

SMALL CAP OPPORTUNITY STRATEGY

Investment Style: Small Cap Opportunity
Total Strategy Assets: \$1.1 Billion

INVESTMENT PHILOSOPHY

We believe the best long-term investments are in companies with strong business models that consistently produce industry leading cash flow growth and returns on capital. Exceptional business models are usually found where a company has a differentiated franchise or where a secular trend creates favorable supply and demand imbalances.

Our four-phase process to research and investment encompasses

- **Discovery** - The process of uncovering potential investments through in-person management meetings, industry conferences, Wall Street analyst contacts and industry channel checks.
- **Analysis** - Involves an in-depth examination of a company's business and its competitive positioning, focusing on the operational and financial assessment of the company, which builds the foundation for the stock price valuation.
- **Investment** - Frequent meetings with company officials, as well as an independent analysis of the latest business fundamentals, permit continual assessment of the risk and rewards of the security.
- **Exit** - Whether the price objective was reached or the fundamental story changed along with the security's valuation, a stock is sold when the risk/reward ratio becomes unfavorable

OUR ADVANTAGE

- Ability to identify unique and differentiated companies with established growth profiles and advantageous industry positioning.
- Employ a time tested "Franchise Investing" approach to stock selection that emphasizes high quality cash flow driven companies.
- Seasoned investment team with an extensive knowledge base and network within the small cap market segment.
- Continuous implementation of risk controls - from security selection and portfolio construction through daily risk assessments and monitoring.

COMPOSITE PERFORMANCE AS OF SEPTEMBER 30, 2018

	Annualized						
	3rd Quarter	Year to Date	1 Year	3 Year	5 Year	10 Year	Inception to Date*
Cortina Small Cap Opportunity (gross)	8.34	20.44	25.87	20.61	13.23	13.58	12.27
Cortina Small Cap Opportunity (net)	8.13	19.74	24.91	19.64	12.29	12.61	11.29
Russell 2000 Index	3.58	11.51	15.24	17.12	11.07	11.11	9.12

*Inception: June 30, 2004

RISK RETURN STATISTICS (VS. RUSSELL 2000 INDEX)

3 Years Ended 9/30/18	Cortina Small Cap Opportunity	Russell 2000 Index
Alpha	5.46	--
Information Ratio	0.70	--
Beta (vs. benchmark)	0.85	1.00
Sharpe	1.51	1.13
Standard Deviation	11.51	12.93
R-Squared	0.91	--
Tracking Error	3.99	--

PRODUCT FEATURES

Benchmark: Russell 2000 Index

Universe: U.S. Traded Stocks, Generally Under \$3 Billion Market Cap at Time of Purchase

Style: Core with a Growth Bias

Approach: Bottom Up

Typical Holdings Range: 60 – 80 Securities

Inception: July 2004

TOP TEN HOLDINGS

Company Name	% Portfolio
Ingevity Corp	2.6
Mercury Systems Inc	2.4
Inter Parfums Inc	2.4
Rogers Corp	2.3
Inogen Inc	2.2
Ollie's Bargain Outlet	2.2
RealPage Inc	2.1
Chart Industries Inc	2.1
Steven Madden Ltd	2.1
Columbus McKinnon Corp	2.0
Total	22.4%

ABOUT CORTINA ASSET MANAGEMENT, LLC

Cortina is headquartered in Milwaukee, Wisconsin and manages \$2.2 billion in assets as of September 30, 2018. Each of Cortina's strategies maintains a market and time-tested philosophy, discipline and process that has made each product highly successful throughout market cycles.

- Specialists in small cap investing with 3 unique and distinct small cap investment strategies
- Majority employee-owned
- 19-plus years average industry experience of senior staff
- 11 research analysts/portfolio managers

PORTFOLIO MANAGERS

John Potter, CFA

Principal and Co-Portfolio Manager, since inception. 25 years of investment experience.

Tom Eck, CFA

Principal and Co-Portfolio Manager, since inception. 21 years of investment experience.

FOR MORE INFORMATION

414.225.7399

cortinaassetmanagement.com

SECTOR ALLOCATION

	% Portfolio	% Benchmark	% Difference
Communication Services	--	3.3	-3.3
Consumer Discretionary	16.3	12.2	4.1
Consumer Staples	3.8	2.7	1.1
Energy	4.4	4.8	-0.4
Financials	13.9	17.4	-3.5
Health Care	16.8	16.5	0.3
Industrials	17.3	15.0	2.3
Information Technology	17.5	13.9	3.6
Materials	4.7	4.2	0.5
Real Estate	--	6.9	-6.9
Utilities	--	3.1	-3.1
Cash	5.3	--	5.3

