IRONVINE
CAPITAL PARTNERS, LLC

Ironvine Core Equity
1st Quarter 2019

To our Partners-

For the 1st Quarter of 2019, the Ironvine Core Equity composite increased +14.4%. Since the January 1, 2016 inception of the Core Equity composite, the annual rate of return stands at +13.3% which equates to a cumulative absolute return of +50.1%. These figures, along with the data in the following table, are presented on a total return basis, and shown net of all fees and expenses.

Cumulative Returns	Since Inception[1] (1/1/2016)	3 Year	1 Year	YTD (3/31/19)
IVCP Core Equity (net)	50.1%	46.1%	10.7%	14.4%
S&P 500	48.2%	46.3%	9.5%	13.6%

Average Annual Returns	Since Inception[1] (1/1/2016)	3 Year
IVCP Core Equity (net)	13.3%	13.5%
S&P 500	12.9%	13.5%

Note: Ironvine Capital Partners performance data is presented net of all fees and expenses.
[1] Please refer to the Important Disclaimers at the end of this document.

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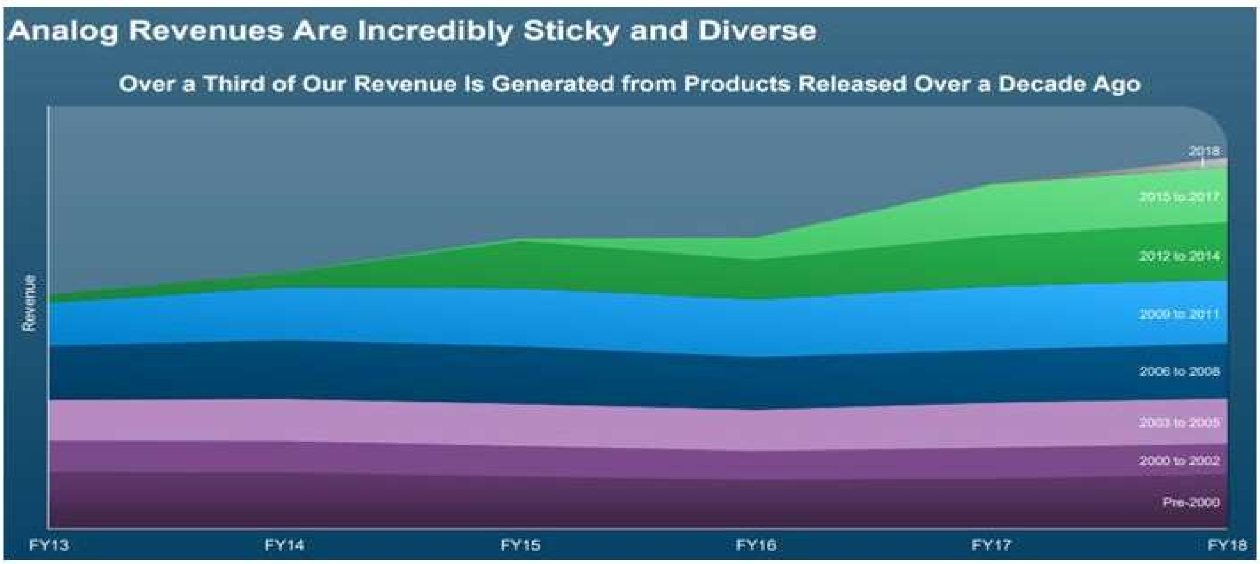
We were more active than usual during the first quarter, as several high caliber businesses remained available at attractive prices following the fourth quarter sell-off. We took new stakes in four – semiconductor designer and manufacturer Analog Devices, discount retailer Dollar Tree, diagnostic lab titan Laboratory Corporation of America and life science tools powerhouse Thermo Fisher Scientific. While each company operates in different corners of the global economy, all four demonstrate a combination of the characteristics we seek when committing capital: durable competitive advantages, capital efficiency, steady organic growth, consistent excess cash generation, prudent balance sheets and trustworthy management.

Analog Devices (ADI) provides critical components and solutions that enable factories, automobiles, aircraft and equipment of all kinds to be "smart." It designs, manufactures and sells integrated circuits that convert real-world inputs like temperature, pressure, sound, light, speed and motion into digital signals that can be used to sense, measure, and interpret surroundings. Or, as CEO Vince Roche likes to put it, "ADI is where data is born." It doesn't take much imagination to envision demand for data continuing to grow rapidly – vehicles reaching greater levels of autonomy (eventually full), manufacturers accelerating the adoption of robotics and deploying intelligent sensors throughout factories, and wireless networks adding significant bandwidth to eliminate latency. Rising demand, though, is only part of the equation.

