

Third Quarter Performance Review

Performance. The performance of our small cap growth composite, gross of fees, for the quarter ended September 30, 2017 was 7.46%. For longer term performance, please see “Performance.”

Attribution. In a repetitive refrain, it was another strong quarter for the equity markets as investors reacted to a rebounding dollar and possible corporate tax reform. Investors generally shrugged off devastating hurricanes, trouble with North Korea and continued political turmoil. Rising valuations continue to be in focus, and the need for strong fundamentals to support current stock prices. The outperformance of the portfolio for the recent quarter was driven almost entirely by stock selection, with technology, industrials and consumer discretionary being the strongest contributors. Our overweight to industrials also helped, offset by the effect of cash in a strong quarter.

The top contributor to the portfolio for the third quarter was Tower Semiconductor, which operates as an independent semiconductor foundry for a diverse customer base in the consumer electronics, personal computers, communications, automotive, industrial and medical device areas. The company’s strategy of acquiring capacity from existing manufacturing foundries and increasing utilization has been positive and resulted in improved earnings and operating cash flow. Another strong contributor was HEICO, which continued to post solid earnings based on positive acquisitions and strong organic growth. The company manufactures government approved jet engine and aircraft component replacement parts (other than OEM parts), in addition to electronic equipment. While we have followed HEICO for almost two decades, and the company is very well run, we have sold the position based on a currently high valuation, which is consistent with our investment process that requires both strong fundamentals and a sustainable valuation.

The largest detractor to performance during the quarter was Almost Family, which provides Medicare-certified home health nursing and home personal care services. We had been trimming this position in early July based on valuation concerns, taking profits, when the Centers for Medicare & Medicaid Services proposed changes to its reimbursement policy for home health agencies. Those proposed changes, while likely to change, are a negative for the company’s earnings growth and we have sold the position until there is better clarity on the impact of any final rules. Another detractor was Evolent Health, which provides a technology platform to support health and physician organizations that are converting to value-based care and population health management. The company’s products enable health providers to migrate from fee-for-service reimbursement to payment models that reward value-based payment models, an important secular trend for our investment thesis. During the quarter, the company unexpectedly announced a significant secondary public offering that was not well received by investors. In addition, efforts to repeal Obamacare that would reduce Medicaid spending weighed on the stock price in the last month. We continue to hold the position as the dust settles on both these issues.

TCM SMALL CAP GROWTH

September 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
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

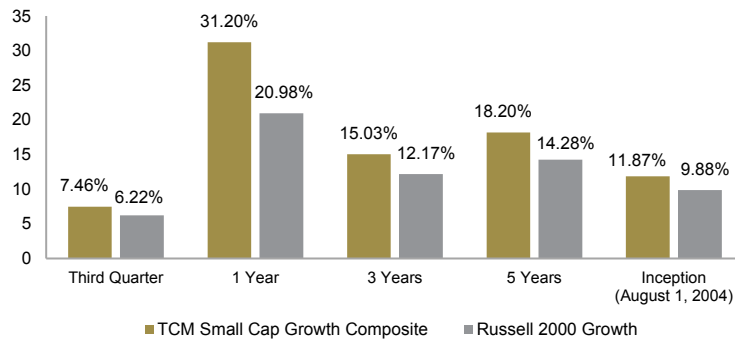
Scott W. Haugan, CFA

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

Thomas R. Abernethy

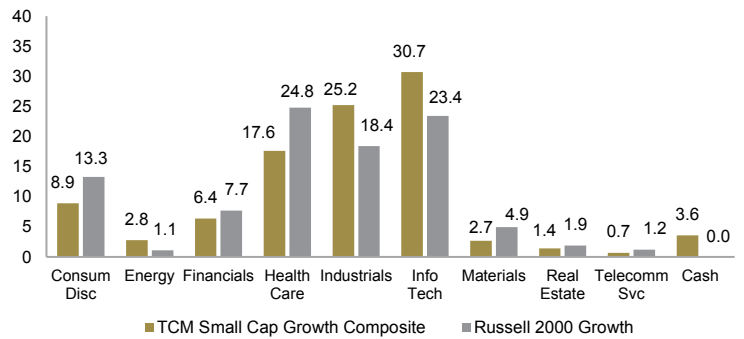
BA, Denison University, 1989
28 years of investment experience

Performance (as of September 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	
Number of Holdings	90
Average Weighted Market Cap.	\$3.3B
Weighted Median Market Cap.	\$2.7B
Forward P/E	23.4x
Long-Term Future Growth Rate	15.5%
Price to Book	3.1x
Forward P/E/LT Growth Rate	1.5x

Top Holdings (% of net assets)	
MasTec	2.93%
Lumentum Holdings	2.45%
Dycom Industries	2.05%
Kinsale Capital Group	1.98%
Ligand Pharmaceuticals Incorporated	1.96%
Summit Materials	1.83%
ICON	1.82%
Genesee & Wyoming	1.76%
II-VI Incorporated	1.76%
H&E Equipment Services	1.71%

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 June 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 June 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 \$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.