Investment Management of Virginia, LLC
Select Equity Income Portfolio

THE PORTFOLIO:

Inception: July 1, 2001*

Investment Style: Defensive, all-capitalization equity

Investment Management of Virginia's Select Equity Income Portfolio is a conservative equity strategy that attempts to produce consistent, absolute returns while generating an attractive level of dividend income. The Portfolio Managers look for high-quality, small, medium and large capitalization companies with steady, profitable businesses and, in general, a solid and increasing dividend payout.

Attractive investments generally will have an experienced management team, a sound balance sheet, substantial free cash flow, and the ability to pay or increase an attractive dividend. A typical purchase will have high returns on invested capital, undervalued assets on the balance sheet, and a record of consistent earnings and dividend growth. Most positions will have lower price-to-earnings multiples than the market in general and could be expected to exhibit less volatility than the market.

The Portfolio Managers may, at times, carry a relatively large cash balance if they are unable to find attractive investments for the cash. Some sectors of the economy may be overweighted due to the nature and goals of the Portfolio, but the Portfolio Managers will limit excessive concentration in any one area. There are typically 25 - 40 different stocks in the Portfolio.

The Select Equity Income Portfolio strives to produce an overall dividend yield that is higher than that of the broad equity market and competitive with ten-year U.S. Treasury yields. The Portfolio Managers expect the Portfolio to underperform during a strong market and outperform during a weak market.

Top Equity Holdings:**	Exxon Mobil	Lowes
(At 12/31/11)	Amgen	Firstmerit
	BB&T	Bristol Myers Squibb
	Procter & Gamble	Abbott Labs
	Exelon	T. Rowe Price Group

*The Portfolio's name was changed from the Select Portfolio to the Select Equity Income Portfolio on 7/1/11.

**The securities listed represent the top ten positions (based on current market values) held by portfolios in this composite and have not been selected by any performance criteria. These holdings are presented as "Supplemental Information" to the fully compliant GIPS presentation of the composite. It should not be assumed that recommendations in the future will be as profitable or will equal the performance of the above securities.