Analog's processing technologies, which in many cases are uniquely designed alongside customers, are critical to day-to-day function. Once integrated into a customer's product or workflow, they are often used continually over decades to sustain operation (as demonstrated in the "layer cake" chart below).

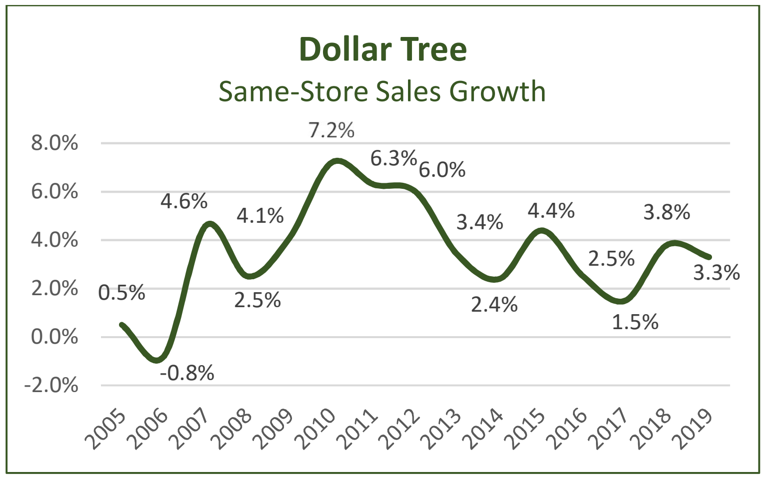


By way of contrast, semiconductor designers focused on the consumer electronics industry can have product design cycles measured in months. That's a game we – and ADI – aren't interested in playing. Analog's integrated circuits, algorithms and related software typically represent a small portion of the cost of a product or manufacturing process. This combination of repeated functional use and low cost provides significant customer value and creates healthy entry barriers for competitors. ADI sells to a diverse group of 125,000 customers around the globe, which limits the ability of a single industry or customer to negatively impact its economics. These qualitative characteristics, together with secularly rising demand, have collectively resulted in a reliably growing stream of earnings for shareholders. Analog consistently boasts among the highest free cash flow margins (30%+) we have come across among publicly traded companies. We were pleased to add ADI to the portfolio at an attractive discount in early February.

As Dollar General shareholders (and hopefully customers!) the past couple of years, many of you are familiar with discount retail. Dollar stores target weekly "fill-in" visits between larger trips to grocery stores / mass merchants, offering a narrower selection of low priced goods in a more convenient setting (smaller stores and parking lots located closer to work/home). Collectively, they have produced remarkably consistent and attractive financial results over more than three decades amidst tectonic shifts in the broader retail landscape. During the first quarter we took advantage of the divergence in investor preference between Dollar General (DG) and peer **Dollar Tree (DLTR)** by recycling a portion of our successful investment in DG into the "less loved" Dollar Tree.

While the two businesses share a number of attractive similarities, there are some key differences. First, Dollar Tree consists of two "banners" – its namesake, Dollar Tree, as well as Family Dollar (FDO), which it acquired for roughly $9 billion in mid-2015. The Dollar Tree banner is unique among dollar stores in that everything it sells is $1.00 (side note: the company is currently testing selling some non-$1 products). Second, Dollar Tree prides itself as a "variety" store, with roughly half of sales coming from "discretionary" purchases (toys, greeting cards, party supplies, seasonal, etc.). Dollar General and Family Dollar focus more heavily on "consumables" (grocery, toiletries, cleaning supplies). Third, the Dollar Tree banner is concentrated in suburban settings (Family Dollar is more urban), whereas Dollar General's store base skews rural. Finally, and perhaps most importantly, Dollar Tree is wed to the task of improving the Family Dollar business while Dollar General continues to stamp out its tried and true playbook of organic store expansion.

Before unpacking the Family Dollar opportunity, one first needs to appreciate the performance of the Dollar Tree banner. It has produced 13 consecutive years of positive same store sales (see chart at right) while growing its store base +8% annually over that same period. Rain or shine, strong economy or weak, more customers buy more things from Dollar Tree each year. And as its purchasing clout has grown, management has shared these scale benefits directly with customers.



