



January 5, 2012

4th Quarter and Full-Year 2011 Portfolio Commentary

Year end 2011 marked the end of the twenty-third year of PCM's Large Cap Growth investment product ("PCM LCG"). PCM LCG returned 9.17% for the year versus 2.64% for the Russell 1000 Growth Index (the "Russell 1000 Growth") and 2.11% for the S&P 500 Index (the "S&P 500"). For the 4th quarter, the PCM composite returned 10.80% versus 10.61% for the Russell 1000 Growth and 11.82% for the S&P 500.

The S&P 500's return for the year was entirely from dividends as the index ended the year at almost the same point at which it started 2011. Various macroeconomic headlines kept market volatility very high, especially in the second half of the year. Countries and individuals across the globe have been dealing with slow economic growth, elevated debt levels, high unemployment, a major currency crisis, and social unrest. Our approach to investing in only competitively advantaged companies with, in our opinion, serious growth prospects, allowed us to continue to outperform the market with less volatility and less portfolio activity than most of our peers.

The companies that we hold continue to grow in even the toughest environments due to their competitive advantages and secular tailwinds. Some of the tailwinds that benefit companies in our portfolio include the move to mobile computing (Apple, Qualcomm, Google), the movement of offline advertising to online (Google), the increasing usage of digital payments in lieu of cash/checks (MasterCard), the globalization of high-end U.S. consumer brands (Starbucks, Coach), the increasing use of outsourced providers for various functions (Cognizant, Accenture, C.H. Robinson), and company specific innovation coupled with strong demographic trends (Varian Medical, Allergan, Intuitive Surgical). In addition to strong secular tailwinds, each of these companies has a true sustainable competitive advantage, a pristine balance sheet and generates tremendous amounts of free cash flow. They grow faster than the majority of companies and we believe they should continue to grow their intrinsic value for years to come.

In the 4th quarter we added new positions in FactSet Research Systems, Abbott Labs, and Intuit Inc. to the portfolio. We also sold our position in C.R. Bard and trimmed MasterCard.

FactSet Research Systems is a provider of online software to financial professionals. Their software allows researchers, portfolio managers and other investment professionals to access hundreds of databases for analyzing companies. The company is the #3 player in the investment information industry behind Bloomberg and Thomson Reuters but has been consistently gaining market share for nearly two decades. We believe the company has certain competitive advantages in its ability to offer a variety of databases (both proprietary and third party) for clients to choose from and they also possess a top-notch client service organization that keeps loyalty very high. Client retention has been consistently over 90% annually. We believe there is a lot of potential growth for FactSet as they continue to take market share in a growing market.

We re-established a position in Abbott Labs after the company announced plans to split into two separate companies; a pharmaceutical company and a diversified medical products company. We have long admired this solid franchise and its management team. Miles White, the CEO, is an excellent capital allocator and he will continue to head the diversified medical products company, which will carry on the Abbott Labs name. We believe the separation of the business will allow the incentivized management teams to better allocate resources to the most profitable growth opportunities. The company's outstanding financial strength and low valuation limit our risk and the successful execution by this proven management team should lead to strong rewards over time.

We recently purchased Intuit, a leading software provider of financial management solutions for small businesses and individuals. The company is best known for its TurboTax and QuickBooks offerings. We believe Intuit will continue to dominate the market for online tax preparation and small business financial management while marketing additional offerings to customers like payroll, credit/debit card acceptance, and website hosting. A majority of Intuit's customers now access the company's products via the web, giving Intuit a better understanding of their customers' needs and a continuous line of communication to them. This should allow for greater cross-selling opportunities than in the past when customers bought off-the-shelf software at retail.

We sold our position in C.R. Bard after we became frustrated with some of the management team's recent decisions. For many reasons, Bard's revenue growth has continued to slow over the past few years and management believed that in order to accelerate growth again, they would have to reinvest a larger percentage of revenue into R&D. As long term shareholders, we agreed with that assessment and were willing to continue to hold the stock during this reinvestment period as we believed the company had ample opportunities for growth over the long haul. But as it was becoming more difficult for Bard to reach the revenue and earnings guidance that they had laid out for investors, we felt that management was delaying the R&D investments in order to meet the earnings per share targets promised. We believe this is a short-sighted strategy that is more focused on the company's stock price than on the long term health of the business. Even at an arguably depressed valuation, we sold our Bard position because of our waning confidence in the management team.

The top three contributors (portfolio weight multiplied by return) for 2011 were MasterCard (2.97%), Starbucks (2.30%), and Apple (2.29%). The bottom three contributors to the portfolio were Oracle (-1.15%), Cognizant Technology Solutions (-1.05%), and C.H. Robinson (-0.77%).

