

Large Cap Growth Month-End Performance Review



The U.S. stock market started the year on a strong note as the S&P 500 posted its best January in over 20 years, marking only the 14th time in history that the S&P 500 gained more than 5% in the month of January. The strong rebound off the December market lows coincided with the December employment report that showed robust jobs growth and the highest rate of wage increases in 10 years. This alleviated some of the recessionary fears prevalent for much of the recent fourth quarter. The Federal Reserve also contributed to the strong market returns following their January policy meeting where they removed language that had previously alluded to additional interest rate increases in 2019. This effective pause in the tightening cycle removed a prominent recession risk that rising rates would choke off economic growth. The Fed further signaled a pause in quantitative tightening by stating they will maintain a larger balance sheet than previously anticipated. We believe the Fed is following a prudent course of action given the recent slowdown in both manufacturing and

PERFORMANCE

	Month Ending 1/31/19
Institutional Composite (gross)	10.71%
(net)	10.69%
Russell 1000 Growth ⁽⁴⁾	8.99%

Source: Renaissance Research, Bloomberg, FTSE Russell

to the strong market returns following their January policy meeting where they removed language that had previously alluded to additional interest rate increases in 2019. This effective pause in the tightening cycle removed a prominent recession risk that rising rates would choke off economic growth. The Fed further signaled a pause in quantitative tightening by stating they will maintain a larger balance sheet than previously anticipated. We believe the Fed is following a prudent course of action given the recent slowdown in both manufacturing and

SECTOR WEIGHTS & PORTFOLIO CHANGES⁽¹⁾

Sector	Ending Weight ⁽²⁾	Change from 12/31/18	Large Cap Growth Additions & (Large Cap Growth Deletions) ⁽³⁾
Information Technology	34.1%	+0.3%	Amphenol (NetApp)
Health Care	15.8%	-0.7%	Thermo Fisher Scientific (athenahealth)
Industrials	14.2%	+0.1%	
Consumer Discretionary	14.0%	+1.1%	Starbucks
Financials	9.4%	+0.5%	
Communication Services	9.3%	-1.4%	(Activision Blizzard)
Materials	3.2%	+0.1%	
Real Estate	0.0%	0.0%	
Energy	0.0%	0.0%	
Consumer Staples	0.0%	0.0%	
Utilities	0.0%	0.0%	

Source: Renaissance Research, FactSet

⁽¹⁾Based on a representative account of the strategy discussed and shown as supplemental information to the GIPS compliant presentation. Portfolio characteristics (e.g., sector weights, valuation, growth rate) are based on a representative account that we believe is illustrative of the strategy. Characteristics and/or holdings may not be the same for all accounts invested in the strategy due to factors such as pending trades or account restrictions. Additions/Deletions reflect security transactions completed by the date stated on this presentation, and the securities mentioned may not be held by all accounts invested in the strategy.

⁽²⁾Weights as of the end of the presentation period, which only include the equity portion of the portfolio. Cumulative total weighting may not add up to 100% due to weights being rounded to the nearest decimal place.

⁽³⁾Any securities referenced should not be considered a recommendation to purchase or sell a particular security. These securities may represent a portion or all of the companies held in a representative account in this strategy as of the date stated and are intended for informational purposes only. Non-performance based criteria have been used to select the securities listed. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold or recommended for this strategy. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. Portfolio holdings may not be current recommendations to buy or sell any security, and may no longer be held in the representative account. To request a complete list of portfolio holdings recommendations for the past year, the calculation methodology, or a list showing the contribution of every holding to the representative account's performance for the time period stated, please contact Renaissance at compliance@reninv.com.

⁽⁴⁾Primary benchmark.