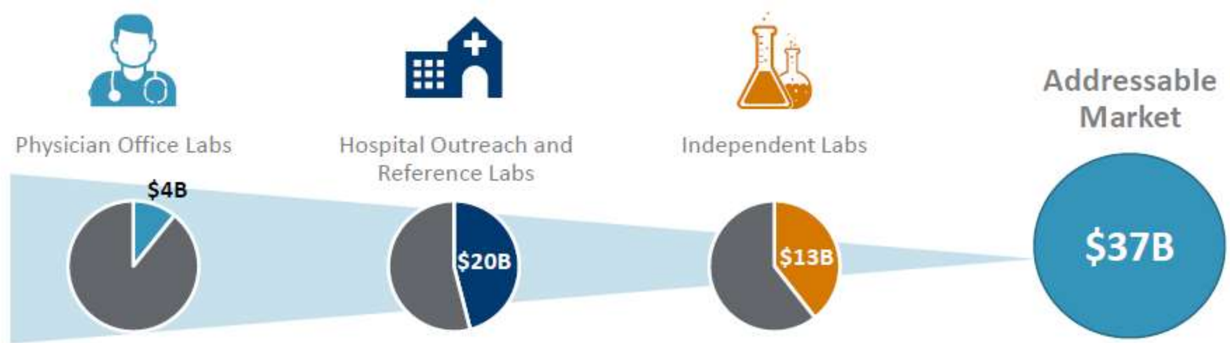
A low average ticket ($9-$10/transaction), prices at parity with mass retail and the convenience of its 7,000+ locations continue to provide barriers online competitors have struggled to crack. With an upfront investment of approximately $400,000 per unit, Dollar Tree stores have an attractive pre-tax payback period of roughly two years. Dollar Tree's ongoing strength is a key pillar of our investment thesis.

Family Dollar, now approaching four full years under Dollar Tree's ownership, has struggled to gain the traction management envisioned at purchase and has weighed on Dollar Tree's stock. Several quarters of seeming progress the past couple of years proved to be head fakes. Last November, in part due to pressure from activist investors, Dollar Tree CEO Gary Philbin outlined a significant acceleration in the pace of renovating the Family Dollar store base. In addition, last month Dollar Tree announced its intention to close underperforming stores totaling up to 5% of the FDO base this year. The sum total of planned renovations, closures and "re-bannerings" (converting Family Dollar stores to Dollar Tree's) means just over half of Family Dollar's 8,000+ store footprint will be new or newly renovated by the end of calendar 2020.

While admittedly early, renovated Family Dollar units are showing encouraging increases in sales and profitability. We have invested in Dollar Tree believing the company's collective efforts at Family Dollar will help return the banner to performance levels it attained as a standalone company (operating margins averaged 6.4% from 2005-2014 vs. 3.0% last year). A healthy balance sheet, ample excess cash for share repurchases and an "all-weather" business profile offer a nice margin of safety to long-term investors as the Dollar Tree team executes its plan.

Laboratory Corporation of America (LH) is a business we've followed closely for 20 years. As the largest clinical diagnostic laboratory in the U.S., it offers a menu of 5,000 tests ranging in complexity from routine blood chemistry analyses to advanced molecular screenings. Diagnostics play an important -- and relatively low cost -- role in the delivery of healthcare. They help doctors and patients monitor health, identify irregularities and choose appropriate treatment when necessary. LabCorp has more than 115 million patient encounters each year, which provides significant scale advantages vs. smaller labs and produces a wealth of valuable health data. More on the latter in a moment. LabCorp also operates a contract research organization (CRO) – Covance Drug Development – which it acquired roughly four years ago. CROs design, launch and administer clinical trials for drug and device manufacturers seeking regulatory approval for new products. While Covance's performance can be lumpy from quarter to quarter, global research spending has grown consistently over time. The most significant opportunity for Covance is helping its customers reverse the chronic, industry-wide decline in research productivity.

Lab testing volumes don't grow quickly, but they are steady. This allows for scale economies born of centralization to benefit payers (public and private) and shareholders. For tests with meaningful volume, LabCorp and competitor Quest Diagnostics are typically the lowest cost options. LabCorp both serves and competes with hospitals and physician offices. Over half of diagnostic testing in U.S. today is done by hospital-owned laboratories. Inpatient and outpatient care makes up a significant portion of hospital lab volumes and isn't likely to be addressable for LH in the foreseeable future. Hospital outreach and reference testing is, however, and LabCorp remains a significantly lower cost option for payers. The graphic below provides a snapshot of the company's future opportunity set in diagnostics.

