

# DECATUR CAPITAL MANAGEMENT, INC.

## FOCUSED GROWTH

Address: 150 E. Ponce de Leon Ave., Ste. 150  
Decatur, GA, 30030

Firm Type: Independent Reg. Inv. Advisor

Legal Structure: Corporation

Year Founded: 1998

Firm GIPS Compliant: Yes

Firm/Product Assets: \$ 150.39 Million / \$ 0.19 Million

Firm/Product Accounts: 35 / 2

Parent Company: none

Investment Style: Growth

Market Capitalization: Large Capitalization (10-50 \$Billion)

Decision Making: --

Portfolio Manager: Mr. Degas Wright

Manager Tenure: --

Mgr. Experience: --

Product Contact: Mrs. Elizabeth Crenshaw

Phone: 404-270-9838

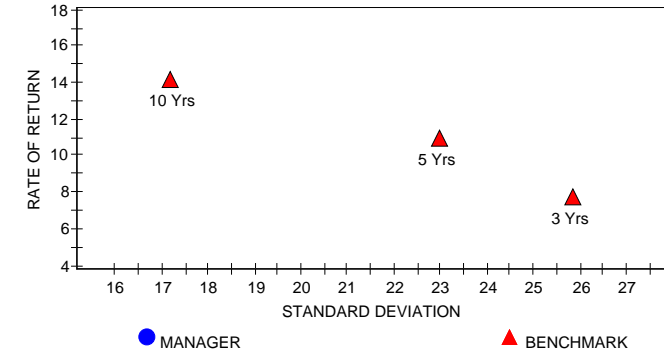
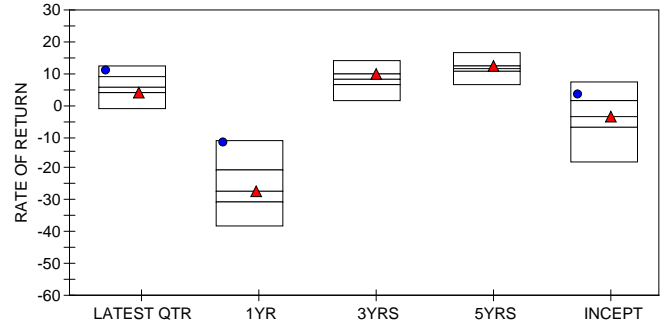
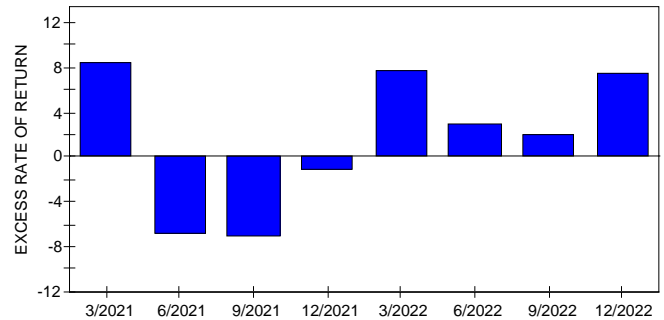
	Account Size	Annual Fees
Performance Incentive Fee:	US\$ 1 Mill	--
Individual Min Annual Fee:	US\$ 5 Mill	--
Individual Min Account Size:	US\$ 10 Mill	--
Offered As Mutual Funds:	US\$ 25 Mill	--
Offered As Commingled Funds:	US\$ 50 Mill	--
Commingled Min Annual Fee:	US\$ 100 Mill	--
Commingled Min Account Size:	US\$ 200 Mill	--

	MRQ	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	Incept
Manager	9.58	-12.65	19.71	--	--	--	--	--	--	--	--	2.26
Bchmrk	2.20	-29.14	27.60	38.49	36.39	-1.51	30.21	7.08	5.67	13.05	33.48	-4.91
Excess	7.38	16.49	-7.89	--	--	--	--	--	--	--	--	7.17
90 TBill	1.07	2.20	0.04	0.32	2.08	2.00	0.96	0.33	0.06	0.03	0.05	1.12

PERIOD	ROR	STDEV	ALPHA	BETA	RSQR	TRCKERR	SHARPE	INFORATIO
3 Yrs	--	--	--	--	--	--	--	--
4 Yrs	--	--	--	--	--	--	--	--
5 Yrs	--	--	--	--	--	--	--	--
6 Yrs	--	--	--	--	--	--	--	--
7 Yrs	--	--	--	--	--	--	--	--
8 Yrs	--	--	--	--	--	--	--	--
9 Yrs	--	--	--	--	--	--	--	--
10 Yrs	--	--	--	--	--	--	--	--
Inception	2.26	--	--	--	--	--	--	--

GICS Sector Breakdown: 12/2022	%	Equity Characteristics: 12/2022	%
Materials	4.64	Beta(5 Year)	1.09
Energy	7.11	Dividend Yield	0.93
Consumer Staples	11.23	5 Year EPS Growth	13.86
Consumer Discretionary	6.38	Price/Book	4.02
Industrials	12.19	P/E (Proj next 12 mths)	22.01
Utilities	--	Return on Equity	23.99
Health Care	15.79	Market Capitalization:	
Information Technology	24.38	Wght Avg (\$ MM)	32997.00
Communication Services	--	Median (\$ MM)	15799.00
Financials	10.62	Debt/Equity	--
Real Estate	5.02	Active Share	98.16
Cash	2.63	Total # of Holdings	21.0
Other	--	% of Top Ten Holdings	54.19
		Ann Fiscal YTD Turnover	--
		SEC-30-Day Yield	--

