ASTON/River Road Long-Short Fund (N: ARLSX)

Fund Quarterly Commentary

4th Quarter 2012

The fourth quarter provided a fitting end to what was a volatile, yet successful year for equity investors. Stocks traveled almost 8% between their highs and lows during the quarter, but ended the period virtually flat. Several positive catalysts supported equity returns for the full year. Among the strongest were a significant improvement in the housing market, an extension of the Federal Reserve's hyper-aggressive monetary policies, and the extraordinary actions by the European Central Bank, which prevented the most severe downside scenarios related to the European debt crisis. New leadership and a re-acceleration of growth allayed fears of a hard landing in China and the associated global impact.

Both long-short mutual funds and private hedge funds, on average, continued to underperform the broader equity market in 2012. We suspect that the increasing impact of global macroeconomic events has made managing net equity exposure particularly difficult in recent years. Large flows into index funds and exchange-trade funds (ETFs) have also likely driven increasing equity correlations.

Strong Long Performance

Relative to a market (represented by the Fund's Russell 3000 Index benchmark) that barely budged during the quarter, the portfolio outperformed for two primary reasons. First, we added value by effectively managing net long equity exposure. The market declined to its low on November 16, and we gradually increased net long equity exposure from 48% to 65% (exposure peaked the same day the market troughed) by adding to more attractive long positions and trimming less attractive short positions. We designed our "normal" net long equity exposure range (50% to 70%) to be wide enough to make a meaningful contribution for markets like that seen during the quarter, which fluctuated widely between its high and low, but ended near the same place it started.

Second, strong stock selection in the long portfolio offset weaker performance from the short portion of portfolio. We had identified three opportunities in our third quarter commentary—Consumer Discretionary stocks, economically-sensitive stocks, and ADT, the largest new position in the portfolio. ADT quickly worked out and was the largest positive contributor during the fourth quarter. Four of the quarter's top-five contributors were economically sensitive stocks.

The performance of the Fund's Consumer Discretionary holdings highlighted the importance of expectations. More than 90% of the portfolio's long positions in Consumer Discretionary were positive contributors, benefiting from sector strength and low expectations. Conversely, each of the top five individual short contributors were also from the Consumer Discretionary sector, underscoring that shorting stocks with unrealistic expectations can be profitable despite even in the face of strong sector performance.

In the short portfolio, we poorly timed the initiation of a basket of iron ore and metallurgical coal short positions. This basket accounted for three of the Fund's top-10 losing short positions during the quarter. An uptick in Chinese infrastructure spending and an extremely cold Chinese winter limited iron ore supply, resulting in iron ore prices nearly doubling from their September lows. Still, we think our fundamental short thesis for the group remains intact long-term. The volatility-driven rally also pushed some the portfolio's more leveraged short positions higher, dragging down returns.

Long Winners

The three holdings with the highest contribution to returns during the quarter were ADT (long), General Motors (long), and BlackRock

(long). Home security firm ADT was quickly “discovered” after being spun off from Tyco by activist investor Corvex Management. The company also announced its intention to repurchase $2 billion worth of stock (more than 20% of its market cap) over the next three years and initiate a quarterly dividend.

General Motors is the largest auto manufacturer in the U.S. with nearly a 20% market share. Pre-bankruptcy, the “old” GM broke even during periods of average automobile demand (historically between 15 and 19 million cars), earned a profit at the peak, and burned through massive sums of cash at the trough (less than 10 million cars). Having dramatically reduced debt and labor costs through bankruptcy, the “new” GM emerged as a more efficient global competitor that should be profitable at the bottom of the demand cycle in its core North American market. Its most pressing overhang was addressed during the quarter when the U.S. government announced its intent to sell back 40% of its shares to the company immediately and its remaining shares in the open market over the following 12 to 15 months.

Asset manager BlackRock rallied as lingering market concerns about the possibility of Chairman and CEO Larry Fink departing for the U.S. Treasury abated. We appreciate the asset-light economics of the money management business and admire the firm’s evolution into the most diversified asset manager in a volatile industry. Sticky institutional customers that account for more than 80% of total assets provide further stability, while BlackRock’s ownership of ETF provider iShares represents a primary growth driver.

For the full year, top contributors included Madison Square Garden (long), Big Lots (long), and SEI Investments (long). Long-time holding, Madison Square Garden posted strong results as both the New York Knicks and New York Rangers made the playoffs, the facility renovation progressed smoothly, and rising affiliate fees and ticket prices boosted bottom-line results. Despite the stock dropping more than 25% during the year, closeout retailer Big Lots was a top contributor as we traded the position well. SEI Investments, a provider of middle- and back-office functions for the investment industry, made steady progress throughout the year by adding Global Wealth Platform clients, improving private banking margins, and repurchasing shares at a discount to our assessed Absolute Value.