PORTFOLIO CHARACTERISTICS

	Portfolio	Benchmark
Number of Holdings	77	2,039
Wt Avg Mkt Cap (\$mm)	\$2,885	\$2,388
Median Mkt Cap (\$mm)	\$2,696	\$918
Forward 12 Mo. PE	22.0x	17.1x
Trailing 12 Mo. PE	26.2x	18.8x
EPS Growth Long Term	16%	13%
Price/Book	3.2x	2.3x
Debt/Equity	61%	75%
Benchmark Holdings	85%	100%
Top 10 Holdings	22%	3%
Dividend Yield	0.5%	1.2%
Trailing 1-Year Turnover	58%	-

IMPORTANT DISCLOSURES

- 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.
- The Cortina Small Cap Opportunity composite numbers consist of all fully discretionary, fee-paying accounts greater than \$1 million invested in our Small Cap Opportunity Strategy. This composite was created in June of 2004. Prior to October 1, 2009 the minimum threshold for composite inclusion was \$5 million. The decrease in account minimum explains the significant increase in the number of accounts in the Small Cap Opportunity composite for 2009.
- 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. Quarterly returns are calculated by geometrically linking the daily returns for each day in the quarter. Annual returns were calculated by geometrically linking the daily returns for each day in the year. All returns presented are calculated using U.S. Dollars.
- Effective October 1, 2005, we remove portfolios from composites when significant cash flows occur. Significant cash flows are defined as a flow greater than 5% of the portfolio's beginning market value. The portfolios are subject to inclusion back into the composite at the beginning of the next full quarter the portfolio meets the composite definition. Additional information regarding the treatment of significant cash flows is available upon request.
- 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.
- The benchmark for the Cortina Small Cap Opportunity Composite is the Russell 2000 Index. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000 Index is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set. Benchmark returns are not covered by the report of independent verifiers.
- The Cortina Small Cap Opportunity Strategy typically owns between 60-80 stocks. The Cortina Small Cap Opportunity Strategy may or may not invest in industries and sectors in the same weightings as the Russell 2000 Index. The Cortina Small Cap Opportunity Strategy includes stocks not included in the Russell 2000 Index.
- 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.
- 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 Opportunity composite has been examined for the periods 7/1/04-12/31/17. The verification and performance examination reports are available upon request.
- 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.
- Past investment results are not necessarily indicative of future investment results.

SMALL CAP OPPORTUNITY STRATEGY AS OF 12/31/17

Year	Total Return Gross of Fees	Benchmark Return	Composite Accounts at End of Period	Composite Dispersion (%)	3-Year Annualized Standard Deviation		Composite Assets at End of Period (millions)	Percentage of Firm's Assets	Total Firm Assets at End of Period (USD millions)
					Composite	Benchmark			
2004*	20.44%	10.84%	1	n/a	n/a	n/a	10.3	4.4%	232.1
2005	16.53%	4.55%	1	n/a	n/a	n/a	11.6	2.0%	583.1
2006	20.41%	18.37%	11	n/a	n/a	n/a	209.9	12.5%	1,676.4
2007	11.07%	-1.57%	22	0.23	n/a	n/a	471.6	32.1%	1,473.5
2008	-37.29%	-33.79%	22	0.17	n/a	n/a	340.3	33.6%	1,013.3
2009	36.05%	27.17%	39	0.50	n/a	n/a	538.6	39.4%	1,368.9
2010	24.79%	26.85%	59	0.07	n/a	n/a	1,106.8	58.6%	1,890.1
2011	0.55%	-4.18%	63	0.04	22.57%	24.99%	1,248.0	66.7%	1,871.7
2012	10.06%	16.35%	53	0.08	17.61%	20.20%	1,093.9	50.7%	2,157.8
2013	31.20%	38.82%	43	0.24	15.18%	16.45%	1,445.5	51.1%	2,830.3
2014	4.64%	4.89%	31	0.08	12.00%	13.12%	912.2	38.8%	2,349.5
2015	2.27%	-4.41%	28	0.14	12.51%	13.96%	1,041.4	45.1%	2,308.5
2016	21.33%	21.31%	23	0.09	13.60%	15.76%	728.6	29.4%	2,481.5
2017	14.77%	14.65%	24	0.07	12.04%	13.91%	1,088.0	46.7%	2,331.6

*Inception 06/30/2004

- The data provided about the portfolio characteristics relate to a representative account's portfolio holdings as of a single point in time. While we believe the data accurately reflect the investment process, the holdings and portfolio characteristics will change from time to time.
- 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.
- Management fee schedule:
0-\$25 million 100 bps
Next \$25 million 90 bps
On balance 80 bps
- Top Ten Holdings, Portfolio Characteristics and Sector Allocation are shown as supplemental information to the composite Annual Disclosure Presentation.
- Data presented herein was obtained from FactSet and Cortina Asset Management.