CORTINA ASSET MANAGEMENT

1st QUARTER 2019

SMALL CAP OPPORTUNITY STRATEGY COMMENTARY

MARKET OVERVIEW

What a relief (rally)! After recording the worst December since the Great Depression (with a D not an R), the stock market responded with the best January since 1987 (as measured by the S&P 500). The market worried that policy maker mistakes would compound slowing worldwide economic growth in the fourth quarter of 2018 to bring an end to the economic up cycle. In the first quarter of 2019, policy backpedaling provided cover for slowing economic growth to allow for the rally. Federal Reserve Chairman, Jerome Powell, started the year with a particularly dovish speech in the first week of January signaling that his committee may be done raising rates for the time being. He expressed patience to allow the committee to respond to market data as reported. They followed this with no action at their January meeting and a commitment to practice patience. This pause to reflect could not have come any sooner for the market. The combination of the Federal Government shutdown (longest on record), a polar vortex of frigid air that slowed commerce in late January and ripple effects of slowing economies in Europe and China most certainly will result in uninspiring first quarter economic activity in the US. Despite a brief inversion of the 10 year/3 month yield curve, the rallying stock market looked past the likely weak first quarter to the growth inducing impact of an easier Fed.

Of course, politicians are never far from the scene of a volatility "crime" these days. Chinese trade negotiations have alternatively been described as intractable and close to a deal. Whatever the progress, President Trump has delayed increases in tariffs giving hope for a productive solution. The resolution of the government shutdown put thousands back to work boosting future growth, but the damage to the Q1 economy was done. More recent threats to close the US border with Mexico adds new potential economic ripple effects. Meanwhile, newly minted members of Congress as well as newly declared Democratic Presidential candidates introduced proposed policy changes that could dramatically affect the health care and energy industries. These will remain proposals until at least the fall elections of 2020, but the market has and will discount the uncertainty they represent in stock prices until then. Perhaps the most dramatic political influence on sentiment came from the long awaited Mueller report on Russian involvement in the 2016 election. While not yet made fully public, summaries of the report indicate a conclusion that the Russians acted without colluding with candidates or campaigns in the US. The benign conclusion is more the avoidance of a negative catalyst (the disruption of the fallout) than a positive catalyst in itself. The potential for disruption from protests in France, Brexit and regime uncertainty in Venezuela just add flavor to the world-wide political uncertainty soup.

Despite first quarter growth concerns and the potential for economic slowdown in Europe and China to spread to the US, the domestic job market has continued to roar ahead. The National Federation of Independent Business survey of small companies revealed an all-time high level of new hires in February on a new hire per firm basis. Job openings continue to exceed unemployed persons, and finding qualified labor remains the biggest challenge for small businesses in the US. A robust job market without untoward inflation provided the backdrop for a Fed Pause and the market to look through a Q1 slowdown.

COMPOSITE PERFORMANCE

	1Q19	1 Year	3 Year	5 Year	10 Year	Inception*
Cortina Small Cap Opportunity (Gross)	**15.49**	**7.31**	**15.19**	**9.92**	**16.15**	**11.10**
Cortina Small Cap Opportunity (Net)	**15.28**	**6.47**	**14.29**	**9.02**	**15.18**	**10.12**
Russell 2000 Index	**14.58**	**2.05**	**12.92**	**7.05**	**15.36**	**8.14**

**Annualized return since June 30, 2004*

We were pleased to see the Cortina Small Cap Opportunity portfolio outperform the market rally in the first quarter. Furey Research Partners notes that only 29% of small cap core managers outperformed the Russell 2000 in the first quarter; we are proud to be in that group. The market decline in the fourth quarter of 2018 left few places to hide, sending most stocks substantially lower. The indiscriminate selling left many stocks starting the new year at oversold levels relative to fundamentals. The majority of the top performing stocks in the portfolio in the first quarter were those of companies that exceeded expectations in both the third quarter of 2018 and the fourth quarter of 2018. In other words, after reporting solid results for Q3 2018 during the fourth quarter, the stocks declined with the market anyway. Reporting solid Q4 2018 results during the first quarter reminded investors that these are good fundamental stories that the market sold undeservedly. The Fed pivot to a pause certainly helped as most of these companies reside in economically sensitive sectors such as Technology, Energy, Industrials and Consumer Discretionary.

