The views presented in this document are those of the Geneva Capital Management Investment Team at the time of writing and may not be reflective of views any time thereafter.

Economic and Investment Outlook

First Quarter 2018

KNOWLEDGE. SHARED

Geneva
JANUS HENDERSON

Economic Outlook

As we close 2017, we reflect on a year of surprises. Following the surprise election of Donald Trump as our 45th president in November of 2016, we were surprised by the magnitude of geopolitical turmoil caused by North Korea. We were surprised at the strength and resiliency of the US economy, and global economies for that matter. All of the 45 OECD countries reported growth for the year, which hasn't happened since the Global Financial Crisis. We were surprised that our elected leaders were able to get anything accomplished, let alone the largest tax cut since the Reagan era. Finally, we were surprised by the stock market's ascension given a myriad of concerns (narrow field of participants, stretched valuations, length of bull market) we shared with most industry pundits. This year certainly is emblematic of the old adage: the market likes to "climb a wall of worry."

Looking at the data specifically with respect to the level of strength in our economy, statistical evidence continues to mount that the US economy is on a strong growth trajectory not seen in years. For the first nine months of 2017, Real Gross Domestic Product (RGDP) is averaging 2.53% and preliminary indicators for the fourth quarter suggest a continuation of 2nd/3rd Q momentum. Industrial production (Nov) is up +3.35% y/y, Retail Sales 5.80%, Non-defense capital goods +10.20% and new order durable goods (ex. Trans) +6.96%. With the passage of a pro-business tax bill lowering the US corporate tax rate to 21%, retaining R+D credits and fast tracking cap ex spending write offs, current momentum may even accelerate further in 2018. Our RGDP forecasts for 2017/18, therefore, are revised upward to 2.4%/2.6%. By 2019, when the tax bill will have maximum effect on both corporate and consumer spending patterns, the long-awaited return to 3% annual growth is a distinct possibility.

A strengthening economy, growing shortages of skilled employees in certain sectors (home building, industrial technology, service, and repair), a marked increase in the willingness of workers to explore new job opportunities, and minimum wage increases in many states/counties/cities all suggest imminent pressure on wages. Yet, at this time, inflation measures remain benign through November, as the headline Consumer Price Index (CPI) is up only 2.20% y/y with the core CPI (x food/energy) up 1.70%. Similarly, while the headline Producer Price Index (PPI) is up 4.30%, the key core PPI measure is up only 2.20% (y/y). Assuming our forecast for accelerating RGDP momentum holds true for 2018, a pickup in inflation appears inevitable. Recognizing this eventually, our headline CPI forecast for 2018 is raised to 2.5% from our original estimate of 2.3% while our 2017 expectation is retained at 2.10%.

The recent tax reform package enacted by Congress does make us incrementally more bullish on the economy, but it is a little premature to predict its full impact. When energy prices dropped dramatically in 2014, which acted as a pseudo tax cut for consumers, 50% of the savings were used to pay down debt, 25% went into savings and 25% into consumption. Consumer balance sheets are sound, so our expectation is a larger proportion of the savings will be used for consumption. Given the aforementioned upward pressure on wages, and the increase in disposable income provided by the tax cuts, we believe we may see surprising strength in consumer spending in 2018.

Continued on next page

Geneva — JANUS HENDERSON —

Economic Outlook

Discerning the impact of the corporate tax cuts is a little more challenging. Yet, we feel the permanent nature of the cuts will result in increased business investment from both domestic as well as foreign companies operating on US soil. Complicating this rather straightforward analysis is the slow removal of liquidity from global central banks, as the US begins to shrink its balance sheet and other central banks (the ECB) follow suit in 2018. While these actions typically affect the economy with a lag, this has been an unusual recovery in that history would suggest for every 1% increase in the balance sheet of the Federal Reserve (Fed), inflation rises by half that amount. This did not occur during the recent recovery, which begs the question, what will be the economic result of reversing course? Could it result in slower growth or more market volatility? Both of which would be a headwind to business confidence. Or will central banks thread the needle and slowly remove this stimulus which will partially offset rising pricing pressure? Again, it's too early to tell, but our sense is we are safe edging up our growth estimates for 2018 in the wake of these changes.

The global geopolitical turbulence seems to be more of a distraction than impactful to global growth at this point. The Eurozone continues to build economic momentum driven by improving employment and disposable income, positively impacting consumer spending, which is roughly 55% of GDP. While there are still challenges in the form of Brexit repercussions and a strengthening Euro, there are also tailwinds emerging from Macron's structural reforms in France and the policy certainty therein. China is continuing with its quality vs quantity growth path, which may result in slightly slower growth, but with the benefit of long-term sustainability. 2017 marked the first year in nearly a decade where China's growth rate positively inflected, and given their recent policy response to US tax reform (creating incentives to keep capital within the country), they have no plans to markedly slow the economy any time soon. The risk with China, or any centrally planned economy, is a policy misstep. However, with President Xi in power for the next eight years, we feel confident the plan to transition the economy from an investment-driven to consumer/commerce-driven economy will result in greater stability for their economy and the region. Finally, Japan is experiencing their lowest unemployment rate since 1993, which has been boosted by accelerating industrial production and the strongest GDP growth in four years. The 3rd quarter marked the 11th straight quarter of growth, which is the best sequential run in 16 years. However, the unemployment rate, while at face value is the lowest (along with Iceland) among developed nations, appears more structural in nature than cyclical. The aging demographics and shrinking population may put upward pressure on wages, but given the labor shortage, could be detrimental to growth. That said, Japan doesn't appear to be at risk of falling into a recession in the near term, which as the 3rd largest economy bodes well for global growth.

Global interest rates and rate spreads continue to be supportive of economic activity with nearly 30% of global sovereign yields at or below 0%. Spreads remain muted but are certainly worth monitoring as we embark on a multi-year period of extracting the enormous amount of monetary stimulus, which has accumulated on central banks' balance sheets over the past decade. Appetite for credit continues to be insatiable as companies take advantage of historically low interest rates to boost growth and returns. Included in the new tax legislation is a provision, which allows companies to repatriate foreign earnings back to the US at favorable tax rates, for which we believe the impact is currently underestimated. Companies are allowed to immediately expense capital expenditures and move to a territorial based system, allowing capital to remain where it adds the most value. As these benefits translate into increased earnings, we believe

Economic Outlook

there will be a leverage multiple applied to those earnings, leading to credit creation and giving growth an added boost. Given the pressure on wages, strength in commodities and general business momentum one risk that could emerge for rates would be an unexpected inflation spike. We haven't experienced such a spike in over 10 years, but we certainly wouldn't rule it out given the confluence of geopolitical and economic factors manifesting. This of course would have a short-term impact on rates and could lay down a speed bump for economic growth. However, we do feel in such an event, the effect would be temporary as the aforementioned elements, combined with the disinflationary pressures of technology and simple supply/demand (high prices eventually fix high prices), will negate the long-term effects of such a spike. One consideration is that natural rates are lower than nearly any time in history, as evidenced by 20% of the constituents of the $9 trillion Bloomberg Barclays Global Aggregate index carrying a negative yield! The Fed continues to seek an appropriate level of policy accommodation, but we believe future rate increases will be at a measured pace and anticipate only moderate upward movement in the yield curve from current levels. US Treasuries remain attractive from both a yield and credit perspective given our country's relative economic stability. Our year end 2018 forecast for the benchmark 10-Year and 30-Year Treasury calls for 2.90% and 3.30%, respectively.

Longer-term

The debate we continue to have at Geneva Capital revolves around where we are in this cycle. We have heard many economic prognosticators say we are in the seventh or eighth inning of this expansion, primarily on the merits of its duration. Using a baseball analogy in this instance we feel is misplaced as evidenced by the May 8th, 2004 meeting of the Detroit Tigers and Texas Rangers where the 5th inning saw 110 pitches, 18 runs and lasted an hour and eight minutes: the point being, an inning can last much longer than expected. Perhaps a better question would be; are we harkening back to the days of 1996 or 1999? Using the metric of duration, one would conclude at this stage it more resembles 1999. Assuming Q1 is a continuation of recent growth, it will be 35 quarters of expansion, which would be equivalent to the 1960-1969 expansion, marking the second longest in modern history. However, we have experienced one of the slowest post-recession recoveries, witnessing cumulative GDP rise only 20%, as compared to the 1990's at 46% and the 1960's at over 50%. So perhaps the expansion is not as mature as its age would suggest. If we combine the cumulative recovery data with the recent pro-business tax legislation and deregulation, upward wage pressure, tame inflation, a market which seemingly ascends each day (providing a positive wealth effect for consumers and providing state and local governments much needed relief in underfunded pensions, resulting in increased appetite for spending), and a coordinated global expansion, we could reasonably conclude we have a way to go before this economic engine loses steam. There are many similarities between the mid 1990's and today as technology is changing the way we live and consume. 5G implementation could be analogous to the laying of global fiber bringing "state of the art" speed and connectivity to the masses. The resulting innovations from such infrastructure are difficult to predict, but it would be difficult to surmise a scenario where such investment would detract from growth. In addition, we have an ultra-accommodative Fed who is intent on not pulling the punch bowl away too quickly. While risks certainly abound in the form of geopolitical turmoil and potential trade wars resulting from unconventional policy discussions (Twitter) from an unconventional president, we feel the momentum we have experienced for the past decade will continue for the next few years.

Economic Outlook

First quarter 2018

Outlook	2014	2015	2016	2017E	2018E
Real GDP	2.4%	2.4%	1.9%	2.4%	2.6%
Inflation (Headline CPI) YoY change	0.8%	0.7%	1.5%	2.1%	2.5%
Profits (S&P 500*)	6.9%	0.0%	6.3%	10.6%	13.1%
Annual housing starts in thousands	985	1,111	1,175	1,215	1,240
Gross private domestic investment fixed investment - non-residential	5.5%	2.9%	0.9%	4.5%	6.5%
US auto sales domestically produced vehicles in millions	12.8	13.5	13.4	13.3	13.0
10-year Treasury (year-end)	2.17%	2.27%	2.44%	2.41%	2.90%
30-year Treasury (year-end)	2.75%	3.02%	3.07%	2.74%	3.30%

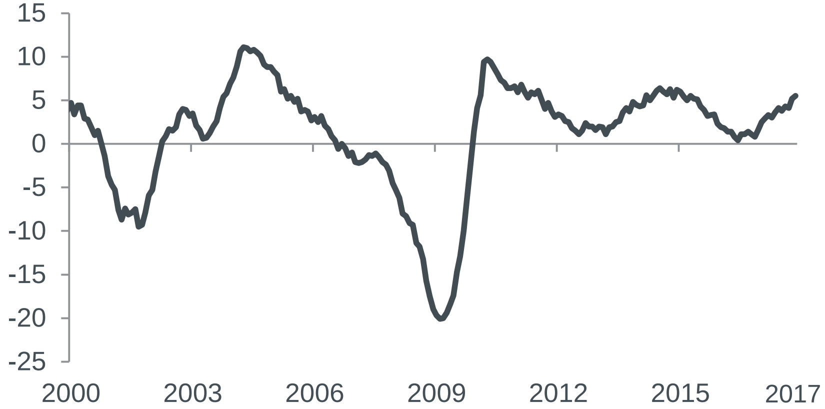
Source: Geneva Capital Management, Bloomberg, US Federal Reserve, December 2017
*Operating Earnings

Geneva
— JANUS HENDERSON —

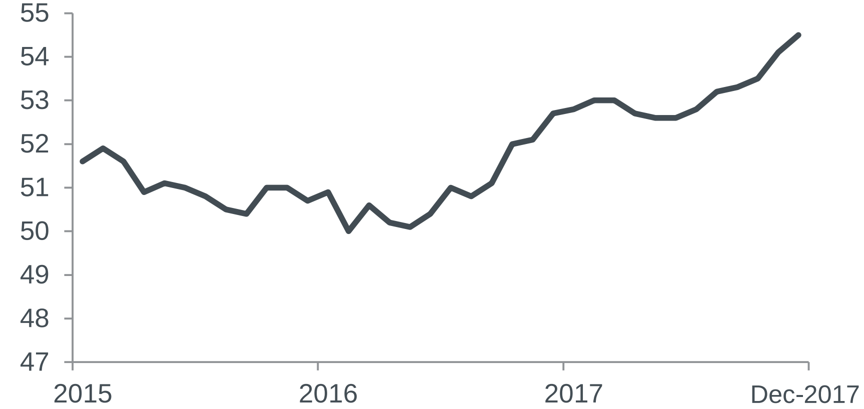
Upbeat Global Growth Prospects

A period of synchronized global growth will likely persist in 2018 and allow the US economy to grow above its long-term potential.