Quarter/Year Laggards

Holdings with the lowest contribution to portfolio returns during the quarter were Western Union (long), MSCI (long), and Devon Energy (long). Western Union lowered guidance for fiscal year 2012 and provided a disappointing outlook for 2013 in late October that sank the stock. A combination of agent defections in Mexico, increased competition from traditional competitors, and new entrants required the company to cut prices in several key channels, initiate a cost savings plan, and accelerate investments in the business. We overestimated the power and sustainability of the firm’s network, while growing competitive issues suggest the near-to-medium term future may not resemble the past. Our loss of fundamental conviction prompted the elimination of the position from the portfolio.

Investment index provider MSCI dropped on news that Vanguard would transition 22 ETFs, comprising $131 billion in assets, from MSCI benchmarks to another provider in search of lower fees. The news fueled worries that other large clients might follow suit and/or pricing pressure would ultimately affect MSCI’s core business. We were less troubled about the core subscription business as we were management’s unwillingness to consider share repurchases at attractive prices after the stock decline. Confirming our initial concern, management noted its intention to pursue growth over share repurchases even at depressed levels. Given this frustration and that MSCI accounted for nearly 10% of the portfolio’s unrealized losses, we eliminated the position. Subsequently, ValueAct Capital, a leading activist investor, established a 5% position in MSCI and the company announced a major share repurchase plan (comprising 8% of its market capitalization) in December. The improvement in shareholder orientation has us eager to consider the stock again. However, we typically avoid analyzing a losing stock for three months after a sale to ensure a fresh perspective when we revisit the position.

We think Devon Energy has sensibly battled the perfect storm of falling natural gas/natural gas liquid prices and widening spreads (the discount it receives from quoted benchmark prices) over the last few years. The company completed two joint ventures with foreign production companies in 2012 to lighten the financial burden of developing the firm’s massive undeveloped resources. The company has raised its dividend annually and repurchased approximately 20% of its shares since 2004. Despite it being one of the Fund’s biggest losers during the quarter, we took no action as there was no change in our fundamental conviction and the stock remained cheap by our work at year-end.

For 2012, each of the Fund’s major detractors exposed the primary weakness with our risk control framework—stocks that “gap” the wrong way. It is easier to contain gradual losers than those that move violently against us. The three largest losers gapped an average of 34% on just one trading day. There is no single, foolproof method to deal with such stocks, so we rely on several tools to

minimize “gap” risk, starting with solid fundamental analysis. Holdings with more operational and/or financial risk are more likely to gap, so they typically encompass smaller position sizes. Finally, we do not average down into losing positions.

Apart from a hedge in the SPDR S&P 500 ETF, the Fund’s three worst performers for the year were AOL (short), Western Union (long), and Hill-Rom Holdings (long). AOL appeared to be the perfect “value trap” (a stock that appears cheap but can continue to fall because of a deteriorating business model or fundamentals), a source of our favorite short opportunities. Shareholder activism and the monetization of its patent portfolio, however, drove the stock past our pre-determined stop-loss price. The stock proceeded to rally another 73% after our stop-loss discipline forced us to close the short position, avoiding further losses. This served as an example of how we would rather stop losing money than accept the risk of waiting to be proven right. Hospital bed manufacturer Hill-Rom chose to pursue questionable acquisitions rather than buy back stock at bargain prices during the year. If a management team prefers to buy presumably “better” companies than increase its stake in its own core business, we thought it made sense to follow suit—and sold the position.

Portfolio Positioning

The Portfolio entered the fourth quarter with its net long equity exposure below our normal range (50% to 70%) at 44%. Our proactive discount-to-Absolute Value indicator for the portfolio flashed “extremely overvalued” the same day that Chairman Bernanke announced quantitative easing (QE) “infinity” during the third quarter. That announcement also established the market’s high for 2012 and prepared the portfolio for the market’s nearly 8% sell-off through mid-November. We subsequently increased net long equity exposure in the Fund more than 20 percentage points through mid-November as the market declined and long opportunities became more attractive.

One of our primary drivers in positioning the portfolio is to reduce volatility through management of its net long equity exposure. The Fund was, on average, only 55% exposed to the equities during the fourth quarter as valuations remained extended for most of the period. Our calculated discount-to-Absolute Value indicator averaged 76% (relatively close to our “extremely overvalued” level at 80%). The long portfolio ended the year with close to 20% in cash, and we believe was well positioned in the event of a market correction.

The opportunities that we discovered in the long portfolio throughout the year—riskier positions trading at a discount—remained available at year-end. We added to each of the Fund’s long Energy holdings as that sector lagged. The portfolio holds a diverse group of Energy stocks, each with an investment grade balance sheet that we think is essential to long-term value creation in a volatile industry.

