



# DRIEHAUS EMERGING MARKETS SMALL CAP GROWTH FUND

Fourth Quarter 2013 Summary

## Key Features

The fund seeks:

- Superior risk-adjusted returns
- Lower down-market capture ratios
- Lower volatility (relative to indices) objective

## Inception Date

December 1, 2008\*

## Fund Assets Under Management

\$191 million

## Firm Assets Under Management

\$12.2 billion

## Investment Universe

Emerging markets small cap equity and hedging strategies

## Investment Style

Lower-volatility, growth

## Portfolio Managers

Chad Cleaver, CFA  
Lead Portfolio Manager  
11 years experience

Howard Schwab  
Co-Portfolio Manager  
13 years experience

*\*The Fund's predecessor limited partnership has an inception date of 12/1/2008.*



## Market Overview

A deteriorating growth outlook throughout most of the year combined with a normalizing Federal Reserve interest rate policy made 2013 a difficult year for the emerging markets. The final quarter brought only a slight reprieve as Chinese stocks managed to edge out a small return on a flash of better growth and a market-friendly reform agenda. The strongest performer in the group was India, thanks to a reversal in the currency and more optimism about the political outlook. The Mexican market advanced, benefiting from its own reform agenda and exposure to the improving U.S. economy. The three countries with the worst performances for the year—Indonesia, Brazil and Thailand—also turned in the weakest fourth quarter returns. Thailand had the worst returns for the quarter within the emerging and developed markets due to heightened political, macro and currency risks.

China, the world's greatest growth engine for the past decade, has entered a new phase according to the People's Bank of China (PBOC). In November, the monetary authority stated that "the economy may face a prolonged period of deleveraging and dealing with overcapacity." While external

observers have known this would eventually occur, it was a new admission from the PBOC. We do not view the implications of this admission as fully discounted by investors.

While developed markets attract seemingly universal optimism, the opposite has been true for the emerging world. The negativity is in many cases well founded: a slowing China hurts EM disproportionately through the commodities channel, many banking sectors used the low global rate environment to build up excess leverage, and the political cycle is also unfavorable. However, these headwinds already have resulted in extreme performance discrepancies that are unlikely to be repeated, with underperformance relative to developed markets almost at levels seen at the depths of the credit crisis. We expect inflation to decline more than anticipated in EM, which will be an unexpected positive in many markets. We also think emerging markets correlation to an improving external environment, while less than in the 2000s, is likely not powerful enough to drive entire economies forward but will continue to provide numerous opportunities for active stock picking.

Please consider the investment objectives, risks, fees and expenses of the Fund carefully prior to investing. The prospectus and summary prospectus contains 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](http://www.driehaus.com). Please read the prospectus carefully before investing.

Sources: Driehaus Capital Management LLC, Factset, Reuters and MSCI Indices

## Performance and Positioning

The Driehaus Emerging Markets Small Cap Growth Fund returned 6.39% for the fourth quarter, outperforming the benchmark MSCI Emerging Markets Small Cap Index, which returned 1.28%. The MSCI Emerging Markets Index returned 1.86%.<sup>1</sup>

Security selection with the energy, health care, industrials and financials sectors made notable contributions to performance for the quarter. Consumer staples was the only detractor at the sector level for the period. At the country level, security selection within India and an underweight to and security selection within Brazil made notable contributions to performance. Security selection within Thailand and Poland detracted from performance.

The fund's largest sector overweights are to energy, health care and consumer discretionary. Information technology, materials and consumer staples are the most signifi-

cant underweights. From a country perspective, the fund is overweight Saudi Arabia and China. The fund maintains significant underweights to South Korea, South Africa and Taiwan.