The top three contributors for the fourth quarter were Varian Medical (1.58%), Google (1.56%), and Starbucks (1.44%). The bottom three contributors were Oracle (-0.66%), FactSet Research Systems (-0.15%), and C.R. Bard (-0.06%).

Thank you for your interest in Polen Capital and please feel free to contact us with any questions or comments.

Sincerely,

Dan Davidowitz
Damon Ficklin
David Polen



GIPS Disclosure

POLEN CAPITAL MANAGEMENT LARGE CAPITALIZATION EQUITY COMPOSITE ANNUAL DISCLOSURE PRESENTATION

Year	Total	UMA	Firm	Composite Assets		Annual Performance Results					3 Year Standard Deviation*		
		Assets	Assets	U.S. Dollars	Number of	Composite		S&P	Russell 1000	Composite	PCM	S&P	Russell 1000
End	(millions)	(millions)	(millions)	(millions)	Accounts	Gross	Net	500	Growth	Dispersion	Gross	500	Growth
2011	2,375	563	1,812	587	185	9.17%	8.38%	2.11%	2.64%	0.2%	15.74	18.71	17.76
2010	1,182	322	860	332	127	15.66%	14.73%	15.06%	16.71%	0.2%	19.88	21.85	22.11
2009	624	131	493	235	127	39.73%	38.49%	26.46%	37.21%	0.3%	16.75	19.63	19.73
2008	266	10	256	152	121	-27.84%	-28.44%	-37.00%	-38.44%	0.3%	15.05	15.08	16.40
2007	682	-	682	504	152	10.73%	9.82%	5.49%	11.81%	0.2%	8.24	7.68	8.54
2006	730	-	730	533	224	15.07%	14.12%	15.80%	9.07%	0.1%	7.17	6.82	8.31
2005	1,849	-	1,849	986	430	-0.51%	-1.42%	4.91%	5.26%	0.2%	7.98	9.04	9.53
2004	2,017	-	2,017	1,160	693	8.76%	7.78%	10.88%	6.30%	0.2%	9.95	14.86	15.45
2003	1,617	-	1,617	969	570	17.72%	16.67%	28.68%	29.75%	0.6%	12.80	18.07	22.66
2002	970	-	970	544	420	-6.69%	-7.54%	-22.06%	-27.88%	0.4%	12.96	18.55	25.22
2001	703	-	703	417	305	-4.61%	-5.50%	-11.93%	-20.42%	0.6%	13.39	16.71	25.21
2000	622	-	622	363	239	-3.50%	-4.45%	-9.10%	-22.42%	0.5%	16.29	17.42	22.79
1999	640	-	640	385	233	23.89%	22.63%	21.04%	33.16%	0.6%	18.02	16.52	19.00
1998	418	-	418	266	205	31.61%	30.20%	28.58%	38.71%	0.7%	17.70	16.01	17.90
1997	252	-	252	147	160	37.14%	35.64%	33.36%	30.49%	0.9%	12.99	11.14	12.62
1996	140	-	140	94	125	31.95%	30.43%	22.96%	23.12%	0.7%	10.46	9.58	10.34
1995	70	-	70	46	63	48.08%	46.34%	37.58%	37.18%	1.1%	9.58	8.22	9.13
1994	32	-	32	18	28	10.11%	8.94%	1.32%	2.62%	1.6%			
1993	24	-	24	16	27	13.07%	11.85%	10.08%	2.87%	2.9%			
1992	16	-	16	11	24								

The Large Capitalization Equity Composite created on January 1, 2006 contains fully discretionary large cap equity accounts that are not managed within a wrap fee structure and for comparison purposes is measured against the S&P 500 and the Russell 1000 Growth indices. Polen Capital invests exclusively in a portfolio of high quality large cap and liquid U.S. companies.

Polen Capital Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Polen Capital Management has been independently verified by Ashland Partners & Company LLP for the periods April 1, 1992 through March 31, 2011.

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 Capitalization Equity Composite has been examined for the periods April 1, 1992 through September 30, 2010. The verification and performance examination reports are available upon request.

Polen Capital Management is an independent registered investment adviser. The firm maintains a complete list and description of composites, which is available upon request. In July 2007, the firm was reorganized from an S-corporation into an LLC and changed names from Polen Capital Management, Inc. to Polen Capital Management, LLC.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. As of July 1, 2002, composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash outflow of 10% or greater of portfolio assets. 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 first full month after the cash flow. Additional information regarding the treatment of significant cash flows is available upon request. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. 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. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule is as follows:

Institutional: Per annum fees for managing accounts are 75 basis points (.75%) on the first \$50 Million and 55 basis points (.55%) on all assets above \$50 Million of assets under management. HNW: Per annum fees for managing accounts are 150 basis points (1.5%) of the first \$500,000 of assets under management and 100 basis points (1.0%) of amounts above \$500,000 of assets under management. Actual investment advisory fees incurred by clients may vary.