



# SMALL CAP GROWTH

*benefitting from* DISCOVERY *and* REDISCOVERY

## Profile

- **Disciplined investment process consistently executed since 1976**
- **Seasoned team of 4 portfolio managers, one portfolio advisor and an analyst with an average of 32 years of experience**
- **Limited institutional client base**
- **Assets under management \$2.7 billion**

## Investment Process

We identify **INFORMATION GAPS** in Discovery and Rediscovery Phase Companies.

### Discovery Phase:

For companies in the early stages of their investment cycle, we look for superior growth prospects (long-term EPS growth of at least 20%).

### Rediscovery Phase:

Rediscovery companies offer near-term earnings acceleration due to factors such as a change in management, an improved competitive position, a new product cycle or a cyclical upturn. We also look for companies that are takeover candidates. Rediscovery companies must provide a minimum of 40% EPS growth over the next twelve months, or sell at a 40% discount to a company's takeover price.

## Team Continuity



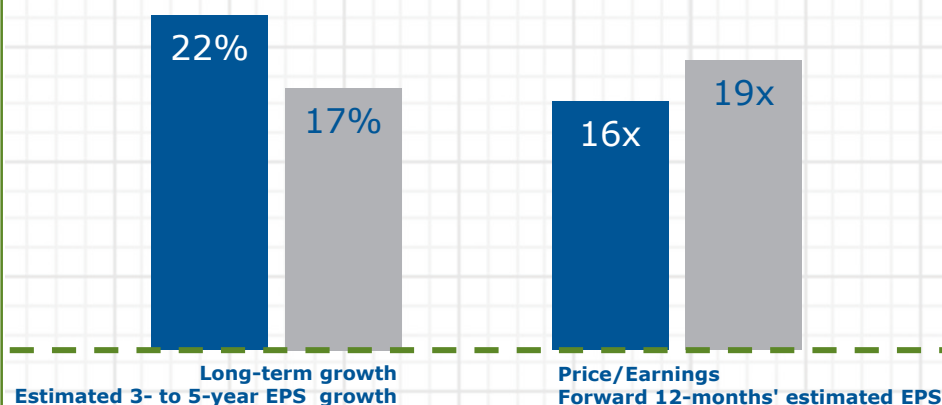
- William A. Grierson, CFA, 25 Years**
- Daniel J. Hagen, CFA, 33 Years**
- Robert B. Mersky, CFA, 49 Years**
- James P. Ross, CFA, 28 Years**
- Paul von Kuster, CFA, 43 Years**
- Samuel D. Smith, CFA, 11 Years**

## Philosophy

**Information Gap** \ in•for•ma•tion gap \ *n.*: a disconnect between stock price and fundamentals. Information gaps occur most frequently and are most attractive in small, rapidly growing companies.

## Significant Appreciation Potential, Downside Protection

Illustration of an **INFORMATION GAP**



## Peregrine vs. Russell 2000® Growth

Historical average as of June 30, 2017

## Portfolio Characteristics

5-Year earnings growth (forward)	20%
P/E (forward 12)	19x
Weighted Avg. Cap. (\$M)	3,454
Median Cap. (\$M)	2,098
P/B	4.0x
ROE	11.0%
Dividend Yield	0.44%
Turnover (1-Year)	51%
Stocks in portfolio	121

## Top 10 Holdings

SS&C Technologies
PTC Inc
Copart
Apogee Enterprises
RealPage
Cadence Design Systems
Spectranetics
On Assignment
Icon PLC
SVB Financial Group

# Peregrine Small Cap Growth Composite

Periods ended June 30, 2017

	Annualized							
	Second Quarter	Year-to-Date	One Year	Three Years	Five Years	Ten Years	Twenty Years	Since Inception 1/1/1976
<b>Peregrine Small Cap Growth</b>								
Composite gross of fees (%)	2.3	9.8	22.4	5.6	14.9	8.8	8.1	14.6
Composite net of fees (%)	2.1	9.5	21.7	4.9	14.2	8.0	7.3	13.7
Russell 2000® Growth (%)	4.4	10.0	24.4	7.6	14.0	7.8	6.5	NA