## Portfolio Hedging

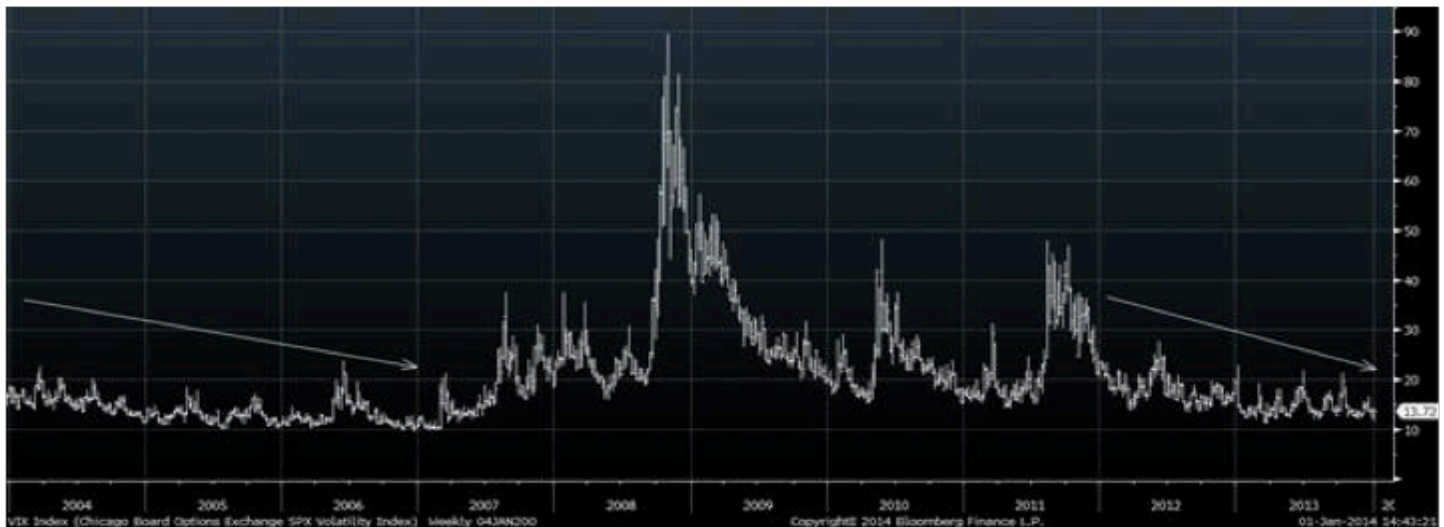
The Fund exited 2013 with a 7.8% hedge position. During December, the fund maintained a low level of hedging, primarily on seasonal considerations, in light of a fairly subdued macro backdrop and an environment in which many investors appeared to chase performance into the year end. More broadly, the volatility landscape remains in a low volatility regime. A similar such regime unfolded between 2004 and 2007, as implied volatility levels maintained a tight range, accompanied by short spikes higher (Exhibit 1). Going forward, we will watch for a return to a high volatility regime, which would lead us to more aggressively hedge the portfolio. The most obvious potential driver for such a turning point is a reversal

of the easy liquidity environment, which has been the primary driver of the low volatility regime.

The volatility landscape is one of three considerations in our hedging process, along with the macro environment and our risk assessment. In short, we seek the combination of stocks and options strategies that best expresses our fundamental views, within the context of a well-informed risk management process.

When constructing our hedging strategy, we are mindful of the type of volatility regime we are in. During 2013, the Federal Reserve tapering sparked a balance of payments episode. The Indonesian rupiah tested levels last seen in the global financial crisis and numerous equity markets saw 30% peak-to-trough declines in U.S. dollar terms. Despite these significant disruptions, the EM Volatility Index never breached 40. For comparison purposes, 2011 saw a full three months in

Exhibit 1: VIX Index



Source: Bloomberg

### <sup>1</sup>Performance 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.

<sup>2</sup>Delta-adjusted value of options divided by the Fund's market value

Since Fund performance is subject to change after the month-end, please call (800) 560-6111 or visit [www.driehaus.com](http://www.driehaus.com) for more current performance information.

Sources: Driehaus Capital Management LLC, Factset, Reuters and MSCI Indices

which the same index remained above 40, including two days in which it rose above 80 on an intraday basis (Exhibit 2).

A natural question is if the EM macro environment deteriorated over 2013, why did volatility levels remain muted? In our view, this is the result of the broader liquidity backdrop that has been in place since 2012. When the ECB's Long-Term Refinancing Operations (LTROs) were put into place in January 2012, a turning point was reached whereby central bank policy counteracted the fears that the European sovereign debt situation would further spiral out of control. This was followed by the Federal Reserve and the Bank of Japan embarking on further quantitative easing. The notion that these three major central banks will do whatever it takes to fight a deflationary deleveraging scenario has ushered in a low-volatility regime for the past two years.