Global Leading Economic Indicator * (%)

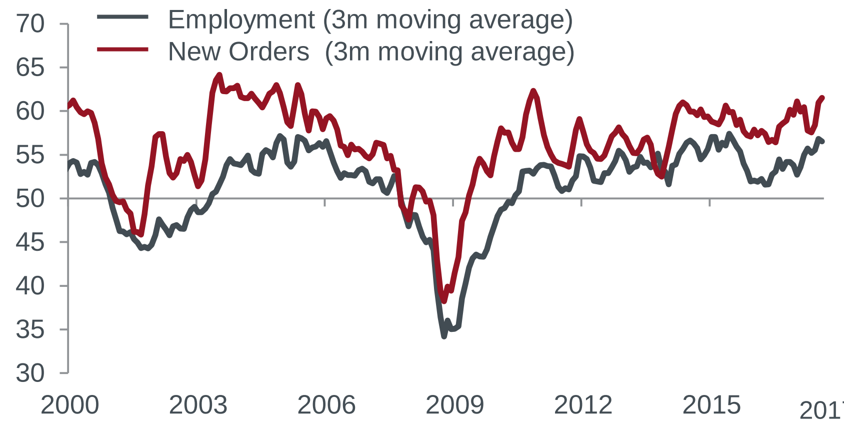


Global Manufacturing PMI ** (%)



US ISM Manufacturing Composite Index * (%)**

US ISM Non-Manufacturing Composite Index * (%)**



Source: Bloomberg, December 2017

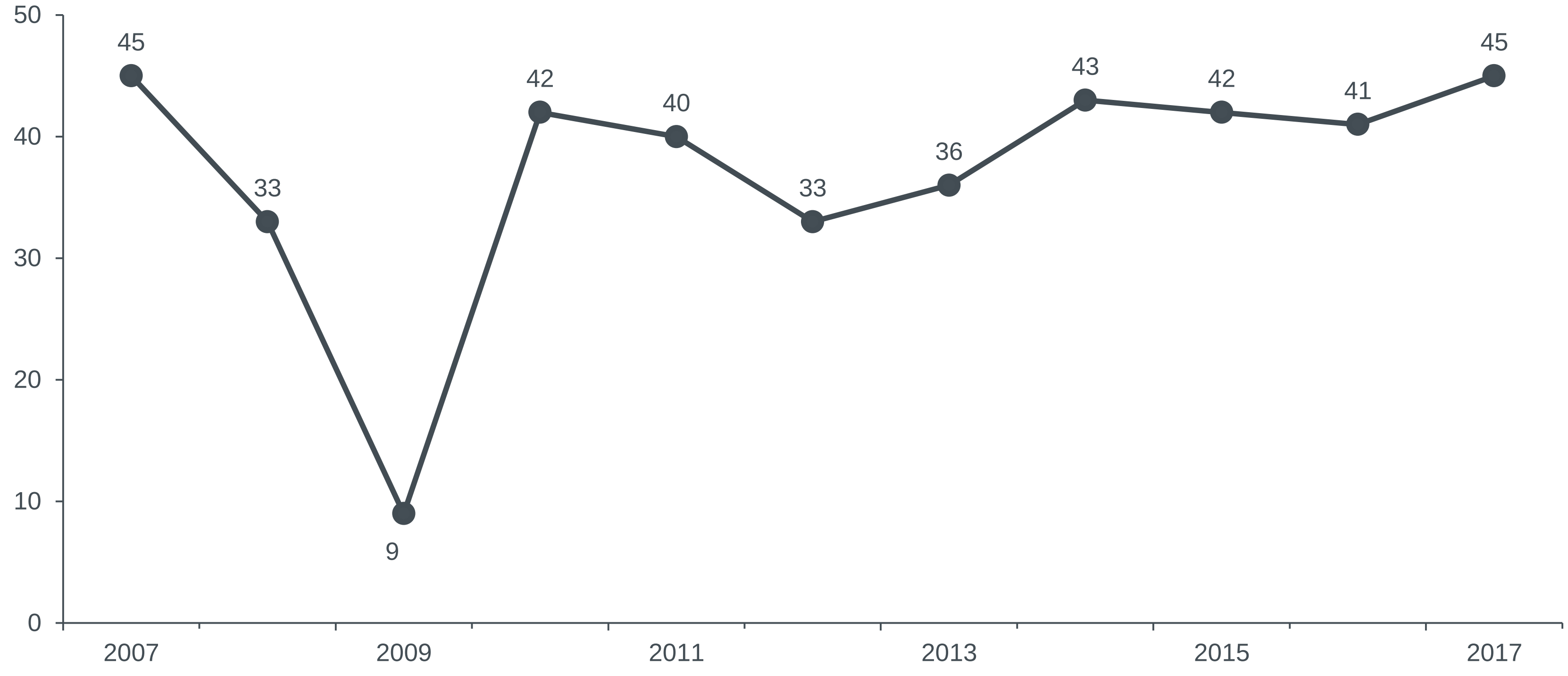
Notes: * Conference Board US Leading Index Ten Economic Indicators (Y/Y)
** JPMorgan Global Manufacturing Purchasing Managers Index
*** Institute for Supply Management

Geneva
JANUS HENDERSON

Worldwide Economic Growth is Broadening

For the first time since 2007, 45 out of 45 countries are growing.

Number of Countries Growing (out of 45)



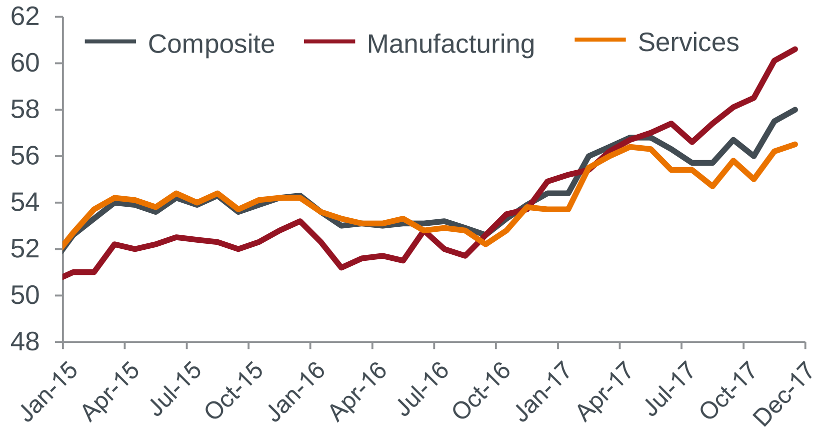
Source: OECD, September 2017

Note: Number of countries showing positive real GDP growth out of 45 for which OECD provides forecasts.

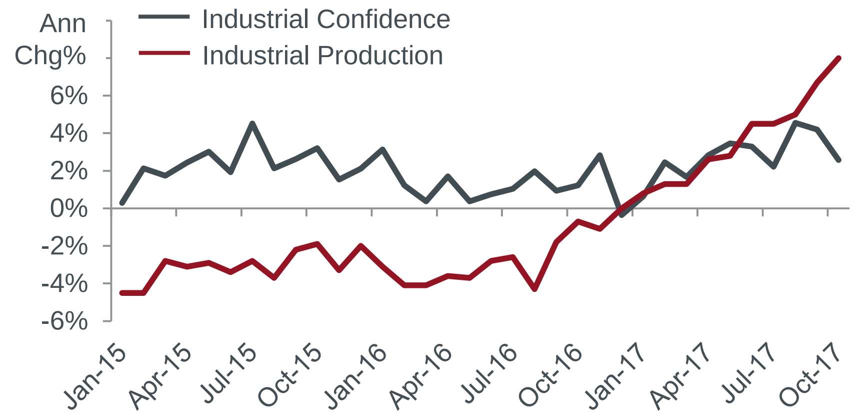
Developed Economies Showing Strength Outside U.S.

Positive growth momentum in the Euro area and Japan.

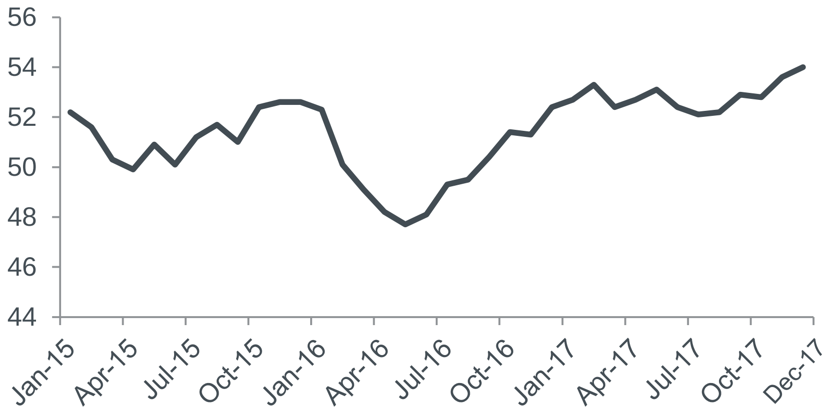
Euro Area PMI * (%)



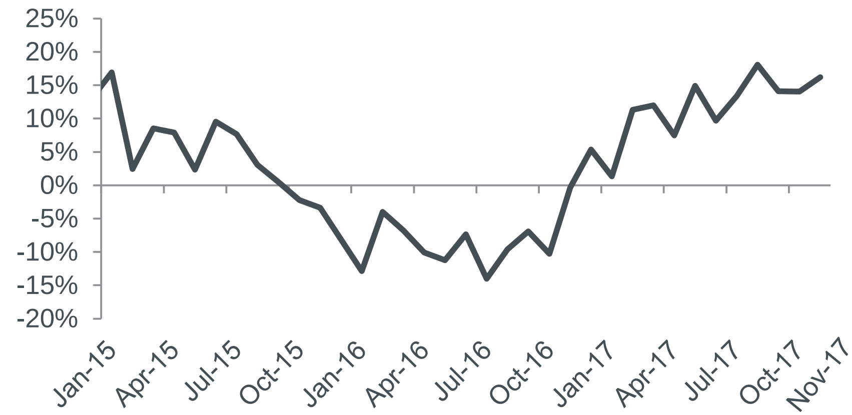
Euro Area YoY (%)



Japan Manufacturing PMI * (%)



Japan Exports YoY (%)



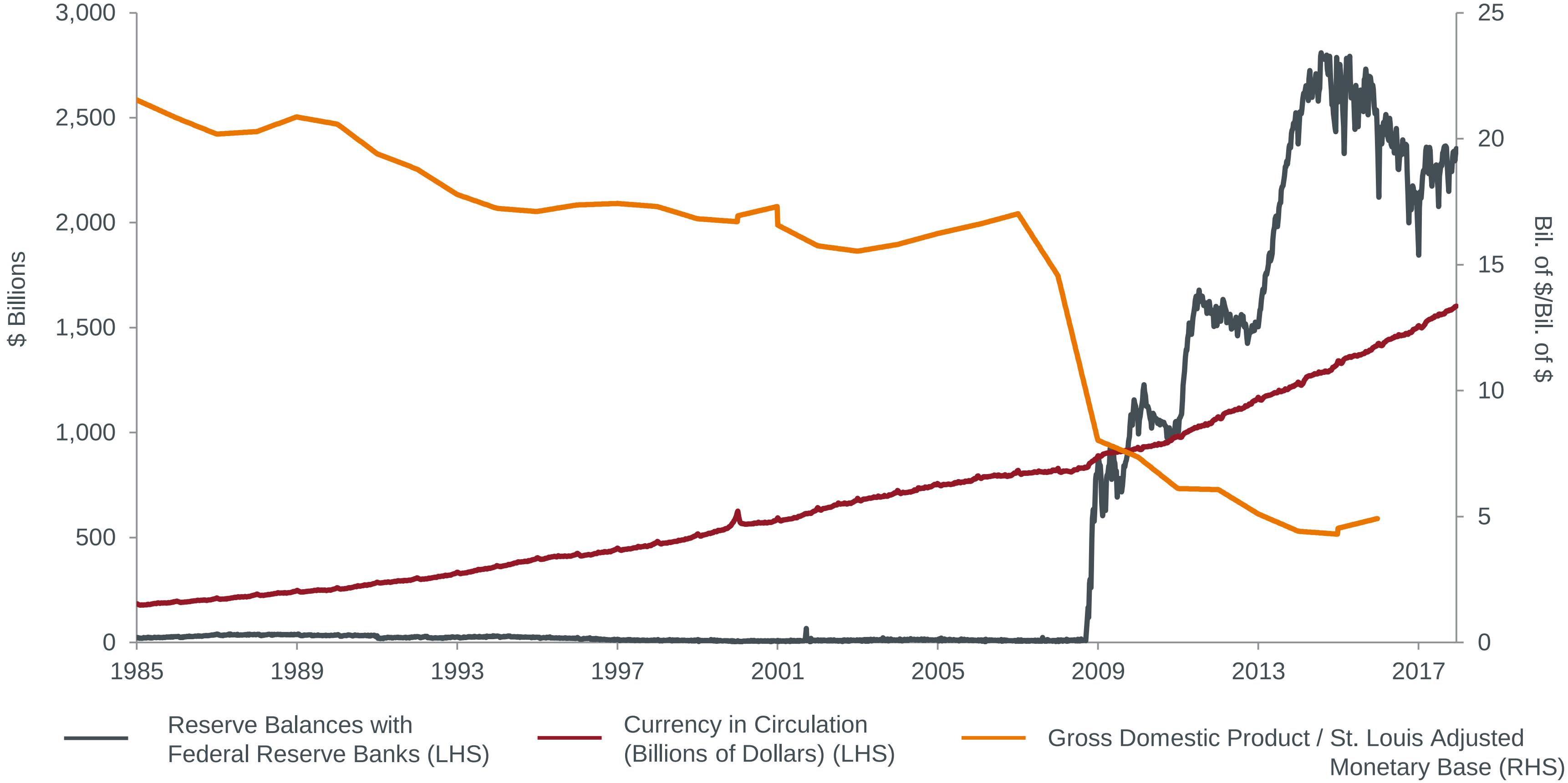
Source: Bloomberg, with date ranges indicated in each chart
Note: * Purchasing Managers Index

Geneva — JANUS HENDERSON —

Effects of the Velocity of Money on Inflation

Savings had caused velocity to slow down and offset the increase in the money supply. This is now reversing as the US saving rate plunges.

