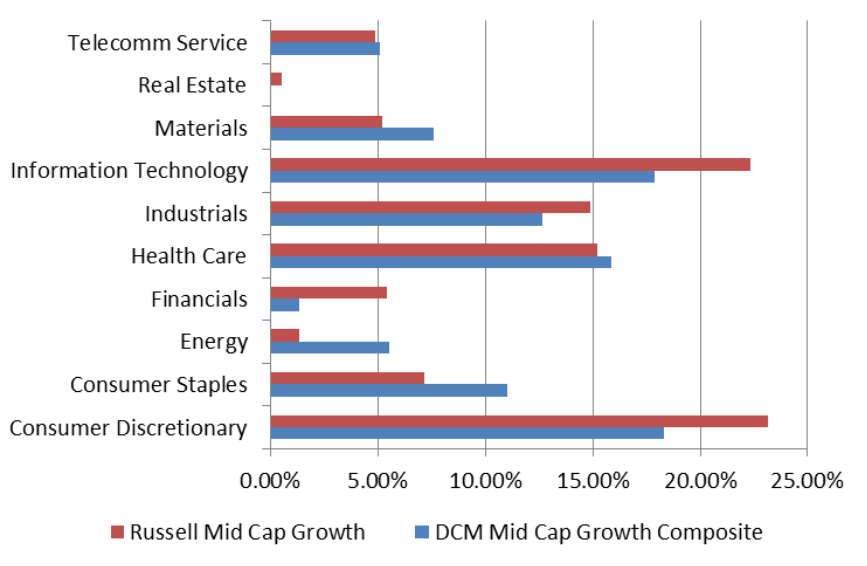


Portfolio Sector Allocation – March 2017



Mid-Cap Growth Performance (Composite Returns)

	MTD	QTD	1 Year	3 Year	Inception
DCM Mid-Cap Growth (Gross)	-0.82%	3.41%	8.59%	4.76%	10.99%
DCM Mid-Cap Growth (Net)	-0.89%	3.20%	7.71%	3.94%	10.13%
Russell Mid-Growth Index	0.55%	6.89%	14.07%	7.88%	14.00%

Decatur Capital Mid-Cap Growth - Top Ten Holdings

Company	Ticker	Weight
Edgewell Personal Care	EPC	3.7%
JC Penney	JCP	3.2%
Cabot Oil & Gas	COG	3.1%
Perrigo Company	PRGO	3.1%
Regeneron Pharmaceuticals	REGN	3.0%
Yum Brands	YUM	3.0%
Southwestern Energy	SWN	3.0%
Molson Coors Brewing Co.	TAP	2.9%
Liberty Global Class A	LBTYA	2.9%
Kansas City Southern	KSU	2.9%
Total		30.9%

Disclosures

- Portfolio characteristics are similar to the benchmark, the Russell Midcap Growth index.
- Portfolio results reflect the deduction of advisory fees, trading commissions and expenses that a client would have paid during the period.
- The investment strategy of the composite has not changed during the investment period.
- This table reflects weights in a representative portfolio, and actual client portfolios may have differing weights.
- Past performance does not represent future results and current returns may be higher or lower than return data depicted.

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's gross TR was -0.82% compared to the Russell Mid-Cap Growth's TR of 0.55% in March 2017.

March was a month of portfolio restructuring with a number of stocks sold after they hit our price targets. Activision Blizzard (ATVI), General Dynamics (GD) and PayPal (PYPL) were sold after their valuations clearly overshot their earnings prospects. We sold Gray Television (GTN) after a run-up in the broad TV broadcasting sector on rumors that the UHF discount would be reinstated by the FCC. We sold the Mexican airport basket (OMAB, ASR, PAC) after both the Mexican peso and equity markets bounced back sharply from their Trump-victory lows.

We purchased new positions in Yum Brands (YUM) and its newly separated China subsidiary, Yum China Holdings (YUMC). We added to Regeneron Pharma (REGN) after the FDA approved Dupixent for atopic dermatitis late in March, and purchased a new position in dialysis center operator, DaVita. We also added to positions in Southwestern Energy (SWN) and Kansas City Southern (KSU), both significant laggards during the 1st quarter, after we re-examined their earnings cycles and found them to be intact.

Murphy USA (MUSA), a fast-growing chain of gas stations, is a position within the Consumer Discretionary sector. MUSA has 1,400+ locations in 23 Southern and Midwest states, while staying away from densely populated markets where high real-estate costs hurt ROIC. MUSA has an interesting business strategy of "following Wal-Mart around", and locates its gas stations in the parking lots of WMT stores. This co-location arrangement, apart from a 3-5c discount per gallon for WMT customers, ensures a steady flow of customers to MUSA's stations. The downside to this cohabitation is that MUSA does not stock merchandise that is sold by WMT in its stores.

MUSA's per-gallon margins expand in an environment of lower crude oil prices since retail prices are only adjusted downwards after a meaningful lag. MUSA has cleaned up its balance sheet by reducing debt and commencing a \$250m buyback program. We are expecting the store base to expand by 75-100 locations annually with improving merchandise margins. MUSA reported a strong 3Q, beating consensus by 34c, and F2 estimates have moved from \$2.71 to \$2.97.