Turning back to our overall strategy, it is again important to stress that we undertake a mix of stock and options strategies that best expresses our fundamental views. So while 2012-2013 has been a challenging environment for options strategies amid a low-volatility regime, that same backdrop has generally been strong for small cap growth stocks within EM. As such, we view our strategy as having a greater number of tools available than a long-only strategy or the passive alternative to exploit the upside in the equity markets while managing downside risk, thereby creating a better risk-adjusted outcome.

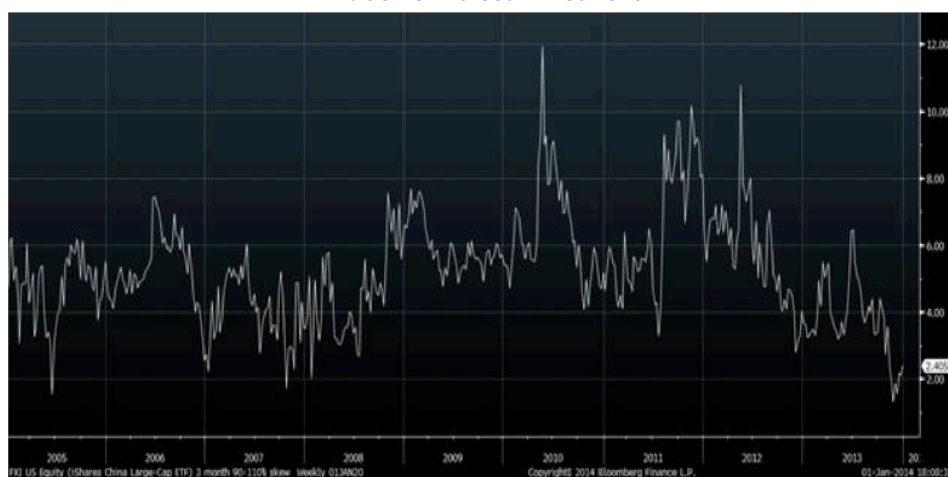
Looking at the current options strategies in the portfolio, we have added long exposure in Taiwan and Russia, while hedging our exposure in China. In addition, we have a broad EM hedge in place. On a net basis, at the country level, our call options on Taiwan and Russia counterbalance our put options in China, so all of the net hedge exposure comes from our broader EM hedge. The

**Exhibit 2: VXEM Index (EM Volatility Index)**



Source: Bloomberg

**Exhibit 3: China 90%-110% Skew**



Source: Bloomberg

basic strategy is to continue to utilize put spreads that are close to the money, often in combination with a smaller, out of the money, tail risk hedge.

Following the Chinese Plenum in November, investors and sell side analysts became euphoric about the prospects for major reforms to be ushered in by Xi Jinping. This created a situation in late November where the options skew for the China ETF (ticker: FXI), defined as the difference in volatility levels between a 10% out of the money put and a 10% out of the money call, reached its lowest level on record (Exhibit

3). This reflected a high degree of investor complacency toward hedging, as well as investors scrambling to add exposure to China through call options. This provided a good entry point for us to buy a put spread, as volatility levels for put options became extremely depressed. While we maintain a bullish view on certain sectors in China (energy, e-commerce, health care), we acknowledge that the reform process will not be linear in nature, and may also be accompanied by a slower growth rate. Accordingly, we will continue to opportunistically hedge our exposure to China.

In an environment of gradually rising interest rates, we expect that markets such as Taiwan and Russia, which have a greater degree of sensitivity to cyclical growth through trade, and in Russia's case commodities, will be potential outperformers. During the past few months, we have tactically increased exposure to these markets through call options.

The hedge on the broad emerging markets is a function of growth remaining choppy, geopolitical risks remaining in markets such as Turkey and Thailand, and that a rapid rise in interest rates may further hurt countries with balance of payments deficits and high external funding requirements.