Gross Domestic Product, Currency and Reserve Balances

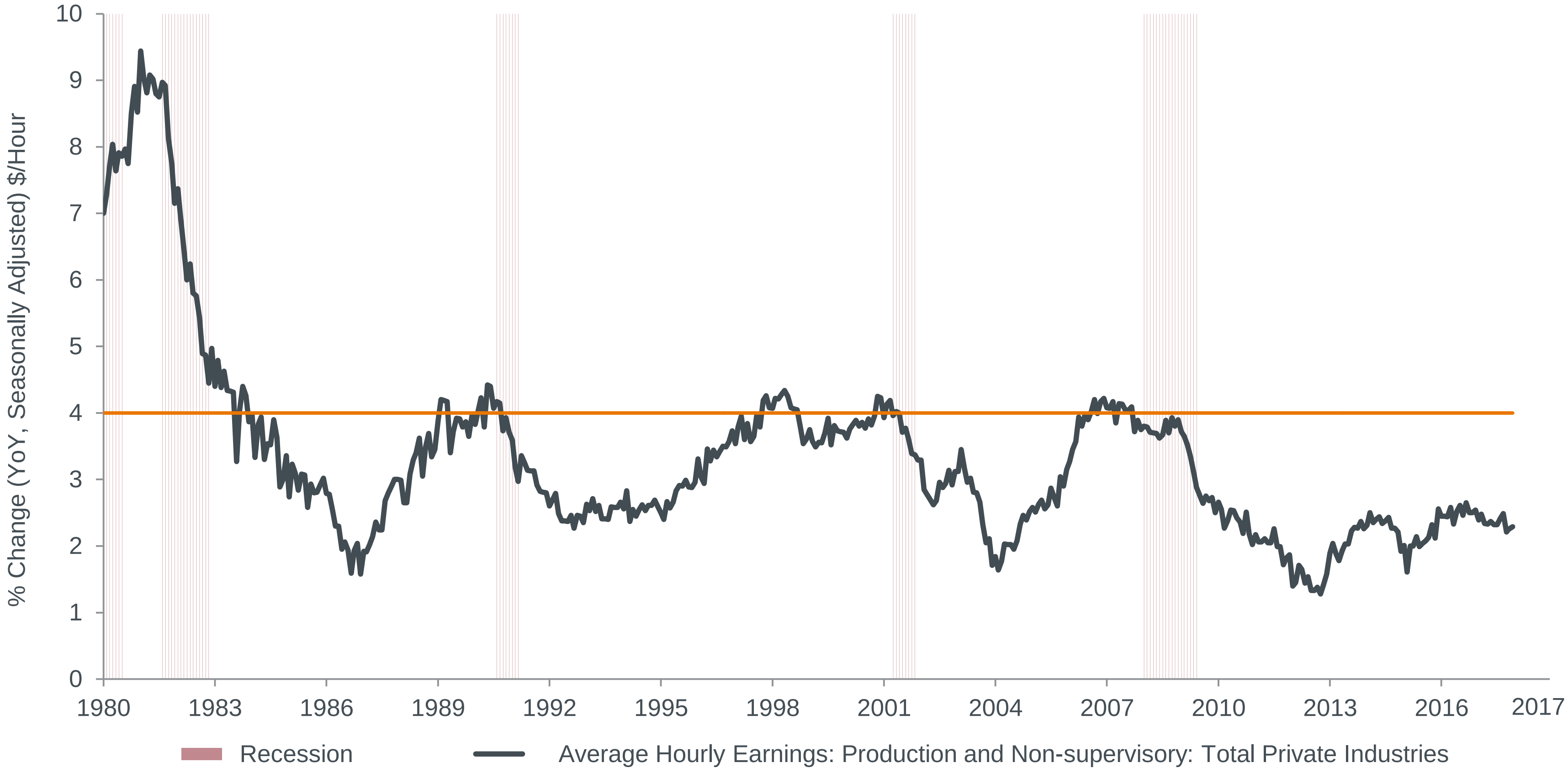


Source: St. Louis FRED, December 2017

US Wage Pressures are Nascent

While higher rates of inflation are often the cause of recessions, this typically isn't problematic until year-over-year wage growth reaches 4%. Currently, average hourly earnings are growing at 2.3%.

Average Hourly Earnings: Production and Non-supervisory Workers

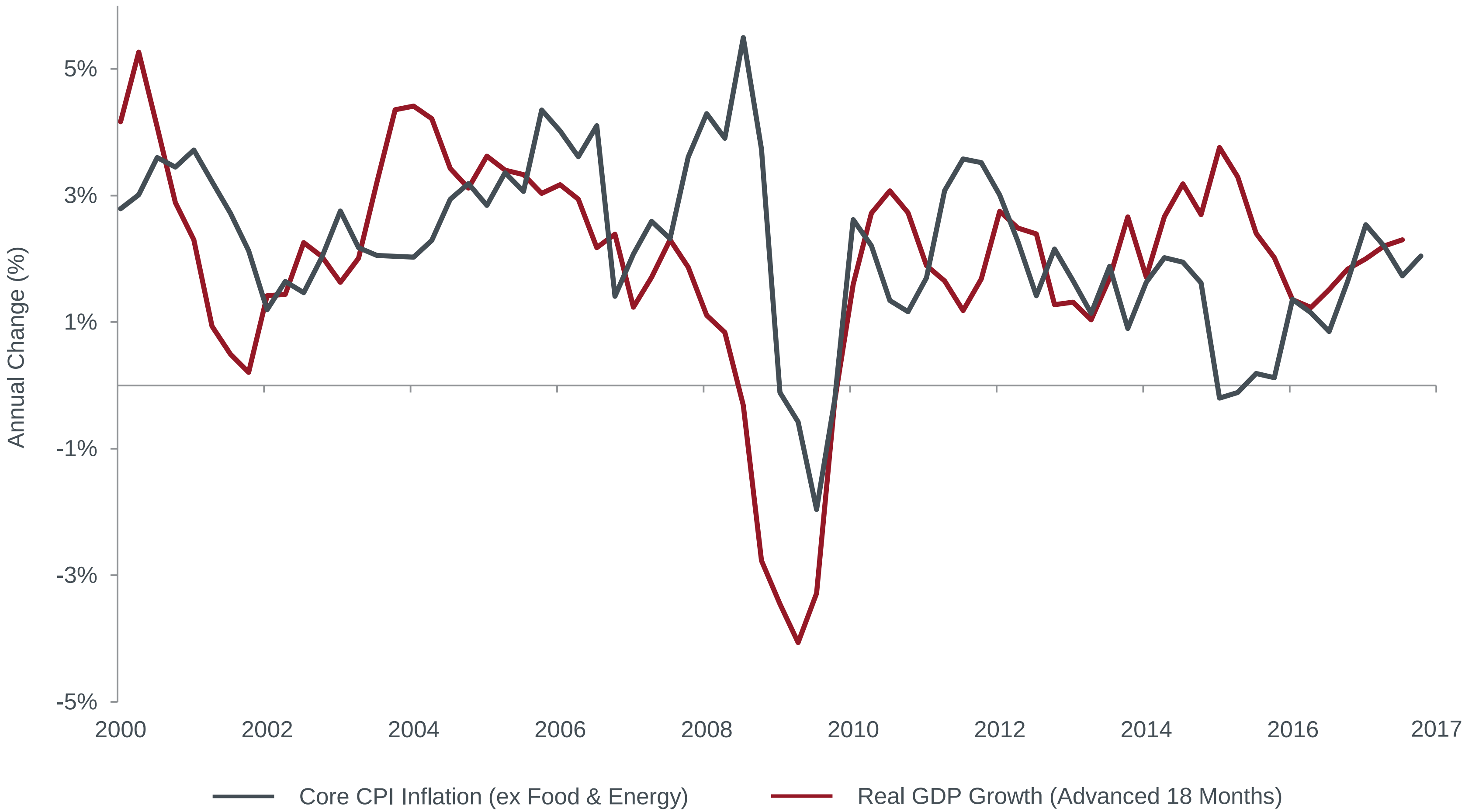


Source: Strategas Research Partners

Geneva
— JANUS HENDERSON —

Inflation Lags Economic Growth by 18 Months

The tight labor market should gradually push up inflation as wages move higher.



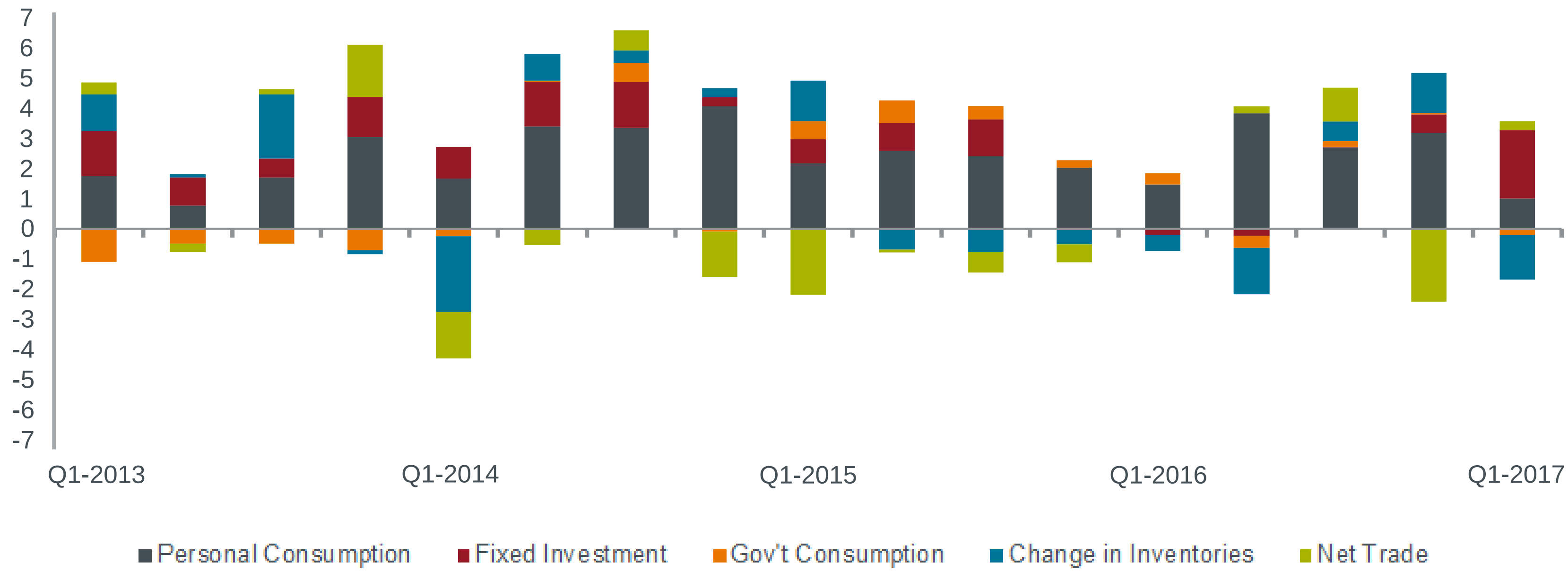
Source: St. Louis FRED, October 2017

Geneva
— JANUS HENDERSON —

US Economic Outlook

The US economy continues to be driven by domestic components, particularly consumer spending, increased business investment and housing.

US Contribution to GDP Growth



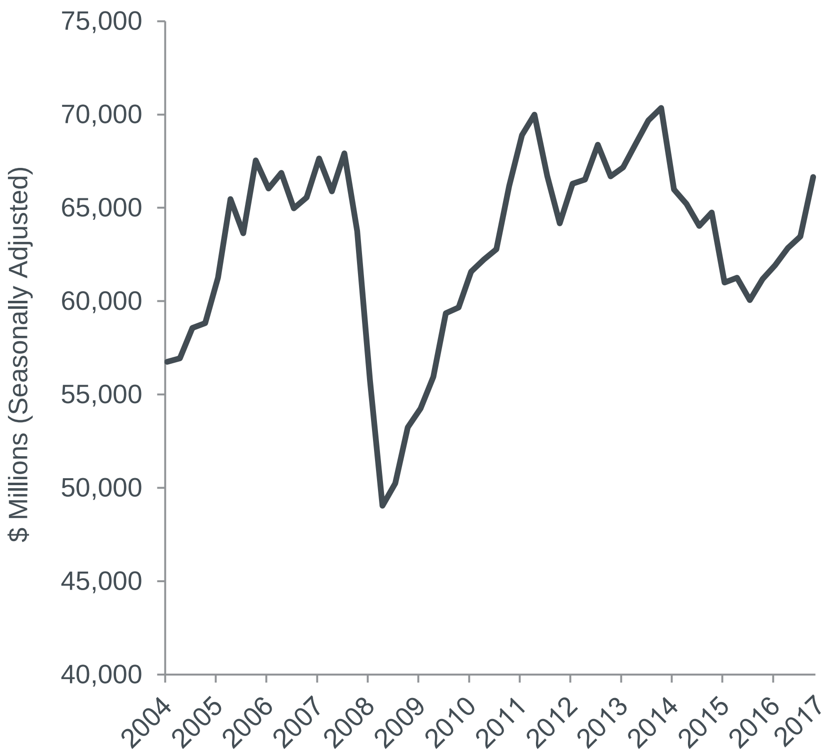
Source: Thomson Reuters Datastream, March 2017

Geneva
— JANUS HENDERSON —

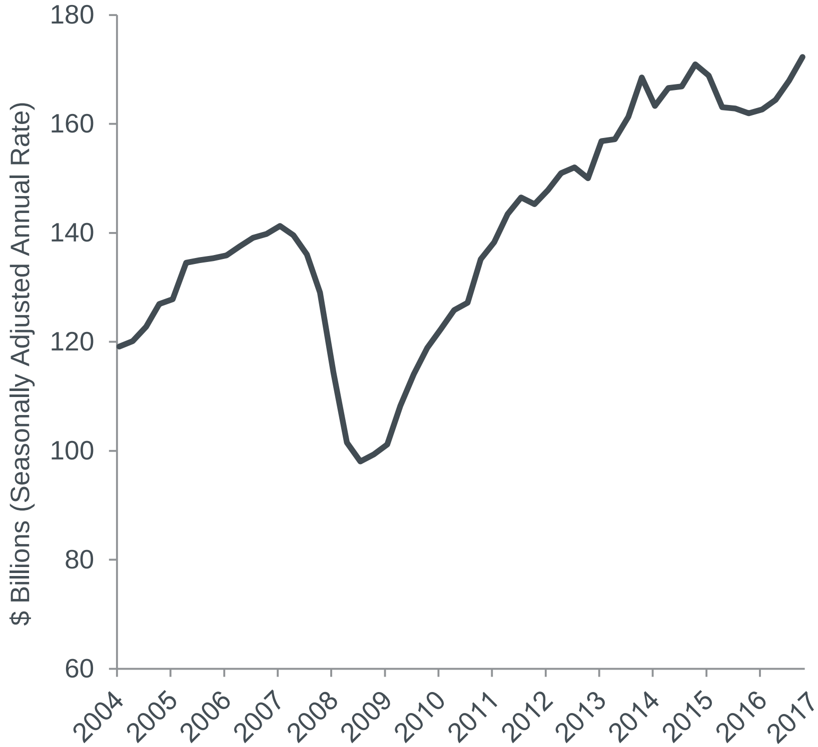
Capital Expenditures

The outlook for US capital expenditures continues to brighten with passage of the tax bill.