Market sector and industry leadership in the first quarter flipped from the fourth quarter of 2018 as one might expect. Utilities, Consumer Staples and REITs outperformed in the late 2018 downturn. Technology, Energy and Materials led the Russell 2000 rally so far this year. REITs managed to outperform in both the downturn and the rebound as investors sought yield in the face of a flattening yield curve in Q4 and the end to rate hikes in Q1. Portfolio overweights in Technology and Energy together with an underweight in Utilities helped in this environment. At the industry level, Software and Biotechnology were two of the better performing in the market. The SCO portfolio carries a heavy overweight in Software stocks, which together with very solid individual company results provided the most performance at the industry level. Lack of exposure to money losing Biotech stocks was a headwind with investors returning to long duration cash flows after the Fed pause.

In the Energy space, oil prices surged from $42 on Christmas Eve to $60 at the end of March. Saudi Arabia's concerted production cuts unfolded at the same time as several unplanned disruptions temporarily tightened the global oil supply. The U.S. Energy Information Administration (EIA) noted that unplanned disruptions around the globe have curtailed production by nearly 3 million barrels per day in March. Lost on us is why the EIA doesn't also include the Venezuelan and Libyan production woes in this calculation. The markets are more susceptible to price spikes than the EIA admits. Nonetheless, the EIA states that OPEC cuts and unforeseen production disruptions are collectively approaching decade highs. The sustainability of further price gains isn't great, however. The Saudis will likely flex their swing producer muscle before or after rising pump prices anger the White House. Importantly, certain domestic small cap oil service companies are learning to survive and thrive at $50 and $60 oil prices, as most producers are not expecting a durable $70 price floor in the future. These better-positioned companies have made a positive impact on portfolio performance.

The SCO portfolio also benefitted from strong stock selection in sectors that trailed the market. Industrials, while economically sensitive, trailed the rally as government shutdown and supply chain concerns weighed on the space. Managers have had to manage around the tariffs in place and the potential for more. Despite that trend, portfolio holdings in Industrials reported strong fourth quarter results pushing the stocks higher. The defensive Consumer Staples sector also trailed the cyclical rally year to date. Bucking that headwind, the portfolio benefitted from a relatively new position in poultry processing. Poultry prices have suffered from excess supply in recent years, which hurts smaller producers disproportionately. Larger producers, like the one in our portfolio, have exploited the situation to grow stronger. Recent attendance at a swine flu symposium has bolstered our investment thesis, as the spreading disease in the Far East should boost protein substitute prices worldwide, particularly chicken.

In the first quarter, we struggled the most in the Health Care sector. From a factor perspective, stocks of companies that lose money far outpaced every other quintile by P/E multiple. The prospect for no further rate hikes, and even rate cuts boosted the valuation of money losers, many of which reside in the Biotechnology and Pharmaceutical industries.

Biotech, Life Sciences and Pharmaceuticals each outperformed the index in the quarter, while Health Care Equipment, Health Care Providers and Health Care Technology each trailed. The latter three industries represent the bulk of our health care exposure. Political rhetoric regarding drug prices did not hurt drug and biotech stocks nearly as much as rhetoric around a single payer system or "Medicare for all" hurt providers and device company stocks. To be sure, we also had poor performing stocks relatively. One stock in particular (described in more detail at the end of this commentary) in the Health Care Technology industry, which issued disappointing guidance due to a troubled customer, dragged performance.