Going forward, we will watch for a return to a high volatility regime, which would lead us to more aggressively hedging the portfolio. The most obvious potential driver for such a turning point is a reversal of the easy liquidity environment that itself has been the primary driver of the low volatility regime, particularly if macro data do not meaningfully accelerate.

### **Portfolio Review and Outlook**

As emerging market investors contend with the effects of current account adjustments, slowing growth, and weaker currencies in a number of countries, China continues to deliver select outperformance in areas such as e-commerce and clean energy. Cyclical indicators in developed economies have shown improvements. This has benefited North Asia and improved the prospects for export growth somewhat, with commodities being the main exception, as demand remains muted, particularly from China. Investors largely continue to reward companies with visible growth prospects, while shunning areas that have been weighed down by a less certain macro environment, excessive government influence, or geopolitical issues.

The current backdrop features a wide dispersion in the macro and geopolitical outlook across emerging economies. Countries such as Indonesia and Turkey are undergoing an adjustment as a result of high fiscal and/or current account deficits. This has been accompanied by higher interest rates and currency depreciation. It is unlikely that these countries will be able to export their way out of economic worries amid a still fragile external recovery, while Indonesia specifically faces a weak terms of trade with its commodity-heavy export basket.

Investors are hopeful for reform agendas to bring about better macroeconomic clarity in China and India. China's equity market initially surged following the optimism surrounding the Third Plenum in November, only to give back gains as investors still struggle with the prospects that reforms and economic rebalancing would be accompanied by slower growth. India holds a pivotal election in 2014, with investors seeking political clarity that has been sorely lacking in recent years.

Geopolitical tensions have begun to heat up in both Turkey and Thailand. Turkey is mired in a political power struggle and a corruption probe into several government officials and businessmen. Meanwhile, Thailand has seen ongoing protests against the ruling party, with increasing speculation of a military coup.

The Fund maintains an overweight to Saudi Arabia. While consumer consumption as a percent of GDP is low in Saudi relative to most emerging markets, it is growing rapidly as a result of strong wage growth and policies to increase employment. The Fund's exposure in Saudi is concentrated in consumer companies benefiting from this dynamic.

We continue to hold an underweight to Taiwan. While Taiwan is a large weighting in the benchmark, the Fund's exposure remains concentrated in higher growth areas such as industrial automation, alternative energy, and tech companies that have a specific niche. We continue to avoid low margin technology component suppliers that lack bargaining power or a competitive advantage.

Energy remains an overweight, driven by exposures to oilfield service providers in China, as well as frontier-based exploration and production companies concentrated in high growth regions such as Kurdistan and Africa.

The Fund maintains an underweight to information technology. While we added exposure to Internet companies during the fourth quarter, we continue to avoid more commoditized areas of tech where we see less favorable growth prospects.

While several emerging market economies face a challenging growth environment amid fiscal and current account adjustments, this clouded macro picture has given way to a better environment for individual stock selection.



## Performance Disclosure

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### CALENDAR QUARTER-END PERFORMANCE AS OF 12/31/13

Fund/Index	QTR	YTD	1 Year	Average Annual Total Return			
				3 Year	5 Year	10 Year	Since Inception (12/1/08)*
<b>Driehaus Emerging Markets Small Cap Growth Fund<sup>1</sup></b>	<b>6.39%</b>	<b>12.11%</b>	<b>12.11%</b>	<b>7.37%</b>	<b>20.23%</b>	<b>n/a</b>	<b>20.86%</b>
MSCI Emerging Markets Small Cap Index <sup>2</sup>	1.28%	1.35%	1.35%	-3.18%	19.91%	n/a	22.41%
MSCI Emerging Markets Index <sup>3</sup>	1.86%	-2.27%	-2.27%	-1.74%	15.15%	n/a	16.58%

\*"Since Inception" is calculated to include performance from the Fund's predecessor limited partnership. (Inception Date: 12/1/2008)