Ten Largest Holdings:12/2022	%	Firm Representative Client List
AGCO CORPORATION	5.9300	Undisclosed
KLA CORPORATION	5.8400	Undisclosed
MANHATTAN ASSOCIATES, INC.	5.5800	Undisclosed
EOG RESOURCES INC	5.4700	--
AUTONATION INC.	5.2200	--
SERVICE CORP. INTL	5.1700	--
FORTINET, INC.	5.1500	--
SPROUTS FARMERS MARKET,	5.1400	--
ALLSCRIPTS HEALTHCARE	5.0100	--
COSTCO WHOLESALE CORP	4.8800	--



PERIOD	RATE OF RETURN				GROWTH OF \$1,000		
	MANAGER	BENCHMARK	EXCESS	MANAGER	BENCHMARK	PREMIUM	
1 Yr	-12.65	-29.14	16.49	\$874	\$709	\$165	
2 Yrs	2.26	-4.91	7.17	\$1,046	\$904	\$142	
3 Yrs	--	7.79	--	--	\$1,252	--	
4 Yrs	--	14.32	--	--	\$1,708	--	
5 Yrs	--	10.96	--	--	\$1,682	--	
6 Yrs	--	13.96	--	--	\$2,190	--	
7 Yrs	--	12.95	--	--	\$2,345	--	
8 Yrs	--	12.01	--	--	\$2,478	--	
9 Yrs	--	12.13	--	--	\$2,802	--	
10 Yrs	--	14.10	--	--	\$3,740	--	
Inception	2.26	-4.91	7.17	\$1,046	\$904	\$142	

## DECATUR CAPITAL MANAGEMENT, INC. FOCUSED GROWTH

Equity Personnel	Total	Firm Personnel	Total
Portfolio Managers	1	Portfolio Managers	1
Research Analysts	--	Research Analysts	1
Traders	1	Traders	1
Marketing	1	Marketing	1
Total Equity	3	Client Service	1

**EQUITY INVESTMENT PHILOSOPHY - Decatur Capital's (DCM) Focused Growth strategy consists of 15-20 U.S. based securities with market capitalizations over \$1 billion and seeks growth by investing in companies that meet infrastructure, growth, or disruptive themes. The first category, infrastructure companies, serves as the foundational element. We define infrastructure companies as those companies that provide products and/or services for the basic physical structures and facilities needed for the operation of society. Furthermore, the U.S. has under invested in the nation's infrastructure and this provides an investment opportunity. In addition, we expect that these companies' stock prices may be less volatile during market cycles. The second category, growth companies. We define growth companies as those companies that generate consistent free cash flow at reasonable valuations. Our focus is on identifying companies that may have innovative business models that will benefit from macro-economic trends. These companies provide the building blocks that should result in consistent performance during most market cycles. The third category is disruptive companies. We define disruptive companies as those companies that fundamentally may change an industry. This category will experience the highest level of volatility and price uncertainty. We devote the majority of our research efforts on this category since, the business model may not be profitable but may provide significant upside for the strategy. DCM's Focused Growth Equity product was launched December 2020.**

**INVESTMENT DECISION-MAKING PROCESS - Degas A. Wright, CFA is responsible for the development and maintaining of the models which are revised on a periodic basis. This revision process includes the review of the model's forecasting success through attribution analysis. To date, there have been no major revisions to the models. Sector Allocation: The Decatur Alpha Score is based on a multi-factor model that incorporates information on the firm's earnings outlook, quality, and valuation ratios. The output from this multi-factor is an alpha estimate for stocks in our investment universe. The stocks' alpha estimate is then grouped in industry and sector groups. This grouping of the stocks in common sectors allows DCM to determine which sectors may experience positive price movement based on mean capitalization weighted sector alpha score. This alpha score determines which sectors are over-weighted or under-weighted. Therefore, the firm's sector selection is based on a bottom-up stock selection process. The research process is organized in a general coverage of the stock universe. The firm receives data to feed its quantitative models from various research services. In addition, DCM reviews Wall Street analyst reports to evaluate its outlook compared to the consensus outlook. The stock universe is comprised on U.S. based firms. The stocks that represent the top 20% of the stock universe based on their alpha score is used as the buy list which is updated weekly. DCM has found several factors that impact stock returns, some of those factors**

are earnings revisions, earnings surprises, earnings growth, earnings yield, revenue surprises, price momentum, price to book, dividend yield, and earnings quality. Once the buy list is identified, DCM evaluates its model portfolio to determine if it should change the holdings based on its sell discipline. There are four components to DCM's sell discipline: 1) Stop loss prices are determined for all holdings on a monthly basis. The stop loss determination consists of two components: a base price and a loss allowance. The base price for each stock is the greater of either the purchase price or current month end price. The loss allowance is established and a stop loss price is determined. If the stock falls below this price then it must be immediately reviewed. If a reason for the loss can be determined and it is deemed not to be significant to the long term outlook, the stock may be retained. If a reason cannot be determined or the reason is significant, the stock must be sold. 2)The Decatur Alpha Score changes to the bottom two deciles and negative market price movement. 3)Sector outlook and weightings change. 4)The attainment of the appreciation target for the stock price is obtained then a designated portion of the position is sold.

**ORGANIZATION AND OWNERSHIP - Decatur Capital Management (DCM), Inc. was founded in June 1998 and began managing institutional assets in 2002. DCM is a registered investment advisor in the state of Georgia, a registered MWBE firm in Illinois and is registered with the SEC (since January 2006). The firm is currently 100% employee owned. The founding principals, Degas Wright, CFA and Ralph Bryant, CPA are the controlling equity owners of DCM. In 2013, equity ownership was expanded to include additional individuals. The firm currently manages Large & International equity strategies.**

Offered WRAP/TAMP Program:

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