

PSN Top Guns

Congress Asset Management Company

Mid Cap Growth

Congress Asset Management Company | Third Quarter 2011

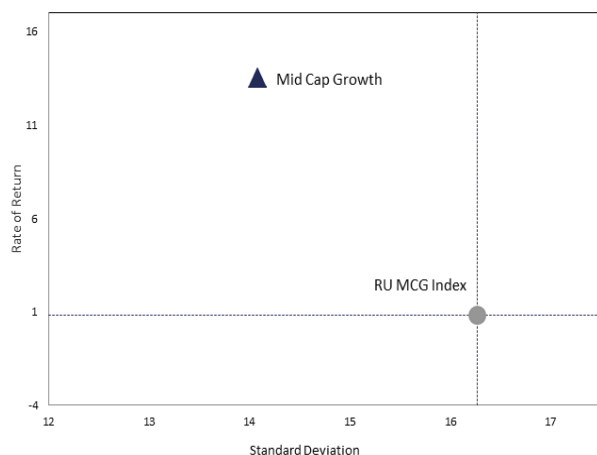
Assets Under Management \$6.59 bn | Founded 1985 | Ownership Structure LLP | Investment Professionals 22

Our Mid Cap Growth Portfolio seeks companies that demonstrate earnings growth at consistently higher levels of profitability than other companies in their industry. We emphasize companies with the resources in managerial, financial, product and/or technical strength that will benefit from a favorable fundamental outlook. It is our view that diversification rather than market timing provides investors with the greatest level of safety.

Achieved a PSN Top Guns status in the following peer group universes:

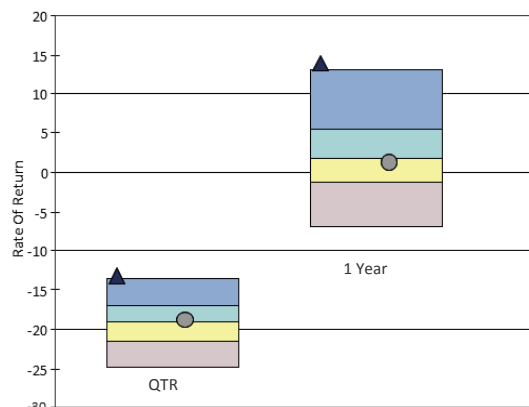
PSN Mid Growth Universe	★ Criteria: Based on quarterly returns ★★ Criteria: Based on returns for 1 year period	Universe comprised of 128 firms; 167 products
PSN Mid Cap Universe	★★ Criteria: Based on returns for 1 year period	Universe comprised of 302 firms; 458 products

1 Year Mid Cap Growth Total Risk Reward



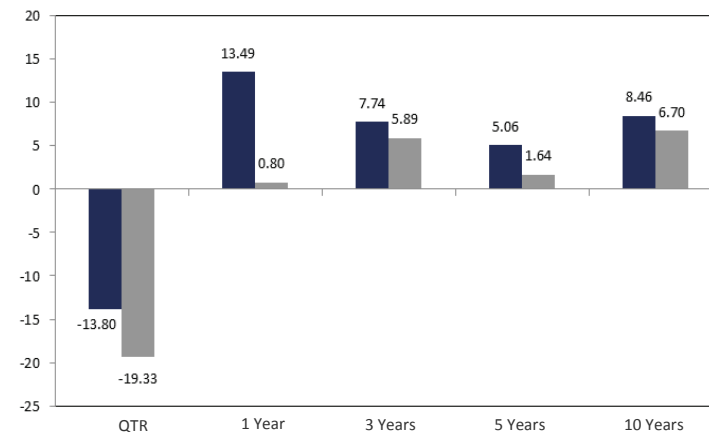
▲ Mid Cap Growth ● RU MCG Index

PSN Mid Cap Growth Universe



	Latest Quarter		1 Year	
	Value	Rank	Value	Rank
▲	-13.80	1	13.49	1
●	-19.33	45	0.80	53

Mid Cap Growth Annualized Performance



■ Mid Cap Growth ■ RU MCG Index

Source: PSN. All information is as of 9/30/11.

The peer groups were created using the information collected through the PSN investment manager questionnaire and uses only gross of fee returns.

For Investment Professional Use Only. Not For Public Distribution.

Congress Asset Management Company

Mid Cap Growth

Congress Asset Management Company | Third Quarter 2011

Congress Asset Management Co. Mid Cap Growth Composite 10/1/99 – 9/30/11

Investment Process

- The investment process utilizes a bottom-up, growth style approach to stock selection with a focus on high quality companies. Our fundamental approach emphasizes growth of earnings and free cash flow.
- The Mid Cap Investment Policy Committee (MCIPC) is the central decision making body. The Committee meets weekly to discuss sector outlook and investment ideas. If the Committee determines that a security idea warrants a closer look, a research analyst is assigned to perform a detailed analysis. The analysis is then disseminated to the Committee for action. Opinions are shared. A consensus is reached. A decision is made.

Security Selection

- Focus on financial data on all listed firms and major OTC companies.
Key metrics include:
Growth of earnings
Growth of revenue
Return on assets
Capital spending
Capital structure
Positive cash flow
Return on equity
Operating margins
Market leader
- Comparative analysis.
- Final stock selection is based on the decision of the Mid Cap Investment Committee.

