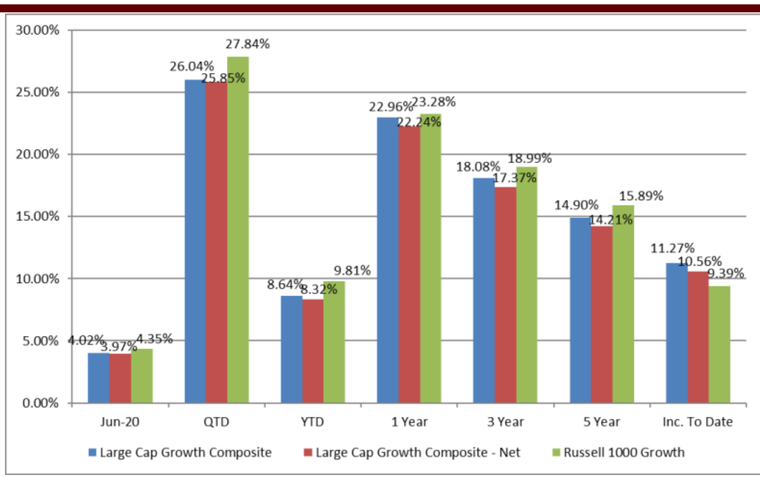
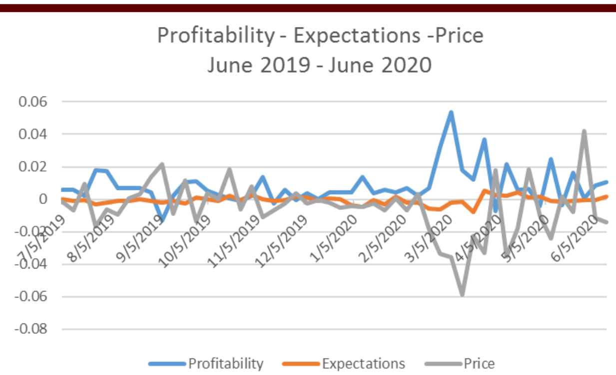
The View from Decatur June 2020

Chart 1: DCM Large Cap Growth Composite Trailing Performance June 30, 2020



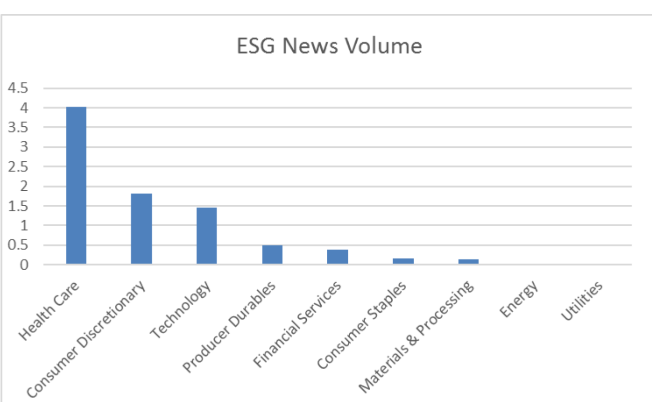
1. Large Cap Growth Composite is comprised of 40-60 equity securities with market capitalization of $5 Billion or more that pass our quantitative selection process and can be acquired at a reasonable price. The strategy focuses on growth of earnings and key valuation metrics. The benchmark is the Russell 1000 Growth Index. The Russell 1000 Growth Index represents the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The minimum account size for this composite is $1,000,000.
2. Portfolio characteristics are similar to the benchmark, the Russell 1000 Growth index.
3. Returns are presented gross and net of management fees and include the reinvestment of all income. Performance prior to 7/31/12 is shown net of other fees including custody fees. Performance post October 2012 is shown gross of other fees. Net of fee performance was calculated using the highest management fee as noted in the composite fee schedule. Performance was calculated using a highest fee of 0.75% prior to July of 2011 and 0.60% as of July 2011.
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 Large Cap Growth Composite was created on February 28, 2002.

Chart 2: Long – Profitability – Expectations- Price



Source: TruValue Labs, Decatur Capital Management, Inc.

Chart 3: News Volume by Economic Sector 2Q



Source: TruValue Labs, Decatur Capital Management, Inc.

DCM Strategy: U.S. Large Cap Growth

Decatur Capital's strategy is focused on finding companies in the U.S. whose characteristics meet our quantitative selection process.

Portfolio Manager Commentary

Our performance for the 2nd quarter, net-of-fees, U.S. Large Cap Growth Strategy was 25.85% (unaudited), compared to the Russell 1000 Growth Index return of 27.84%.

Second Quarter Drivers

Chart 2 shows the weekly factor returns for the year. As the chart vividly displays, it has been a volatile second quarter! To the detriment of our portfolio, the strongly positive returns associated with firms having high-quality profitability greatly diminished over the quarter, while the strongly negative returns associated with more value-oriented stocks ("Price") moved toward positive territory by the end of the quarter. As it has been all year, the expectations factor group, which includes earnings and sales forecasts, was mixed during the quarter.

The sectors that underperformed in the portfolio during the period were consumer discretionary and healthcare. We did not own Tesla (TSLA), which surged 105% during the quarter. TSLA had bottom quartile scores for profitability, expectations, and price. Overall, the stock scored in the bottom third of our universe. One of our healthcare holdings that disappointed was Gilead (GILD). In the midst of the constantly shifting news and expectations surrounding COVID-19 treatments, the firm lagged behind the other biotech firms. We continue to hold GILD, based on its profitability, expectations, price and social license to operate.

Second Quarter Drivers- News Volume

Chart 3 shows the news volume differences between the second quarter of 2019 and the second quarter of 2020 broken out by sector. It is a simplified calculation that counts the total number of news items about firms within a sector over the quarter divided by the number of firms. Consistent with the pandemic crisis, we see large increases in average news items in the consumer discretionary, health care, and technology sectors. We gain insight by the evaluation of the volume – and direction – of news items.

Outlook for 3Q2020

Given the state of the pandemic and U.S. politics, we anticipate the level of factor volatility in the capital markets will remain in the near term at the heightened levels of the last few months. Our expectations are firms with higher-quality profitability will rebound, while the value-oriented firms will lag.

Note: Returns are measured in U.S. dollars net of fees. Decatur Capital Management, Inc. (DCM) is a registered investment advisor specializing in quantitative growth oriented investment management. The benchmark is the Russell 1000 Growth which is designed to measure the large cap growth firms within the U.S. The benchmark is market cap weighted. DCM claims compliance with the Global Investment Performance Standards (GIPS). 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, 150 E Ponce De Leon Avenue, Suite 430, Decatur, GA 30030.