

Driehaus Micro Cap Growth Fund

KEY FEATURES

- Benchmark aware, not benchmark constrained
- Opportunistic investment approach
- High active share

INCEPTION DATE

November 18, 2013

The Fund's predecessor limited partnership has a performance inception date of 1/1/2003.

FUND ASSETS UNDER MANAGEMENT

\$244.0 million

FIRM ASSETS UNDER MANAGEMENT

\$8.4 billion

INVESTMENT STYLE

Growth equity

PORTFOLIO MANAGERS



Jeff James

Portfolio Manager

24 years of investment experience



Michael Buck

Assistant Portfolio Manager

14 years of investment experience

MARKET OVERVIEW

The first quarter of 2016 kicked off with a swift and steady decline for all of the major US indices. Stocks dropped through January and into February reaching a bottom on February 11. At that low point, the S&P 500 Index had experienced a true correction, declining over 13% from its May 2015 highs. Micro caps and small caps breached bear market territory as the Russell Microcap Growth Index declined over 35%, the Russell 2000 Index declined over 25%, and the Russell 2000 Growth Index declined over 30% from their respective market highs in June 2015. Off the February nadir, stocks turned course and rallied straight through quarter-end.

The market decline was driven by multiple concerns, including the slowing US and global economy, the “industrial recession,” falling crude oil prices, weakness in the high yield credit market, and the potential for the Federal Reserve to commit a policy mistake by aggressively hiking interest rates. The key overriding issue was whether the global macro slowdown ultimately would trigger a US recession. While we believed the US economy would remain resilient and avoid a recession, the market’s sellers overwhelmed stocks and sent prices sharply lower.

Another key factor in the first quarter was the extremely high correlation between equities and the price of oil. The equity

market tends to view the direction of oil prices as a barometer for demand, economic activity and risk despite most of the oil price decline being driven by higher supply. Nonetheless, the correlation remains and it is no coincident that equities and crude oil bottomed together on February 11.

The market bottomed for several reasons in addition to oil stabilizing. The market was deeply oversold, investor sentiment had become quite bearish and sellers likely exhausted themselves as US economic data began to improve mid-quarter and industrial activity stabilized. It soon became clear that the risk of a recession was receding. As the oil price rose, pressure abated for some key bank stocks and high yield spreads tightened. Importantly, the Fed’s rhetoric also became more dovish.

Overall for the quarter, micro caps underperformed large caps and growth underperformed value. Yet mayhem often creates opportunity and this sharp selloff created opportunity in the form of reduced valuations as many attractive growth companies were selling at multiples not seen in several years. Off the February low and into the quarter’s end, micro caps (Russell Microcap) and small caps (Russell 2000) beat large caps (S&P 500) and growth (Russell Microcap Growth) outperformed value (Russell Microcap 2000 Value).



The US economy remains positive but slow growing, much as it has since the 2008 financial crisis. The overall health of the US consumer remains benign despite tepid consumer spending. The labor markets remain strong, the savings rate continues to rise and household balance sheets are getting stronger. While there is stress in some consumer areas such as subprime auto lending, most indicators point to a relatively healthy consumer. Since the consumer and services sectors are both positive and constitute the vast majority of the US economy, and the industrial sector is showing signs of stabilizing, the outlook for sustained positive economic growth in the US continues.

We believe there are a number of additional reasons to be positive and constructive on the outlook for the economy and equities. The strong dollar had been a headwind but has weakened from its level a year ago and should be a tailwind for the industrial sector, cyclicals, exporters and the overall level of corporate earnings. Despite the economy being near full employment, inflation pressures remain very tame and Fed Chair Janet Yellen indicated that the

Federal Reserve is likely to be on hold regarding future interest rate hikes. As crude oil has likely bottomed, the outlook for many cyclicals is brighter. These are all improving signals for equities.

PERFORMANCE REVIEW

For the first quarter, the Driehaus Micro Cap Growth Fund underperformed its benchmark. The fund returned -9.31% while the Russell Micro Cap Growth Index returned -8.79%.¹ All of the underperformance occurred during the last

week of the market's decline in February as many higher growth stocks and the risk factor medium-term momentum briefly but significantly underperformed. From the market low to the end of the quarter, the fund outperformed on a relative basis despite the most oversold laggards bouncing sharply amid the volatility of the bottoming process.

By sector, the relative underperformance and most of the negative absolute performance occurred in health care. Biotech, pharma and medical devices

underperformed as stock multiples compressed in sub-sectors with high growth characteristics. Overall, companies with lower growth characteristics outperformed as defensive leadership was evident. The sectors that outperformed on a relative basis were consumer discretionary and industrials, while technology and financials performed in-line for the fund.