Portfolio Construction

- The above process results in a Buy List of 60-70 securities, with 35 to 45 securities per portfolio.
- Industry exposure not to exceed 25% and no more than 5% to any one security.
- Fully invested with a cash allocation not in excess of 5%.
- Average annual turnover of 25-40%.

Sell Discipline

- Fundamental deterioration of the security takes place and/or two or more quarters of disappointing financial results relative to our expectations.
- Comparative analysis: a new security is judged more attractive while maintaining portfolio diversification.
- Significant over-achievement which results in the stock becoming too dominant (reduction v. outright sale).
- Market cap reached \$20 billion.

Year	Total Return Gross of Fees %	Russell Mid Cap Growth Return % (dividends reinvested)	S&P MidCap 400 Return % (dividends reinvested)	Composite 3-Yr St Dev (%)	Russell Mid Cap Growth 3-Yr St Dev (%)	Number of Portfolios	Dispersion %	Total Composite Assets End of Period (\$ millions)	% of composite represented by non fee paying account	Total Firm Assets End of Period # (\$ millions)
4Q 1999	19.9	39.5	17.2			*	*	1	100%	3,002
2000	35.4	-11.8	17.5			*	*	2	100%	3,183
2001	9.5	-20.2	-0.6			*	*	2	100%	3,147
2002	-10.6	-27.4	-14.5			*	*	4	36%	3,312
2003	26.0	42.7	35.6			*	*	10	20%	3,697
2004	14.7	15.5	16.5			*	*	15	15%	3,844
2005	10.7	12.1	12.6			7	0.43	20	13%	4,751
2006	7.7	10.7	10.3			7	0.28	13	22%	5,469
2007	24.8	11.4	8.0			12	0.81	16	18%	5,846
2008	-43.9	-44.3	-36.2			9	0.55	7	0%	4,371
2009	25.7	46.3	37.4			11	0.85	11	0%	5,463
2010	40.2	26.4	26.6			15	0.65	20	0%	6,678
YTD	-1.8	-11.6	-13.0			22	n/a	27	0%	6,599

* Composite contains 5 or fewer portfolios

Congress Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Congress Asset Management has been independently verified for the periods 12/31/95 – 6/30/11. 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 Mid Cap Growth Composite has been examined for the periods 10/1/99 – 6/30/11. The verification and performance examination reports are available upon request.

Firm Information: Congress Asset Management Co. (CAM) is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. CAM manages large cap equity, mid cap equity, fixed income and private equity asset classes for private and institutional clients. CAM acquired Prelude Asset Management LLC on March 15, 2010.

Composite Characteristics: The Mid Cap Growth Composite was created on October 1, 1999. This inception date reflects the first full month in which an account was fully invested in the strategy and met the inclusion criteria. The composite includes all fully discretionary accounts with a value over \$500 thousand (US dollars) managed in the mid cap growth style for a minimum of one consecutive month. Accounts with wrap commissions are excluded from the composite. Prior to September 1, 2005 the composite did not include private client accounts or accounts with less than \$1 million. Since inception, the mid cap equity composite has included one non-management fee - paying account. The primary composite benchmark is the Russell Mid Cap Growth Index. The secondary benchmark is the S&P MidCap 400 Index. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. A complete list and description of all firm composites is available upon request.

Calculation Methodology: Valuations and returns are computed and stated in U.S. dollars. The firm uses the Modified Dietz formula to calculate monthly returns and links these returns geometrically to produce an accurate time-weighted rate of return. The composite is also revalued intra-month in cases where cash flows in excess of 10% of the composite's value occur. Composite returns are asset-weighted. Gross of fees returns are calculated gross of management and custodial fees and net of transaction costs. The composite results portrayed reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Accruals for equity securities are included in calculations. A maximum of 5% of the portfolio may be invested in the ADR's of foreign companies. The dispersion measure is the asset-weighted standard deviation of accounts in the composite for the entire year. 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 1999 through 2010 as it is not required for periods prior to 2011.

Fee Schedule: The firms' individual account fee schedule is as follows: 1.00% for first \$1 million, 0.80% for next \$4 million, 0.60% for next \$5 million. Management fees for individual accounts with assets under management exceeding \$10 million, and for institutional accounts are negotiated. The individual account fee schedule may be subject to negotiation where circumstances warrant. As fees are deducted quarterly, the compounding effect will increase the impact of the fees by an amount directly related to the gross account performance. For example, an account earning a 10% annual gross return with a 1% annual fee deducted quarterly would earn an 8.9% annual net return due to compounding.

Other Disclosures: Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Past performance does not guarantee future results. This performance report should not be construed as a recommendation to purchase or sell any particular securities held in composite accounts. Market conditions can vary widely over time and can result in a loss of portfolio value. Total Firm Assets End of Period #: Number includes a portion of assets where Congress Asset Management Co. does not have full conditional trading authority. The assets consist of model portfolio relationships with third party platforms and totaled 10% of the firm's assets as of 9/30/11. Year-end model portfolio totals were 0% in 2005, 0% in 2006, 1% in 2007, 2% in 2008, 4% in 2009 and 4% in 2010, respectively.