Select Equity Income Portfolio Composite

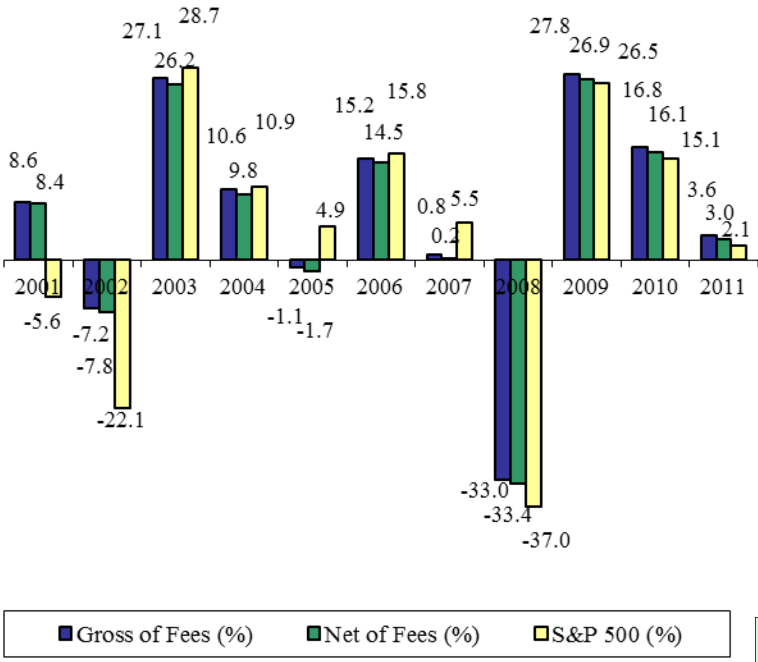
*Performance Results:			
Period	**Gross Select**	**Net Select**	**S&P 500**
3rd Qtr '01	-2.4%	-2.5%	-14.7%
4th Qtr '01	11.3%	11.2%	10.7%
Inception to Date 2001	**8.6%**	**8.4%**	**-5.6%**
1st Qtr '02	6.4%	6.2%	0.3%
2nd Qtr '02	-5.0%	-5.1%	-13.4%
3rd Qtr '02	-14.6%	-14.8%	-17.3%
4th Qtr '02	7.5%	7.4%	8.4%
Annual 2002	**-7.2%**	**-7.8%**	**-22.1%**
1st Qtr '03	-7.6%	-7.8%	-3.2%
2nd Qtr '03	20.3%	20.1%	15.4%
3rd Qtr '03	0.5%	0.3%	2.7%
4th Qtr '03	13.9%	13.7%	12.2%
Annual 2003	**27.1%**	**26.2%**	**28.7%**
1st Qtr '04	2.7%	2.5%	1.7%
2nd Qtr '04	3.4%	3.3%	1.7%
3rd Qtr '04	0.2%	0.1%	-1.9%
4th Qtr '04	3.9%	3.7%	9.2%
Annual 2004	**10.6%**	**9.8%**	**10.9%**
1st Qtr '05	-2.8%	-3.0%	-2.2%
2nd Qtr '05	1.4%	1.2%	1.4%
3rd Qtr '05	-0.5%	-0.7%	3.6%
4th Qtr '05	0.9%	0.8%	2.1%
Annual 2005	**-1.1%**	**-1.7%**	**4.9%**
1st Qtr '06	7.2%	7.0%	4.2%
2nd Qtr '06	-3.5%	-3.7%	-1.4%
3rd Qtr '06	4.5%	4.3%	5.7%
4th Qtr '06	6.7%	6.5%	6.7%
Annual 2006	**15.2%**	**14.5%**	**15.8%**
1st Qtr '07	1.6%	1.4%	0.6%
2nd Qtr '07	4.8%	4.7%	6.3%
3rd Qtr '07	-1.4%	-1.6%	2.0%
4th Qtr '07	-4.0%	-4.1%	-3.3%
Annual 2007	**0.8%**	**0.2%**	**5.5%**
1st Qtr '08	-4.9%	-5.0%	-9.4%
2nd Qtr '08	-8.9%	-9.1%	-2.7%
3rd Qtr '08	4.2%	4.0%	-8.4%
4th Qtr '08	-25.7%	-25.8%	-21.9%
Annual 2008	**-33.0%**	**-33.4%**	**-37.0%**
1st Qtr '09	-8.9%	-9.1%	-11.0%
2nd Qtr '09	15.0%	14.8%	15.9%
3rd Qtr '09	14.4%	14.2%	15.6%
4th Qtr '09	6.6%	6.5%	6.0%
Annual 2009	**27.8%**	**26.9%**	**26.5%**
1st Qtr '10	4.3%	4.2%	5.4%
2nd Qtr '10	-10.8%	-11.0%	-11.4%
3rd Qtr '10	11.7%	11.5%	11.3%
4th Qtr '10	12.4%	12.2%	10.8%
Annual 2010	**16.8%**	**16.1%**	**15.1%**
1st Qtr '11	3.6%	3.4%	5.9%
2nd Qtr '11	1.3%	1.2%	0.1%
3rd Qtr '11	-12.8%	-12.9%	-13.9%
4th Qtr '11	13.2%	13.0%	11.8%
Annual 2011	**3.6%**	**3.0%**	**2.1%**
Cumulative Return			
7/1/01-12/31/11	**68.8%**	**58.0%**	**25.9%**
Annualized Return			
7/1/01-12/31/11	**5.1%**	**4.5%**	**2.2%**

Select Equity Income Portfolio Composite Inception Date: July 1, 2001. *Please refer to the attached GIPS fully compliant presentation for a detailed explanation of performance presented. Performance figures, both net and gross of fees, have been examined through September 30, 2011. Performance returns are for the period ending 12/31/11. Past performance is no guarantee of future results, and no representation is made that results similar to those shown can be achieved. A complete presentation of any composite and/or a list of all composites is available upon request.

