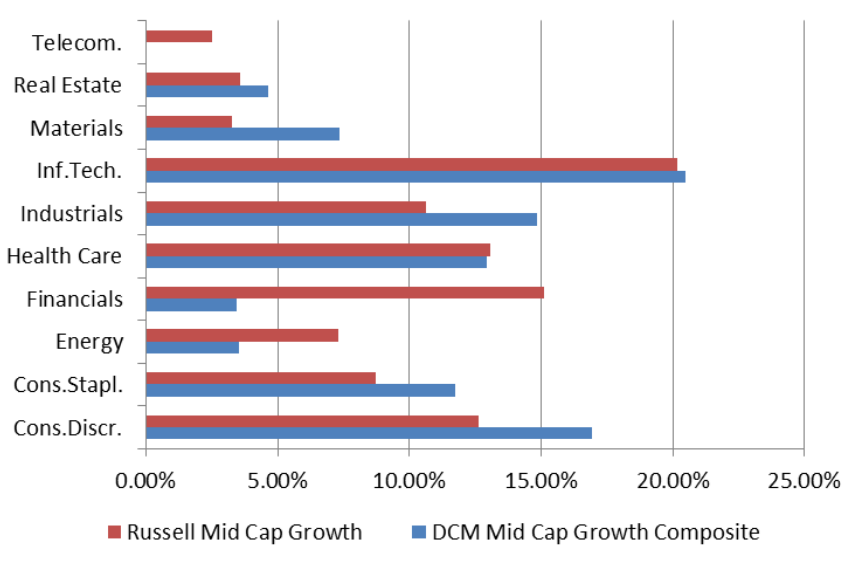


Portfolio Sector Allocation – December 2016



Mid-Cap Growth Strategy

Decatur Capital's Mid-Cap Growth strategy focuses on stocks with positive EPS estimate revisions, accelerating EPS growth and EPS surprises. Portfolio holdings range between 40-60 stocks.

Portfolio Commentary

The Mid-Cap Growth Composite gross TR was -0.07% compared to the Russell Mid-Cap Growth's TR of 0.35% in December 2016.

US equity markets took a breather as investors digested the economic policy implications of a Trump administration and November's sharp post-election rise. In the Financial sector, we sold stocks such as Zions Bancorp, First Republic and CBOE Holdings for valuation reasons. While we believe that a steeper yield curve and the eventual repeal of most of the Dodd-Frank regulatory framework will boost earnings for the banking & insurance sectors, such positives are already incorporated into valuations for the Financial sector after a ferocious rally in November & December. We are now Underweight the Financial sector. Within Healthcare, we swapped Anthem (ANTM) for Illumina (ILMN). We increased our positions in Mattel (MAT) and Hasbro (HAS), and purchased a new position in JC Penney, taking advantage of somber investor sentiment after a blasé holiday shopping season for brick-and-mortar retailers.

Aeroportuario Del Sureste (ASR) was one of three Mexican airports that we added to on post-election weakness. ASR is the private operator of Cancun airport (Mexico's 2nd largest) and 8 other southeast Mexican airports, apart from being a 50% partner in the San Juan, Puerto Rico airport. Investors have been fearful of the threats of border walls, tariffs on Mexican imports, curbs on US companies offshoring manufacturing in Mexico and finally, peso weakness but we consider much, if not all, of this fretting to be misplaced. Curbs on migration or industrial offshoring do not affect ASR since Cancun traffic volumes (74% of ASR's total traffic) are 90% US tourists. Secondly, a cheapening peso makes airfares and vacation spending in Mexico that much cheaper for a US tourist paying in dollars. US tourist arrivals into Mexico and ASR's key tourist airports of Cancun and Cozumel have steadily risen higher through the last 2 years of peso depreciation, and Cancun's international traffic in November and December was up 6% and 11% YoY, respectively.

The T3 expansion which added capacity of 4mn passengers has been successful and ASR expects its 4th terminal T4, with a capacity of 7mn passengers, to be operational by YE17. ASR's non-aeronautical (duty-free, F&B, parking) revenues/passenger of ~95 pesos is markedly higher than OMAB or PAC due to its predominantly US tourist mix, and we expect this to spike higher in the '18-20 period once T4 is added to the mix.

Mid-Cap Growth Performance (Composite Returns)

	MTD	QTD	1 Year	3 Year	Inception
DCM Mid-Cap Growth (Gross)	-0.07%	0.75%	5.45%	2.89%	10.80%
DCM Mid-Cap Growth (Net)	-0.14%	0.55%	4.59%	2.08%	9.94%
Russell Mid-Growth Index	0.35%	0.46%	7.33%	6.23%	13.13%

Decatur Capital Mid-Cap Growth - Top Ten Holdings

Company	Ticker	Weight
Zimmer Biomet Holdings	ZBH	4.0%
Rite-Aid Corp	RAD	4.0%
Edgewell Personal Care	EPC	3.9%
Cigna	CI	3.6%
Activision Blizzard	ATVI	3.4%
General Dynamics	GD	3.4%
PayPal Holdings	PYPL	3.2%
Cabot Oil & Gas	COG	3.2%
Perrigo	PRGO	3.0%
Southwestern Energy	SWN	3.0%
Total		34.7%

Disclosures

1. Mid Cap Growth Composite is comprised of 40-60 equity securities with a minimum market capitalization of \$1 Billion and a maximum portfolio average not to exceed 150% of the benchmark. The strategy focuses on growth of earnings and key valuation metrics. The benchmark is the Russell Mid Cap Growth Index. The Russell Mid Cap Growth Index represents the performance of those Russell Mid Cap companies with higher price-to-book ratios and higher forecasted growth values. As of November 2015, the minimum account size for this composite is \$100,000. Prior to November 2015, the minimum account size for this composite is \$1,000,000.
2. Portfolio characteristics are similar to the benchmark, the Russell Midcap Growth index.
3. Performance is presented gross and net of management fees. Net of fee performance was calculated using the highest management fee 0.80% as noted in the composite fee schedule.
4. The investment strategy of the composite has not changed during the investment period.
5. This table reflects weights in a representative portfolio, and actual client portfolios may have differing weights.
6. Past performance does not represent future results and current returns may be higher or lower than return data depicted.
7. The Mid Cap Growth Composite was created on June 30, 2012.

Note: Returns are measured in U.S. dollars net of fees. Decatur Capital Management, Inc. (DCM) is a registered investment advisor specializing in growth oriented investment management. The benchmark is the Russell Mid Cap Growth which is designed to measure the mid cap growth firms within the U.S. The benchmark is market cap weighted. DCM claims compliance with the Global Investment Performance Standards (GIPS). Returns are measured in US dollars, net of fees and includes the reinvestment of all income. To receive a list of composite descriptions of DCM and/or presentation that complies with the GIPS standards, contact Ralph J. Bryant, CPA at (404) 270-9838 or ralphb@decaturcapital.com, or write to DCM, 250 E Ponce De Leon Avenue, Suite 325, Decatur, GA 30030.