Manufacturers' New Orders Nondefense Capital Goods Ex Aircraft



Real Private Nonresidential Fixed Investment: Equipment



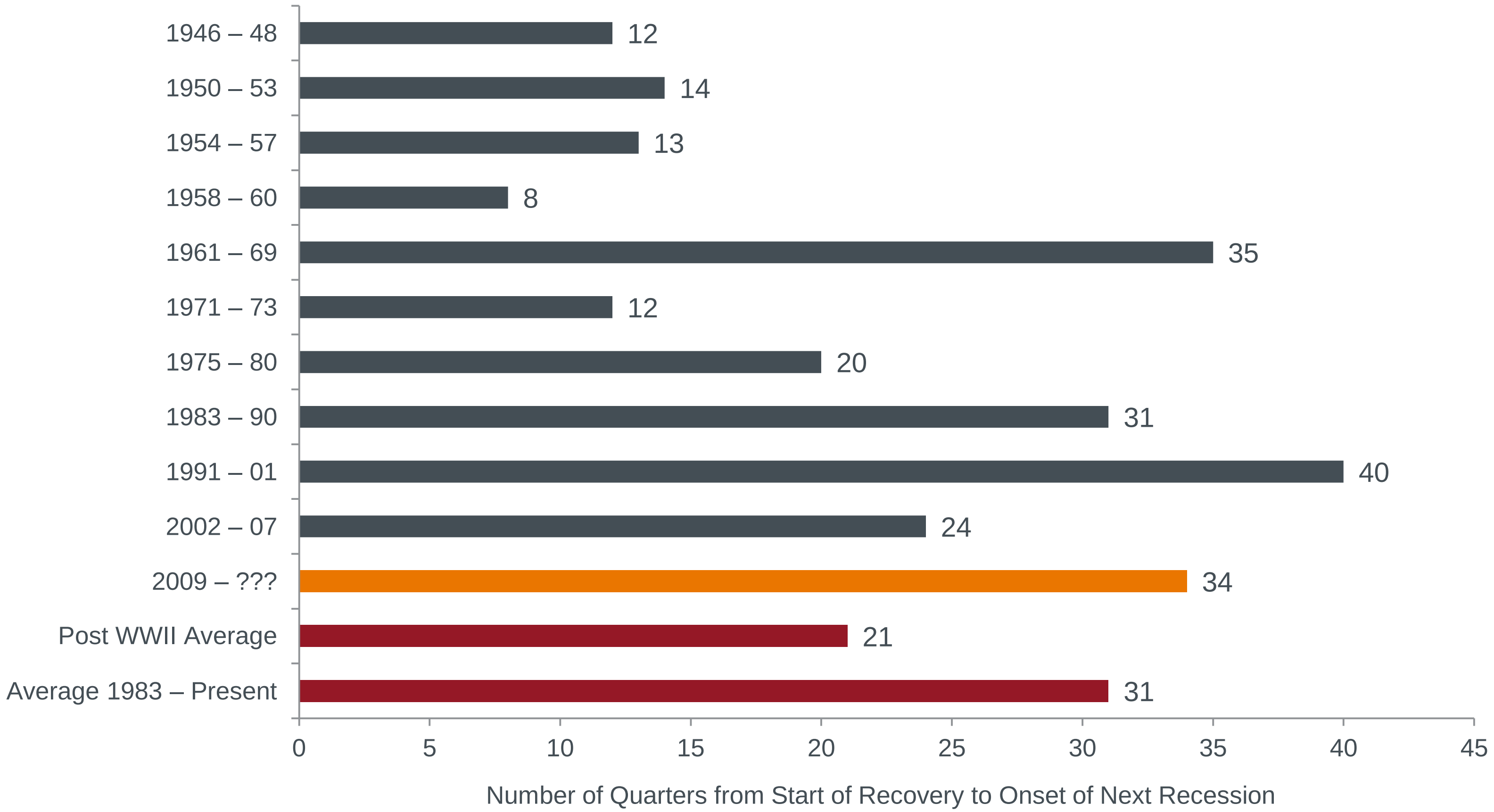
Source: Bloomberg, September 2017

Geneva
JANUS HENDERSON

Historical Economic Cycles

The current US economic cycle is poised to take a shot at record books.

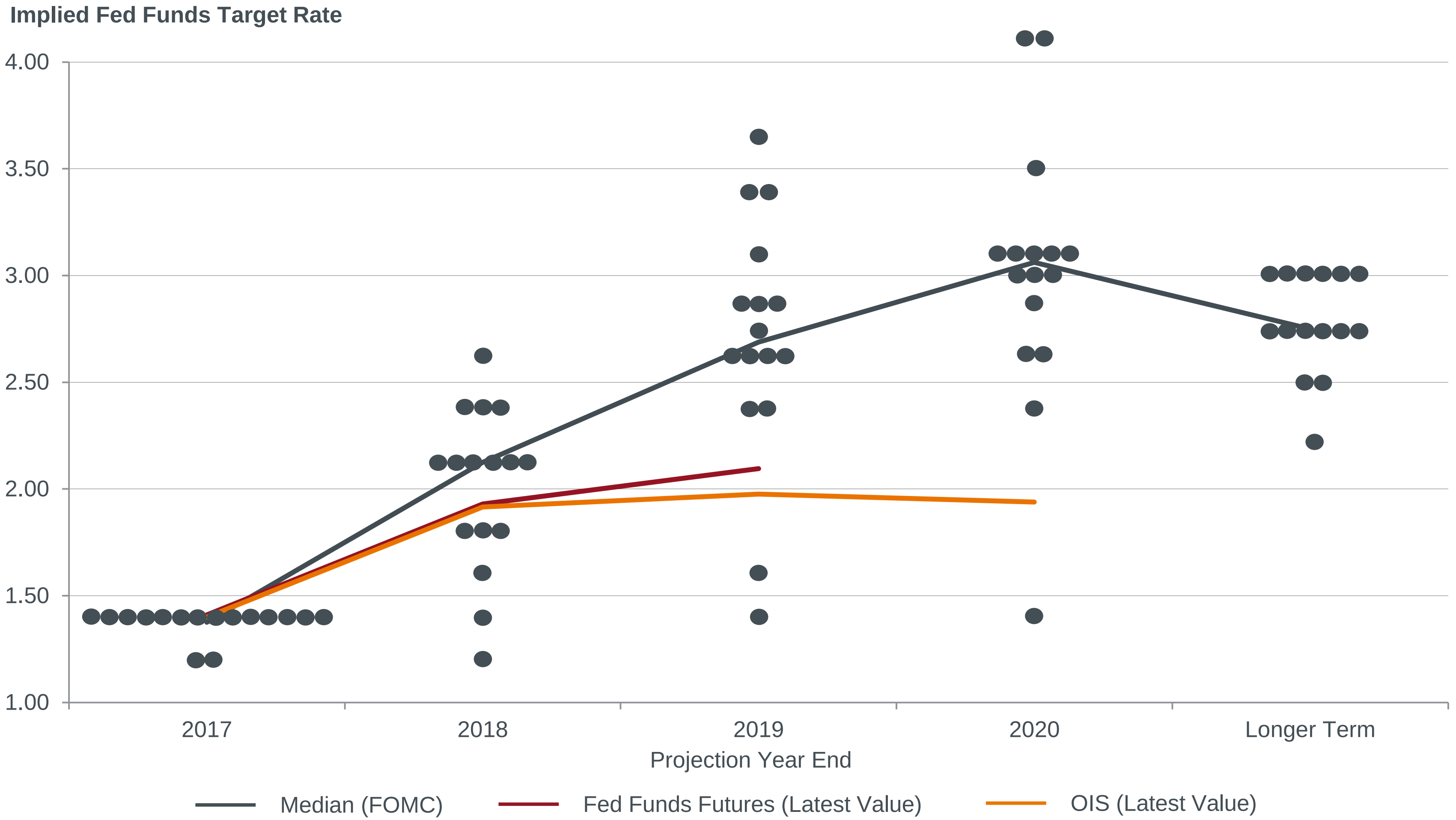
Economic Cycle Length



Source: Bloomberg

FOMC Forecast vs. Market Expectations: Rates

Continues to be very different. Who is right? Or is the reality somewhere in the middle?



Source: Bloomberg, December 2017

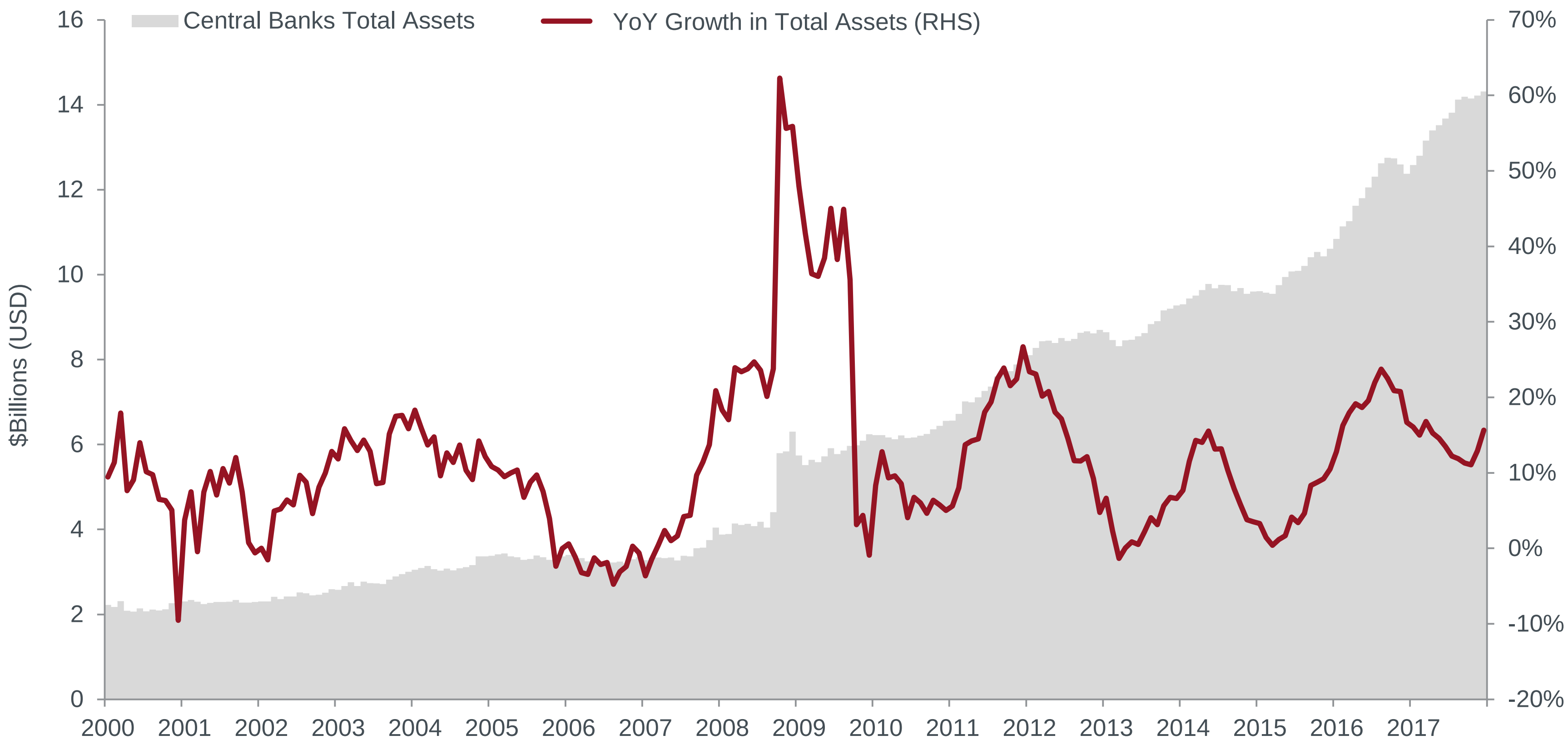
Note: The “dot plot” is published after each Fed meeting and shows the projections of the 16 members of the Federal Open Market Committee (FOMC). Each dot represents a member’s view on where the Fed Funds Rate should be at various calendar year end periods, as well as over the longer term.

Geneva
— JANUS HENDERSON —

Pace of Balance Sheet Growth

The pace of balance sheet growth has slowed and will continue to decelerate.

Total Size of Balance Sheets at the Fed, ECB, BoJ and PBOC and Their YoY Growth Rate



Source: Bloomberg, December 2017

Geneva
— JANUS HENDERSON —

Investment Outlook

The fourth quarter was a fitting end to what was a remarkably strong year for equity markets. The S&P 500 finished the year near an all-time high and markets continued to strengthen into January.

In the 4th Quarter, the S&P was up 6.64% and small cap stocks gained 5.84%. Growth equities handily outperformed their value cohorts in 2017 with small cap growth outperforming value by 14.33% and large cap growth outperforming value by 16.55% (this was the largest dispersion in growth versus value since 2009). International equities pushed higher in the quarter as well; the MSCI EAFE Index returned 4.27% and MSCI Emerging Markets Index was up 7.50%. Annual returns for these markets were actually stronger than those in the US, up 25.62% for the MSCI EAFE and 37.75% MSCI Emerging Markets. Across the globe economic growth appears to be synchronized as we're seeing strength in the US, Europe and Asia. This synchronization has been driving equity markets higher and the recent US tax cut should only add fuel to the fire here in the US. This tax cut along with a friendlier environment for business and a strengthening US consumer should provide a tailwind to what we hope will be another strong year for equity markets in 2018.

