1st QUARTER 2018

SMALL CAP VALUE STRATEGY COMMENTARY

MARKET OVERVIEW

Markets during 1Q18 demonstrated their first significant hints of concern about the economy in two years. Although the Cortina Small Cap Value Strategy has been moving to a more defensive positioning, it underperformed by approximately 150 bps, reversing a portion of 2017's outperformance. Awkwardly, it was the more defensive portions of the portfolio that did poorly in a down market. Studying the factors that drove performance for the market as a whole, value, as a factor, was dead last in 1Q18 performance drivers, while momentum was at the top. Our strategy is to buy inexpensive equities that are transitioning from negative / neutral momentum to positive momentum; when the majority of stocks working are those that are expensive and already performing well, this strategy will often underperform. We do not believe current market leadership continues and expect sector rotation to arrive in the coming months that will reward our current positioning on both a sector and stock-specific basis.

Within the benchmark, Energy was the worst sector, which is of little surprise and the strategy remains underweight the industry. Conversely, Real Estate, Consumer Staples, and Utilities, classic defensive sectors, all delivered the worst absolute returns as rates rose in the first six weeks of the year, while Health Care and Financials (by a fraction) were the only positive contributors in the quarter to the index. Overall sector allocation was positive for the strategy, but selection, specifically in health care, was negative. On the positive side, several long developing situations paid off handsomely, including several small benefits from M&A activity and a dramatic rebound in a consumer technology company.

COMPOSITE PERFORMANCE

	1Q18	3 Year	5 Year	Inception*
Cortina Small Cap Value (Gross)	**-4.09%**	**4.86%**	**9.07%**	**11.24%**
Cortina Small Cap Value (Net)	**-4.22%**	**4.27%**	**8.42%**	**10.63%**
Russell 2000 Value Index	**-2.64%**	**7.87%**	**9.96%**	**10.22%**

Annualized return since June 30, 2011

PERFORMANCE REVIEW

1Q18 felt like a longer quarter than it was, with multiple ups and downs. Relative performance became an ever moving line that was as volatile as absolute performance. Last week's winner became next week's loser and vice-versa with no news to note on a regular basis.

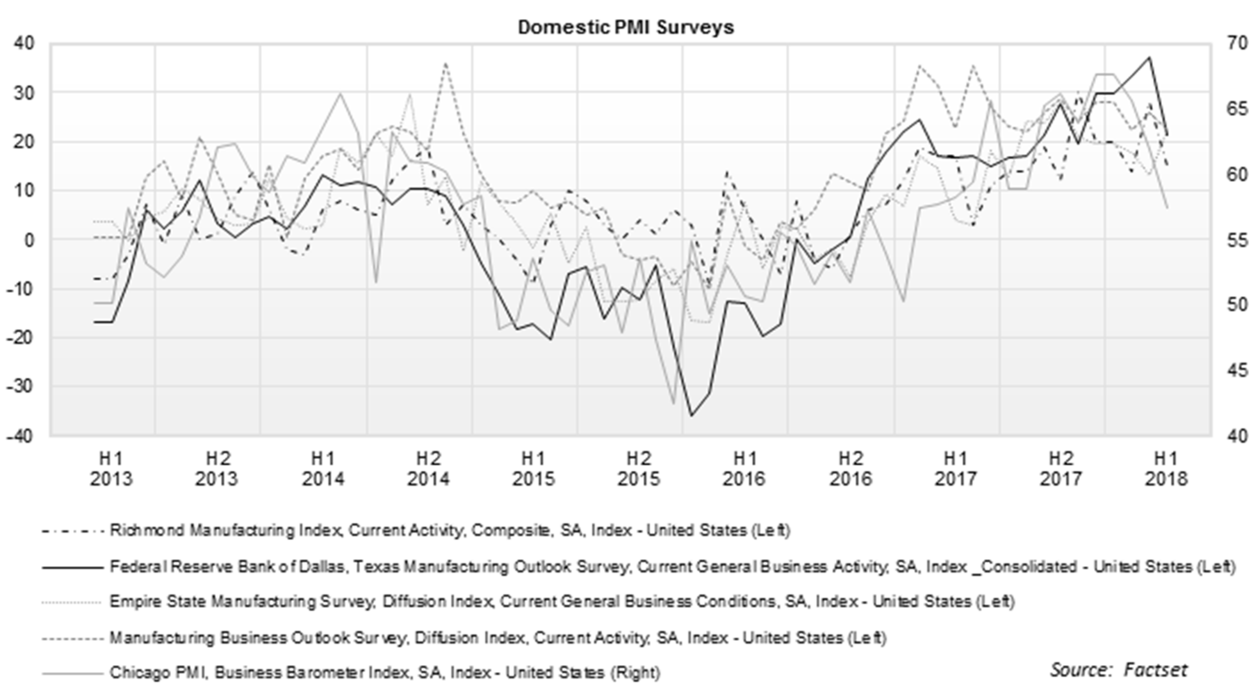
In the winner's circle was a consumer technology company that operates an online marketplace. After a slow stumble post-IPO, we took a significant position in this company which, only two quarters after new management's arrival, began to post materially improved results. The equity never 'screened' cheap making it a non-typical value-investor story. Our work showed a strong company that, with underwhelming management replaced, had significantly greater earnings power than most observers believed. We continue to believe the greatest value-creation opportunities remain in non-typical value investments and that simply buying statistically inexpensive equities is a hard way to make a living. Other gainers included a steel processing company that only two years ago was a forgotten basket case and is now a rapidly improving cash flow machine, and a slow-and-steady school bus company that was acquired for a modest premium.

