

# Multi-Cap Growth Portfolio

**Congress Asset Management strives for superior total returns through a growth-oriented diversified portfolio of high quality securities. Consistency of approach and adherence to sound fundamental analysis is the basis of our conservative investment process.**

## Company Snapshot as of 3/31/2017

Company Assets	\$8.7 b
Founded	1985

## Investment Committee

	<i>Company Tenure</i>
John O'Reilly, CFA Committee Chair	2001
Dan Lagan, CFA	1989
Todd Solomon, CFA	2001

## Portfolio Construction

- Research process results in a Buy List of 60-80 securities, with 50 to 60 securities per portfolio
- Sector exposure not to exceed 30%
- No more than a 5% allocated to any one security
- Fully invested with a cash allocation not in excess of 3%
- Average annual turnover of 25-35%

## Annualized Returns % as of 3/31/2017

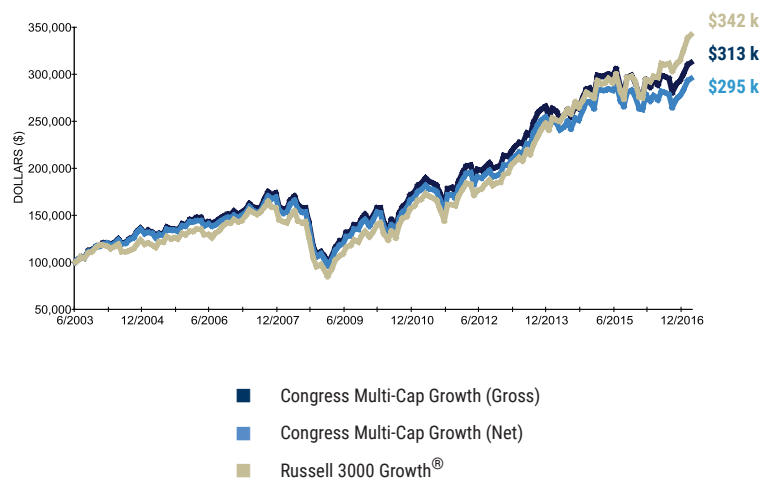
	QTD	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception 7/1/2003
Congress Multi-Cap Growth (Gross)	6.6	6.6	6.3	6.4	9.1	7.4	8.7
Congress Multi-Cap Growth (Net)	6.5	6.5	5.9	6.0	8.7	7.0	8.2
Russell 3000 Growth <sup>®</sup>	8.6	8.6	16.3	10.9	13.2	9.0	9.4

Sources throughout this presentation: Congress Asset Management, Factset, Russell Investments and Informa Investment Solutions. The information throughout this presentation is for illustrative purposes and is subject to change at any time. Holdings and sector weightings are subject to change and should not be considered investment advice or a recommendation to buy or sell a particular security. Actual holdings may vary by client. Past performance does not guarantee future results. Gross performance shown does not reflect the deduction of investment management fees and certain transaction costs, which will reduce investment performance. This information is supplemental to the GIPS<sup>®</sup> presentation for the composite. Performance returns of less than one year are not annualized. Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or underlying data contained in this communication. No further distribution of Russell data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication.

Characteristics	Multi-Cap Growth	Russell 3000 Growth Index <sup>®</sup>
Total Assets	\$210 mm	-
Number of Equity Holdings	51	1,766
Weighted Average Market Cap (b)	\$78.6	\$163.6
P/E - Trailing 12 Months	24.4x	21.8x
Price/Book	4.6x	5.7x

Risk Return since inception	Multi-Cap Growth	Russell 3000 Growth Index <sup>®</sup>
Standard Deviation %	14.53	14.96
Beta	0.94	1.00
Sharpe Ratio	0.51	0.54
Alpha	-0.16	-
Upside Capture %	88.8	100
Downside Capture %	88.4	100

