

KOPP INVESTMENT ADVISORS  
**ACCRUHEALTH**

All information as of December 31, 2016

### INVESTMENT STRATEGY

Health Care is one of the largest and fastest growing areas of the economy. The AccruHealth strategy is focused on capitalizing on innovation and growth opportunities across Health Care. The strategy employs fundamental analysis that seeks to balance growth potential with discipline around valuation.

#### CURRENT TARGETED HEALTH CARE THEMES

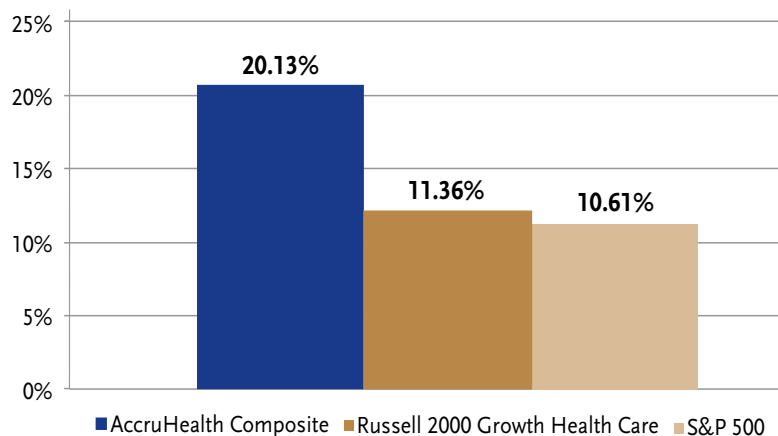
- Cost-Effective Solutions
- Personalized Medicine
- Patient-Driven Health Care
- Significant Treatment Advances

**Dan Garofalo**  
*Senior Research Analyst*  
*Senior Portfolio Manager*

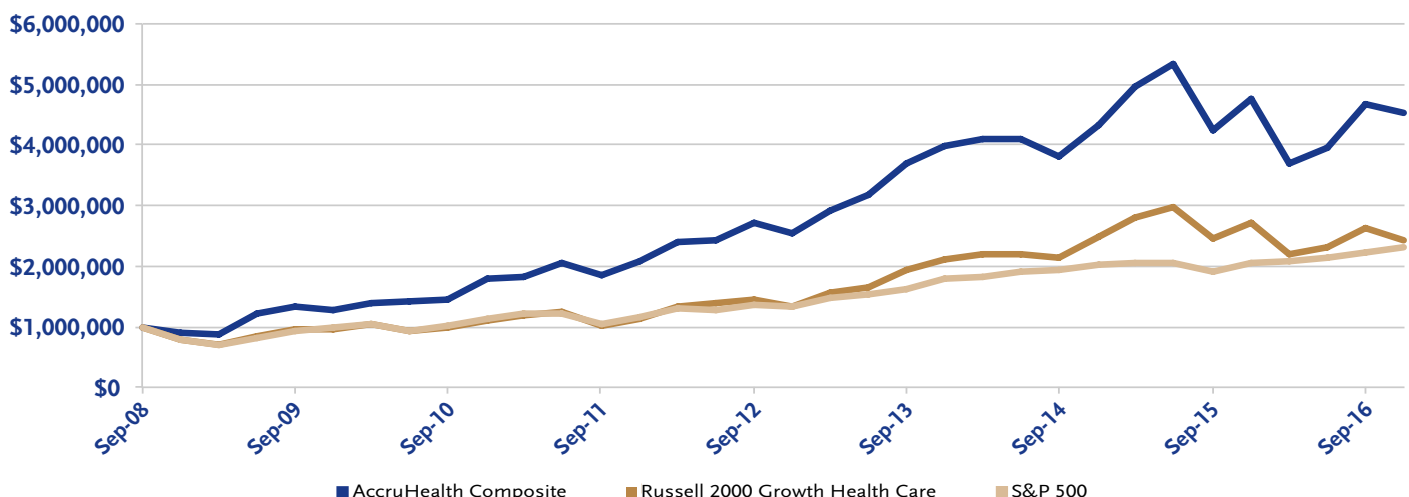


Dan Garofalo joined Kopp Investment Advisors in 2013 and currently serves as Senior Portfolio Manager, Senior Research Analyst, and is a member of the firm's Investment Committee. He focuses on a broad range of health care areas including medical devices, diagnostics, drug development and health care infotech and brings more than 10 years of health care industry and investment experience in managing client portfolios. Prior to joining Kopp Investment Advisors, Dan was an equity research analyst at Piper Jaffray and also worked for a major pharmaceutical company. Dan holds an M.B.A. from the Carlson School of Management at the University of Minnesota as well as a B.A. in Business from the University of St. Thomas in St. Paul, Minnesota.

#### AVERAGE ANNUAL RETURNS SINCE INCEPTION\*



#### GROWTH OF \$1,000,000 SINCE INCEPTION\*



\*The inception date of KIA's AccruHealth strategy was September 30, 2008. Mr. Garofalo has served as the portfolio manager for the AccruHealth strategy since he joined KIA in November of 2013.