OUTLOOK & POSITIONING

We are closely monitoring various factors that will likely drive the market in the near term, such as the upcoming earnings season, the pace of economic growth, the dovishness of the Fed, the dollar and crude oil. After the double-digit

percentage surge off its February lows, the market could pause in the near term. If some of the macro concerns reappear, equities could experience a pullback and increased volatility.

While the macro environment is mixed, we believe the economy will remain positive, as measured by GDP, and the Fed will remain dovish. We have strong conviction in the current fundamentals and the outlook for the holdings in the fund. We continue to focus on companies with high revenue and earnings visibility, strong end markets

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¹Performance Disclosure

The performance data shown represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. Principal value and investment returns will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. The Fund will charge a redemption fee of 2.00% on shares held less than 60 days. Performance data represents the rate that an investor would have earned (or lost) on an investment in the Fund (assuming reinvestment of all dividends and distributions). Average annual total return reflects annualized change, while cumulative total return reflects aggregate change. Since Fund performance is subject to change after the month-end, please call (800) 560-6111 or visit www.driehaus.com for more current performance information. Sources: Driehaus Capital Management LLC, Factset, Reuters and MSCI Indices

and healthy balance sheets. There are an abundant number of well positioned growth companies that are differentiated, innovative and are market leaders that we believe will continue to exceed forward expectations.

In terms of valuation and risk factors, the dislocation caused by the sharp decline over the past three quarters has created some attractive conditions. The relative valuation between small caps and large caps declined to one of the lowest levels (in favor of smaller caps) going back to the 1980s. Also, by style, value outperformed growth from last summer through February and the relative premium of growth-to-value reached one of its lowest levels in years (in favor of growth). Finally, since mid-2015, the risk factor medium-term momentum has experienced an uncharacteristically long period of underperformance and has also had one of its sharpest declines in February and March. Historically, when each of these aforementioned events has occurred, forward returns for micro/small versus large

caps, for growth versus value style, and for medium-term momentum, have been favorable on an intermediate-term basis.

The fund is currently overweight consumer discretionary, technology and industrials while underweight health care, financials and materials. Overall, we continue to discover many exciting businesses that have strong, sustainable earnings growth and we have high conviction in the dynamic and innovative companies we hold.

This update is not intended to provide investment advice. Nothing herein should be construed as a solicitation, recommendation or an offer to buy, sell or hold any securities, other investments or to adopt any investment strategy or strategies. You should assess your own investment needs based on your individual financial circumstances and investment objectives.

This material is not intended to be relied upon as a forecast or research. The opinions expressed are those of Driehaus Capital Management LLC ("Driehaus") as of April 13, 2016 and are subject to change at any time due to changes in market or economic conditions. The material has not been updated since April 13, 2016 and may not reflect recent market activity.

The information and opinions contained in this material are derived from proprietary and non-proprietary sources deemed by Driehaus to be reliable and are not necessarily all inclusive. Driehaus does not guarantee the accuracy or completeness of this information. There is no guarantee that any forecasts made will come to pass. Reliance upon information in this material is at the sole discretion of the reader.

PERFORMANCE as of 3/31/16

	Annualized Total Return						
	QTR	YTD	1 Year	3 Year	5 Year	10 Year	Inception 1/1/03
Driehaus Micro Cap Growth Fund ¹	-9.31%	-9.31%	-15.51%	9.68%	7.71%	7.46%	15.68%
Russell Microcap [®] Growth Index ²	-8.79%	-8.79%	-16.95%	6.74%	6.43%	3.38%	8.59%

ANNUAL FUND OPERATING EXPENSES³

Management fee:	1.25%	Other expenses:	0.34%	Total annual fund operating expenses:	1.59%
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SECTOR PERFORMANCE ATTRIBUTION 1st Quarter — 12/31/15 to 3/31/16

	Driehaus Micro Cap Growth Fund (Port) (%)			Russell 2000 Microcap Index ² (Bench) (%)			Attribution Analysis (%)		
	Port Avg. Weight	Port Total Return	Port Contrib To Return	Bench Avg. Weight	Bench Total Return	Bench Contrib To Return	Allocation Effect	Selection + Interaction	Total Effect
GICS Sector									
Consumer Discretionary	20.60	4.16	1.55	14.28	2.40	0.61	0.53	0.14	0.67
Consumer Staples	2.33	20.43	0.49	3.10	3.78	0.14	-0.15	0.29	0.14
Energy	1.19	-19.26	-0.28	1.53	-6.35	-0.07	0.05	-0.24	-0.19
Financials	5.28	-2.13	-0.13	6.32	-1.70	-0.03	-0.03	-0.03	-0.06
Health Care	24.72	-28.83	-10.02	36.80	-21.23	-9.67	1.66	-2.62	-0.96
Industrials	12.51	2.81	1.28	11.08	1.83	0.45	0.13	0.25	0.37
Information Technology	24.97	-5.75	-1.98	20.18	-4.54	-0.75	0.36	-0.47	-0.11
Materials	1.46	10.78	0.39	3.50	3.33	0.17	-0.35	0.18	-0.17
Telecomm. Services	2.91	-7.34	-0.24	2.81	8.40	0.31	0.06	-0.50	-0.44
Utilities	--	--	--	0.39	0.91	0.01	-0.02	--	-0.02
Cash	4.02	-16.19	-0.39	--	--	--	0.26	--	0.26
Unassigned	0.02	1.40	0.01	--	--	--	-0.00	--	-0.00
Total	100.00	-9.33	-9.33	100.00	-8.82	-8.82	2.49	-3.00	-0.51

