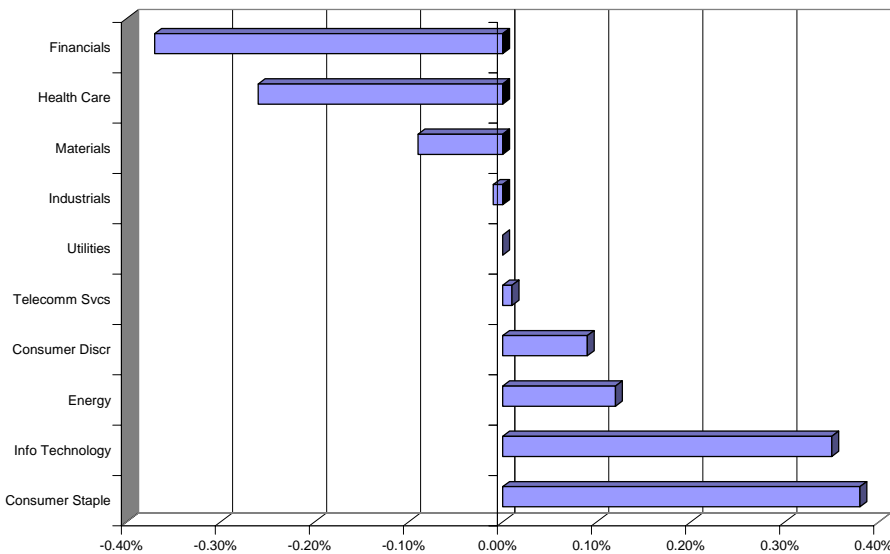


## Decatur Capital MidCap Growth Monthly Sector Attribution



### Performance (Net of Fees)

	MTD	QTD	YTD
DCM MIDG	2.00%	2.00%	4.19%
RMG Index	3.62%	3.62%	5.31%

Please note that this is a model portfolio and is not yet funded.

## Decatur Capital MidCap Growth Model Top Ten Holdings

Firm Name	Ticker	%Portfolio
CARDINAL HEALTH	CAH	3.60%
ROCKWELL AUTOMT	ROK	3.10%
QUEST DIAGNOSTC	DGX	3.03%
GOODRICH CORP	GR	3.03%
KLA-TENCOR CORP	KLAC	2.96%
HYATT HOTELS CP	H	2.94%
PRINCIPAL FINL	PFG	2.93%
STARWOOD HOTELS	HOT	2.84%
LORILLARD CO	LO	2.79%
JANUS CAP GRP	JNS	2.76%
<b>TOTAL</b>		<b>29.98%</b>

## Strategy

Decatur Capital's Midcap Growth strategy is focused on finding companies where earnings momentum is accelerating with positive EPS estimate revisions, accelerating EPS growth and consistent EPS surprises.

### Portfolio Commentary

The DCM Midcap Growth Portfolio returned 2.00% (unaudited, net of fees) compared to the Russell Midcap Growth Index's TR of 3.62% in April.

The portfolio experienced a turbulent 1Q earnings season as the market made a pronounced transition in April, away from cyclical growth stocks (mostly commodity-related stocks) to secular "visible growth" stocks. We surmise that this switch is due to the imminent demise of QE2 as investors bank their (immense) post-March '09 profits in the commodity complex, and swap into sectors and earnings cycles less dependent on easy monetary policies.

Valuation has now become a secondary factor in equity performance with earnings "visibility" driving alpha. However, while we are not positing a rerun of the "Nifty Fifty" phenomenon, we are seeing signs that money flows are pouring into an ever-narrower basket of stocks and that's usually an unhealthy sign.

In keeping with our strategy of identifying long-tailed EPS growth cycles, we purchased a position in Electronic Arts. ERTS has made a successful transition to a new world of online and social networking gaming, while nurturing its core business of packaged gaming titles. The investment spending required to acquire independent gaming studios (such as Playfish, the 2<sup>nd</sup> largest maker of games for Facebook after Zynga) has hurt ERTS's reported earnings in recent years. However, ERTS has now attained critical mass with over \$750mn in revenues from social/online gaming platforms. ERTS's packaged games segment had a strong start to 2011 with spectacular sales of the Tiger Woods PGA 12 edition, easily the most successful title launch of the franchise. Along with its new MMO game, Dragon Age II, ERTS's momentum should continue with the highly anticipated Star Wars: The Old Republic game arriving in the 2<sup>nd</sup> half of 2011.