### ANNUAL FUND OPERATING EXPENSES AS OF 12/31/12

Driehaus Emerging Markets Small Cap Growth Fund**	
Management Fee	1.50%
Other Expenses	0.65%
Acquired Fund Fees and Expenses	0.01%
<b>Total Annual Fund Operating Expenses</b>	<b>2.16%</b>
Expense Reimbursement	(0.15)%
<b>Total Annual Fund Operating Expenses After Expense Reimbursement</b>	<b>2.01%</b>

\*\*Represents the Annual Fund Operating Expenses for the year ended December 31, 2012, as disclosed in the current prospectus dated April 30, 2013. 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. Driehaus Capital Management LLC (the "Adviser") has entered into a written agreement to cap the Fund's ordinary annual operating expenses, excluding dividends and interest on short sales, at 2.00% of average daily net assets until the earlier of the termination of the investment advisory agreement or August 21, 2014. Acquired fund fees and expenses are not considered to be ordinary annual operating expenses and are not covered by the expense cap. Pursuant to the agreement, and so long as the investment advisory agreement is in place, for a period of three years subsequent to the Fund's commencement of operations on August 22, 2011, the investment adviser is entitled to reimbursement for previously waived fees and reimbursed expenses to the extent that the Fund's expense ratio remains below the operating expense cap.

### CALENDAR QUARTER-END FUND STATISTICS AS OF 12/31/13

Driehaus Emerging Markets Small Cap Growth Fund		
	Fund	Index <sup>2</sup>
Number of Holdings	102	1,813
Weighted Avg. Market Cap (\$M)	\$2,100m	\$960m
Median Market Cap (\$M)	\$1,725m	\$463m
Active Share (3-year avg.) <sup>4</sup>	96.39	n/a

### AVERAGE MARKET CAP (EX-CASH) AS OF 12/31/13

Driehaus Emerging Markets Small Cap Growth Fund	
< \$2.5 billion	63%
\$2.5 - \$15 billion	37%
> \$15 billion	0%

The Fund invests in foreign securities, including small and mid cap stocks, which may be subject to greater volatility than other investments. During certain periods, the Fund has benefited from unusually strong market conditions. 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 the Fund may not experience similar performance results as its assets grow.

**Investments in overseas markets can pose more risks than U.S. investments, and the Fund's share prices are expected to be more volatile than that of a U.S.-only fund.** In addition, the Fund's returns will fluctuate with changes in stock market conditions, currency values, interest rates, foreign government regulations, and economic and political conditions in countries in which the Fund invests. These risks are generally greater when investing in emerging markets. 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 contains 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](http://www.driehaus.com). Please read the prospectus carefully before investing.**

Sources: Morgan Stanley Capital International Inc., eVestment Alliance, LLC, SS&C Inc.

<sup>1</sup> The average annual total returns of the Driehaus Emerging Markets Small Cap Growth Fund include the performance of the Fund's predecessor limited partnership, which is calculated from December 1, 2008 before the Fund commenced operations and succeeded to the assets of its predecessor on August 22, 2011. The predecessor limited partnership was not registered under the Investment Company Act of 1940, as amended ("1940 Act") and thus was not subject to certain investment and operational restrictions that are imposed by the 1940 Act. If the predecessor had been registered under the 1940 Act, its performance may have been adversely affected. The Fund's predecessor performance has been restated to reflect estimated expenses of the Fund. After-tax performance returns are not included for the predecessor limited partnership. The predecessor was not a regulated investment company and therefore did not distribute current or accumulated earnings.

<sup>2</sup> The Morgan Stanley Capital International Emerging Markets Small Cap Index (MSCI Emerging Markets Small Cap Index) is a market capitalization-weighted index designed to measure equity market performance of small cap stocks in 22 global emerging markets.

<sup>3</sup> The Morgan Stanley Capital International Emerging Markets Index (MSCI Emerging Markets Index) is a market capitalization-weighted index designed to measure equity market performance in 25 global emerging markets.

<sup>4</sup> Active share calculated with options as an "out of benchmark" holding. Data is calculated monthly.

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**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.

