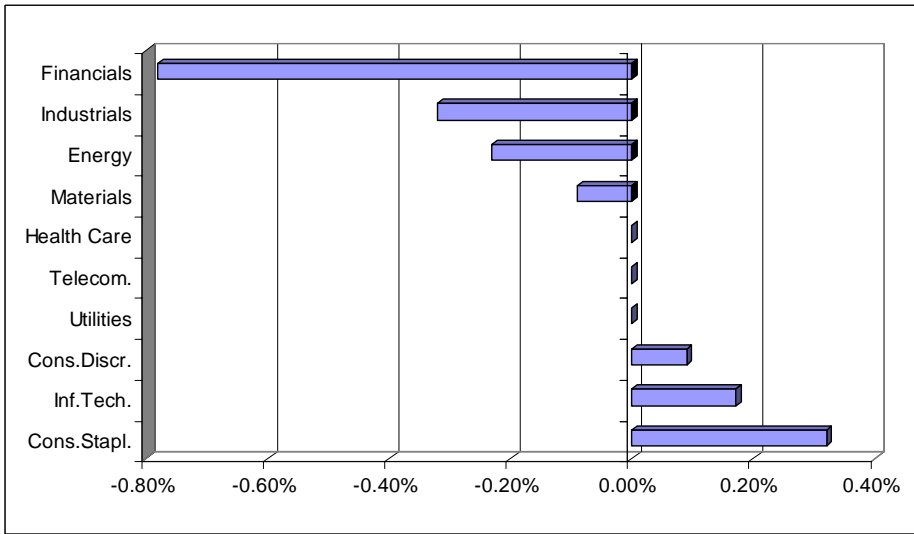


Decatur Capital MidCap Growth Monthly Sector Attribution



Strategy

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

Portfolio Commentary

The DCM Midcap Growth Portfolio declined **-1.22%** (unaudited) compared to the Russell Midcap Growth Index's TR of **-0.35%** in May, 2011.

As we expected, equity markets have been consolidating in a narrow range as they await the winding down of QE2 in June. Recent economic indicators in North America have been soft lately, and there is an obvious slowdown in Emerging Asia. All of this adds up to weakness in commodity and energy prices, and we remain steadfastly underweight in these sectors. Cliffs Natural Resources (CLF) and Arris Group (ARRS) were sold during May, as their earnings cycles deteriorated.

We purchased a new position in Hertz (HTZ), the larger player in the global duopoly in the car-rental industry competing against Avis. Hertz's key Revenue Per Day (RPD) metric is improving at both airport and off-airport locations in North America, while Airport RPD has been improving in Europe (a perennial laggard) for the last 2 months. Furthermore, Hertz's equipment rental business is also picking up steam with 13% revenue growth in the last quarter. The Equipment rental division is a \$1bn+ revenue business with 34% operating profit margin (OPM) (nearly 2x the OPM of the car rental business) that most investors don't focus on, and which can drive HTZ's earnings in the next 2-3 years. Finally, used car prices are at highs not seen since Manheim started to compile their indices in '95, due to limited supply at auctions. As a result, Hertz is getting very handsome prices for its coming-off-fleet vehicles.

The only wrinkle is the ongoing shootout over Dollar Thrifty between Avis and Hertz, but we believe that Hertz's management will maintain financial discipline in M&A. Hertz's EPS estimate revisions and surprises have been robust, and we believe that it is on the cusp of a strong earnings cycle over the next 18-24 months.

Performance (Net of Fees)

	MTD	QTD	YTD
DCM MIDG	-1.22%	0.75%	2.92%
RMG Index	-0.35%	3.26%	4.94%

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

Decatur Capital MidCap Growth Model Top Ten Holdings

ERTS	Electronic Arts Inc	3.90%
CAH	Cardinal Health Inc	3.74%
DGX	Quest Diagnostics Inc	3.68%
LO	Lorillard Inc	3.63%
PFG	Principal Financial Group Inc	3.45%
KSU	Kansas City Southern	3.31%
GR	Goodrich Corp	2.96%
PAYX	Paychex Inc	2.93%
H	Hyatt Hotels Corp Cl A	2.83%
HOT	Starwood Hotels & Resorts World	2.81%
		33.23%