Quality metrics for the fourth quarter were mixed with the overall market indicating a bias towards high quality. The performance within small and mid-cap growth, however, was more muddled. At a high level, companies rated B+ or better (high quality) returned 6.73% versus 4.06% for companies rated B or worse (low quality). The mid cap growth space also showed a bias towards high quality companies; illustrating this bias was the outperformance of low beta and low debt-to-cap companies. Small cap growth bucked the trend and factor performance was more tilted towards low quality. Over the period, low P/E, low ROE and high debt-to-cap companies all outperformed and drove the low quality bias.

The Geneva Mid Cap Growth strategy returned 6.51% gross of fees and 6.40% net of fees versus 6.81% for the Russell Midcap Growth Index, underperforming by 30bps gross of fees. The mild underperformance was primarily the result of an underweight to dividend payers in the financial services sector, as well as weakness in a handful of other securities. The underperformance in the financial services sector was the result of not owning REITs and insurance companies; this underweight is consistent with our investment philosophy of avoiding highly levered companies. In a rising rate environment we believe these industries will likely underperform. At the security level, the two greatest detractors from performance came from the health care sector, although this was buoyed by strong stock performance elsewhere in the sector. Medidata Solutions was the greatest detractor from performance, down over 18% during the quarter. The weakness stemmed from the company reporting results below expectations in October. That said, management did reiterate medium-term guidance expectations at the company's investor day in November, reflecting a view that new products and continued cross-sell opportunities should help to drive sustainable growth. Henry Schein was another detractor from performance as earnings and guidance came in light of the consensus. Investors also appear concerned with a sluggish US end market, potential margin pressures from large customers, and the competitive threat of Amazon (which has weighed on most distribution industry stock multiples). Contributing to performance were the producer durables and technology sectors. The strategy is overweight the producer durables sector which proved to be a positive as this was the best performing sector in the benchmark during the quarter. Within the sector, performance was driven by Copart, which reported strong revenue and EPS growth, and Verisk which was up over 15% during the quarter following an impressive earnings report. The strength in the technology sector was driven by superior stock selection; companies such as Ansys and Intuit were top ten contributors this quarter.

As of 12/31/17, Geneva US Mid Cap Growth strategy held 1.29% in Medidata Solutions, Inc., 1.24% in Henry Schein, Inc., 1.93% in Copart, Inc., 2.07% in Verisk Analytics, Inc., 2.33% in Ansys, Inc. and 2.33% in Intuit.

Investment Outlook

The Geneva Small Cap Growth strategy returned 3.14% gross of fees and 3.00% net of fees versus 4.59% for the Russell 2000 Growth Index, underperforming by 145bps gross of fees. At the sector level the weakness was concentrated in the consumer discretionary and producer durables sectors, which detracted 115bps and 58bps, respectively. The strategy was underweight the consumer discretionary sector and the strong index performance, combined with strategy level weakness, drove the underperformance. Within the sector, industries such as casinos & gambling, radio & TV broadcasters and homebuilding were top performers but the strategy remained underweight due to the low quality nature of these industries. Additionally, holdings in Dorman Products and Nautilus were weak and each of these securities detracted 21bps from performance. Dorman reported revenue and EPS below expectations, partly due to a significant inventory reduction initiative at a major customer. Nautilus reported stronger-than-expected EPS but revenue results were below expectations and guidance was lowered for the next quarter and current year. Lastly, biotechnology detracted 79bps from performance; the industry returned 7.54% and the strategy was over 9% underweight relative to the benchmark. As most our investors are aware, we historically have avoided this space due to the binary event risk and lack of profitability inherent within these companies. Contributing to performance were financial services and technology, each of which contributed over 25bps to performance. At the stock level, the two greatest contributors came from the health care sector (counteracting the biotechnology weakness); Globus Medical and Abiomed contributed 53bps and 42bps, respectively. Globus Medical delivered strong results which beat estimates on the top- and bottom-line and positive investor sentiment seemingly was supported by optimism regarding the impact of robotics/trauma products and tax reform in 2018. Abiomed reported strong results and announced entry into Japan; shares also benefited from investor excitement around full PMA approval for the Impella RP product.

With the recent passing of tax reform, there is much debate as to how much of the 4th quarter market move is reflective of the new law, but our sense is the market is underestimating its impact, given its nuances and complexities. Companies have already begun to pre-release guidance and the impact to their financials, but there remains a healthy dose of skepticism on the longer term benefits of such legislation. Given the permanent nature of the tax cuts for corporations, the magnitude of the cut, the benefits of repatriation, the immediate deductibility of capex and a new territorial tax system, such skepticism seems unwarranted. Given rising wages and increasing economic momentum, both in the US and abroad, we feel S&P earnings estimates are low and will increase as the year progresses. Furthermore, the Wall Street Journal reported (12/6/17) that the earnings per share of a Factset index of more than 20,000 listed companies around the world has advanced nearly 19% in the past year, the fastest y/y rise since 2011. Such high earnings momentum, worldwide, should boost investor confidence that this recent surge in stock markets is backed by a broad global economic recovery and the ability of companies to generate real earnings, not just ever higher valuations. In light of our revised US economic outlook and strong global dynamics affecting US multinationals, our S&P 500 earnings projections are revised as follows: 2017 $127.50 to $130.00, 2018 $138.00 to $147.00 resulting in y/y earnings gains of 10.6% and 13.1% respectively. Accelerating earnings and a lack of alternatives (as well as low supply of publicly traded shares relative to 20 years ago) could allow multiples to remain extended from a historical perspective. We believe a multiple of 20-22x is achievable by year end 2018, resulting in the S&P ending the year at 2950-3250 or 8-18% appreciation.

Continued on next page

As of 12/31/17, Geneva US Small Cap Growth strategy held 1.18% in Dorman Products, Inc., 0.75% in Nautilus, Inc.., 1.84% in Gobus Medical, Inc. and 2.69% in Abiomed, Inc.

Investment Outlook

Longer-term

It was our intention this quarter to balance last quarter's extremely bullish outlook with an examination of a negative economic scenario which leads to the often cited forthcoming bear market. We intended to speak of potential "black swan" events and how the market could react, citing the near 20% correction in Q1 of 2016 as China's growth surprised to the downside taking oil prices to under $30/bbl, as one example. But with the recent tax cuts, a strengthening global economy and general business confidence, we stand by our 2-3 year forecast of double digit annual performance. In our economic outlook we asked the question is this 1996 or 1999? In 1996, the S&P 500 returned 20.26% followed by 31%, 26.7% and 19.5% in 1997, 1998 and 1999 respectively. The associated multiple with those sequential years was 18.1x, 19.5x, 24.2x and 32.9x As 2018 commenced, the valuation was 20.5x and given the shrinking list of public companies and dwindling shares due to massive share buybacks executed over the last eight years, a premium in the multiple is warranted. There are certainly a host of exogenous factors which could disrupt a multi-year market run, such as geopolitical challenges, policy missteps from central banks and a move to more of a protectionist posture with respect to trade. The latter is particularly acute given recent rhetoric from the administration. We hope lessons have been learned from the ill-fated Smoot-Hawley tariffs, which escalated into a global trade war in which there were no winners. Assuming status quo with respect to geopolitics and no significant changes to the House and Senate, the appreciation needed for this market to reach 4000 as we hold the 2020 presidential elections is 13% annually. While performance of that magnitude may seem abnormal, we have recorded average annual returns over a 3 year period at or above 13% forty-three times in the S&P 500 since 1928.

The rate of technological change we are witnessing and how it affects our lives is nothing short of remarkable and thus during any period of change, creates opportunities for investors. We feel being bearish on this market and this country is strategically incorrect and feel the animal spirits which have just begun to emerge will continue for the foreseeable future. When investors start to speak about stocks in the way many are speaking about bitcoin today (quitting their jobs to mine and write blogs about the latest crypto currency), then we will be worried and take a more cautious stance.

Stock ratings are provided by Standard & Poor's and Bank of America Merrill Lynch U.S. Quantitative Strategy. Stock rankings are assigned to all U.S. equity securities, which have the required 10 years of earnings and dividend history as required by Standard & Poor's.

Index returns illustrated do not include reimbursement of distributions. One cannot invest directly in an index.

Investment Outlook

First quarter 2018

Geneva's forecast of capital markets total returns – 12 months forward					
	30-day commercial paper	2-year Treasury note	10-year Treasury note	30-year Treasury note	S&P 500 at 8.5% EPS growth
12-month return potential*	1.60%	1.39%	-1.46%	-6.64%	11.97%
Level on 12/29/17	1.57%	1.88%	2.41%	2.74%	2,674

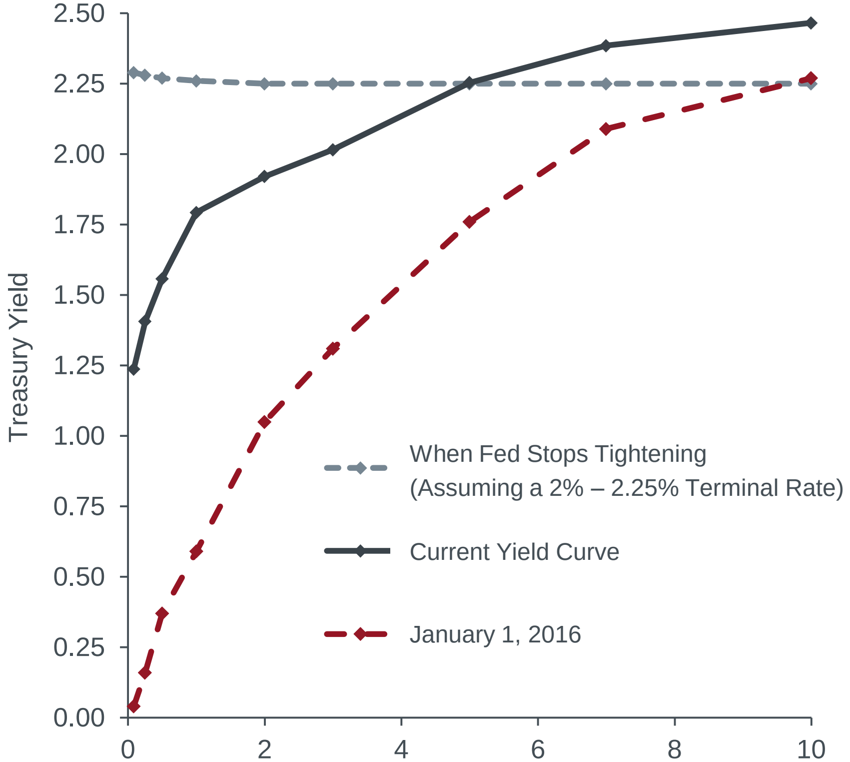
*Actual returns may be more or less than projections

Source: Geneva Capital Management, Bloomberg, December 2017

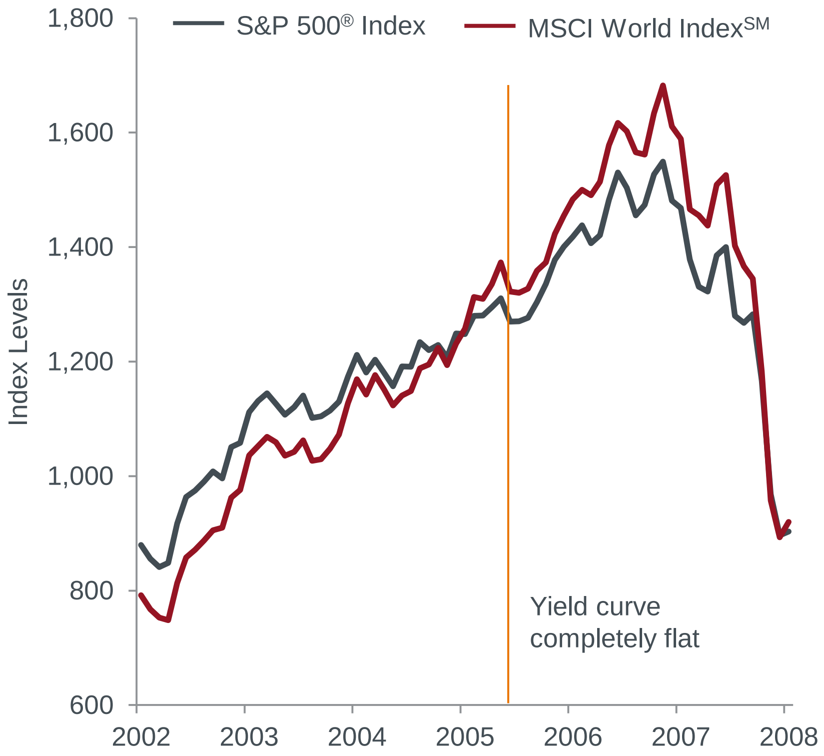
As the Yield Curve Flattens, Equities Persist

As the Fed keeps tightening, the yield curve is likely to continue to flatten. Even if the yield curve flattens, we could see strong equity returns for a while.