We typically limit the percentage of the long portfolio we devote to riskier stocks. For example, we set specific caps for retailers, commodity-based stocks, and special situations. The long portfolio seeks to present a balance between more opportunistic (and riskier) positions, such as the current energy bet, and favorite core holdings (steady and predictable) that comprise larger position sizes. Each of the top-five long holdings at year-end are what we consider to be consistent, repeatable, and recurring business models.

Although the broader market was essentially flat during the fourth quarter, we added to the Fund’s individual short portfolio as high-beta (volatility) and “crowded” stocks led the market, pushing some challenged business models to what we considered over-valued prices. The short portfolio remained defensively positioned as of year-end, with a diversified list of 36 holdings positioned and an average position size of 0.64%.

The largest new position added during the quarter was DirectTV (long), one of the world’s largest pay-TV companies and the largest satellite television provider in the United States.

The domestic satellite market is a duopoly between DirectTV and DISH Network, with DirectTV relying on customer service and differentiated content offering to become the second largest multichannel video distributor in the U.S. Its domestic business is now focused on maintaining the subscriber base and maximizing cash flow, with growth coming from its Latin American segment. The company has repurchased 55% of its shares outstanding since 2005, and we expect more share buybacks to come.

The two biggest risks facing the company remain cable’s “triple play” threat (TV, internet, phone) and rising programming (particularly sports) costs. Triple play still has yet to catch on in five years, evident by DirecTV posting subscriber growth during the financial crisis, unlike its cable competition. The firm has been able to offset rising programming costs through effective cost controls and raising prices. Thus, we think the stock represents an attractive opportunity.

Annual Review and Objective Update

We were slightly disappointed with the Fund's return in 2012. Although we outperformed a majority of our peers, we had hoped to participate to a greater degree in a strongly rising market such as that seen in 2012. The portfolio's relatively low average net long equity exposure of 53% during the year overwhelmed solid stock selection in the long portfolio. We were pleased that the long portfolio outperformed the short portfolio, however, in a market driven by high-volatility stocks.

Businesses with steady and predictable cash flows trading at discount prices were in short supply during the year. Despite maintaining the Fund's net long equity exposure at the lower end of our "normal" range, it was significantly higher than the typical hedge fund. According to Bank of America Merrill Lynch, the average hedge fund kept its net market exposure between 25% and 35% during 2012. We designed our strategy to participate in bull markets like 2012 by establishing our normal net long equity exposure range relatively high at 50% to 70% (the average hedge fund net market exposure has been approximately 40% according to Bank of America).

Protecting capital was not difficult in 2012. The market never had a daily close below the closing level of 2011, which has happened only the seven times before since 1928 (the last occurrence was in 1979). The market's biggest drawdown (peak-to-trough decline) during the year was 10%, in-line with the market's median calendar-year drawdown since 1950. The portfolio's maximum drawdown was only 4.9%.

We believe the primary difference between successful and unsuccessful asset managers is that successful managers make small mistakes instead of big mistakes. We leverage a robust set of risk controls—not averaging down on target positions, setting stop-losses, monitoring unrealized losses at the portfolio level, and avoiding momentum in the short portfolio—to help limit the damage individual positions can cause the portfolio. Given the significant market gains in 2012, it's not surprising that the short portfolio remained the focus of our risk controls at year end. We actively reduced the momentum of the short portfolio during the quarter by trimming higher momentum short positions. If the market grinds even higher in 2013, we expect more risk control action will be necessary as several short positions approached our stop-loss limits near year-end.

It may be easy for investors to grow complacent after such a smooth ride in 2012, but we designed the strategy for the inevitable bumps in the road. We do not know if sluggish earnings growth, rising interest rates, the debt ceiling debate, or other factors will force the market to consider risk in 2013. We do believe that both our proactive discount-to-Absolute Value indicator and reactive Drawdown Plan are proven tools to help protect capital in challenging environments. Like many of the great money managers of the past—Jesse Livermore, Bernard Baruch, Gerald Loeb, Roy Neuberger—we are uncomfortable losing more than 10% of capital, and thus, have created capital protection tools with potential downside mitigation in mind.

River Road Asset Management

16 January 2013

As of December 31, 2012, ADT comprised 2.52% of the portfolio's assets, General Motors – 2.70%, BlackRock – 0.00%, Madison Square Garden – 0.00%, Big Lots – 1.25%, SEI Investments – 0.00%, Western Union – 0.00%, MSCI – 0.00%, Devon Energy – 3.00%, SPDR S&P 500 – 0.00%, AOL – 0.00%, Hill-Rom Holdings – 0.00%, and DirecTV – 3.80%.

