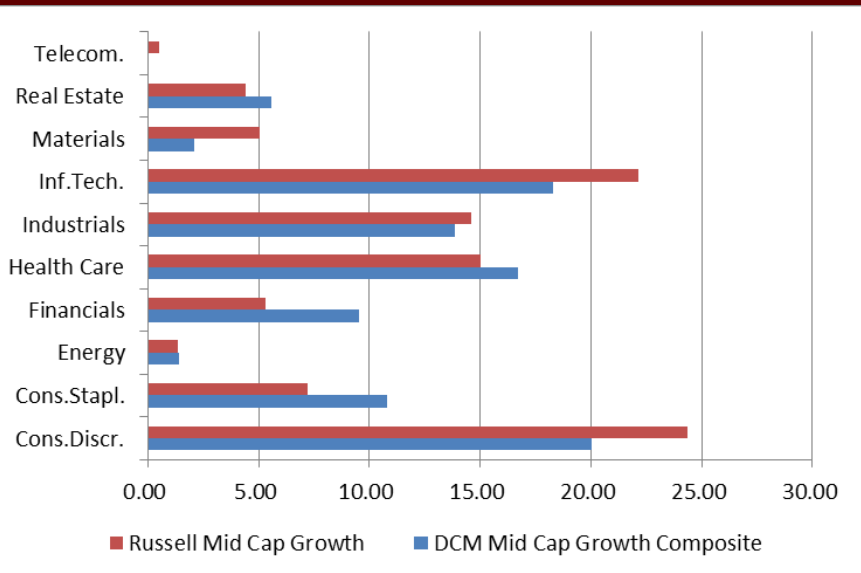


Portfolio Sector Allocation – November 2016



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 4.85% compared to the Russell Mid-Cap Growth's TR of 4.35% in November 2016.

We purchased a number of cyclical earnings cycles such as Cabot Oil (COG), Oneok (OKE), Sealed Air (SEE), Celanese (CE) and FMC (FMC) prior to Nov. 8th on signs that US economic growth was steadily improving. After Trump's stunning victory signaled the advent of sweeping reflationary and deregulatory policies, apart from a possible end to financial repression and the commodity bear market, we expanded our cyclical exposure by adding Harsco (HSC) and Commercial Metals (CMC). We also increased our allocations in the banking industry by adding to First Republic (FRC) and purchased new positions in Zions Bancorp (ZION) and Investors Bancorp (ISBC), while rebalancing our exposure in the financial exchange sector by trimming CBOE (CBOE) and adding Marketaxess (MKTIX).

In the Healthcare sector, we sold Cooper Holdings (COO) and Intuitive Surgical (ISRG) prior to the election for valuation reasons and, after the election results underscored the GOP legislative threat to Obamacare, exited Allergan (AGN) and AmerisourceBergen (ABC), and trimmed our Anthem (ANTM) position. Since Obamacare has been a powerful tailwind for the Healthcare sector for the last 6 years, we think that the GOP threat to "repeal and replace" or, at the very least, hobble funding for the ACA poses a significant threat to earnings momentum and valuations for healthcare stocks. In the technology sector, we purchased a new position in Twitter (TWTR), which has made progress towards GAAP profitability by reducing its workforce and operating expenses, and improving user monetization. We also added to ActivisionBlizzard (ATVI), FleetCor (FLT) and CSRA (CSRA) and repurchased Akamai (AKAM) during the month.

General Dynamics (GD), a commercial aerospace (Gulfstream) and defense company (cyber-security & electronics to the Abrams tank to nuclear-powered submarines) is our largest position in the Industrial sector. Even before the GOP's election victory which should boost US defense spending further, defense budgets were already increasing to build a more technologically advanced force to deal with hostile nations and paramilitaries in the Middle East, Asia and Europe. That said, while GD's electronics and cyber-security business should benefit, its submarine business has lackluster long-term growth prospects. On the commercial aerospace side, the downturn in the energy sector has not been kind to Gulfstream, with an overhang of used plane sales from energy companies and erstwhile oil barons dampening sales of new aircraft. We're hopeful that the recent uptick in oil prices will absorb some of the used plane inventory.

Mid-Cap Growth Performance (Composite Returns)

	MTD	YTD	1 Year	3 Year	Inception
DCM Mid-Cap Growth (Gross)	4.85%	5.52%	3.47%	3.49%	11.04%
DCM Mid-Cap Growth (Net)	4.78%	4.73%	2.63%	2.65%	10.15%
Russell Mid-Growth Index	4.35%	6.96%	4.54%	7.22%	13.31%

Decatur Capital Mid-Cap Growth - Top Ten Holdings

Company	Ticker	Weight
Zimmer Biomet Holdings	ZBH	4.0%
Rite-Aid Corp	RAD	3.8%
Cigna	CI	3.6%
Activision Blizzard	ATVI	3.5%
General Dynamics	GD	3.5%
PayPal Holdings	PYPL	3.2%
Taubman Centers	TCO	3.1%
First Republic Bank	FRC	3.5%
Tegna	TGNA	2.9%
Edgewell Personal Care	EPC	2.9%
Total		33.4%

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 \$1,000,000. 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.