SOUND SHORE FUND
P.O. BOX 588
PORTLAND, ME 04112

March 31, 2017

Dear Investor:

The Sound Shore Fund's Investor and Institutional Classes posted healthy gains of 4.55% and 4.58%, respectively, in the first quarter of 2017 as optimism from solid corporate earnings more than offset uncertainty around the timing of US fiscal stimulus. Within the overall market, technology stocks continued their strong performance, while energy and financial shares took a breather following sharp gains in the second half of 2016.

We are required by the SEC to say that: Past performance is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The Fund's Investor Class 1, 5, and 10-year average annual total returns for the period ended March 31, 2017 were 19.15%, 13.32%, and 6.60%, respectively. The Fund's Institutional Class 1, 5, and 10-year average annual total returns for the period ended March 31, 2017 were 19.34%, 13.53%, and 6.80%, respectively. Fund returns assume the reinvestment of all dividend and capital gain distributions. The total annual operating expense ratio (gross) is 0.93% for the Investor Class and 0.83% for the Institutional Class. The net expense ratio for the Institutional Class is 0.75% pursuant to an expense limitation agreement between the Adviser and the Fund. This agreement is in effect until at least May 1, 2017. The performance for the Institutional Class prior to its inception on 12/9/13 is based on the performance of the Investor Class, adjusted to reflect the lower expense ratio of the Institutional Class (net of expense reimbursements). For the most recent month-end performance, please visit the Fund's website at www.soundshorefund.com.

Sound Shore's first quarter 2017 results were consistent with markets increasingly driven by underlying company fundamentals – more a "market of stocks" than a "stock market." Unchanged since our 1978 founding, Sound Shore's contrarian investment process starts with a review of inexpensive stocks, and then focuses on their specific earnings and cash flow drivers. By identifying sector winners led by managements building long-term value, we believe our portfolio has the potential to outperform in a wide range of economic scenarios over a market cycle.

For example, specialty drug maker Allergan, which had a strong start to the year, provides a great case study of Sound Shore's process. We initiated our Allergan position in the fourth quarter of 2016 when the stock was valued below normal at 12 times earnings, with a 7% free cash yield, primarily due to investor concerns about industry pricing. By contrast, our research identified significant Allergan-specific prospective advantages: Faster sales and earnings growth via its Botox aesthetics franchise, an industry-leading new product pipeline, and lower regulatory risk given a reasonable pricing history and a significant self-pay customer base. With a strong balance sheet and a capable, shareholder-driven management team, we believe Allergan continues to have substantial upside.

Similarly, software maker Oracle performed well in the period as this "legacy" technology franchise confirmed that it is successfully competing amidst significant industry disruption. Oracle gained after reporting cloud software sales that topped skeptical forecasts thanks to its unrivalled installed customer base. Valued at 15 times earnings (net of cash), Oracle continues to have significant upside as it further adapts to new business dynamics and pursues market share growth.

Meanwhile, Occidental Petroleum was one of the quarter's bigger laggards, as it declined along with the energy sector. We started our Oxy holding in 2016 after the stock had underperformed significantly and was valued at meaningful discounts to history and its peers on cash flow and oil reserves. Oxy is defined by its high return on capital properties, including the industry's largest acreage position in the prolific Permian Basin of West Texas and New Mexico, and a long-lived, low maintenance portfolio in the Middle East. In addition, management's current emphasis on lowering costs and capital spending should make Oxy free cash positive at $50 oil prices by 2018. Given its strong balance sheet and a 4.7% annual dividend yield, Oxy has an attractive risk/reward profile and we added to our position on the recent pullback.

Recently, stock correlations have been declining and, for the first time since the financial crisis, are close to their long-term averages. Interest rates and inflation are rising slightly from near-zero levels, and corporate earnings growth is projected to continue through 2017. These dynamics would appear to create a fertile environment for stock pickers like Sound Shore. Indeed, Sound Shore's portfolio was valued at 16.0 times forward earnings, a slightly wider than normal discount to the S&P 500 Index at 18.3 times. Our valuation based, bottom up research process continues to surface opportunities where consensus expectations are low and companies are hard at work building value.

Thank you for your investment alongside ours in Sound Shore.

Sincerely,

SOUND SHORE FUND

Harry Burn, III
John P. DeGulis
T. Gibbs Kane, Jr.

Co-Portfolio Managers

Important Information
The Standard & Poor's 500 Index is an unmanaged index representing the average performance of 500 widely held, publicly traded, large capitalization stocks. It is not possible to invest directly in an Index.

This letter may contain discussions about certain investments both held and not held in the portfolio. As required by the Financial Industry Regulatory Authority (FINRA), we must remind you that current and future portfolio holdings are subject to risk. Percent of net assets as of 3/31/17: Allergan PLC: 2.85%; Occidental Petroleum Corporation: 3.25%; and Oracle Corporation: 3.44%.

An investment in the Fund is subject to risk, including the possible loss of principal amount invested. Mid Cap Risk: Securities of medium sized companies may be more volatile and more difficult to liquidate during market downturns than securities of large, more widely traded companies. Foreign Securities Risk: The Fund may invest in foreign securities primarily in the form of American Depositary Receipts. Investing in the securities of foreign issuers also involves certain special risks, which are not typically associated with investing in U.S. dollar-denominated securities or quoted securities of U.S including increased risks of adverse issuer, political, regulatory, market or economic developments, changes in currency rates and in exchange control regulations. The Fund is also subject to other risks, including, but not limited to, risks associated with value investing.

The views in this letter were those of the Fund managers as of 3/31/17 and may not necessarily reflect their views on the date this letter is first published or anytime thereafter.

You should consider the Fund's investment objective, risks, charges and expenses carefully before investing. The summary prospectus and/or the prospectus contain this and other information about the Fund and are available from your financial intermediary or www.soundshorefund.com. The summary prospectus and/or prospectus should be read carefully before investing.

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