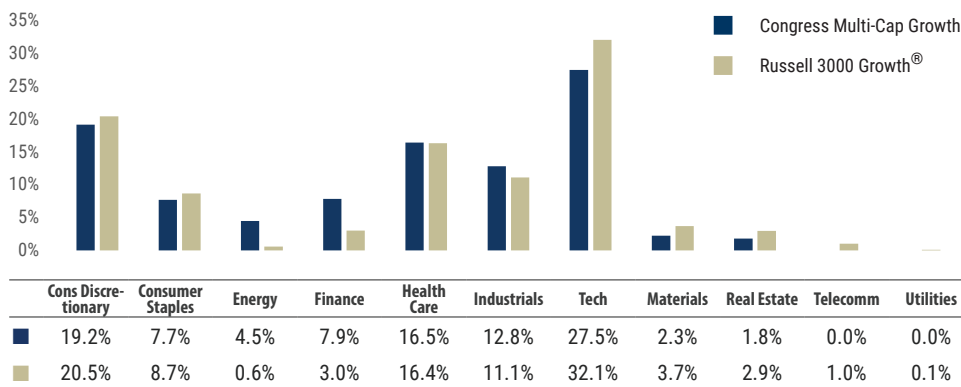
## Growth of \$100,000 7/1/2003 through 3/31/2017



Top 10 Composite Holdings % as of 3/31/2017

Align Technology Inc	2.7
Rockwell Automation Inc	2.4
Skyworks Solutions Inc	2.4
Amphenol Corp	2.3
Facebook Inc	2.3
Apple Inc	2.2
Ulta Salon Cosmetics & Fragrances	2.2
Sherwin Williams	2.2
Mastercard Inc. CL-A	2.2
Paypal Holdings Inc	2.2
<b>Total:</b>	<b>23.1</b>

GICS Sector Allocation % ex Cash as of 3/31/2017



Calendar Year Composite Returns %

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Multi-Cap Growth (Gross)	14.3	-35.5	35.0	14.1	1.8	15.9	31.2	7.0	2.7	0.5
Multi-Cap Growth (Net)	13.9	-35.7	34.4	13.7	1.5	15.5	30.7	6.6	2.3	0.1
Russell 3000 Growth®	11.4	-38.4	37.0	17.6	2.2	15.2	34.2	12.4	5.1	7.4

Definitions: **Russell 3000 Growth Index®** measures the performance of companies within the Russell 3000 that exhibit higher price-to-book ratios and forecasted earnings. **Standard Deviation** measures historical volatility **Beta** measures the volatility of a portfolio in comparison to an index **Sharpe Ratio** uses standard deviation and excess return to determine reward per unit of risk **Alpha** compares the risk-adjusted performance of a portfolio to an index **Upside Capture Ratio** measures the manager's overall performance to the benchmark's overall performance, considering only quarters that are positive in the benchmark **Downside Capture Ratio** is the ratio of the manager's overall performance to the benchmark's overall performance, considering only quarters that are negative in the benchmark.

Congress Asset Management Co. Multi-Cap Growth Composite 7/1/2003 - 3/31/2017

Year	Total Return Gross of Fees %	Total Return Net of Fees %	Russell 3000 Growth % (dividends reinvested)	S&P500 Return % (dividends reinvested)	Composite Gross 3-Yr St Dev (%)	Russell 3000 Growth 3-Yr St Dev (%)	S&P 500 3-Yr St Dev (%)	Number of Portfolios	Gross Dispersion %	Total Composite Assets End of Period (\$ millions)	% of composite represented by non-fee paying account	Total Firm Discretionary Assets End of Period (\$ millions)	Total Firm Assets End of Period # (\$ millions)
YTD	6.6	6.5	8.6	6.1	n/a	n/a	n/a	22	n/a	184	n/a	5,976	8,668
2016	0.5	0.1	7.4	12.0	11.4	11.3	10.6	6	n/a	131	n/a	5,693	8,139
2015	2.7	2.3	5.1	1.4	10.8	10.8	10.5	≤5	n/a	135	n/a	5,941	7,094
2014	7.0	6.6	12.4	13.7	10.4	9.7	9.0	≤5	n/a	134	n/a	6,328	7,449
2013	31.2	30.7	34.2	32.4	12.6	12.5	11.9	≤5	n/a	127	n/a	6,489	7,467
2012	15.9	15.5	15.2	16	16.7	16.0	15.1	≤5	n/a	100	n/a	6,755	7,498
2011	1.8	1.5	2.2	2.1	18.2	18.2	18.7	≤5	n/a	87	n/a	6,329	7,014
2010	14.1	13.7	17.6	15.1	n/a	n/a	n/a	≤5	n/a	82	n/a	6,416	6,678
2009	34.9	34.4	37.0	26.5	n/a	n/a	n/a	≤5	n/a	72	n/a	5,263	5,463
2008	-35.5	-35.7	-38.4	-37.0	n/a	n/a	n/a	≤5	n/a	54	n/a	4,292	4,371
2007	14.3	13.9	11.4	5.5	n/a	n/a	n/a	≤5	n/a	83	n/a	5,812	5,846
2006	8.0	7.4	9.5	15.8	n/a	n/a	n/a	≤5	n/a	103	n/a	5,464	5,469
2005	2.9	2.3	5.2	4.9	n/a	n/a	n/a	≤5	n/a	100	n/a	4,750	4,751
2004	16.6	15.8	6.9	10.9	n/a	n/a	n/a	≤5	n/a	89	n/a	3,844	3,844
2H'03	16.9	16.6	15.4	15.2	n/a	n/a	n/a	≤5	n/a	56	n/a	3,697	3,697

