



# SMALL CAP VALUE

*consistently uncovering VALUE*

## Profile

- **Disciplined investment process consistently executed since 1996**
- **Seasoned team of 3 portfolio managers with an average of 18 years of experience**
- **Limited institutional client base**
- **Assets under management \$780 million**

## Investment Process

Our Small Cap Value team employs a proprietary valuation process to identify the most inexpensive stocks in each sector which results in a candidate pool of 175 names. To discern true value from the merely cheap, the team conducts extensive fundamental research in search of one of our five Value Buy Criteria:

- Resolvable short-term problem
- Catalyst for change
- Unrecognized assets
- Fundamental undervaluation
- Take-over potential

The presence of our Value Buy Criteria increases the likelihood that an inexpensive stock will return to a state of fair value and outperform its peers.

Portfolios are fully invested in 90 to 110 holdings with no position exceeding 3.5% in weight. The portfolio is always diversified across all sectors at all times.

## Team Continuity

**Tasso H. Coin, Jr., CFA, 20 Years**

**Douglas G. Pugh, CFA, 21 Years**

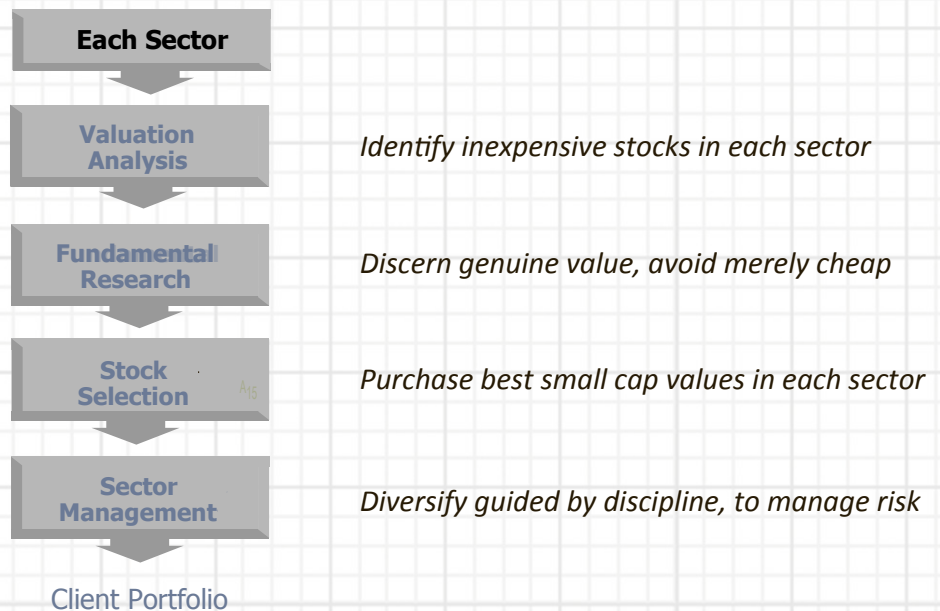
**Jason R. Ballsrud, CFA, 14 Years**

55  
combined  
years of  
experience

## Philosophy

“Our proprietary valuation analysis and fundamental research approach guide us in identifying stocks that will return to a state of fair value, and outperform their peers.”