**SECTOR PERFORMANCE ATTRIBUTION 4TH QUARTER — 9/30/2013 TO 12/31/2013 (U.S. Dollar Denominated)**

MSCI/GICS Sector	Driehaus Emerging Markets Small Cap Growth Fund (Port) (%)			MSCI Emerging Markets Small Cap Index <sup>1</sup> (Bench) (%)			Variation (%)	Attribution Analysis (%)			
	Port Avg. Weight	Port Total Return	Port Contrib To Return	Bench Avg. Weight	Bench Total Return	Bench Contrib To Return	Variation Ending Weight	Allocation Effect	Selection + Interaction	Total Currency Effect	Total Effect
Consumer Discretionary	21.06	4.93	1.09	16.36	3.32	0.48	1.32	0.10	0.43	0.02	0.55
Consumer Staples	6.32	-6.96	-0.51	6.96	4.31	0.30	-2.13	-0.01	-0.73	-0.02	-0.76
Energy	15.38	25.45	3.63	2.45	-1.21	-0.04	14.06	-0.40	3.65	0.25	3.50
Financials	12.90	4.76	0.71	19.17	-1.41	-0.29	-3.64	0.11	0.70	0.21	1.03
Health Care	9.98	16.74	1.61	6.52	0.10	0.02	5.29	-0.06	1.44	0.16	1.54
Industrials	15.97	7.37	1.37	16.04	1.24	0.22	-0.10	0.02	0.87	0.12	1.01
Information Tech.	6.52	28.85	1.37	16.45	3.04	0.52	-9.79	-0.02	1.26	-0.14	1.11
Materials	4.44	11.81	0.43	12.19	0.36	0.05	-7.95	0.07	0.43	-0.01	0.48
Telecomm. Services	1.53	27.35	0.40	0.93	2.51	0.02	0.56	0.01	0.36	0.01	0.38
Utilities	0.15	-5.43	0.03	2.91	1.47	0.04	-2.00	-0.02	0.01	0.03	0.01
Cash	5.59	0.01	0.00	--	--	--	4.38	-0.09	--	0.02	-0.07
Unassigned <sup>2</sup>	0.17	-9.83	0.05	--	--	--	--	0.07	--	-0.00	0.07

**SECTOR PERFORMANCE ATTRIBUTION 1-YEAR — 12/31/2012 TO 12/31/2013 (U.S. Dollar Denominated)**

MSCI/GICS Sector	Driehaus Emerging Markets Small Cap Growth Fund (Port) (%)			MSCI Emerging Markets Small Cap Index <sup>1</sup> (Bench) (%)			Variation (%)	Attribution Analysis (%)			
	Port Avg. Weight	Port Total Return	Port Contrib To Return	Bench Avg. Weight	Bench Total Return	Bench Contrib To Return	Variation Ending Weight	Allocation Effect	Selection + Interaction	Total Currency Effect	Total Effect
Consumer Discretionary	20.53	27.79	7.25	15.55	9.03	1.30	1.50	0.27	4.67	0.26	5.20
Consumer Staples	9.68	-10.86	-0.68	7.15	3.10	0.25	-2.18	0.10	-0.57	-0.25	-0.72
Energy	11.80	45.13	4.74	2.37	-18.77	-0.55	14.11	-2.24	6.83	0.65	5.24
Financials	22.35	11.68	3.46	20.16	-8.58	-1.82	-3.70	0.07	4.49	0.98	5.55
Health Care	7.93	50.30	3.28	6.61	11.81	0.78	5.29	-0.12	2.49	0.05	2.42
Industrials	12.78	24.35	3.84	16.17	-0.38	0.01	-0.16	0.36	3.08	-0.12	3.32
Information Tech.	3.52	62.64	1.74	15.82	17.77	2.50	-9.79	-1.31	1.53	-0.69	-0.47
Materials	3.56	19.18	0.72	12.38	-7.58	-0.86	-8.00	0.98	1.09	0.06	2.13
Telecomm. Services	1.71	62.02	0.73	0.94	17.07	0.13	0.56	0.17	0.42	-0.02	0.57
Utilities	0.37	24.63	0.22	2.85	1.40	0.01	-2.00	0.08	0.34	-0.09	0.33
Cash	5.68	0.05	0.00	--	--	--	4.38	-0.23	--	0.15	-0.09
Unassigned <sup>2</sup>	0.09	-91.44	0.06	0.00	-8.23	-0.00	--	0.14	0.06	-0.08	0.13

