

Mid-Cap Growth Fund

Investor: **BMIDX** Institutional: **BAFMX**

Fourth Quarter 2018

U.S. MID-CAP GROWTH

WHY INVEST IN BROWN ADVISORY MID-CAP GROWTH?

The Fund seeks to outperform through stock selection and downside protection.

The managers look for durable, scalable business models led by capable management teams where a clear investment thesis can be articulated. Extensive analysis can establish differentiated views on the (1) size and growth potential of each addressable market opportunity, (2) a company's possible sustainable competitive advantages and (3) its ability to attempt to achieve attractive results at scale.

Fund managers George Sakellaris and Chris Berrier take a long-term approach in constructing a focused portfolio with high active share.

Supported by a deep, experienced equity research team and the firm's robust private investment network, they invest like business owners for the long term. They build on the strengths of the Small-Cap Growth Fund to potentially capture the compounded return beyond the small-cap range.

A shared culture of thoughtful investing.

Brown Advisory's investment team is made up of independent thinkers who nonetheless share a common philosophy. We invest for the long term and we keep our portfolios focused on a relatively small number of our best investment ideas. We believe that this sort of active management is the best way to attempt to generate long-term outperformance vs. our benchmarks.

Fund Managers: George Sakellaris, CFA & Christopher Berrier

Benchmark: Russell Midcap® Growth Index

PORTFOLIO DIVERSIFICATION

Sector Composition %	Fund	Index	Weighting Difference
Communication Services	5.8	4.0	1.8
Consumer Discretionary	14.7	16.4	-1.7
Consumer Staples	2.1	3.4	-1.3
Energy	0.0	1.5	-1.5
Financials	2.5	6.6	-4.1
Health Care	18.1	14.6	3.5
Industrials	21.7	15.9	5.8
Information Technology	28.0	31.6	-3.6
Materials	4.9	3.6	1.2
Real Estate	2.2	2.3	-0.1
Utilities	--	--	--

TOP 10 PORTFOLIO HOLDINGS %

Top 10 Positions	% of Portfolio
Waste Connections Inc	3.9
Ball Corp	3.0
Catalent Inc	2.9
Edwards Lifesciences Corp	2.7
Mimecast Ltd	2.5
Cooper Cos Inc/The	2.5
Teleflex Inc	2.4
Genpact Ltd	2.4
TransUnion	2.4
Electronic Arts Inc	2.3
Total % of Net Assets	27.0%

Source: U.S. Bank. Sector breakdown (excluding cash and equivalents) and Fund holdings (including cash and equivalents) are subject to change at any time. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. Sectors are based on the Global Industry Classification Standard (GICS®) classification system.

CHARACTERISTICS

	BMIDX	INDEX
Morningstar Category (U.S.)	Mid-Growth	--
Fund Assets (\$MM)	26	
Number of Holdings	65	418
Wtd. Avg. Market Capitalization (\$B)	14.0	14.5
Wtd. Median Market Capitalization (\$B)	10.6	13.0
Earnings Growth 3-5 Yr. Est (%)	14.7	16.9
Price-to-Earnings Ratio (P/E, FY1)	23.0	19.2
Price-to-Earnings Ratio (P/E, FY2)	20.3	17.6
Beta	0.9	--

Source: Fund net assets provided by U.S. Bank and are as of the last day of the quarter and include all share classes. Characteristics exclude cash and equivalents and are derived from FactSet®

Earnings growth 3-5 year estimate is not a measure of the Fund's future performance. Performance figures and charts include the reinvestment of dividend and capital gain distributions. Returns would have been lower during the specified periods if the payment of certain fees by the Fund had not been waived or expenses reimbursed.

AVERAGE ANNUAL TOTAL RETURNS % (AS OF 12/31/2018)

	3 MOS.	1 YR	INCEPTION (10/02/2017)	INCEPTION (07/02/2018)
Brown Advisory Mid-Cap Growth Fund				
Investor Class – BMIDX Inception: 10/02/2017	-16.78	-1.72	0.82	--
Institutional Class – BAFMX Inception: 07/02/2018	-16.77	--	--	-11.45
Russell Midcap® Growth Index	-15.99	-4.75	0.98	-10.02
Excess Return vs. Index (Investor)	-0.79	3.03	0.16	--

Gross Expense Ratios: 1.59% (Investor) 1.44% (Institutional)

Source: U.S. Bank. Performance data quoted represents past performance and is no guarantee of future results. Performance for periods greater than one year is annualized. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Performance for other share classes will vary. Shares redeemed or exchanged within 14 days of purchase will be charged a 1.00% fee. Performance data quoted does not reflect the redemption or exchange fee. If reflected, total returns would be reduced. For the most recent month end performance, please call 1-800-540-6807.