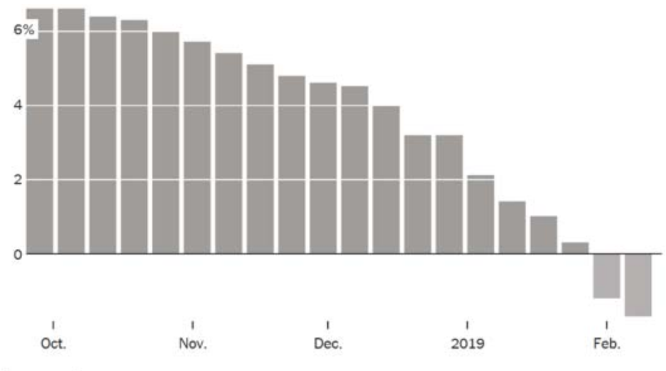
Finally, normally more cyclically sensitive, the Consumer Discretionary sector trailed the market and was a slight drag on our performance. Surprisingly poor retail sales in the fourth quarter holiday season weighed on the sector. December retail sales fell 1.2%, which unfortunately was not all auto related: ex-auto sales and gasoline, retail sales fell 1.4% in the month. Additionally, the federal government shutdown and polar vortex cast a shadow over consumer related activity in January. Consumer confidence measures drifted lower in the wake of these challenges. Our slight overweight in the weak sector and slight underperformance of stocks in the space led to the small detriment to alpha. However, despite the soft Q1, the US employment outlook remains strong. Payroll growth, job openings and earnings growth continue to reflect a very strong environment for workers.

PORTFOLIO POSITIONING & OUTLOOK

Portfolio adjustments in the first quarter largely reflect risk management adjustments and market impact. The Technology sector saw the biggest increase in exposure, climbing roughly 4% in total portfolio weight. We further reduced exposure to the semiconductor industry in favor of business service holdings. In doing so, we believe we swap more volatile business models for more stable business models. Further, as noted above, the Technology sector led the market in the first quarter, which also pushed total sector weight higher. Consumer Staples had the only other notable increase in exposure by sector. Additions to positions in food processing and food innovation represented the increase. On the downside, we reduced exposure the most in the Consumer Discretionary and Health Care sectors. In each case, the sectors underperforming the broader market accounted for some of the decline. For Consumer Discretionary, we eliminated a position exposed to auto production and continued to trim exposure to the bargain retail niche. Sale of a medical equipment name and trimming of exposure to home health care represented the balance of the Health Care decline in weight.

We believe these changes position the portfolio for the current environment. The Federal Reserve has clearly stepped back from tightening mode. In December, the median outlook of committee members was for two rate hikes in 2019; today the median outlook has no rate hikes this year. Additionally, at its March meeting, the committee decided to taper balance sheet normalization down to zero between May and September. Thus, the dual barrel tightening of raising rates and selling bonds (or not reinvesting proceeds from maturing bonds) has drastically shifted from three months ago. This might beg the question: what areas of weakness do they see that has them pulling back so far? Our crystal ball might be as murky as the next one, but we see a fairly balanced picture.

Clear areas of weakness exist, which support the Federal Reserve's caution. Europe and China have entered a challenging growth period, which affect worldwide growth, including inside the US. Each of those regions have responded with stimulating actions to combat the weakness and should begin to bear fruit in the coming quarters. In the US, softening Purchasing Manager Index readings, business confidence and manufacturing output reflect moderating growth. The government shutdown, the polar vortex, uncertainty due to extended trade negotiations and difficult year-over-year comparisons due to the tax bill pressure first quarter activity, but each will prove temporary (hopefully with respect to trade). Add to that the not so temporary challenge of finding and paying employees. The Unemployment rate continues to hover at all-time lows, and we hear from many management teams about difficulties finding qualified



Note: Projections are based on consensus analyst estimates. *Source: FactSet*

workers to fill open positions. The Bureau of Labor Statistics reported an all-time high number of job openings of 7.6 mln in January. Labor costs are rising and affecting profit margins. The net effect of these items has resulted in first quarter earnings growth estimates to drop below zero and the 10 year/3 month yield curve to invert (classically seen as foreshadowing a recession) for the first time this cycle. FactSet reports that is the first estimated year-over-year decline in earnings in three years. The nearby chart illustrates how Q1 earnings growth estimates have declined since October. Finally, and despite the tight labor market, inflation measures remain stable. The Producer Price Index fell short of expectations in December, January and February (March will be reported in a week or so).

