

Japan Alpha Opportunities Fund

SUBADVISED BY WELLINGTON MANAGEMENT

Investor: **BIAJX** Institutional: **BAFJX** Advisor: **BAJAX**

Third Quarter 2018

JAPAN EQUITY

WHY INVEST IN BROWN ADVISORY - WMC JAPAN ALPHA OPPORTUNITIES FUND?

The Fund seeks to exploit inefficiencies in the Japanese stock market with an actively managed strategy. Japan is the broadest equity market outside of the U.S. and has more publicly traded stocks than all European markets combined. However, sell-side research firms have greatly reduced their coverage of Japanese equities during that market's extended decline, and today cover only 55% of all Japanese stocks vs. over 90% of the Russell 3000® Index. Active managers have an opportunity to exploit these inefficiencies.

The Fund's diversified approach has the potential to generate alpha as well as mitigate risk. Managers Kent Stahl and Gregg Thomas build a portfolio that combines several different Wellington-managed Japanese equity strategies of different investment styles. Each sleeve seeks to generate alpha in a distinct manner, while the managers are also able to seek returns and potentially manage risk through opportunistic allocation among the underlying strategies in response to market volatility.

The Fund is supported by Wellington Management's global research platform. The managers draw on the research and insight of more than 600 investment professionals at Wellington Management, including more than 50 global industry analysts and more than 60 other equity research analysts. Wellington Management's research team actively covers more than 70% of the Japanese equities market, providing ample support to the Fund's aim to achieve its investment objective.

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Portfolio Managers: Kent M. Stahl, CFA, Gregg R. Thomas, CFA and Edward B. Baldini, CFA
Benchmark Index: TOPIX Total Return Index*

POTENTIAL BENEFITS OF APPROACH

Diversification by investment style

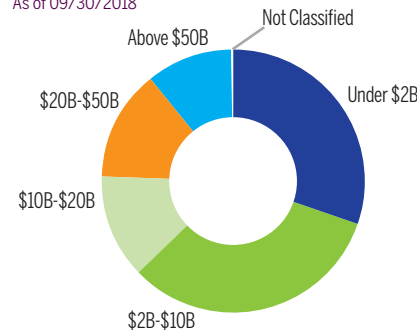
High active share, benchmark-agnostic approach to generating alpha

Investment in Japanese companies unconstrained by market capitalization

The Fund may hedge currency exposure and reduce equity exposure using derivatives

MARKET-CAP PROFILE

Market Capitalization Composition
As of 09/30/2018



	BIAJX	INDEX
Under \$2B	30.5	11.9
\$2B - \$10B	32.6	24.1
\$10B - \$20B	12.6	14.6
\$20B - \$50B	13.8	29.9
Above \$50B	10.4	19.4
Not Classified	0.2	--

Source: Wellington Management. Numbers may not total 100% due to rounding.

CHARACTERISTICS

As of 09/30/2018	BIAJX	INDEX
Morningstar Category	Japan-Stock	--
Fund Assets ¹ (\$MM)	670	--
Number of Holdings	232	2,099
Weighted Avg. Market Capitalization ² (\$B)	15.8	32.0
Forward P/E Ratio ³	12.3	13.1
Price/Book Ratio ⁴	1.2	1.4
Price/Cash Flow Ratio ⁵	8.2	8.3
Active Share (%) ⁶	72.4	--

Source: Fund Net Assets provided by U.S. Bank; portfolio characteristics provided by Wellington Management (WMC). Portfolio statistics were calculated using WMC's internal systems, which use the BARRA factor model for certain data. For projected risk statistics, certain assumptions were made within the BARRA factor model with respect to model type, benchmark, security classification and risk assignment, and timing to calculate results. Differing assumptions can cause projected risk statistics to vary and may cause the figures to deviate significantly from those obtained with another risk model.

FUND OBJECTIVE

The Fund seeks to achieve total return by investing principally in equity securities of companies which are domiciled in or exercise the predominant part of their economic activity in Japan.

AVERAGE ANNUAL TOTAL RETURNS % (As of 09/30/2018)

	3 MOS.	YTD	1 YR.	3 YR.	INCEPTION (03/04/2014)
Brown Advisory - WMC Japan Alpha Opportunities Fund					
Investor Class - BIAJX Inception: 03/04/2014	1.97	-4.74	3.26	5.46	7.09
Advisor Class - BAJAX Inception: 03/04/2014	1.80	-5.04	2.91	5.17	6.81
Institutional Class - BAFJX Inception: 03/04/2014	1.96	-4.63	3.34	5.64	7.25
TOPIX Total Return Index*	2.92	0.77	9.30	12.75	8.92
Excess Return vs. Index (Investor)	-0.95	-5.51	-6.04	-7.29	-1.83

Gross Expense Ratios: 1.15% (Institutional), 1.30% (Investor), 1.55% (Advisor) 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. 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.

