

# Congress Asset Management Mid Cap Growth Portfolio

First Quarter 2011

## PSN - Top Guns Rating ★★

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.

### Firm Overview as of 3/31/11

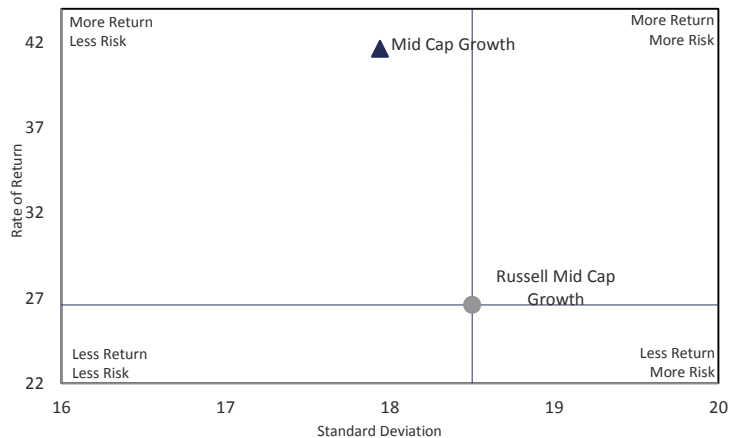
Founded	1985
Assets Under Management	\$7.045 Billion
Ownership Structure	LLP
Investment Professionals	22

### Portfolio Characteristics as of 3/31/11

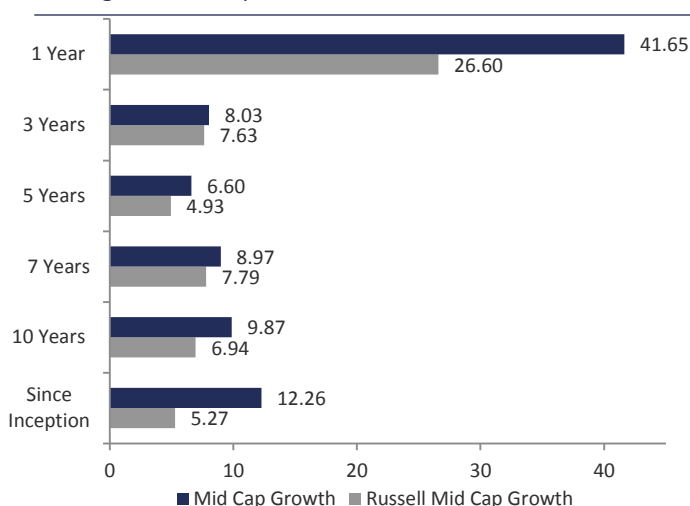
	Mid Cap Growth	Russell Mid Cap Growth
Weighted Avg. Market Cap.	\$6.1B	\$8.7B
Median Market Cap.	\$5.0B	\$5.0B
Earnings Growth (Trailing 5 yrs.)	14.00%	9.10%
Dividend Yield	0.50%	0.80%
No. of Holdings	39	627

### Total Risk Reward: 1 Year Trailing Period as of 3/31/11

	Mid Cap Growth	Russell Mid Cap Growth
ROR	41.65	26.60
Standard Deviation	17.94	18.50
Sharpe Ratio	2.31	1.43
Alpha	13.20	0.00
Beta	0.96	1.00
Upside Cap Ratio	124.29	100.00
Downside Cap Ratio	83.15	100.00



### Trailing Returns: September 30, 1999 – March 31, 2011



### PSN Top Guns Rankings Rating System Star Criteria

★	Based on quarterly returns.
★★	Based on returns for one year period.
★★★	Based on returns for three year period.
★★★★	R-Squared of 0.80 or greater to the benchmark for the recent 5 year period. Returns are greater than the benchmark for the 3 latest 3-year rolling periods. The top 10 returns for the latest 3-year period then become the TOP GUNS.
★★★★★	R-Squared of 0.80 or greater to the benchmark for the recent 5 year period. Returns are greater than the benchmark for the 3 latest 3-year rolling periods. Standard deviation for the 5 year period is equal or less than the median standard deviation for the peer group. The top 10 returns for the latest 3-year period then become the TOP GUNS.
★★★★★★	R-Squared of 0.80 or greater to the benchmark for the recent 5 year period. Returns are greater than the benchmark for the 3 latest 3-year rolling periods. Standard deviation for the 5 year period is equal or less than the median standard deviation for the peer group. The top 10 information ratios for the latest 5-year period then become the TOP GUNS.

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

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## Mid Cap Growth Composite 10/1/99 – 3/31/11

Year	Total Return Gross of Fees %	Russell Mid Cap Growth Return % (dividends reinvested)	S&P 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	12.0	7.9	9.4			21	n/a	29	0%	7,045

\*Less than 5 portfolios in the composite

**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 – 9/30/10. 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 – 9/30/10. 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 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:** Additional information regarding policies for calculating and reporting returns is 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 4% of the firm's assets as of 3/31/11. 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.

CAM-MCGPSNTG - 6/11