Data as of 3/31/16 Sources: Russell Investments, eVestment Alliance, LLC, SS&C Inc., Russell Investments and Standard & Poor's Global Industry Classification Standard and Driehaus Capital Management LLC. The performance data shown represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. Principal value and investment returns will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. The Fund will charge a redemption fee of 2.00% on shares held less than 60 days. Performance data represents the rate that an investor would have earned (or lost), during the given month, on an investment in the Fund (assuming reinvestment of all dividends and distributions). Average annual total return reflects annualized change. Since Fund performance is subject to change after the month-end, please call (800) 560-6111 or visit www.driehaus.com for more current performance information. **Please consider the investment objectives, risks, fees and expenses of the Fund carefully prior to investing. The prospectus and summary prospectus contain this and other important information about the Fund. To obtain a copy of the prospectus and/or summary prospectus, please call us at (800) 560-6111 or visit www.driehaus.com. Please read the prospectus carefully before investing.** ¹The average annual total returns of the Driehaus Micro Cap Growth Fund include the performance of one of the Fund's predecessor limited partnerships, which is calculated from January 1, 2003, before the Fund commenced operations and succeeded to the assets of its predecessors on November 18, 2013. The Fund's predecessors are the Driehaus Micro Cap Fund, L.P. (1996 inception) and the Driehaus Institutional Micro Cap Fund, L.P. (2011 inception). The performance of the Driehaus Micro Cap Fund, L.P., which was selected because it has the longer track record of the two predecessor partnerships, has been restated to reflect estimated expenses of the Fund. The predecessor limited partnerships were not registered under the Investment Company Act of 1940, as amended ("1940 Act") and thus were not subject to certain investment and operational restrictions that are imposed by the 1940 Act. If the predecessors had been registered under the 1940 Act, their performance may have been adversely affected. After-tax performance returns are not included for the Driehaus Micro Cap Fund, L.P. The predecessors were not regulated investment companies and therefore did not distribute current or accumulated earnings. ²The Russell Microcap[®] Growth Index is constructed to provide a comprehensive and unbiased barometer of the microcap growth market. Based on ongoing empirical research of investment manager behavior, the methodology used to determine growth probability approximates the aggregate microcap growth manager's opportunity set. The index has an inception date of July 2000. ³Represents the estimated Annual Fund Operating Expenses as disclosed in the current prospectus dated April 30, 2014. It is important to understand that a decline in the Fund's average net assets due to unprecedented market volatility or other factors could cause the Fund's expense ratio for the current fiscal year to be higher than the expense information presented. "Other Expenses" are estimated for the current fiscal year. The Russell Indices are a trademark/service mark of the Frank Russell Company. Russell is a trademark of the Frank Russell[®] Company. Per FactSet Research Systems Inc., the Attribution Report provides an in-depth analysis of relative performance. With this report one can research whether or not a portfolio outperformed a benchmark, and how each group contributed to performance. The performance data shown above is estimated and represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. The information presented is intended for informational purposes only. Driehaus Securities LLC, Distributor

ATTRIBUTION ANALYSIS CATEGORIES ARE DEFINED AS: **Allocation Effect** - Measures the impact of the decision to allocate assets differently than those in the benchmark. **Security Selection Effect** - Measures the effect of choosing securities, which may or may not outperform those of the benchmark. **Interaction Effect** - Jointly measures the effect of allocation and selection decisions. **Currency Effect** - The currency effect is the portion of the total effect the portfolio manager can potentially influence by using currency hedging. **Total Effect** - The Total Effect for each MSCI/GICS Sector is equal to the sum of the individual Attribution Effects for that MSCI/GICS Sector.