Large Cap Growth

Month-End Performance Review

CONTRIBUTORS TO RETURN⁽¹⁾⁽³⁾

Company Name	Average Weight ⁽²⁾	Contribution to Return	Comments
--------------	-------------------------------	------------------------	----------

TOP FIVE CONTRIBUTORS—LARGE CAP GROWTH

Celgene	1.98%	0.66%	Bristol-Myers Squibb offered to acquire Celgene for \$74 billion in cash and stock.
Xilinx	2.09%	0.60%	The company reported another solid quarter and gave an upbeat 2019 guidance, driven by 5th-generation wireless deployments that have started earlier than anticipated.
Synchrony Financial	1.83%	0.48%	Synchrony delivered solid operating results, resolved their Wal-Mart legal dispute and renewed several large customers, including Sam's Club, to long-term contracts.
Facebook	1.66%	0.42%	The stock outperformed after Facebook showed a recovery in several important user metrics and stable impression growth, alleviating fears of slowing advertising revenue growth.
Boeing	2.06%	0.39%	The company reported solid results to end 2018, while giving future guidance that was well above expectations, driven by an increase in narrow-body airplane production rates.

BOTTOM FIVE CONTRIBUTORS—LARGE CAP GROWTH

AbbVie	1.59%	-0.22%	The company's best-selling drug unexpectedly missed international sales expectations, leading to concerns that management is unprepared for the upcoming patent cliff.
Activision Blizzard	1.22%	0.00%	The company terminated a large gaming franchise partnership on disappointing in-game monetization efforts, adding to investor concerns regarding future growth drivers.
Starbucks	0.09%	0.00%	The stock underperformed due to its inclusion in the portfolio during the final days of the month when overall stock market returns were strong.
O'Reilly Automotive	1.75%	0.00%	The stock underperformed as weather was less favorable toward the end of 2018 and on concerns that tariff increases will begin to show up more broadly in the near-term.
Citrix Systems	1.70%	0.00%	Despite reporting solid quarterly results, the stock underperformed on concerns that operating improvements have plateaued, leading to fewer positive revisions going forward.

Source: Renaissance Research, FactSet

interest-rate-sensitive sectors such as housing. Furthermore, tepid inflation growth below their 2% target allows the Fed to remain patient.

Corporate earnings reports also contributed to the strong market returns in January. Of the S&P 500 companies that have reported results thus far, over 60% reported better-than-expected revenue growth, indicative of a strong economy, and approximately 70% reported earnings that beat expectations (*Source: FactSet*). Despite the strong corporate earnings, one potentially troubling sign is the deceleration in earnings growth expectations for 2019 where growth has declined from 10.2% at the end of the third quarter to current expectations for 5.4% growth. We are mindful that the direction of earnings revisions has an impact on stock prices, and the current trajectory is worrisome.

⁽¹⁾Based on a representative account of the strategy discussed and shown as supplemental information to the GIPS compliant presentation. Portfolio characteristics (e.g., sector weights, valuation, growth rate) are based on a representative account that we believe is illustrative of the strategy. Characteristics and/or holdings may not be the same for all accounts invested in the strategy due to factors such as pending trades or account restrictions.

⁽²⁾Average weights over the presentation period, which only include the equity portion of the portfolio.

⁽³⁾The securities listed should not be considered a recommendation to purchase or sell a particular security. These securities represent the top five and bottom five contributors by weight to the performance of a representative account in this strategy as of the date stated and are intended for informational purposes only. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold or recommended for this strategy. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. Portfolio holdings may not be current recommendations to buy or sell a security and may no longer be held in the representative account. To request a complete list of portfolio holdings recommendations for the past year, the calculation methodology, or a list showing the contribution of every holding to the representative account's performance for the time period stated, please contact Renaissance at compliance@reninv.com.

Large Cap Growth Month-End Performance Review



While the U.S. economy remains healthy, we remain concerned about slowing global growth being a headwind to market returns. Both Japan and Europe saw a decline in their most recent Purchasing Managers' Index (PMI) data, leading the International Monetary Fund to downgrade its global growth forecast for the second time in three months. China also reported their weakest quarterly growth since 2009. While China's slowdown has clearly affected Europe for much of 2018, U.S. multinational companies have only started citing China for their weak fourth-quarter results. Caterpillar, Intel, 3M, Corning and Nvidia are just a few of the companies that have blamed slowing global growth, particularly in China, for missing growth targets. Despite our concerns on global growth, we continue to believe the U.S. economy will see a modest slowdown in 2019 and not a recession.