## Capturing Value Stock by Stock



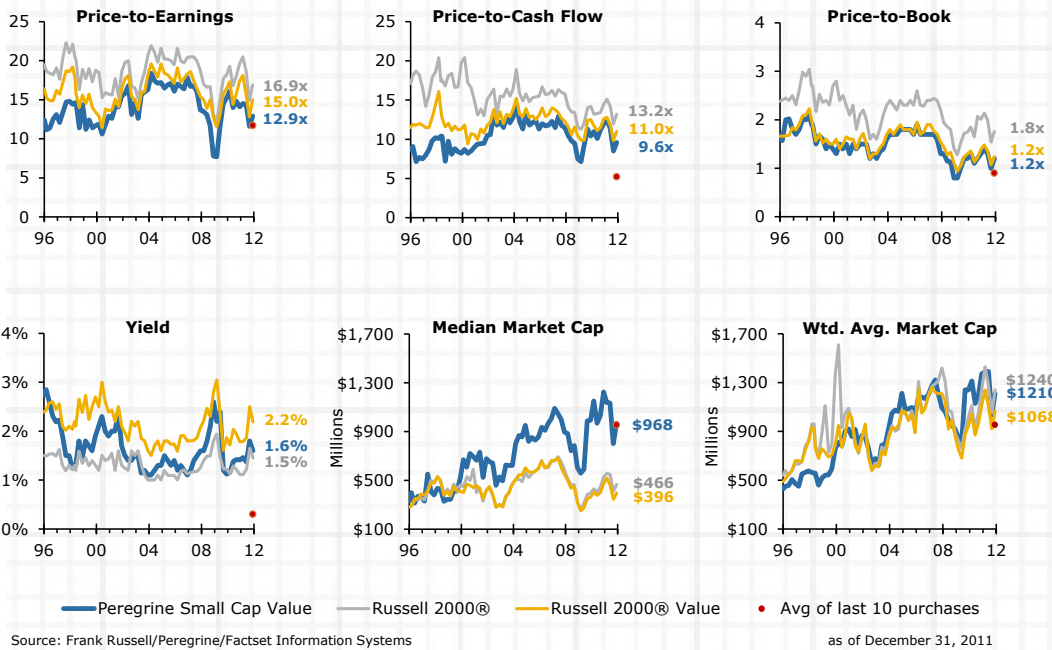
## Portfolio Characteristics

P/E (forward 12) .....	11.2x
P/Cash Flow .....	9.6x
P/B .....	1.2x
ROE .....	11.4%
Total Debt/Assets .....	47%
Weighted Avg. Cap. (\$M) .....	1,210
Weighted Median Cap. (\$M) .....	1,055
Dividend Yield .....	1.60%
Turnover (1 Year) .....	58%
Stocks in portfolio .....	100

## Top 10 Holdings

RSC Holdings, Inc.
Employers Holdings, Inc.
United Rentals, Inc.
Key Energy Services, Inc.
Thor Industries, Inc.
Aeropostale, Inc.
Magnum Hunter Resources
Sunstone Hotel Investors
LaSalle Hotel Properties
Select Medical Holdings

# Consistently Small Cap Value

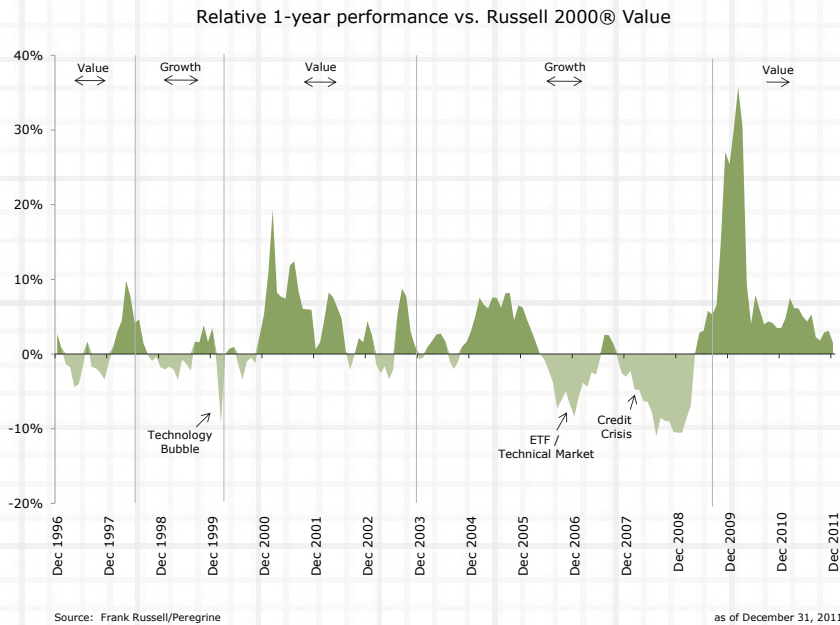


## Commitment

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

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

# Peregrine Small Value Relative Performance Cycles



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# Peregrine Small Cap Value

	Periods ended December 31, 2011							
	Fourth Quarter	Year-to-Date	One Year	Annualized			Cumulative	
				Three Year	Five Year	Ten Year	Since 1/1/1996	Since 1/1/1996
<b>Small Cap Value Composite</b>								
before fees	16.6	-3.5	-3.5	21.9	-0.7	7.6	10.1	365.7
after fees	16.3	-4.3	-4.3	20.9	-1.5	6.8	9.3	314.0
Russell 2000® Value	16.0	-5.5	-5.5	12.4	-1.9	6.4	8.8	283.9
Russell 2000®	15.5	-4.2	-4.2	15.6	0.2	5.6	6.9	189.2

Returns reflect the reinvestment of dividends and interest. Past performance is no guarantee of future results.