The yield curve has flattened since the Fed started tightening in December 2015



Last time the yield curve was flat (Dec-2005), real GDP growth remained strong and it took almost two years before the S&P 500 index peaked



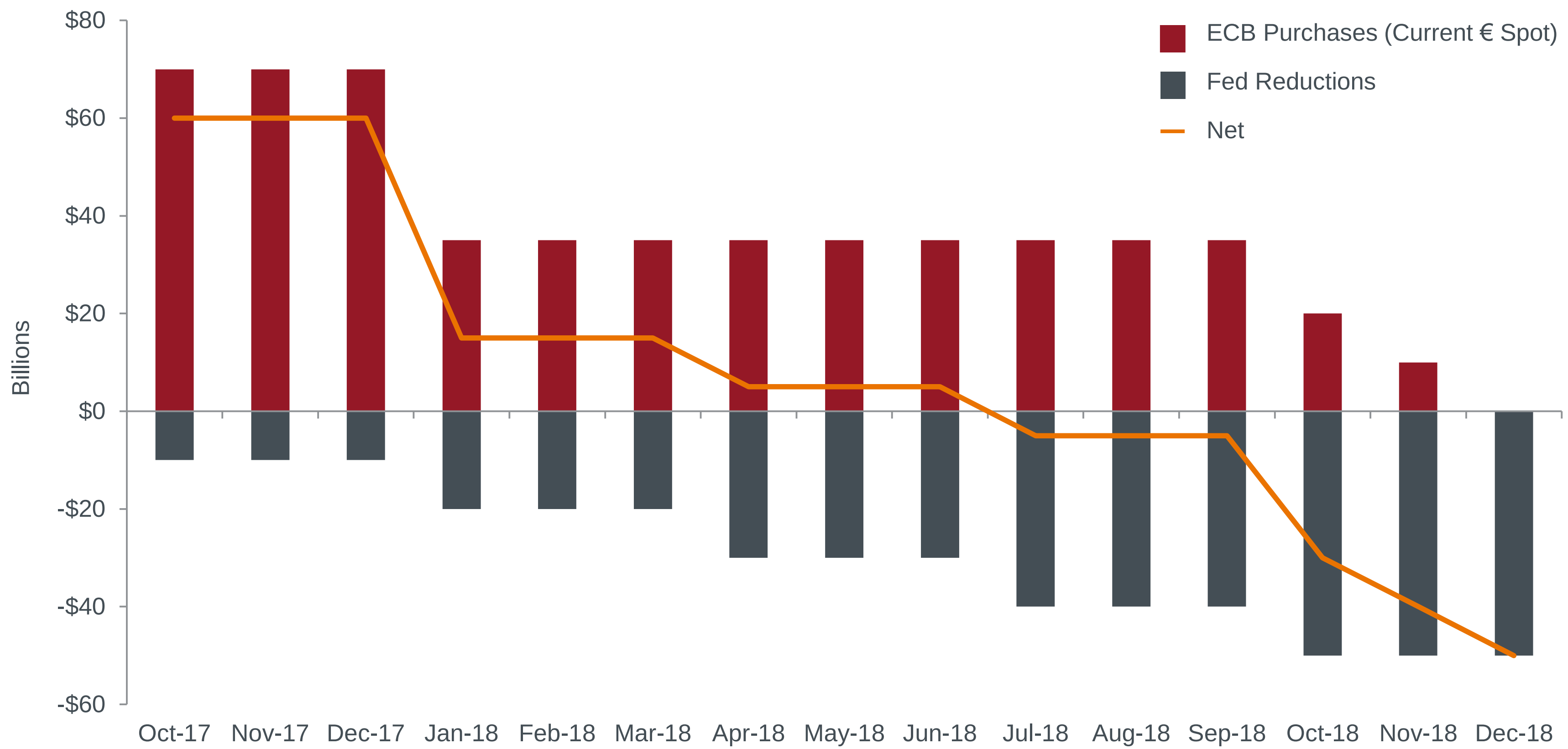
Sources: Cornerstone Macro, Bloomberg

Geneva
— JANUS HENDERSON —

Quantitative Easing Becomes Quantitative Tightening

This should bode well for high quality managers as “risk off” markets unfold throughout the year.

US Federal Reserve Bank (Fed) + European Central Bank (ECB) Net Purchases Turns Negative in 2H18



Source: Bloomberg

Geneva
— JANUS HENDERSON —

Performance Attribution

From an attribution standpoint, profitability, defense and growth factors had strong performance throughout the year.

Return on Invested Capital (ROIC) High to Low Performance

Return on Equity (ROE) High to Low Performance

Debt Coverage High to Low Performance

Source: Cornerstone Macro, December 2017

Notes: High to low performance compares each factor's top quintile cohort relative to the bottom quintile cohort (e.g., high ROIC quintile vs. low ROIC quintile). Data set is S&P 500 Index and is rebalanced on a monthly basis.

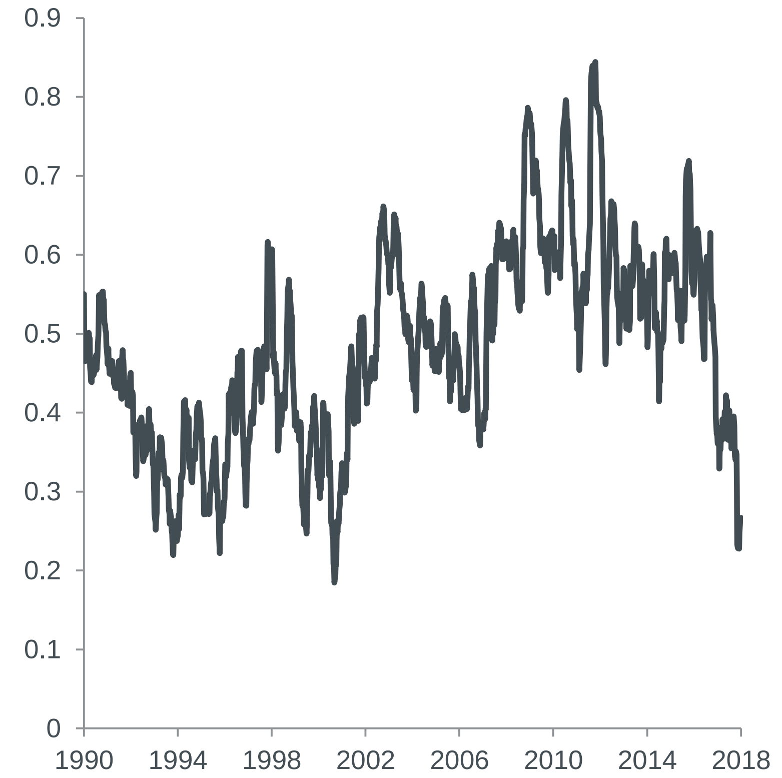
Geneva
— JANUS HENDERSON —

Performance Attribution

Sector rotations and portfolio repositioning led to underperformance of the momentum factor, towards the end of the year, but the sharp drop in stock correlations bodes well for active managers.

Momentum (High to Low Performance)

Correlations (Intra Stock, 60-Day, S&P 500)



Source: Cornerstone Macro, December 2017

Notes: High to low performance compares each factor's top quintile cohort relative to the bottom quintile cohort (e.g., high ROIC quintile vs. low ROIC quintile). Data set is S&P 500 Index and is rebalanced on a monthly basis.

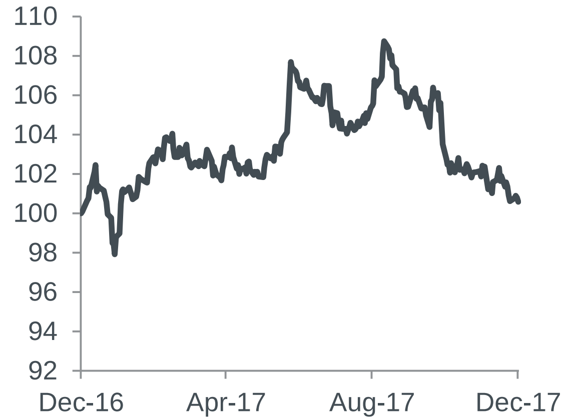
Geneva — JANUS HENDERSON —

Sector Performance Relative to S&P 500 Index

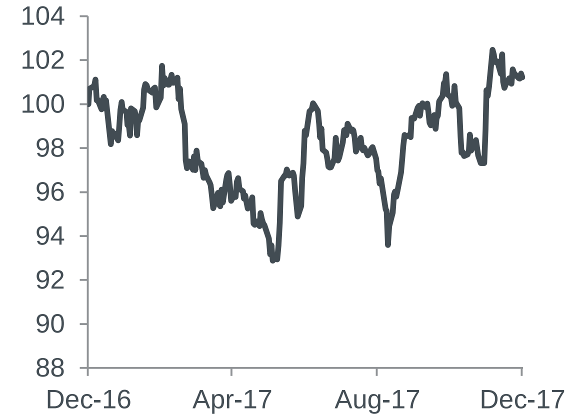
The sharp reversal in relative performance by the consumer discretionary sector will likely continue in 2018 as wages expand, tax cuts enhance after-tax earnings and high consumer confidence leads to accelerated spending.

Information Technology

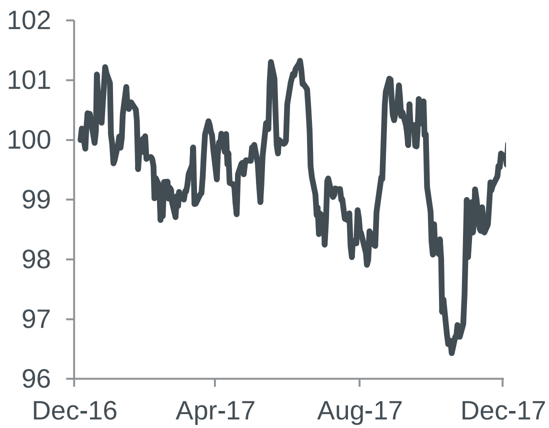
Health Care



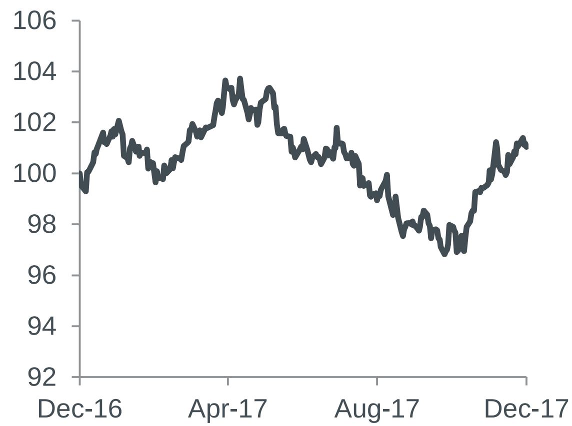
Financials



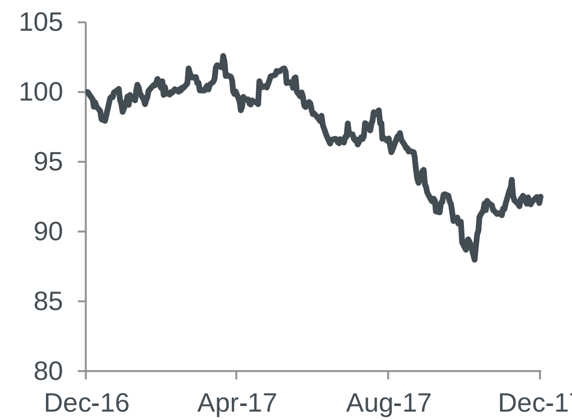
Industrials



Consumer Discretionary



Consumer Staples



Source: Cornerstone Macro, December 2017

Relative Valuation #1

Valuation not extreme for either growth or value.

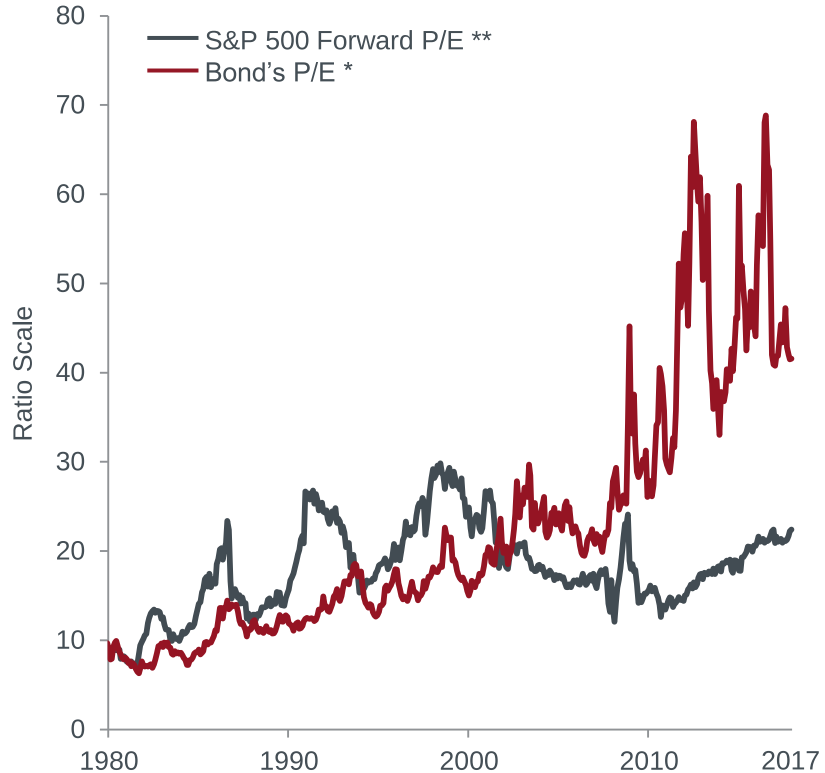
S&P 500 Growth NTM P/E Relative to S&P 500 Value NTM P/E

Source: Bloomberg, December 2016

Relative Valuation #2

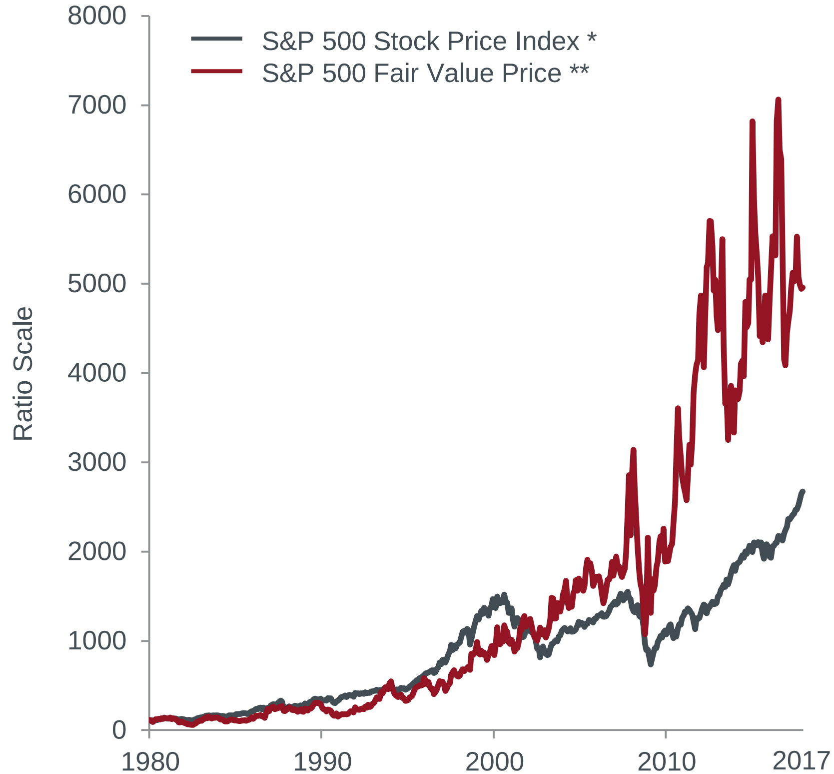
Equities remain fairly attractive relative to other asset classes.