## TRAILING RETURNS (%)

	3 MONTHS	1 YEAR	3 YEARS*	5 YEARS*	SINCE INCEPTION*
AccruHealth Composite	-2.90	-4.78	4.57	16.99	20.13
Russell 2000 Growth Health Care	-7.21	-10.10	5.02	16.30	11.36
Russell 2000 Growth	3.57	11.32	5.05	13.74	10.78
S&P 500	3.82	11.96	8.87	14.66	10.61

## CALENDAR RETURNS (%)

\*ANNUALIZED  
INCEPTION 9/30/2008

	2016	2015	2014	2013	2012
AccruHealth Composite	-4.78	10.10	9.09	55.54	23.22
Russell 2000 Growth Health Care	-10.10	8.47	18.78	55.80	17.89
Russell 2000 Growth	11.32	-1.38	5.60	43.30	14.59
S&P 500	11.96	1.38	13.69	32.39	16.00

### PORTFOLIO CHARACTERISTICS

	AccruHealth Composite	Russell 2000 Growth Health Care
Weighted Avg Mkt Cap	9.9B	1.8B
Forward P/E ratio	19.85	21.04
Price/Book	3.96	4.21
Price/Sales	3.52	2.56
Est. 3-5 Yr EPS Growth	13.56	11.74
Up Capture %	108	100
Down Capture %	86	100

### TOP 5 INDUSTRIES (%)

Medical Devices	35.3
Drug Development	18.4
Specialty Pharmaceuticals	13.6
Diagnostics	9.1
Health Care Services	7.3

### AccruHealth Composite vs. Russell 2000 Growth Health Care

	Annualized	3 Year	5 Year	Since Inception
Alpha (%)	-1.01	-0.01		9.33
Beta	1.11	1.04		0.95
R <sup>2</sup>	0.95	0.91		0.77

Holdings and composition are subject to change, based on market and other conditions, and should not be construed as a recommendation of any security or sector.

## ACCURHEALTH COMPOSITE FACTS

Period Ended 12/31/16

Turnover	37.08%
Number of Holdings	32

Kopp Investment Advisors, LLC ("KIA") is an independent investment advisory firm registered with the Securities and Exchange Commission. KIA manages equity strategies covering various capitalization ranges. "AccruHealth" is the name of KIA's health care focused strategy. The inception date of KIA's AccruHealth strategy was September 30, 2008. The AccruHealth strategy may invest up to 100% of its assets in U.S. small-cap and mid-cap growth stocks primarily from the health care sector. Mr. Garofalo joined KIA in November of 2013 and currently serves as the portfolio manager for the AccruHealth strategy, succeeding the former portfolio manager. Additional information about KIA is disclosed in our Form ADV, which is available upon request. All information contained herein is for general informational purposes only and does not constitute a solicitation or an offer to sell investment advisory services in any jurisdiction. The investment strategies mentioned herein may not be suitable for everyone. Investors need to review an investment strategy for their own particular situation before making any investment decision. We believe the information obtained from third-party resources to be reliable, but we do not guarantee its accuracy, timeliness or completeness. The figures and estimates herein are as of the date of the material and are subject to change without notice at any time in reaction to shifting market conditions and other factors.

KIA claims compliance with the Global Investment Performance Standards (GIPS). A list of composite descriptions is available upon request. To receive a complete list and description of KIA's composites and/or a presentation that complies with the GIPS standards, contact our client services professionals at 1-800-333-9128, or write Kopp Investment Advisors, 8400 Normandale Lake Boulevard, Suite 1450, Bloomington, Minnesota 55437.

KIA's GIPS compliance has been independently verified for the period June 30, 1990 (firm inception) through December 31, 2014. KIA's AccruHealth Non-Wrap Composite has been examined from its September 30, 2008 inception through December 31, 2014.

Indexes are unmanaged and do not include management fees, transaction costs, and other expenses that are incurred in connection with a managed account. An index will include a different degree of investment in individual securities, industries, or sectors from KIA's investment strategies. Indexes do not predict future results. Investors cannot invest directly in an index. The indexes are shown for comparative purposes only. Russell 2000 Growth Index (referenced as "Russell 2000 Growth"), Russell 2000 Growth Health Care Index (referenced as "Russell 2000 Growth Health Care"), and AccruHealth Non-Wrap Composite referenced as "AccruHealth Composite" returns include reinvestment of dividends, interest and income. The Russell 2000 Growth Index measures the performance of the Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 2000 Growth Health Care Index measures the performance of health care sector stocks (using the Global Industry Classification System) from the Russell 2000 Growth Index. The Russell Indexes are trademarks/service marks of the Frank Russell Company. Russell® is a trademark of the Frank Russell Company. The S&P 500 Index, (referenced as "S&P 500"), is the Standard & Poor's Composite Index of 500 stocks, a widely recognized unmanaged index of common stock prices of large-capitalization U.S. companies.

Returns reflect the AccruHealth Non-Wrap Composite, net of actual fees, calculated in U.S. dollars. Returns for periods longer than one year are annualized. Past performance is not indicative of future results. Current returns may be higher or lower. All performance is total return. Returns shown do not represent the performance of an individual account. Individual accounts will incur transaction costs and other expenses not reflected herein. Composite and individual account weightings are flexible as each account may experience price fluctuations and is individually managed. The potential for profit involves the possibility of loss.