

Macquarie Asia New Stars Small-Cap Fund

SUBADVISED BY MACQUARIE FUNDS MANAGEMENT HONG KONG LIMITED

Investor: **BIANX** Institutional: **BAFNX**



Second Quarter 2017

WHY INVEST IN MACQUARIE ASIA NEW STARS SMALL-CAP?

The Fund aims to capitalize on key inefficiencies found in emerging market economies. Asia is currently experiencing above-average levels of economic growth. Many Asian regions are making a rapid push towards urbanization, made possible through extensive investment in infrastructure spending. Related, a burgeoning middle-class consumer is spurring greater levels of domestic consumption and aggregate demand. Our view is that smaller companies with sound business models are best positioned to potentially benefit from higher demand in these regions.

The managers believe that a bottom-up, fundamental approach is essential to generating attractive performance. The managers seek positions in industry-leading, high quality companies that they believe are undervalued by the market. In order to unearth those opportunities, research teams must have the ability to perform comprehensive analysis of non-standardized financial statements and corporate governance factors in order to potentially mitigate inherent risks in emerging-markets investing.

PACIFIC/ASIA EX-JAPAN STOCK

Brown Advisory seeks to partner with investment managers that hold many of the same beliefs we possess. We seek out managers with sophisticated research teams whose research approach is disciplined, bottom-up, and fundamental. They must generally invest in high-conviction, low turnover portfolios with a long-term orientation and must possess a deep knowledge and understanding of the local emerging markets where we are invested.



Portfolio Manager: John Bugg, CFA and Sam Le Cornu
Benchmark Index: MSCI Asia Ex-Japan SMID Index

OBJECTIVE

The Macquarie Asia New Stars Fund seeks to achieve total return by investing principally in equity securities issued by small and medium capitalization companies which are domiciled in or exercise the predominant part of their economic activity in Asia excluding Japan.

FUND PROFILE

Inception Date	11/21/2014
# of Holdings	57
Expense Ratio	
Investor Class (BIANX)	1.69%
Institutional Class (BAFNX)	1.54%
Minimum Investment	
Investor Class (BIANX)	\$100
Institutional Class (BAFNX)	\$1,000,000

POTENTIAL BENEFITS OF APPROACH

Diversification by investment manager, investment style, country and sector

Access to institutionally-oriented investment managers that we believe are capable of generating alpha¹.

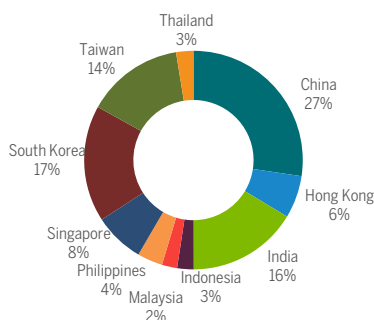
Constant scrutiny of the underlying managers' adherence to philosophy, investment style and process.

SUITABILITY

This Fund may be appropriate for investors seeking high-growth investments and enhanced diversification, and investors who are comfortable with higher risks and volatility associated with emerging-markets exposure.

GEOGRAPHIC DIVERSIFICATION

Country Composition
As of 06/30/2017



As of 06/30/2017	BIANX	INDEX
China	27.4	24.2
South Korea	17.2	17.8
India	16.3	12.2
Taiwan	14.4	16.3
Singapore	7.4	6.9
Hong Kong	6.3	10.8
Philippines	3.7	1.4
Thailand	2.6	3.4
Indonesia	2.4	2.7
Malaysia	2.3	3.4
Pakistan	--	0.9

Source: Macquarie Funds Management Hong Kong Limited. Numbers may not total due to rounding. Geographic diversification excludes cash and equivalents.

SECTOR DIVERSIFICATION

As of 06/30/2017	BIANX	INDEX
Consumer Discretionary	16.6	18.2
Consumer Staples	2.5	5.0
Energy	--	2.1
Financials	20.8	10.8
Health Care	15.0	7.1
Industrials	13.7	15.8
Info. Technology	17.8	16.5
Materials	8.6	7.5
Real Estate	2.3	12.0
Telecomm Services	--	1.7
Utilities	2.6	3.3

Source: Macquarie Funds Management Hong Kong Limited. Sectors are based on the Global Industry Classification Standard (GICS®) classification system. Sector diversification excludes cash and equivalents. Numbers may not total due to rounding.