over \$500 million exhibiting consistent earnings growth. Accounts with wrap commissions are excluded from the composite. Prior to January 1, 2016 the composite minimum was \$500 thousand (US dollars). The primary composite benchmark is the Russell 3000 Growth and the S&P 500 is a supplemental index. Effective January 1, 2008 the Multi-Cap Growth benchmark was changed retroactively from the S&P 500 and S&P MidCap 400 indices to the Russell 3000 Growth index in order to better represent the investable universe. The returns for the S&P MidCap 400 were 20.7% for the 2H'03, 16.5% for 2004, 12.6% for 2005, 10.3% for 2006 and 8.0% for 2007. The benchmark returns are not covered by the report of independent verifiers. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. A complete list and description of all firm composites is available upon request.

**Calculation Methodology:** Valuations and returns are computed and stated in U.S. dollars. The firm uses the Modified Dietz formula to calculate monthly returns and links these returns geometrically to produce an accurate time-weighted rate of return. The composite is also revalued intra-month in cases where cash flows in excess of 10% of the composite's value occur. Composite returns are asset-weighted. Gross of fees returns are calculated gross of management and custodial fees and net of transaction costs. Prior to 2007 net of fees returns are calculated by reducing gross returns by the highest management fee in the Multi-Cap Growth composite, which is 0.63%. Effective January 1, 2007 net of fees returns are calculated using actual management fees. The composite results portrayed reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Accruals for equity securities are included in calculations. A maximum of 5% of the portfolio may be invested in the ADR's of foreign companies. Internal dispersion is calculated using the asset-weighted standard deviation of annual gross-of-fees returns of those portfolios that were included in the composite for the entire year. For those years when less than six portfolios were included in the composite for the full year, no dispersion measure is presented. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The standard deviation is not presented for 2003 through 2010 as it is not required for periods prior to 2011.

#The "Total Firm Assets" column is provided as supplemental information and also includes unified managed account (UMA) assets  
 Congress Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Congress Asset Management has been independently verified for the periods 12/31/95 – 6/30/16. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

**Firm Information:** Congress Asset Management Co. (CAM) is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. Registration does not imply a certain level of skill or training. CAM manages a variety of public equity, private equity, fixed income and ETF managed portfolios for private and institutional clients. CAM acquired Prelude Asset Management, LLC on March 15, 2010. CAM merged with Congress Capital Partners, LLP on June 30, 2015.

**Composite Characteristics:** The Multi-Cap Growth Composite was created on July 1, 2003. This inception date reflects the first full month an account was fully invested in the strategy and met the inclusion criteria. The composite includes all fully discretionary accounts with a value over \$100 thousand (US dollars) managed in the multi cap growth style for a minimum of one consecutive month. The multi-cap growth strategy invests in the equity of high quality companies with market capitalizations 2017\_Q1\_MULT\_SC\_00

**Fee Schedule:** The firms' individual account fee schedule is as follows: 1.00% for first \$1 million, 0.80% for next \$4 million, 0.60% for next \$5 million. Management fees for individual accounts with assets under management exceeding \$10 million, and for institutional accounts are negotiated. The individual account fee schedule may be subject to negotiation where circumstances warrant. As fees are deducted quarterly, the compounding effect will increase the impact of the fees by an amount directly related to the gross account performance. For example, an account earning a 10% annual gross return with a 1% annual fee deducted quarterly would earn an 8.9% annual net return due to compounding.

**Other Disclosures:** Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Past performance does not guarantee future results. This performance report should not be construed as a recommendation to purchase or sell any particular securities held in composite accounts. Market conditions can vary widely over time and can result in a loss of portfolio value.