On the losing side, the strategy's largest negative contributor for the quarter was a position in a pharmaceutical company that has a non-opioid treatment for post-operative pain. The product has the potential to greatly reduce the use of opioids and reduce the true health crisis caused by them. The most immediate source of pressure in the quarter came from an FDA advisory panel vote against the approval of a proposed new use for the product – a result that typically makes approval unlikely. We saw this vote as disappointing and based on questionable logic, but held the position with our core view on accelerating growth driven by other catalysts. In the first week of 2Q18, the FDA surprised the market with an approval, a rare move against a panel recommendation but logical based upon our own analysis. This led to a sharp reversal of some of 1Q's losses. We see continued action on both legislative and administrative fronts that have the potential to exponentially increase the potential market for this drug. This company remains a significant holding of the portfolio. Other disappointments included an RV-maker that was one the biggest gainers in 2017 and a health care/ consumer staples company that declined with other Staples companies despite rising expectations for future earnings.

Outlook & Portfolio Positioning

Recent market movements are a reminder that financial markets can move violently. It may appear appropriate to ascribe a market move to a Presidential tweet in the morning or an advisor's 'clarification' in the afternoon. It may sound wise to blame now defunct VIX-related ETFs for a sudden increase in 1% moves on a near-daily basis. We believe that to be misleading and actually see the market decline and increase in volatility as appropriate regardless of what our Twitter feed shows.

The economy remains decently healthy but the recent market sell-off is wholly consistent with what the economic data is showing: global growth is positive but likely slowing. This is a marked change. Four of five domestic regional Purchasing Manager Indexes (PMIs) appear to have peaked. As have most global PMI measures. The flattening yield curve reflects this as well. Inflation is also sending some contradictory signals with some figures showing well contained inflation, while core inflation is more buoyant. Although the early year implosion of certain volatility related instruments may have accelerated the moves in chaotic markets, we believe the gyrations are completely explainable when considered in the context of a potential trend change in economic growth trends, inflation, and interest rates. Let us not forget that the global central banks are, for the moment, slowly closing out the quantitative easing programs.



Our current view is that continued deceleration in economic activity is likely and that will result in less of an increase in treasury yields than anticipated, lower inflation than consensus expects, and a steady rotation into more defensive sectors and companies will be rewarded over more cyclical companies and sectors. Credit spreads remain low on an absolute basis, but are increasing - and it should also be noted that a very large portion of small cap companies have floating rate debt. Treasury rates may be stable, but any concerns about credit quality could quickly translate into higher interest costs to corporates.