The S&P 500 returned 8.0% in January, rebounding strongly off the October to December market decline. Traditionally low beta sectors (e.g., Utilities, Health Care and Consumer Staples) underperformed while more cyclical sectors such as Industrials and Energy outperformed, marking a reversal from late last year when the market correction drove the performance of more stable sectors. Smaller-cap stocks outperformed larger-cap stocks, and Growth outperformed Value. The Russell 1000 Growth Index returned 9.0% in January, driven by the Communication Services, Industrials and Consumer Discretionary sectors.

We outperformed the Russell 1000 Growth benchmark predominately from stock selection, particularly in the Financials and Technology sectors. We made a few changes to the portfolio during January, initiating new positions in **Thermo Fisher Scientific** (TMO), **Amphenol** (APH) and **Starbucks** (SBUX). Thermo Fisher is a large, diversified provider of medical instruments and services. We believe their market-leading position and consistent execution will result in sustainable revenue growth and margin expansion as they continue to benefit from industry consolidation. Amphenol is a leading provider of interconnection products and assemblies. The company has demonstrated consistent growth with a differentiated acquisition strategy, allowing it to outgrow the overall industry. Starbucks is the largest retailer of specialty coffee. The company is poised to benefit from new unit growth in Asia, while domestically, same-store-sales growth should reaccelerate following management's effort to stabilize store traffic. Conversely, we sold our positions in **athenahealth** (ATHN) ahead of their acquisition closing and both **NetApp** (NTAP) and **Activision Blizzard** (ATVI) from a deterioration in fundamental factors.

Large Cap Growth Month-End Performance Review



DISCLOSURES

The opinions stated in this presentation are those of the authors as of the date listed on this presentation and are subject to change at any time due to changes in market or economic conditions.

STOCK REFERENCES

If securities are referenced, they should not be considered a recommendation to purchase or sell a particular security. These securities may represent a portion or all of the companies held in a representative account in this strategy as of the date stated and are intended for informational purposes only. Non-performance based criteria have been used to select the securities listed. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold or recommended for this strategy. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. Portfolio holdings may not be current recommendations to buy or sell any security, and may no longer be held in the representative account. To request a complete list of portfolio holdings recommendations for the past year, the calculation methodology or a list showing the contribution of every holding to the representative account's performance for the time period stated, please contact Renaissance at compliance@reninv.com.

PERFORMANCE

If Renaissance or benchmark performance is shown, it represents historically achieved results, and is no guarantee of future performance. All performance is shown in U.S. dollars unless otherwise stated. Future investments may be made under materially different economic conditions, in different securities and using different investment strategies and these differences may have a significant effect on the results portrayed. Each of these material market or economic conditions may or may not be repeated. Therefore, there may be sharp differences between the benchmark or Renaissance performance shown and the actual performance results achieved by any particular client. Benchmark results are shown for comparison purposes only. The benchmark presented represents unmanaged portfolios whose characteristics differ from the composite portfolios; however, they tend to represent the investment environment existing during the time periods shown. The benchmark cannot be invested in directly. The returns of the benchmark do not include any transaction costs, management fees or other costs. The holdings of the client portfolios in our composites may differ significantly from the securities that comprise the benchmark shown. The benchmark has been selected to represent what Renaissance believes is an appropriate benchmark with which to compare the composite performance.

