



# Small Cap Growth

## Management Team

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## Objective

- Seeks to identify under-exploited, high growth, small-cap companies with positive fundamentals and attractive risk/reward profiles
- Seeks to generate superior risk-adjusted performance over a full market cycle relative to the Russell 2000® Growth Index

## Highlights

- Our goal is a lower volatility approach to high growth investing
- Active stock selection primarily drives returns by focusing on what we define as high quality “emerging winners” that may benefit from secular growth stories
- Bottom-up portfolio construction is based on fundamental research and discounted cash flow valuation analysis
- Idea generation includes an internally developed growth screen
- Risk management approach integrated throughout the process, including a clear stop/loss discipline to help manage downside risk
- Turnover typically 30-80%
- Typically 90 to 110 stocks; position size: typically 0.5% to 2.0%
- Sector weightings limited to +/-50% of sectors greater than 10% of benchmark allocation
- Stock selection focuses primarily on companies with a market capitalization between 75% to 125% of the benchmark’s weighted average market cap
- Recent IPOs and early-stage (unprofitable) companies are limited\* in the portfolio

## Benchmark

Russell 2000® Growth Index

### Facts

Strategy inception	4/1/05
Composite inception	4/1/05
Strategy assets	\$3,923.6M
Composite assets	\$3,903.4M

## Composite Performance (%) as of September 30, 2025

	CUMULATIVE RETURN		ANNUALIZED TOTAL RETURN				
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
<b>GROSS</b>	5.94	3.91	5.85	13.77	8.07	11.35	11.30
<b>NET</b>	5.68	3.14	4.80	12.68	7.13	10.38	10.48
<b>BENCHMARK</b>	12.19	11.65	13.56	16.68	8.41	9.91	9.06

## Calendar Year Performance (%)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>GROSS</b>	16.05	12.95	-22.25	11.07	35.85	27.67	1.26	27.89	6.91	2.28
<b>NET</b>	14.91	11.84	-22.83	10.27	34.72	26.61	0.40	26.80	5.96	1.40
<b>BENCHMARK</b>	15.15	18.66	-26.36	2.83	34.63	28.48	-9.31	22.17	11.32	-1.38

**Performance data shown represents past performance and is no guarantee of future results. Current performance may be lower or higher than quoted.** Returns for multi-year periods are annualized. Gross returns are net of trading costs. Net returns are gross returns less effective management fees. Returns may increase or decrease as a result of currency fluctuations.

Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index.

**There is no guarantee that the investment objective will be realized or that the strategy will generate positive or excess return.**

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PORTFOLIO CHARACTERISTICS <sup>^</sup>			TOP 10 HOLDINGS (%)		SECTOR DISTRIBUTION (%)		
	Rep. Account	Index		Rep. Account		Rep. Account	Index
Price/earnings (trailing 12 mths)	29.37x	23.11x	Construction Partners Inc	2.0	Industrials	25.0	22.1
Est. P/E (forward 12 months)	28.22x	22.09x	Sterling Construction Co Inc	2.0	Healthcare	24.3	22.1
3 Year Historical EPS Growth	23.27%	23.02%	Kratos Defense & Security Solutions Inc	1.9	Information Technology	19.3	22.2
3-5 yr EPS growth	13.38%	11.59%	ESCO Technologies Inc	1.8	Consumer Discretionary	13.7	9.3
ROE (1-yr equal wtd)	3.53%	-3.23%	Ligand Pharmaceuticals Inc	1.8	Financials	9.4	10.4
Wtd avg market cap	\$5.62B	\$5.36B	Varonis Systems Inc	1.7	Energy	3.0	3.0
Median market cap	\$4.30B	\$1.30B	MACOM Technology Solutions Holdings Inc	1.6	Consumer Staples	1.3	2.2
Median active share (since inception)	84.85%	-	Regal Beloit Corp	1.6	Communication Services	0.7	2.5
			Advanced Energy Industries Inc	1.5	Materials	-	3.5
			PJT Partners Inc	1.5	Real Estate	-	2.0
			Total	17.4	Utilities	-	0.6
					Cash	3.3	-

  

MARKET CAPITALIZATION (%)		
	Rep. Account	Index
> \$6 Billion	36.5	30.1
\$4 to 6 Billion	23.7	21.1
\$2 to 4 Billion	27.2	29.0
< \$2 Billion	9.3	19.8
Cash	3.3	-

<sup>^</sup>Performance and risk metrics are calculated on a gross-of-fee basis and do not reflect the deduction of fees and expenses. Please see the Composite trailing returns for standard gross and net performance.

#### KEY RISKS

Equity Risk, Market Risk, Non-US Securities Risk, Liquidity Risk. Investing involves risk including possible loss of principal.

Due to rounding, **Market Capitalization** and **Sector Distribution** totals may not equal 100%. This portfolio is actively managed and characteristics are subject to change. **Top 10 Holdings** may combine more than one security from the same issuer and related depositary receipts. Portfolio weight calculations include accrued interest. Holdings are based on total gross assets before any fees are paid; any cash held is included. Reference to specific securities or holdings should not be considered recommendations for action by investors. There is no guarantee the account continues to invest in the securities referenced. **Cash** may include unsettled trades, fees and/or derivatives. **Median Active share (since inception)** indicates the proportion of the portfolio's holdings (by market value) that is different than the benchmark. A higher active share indicates a larger difference between the benchmark and the portfolio.

Characteristics are shown for a representative account. Due to systems limitations, it is difficult to analyze characteristics on a composite basis. The representative account was selected because it closely reflects the Loomis Sayles Small Cap Growth investment strategy. Due to guideline restrictions and other factors, there is some dispersion between the returns of this account and other accounts in the Composite.

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The Composite includes all discretionary accounts with market values of at least \$1 million managed by Loomis Sayles that seek to identify under-exploited, high growth, small-cap companies with positive fundamentals and attractive risk/reward profiles. The strategy objective is to generate superior risk-adjusted performance over a full market cycle relative to the Russell 2000 Growth Index, and generally within the market capitalization range of the Index. As of 1/1/2021 the Composite was redefined to include commingled vehicles, previously only separate accounts were included. The Composite inception date is April 1, 2005. The Composite was created in June 2005. For additional information on this and other Loomis Sayles strategies, please visit our web site at [www.loomissayles.com](http://www.loomissayles.com).