Based upon this larger picture view, we believe the recent sell-off in Utilities and REITs is an opportunity. We have increased our weighting in those sectors after being materially underweight for some time. Valuations have become reasonable and relative earnings growth in those sectors is likely to be better than more cyclical areas such as Industrials which is now an underweight in the portfolio. But do not mistake increased caution with complete bearishness.

More positively, we believe one of the most interesting areas of the market today is the Consumer Discretionary sector. Consumers remain healthy, employment strong, and wage rates are up. Even in a less ebullient economy we see these conditions to be stable due to a tight labor force and growing household formations. Homebuilders are one of the most material overweights in the portfolio. Regardless of near-term cyclical movements, demographic pressures are increasing the demand for new homes, yet the country as a whole has underinvested in the sector since the financial crisis. Even in the face of rising rates, should that come to pass contrary to our above discussion, we expect housing to remain a solid contributor to the economy. We do not have enough homes and the builders will remain busy.

Another sector of note is Retail. Many retailers are gone to never return. Yet some retailers who have survived a long down cycle of industry upheaval are rebuilding as ongoing contenders. Two retailers are now in the portfolio with more possibly to be added. For several years we have avoided the sector but it appears a transition to less bad times is in process. Many closures have occurred; highly indebted private equity-financed companies are finally shutting, and the excess of retail space nationally is curing itself through the closure of non-economic shopping centers. At the same time, online operators are recognizing that retail stores serve a purpose. Amazon bought Whole Foods and has its own bookstores in malls; that may not herald the end the retailers' demise, but it does show that not every transaction will occur on a screen.

On a related note, one of the more interesting additions to the portfolio in recent weeks is a mall REIT. We came to this idea from the CEO of another REIT who noted the company's significant change. Upon further analysis, we found a company that has pared its assets to a strong core, strengthened its balance sheet, committed to creative and improved use of its existing assets and, along the way, pays a dividend that currently yields 14% to common equity holders. The company is virtually ignored, with only one sell-side note discussing the company since December of 2016 and zero discussion of the massive transformation. We see this as a case of increasingly inefficient markets for small-caps. We believe the transformation is significant and the dividend sustainable which offers us the opportunity to earn solid returns from both income and capital appreciation in this situation.

FINAL THOUGHTS

> *We also estimate that NFLX's $331 all-time high last week actually implied that NFLX's profit growth would not normalize to the overall S&P 500 level (nominal GDP) until 2033 - with such long-term forecasts almost comically conjectural but a necessary evil at NFLX's high multiple level.*
>
> - *Buckingham Research analyst Matthew Harrigan in a research note March 14, 2018.*

Market experience is an enigma: wisdom gained through experience may scare the battle-scarred from taking appropriate risks thus missing some returns, while those who have never seen a bear market may take too great a risk to earn appropriate returns that will quickly be lost. One year from now, the above quote about Netflix may be exhibit one of market participants who saw the writing on the wall before the collapse, or exhibit 734 of people who just did not get the transformation of our world. A different analyst wrote the following:

> *Reiterate Underperform. With content costs rising, we think TV programmers who own broad content & sports hold the cards; Netflix faces an uphill battle.*
>
> \- *Macquarie Research analyst Tim Nollen in a research note October 8, 2012.*

At the time Netflix was trading at $10 (split-adjusted) with a market cap of $4 billion and revenues of roughly $3.5 billion. Everything he wrote was wrong. The company now has revenues nearly 4x as high, a stock price that hovers around $310 which accords it a market capitalization of $130+ billion and it owns much of its content while sports providers such as ESPN are struggling. It was easy to have a well-founded conclusion that was dead wrong. Our biggest challenge today is that with elevated valuations, a very strange political environment, significant government debt and deficits worldwide, technology-driven upheavals, taking the bearish side is so very easy. It is a consistent concern of ours that we are too pessimistic and overweight past experiences in our application of today's investments.