The value of an investment may fall as well as rise. Please note that different types of investments involve varying degrees of risk and there can be no assurance that any specific investment will either be suitable or profitable for a client or prospective client's investment portfolio. Investor principal is not guaranteed and investors may not receive the full amount of their investment at the time of sale if asset values have fallen. No assurance can be given that an investor will not lose invested capital. Consultants supplied with these performance results are advised to use this data in accordance with SEC guidelines. The actual performance achieved by a client portfolio may be affected by a variety of factors, including the initial balance of the account, the timing and amount of any additions to or withdrawals from the portfolio, changes made to the account to reflect the specific investment needs or preferences of the client, durations and timing of participation as a RIM client, and a client portfolio's risk tolerance, investment objectives, and investment time horizon. All investments carry a certain degree of risk, including the loss of principal and are not guaranteed by the U.S. government.

RUSSELL DATA

FTSE Russell is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell[®] is a trademark of FTSE Russell. This presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a presentation of Renaissance Investment Management. FTSE Russell is not responsible for the formatting or configuration of this material or for any inaccuracy in Renaissance's presentation thereof.

S&P DATA

S&P is the source and owner of the trademarks, service marks and copyrights related to the S&P Indexes. S&P[®] is a trademark of S&P. This presentation may contain proprietary S&P data and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a presentation of Renaissance Investment Management. S&P is not responsible for the formatting or configuration of this material or for any inaccuracy in Renaissance's presentation thereof. This data is to be used for the recipient's internal use only.

REFERENCED INDICES

(Indices are unmanaged and are not available for direct investment.)

S&P 500 Index—The S&P 500 Stock Index is a market capitalization weighted index and consists of 500 stocks chosen for market size, liquidity and industry group representation.

Russell 1000 Growth Index—The Russell 1000[®] Growth Index is a market capitalization weighted index that measures the performance of those Russell 1000[®] companies with higher price-to-book ratios and higher forecasted growth values.

Purchasing Managers' Index—The Purchasing Managers Index (PMI) is an indicator of economic health for manufacturing and service sectors. The purpose of the PMI is to provide information about current business conditions to company decision makers, analysts, and purchasing managers.

GICS SECTOR INFORMATION

MSCI and S&P do not make any express or implied warranties or representations and shall have no liability whatsoever with respect to any GICS data contained herein.

GIPS Compliant Presentation Large Cap Growth Institutional Composite

Year	Large Cap Growth Institutional Composite	Large Cap Growth Institutional Composite	Russell 1000 Growth Benchmark	Net Composite 3 Year Annualized Standard Deviation	Benchmark 3 Year Annualized Standard Deviation	Annual Asset Weighted Composite Dispersion	Number of Portfolios in Composite	Market Value of Composite (Millions)	Market Value of Firm's Assets (Millions) ***
	Gross-of-Fee Return	Net-of-Fee Return	Return						
1991*	15.30%	14.93%	20.88%			NMF**	2	\$8.8	\$1,417.3
1992	11.12%	10.26%	4.99%			NMF**	2	\$7.3	\$1,450.2
1993	6.06%	5.43%	2.87%			NMF**	5	\$14.0	\$1,529.2
1994	-3.16%	-3.68%	2.62%			0.11	7	\$20.2	\$1,393.1
1995	35.68%	34.98%	37.18%			1.37	7	\$26.3	\$1,538.1
1996	24.47%	23.81%	23.12%			0.55	8	\$25.5	\$1,525.4
1997	36.59%	35.84%	30.49%			2.20	10	\$26.0	\$1,373.3
1998	30.41%	29.66%	38.71%			3.18	20	\$79.1	\$1,390.0
1999	10.74%	10.07%	33.16%			1.50	28	\$38.2	\$1,211.9
2000	-14.34%	-14.87%	-22.42%			2.63	20	\$27.9	\$736.7
2001	-10.86%	-11.36%	-20.42%			1.00	15	\$25.5	\$526.7
2002	-14.08%	-14.57%	-27.88%			1.02	13	\$19.6	\$415.7
2003	47.07%	46.41%	29.75%			1.08	22	\$29.7	\$575.2
2004	18.85%	18.17%	6.30%			1.12	19	\$97.2	\$908.2
2005	9.80%	9.41%	5.26%			0.92	32	\$269.6	\$2,796.6
2006	5.36%	4.78%	9.07%			0.53	62	\$605.2	\$5,450.2
2007	11.86%	11.29%	11.81%			0.29	79	\$1,308.4	\$7,661.8
2008	-36.05%	-36.32%	-38.44%			0.40	66	\$916.6	\$4,358.6
2009	22.68%	22.19%	37.21%			0.62	60	\$1,138.2	\$4,403.0
2010	16.97%	16.55%	16.71%			0.56	30	\$1,026.8	\$3,800.2
2011	-3.67%	-3.97%	2.64%	19.62%	17.76%	0.34	29	\$996.9	\$2,862.3
2012	18.52%	18.21%	15.26%	18.99%	15.66%	0.15	16	\$823.0	\$2,409.8
2013	36.28%	35.93%	33.48%	15.58%	12.18%	0.19	15	\$973.4	\$2,767.7
2014	21.10%	20.79%	13.05%	10.72%	9.59%	0.12	18	\$1,122.1	\$2,986.2
2015	0.46%	0.21%	11.08%	10.70%	10.70%	0.19	22	\$984.5	\$2,703.8
2016	9.31%	9.03%	7.08%	12.19%	11.15%	0.26	22	\$1,034.7	\$1,762.0
2017	23.04%	22.75%	30.21%	11.10%	10.54%	0.35	15	\$1,390.4	\$2,202.4
2018	-6.14%	-6.36%	-1.51%	12.20%	12.13%	0.11	11	\$1,024.6	\$1,682.2
FINAL 12/31/2018									