Note: Short sales may involve the risk that the Fund will incur a loss by subsequently buying a security at a higher price than which it was previously sold short. A loss incurred on a short sale results from increases in the value of the security, thus losses on a short sale are theoretically unlimited. Value investing often involves buying the stocks of companies that are currently out-of-favor that may decline further. Investing in exchange traded and closed end funds are subject to additional risk that shares of the underlying fund may trade at a premium or discount to their net asset value.

Parameters set by the Subadviser are not a fundamental policy of the Fund and are subject to change at any time.

Before investing, consider the Fund's investment objectives, risks, charges, and expenses. Contact 800 992-8151 for a prospectus or summary prospectus containing this and other information. Please, read it carefully. Aston Funds are distributed by Foreside Funds Distributors LLC.

Fund Performance

Average Annual Total Returns

	Monthly returns (%) Period ended 12/31/12			Annualized Returns (%) Period ended 12/31/12					
	Month	3 Months	YTD	1 yr	3 yr	5 yr	10 yr	Since Incept.	Incept. Date
Fund Class N Shares (ARLSX)	1.92	1.17	9.58	9.58	N/A	N/A	N/A	5.53	5/4/2011
Russell 3000 Index	1.23	0.25	16.42	16.42	11.20	2.04	7.68	4.35	4/30/2011
Category: Long/Short Equity	0.54	-0.33	5.15	5.15	2.81	0.27	4.55	-1.71	5/4/2011

Calendar year-end returns

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Fund Class N Shares (ARLSX)	9.58	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 3000 Index	16.42	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The performance data quoted represents past performance. Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares upon redemption may be worth more or less than their original cost. Certain expenses were subsidized. If these subsidies were not in effect, the returns would have been lower. The adviser is contractually obligated to waive management fees and/or reimburse expenses through February 28, 2013. Current performance may be lower or higher than the performance data quoted.

For periods less than one-year, total returns are reported; for periods more than one-year, average annual total returns are reported.

The Russell 3000 Index offers investors access to the broad U.S. equity universe representing approximately 98% of the U.S. market. The Russell 3000 Index is constructed to provide a comprehensive, unbiased and stable barometer of the broad market and is completely reconstituted annually to ensure new and growing equities are reflected. Indices are adjusted for the reinvestment of capital gains and income dividends. Individuals cannot invest in an index.

Morningstar Rating™ (based on risk-adjusted returns) and Morningstar Rankings™ (based on total returns)
Long/Short Equity Category as of 12/31/2012

	Overall	1 yr	3 yr		5 yr		10 yr	
	Rating	Rank	Rating	Rank	Rating	Rank	Rating	Rank
Fund Class N Shares (ARLSX)	N/A	22	N/A	N/A	N/A	N/A	N/A	N/A
Total # funds in category	N/A	191	N/A		N/A		N/A	

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars,the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating is derived from a weighted-average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics.© Morningstar, Inc.

The highest or most favorable Morningstar percentile rank is 1 and the lowest percentile rank is 100. The top-performing fund in a category will always receive a rank of 1. Various rating agencies categorize funds differently. Past performance is no guarantee of future results.

Fund Overview

Investment Strategy

The **ASTON/River Road Long-Short Fund** seeks to provide absolute returns while minimizing volatility over a full market cycle.

Alternatives At a Glance Brochure (259 KB, PDF)

Principal Investment Strategies

The Fund pursues its objective by taking long and short positions in equity securities. The Fund's portfolio managers believe that a combination of long and short positions may provide positive returns. The allocation between long and short positions is a result of the fundamental investment process. The Fund does not intend to be market neutral and anticipates that it will normally hold a higher percentage of its assets in long positions (i.e., the Fund will be "net long"). The Fund's equity investments consist primarily of domestic common stock but may also include other types of equity such as foreign stock, preferred stock, convertible securities and REITs. The Fund may use instruments such as exchange traded funds ("ETFs"), options, futures and other index-based investments to manage its exposure between long and short positions. The Fund may have significant cash balances.

When the Fund takes a short position, it sells a stock that it does not own at the current market price in anticipation that the market price will go down. To complete a short sale, the Fund must borrow the security to make delivery to the buyer. The Fund is then obligated to replace the borrowed security by purchasing the security in the open market at the time of closing out the short sale. The price at such time may be more or less than at the time the security was sold. Until the borrowed security is returned, the Fund is required to pay the lender amounts equal to any dividends or interest that accrue during the period of the loan. To borrow the security, the Fund also may be required to pay a premium to the lender, which would increase the cost of the security sold. The proceeds of the short sale will be retained by the broker to the extent necessary to meet margin requirements, until the short position is closed. To manage risk the portfolio managers may use controls and techniques to systemically reduce market exposure upon the occurrence of certain trigger events.