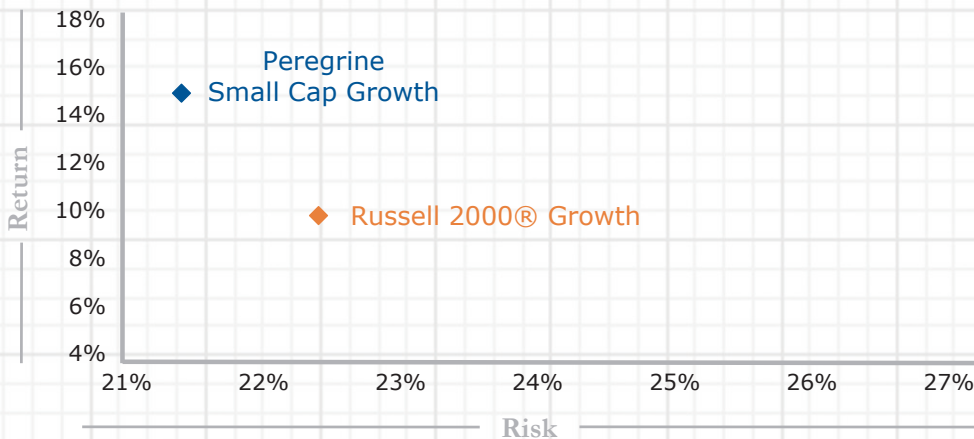
Peregrine Small Cap Growth (gross of fees)

Russell 2000® Growth

Growth of \$10 million since Russell 2000® Growth Index inception (1/1/79 - 6/30/17)

The composite includes all fully discretionary portfolios invested in Peregrine's Small Cap Growth strategy. Returns reflect the deduction of advisory fees, including performance fees, if any, brokerage or other commissions, and any other expenses that a client would have paid or actually paid, other than custodial fees. Returns reflect the reinvestment of dividends and interest. Performance results for the period 1/1/76 through 7/1/84 is for accounts managed by the Small Cap Growth team while they were employed by Peregrine's former parent company and managed the same strategy. Past performance is no guarantee of future results.

## Above Benchmark Returns, Below Benchmark Volatility



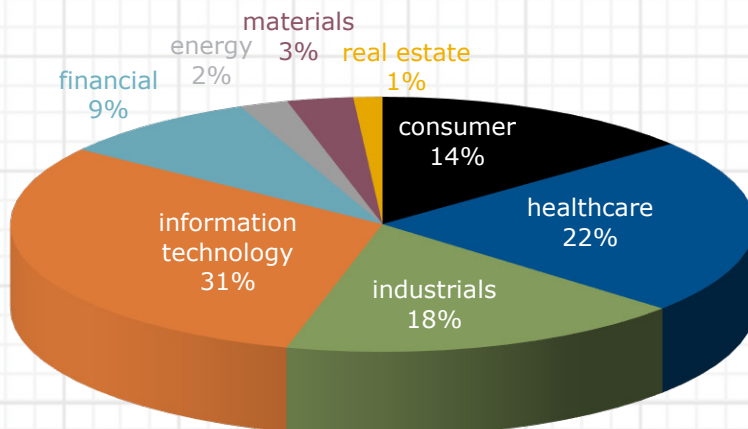
Dates back to the inception of the benchmark on 1/1/79

## Commitment

Peregrine's Client Service & Marketing professionals are dedicated to understanding your individual needs, assuring customized client service and developing a long-term, attentive relationship.

**Stefanie M. Adams**  
(612) 343-7660  
**RuthAnn DeFrang**  
(612) 343-7639

## Sector Weights



PEREGRINE CAPITAL MANAGEMENT

800 LaSalle Avenue - Suite 1850  
Minneapolis, Minnesota 55402  
612/343-7600  
888/343-7600  
www.peregrine.com