* For period July 1, 1991 through December 31, 1991.
** Not meaningful figure due to five or fewer accounts invested for the entire year.
*** Firm Assets do not include UMA program assets for GIPS purposes.
As of 12/31/2018, Renaissance managed an additional \$2,157.0 million in UMA programs, totaling \$4,199.2 in assets under management and shown as supplemental information to the GIPS compliant presentation.

Renaissance Investment Management (RIM) claims compliance with the Global Investment Performance Standards (GIPS) and has prepared and presented this report in compliance with the GIPS standards. Renaissance has been independently verified for the periods January 1, 2006 through June 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 Large Cap Growth Institutional Composite has been examined for the periods January 1, 2006 through June 30, 2017. The verification and performance examination reports are available upon request.

Firm Definition: The Renaissance Group LLC, which does business as Renaissance Investment Management (RIM), is a registered investment advisor established in 1978, with an office in Covington, KY. RIM is an affiliate of Affiliated Managers Group based in West Palm Beach, FL. RIM manages equity, tactical, balanced and fixed income assets for a variety of clients including high net worth, institutional and sub-advisory relationships. A complete list and description of the Firm's composites is available upon request.

Composite Composition: The Large Cap Growth Institutional Composite portfolios consist of approximately 50-60 mainly mid- and large-cap domestic equities, which focus on companies demonstrating financial strength, attractive growth potential, rising earnings expectations and attractive valuation. RIM created the Large Cap Growth Institutional Composite as of July 1, 2004 and it includes all fee paying, fully discretionary, non-tax managed, non-wrap Large Cap Growth accounts. RIM does not have non-fee paying portfolios. Returns are net of any performance-based fee arrangements where applicable. RIM will add new fully discretionary portfolios to the composite at the first full month under management. RIM will exclude terminated portfolios from the composite after the last full month they were under management. Composite dispersion is measured using an asset-weighted standard deviation of returns of the portfolios.

Calculation of Performance Returns: Performance is calculated using total returns. Monthly composite performance is asset-weighted using beginning-of-period values. Rates of return are time-weighted with geometric linking of monthly returns. Valuations and returns are computed and stated in U.S. dollars. Account performance is based on total assets in the account, including cash and cash equivalents. Performance is actual performance.