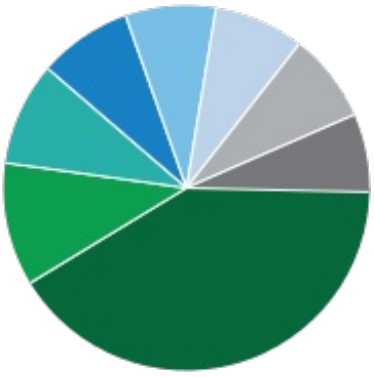
Principal Risks

Short sales may involve the risk that the fund will incur a loss by subsequently buying a security at a higher price than the price at which the fund previously sold the security short. A loss incurred on a short sale results from increases in the value of the security, losses on a short sale are theoretically unlimited. Value investing often involves buying the stocks of companies that are currently out of favor that may decline further. Investing in exchange traded and closed end funds are subject to additional risk that shares of the underlying fund may trade at a premium or discount to their net asset value per share. Exposure to real estate markets include declines from deteriorating economic conditions, changes in the value of the underlying property, and defaults by borrowers. Investing in foreign markets also entails the risk of social and political instability, market illiquidity, and currency volatility.

Note: Please see profile sheet for Sector Breakdown and Top Ten Holdings.

Fund Stats (as of 12/31/12)	N Shares
Total Net Assets (1/30/13)	$10,870,113.10

Sector Breakdown (as of 12/31/2012)	
CASH EQUIVALENTS & OTHER	41.29%
FINANCIALS	10.91%
CONSUMER DISCRETIONARY	9.14%
CONSUMER STAPLES	8.27%
INDUSTRIALS	7.98%
INFORMATION TECHNOLOGY	7.97%
HEALTH CARE	7.88%
ENERGY	6.91%
UTILITIES	3.02%
TELECOMMUNICATION SERVICES	-1.51%
MATERIALS	-1.85%



Past performance does not guarantee future results. Investment return and principal value of mutual funds will vary with market conditions, so that shares, when redeemed, may be worth more or less than their original cost.

As the fund is actively managed, the securities as presented may not represent the current or future composition of the portfolio.

Fund Holdings

Holdings as of: 12/31/2012

Company	Ticker	CUSIP	Number of Shares	Market Value	% of Net Assets ↓
CASH EQUIVALENTS & OTHER			1,966,895	$3,498,230.73	41.29%
MOLSON COORS BREWING CO -B	TAP	60871R209	9,260	$396,235.40	4.67%
THOMSON REUTERS CORP	TRI	884903105	12,342	$358,658.52	4.23%
BERKSHIRE HATHAWAY INC-CL B	BRK/B	084670702	3,802	$341,039.40	4.02%
HARRIS TEETER SUPERMARKETS I	HTSI	414585109	8,563	$330,189.28	3.89%
DIRECTV	DTV	25490A309	6,433	$322,679.28	3.80%
WILLIAMS PARTNERS LP	WPZ	96950F104	6,568	$319,598.88	3.77%
VIACOM INC-CLASS B	VIAB	92553P201	5,475	$288,751.50	3.40%
LOEWS CORP	L	540424108	7,079	$288,469.25	3.40%
EXPEDITORS INTL WASH INC	EXPD	302130109	7,026	$277,878.30	3.28%
EXPRESS SCRIPTS HOLDING CO	ESRX	30219G108	4,771	$257,634.00	3.04%
NATIONAL FUEL GAS CO	NFG	636180101	5,039	$255,426.91	3.01%
DEVON ENERGY CORPORATION	DVN	25179M103	4,899	$254,943.96	3.00%
WHITE MOUNTAINS INSURANCE GP	WTM	G9618E107	491	$252,865.00	2.98%
OWENS & MINOR INC	OMI	690732102	8,284	$236,176.84	2.78%
NORFOLK SOUTHERN CORP	NSC	655844108	3,802	$235,115.68	2.77%
OCCIDENTAL PETROLEUM CORP	OXY	674599105	3,062	$234,579.82	2.76%
AMERICAN INTERNATIONAL GROUP	AIG	026874784	6,575	$232,097.50	2.73%
MICROSOFT CORP	MSFT	594918104	8,600	$229,878.00	2.71%
GENERAL MOTORS CO	GM	37045V100	7,954	$229,313.82	2.70%
ADT CORP/THE	ADT	00101J106	4,596	$213,668.04	2.52%
BECTON DICKINSON AND CO	BDX	075887109	2,719	$212,598.61	2.50%
KOHLS CORP	KSS	500255104	4,845	$208,238.10	2.45%
GLOBAL PAYMENTS INC	GPN	37940X102	4,300	$194,790.00	2.29%
HEARTLAND EXPRESS INC	HTLD	422347104	13,466	$176,000.62	2.07%
DST SYSTEMS INC	DST	233326107	2,712	$164,347.20	1.94%
ORACLE CORP	ORCL	68389X105	4,428	$147,540.96	1.74%
WMS INDUSTRIES INC	WMS	929297109	7,463	$130,602.50	1.54%
TOTAL SYSTEM SERVICES INC	TSS	891906109	5,926	$126,934.92	1.49%
JOY GLOBAL INC	JOY	481165108	1,844	$117,610.32	1.38%
BIG LOTS INC	BIG	089302103	3,748	$106,668.08	1.25%
SOLAZYME INC		83415T101	-1,810	-$14,226.60	-0.16%
SONIC CORP		835451105	-2,008	-$20,903.28	-0.24%
GAMESTOP CORP-CLASS A		36467W109	-854	-$21,426.86	-0.25%