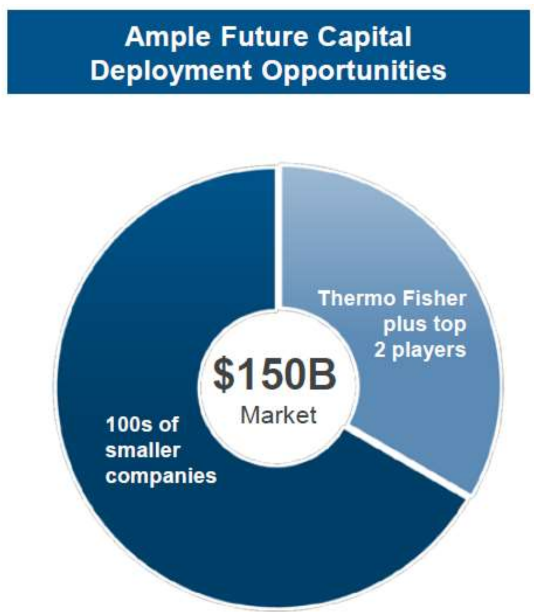


As investors, this is the side of the healthcare "fence" we want to stay on – partnering with companies that take costs out and improve the system's efficiency. An aging population, the introduction of new tests (particularly as personalized medicine becomes a reality) and the potential for market share gains from higher-cost delivery settings should continue to drive growth over our 5+ year investment horizon.

Covance strengthens and differentiates LabCorp in several important ways. The cost of bringing a new drug or medical device to market is expensive. Researchers are thus continually looking for ways to drive efficiency. LabCorp's diagnostics franchise provides Covance an avenue to engage with potential clinical trial candidates directly, as well as the opportunity to incorporate real-time data from its 115 million annual patient encounters into optimizing clinical trial design (ideal trial locations, appropriate investigators, virtual or traditional structure, etc.). On the lab side, being a part of Covance's global research efforts gives physicians, health systems and patients (particularly in rural areas) the opportunity to participate in otherwise inaccessible clinical trials. And as higher cost, targeted biologic treatments continue to hit the market, Covance provides LH an opportunity to partner during the creation and ongoing administration of so-called "companion diagnostics" (tests run before and/or alongside treatment to assure safety and efficacy).

Our purchase of LabCorp during the first quarter is a good example of our investment process at work. The Ironvine team tracks a universe of 150-200 publicly traded businesses that we believe are among the most durable and attractive in North America. Invariably, there are short-term dislocations for a handful of them driven by company, industry or broader market forces. Our job is to ascertain whether the turbulence is temporary or indicative of true fundamental erosion. We believe LabCorp's decline from $189 last summer into the $120-140 range was driven by real, but near-term, headwinds that do not materially damage the business' intrinsic value nor the growth opportunities before it. As a result, we took Mr. Market up on his offer.

Let's conclude with a quick overview of **Thermo Fisher Scientific (TMO)**. Thermo serves the everyday needs of researchers of all stripes with instruments, chemicals, lab supplies and value-added services (contract manufacturing, supply chain management, clinical trial solutions). One can think of Thermo as providing the modern day "picks and shovels" to those "mining" for breakthrough ideas in medicine, technology, material science, environmental stewardship and beyond. Researchers, scientists, engineers and quality analysis / quality control personnel often work in highly regulated and/or precision-focused environments. The need for consistency in process, at times across a global footprint, creates high switching costs which serve as barriers to entry for competitors. As well, the iterative nature of research leads to gradual innovation cycles for most of the instruments TMO designs and places. And measuring and analyzing samples often includes the repeated consumption of chemicals, proprietary cartridges, lab supplies and diagnostic services. This razor/razorblade-like combination produces an attractive base of recurring revenue that represents approximately three-quarters of Thermo Fisher's sales.



In the aggregate, global spending by private enterprise, governments and academia on research and development has grown consistently over the past several decades. Thermo believes its addressable market is growing +3% to +5% annually, thanks in part to the increasing application of its technologies in the industrial, technology and environmental settings. Many of Thermo Fisher's customers have come to view the company as a trusted advisor, in addition to supplier. This expanded role together with a consistently fresh product line-up, unrivaled product breadth and global commercial reach has allowed Thermo to methodically win a greater share of its customers' wallets each year. This has resulted in an attractive mid-teens rate of growth in per share earnings over the past five years. We believe enduring demand drivers and strong execution provide the opportunity for a similar trajectory in the future.