CHARACTERISTICS

As of 06/30/2017	BIANX
Weighted Avg. Market Capitalization (\$M) ²	5,007.2
Earnings Growth (2 Yr. Fwd. Est.) ³	9.6
P/E Ratio (FY Est.) ⁴	12.9
Price/Book Ratio (TTM) ⁵	1.7
Price/ Cash Flow Ratio (TTM) ⁶	8.6

Source: Macquarie Funds Management Hong Kong Limited. Price to Book Ratio figures derived from FactSet®. Earnings growth 2 year forward estimate is not a measure of the Fund's future performance. Characteristics exclude cash and equivalents.

AVERAGE ANNUAL TOTAL RETURNS % (As of 06/30/2017)

	3 MOS	YTD	1 YR	INCEPTION
Macquarie Asia New Stars Small-Cap Fund				
Investor Class- BIANX Inception: 11/21/2014	4.91	20.32	7.43	0.97
Institutional Class- BFANX Inception: 11/21/2014	5.00	20.37	7.52	1.12
MSCI AC Asia ex-Japn SMID Cap Index	4.57	19.27	18.05	3.66
Excess Return vs. Index (Investor Class, 11/21/2014)	0.34	1.05	-10.62	-2.70

Gross Expense Ratios: 1.69% (Investor), 1.54% (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. 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.

TOP 10 PORTFOLIO HOLDINGS

Shown as a % of total net assets

Cash and Equivalents	5.7
China Biologic Products Inc.	3.2
China State Construction International Holdings Ltd	3.2
Shriram Transport Finance Co Ltd	3.0
Yes Bank Ltd	3.0
Metropolitan Bank & Trust Co	2.9
Singapore Exchange Ltd	2.9
KB Financial Group Inc.	2.5
Zhejiang Expressway Co Ltd	2.5
Power Grid Corp of India Ltd	2.5
Total	31.4

Source: U.S. Bank. Top 10 portfolio holdings include cash and equivalents. Numbers may not total due to rounding.

EXPERIENCED MANAGEMENT



JOHN BUGG, CFA

Portfolio Manager, Co-Head of Asian Listed Equities, Macquarie Asset Management

20 years industry experience; manager since fund inception



SAM LE CORNU

Portfolio Manager, Co-Head of Asian Listed Equities, Macquarie Asset Management

15 years industry experience; manager since fund inception

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 the colleagues collectively own approximately 70% of the firm

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 can be obtained by calling 1-800-540-6807 or visiting the Fund's website, www.brownadvisoryfunds.com. Please read the prospectus carefully before investing.

The Fund may invest in foreign securities which involve political, economic and currency risks, greater volatility and differences in accounting methods. These risks are greater for investments in emerging markets. Investments in small 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. In addition, the fund is susceptible to risks from investments in derivatives, private placements, REITs, and its investments in other investment companies.

Fund holdings and/or sector allocations 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.

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

The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor's. "Global Industry Classification Standard (GICS), "GICS" and "GICS Direct" are service marks of Standard & Poor's and MSCI. "GICS" is a

trademark of MSCI and Standard & Poor's.

The **MSCI AC Asia ex Japan SMID Cap Index** captures mid and small-cap representation across 2 of 3 Developed Markets (DM) countries (excluding Japan) and 8 Emerging Markets (EM) countries in Asia. With 2,001 constituents, the index covers approximately 28% of the free float-adjusted market capitalization in each country. All MSCI indexes and products are trademarks and service marks of MSCI or its subsidiaries.

Terms and Definitions for Fund Characteristics

1. 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.
2. 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).
3. Earnings Growth 2-year Forward Est. is the forecasted growth rate of a company's earnings per share. Estimated EPS Growth Rate is not a measure of the Fund's future performance. Characteristic excludes cash.
4. Price-Earnings Ratio (P/E Ratio) is determined by dividing the price of the stock by the company's forecasted earnings per share. P/E calculations presented with FY1 earnings estimates refer to the next unreported fiscal year. Characteristic excludes cash.
5. Price to Book ratio is determined by dividing the price of the stock by the company's book value. Figures are derived from FactSet as of 06/30/2017, and excludes financials for the segment and excludes cash.
6. Price to Cash Flow ratio is determined by dividing the price of the stock by the per-share operating cash

Macquarie Funds Management is the subadvisor of the Fund and is not affiliated with Quasar Distributors, LLC. The Brown Advisory Funds are distributed by Quasar Distributors, LLC.