S&P 500 Forward P/E & Reciprocal of Bond Yield



Notes: * Reciprocal of 10-year US Treasury bond yield.
** 52-week forward consensus expected S&P 500 operating earnings per share. Monthly through March 1994, weekly after.

Stock Valuation Model (Using 10-Year Treasury Bond Yield)



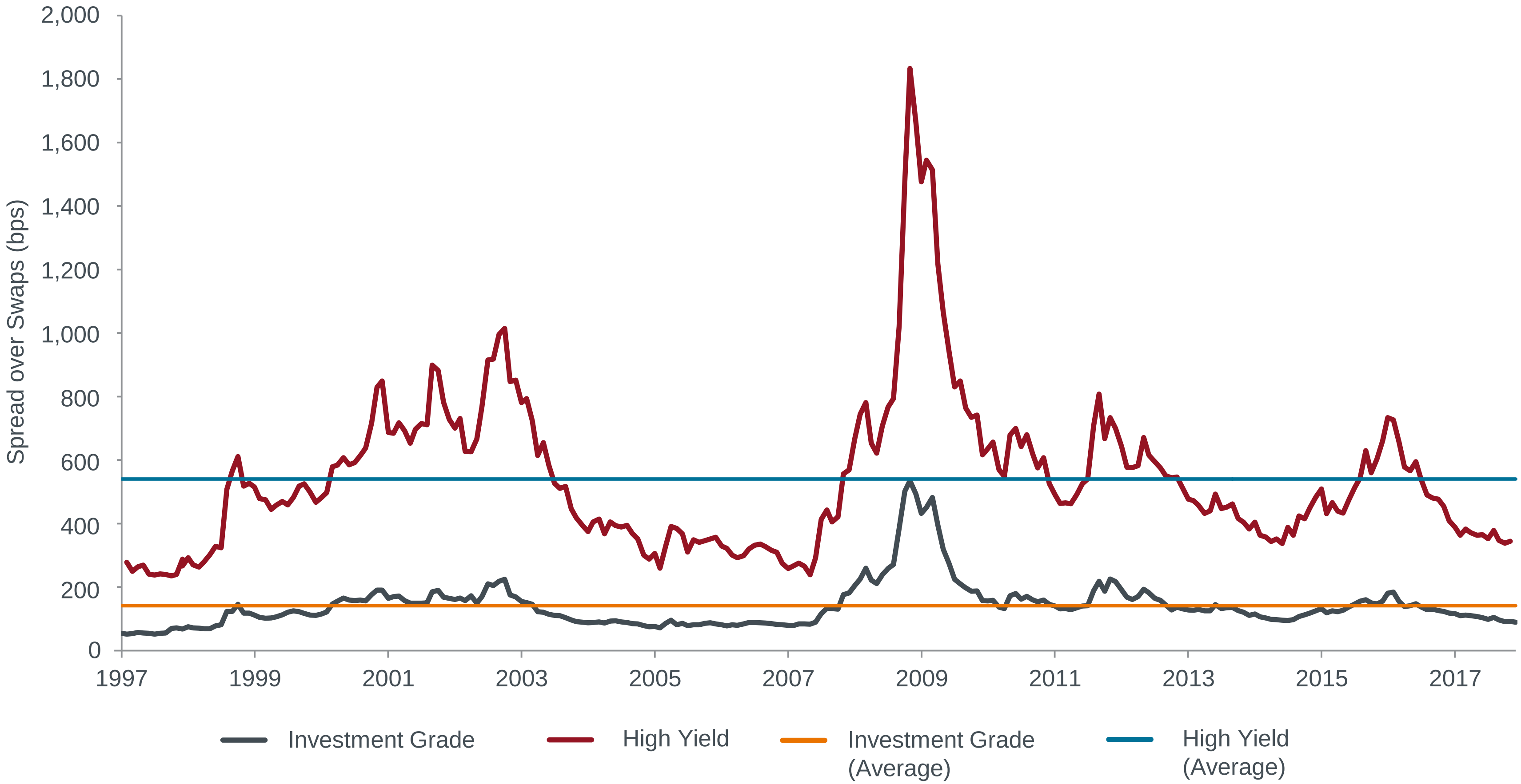
Notes: * Monthly through April 1994, weekly after.
** Year-ahead forward consensus expected earnings divided by 10-year US Treasury bond yield. Monthly through April 1994, weekly after.

Source: Yardeni Research Partners, November 2017
Thompson Reuters I/B/E/S, Standard & Poor's, and Federal Reserve Board

Geneva
JANUS HENDERSON

Credit Spreads Are Very Tight

Credit spreads are below historical averages.



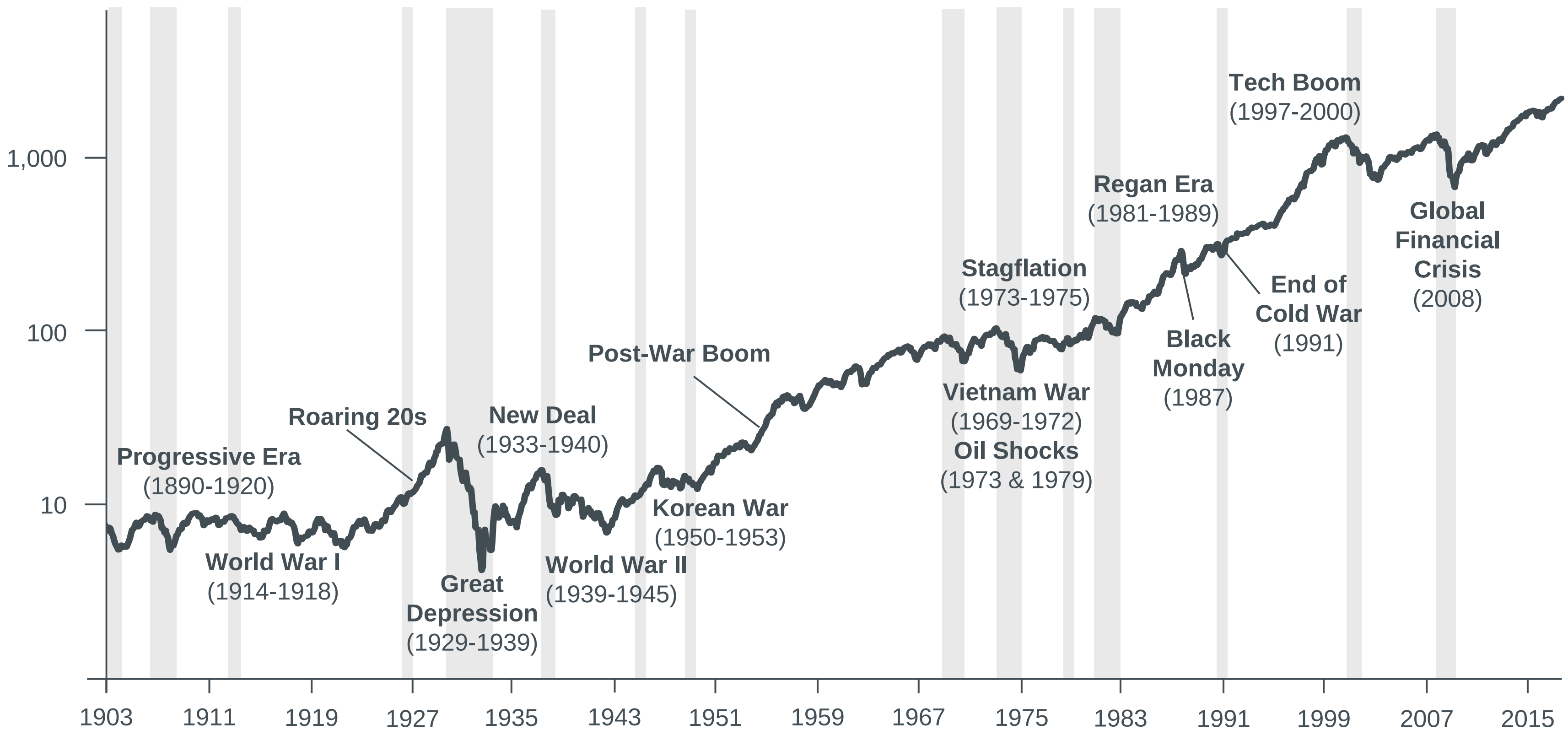
Source: Bloomberg, December 2017

Note: IG is represented by the Bloomberg Barclays Investment Grade Index. HY is represented by the BofA Merrill Lynch US High Yield Index. IG average is the average option adjusted spread (OAS) since December 31, 1996. HY average is the average OAS since December 31, 1996.

Will the Bull Market Continue?

It certainly looks like the market advance has another strong leg up in 2018.

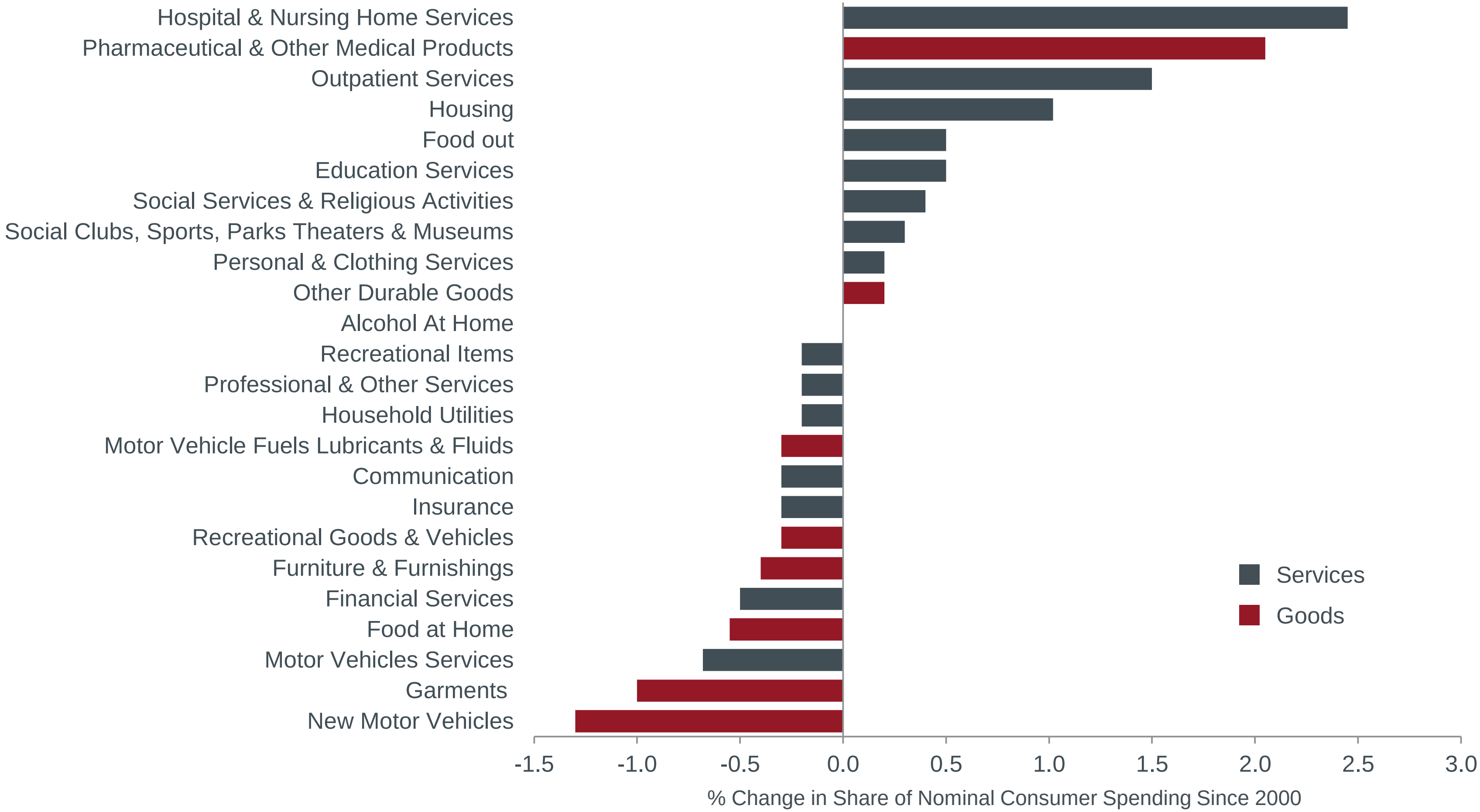
S&P Composite Index (Log Scale, Annual)



Source: Bloomberg
Note: Grey shaded areas indicate major recession periods.

Changes In Consumer Spending

The percentage change in share of nominal consumer spending since 2000 favors services, likely attributed to demographic and generational shifts.