TOP 5 HOLDINGS¹ (as of 2/29/16)

Company	Sector	Description	% of Fund
NeoGenomics, Inc.	Health Care	An operator of a network of cancer-focused genetic testing laboratories	2.1%
LeMaitre Vascular, Inc.	Health Care	A provider of medical devices for the treatment of peripheral vascular disease	1.9%
Smith & Wesson Holding Corp.	Consumer Discretionary	A manufacturer of firearms	1.9%
RingCentral, Inc. Class A	Information Technology	Provider of software-as-a-service (SaaS) solutions for business communications	1.9%
Stamps.com Inc.	Information Technology	A provider of Internet-based mailing and shipping solutions	1.8%

SECTOR WEIGHTS

Month-End Absolute Weights

	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecomm. Services	Utilities	Cash
Fund	22.2%	3.2%	1.4%	5.2%	23.8%	15.0%	22.4%	2.2%	2.5%	0.0%	1.2%
Benchmark	14.7%	3.1%	1.6%	6.4%	35.5%	11.6%	20.2%	3.7%	2.9%	0.4%	0.0%
Active Weights	7.5%	0.1%	-0.2%	-1.2%	-11.6%	3.5%	2.2%	-1.5%	-0.5%	-0.4%	1.2%

PORTFOLIO CHARACTERISTICS

	Fund	Benchmark	5-year period	Fund	Benchmark
Number of Holdings	127	988	Annualized Alpha	1.14	n/a
Weighted Avg. Market Cap (M)	\$736	\$492	Sharpe Ratio	0.34	0.32
Median Market Cap (M)	\$595	\$152	Information Ratio	0.18	n/a
Active Share (3-year avg.) ²	79.54	n/a	Beta	1.08	1.00
Market Cap Breakout			Standard Deviation	22.58	19.96
< \$1 billion	77.4%	90.1%	Tracking Error	7.15	0.00
> \$1 billion	22.6%	9.9%	R-squared	0.90	1.00

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance

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Data as of 3/31/16. Benchmark: Russell Microcap® Growth Index

¹Holdings subject to change. ²Data is calculated monthly.

At times, a significant portion of a Fund's return may be attributable to investments in initial public offerings (IPOs) or concentrations in certain strong performing sectors, such as technology. Returns from IPOs or sector concentrations may not be repeated or consistently achieved in the future. In addition, participating in IPOs and other investments during favorable market conditions may enhance the performance of a Fund with a smaller asset base, and this Fund may not experience similar performance results as its assets grow. The securities of micro-cap companies may be more volatile in price, have wider spreads between their bid and ask prices, and have significantly lower trading volumes than the securities of larger capitalization companies. As a result, the purchase and sale of more than a limited number of shares of the securities of a smaller company may affect its market price. Growth stocks may involve special risks and their prices may be more volatile than the overall market. It is anticipated that the Fund will experience high rates of portfolio turnover, which may result in payment by the Fund of above-average transaction costs. This is a nondiversified fund compared to other funds, the Fund may invest a greater percentage of assets in a particular issuer or a small number of issuers. As a consequence, the Fund may be subject to greater risks and larger losses than diversified funds. These and other risk considerations are discussed in the Fund's prospectus. **Please consider the investment objectives, risks, fees and expenses of the Fund carefully prior to investing. The prospectus and summary prospectus contain this and other important information about the Fund. To obtain a copy of the prospectus and/or summary prospectus, please call us at (800) 560-6111 or visit www.driehaus.com. Please read the prospectus carefully before investing.**

TERMS: **Active share** represents the share of portfolio holdings that differ from the benchmark index holdings. **Average drawdown** is the arithmetic average of declines in value during a given period of time. **Downside risk** is a measure of the average deviations of a negative return series. A large downside risk implies that there have been large swings or volatility in the manager's return series. **Beta** is a measure of a portfolio's volatility. A beta of 1.00 implies perfect historical correlation of movement with the market. A higher beta manager will rise and fall more rapidly than the market, whereas a lower beta manager will rise and fall slower. **Standard deviation** is a measure of the average deviations of a return series from its mean; often used as a measure of portfolio volatility. A large standard deviation implies that there have been large swings or volatility in the manager's return series. **Tracking error** measures the amount of active risk that is being taken by a manager. Tracking error accounts for the deviation away from the benchmark and does not indicate in which direction it occurred, either positive or negative. Source: eVestment Alliance. **Alpha** is the 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 excess return of the fund relative to the return of the benchmark index is a fund's alpha. **Sharpe ratio** is calculated by finding the portfolio's excess return and then dividing by the portfolio's standard deviation. **Information Ratio (IR)** measures a portfolio manager's ability to generate excess returns relative to a benchmark, but also attempts to identify the consistency of the investor. This ratio will identify if a manager has beaten the benchmark by a lot in a few months or a little every month. The higher the IR the more consistent a manager is and consistency is an ideal trait. **R-Squared** is a statistical measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index. For fixed-income securities, the benchmark is the T-bill. For equities, the benchmark is the S&P 500.