RUBY TUESDAY INC	781182100	-3,231	-$25,395.66	-0.29%
WALTER ENERGY INC	93317Q105	-710	-$25,474.80	-0.30%
CONAGRA FOODS INC	205887102	-874	-$25,783.00	-0.30%
CHARTER COMMUNICATION-A	16117M305	-342	-$26,074.08	-0.30%
LIQUIDITY SERVICES INC	53635B107	-649	-$26,518.14	-0.31%
DIANA SHIPPING INC	Y2066G104	-4,118	-$30,061.40	-0.35%
MOBILE MINI INC	60740F105	-1,591	-$33,140.53	-0.39%
LEVEL 3 COMMUNICATIONS INC	52729N308	-1,496	-$34,572.56	-0.40%
INSULET CORP	45784P101	-1,837	-$38,981.14	-0.46%
BJ'S RESTAURANTS INC	09180C106	-1,202	-$39,545.80	-0.46%
EARTHLINK INC	270321102	-6,691	-$43,223.86	-0.51%
MATTRESS FIRM HOLDING CORP	57722W106	-1,769	-$43,393.57	-0.51%
SIMPSON MANUFACTURING CO INC	829073105	-1,325	-$43,446.75	-0.51%
CLEAR CHANNEL OUTDOOR-CL A	18451C109	-6,304	-$44,254.08	-0.52%
ZILLOW INC-CLASS A	98954A107	-1,708	-$47,397.00	-0.55%
SWIFT TRANSPORTATION CO	87074U101	-5,785	-$52,759.20	-0.62%
NOKIA CORP-SPON ADR	654902204	-13,523	-$53,415.85	-0.63%
SAKS INC	79377W108	-5,353	-$56,260.03	-0.66%
TECK RESOURCES LTD-CLS B	878742204	-1,578	-$57,360.30	-0.67%
LEGGETT & PLATT INC	524660107	-2,138	-$58,196.36	-0.68%
GARMIN LTD	H2906T109	-1,432	-$58,454.24	-0.69%
LIFE TIME FITNESS INC	53217R207	-1,291	-$63,530.11	-0.74%
REALPAGE INC	75606N109	-3,019	-$65,119.83	-0.76%
CINCINNATI FINANCIAL CORP	172062101	-1,748	-$68,451.68	-0.80%
BOYD GAMING CORP	103304101	-10,962	-$72,787.68	-0.85%
MERCURY GENERAL CORP	589400100	-1,871	-$74,259.99	-0.87%
CLIFFS NATURAL RESOURCES INC	18683K101	-1,926	-$74,266.56	-0.87%
RR DONNELLEY & SONS CO	257867101	-8,353	-$75,177.00	-0.88%
CENTURYLINK INC	156700106	-2,391	-$93,535.92	-1.10%
AMERICAN AXLE & MFG HOLDINGS	024061103	-8,380	-$93,856.00	-1.10%
US NATURAL GAS FUND LP	912318201	-5,177	-$97,845.30	-1.15%
ALBANY INTL CORP-CL A	012348108	-4,829	-$109,521.72	-1.29%
UNITED STATES OIL FUND LP	91232N108	-3,360	-$112,089.60	-1.32%
MONRO MUFFLER BRAKE INC	610236101	-3,244	-$113,442.68	-1.33%
GOODYEAR TIRE & RUBBER CO	382550101	-9,644	-$133,183.64	-1.57%
			$8,471,428.62	**100%**

Past performance does not guarantee future results. Investment return and principal value of mutual funds will vary with market conditions, so that shares, when redeemed, may be worth more or less than their original cost.

As the fund is actively managed, the securities as presented may not represent the current or future composition of the portfolio.

Aston Funds

ASTON/River Road Long-Short Fund

December 31, 2012

Class N: **ARLSX**

Top Ten Long Holdings

	Fund
Molson Coors Brewing Co.	4.68%
Thomson Reuters Corp.	4.23%
Berkshire Hathaway Inc. - Cl B	4.03%
Harris Teeter Supermarkets I	3.90%
DIRECTV	3.81%
Williams Partners LP	3.77%
Viacom Inc. - Class B	3.41%
Loews Corp.	3.41%
Expeditors Intl Wash Inc.	3.28%
Express Scripts Holding Co.	3.04%
Percentage of Total Net Assets	**37.55%**

Top Five Short Positions

	Fund
Goodyear Tire & Rubber Co.	(1.57%)
Monro Muffler Brake Inc.	(1.34%)
United States Oil Fund LP	(1.32%)
Albany Intl Corp. Cl. A	(1.29%)
US Natural Gas Fund LP	(1.16%)

The fund is actively managed. Holdings and weightings are subject to change daily.