Clearly, the Fed had evidence to support a move to the sidelines. However, we believe mitigating factors provide room for continued growth and opportunity. The tight job market illustrates the strength of the US consumer. Most rough estimates gauge consumer behavior as the driver of 70% of the US economy. US consumers are confident in their financial health currently. Initial jobless claims reported in the first week of April fell to 202,000, the lowest level since 1969. The National Federation of Independent Businesses (NFIB) reported the highest number of new hires per firm ever in February. Sixty percent of NFIB survey respondents are trying to hire new workers. Furthermore, wage rates are rising. More people are at work making more money. To be fair, measures of consumer confidence during the government shutdown dipped, but they have rebounded some since then. Substantiating that confidence, consumers are spending as well: Strategas reports that existing and new home sales jumped 13.3% in February and US Auto sales soared 5.3% in March. After the soft retail sales in December noted above, sales rebounded in January. Surely, the Fed pause, which has pushed mortgage rates lower, has supported the jump in purchase mortgage applications.

Business activity will be the key going forward in our view. With the consumer doing their part, CEOs need the confidence to spend capex dollars to grow (clearly they are spending on new hires). Similar to consumer confidence, business confidence took a hit early this year as trade negotiations dragged on and the government shutdown. We expect resolution to trade talks will result in supply chain clarity and efficiency returning comfort to corporate CEOs. We hear from regional and community bankers that they see very few credit problems in their commercial loan portfolios (specifically commercial real estate rent rolls are solid, commercial borrowers are healthy and cash flowing). These bankers are open for business and making credit available to their customers. Canaccord Genuity reports that the Bloomberg Barclays US Corporate High Yield Total Return Index continues to hit record highs, strongly implying that corporate borrowers are healthy. CEOs fear spending on capex when a regulatory or supply-chain threatening issue limit visibility. We also hear from CEOs and bankers that in some places CEOs fear spending growth capex for fear of inability to staff added capacity with skilled labor. These are solvable problems, but not easily solvable. While the earnings revisions chart above looks scary, Credit Suisse highlights two important facts: 1. Median company earnings are still expected to grow (mega cap earnings decline are weighing on the average); 2. The tax law distorts year-over-year growth rates. Based on current Q1 estimates, the two-year average earnings growth rate is 10.8%. We see a path to resolution and continued growth, but acknowledge that challenges from policy issues and overseas economic weakness must be resolved. We believe current portfolio construction provides great opportunity for growth and reflects the balance of risks and opportunities we see in the current environment.

KEY TAKEAWAYS:

- In the first quarter, the US stock market rallied as the Federal Reserve pivoted away from further interest rate hikes that would have muted economic growth.
- The Cortina Small Cap Opportunity portfolio outperformed the Russell 2000 Index in Q1 on the back of strong stock selection in the Technology, Industrials and Consumer Staples sectors.
- Portfolio headwinds in the quarter came mostly in the Health Care sector.
- Portfolio adjustments balanced attractive growth stock opportunities with managing valuation risk.
- Q1 experienced slowing economic growth due to contagion from slowing economies in Europe and China, the government shutdown, extended trade negotiations and difficult comparisons thanks to the tax law passed in late 2017.
- Smart policy moves combined with a strong US consumer can provide a path to continued growth in the US economy despite these headwinds.
- We believe portfolio construction fits this set of opportunities.