Investment Management of Virginia, LLC

Select Equity Income Portfolio Composite

*Annual Performance***



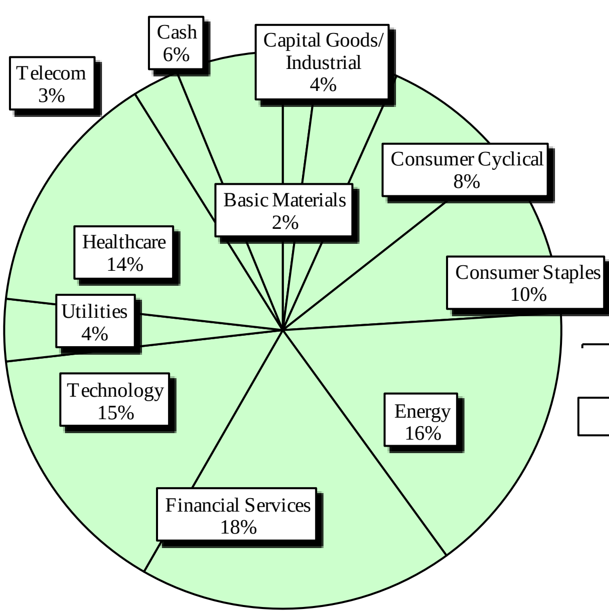
Commentary

The equity market took small steps up the "wall of worry" during the 4th Quarter. The issues we mentioned in our 3rd Quarter letter, namely, the downgrade of U.S. Treasury debt, chaos in Europe, gridlock in Washington, and fears of another recession, were all ameliorated somewhat (except gridlock in Washington!). We will suffer through another recession at some point, but the equity market does not see that happening in the next six months. Some market prognosticators have even suggested that we may see some reversion to the mean in equity market volatility and a return to more normal interest rates. Neither of these developments is clear right now, but the market often moves in unexpected ways, so we may be pleasantly surprised.

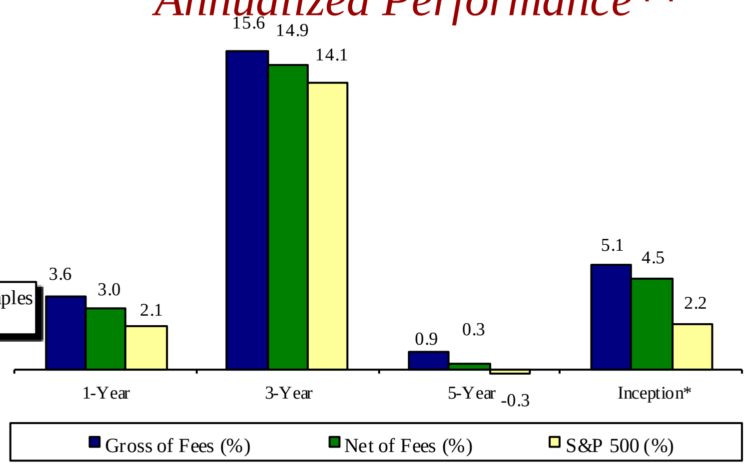
*Fourth Quarter 2011 Performance***

Select Equity Income Portfolio (Gross)	*13.2%*
Select Equity Income Portfolio (Net)	*13.0%*
S&P 500	11.8%

*Sector Breakdown****



*Annualized Performance***



*Inception of the composite was 7/1/01. **Please refer to the attached GIPS fully compliant presentation for a detailed explanation of performance presented. ***The sector breakdown is presented as "Supplemental Information" to the fully compliant GIPS presentation. Performance returns are for the period ending 12/31/11. Past performance is no guarantee of future results, and no representation is made that results similar to those shown can be achieved. A complete presentation of any composite and/or a list of all composites is available upon request.

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INVESTMENT MANAGEMENT OF VIRGINIA, LLC
SELECT EQUITY INCOME PORTFOLIO COMPOSITE*
ACCOMPANYING NOTES

Year	Total Return Gross (Percent)	Total Return Net[A] (Percent)	Benchmark S&P 500 (Percent)	Composite 3 Yr. St. Dev. (Percent)	Benchmark S&P 500 3 Yr. St. Dev. (Percent)	Number of Portfolios	Composite Dispersion (Percent)	Composite Assets End of Period (Millions)	Non-Fee Paying Composite Assets End of Period (MM)	Percentage of Non-Fee Paying Composite Assets	Total Firm Assets End of Period (Millions)
**2001	8.63	8.42	-5.56	N/A	N/A	2	N/A	1.42	0.00	0.00%	269.84
2002	-7.20	-7.79	-22.10	N/A	N/A	9	0.38	4.66	0.00	0.00%	221.40
2003	27.13	26.22	28.68	N/A	N/A	16	1.02	12.50	0.00	0.00%	261.10
2004	10.62	9.83	10.88	N/A	N/A	19	1.50	27.67	0.00	0.00%	335.02
2005	-1.07	-1.69	4.91	N/A	N/A	23	1.13	29.88	0.00	0.00%	329.85
2006	15.19	14.48	15.80	N/A	N/A	23	1.04	21.43	0.00	0.00%	348.29
2007	0.84	0.18	5.49	N/A	N/A	22	0.81	21.11	0.00	0.00%	357.32
2008	-32.95	-33.39	-37.00	N/A	N/A	16	1.34	10.22	0.00	0.00%	285.31
2009	27.76	26.94	26.46	N/A	N/A	15	2.63	11.90	2.61	21.93%	335.79
2010	16.77	16.10	15.06	N/A	N/A	13	1.47	12.87	3.02	23.43%	427.21
***2011	3.61	3.00	2.11	18.12	18.70	15	0.85	13.96	2.84	20.34%	409.51