Portfolio Characteristics

	Long/Short
Number of Positions	30/38
Percentage of Exposure	84.30%/(25.57%)
Net Exposure (Long - Short)	58.73%
Gross Exposure (Long + Short)	109.87%

Objective: The Fund seeks to provide absolute return while minimizing volatility over a full market cycle.

Sector Breakdown vs. Benchmark Comparison

	Long	Short	Benchmark*
Cash	23.22%	18.08%^	0.00%
Consumer Discretionary	19.42%	(10.28%)	12.52%
Financials	13.16%	(2.24%)	16.82%
Industrials	12.04%	(4.06%)	11.25%
Information Technology	10.19%	(2.22%)	18.19%
Energy	9.55%	(2.65%)	9.94%
Consumer Staples	8.58%	(0.30%)	9.29%
Health Care	8.34%	(0.46%)	11.78%
Utilities	3.02%	(0.00%)	3.45%
Materials	—	(1.85%)	4.07%
Telecommunications Services	—	(1.51%)	2.70%

*Russell 3000 Index
^ Cash collateral for short positions
Sector weightings are based on net assets.

Highlights

- Seek equity-like returns with reduced volatility
- Dedicated long-short team that builds on firm's core competency in Absolute Value investing
- Layered risk management process

Subadviser

River Road Asset Management (Louisville, KY)
Founded in 2005, River Road seeks financially strong, well-managed companies selling at a meaningful discount to "Absolute Value" to achieve superior long-term, risk-adjusted returns.

Portfolio Managers

Matthew W. Moran, CFA
Portfolio Manager
Mr. Moran has 12 years of investment experience. He graduated summa cum laude with a BS in Finance from Bradley University and earned his MBA from The University of Chicago Booth School of Business.

Daniel Johnson, CPA, CFA
Portfolio Manager
Mr. Johnson has six years of investment management experience. He received his BS in accounting and a masters in accountancy from the University of Kentucky.

Investment Strategy & Process

The Fund seeks to provide equity-like returns with reduced volatility and emphasis on capital preservation by taking long and short equity positions using a value-driven, bottom-up approach.

Long Portfolio

- Market Capitalization—minimum $750 million
- Valuation—target a minimum 25% discount to proprietary estimate of Absolute Value
- Seek predictable, sustainable and understandable business models that generate significant free-cash flow
- Shareholder-friendly management based on insider ownership, stock buybacks, dividend policy, and value-enhancing transactions

Short Portfolio

- Market Capitalization—minimum $500 million
- Valuation—target a minimum 20% premium to proprietary estimate of Absolute Value
- Seek firms with challenged business models, unsustainable capital structures and misaligned management incentives
- Avoid stocks with strong positive momentum

Layered Risk Management

- Active management of net long market exposure (from 10% to 90%); 50% to 70% in normal market conditions
- Bottom-up security risk evaluation on long portfolio
- Risk budget and cover discipline for individual short positions
- Control total unrealized losses in portfolio by reducing losing positions
- Drawdown Plan override that systematically reduces net market exposure during adverse market environments

NOT FDIC INSURED. NO BANK GUARANTEE. MAY LOSE VALUE.

Aston Funds

ASTON/River Road Long-Short Fund

December 31, 2012

Calendar Year Returns

	Class N	Benchmark
2012	9.58%	16.42%

Fund Information

	Class N
Ticker	ARLSX
Cusip	00080Y629
Net Exp Ratio Excluding Div. & Int. Exp on Short Sales and Acq. Fund Fees[1]	1.70%
Total Operating Expenses[2]	2.75%
Gross Expense Ratio	8.70%
Turnover*	280%
Total Net Assets ($Mil)	8.4
Sales Load	None

[1] Does not include dividend and interest expense on short sales of 1.02% and acquired fund fees of 0.03%.

[2] The Advisor is contractually obligated to waive management fee and/or reimburse ordinary expenses through February 28, 2013. The total operating expense includes dividend and interest expense on short sales and acquired fund fees, which are not included in the net expense ratio.

* Based on a rolling 12 month average.