Sources: FactSet Research Systems Inc., Morgan Stanley Capital International and Standard & Poor's Global Industry Classification Standard and Driehaus Capital Management LLC. 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. Please see page 3 for important information on the use of MSCI data. <sup>1</sup>The Morgan Stanley Capital International Emerging Markets Small Cap Index (MSCI Emerging Markets Small Cap Index) is a market capitalization-weighted index designed to measure equity market performance of small cap stocks in 22 global emerging markets. <sup>2</sup>Unassigned refers to securities that are not recognized by Factset. <sup>3</sup>Active weights do not reflect hedged positions. Data as of 9/30/13.

**COUNTRY PERFORMANCE ATTRIBUTION 4TH QUARTER — 9/30/2013 TO 12/31/2013 (U.S. Dollar Denominated)**

MSCI Country	Driehaus Emerging Markets Small Cap Growth Fund (Port) (%)			MSCI Emerging Markets Small Cap Index <sup>1</sup> (Bench) (%)			Variation (%)	Attribution Analysis (%)			
	Port Avg. Weight	Port Total Return	Port Contrib To Return	Bench Avg. Weight	Bench Total Return	Bench Contrib To Return	Variation Ending Weight	Allocation Effect	Selection + Interaction	Total Currency Effect	Total Effect
Austria	1.20	43.04	0.50	--	--	--	1.19	0.45	--	0.03	0.49
Bermuda	--	--	--	0.09	-20.59	-0.02	-0.08	0.03	--	0.00	0.03
Brazil	4.25	7.16	0.35	6.16	-9.54	-0.59	-2.53	0.14	0.74	0.10	0.98
British Virgin Islands	0.22	1.93	0.01	--	--	--	1.17	-0.01	--	0.01	-0.01
Cambodia	0.53	24.95	0.10	--	--	--	1.00	0.08	--	0.01	0.09
Canada	5.00	8.33	0.42	0.05	-18.91	-0.01	4.19	-1.32	1.69	-0.01	0.37
Cayman Islands	--	--	--	0.04	-11.72	-0.00	-0.05	0.01	--	-0.00	0.01
Chile	--	--	--	1.41	-10.00	-0.15	-1.35	0.13	--	0.05	0.18
China	13.49	6.59	0.97	9.42	9.44	0.85	6.16	0.27	-0.39	0.02	-0.10
Colombia	--	--	--	0.03	-5.14	-0.00	-0.03	0.00	--	-0.00	0.00
Cyprus	1.21	27.11	0.57	--	--	--	1.74	0.54	--	0.03	0.57
Czech Republic	--	--	--	0.05	-7.03	-0.00	-0.05	0.00	--	0.00	0.01
Egypt	0.10	1.51	0.01	0.81	18.50	0.13	-0.43	-0.11	-0.01	-0.00	-0.12
Greece	0.17	2.23	0.03	0.52	-4.68	-0.04	0.68	0.01	0.03	-0.03	0.02
Hong Kong	6.16	4.81	0.31	9.77	5.95	0.55	-4.45	-0.12	-0.05	-0.05	-0.22
Hungary	--	--	--	0.11	4.31	0.01	-0.13	0.00	--	-0.00	-0.00
India	7.83	27.71	2.08	4.83	24.56	1.06	4.46	0.55	0.30	0.08	0.94
Indonesia	1.09	-13.13	-0.18	3.54	-12.60	-0.49	-1.88	0.27	-0.02	0.10	0.35
Kazakhstan	0.79	29.75	0.22	--	--	--	1.02	0.20	--	0.01	0.21
Kenya	2.20	14.60	0.23	--	--	--	2.20	0.22	--	0.01	0.23
Luxembourg	--	--	--	0.36	15.72	0.05	-0.37	-0.06	--	0.01	-0.05
Macau	0.26	40.71	0.27	--	--	--	--	0.28	--	0.01	0.29
