

Fourth Quarter Performance Review

Performance. The performance of our small cap growth composite, gross of fees, for the quarter ended December 31, 2017 was 4.08%. For longer term performance, please see “Performance.”

Attribution. The fourth quarter was marked by continued strength in the equity markets supported by positive leading economic indicators, the passage of tax reform that delivered significant corporate tax rate reduction, and a global recovery in much of the developed and emerging markets. The decrease in corporate tax rates under the recently adopted tax reform is meaningful to many small cap companies, which helped to contribute to a sector rotation in the fourth quarter, with industrial and energy stocks posting better returns and some profit taking occurring in the technology and healthcare sectors.

The top contributing stock in the fourth quarter was H&E Equipment Services, which rents or sells heavy construction and industrial equipment such as earthmoving, materials handling, forestry, and crane equipment. The company beat third quarter analysts’ expectations, who also raised guidance based on expected increased construction activity for 2018. The company will also benefit from lower corporate tax rates that will apply to future income. Another strong contributor was Dycom Industries, which provides design and construction services to telecommunication and cable television companies. The company is a leading provider of fiber optic cable installations in addition to the construction of facilities for wireless providers. The stock did well in the fourth quarter based on improving fundamentals and the positive buildout of new backlog in orders driven by a broadband arms race between various telecom service providers. Lastly, XPO Logistics had a strong quarter due to continuing strong results and speculation that the company could be an acquisition target of a large retailer. XPO is a transportation logistics firm that specializes in e-commerce product delivery and “last mile” delivery, where consumer purchases of large items like appliances are delivered and installed at the customer’s home.

The biggest detractor to the portfolio for the quarter was Acadia Healthcare Company, a provider of inpatient psychiatric treatment centers. The stock declined in the fourth quarter as the company struggled to digest an acquisition in the U.K. and was forced by government regulators to divest of certain assets in that country. Those concerns materially impacted our investment thesis for the stock and we have sold the position. Another detractor was Trade Desk, which was a negative for the quarter after the company failed to meet analysts’ expectations on earnings and revenue growth. The company provides a cloud-based platform for advertisers to create and manage targeted digital advertising campaigns through various formats (video, audio, social) and devices (computers, mobile devices and connected TV). We continue to believe the company can growth its earnings and beat expectations and have added to the position on weakness.

TCM SMALL CAP GROWTH

December 31, 2017

Tygh Capital Management

- Independent, employee-owned firm
- All investment professionals have equity
- All employees invested in the firm’s mutual funds

Investment Philosophy and Process

- Investment Objective — outperform the Russell 2000 Growth Index by investing in companies with market capitalizations generally between \$100 million and \$2 billion at the time of purchase
- Intensive bottom-up fundamental research drives stock selection
- A focus on identifying stocks with superior revenue and earnings growth for at least the next 2 years, sustainable valuations, and a 20% upside to price target over a 12 month time horizon
- A diversified portfolio of 90-110 stocks, with maximum position size of 4%
- An effective sell discipline that forces review by the investment team of under-performing stocks

Investment Team

Richard J. Johnson, CFA

BA, Geology, Occidental College, 1980
MBA, Anderson Graduate School of UCLA, 1990
28 years of investment experience

Mitchell S. Brivic, CFA

BA, Finance and Marketing, Baylor University, 1989
MBA, The Wharton School, 1995
23 years of investment experience

Michael C. Coyne, CFA

BA, Engineering Science, Dartmouth College, 1997
MBA, Anderson Graduate School of UCLA, 2005
20 years of investment experience

Dayton E. Rodegerdts, CFA

BS, Engineering and Mathematics (minor),
Trinity University, 1998
20 years of investment experience

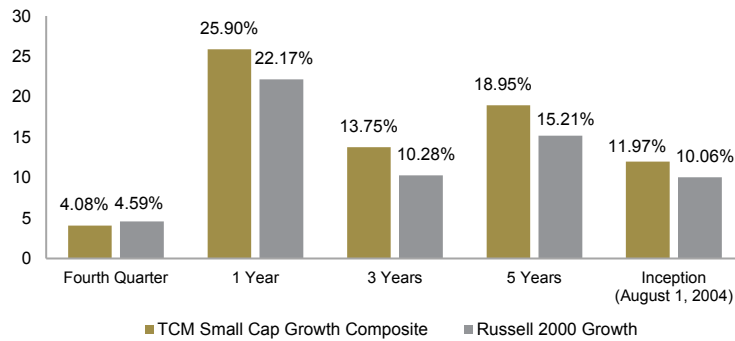
Scott W. Haugan, CFA

BS, Business, Montana State University, 1999
18 years of investment experience

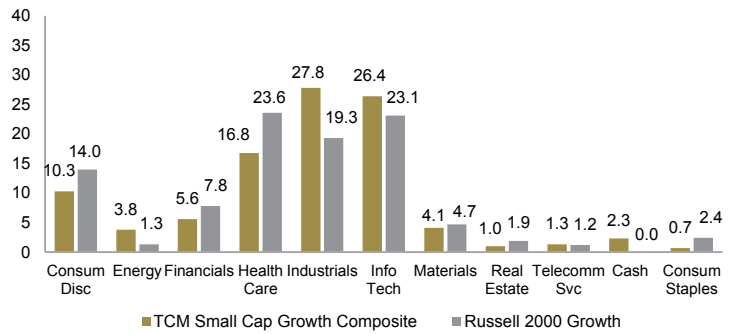
Thomas R. Abernethy

BA, Denison University, 1989
28 years of investment experience

Performance (as of December 31, 2017)



Sector Allocation (%)



Composite performance is gross of fees. See Performance Disclosure below. Periods over one year are annualized.