In our office is a Webvan stock certificate, now a relic from an earlier era of a tech-focused boom. We were in the room when Hank Paulsen, then leading Goldman Sachs, praised it as one of the most exciting IPOs he'd ever seen. The company failed, and it may have been felled by many things, but ultimately it was felled by capital intensity. We see signs that market leaders are falling into the same trap to maintain expected growth rates. Negative free cash flow, increasing customer acquisition costs, debt financing. It's all there, and if the edifice of certain growth companies begins to collapse, those who recommend them the hardest today will be the first to point to how obvious their fates were. That does not mean they are bad companies, nor does it mean their equities will decline anytime soon. Over the past several years the market has very severely reminded more cautious investors the true meaning of opportunity cost. Hubris at the top and timidity at the bottom are equal sins of capital allocators. At the moment, the data tells us caution is appropriate and if it changes, so will the portfolio.

TOP 5 CONTRIBUTING STOCKS[1,2]

Security	Weight	Contribution
Etsy Inc	1.83%	0.63%
Harsco Corp	2.25%	0.27%
Student Transportation Inc	0.84%	0.25%
Live Oak Bancshares Inc	1.90%	0.24%
Magellan Health Inc	2.40%	0.24%

TOP 5 DETRACTING STOCKS[1,2]

Security	Weight	Contribution
Pacira Pharmaceuticals Inc	1.66%	-0.64%
REV Group Inc	1.34%	-0.55%
Prestige Brands Holdings Inc	1.47%	-0.39%
Winnebago Industries	1.22%	-0.38%
Allscripts Healthcare Solutions	2.12%	-0.33%

CONTRIBUTING

Etsy Inc — **Technology**

Etsy is an online marketplace specializing in craft goods. New management has made great strides in improving the company. Recent results have exceeded expectations leading to a solid increase in its value.

Harsco Corp — **Industrials**

Harsco is an industrial services company. It has improved its operations, paid down much of its debt burden and continues to grow at rates greater than expectations. Recent results indicate sustained momentum that prompted an increase in its share price.

Student Transportation Inc — **Industrials**

Student Transportation is a school bus operator. In February the company announced it will be taken private by a group of investors at a 27% premium to its prior day closing price.

DETRACTING

Pacira Pharmaceuticals Inc — **Health Care**

Pacira is a pharmaceutical company that is in early stages of rolling out a non-opioid treatment for pain. Recent delays for FDA approval of its treatment resulted in a decline in the equity value of the company.

REV Group Inc — **Industrials**

Rev Group is an industrial company focused on transportation vehicles in various categories. Its stock price has declined as concern about overall industrial growth and rising steel prices has led to investor concerns about near-term results.

Prestige Brands Holdings Inc — **Health Care**

Prestige Brands sells OTC health care products. Recent results were very modestly disappointing due to concerns about cost increases. Valuation has contracted significantly for many consumer staples companies thus the company's equity has declined along with other similar companies.

[1] Positions identified do not represent all the securities held, purchased or sold. Calculation methodology and a complete list of positions and contributions for the quarter are available upon request. [2] Past performance does not guarantee future results.

Performance Disclosures

1. Cortina Asset Management, LLC ("Cortina") is an independent investment management firm established in 2004. Cortina manages small-cap equity assets in the U.S. The firm has no subsidiaries or related asset management firms.

2. The Cortina Small Cap Value composite numbers consist of all fully discretionary, fee-paying accounts greater than $1 million invested in our Small Cap Value Strategy. This composite was created in July of 2011.

3. Returns are calculated on a total return basis, including all dividends and interest, realized and unrealized gains or losses, and are net of all brokerage commissions, execution costs and without provision for federal and state income taxes. Securities transactions are accounted for on trade date. Cash and equivalents are included in performance returns. Composite returns are calculated daily. Quarterly returns are calculated by geometrically linking the daily returns for each day in the quarter and annual returns are calculated by geometrically linking the daily returns for each day in the year. All returns presented are calculated using U.S. Dollars.

