

Capital Appreciation Portfolio

Fact Sheet as of 12/31/2013

INVESTMENT OBJECTIVE

Our objective is to provide long-term capital appreciation by investing in a concentrated number of global equity securities across investment style and market capitalization. This portfolio is 95% – 100% invested in equity securities with a small cash balance.

Our Capital Appreciation equity strategy aims for long-term capital growth by investing in equity securities that are trading for less than intrinsic value. In return for accepting the risk inherent in equity investing, we believe investors should require the potential for meaningful upside returns. Therefore, we aim to find and purchase securities that offer significant return potential, in excess of market averages, over a medium timeframe. To achieve our return forecast, catalysts such as margin expansion or growth acceleration often need to be achieved. As the timing of these events is inherently uncertain, it is our aim to identify securities where the catalysts are achievable and yet, if they do not occur, the cost realized is less than the reward gained if they are met. This results in an attractive risk versus reward balance, and one in which we see an identifiable pathway to the upside scenario.

We primarily invest in three types of companies: emerging or sustainable growth companies with large potential markets; high-return companies with defensible market positions which compound value over time; and value companies with very attractive risk/reward dynamics. We believe the most important risk control for a particular security, and for the portfolio as a whole, is to acquire shares in companies at attractive valuation levels and beneath intrinsic value.

Through December 31, 2013	4th QTR 2013	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION ¹
Capital Appreciation Composite	10.1%	33.8%	NA	NA	28.2%
Capital Appreciation Benchmark ²	8.3%	28.2%	NA	NA	23.2%
Russell 1000 Growth Index	10.4%	33.5%	16.5%	20.4%	25.5%
S&P 500 Index	10.5%	32.4%	16.2%	17.9%	25.7%

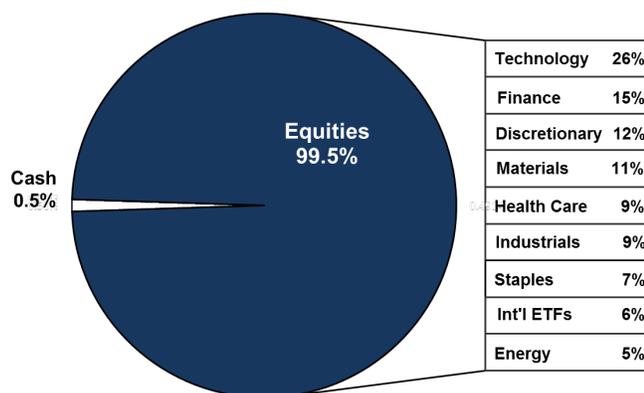
¹Inception date is August 1, 2012. Periods greater than one year are annualized. Performance shown is total return and gross of fees.

²Capital Appreciation Benchmark is composed of 76% Russell 1000 Growth, 19% MSCI All-Country World ex US Index and 5.0% Lipper Money Market Index.

TOP 10 HOLDINGS = 40%

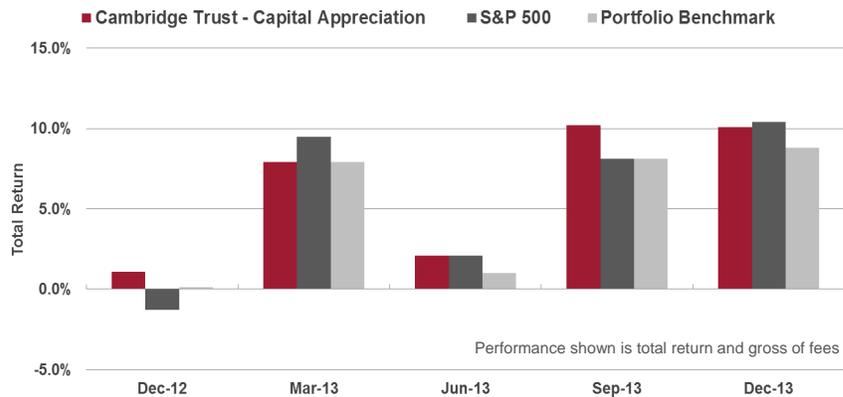
American International Group	5.0%
Citrix Systems	4.9%
Adobe Software	4.5%
Cognizant Technology	4.3%
Cytec Industries	4.1%
Burberry Group	3.8%
Google Inc.	3.7%
Checkpoint Software	3.4%
Huntington Bancshares	3.4%
iShares Germany ETF	3.2%

ASSET ALLOCATION



QUARTERLY COMMENTARY

The Capital Appreciation composite gained 10.1% for the fourth quarter, outperforming the benchmark's 8.3% gain. International holdings were a drag to both the composite, 20% of which is international, and the benchmark. The MSCI All World ex US Index was only up 4.8% for the quarter. However, favorable stock selection resulted in portfolio returns that approximated U.S. equity index returns—the S&P 500 Index and Russell 1000 Growth Index both gained 10.5%.



The composite returned 33.8% in calendar 2013, 5.6 percentage points ahead of the benchmark's 28.2% return. Similar to the fourth quarter, international holdings reduced the returns for both the portfolio and benchmark. The MSCI All World ex US Index returned 15.8% for 2013, or approximately half of the return of major U.S. indices such as the S&P 500 (+32.4%) and the Russell 1000 Growth Index (+33.5%). As the performance gap between U.S. and international equities widened through the year, we found more opportunities to invest in international securities where valuations are generally more attractive than in the U.S. We kept the cash drag on the portfolio to a minimum, less than 1%, as we remained almost fully invested through the year.

The downside of the very strong U.S. equity market is that it has become more difficult to find new investments with substantial upside opportunity. However, opportunities remain in individual company situations, international markets, and in certain sectors which have not participated in the rally. For example, we recently began purchasing shares of a small German robotics manufacturer, Kuka AG. Kuka is a leader in the large and growing field of industrial robotics and trades at a reasonable mid-teens P/E ratio. Due to the fact that it only trades on the local German exchange it is largely undiscovered by U.S. investors, presenting an attractive opportunity for long term growth investors.

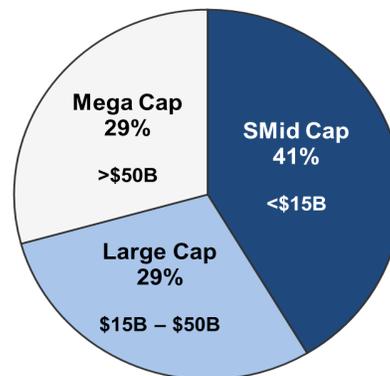
EQUITY CHARACTERISTICS

	CTC Capital Appreciation	Russell 1000 Growth Index
Number of Holdings	39	624
Dividend Yield ¹	0.9%	1.6%
ROE	14.9%	16.0%
International weight	20%	-
Beta ¹	1.06	1.02
Market Cap ¹	\$56B	\$99B
P/E Ratio (2014) ¹	21.2x	21.5x
Price to Book ¹	3.4x	4.9x

¹Portfolio weighted average Source: Bloomberg

Portfolio characteristics represent a typical account invested according to this investment style; actual account holdings may vary slightly.

MARKET CAPITALIZATION BREAKDOWN



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