TOP 5 CONTRIBUTING STOCKS[1,2]

Security	Weight	Contribution
Chart Industries Inc	2.73%	0.98%
Avalara Inc	1.73%	0.97%
ProPetro Holding Corp	1.53%	0.96%
Mercury Systems Inc	1.89%	0.73%
Ingevity Corp	2.61%	0.71%

TOP 5 DETRACTING STOCKS[1,2]

Security	Weight	Contribution
Evolent Health Inc	1.32%	-0.64%
Emergent BioSolutions Inc	0.75%	-0.21%
Dycom Industries Inc	1.36%	-0.19%
Radnet Inc	0.58%	-0.14%
Centennial Resource Develop	0.74%	-0.12%

CONTRIBUTING

Chart Industries Inc **Industrials**

Chart Industries' proprietary process technology and cryogenic equipment are critical components in the production of liquefied natural gas (LNG). The global LNG industry embarked on a multi-year investment wave beginning in late-2018, and Chart anticipates several sizable contract awards on projects already approved or soon-to-be approved in the coming months.

Avalara Inc **Technology**

Avalara sells software to calculate sales tax and file tax returns for small-to-medium sized businesses. The announcement of Texas and California adopting new online tax compliance rules in 2019 is a significant upcoming catalyst for Avalara shares. This announcement and strong interest in cloud-based software companies should continue to propel Avalara shares.

ProPetro Holding Corp **Energy**

ProPetro is a Midland, Texas, oilfield services company that is successfully pioneering a dedicated customer model for hydraulic fracturing. The company is improving efficiencies and lowering pressure pumping costs by partnering with its customers using long-term operating contracts. Shunning the typical spot contract market that brings highly volatile earnings and no customer loyalty, ProPetro is instead working alongside customers to advance new technology applications and oil production modernization.

DETRACTING

Evolent Health Inc **Health Care**

Evolent Health is a health care services company that provides health systems with products and services that allow them to manage risk (e.g., population health management, claims processing, health plan administration, etc.). The company announced solid fourth quarter results, but delivered 2019 guidance below expectations. The lower guidance was caused largely by known headwinds that are mostly transitory in our view. We continue to believe Evolent is very well positioned as the health care system moves to value-based care, and fits & starts to the pace of this transition are expected.

Emergent BioSolutions Inc. **Health Care**

Emergent Bio engages in the development, manufacture, and commercialization of medical countermeasures to public threats (e.g., anthrax/smallpox vaccines, opioid overdose emergency treatments, etc.) Despite strong 2019 guidance and solid fundamental trends that are expected to continue, the stock pulled back due to noise of potential competition in the opioid overdose treatment market. We believe EBS contemplated competition coming into a large overdose treatment market, and none of this commentary impacts our long-term thesis. In our view, the risk profile has not changed, and we continue to like the stock.

Dycom Industries Inc **Industrials**

Dycom is a specialty contractor for the telecom industry. The company has grown headcount meaningfully in recent quarters to position itself for the long-awaited 5G investment cycle, with key customers Verizon and AT&T kicking off pilot programs in 2019. Though revenue growth has accelerated, Dycom has struggled with profitability pressures due to limited visibility into the quarter-to-quarter timing of large customer programs.

[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 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.

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. 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.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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 7/1/04-12/31/18. 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 7/1/04-12/31/18. The verification and performance examination reports are available upon request.

10. 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.

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

12.

CORTINA ASSET MANAGEMENT, LLC
Small Cap Opportunity Strategy as of 12/31/2018

Year	Total Return Gross of Fees	Benchmark Return	Composite Accounts at End of Period	Composite Dispersion (%)	3-Year Annualized Composite	Standard Deviation Benchmark	Composite Assets at End of Period (millions)	Percentage of Firm's Assets	Total Firm Assets at End of Period (USD millions)
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
2018	-5.44%	-11.01%	21	0.08	15.21%	15.79%	453.0	26.8%	1,693.0

*Last 6 months performance in 2004

Other Disclosures:

1. The data provided about the portfolio characteristics relate to a representative account's portfolio holdings as of 3/31/19. 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 3/31/19 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