PORTFOLIO DIVERSIFICATION

Sector Composition %	BJAJX	INDEX	Weighting Difference
Communicaton Services	2.5	5.3	-2.8
Consumer Discretionary	22.8	19.3	3.5
Consumer Staples	4.8	9.1	-4.3
Energy	1.6	1.3	0.3
Financials	15.1	11.6	3.5
Health Care	5.0	7.7	-2.7
Industrials	19.9	22.5	-2.6
Information Technology	15.9	11.9	4.0
Materials	10.5	6.9	3.6
Pooled Vehicle	0.2	--	0.2
Real Estate	1.9	2.8	-0.9
Utilities	--	1.8	-1.8

TOP 10 PORTFOLIO HOLDINGS

Shown as a % of total net assets

JPY/USD FWD 20181031	4.1
Mitsubishi UFJ Financial Group Inc	3.5
First American Government Obligations Fund	2.4
Toyo Tire & Rubber Co Ltd	2.1
Nippon Telegraph & Telephone Corp	1.6
Honda Motor Co Ltd	1.5
Sumitomo Mitsui Financial Group Inc	1.4
Sumitomo Electric Industries Ltd	1.4
Fujitsu Ltd	1.4
Yahoo Japan Corp	1.3
Total	20.6%

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. Numbers may not total due to rounding.

EXPERIENCED MANAGEMENT



KENT M. STAHL, CFA

Portfolio Manager

Wellington Management

Kent Stahl is a senior managing director and chief investment strategist at Wellington Management.

- Professional experience dating from 1988



EDWARD B. BALDINI, CFA

Portfolio Manager

Wellington Management

Gregg Thomas is a senior managing director and associate director of investment strategy and risk at Wellington Management

- Professional experience dating from 1985



GREGG R. THOMAS, CFA

Portfolio Manager

Wellington Management

Gregg Thomas is a senior managing director and director of investment strategy at Wellington Management.

- Professional experience dating from 1994

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.brownavisoryfunds.com. Please read the prospectus carefully before you invest.

*Prior to July 1, 2016, the fund was benchmarked against a hedged index. The **Tokyo Total Return Index (TOPIX)** is a free-float adjusted market capitalization-weighted index that is calculated based on all the domestic common stocks listed on the First Section of the Tokyo Stock Exchange. The TOPIX Index Value and the TOPIX Trademarks are the intellectual property rights owned by the Tokyo Stock Exchange. All rights relating to the TOPIX, including calculation, publication and use of the TOPIX Index Value as well as those relating to the TOPIX Trademarks belong to the Tokyo Stock Exchange. The **Russell 3000® Index** measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market. The Russell 3000® Index is constructed to provide a comprehensive, unbiased, and stable barometer of the broad market and is completely reconstituted annually to ensure new and growing equities are reflected. The Russell 3000® Index and Russell® are trademarks/service marks of the London Stock Exchange. It is not possible to invest directly in an index.

Diversification does not assure a profit or protect against loss in a declining market.

Mutual fund investing involves risk. Principal loss is possible. Investments focused in a single geographic region may be exposed to greater risk than investments diversified among various geographies.

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 in emerging markets. Investments in smaller and medium capitalization 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 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. The value of 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. Derivatives involve risks different from, and in certain cases, greater than the risks presented by more traditional investments. Investors will indirectly bear the principal risks and its share of the fees and expenses of the Fund's investment in other Investment Companies.

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Terms & Definitions

- Total net assets are as of the last day of the quarter and include all share classes.
- 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).
- Forward P/E ratio is determined by dividing the price of the stock by the company's forecasted earnings per share. Figures are derived from Wellington Management as of 09/30/2018 and reflect the average for the Fund. The forecasted earnings-per-share of a company is based on consensus estimates, not Brown Advisory's own projections, and it may or may not be realized. The EPS growth rate is not a forecast of the Fund's performance.
- Price to Book ratio is determined by dividing the price of the stock by the company's book value. Figures are derived from Wellington Management as of 09/30/2018. Portfolio statistics were calculated using WMC's internal systems, which use the BARRA factor model for certain data.
- Price to Cash Flow ratio is determined by dividing the price of the stock by the per-share operating cash flow. One year period ended last day of previous month. Not valid for accounts open less than one year.
- Active Share is calculated by taking the sum of the absolute value of the differences of the weight of each holding in the manager's portfolio versus the weight of each holding in the benchmark index and dividing by two. Alpha is a measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index. The Brown Advisory Funds are distributed by Quasar Distributors, LLC. Wellington Management Company LLP is the subadvisor of the Fund and is not affiliated with Quasar Distributors, LLC. GICS® is a registered trademark of MSCI and Standard & Poor's Financial Services LLC.