In his tenth year as CEO, Marc Casper has proven an exemplary steward of Thermo Fisher's brands, commercial resources and excess cash flow. With healthy industry tailwinds, an attractive reinvestment runway (as demonstrated in the pie chart above) and Casper at the helm for another 5-10 years, we are pleased to invest alongside the Thermo Fisher team as they continue to create value for society, customers and shareholders.

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The tables below highlight Core Equity's largest holdings as of quarter end, as well as the most significant performance contributors and detractors over the past 12 months.

Top 10 Holdings as of March 31, 2019 Company	Allocation
MICROSOFT	5.3%
LOWES COMPANIES	5.2%
APPLE	4.8%
CISCO SYSTEMS	4.4%
INTEL	4.2%
COMCAST	3.9%
COSTCO WHOLESALE	3.9%
BERKSHIRE HATHAWAY	3.7%
THERMO FISHER SCIENTIFIC	3.7%
UNITED TECHNOLOGIES	3.6%
TOP 10 AS % OF ASSETS	**37.4%**

Company	Average Weight	Portfolio Contribution
Top Contributors - 12 months ended 3/31/19		
MICROSOFT	4.3%	1.35%
LOWES COMPANIES	4.3%	1.17%
CISCO SYSTEMS	3.9%	1.14%
MASTERCARD	2.7%	0.99%
COSTCO WHOLESALE	3.2%	0.95%
Bottom Contributors - 12 months ended 3/31/19		
CIMPRESS	1.2%	-0.53%
FACEBOOK	2.5%	-0.19%
EBAY INC	1.2%	-0.17%
LIBERTY SIRIUS XM	2.6%	-0.16%
JP MORGAN CHASE	2.6%	-0.14%

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Thank you for your continued support.

The Ironvine Investment Team

April 23, 2019

Important Disclaimers

Reported performance figures represent an average, or composite, of our progress. Individual returns will vary based on the timing of your investment with us, fee differentials, or other account-specific circumstances. Client reporting, including positioning and performance, will be sent under separate cover.

Past performance is not a guarantee or a reliable indicator of future results. All investments contain risk and may lose value. This material contains the current opinions of the authors such opinions are subject to change without notice. This material is distributed for informational purposes only. Forecasts, estimates, and certain information contained herein are based upon proprietary research and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed. Core Equity portfolio holdings mentioned, including the Top Ten Holdings, are subject to change and are not recommendations to buy or sell any security.

Ironvine Capital Partners (Ironvine) is an investment adviser registered with the SEC that commenced managing client assets in November of 2013. The Firm definition includes all assets that are managed in Ironvine's Concentrated Equity, Core Equity, and Dividend Growth Strategies.

Ironvine Capital Partners claims compliance with the Global Investment Performance Standards (GIPS®). To receive a description of Ironvine Capital Partners' composites and a presentation that adheres to the GIPS standards, please contact Ryan Mendlik, rmendlik@ironvinecapital.com, 402.715.5224, or write Ironvine Capital Partners; 9290 W. Dodge Rd, Ste 203; Omaha, NE 68114.

The Ironvine Core Equity Composite *includes all accounts over which Ironvine deems to have discretion and that follow the composite strategy. Ironvine Core Equity seeks to earn above average long-term returns by investing primarily in portfolio of common equity securities with a particular focus on companies that have the ability to generate high and sustainable returns on invested capital.*

The Ironvine Core Equity Composite was created on 12/31/2017, with an inception date of January 1, 2016. The strategy does not seek to track or compare itself to any particular equity benchmark, but for informational purposes the composite is compared against the total return of the S&P 500. The benchmark includes 500 stocks representing all major industries of the economy. Ironvine Core Equity employs a total return strategy and the S&P 500 is provided for illustrative purposes only, as it is the most widely-recognized alternative to any actively managed mandate amongst global investors. Past performance is not indicative of future results. All results are calculated in US Dollars and include reinvestment of dividends and other earnings.

Ironvine claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Ironvine has been independently verified for the periods 12/1/13– 12/31/18.

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 Ironvine Core Equity Composite has been examined for the periods 01/01/17– 12/31/18. The verification and performance examination reports are available upon request.

Performance presented prior January 1, 2017 occurred while the Portfolio Manager, Richard L. Jarvis, was affiliated with a prior firm. Mr. Jarvis was the only individual responsible for selecting the securities to buy and sell at the predecessor firm. A review of the performance record for compliance with the portability requirements of the GIPS standards was completed by an independent accounting firm. The verification and performance examination report are available upon request.