Source: US Census Bureau, 2017

Annual Disclosure Presentation

US Small Cap Growth

				Annual Performance Results					3 Year Ex-Post Standard Deviation		
Year End	Total Firm Assets USD (millions)	Composite Assets USD (millions)	Number of Accounts	Composite Gross	Composite Net	Russell 2000® Growth	Russell 2000®	Composite Dispersion	Composite	Russell 2000® Growth	Russell 2000®
2016	5,327	1,982	47	11.84%	11.17%	11.32%	21.31%	0.1%	13.08%	16.67%	15.76%
2015	4,682	1,101	36	11.66%	10.93%	-1.38%	-4.41%	0.2%	12.33%	14.95%	13.96%
2014	4,892	882	37	-1.77%	-2.41%	5.60%	4.89%	0.1%	11.40%	13.82%	13.12%
2013	6,695	1,011	36	45.18%	44.41%	43.30%	38.82%	0.4%	13.70%	17.27%	16.45%
2012	3,774	288	21	17.76%	17.15%	14.59%	16.35%	0.2%	17.39%	20.72%	20.20%
2011	2,609	173	14	1.44%	0.95%	-2.91%	-4.18%	0.2%	22.15%	24.31%	24.99%
2010	1,872	110	8	38.02%	37.39%	29.09%	26.85%	0.4%	3 Year Ex-Post Standard Deviation Not required Prior to 2011		
2009	1,393	45	6	23.75%	23.22%	34.47%	27.17%	N.A.			
2008	979	28	Five or fewer	-33.18%	-33.49%	-38.54%	-33.79%	N.A.			
2007	1,579	9	Five or fewer	14.15%	13.69%	7.05%	-1.57%	N.A.			
2006	1,355	6	Five or fewer	6.31%	5.90%	13.35%	18.37%	N.A.			
2005	1,073	5	Five or fewer	15.85%	15.39%	4.15%	4.55%	N.A.			
2004	815	4	Five or fewer	22.72%	22.22%	14.31%	18.33%	N.A.			
2003	693	3	Five or fewer	33.43%	32.89%	48.54%	47.25%	N.A.			
2002	531	2	Five or fewer	-14.40%	-14.71%	-30.26%	-20.48%	N.A.			
2001	537	1	Five or fewer	4.15%	3.67%	-9.23%	2.49%	N.A.			
2000	514	1	Five or fewer	2.77%	2.30%	-22.43%	-3.02%	N.A.			
1999	470	1	Five or fewer	7.50%	7.13%	43.09%	21.26%	N.A.			

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

Compliance Statement

Geneva Capital Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Geneva Capital Management has been independently verified for the periods January 1, 1993 through September 30, 2017.

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 US Small Cap Growth composite has been examined for the periods January 1, 1999 through September 30, 2017. The verification and performance examination reports are available upon request.

The Firm

Geneva Capital Management (formerly known as Henderson Geneva Capital Management) is a registered investment adviser and a wholly owned subsidiary of Janus Henderson Group. On October 1, 2014 Henderson Global Investors Inc. acquired Geneva Capital Management LLC, and subsequently merged with Janus Capital Group Inc. on May 30, 2017 to form Janus Henderson Group.

Geneva
—JANUS HENDERSON—

Annual Disclosure Presentation

Composite Description

The US Small Cap Growth composite contains fully discretionary equity accounts invested in approximately 50-60 small capitalization growth securities whose market capitalization ranges generally fall between $500 million to $3 billion at the time of purchase. Securities are selected using a “bottom-up” fundamental analysis of the company and supplemented by “top-down” considerations of economic conditions. Prior to September 30, 2015, the composite was named Geneva Smallcap Composite. There is no minimum account size for this composite. Prior to January 1, 2006, the minimum account size was $500,000. From January 1, 2004 through December 31, 2005, accounts were removed from the composite if they fell more than 20% below the minimum account size. Beginning July 1, 2008, composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow of 30% portfolio assets or greater. The temporary removal of such an account occurs at the beginning of the month in which the significant cash flow occurs and the account re-enters the composite the last day of the month in which the cash flow takes place.

Composite Benchmark

For comparison purposes, the US Small Cap Growth composite is measured against the primary index Russell 2000® Growth Index and secondary Russell 2000® Index. The Russell 2000® Growth Index measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000® Index companies with higher price-to-value ratios and higher forecasted growth values (Source: www.ftserussell.com). The Russell 2000® Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000® is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership (Source: www.ftserussell.com). Performance results in presentations prior to January 1, 2002 were measured against the S&P® 600 Index. From January 1, 2002 through January 1, 2008 performance results were primarily measured against the Russell 2000® Index. The benchmark was changed to be more representative of the composite strategy and style. Information regarding the S&P 600® Index is available upon request.

Fee Information

The annual fee schedule is 100 bps (1.00%) on the first $50 million, 90 bps (0.90%) on $50 to $100 million, and 80 bps (0.80%) on the balance over $100 million. Actual investment advisory fees incurred by clients may vary.

Basis of Returns

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. Prior to January 1, 2000, net returns were calculated using the highest fee per the fee schedule in the ADV which was 1.0%. Past performance is not indicative of future results.

Composite Dispersion

The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year.

GIPS Policies and Procedures

The Firm maintains a complete list of composite descriptions, which is available upon request. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Composite Creation Date

The US Small Cap Growth composite creation date is January 1, 1999.

Composite Currency

The U.S. Dollar is the currency used to express performance.

Annual Disclosure Presentation

US Mid Cap Growth

				Annual Performance Results					3 Year Ex Post Standard Deviation		
Year End	Total Firm Assets USD (millions)	Composite Assets USD (millions)	Number of Accounts	Composite Gross	Composite Net	Russell Midcap® Growth	Russell Midcap®	Composite Dispersion	Composite	Russell Midcap® Growth	Russell Midcap®
2016	5,327	2,299	108	3.08%	2.61%	7.33%	13.80%	0.2%	11.41%	12.18%	11.55%
2015	4,682	2,807	111	4.54%	4.08%	-0.20%	-2.44%	0.1%	11.13%	11.31%	10.85%
2014	4,892	3,247	128	5.90%	5.44%	11.90%	13.22%	0.2%	10.56%	10.87%	10.14%
2013	6,695	4,896	190	32.00%	31.46%	35.74%	34.76%	0.1%	13.69%	14.62%	14.03%
2012	3,774	2,860	168	11.51%	11.03%	15.81%	17.28%	0.2%	16.62%	17.91%	17.20%
2011	2,609	1,958	140	4.19%	3.73%	-1.65%	-1.55%	0.2%	18.86%	20.82%	21.55%
2010	1,872	1,297	119	30.83%	30.25%	26.38%	25.48%	0.4%	3 Year Ex-Post Standard Deviation Not required Prior to 2011		
2009	1,393	928	96	36.89%	36.28%	46.29%	40.48%	0.4%			
2008	979	618	96	-35.54%	-35.86%	-44.32%	-41.46%	0.3%			
2007	1,579	1,061	92	17.00%	16.50%	11.43%	5.60%	0.2%			
2006	1,355	794	89	5.62%	5.15%	10.66%	15.26%	0.2%			
2005	1,073	581	70	15.84%	15.39%	12.10%	12.65%	0.4%			
2004	815	399	38	20.92%	20.47%	15.48%	20.22%	0.2%			
2003	693	340	34	26.55%	26.10%	42.71%	40.06%	0.3%			
2002	531	229	24	-14.05%	-14.36%	-27.41%	-16.19%	0.4%			
2001	537	244	24	-3.84%	-4.18%	-20.15%	-5.62%	0.3%			
2000	514	212	16	13.36%	13.00%	-11.75%	8.25%	0.6%			
1999	470	286	56	14.29%	13.19%	51.29%	18.23%	4.1%			
1998	380	206	53	28.77%	27.56%	17.86%	10.09%	1.9%			
1997	259	135	36	25.03%	23.85%	22.54%	29.01%	2.7%			
1996	214	90	34	27.40%	26.20%	17.48%	19.00%	1.7%			
1995	195	73	32	28.40%	27.20%	33.98%	34.45%	2.9%			
1994	133	53	28	-0.50%	-1.50%	-2.16%	-2.09%	1.3%			
1993	120	28	26	5.02%	3.99%	11.19%	14.30%	1.6%			

Compliance Statement
Geneva Capital Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Geneva Capital Management has been independently verified for the periods January 1, 1993 through September 30, 2017.

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 US Midcap Growth composite has been examined for the periods January 1, 1993 through September 30, 2017. The verification and performance examination reports are available upon request.

Geneva
— JANUS HENDERSON —

Annual Disclosure Presentation

The Firm

Geneva Capital Management (formerly known as Henderson Geneva Capital Management) is a registered investment adviser and a wholly owned subsidiary of Janus Henderson Group. On October 1, 2014 Henderson Global Investors Inc. acquired Geneva Capital Management LLC, and subsequently merged with Janus Capital Group Inc. on May 30, 2017 to form Janus Henderson Group.

Composite Description

The US Mid Cap Growth composite contains fully discretionary equity accounts invested in approximately 50-60 mid capitalization growth securities whose market capitalization ranges generally fall between $2 billion to $15 billion at the time of purchase. Securities are selected using a "bottom-up" fundamental analysis of the company and supplemented by "top-down" considerations of economic conditions. Prior to January 1, 2006, the composite was named Geneva Growth. Between January 1, 2006 and September 30, 2015 the composite was named Geneva Midcap Growth Composite. The minimum account size for this composite is $500,000. As of January 1, 2004 accounts are removed annually if they fall more than 20% below the minimum account size. Beginning January 1, 2006, composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow of 30% portfolio assets or greater. The temporary removal of such an account occurs at the beginning of the month in which the significant cash flow occurs and the account re-enters the composite the last day of the month in which the cash flow takes place. Prior to January 1, 2000, balanced portfolio segments were included in this composite and performance reflects required total segment plus cash returns using a predetermined cash allocation percentage.

Composite Benchmark

For comparison purposes, the US Mid Cap Growth composite is measured against primary index Russell Midcap® Growth Index and secondary Russell Midcap® Index. The Russell Midcap® Growth Index measures the performance of the mid-cap growth segment of the U.S. equity universe. It includes those Russell Midcap® Index companies with higher price-to-book ratios and higher forecasted growth values (Source: www.ftserussell.com). The Russell Midcap® Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell Midcap® is a subset of the Russell 1000® Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap® represents approximately 31% of the total market capitalization of the Russell 1000® companies (Source: www.ftserussell.com). Performance results in presentations prior to January 1, 2002 were measured against the S&P® 400. From January 1, 2002 through January 1, 2008 performance results were primarily measured against the Russell Midcap® Index. The benchmark was changed to be more representative of the composite strategy and style. Information regarding the S&P 400® Index is available upon request.

Fee Information

The annual fee schedule for institutional clients is 75 bps (0.75%) on the first $100 million and 60 bps (0.60%) on the balance over $100 million. The annual fee schedule for retail clients is 100 bps (1.00%) on the first $1.5 million, 85 bps (0.85%) on the next $8.5 million, and 70 bps (0.70%) on the balance over $10 million. Actual investment advisory fees incurred by clients may vary.

Basis of Returns

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. Prior to January 1, 2000, net returns were calculated using the highest fee per the fee schedule in the ADV which was 1.0%. Past performance is not indicative of future results**.**

Composite Dispersion

The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year.

Annual Disclosure Presentation

GIPS Policies and Procedures
The Firm maintains a complete list of composite descriptions, which is available upon request. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Composite Creation Date
The US Mid Cap Growth composite creation date is January 1, 1988.

Composite Currency
The U.S. Dollar is the currency used to express performance.

Economic and Investment Outlook

Statement of Purpose

Geneva Capital Management (or "Firm") prepares an Economic and Investment Outlook ("EIO") on a quarterly basis. The purpose of the EIO is to communicate the views and opinions held by the Firm's Investment Team ("the Team") at a particular time regarding current and future economic and market trends. The views expressed in the EIO may change as new information becomes available to the Team. Clients and prospects of the Firm may receive the EIO as a reference for understanding the Firm's intermediate and long-term outlook. This process has been in place since the inception of the Firm.

The EIO includes commentary, charts and graphs that are produced either internally or sourced from outside research organizations. The Firm carefully reviews all external source material used in the EIO and believes the information to be reliable; however, we cannot guarantee the accuracy or completeness of external data. Views expressed in the EIO should not be interpreted as a recommendation to buy or sell a particular security or type of securities and any forward looking views or statements may not come to pass. Current and prospective clients may obtain additional information about the Firm in our Form ADV brochure. A copy is available upon request.

Geneva Capital Management
100 E. Wisconsin Avenue
Suite 2550
Milwaukee, WI 53202
Telephone: (414) 224-6002
Fax: (414) 224-9503
www.genevacap.com

Important information
Advisory services provided by Geneva Capital Management LLC, an SEC registered investment adviser. Geneva Capital Management LLC is an indirect wholly owned subsidiary of Henderson Global Investors (North America) Inc. ("HGINA"), HGINA is an indirect wholly owned subsidiary of Janus Henderson Group plc, the ultimate parent of the global asset management group, Janus Henderson Investors.

All investments involve risk, including loss of principal. Past performance is no guarantee of future results. Institutional separate accounts are subject to applicable account minimums. The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested. Geneva does not consider tax implications when making investment decisions, the strategy is generally tax efficient due to Geneva's low turnover rate. Geneva will take specific steps to achieve tax efficiency if directed by the client. Nothing in this document is intended to or should be construed as advice. This document is not a recommendation to sell or purchase any investment.

On occasion, we may utilize a broad-based, benchmark representatives ETF to gain exposure to a strategies market. We will do so in instances where we are managing the cadence of direct investment opportunities or during times of market volatility. Any ETF holding will not account for more than a 5% holding and we envision using ETFs only opportunistically and on a limited basis as investments in ETFs are subject to fund management fees.

Fees are billed or charged to the account in arrears, at one quarter of the annual rate, on a quarterly basis or as applicable based on the average month-end values for each of the three months comprising a quarter. Actual investment advisory fees incurred by clients may vary.