EXPERIENCED MANAGEMENT



GEORGE SAKELLARIS, CFA

George Sakellaris is a Portfolio Manager of the Brown Advisory Mid-Cap Growth Fund
Investment experience dating from 2001; joined Brown Advisory 2014;



CHRISTOPHER BERRIER

Chris Berrier is a Portfolio Manager of the Brown Advisory Mid-Cap Growth Fund.
Investment experience dating from 2000; joined Brown Advisory 2005

BROWN ADVISORY: AN INDEPENDENT INVESTMENT FIRM

that offers a wide range of solutions to institutions, corporations, nonprofits, families and individuals. Our mission is to make a material and positive difference in the lives of our clients by providing them first-rate investment performance, customized strategic advice and the highest level of personalized service.

- Founded in 1993
- Independent since 1998
- 100% of colleagues collectively own approximately 70% of the firm's equity

Before investing you should carefully consider the Fund's investment objectives, risks, charges, and expenses. This and other information is in the summary or statutory prospectus, a copy of which may be obtained by calling 1-800-540-6807 or visiting the Fund's website, www.brownadvisoryfunds.com. Please read the prospectus carefully before you invest.

Mutual fund investing involves risk. Principal loss is possible. Investments in smaller companies generally carry greater risk than is customarily associated with larger companies for various reasons such as narrower markets, limited financial resources and less liquid stock. The value of the Fund's investments in REITs may change in response to changes in the real estate market such as declines in the value of real estate, lack of available capital or financing opportunities, and increases in property taxes or operating costs. The Fund may invest in ETFs, which may trade at a discount to the aggregate value of the underlying securities and although expense ratios for ETFs are generally low, frequent trading of ETFs by the Fund can generate brokerage expenses. Investments in foreign securities entail certain risks not associated with investments in domestic securities, such as volatility of currency exchange rates, and in some cases, political and economic instability and relatively illiquid markets. These risks are greater for investment in emerging markets. Privately Placement issued securities are restricted securities that are not publicly traded. Delay or difficulty in selling such securities may result in a loss to the Fund. The recent growth rate in the stock market has helped to produce short-term returns for some asset classes that are not typical and may not continue in the future. Because of ongoing market volatility, fund performance may be subject to substantial short-term changes

Diversification does not assure a profit, nor does it protect against a loss in a declining market.

The Russell Midcap Growth – Total Return Index measures the performance of the mid-cap growth segment of the U.S. equity universe. It includes those Russell Midcap Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell Midcap Growth – Total Return Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap growth market. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap growth market. The Russell Midcap Growth – Total Return Index and Russell® are trademarks/service marks of the London Stock Exchange Group companies. An investor cannot invest directly into an index.

Terms and Definitions

Market Capitalization is the value of the fund as determined by the market price of its issued and outstanding stock. The **Weighted Average Market Capitalization** of a portfolio equals the average of each holding's market cap, weighted by its relative position size in the portfolio (in such a weighting scheme, larger positions have a greater influence on the calculation). The **Weighted Median Market Capitalization** is the median market capitalization of a fund's equity portfolio gives you a measure of the size of the companies in which an equity fund invests. It is the trimmed mean of the market capitalizations of the stocks in the fund's portfolio. **Earnings growth rate** is the amount of increase that a specific variable has gained within a specific period and context and is based on consensus estimates derived from FactSet as of 12/31/2018 for the 3-5 year period, and is not a measure of the Fund's future performance. **Price-Earnings Ratio (P/E Ratio)** is the ratio of the share of a company's stock compared to its per-share earnings. The Fund's Investor Class is used to calculate **beta**, a measure of the magnitude of a fund's past share price fluctuations in relation to the fluctuations in the stock market (as represented by the fund's benchmark). While not predictive of the future, funds with a beta greater than 1 have in the past been more volatile than the benchmark. The Brown Advisory Funds are distributed by Quasar Distributors, LLC.

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