4. Gross returns are presented before management and custodial fees and include dividends and interest, realized and unrealized gains or losses, and transaction costs. Net returns are presented after actual management fees, but include dividends and interest, realized and unrealized gains or losses, and transaction costs. A client's returns will be reduced by the management fees and other expenses it may incur in the management of the account. For example, an actively managed account of $20 million with an annual rate of return of 10% compounded over a 10-year period that was charged a management fee of 1%, would achieve a net-of-fee return of 136.7%; compared to a gross-of-fee return of 159.4% based on the same assumptions.

5. The benchmark for the Cortina Small Cap Value Composite is the Russell 2000 Value Index. The Russell 2000 Value Index measures the performance of small cap value segment of the U.S. equity universe. It includes those Russell 2000 Index companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Value Index is constructed to provide a comprehensive and unbiased barometer for the small-cap value segment. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect value characteristics. Benchmark returns are not covered by the report of independent verifiers.

6. The Cortina Small Cap Value Strategy may or may not invest in industries and sectors in the same weightings as the Russell 2000 Value Index. The Cortina Small Cap Value Strategy includes stocks not included in the Russell 2000 Value Index.

7. The dispersion of annual returns is measured by the standard deviation across asset-weighted portfolio returns represented within the composite for the full year. The number of accounts in the composite are as of period end. Dispersion is not shown for periods less than a year or when there are five or fewer accounts in the composite for the entire year.

8. Cortina Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Cortina has been independently verified for the periods 7/1/04-12/31/17. 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. The Cortina Small Cap Value composite has been examined for the periods 7/1/11-12/31/17. The verification and performance examination reports are available upon request.

9. A complete list and description of composites and additional information regarding policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

10. Past investment results are not necessarily indicative of future investment results.

11.

CORTINA ASSET MANAGEMENT, LLC
Small Cap Value Strategy as of 12/31/2017

Year	Total Return Gross of Fees	Benchmark Return	Composite Accounts at End of Period	Composite Dispersion (%)	3-Year Annualized Standard Deviation Composite	3-Year Annualized Standard Deviation Benchmark	Composite Assets at End of Period (millions)	Percentage of Firm's Assets	Total Firm Assets at End of Period (USD millions)
YTD 2011*	-8.18%	-8.94%	1	n/a	n/a**	n/a**	0.9	0.1%	1,871.7
2012	28.09%	18.05%	2	n/a	n/a**	n/a**	4.1	0.2%	2,157.8
2013	43.93%	34.52%	4	n/a	n/a**	n/a**	11.3	0.4%	2,830.3
2014	2.51%	4.22%	4	n/a	11.55	12.79	51.2	2.2%	2,349.5
2015	-7.21%	-7.47%	7	0.05	12.79	13.46	332.0	14.4%	2,308.5
2016	19.75%	31.74%	11	0.07	14.86	15.50	376.7	15.2%	2,481.5
2017	11.01%	7.84%	11	0.04	13.60	13.97	351.4	15.1%	2,331.6

*Inception 06/30/2011 **36 monthly returns N/A

Other Disclosures

1. The data provided about the portfolio characteristics relate to a representative account's portfolio holdings as of 3/31/18. While we believe the data accurately reflect the investment process, the holdings and portfolio characteristics will change from time to time.

2. This presentation includes stock profiles and other information about portfolio holdings. Information about portfolio holdings is as of 3/31/18 and will change without notice. It is not intended to represent or predict portfolio investment performance or as a recommendation of any individual security. The specific securities identified do not represent all the securities purchased for accounts and you should not assume these securities are or were profitable. For a complete copy of all investment recommendations made by Cortina within the past year, please contact Lori Hoch at 414-225-7365.

3. Additional information about Cortina is contained in the firm's Form ADV. Cortina will supply a copy of its Form ADV to any prospective client upon request.

4. Management fee schedule:

0-$25 million	100 bps
Next $25 million	90 bps
On balance	80 bps