*Composite name was changed from Select Composite to Select Equity Income Composite on 7/1/11. **Inception of the composite was 7/1/01. Creation of the composite was 7/1/01. Returns in 2001 are for the period 7/1/01 through 12/31/01. ***2011 performance returns are for the period ending 12/31/11.

A. Fee schedule: 1.00% per annum on the first $1 million of assets; 0.75% per annum on the next $4 million of assets; 0.50% on assets greater than $5 million. Fees are negotiable.

Investment Management of Virginia, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Investment Management of Virginia, LLC has been independently verified by previous verifiers for the periods January 1, 1993 through December 31, 2003, and verified by Ashland Partners & Company for the periods of January 1, 2004 through September 30, 2011. 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 Select Equity Income Portfolio composite has been examined for the periods July 1, 2001 through September 30, 2011. The verification and performance examination reports are available upon request.

1. **Basis of Presentation**
   Investment Management of Virginia, LLC ("the Company") is a registered investment advisor under the Investment Advisors Act of 1940. The Company was originally established as Scott & Stringfellow Capital Management, Inc., a division of Scott & Stringfellow, in 1982. In March 1999, Scott & Stringfellow became a wholly owned subsidiary of Branch Banking & Trust Company (BB&T). The Company became an independent investment advisor in July of 2000 when the principals of Scott & Stringfellow Capital Management, Inc. purchased the Company from BB&T. The Company is an independent registered investment advisor; it is closely affiliated with Dynamis Advisors, LLC, also a registered investment advisor.
2. **Composite Criteria**
   The Composite consists of institutional, endowment, retirement, and individual accounts. Tax-exempt and taxable accounts are included. The Composite seeks a strong total return through capital appreciation in small, medium, and large capitalization companies. The primary investment criteria are strong upside potential at a reasonable price. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Performance results of the Composite are based on U.S. dollar returns.
3. **Calculation Methodology**
   The Composite results are time-weighted rates of return net of commissions and transaction costs and have been presented both gross and net of investment advisory fees. Quarterly composite rates of return, which are net of investment advisory fees, are calculated at the account level. For each account, the fee percentage is subtracted from the account's gross monthly return, during the month the fee is incurred, to obtain a monthly account return net of investment advisory fees. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The standard deviation is not presented for 2001 through 2010 because it is not required for periods prior to 2011. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding policies for valuing portfolios, calculating performance and preparing compliant presentations is available upon request.
4. **Comparison with Market Index**
   Results of the Composite are shown compared to the Standard & Poor's 500 Index. The Standard & Poor's 500 Index is a capitalization-weighted index , and is calculated based on a total return basis with dividends reinvested. The Standard and Poor's 500 Index is a capitalization-weighted index of 500 blue-chip U.S. companies representing the industrial, transportation, utility, and financial sectors with heavy emphasis on the industrial sector. Performance has been linked in the same manner as the Select Portfolio Composite. The returns for this unmanaged index do not include any transaction costs, management fees, or other costs. Investment Management of Virginia, LLC takes no responsibility for the validity of the index and/or other performance numbers provided by reputable outside sources.
5. **SEC Advertising Disclosure Footnotes**
   All performance composite returns are reported **net** and **gross** of investment advisory fees charged by Investment Management of Virginia. Net performance reflects the deduction of actual quarterly fees for each account in the composite. Gross of fees performance returns are presented before investment management fees but after all trading commissions, custodial fees, and non-reclaimable foreign withholding taxes.
6. **Additional Information**
   A complete presentation of any composite and/or a list of all composites is available upon request. Such inquiries should be addressed to George McVey, Investment Management of Virginia, LLC, 919 E. Main Street, Suite 1600, Richmond, Virginia 23219, or contact him through email at gmcvey@imva.net.

*Past performance is no guarantee of future results, and no representation is made that results similar to those shown can be achieved.