Portfolio Characteristics

	Long	Short
Median Mkt Cap ($Mil)	15,849	1,603
Wtd Avg Mkt Cap ($Mil)	37,970	4,360

** Excludes negative earnings

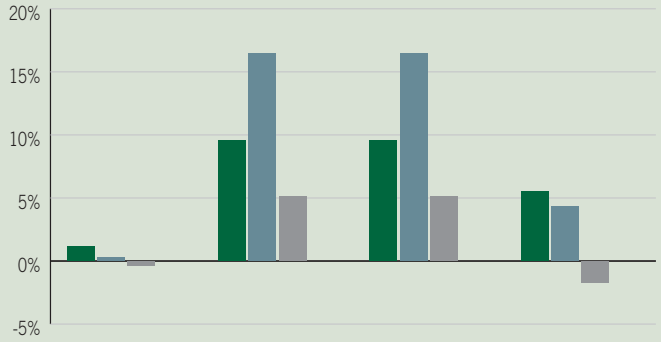
For quarterly Fund commentary please visit us online at www.astonfunds.com.

Before investing, carefully consider the fund's investment objectives, risks, charges and expenses. Contact 800-992-8151 for a prospectus or a summary prospectus containing this and other information. Read it carefully. Aston Funds are distributed by Foreside Funds Distributors LLC.

Shareholder Services: 800 992-8151

Investment Adviser Services: 800 597-9704

Performance



	Current Quarter^	Year-To-Date^	ANNUALIZED TOTAL RETURNS AS OF 12/31/12 1 Year	Since Inception	
Class N Shares	1.17%	9.58%	9.58%	5.53%	5/4/11
Benchmark*	0.25%	16.42%	16.42%	4.35%	5/4/11
Category**	-0.33%	5.15%	5.15%	-1.71%	5/1/11

The performance data quoted represents past performance. Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, upon redemption, may be worth more or less than their original cost. Some of the returns quoted reflect fee waivers or expense reimbursements. Returns for certain periods would have been lower without the waivers/reimbursements. Current performance may be lower or higher than the performance data quoted. For performance data current to the most recent month-end, please visit our website at www.astonfunds.com.

^ Total Returns.

* The **Russell 3000 Index** is capitalization-weighted index of the 3,000 largest U.S. companies, representing approximately 98% of the investable U.S. equity market.

** The **Morningstar Long-Short Equity Category** figures allow for a direct comparison of a fund's performance within its Morningstar Category.

Morningstar® Ranking

Based on Total Return

Class N	1 Yr.
Percentile Rank	22
# of Funds	191

As of 12/31/12. The highest or most favorable Morningstar percentile rank is 1 and the lowest percentile rank is 100. The top-performing fund in a category will always receive a rank of 1. Various rating agencies categorize funds differently. Past performance is no guarantee of future results.

Note: Short sales may involve the risk that the fund will incur a loss by subsequently buying a security at a higher price than the price at which the fund previously sold the security short. A loss incurred on a short sale results from increases in the value of the security, losses on a short sale are theoretically unlimited. Value investing often involves buying the stocks of companies that are currently out of favor that may decline further. Investing in exchange traded and closed end funds are subject to additional risk that shares of the underlying fund may trade at a premium or discount to their net asset value per share. Convertible preferred securities are subject to the risks of equity securities and fixed income securities. Derivatives can be highly volatile and involve risk in addition to the risk of the underlying reference security. Investing in the securities of foreign issuers involves special risks and considerations not typically associated with investing in U.S. companies.

Parameters set by the Subadviser are not a fundamental policy of the Fund and are subject to change at any time.

Aston Investment Product Overview

Domestic Equity

	Value	Blend	Growth
Large	Herndon Capital Management Value* Cornerstone Invest. Partners Value	TAMRO Capital Partners Diversified Equity*	Montag & Caldwell, Inc. Growth Balanced
Mid	River Road Asset Mgmt. Dividend All Cap Value^ Dividend All Cap Value II	Fairpointe Capital LLC Mid Cap Core	Montag & Caldwell, Inc. Mid Cap Growth
Small	River Road Asset. Mgmt. Select Value River Road Asset. Mgmt. Small Cap Value River Road Asset. Mgmt. Independent Value^	TAMRO Capital Partners Small Cap^ Silvercrest Asset Mgmt. Small Cap	Lee Munder Capital Group Small Cap Growth

Aston Asset Management

- Institutional investment process
- Well-defined asset class expertise
- Focused portfolios
- Seasoned professionals
- Seeks superior risk-adjusted returns

Fixed Income

DoubleLine Capital LP
Core Plus Fixed Income

Taplin, Canida & Habacht, Inc.
Fixed Income

International

Baring Asset Mgmt. (Barings)
Internatonal All Cap Growth

Alternative

Lake Partners, Inc.
LASSO Alternatives

Anchor Capital
Enhanced Equity

River Road Asset Mgmt.
Long-Short

Sector

Harrison Street Securities, LLC
Real Estate

*Also available in Separately Managed Accounts (SMA) ^Closed to new investors

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