

Second Quarter Performance Review

Performance. The performance of our small cap growth composite, gross of fees, for the quarter ended June 30, 2017 was 4.51%. For longer term performance, please see “Performance.”

Attribution. The U.S. equity market continued its climb upward in the second quarter notwithstanding a second Fed rate hike and an unsettled political climate. With a backdrop of steady economic conditions, growth stocks also continued their first quarter streak against value across all market capitalizations. The top performing sectors in the Russell 2000 Growth Index for the second quarter were healthcare and technology, together accounting for over 76% of the total return of the index. As with the prior quarter, a significant portion of the performance of the healthcare sector was driven by biotech and pharma stocks. Our portfolio was in-line with the benchmark for the quarter with strong stock selection in healthcare, consumer discretionary, industrials and energy being entirely offset by the negative effects of our sector weights, including our overweight to energy and industrials and underweight to healthcare.

The top contributor to performance for the recent quarter was Take-Two Interactive Software, which develops electronic games designed for console gaming systems (e.g., Xbox and Playstation), as well as for digital platforms. Revenue and earnings growth has been strong for the video game industry as more consumers stay home to play video games and companies find new ways to engage those customers by transitioning to digital sales. The stock is up over 50% year-to-date and while we still hold a meaningful position, we have trimmed the position due to valuation multiple expansion and excessive hype in the gaming sector. Another top contributor to the portfolio was Veeva Systems, a company that provides client relationship management solutions to the biotech and pharmaceutical industries. The company has done very well adding new customers and delivering strong financial results but we have exited the position due to the significant run up in the stock’s price and growth deceleration concerns.

The largest detractor to performance for the second quarter was Quanta Services, which provides a wide array of infrastructure construction services to the electrical power and oil & gas industries. Part of our investment thesis relating to Quanta Services depends on an increase in new orders in its oil & gas pipeline business, which hasn’t occurred to date. While we have concerns about this delay in sales and have trimmed the position, we continue to hold the stock as we believe the pipeline business will recover over the year. Another detractor to performance was HMS Holdings, which provides cost containment services to government (Medicare, Medicaid) and private healthcare payers and sponsors. The company’s services are designed to ensure that healthcare claims are paid correctly and by the responsible party. The stock had been under pressure recently due to uncertainty over the status of the repeal and replacement of the Affordable Care Act and the impact of those efforts on its growth opportunities. We continue to hold this well run company in anticipation of a recovery in its private sector business.

TCM SMALL CAP GROWTH

June 30, 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
27 years of investment experience

Mitchell S. Brivic, CFA

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

Michael C. Coyne, CFA

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

Dayton E. Rodegerdts, CFA

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

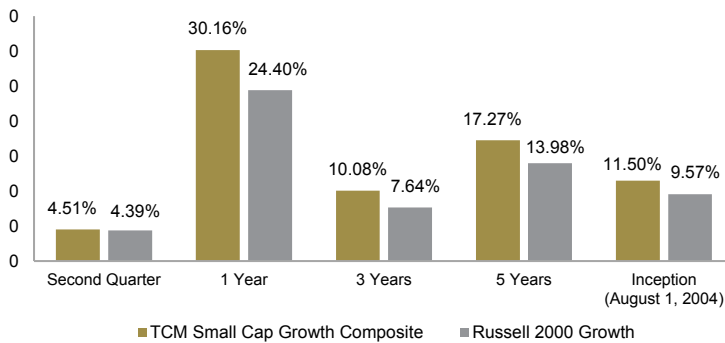
Scott W. Haugan, CFA

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

Thomas R. Abernethy

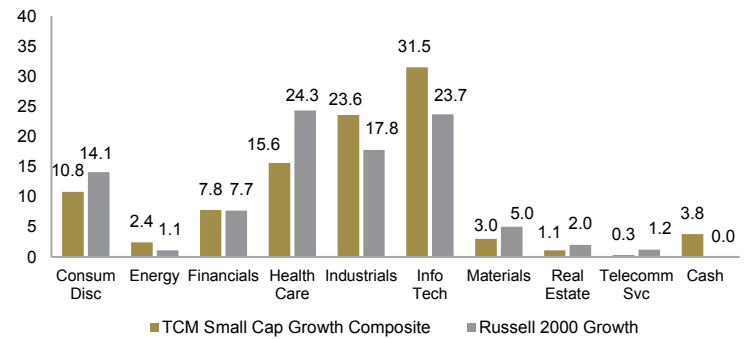
BA, Denison University, 1989
27 years of investment experience

Performance (as of June 30, 2017)



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

Sector Allocation (%)



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

Portfolio Characteristics

	TCM Small Cap Growth	Russell 2000 Growth
Number of Holdings	89	1,171
Average Weighted Market Cap.	\$3.1B	\$2.2B
Forward P/E	22.2x	21.9x
Long-Term Future Growth Rate	14.9%	14.3%
Return on Equity	11.0%	14.0%
Price to Book	3.0x	4.1x
Forward P/E/LT Growth Rate	1.5x	1.5x

Top Holdings (% of net assets)

MasTec	2.88%
Lumentum Holdings	2.70%
Dycom Industries	2.28%
Kinsale Capital Group	1.90%
Talend	1.87%
PTC	1.86%
Bio-Rad Laboratories	1.75%
HEICO Corporation	1.74%
Almost Family	1.64%
New Relic	1.60%

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		
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 March 31, 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 March 31, 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 \$41.3 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 2004 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.