Sector allocations for the TCM Small Cap Growth Composite reflect a representative portfolio and are subject to change at any time.

Portfolio Characteristics	
Number of Holdings	96
Weighted Average Market Cap.	\$3.6B
Weighted Median Market Cap.	\$3.0B
Forward P/E	25.5x
Long-Term Future Growth Rate	16.6%
Price to Book	3.4x
Forward P/E/LT Growth Rate	1.5x

Top Holdings (% of net assets)	
MasTec	2.98%
Dycom Industries	2.94%
H&E Equipment Services	2.86%
Cavco Industries	2.04%
Kinsale Capital Group	1.98%
Bio-Techne Corp.	1.98%
XPO Logistics	1.98%
Summit Materials	1.73%
PRA Health Sciences	1.70%
Genesee & Wyoming	1.67%

Holdings are subject to change and are not recommendations to buy or sell any security.

TCM Small Cap Growth Composite - Performance Disclosure

Year End	Total Firm Assets (mil.)	Composite Assets		Annual Performance Results				Composite 3-Yr Standard Deviation	Benchmark 3-Yr Standard Deviation
		USD (mil.)	Number of Accounts	Gross	Net	Russell 2000 Growth	Dispersion		
2017	543	543	7	25.90%	24.79%	22.17%	0.17%	12.93%	14.59%
2016	414	413	7	16.96%	15.90%	11.32%	0.24%	15.21%	16.67%
2015	368	367	7	-0.05%	-0.97%	-1.38%	0.11%	14.48%	14.95%
2014	531	412	7	7.38%	6.43%	5.60%	0.18%	13.58%	13.82%
2013	494	383	4	50.68%	49.31%	43.30%	0.26%	17.02%	17.27%
2012	822	340	6	13.57%	12.57%	14.59%	0.09%	20.43%	20.72%
2011	1,538	658	12	-7.23%	-8.06%	-2.91%	0.10%	22.27%	24.31%
2010	2,863	1,369	41	22.81%	21.72%	29.09%	0.40%	26.01%	27.69%
2009	2,791	1,380	54	28.25%	27.08%	34.47%	0.40%	23.27%	24.84%
2008	2,011	1,076	51	-42.53%	-43.05%	-38.54%	0.32%	21.76%	21.26%
2007	3,574	1,905	51	17.26%	16.22%	7.05%	0.37%	14.55%	14.23%
2006	2,671	1,399	36	19.52%	18.43%	13.35%	0.16%	NA	NA
2005	1,222	828	26	21.60%	20.51%	4.15%	0.13%	NA	NA

TCM Small Cap Growth Composite contains all discretionary, fee paying, equity only accounts that invest primarily in small domestic companies that display above average growth characteristics. For comparison purposes the composite is measured against the Russell 2000 Growth Index, which is an unmanaged index generally considered representative of the market for small cap domestic stocks with higher price-to-book ratios and higher forecasted earnings growth. Index returns reflect the reinvestment of dividends but not the deduction of fees, brokerage commissions or other expenses of investing.

Tygh Capital Management, Inc. ("TCM") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. TCM has been independently verified for the periods August 1, 2004 through September 30, 2017.

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 TCM Small Cap Growth Composite has been examined for the period August 1, 2004 through September 30, 2017. The verification and performance examination reports are available upon request. The composite was created on August 1, 2004.

TCM is an independent investment management firm established in 2004 and registered with the Securities and Exchange Commission. The firm maintains a complete list and description of composites, which is available upon request. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are also available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated by deducting a model annual fee of 0.90% applied monthly, which represents the highest fee paid by any client in the composite during the period shown. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the policies for calculating and reporting returns is available upon request. In 4Q 2010, 1Q 2011 and 2Q 2011, 28 related small cap accounts closed representing approximately \$58.5 million in assets. The investment management fee schedule for TCM's small cap growth accounts is 0.90% on the first \$25 million, 0.75% on the next \$25 million, and 0.65% on assets over \$50 million. Actual investment advisory fees incurred by clients may vary.

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 2005 through 2006 because 36 monthly composite returns were not available.

The above information under Sector Allocation, Portfolio Characteristics and Top Holdings is supplemental information under GIPS. Investing in small cap stocks involves additional risks such as limited liquidity and greater volatility than large cap stocks. For institutional investors only.