RIM has chosen to present performance both gross- and net-of-fees. The gross-of-fee performance returns are presented before deduction of management and custodial fees but after the deduction of all trading expenses. Net performance is reported after the deduction of all trading costs and actual RIM management fees. These gross- and net-of-fee investment results for the Renaissance Large Cap Growth Institutional Composite include reinvestment of dividends and other earnings. Clients' returns will be reduced by the advisory fee and any other expenses that may be incurred in the management of the client's investment advisory account. For example, if the gross annualized return of an account over a five-year period were 5.0%, deducting one twelfth of an annual advisory fee of 90 basis points each month on the ending monthly account balance would produce a cumulative net return of 22.7%. The cumulative gross return at 5.0% per annum over a five-year period would be 28.3%. A \$1 million starting portfolio would thus have an ending net market value of \$1,227,096, \$56,262 less than the gross return ending value of \$1,283,359. There is no minimum asset size for inclusion in the composite. RIM uses trade date accounting and income is accrued. Actual performance may differ from composite returns, depending on the size of the account, brokerage commissions, investment guidelines and/or restrictions, inception date and other factors. After-tax results will vary from the returns presented herein for those accounts that are subject to taxation. Policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.

Standard Deviation: The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. According to the GIPS Standards, this is not required for periods prior to 2011.

Investment Management Fees: RIM's fees are based on account size. The standard RIM fee schedule for the Large Cap Growth Strategy for direct-managed accounts is as follows: First \$5 million - .75%, Next \$5 million - .70%, Next \$5 million - .65%, Next \$5 million - .60%, Amounts over \$20 million - .55%. Investment advisory fees are described in Part 2A of RIM's Form ADV.

Benchmark: The Russell 1000 Growth Index is composed of the 1,000 largest U.S. companies based on total market capitalization with higher price-to-book ratios and higher forecasted growth values. The Russell index names are registered trademarks of FTSE Russell. RIM compares its composite returns to a variety of market indices such as the Russell 1000 Growth. This index is shown for comparison purposes only. We are not trying to explicitly manage to this benchmark. This index represents unmanaged portfolios whose characteristics differ from the composite portfolios; however, they tend to represent the investment environment existing during the time periods shown. The index cannot be invested in directly. The returns of the index do not include any transaction costs, management fees or other costs. The holdings of the client portfolios in our composites may differ significantly from the securities that comprise the index shown. The index has been selected to represent what RIM believes is an appropriate benchmark with which to compare the composite performance.

Other: Performance data quoted in any Renaissance presentation represents historically achieved results, and is no guarantee of future performance. Future investments may be made under materially different economic conditions, in different securities and using different investment strategies and these differences may have a significant effect on the results portrayed. Each of these material market or economic conditions may or may not be repeated. Therefore, there may be sharp differences between the performance shown and the actual performance results achieved by any particular client. The value of an investment may fall as well as rise. Please note that different types of investments involve varying degrees of risk and there can be no assurance that any specific investment will either be suitable or profitable for a client or prospective client's investment portfolio. Investor principal is not guaranteed and investors may not receive the full amount of their investment at the time of sale if asset values have fallen. No assurance can be given that an investor will not lose invested capital. Consultants supplied with these performance results are advised to use this data in accordance with SEC guidelines. The actual performance achieved by a client portfolio may be affected by a variety of factors, including the initial balance of the account, the timing and amount of any additions to or withdrawals from the portfolio, changes made to the account to reflect the specific investment needs or preferences of the client, duration and timing of participation as a RIM client, and a client portfolio's risk tolerance, investment objectives, and investment time horizon. All investments carry a certain degree of risk, including the loss of principal and are not guaranteed by the U.S. government.

Risks of Large Cap Growth Strategy: Large Cap Growth Institutional Composite returns may show a high level of variability. In addition to market risk, the majority of any additional risk in these portfolios is related to specific stock selection, and RIM will have significant exposure to individual securities.

Sources: FTSE Russell is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of FTSE Russell. This presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a presentation of Renaissance Investment Management. FTSE Russell is not responsible for the formatting or configuration of this material or for any inaccuracy in Renaissance's presentation thereof.