely to be a meaningful headwind over any period of a few years. In fact, it could become a tailwind if the U.S. Federal Reserve follows the Bank of Canada's lead and raises interest rates.

Continued next page

VALUE REPORT - AS AT SEPT 30, 2017

- 16 Equity Holdings
- 59% Equities
- 41% Fixed Income and Cash
- 26% Valuation Discount to S&P 500 (Forward P/E)
- 2.8% Dividend Yield
- 11 Holdings Increased Dividend Last 12 Months

NOTEWORTHY DIVIDEND INCREASES - LAST 12 MONTHS



PORTFOLIO CHANGES

- ▲ Cooper Tire & Rubber Co.
- ▲ Taro Pharmaceutical Industries Ltd
- ▲ Fairfax Financial Holdings Ltd
- ▼ Oracle Corporation
- ▼ Dorel Industries Inc
- ▼ Int'l Business Machines Corporation

MANAGER COMMENTARY (CONTINUED)

Rising interest rates in Canada have also affected the bonds held in your portfolio. Although high quality bonds provide reliable cash flow via regular interest payments, when interest rates rise, *all* bond prices decline. We see this price adjustment as temporary. We had already taken steps to minimize the impact of a potential interest rate increase by intentionally owning bonds that are short term in nature. This allows us to reinvest at higher rates when they reach maturity. Bonds held to maturity will receive the full face value, making recent price changes temporary by definition.

Our investing approach continues to be one of caution, patience, and selectivity. The common theme of stock markets over the past 100 years is that prices change constantly and these changes can sometimes be severe. However, price changes are frequently unrelated to actual company performance, and as rational investors, we can use the price volatility to your advantage because it provides an opportunity to purchase ownership stakes in well run companies at lower prices. Time will tell if the market provides us with that opportunity, in the meantime, we are confident your portfolio is well-positioned.

Your Portfolio Management Team

INVESTMENT TEAM

Gerry Bettig, CFA President & Chief Investment Officer

With over 20 years of experience in the investment industry, Gerry leads the portfolio management team as Chief Investment Officer. Gerry founded Antares Investment Management in 2004.

Alec MacIsaac, CFA Portfolio Manager

Alec has over 20 years of experience in the financial industry. He contributes to Antares in multiple capacities including portfolio management, investment research, and business development.

Ricardo Melo, CFA Portfolio Manager

Ricardo has a decade of industry experience. In addition to his portfolio management duties, he conducts in-depth company research and oversees trading at Antares.

VALUE PORTFOLIO

The Antares Value Portfolio is available to investors within a Separately Managed Account ("SMA") that holds securities directly, and through the Antares Value Pool ("Pool") which is held in the accounts of multiple investors. Data presented refer to the Pool. SMAs are customized and therefore their holdings and weights may diverge from those within the Pool. Sources for the data include: Capital IQ, Bloomberg, NDEX, and Antares calculations. Unless otherwise stated, all data are as at the quarter end.

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PORTFOLIO HOLDINGS & SECTOR WEIGHTS

	DIVIDEND YIELD	5YR DIVIDEND GROWTH
FINANCIALS 19.1%		
Fairfax Financial Holdings Limited	1.9%	N/A
Great-West Lifeco Inc.	4.1%	3.0%
Manulife Financial Corporation	3.2%	8.4%
Markel Corporation	N/A	N/A
The Western Union Company	3.6%	13.2%
INFORMATION TECHNOLOGY 15.4%		
Cisco Systems, Inc.	3.4%	31.5%
Intl Business Machines Corp	4.1%	13.0%
Microsoft Corporation	2.3%	14.3%
Oracle Corporation	1.6%	23.2%
CONSUMER DISCRETIONARY 14.1%		
Cooper Tire & Rubber Company	1.1%	N/A
Dorel Industries Inc.	5.0%	9.9%
L'Oréal S.A.	1.8%	10.5%
Transcontinental Inc.	3.1%	6.6%
TELECOMMUNICATIONS 5.0%		
Vodafone Group Plc	6.2%	N/A
HEALTHCARE 4.3%		
Taro Pharmaceutical Industries Ltd.	N/A	N/A
CONSUMER STAPLES 1.1%		
Nestlé S.A.	2.8%	3.4%
FIXED INCOME & CASH 41.0%		

GEOGRAPHIC ALLOCATION