Malaysia	2.22	15.71	0.33	5.12	0.73	0.04	-2.75	0.03	0.27	-0.00	0.30
Mexico	4.67	3.64	0.18	2.04	2.13	0.05	2.20	-0.11	0.13	0.01	0.03
Morocco	--	--	--	0.02	5.74	0.00	--	0.00	--	0.00	-0.00
Netherlands	--	--	--	0.02	10.30	0.00	-0.02	-0.00	--	0.00	-0.00
Nigeria	2.23	20.10	0.38	--	--	--	2.53	0.33	--	0.03	0.36
Norway	1.77	79.57	1.13	--	--	--	1.53	1.13	--	-0.01	1.12
Pakistan	0.88	21.97	0.11	--	--	--	0.81	0.06	--	-0.00	0.06
Panama	--	--	--	0.08	-14.73	-0.02	-0.12	0.02	--	0.00	0.02
Peru	--	--	--	0.14	0.64	0.00	-0.15	0.00	--	-0.00	0.00
Philippines	3.50	-2.32	-0.17	1.12	-9.10	-0.11	1.37	-0.31	0.29	-0.03	-0.04
Poland	0.16	-11.28	-0.08	1.77	10.94	0.17	-1.79	-0.04	-0.15	-0.07	-0.27
Qatar	1.18	21.74	0.25	--	--	--	1.00	0.23	--	0.01	0.24
Romania	0.05	15.03	0.01	--	--	--	--	0.01	--	-0.00	0.01
Russia	--	--	--	0.95	2.71	0.02	-1.07	-0.01	--	-0.00	-0.02
Saudi Arabia	6.09	8.96	0.55	--	--	--	7.53	0.36	--	0.06	0.42
Singapore	0.55	20.34	0.10	--	--	--	0.53	0.09	--	0.00	0.09
South Africa	--	--	--	7.77	-0.86	-0.05	-7.47	-0.08	--	0.23	0.16
South Korea	6.92	2.16	0.11	16.89	-0.98	-0.16	-11.54	0.60	0.22	-0.27	0.55
Sri Lanka	2.69	3.66	0.10	--	--	--	2.58	0.00	--	0.05	0.06
Taiwan	6.70	21.39	1.00	20.29	4.06	0.84	-15.83	-0.40	0.93	-0.01	0.52
Thailand	3.55	-21.32	-0.70	4.19	-10.46	-0.47	-1.68	0.09	-0.35	0.05	-0.21
Turkey	1.69	-0.16	-0.03	2.33	-14.65	-0.33	-0.49	0.08	0.20	0.03	0.31
United Arab Emirates	1.23	10.45	0.14	--	--	--	0.69	0.11	--	0.02	0.12
United Kingdom	3.54	23.08	0.72	--	--	--	4.42	0.54	--	0.14	0.67
United States	0.28	28.40	0.16	0.08	-11.26	-0.01	0.90	-0.02	0.17	0.00	0.16
Cash	5.59	0.01	0.00	--	--	--	4.38	-0.09	--	0.02	-0.07

Sources: FactSet Research Systems Inc. and Driehaus Capital Management LLC. Per FactSet Research Systems Inc., the Attribution Report provides an in-depth analysis of relative performance. With this report one can research whether 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.**

<sup>1</sup>A definition of this index can be found on page 4.

**COUNTRY PERFORMANCE ATTRIBUTION 1-YEAR — 12/31/2012 TO 12/31/2013 (U.S. Dollar Denominated)**

MSCI Country	Driehaus Emerging Markets Small Cap Growth Fund (Port) (%)			MSCI Emerging Markets Small Cap Index <sup>1</sup> (Bench) (%)			Variation (%)	Attribution Analysis (%)			
	Port Avg. Weight	Port Total Return	Port Contrib To Return	Bench Avg. Weight	Bench Total Return	Bench Contrib To Return	Variation Ending Weight	Allocation Effect	Selection + Interaction	Total Currency Effect	Total Effect
Austria	0.71	214.84	0.93	--	--	--	1.19	0.87	--	0.08	0.94
Bermuda	--	--	--	0.09	-28.39	-0.02	-0.08	0.06	--	-0.02	0.05
Brazil	6.05	0.38	0.32	6.63	-26.02	-1.86	-2.53	0.14	1.61	0.33	2.08
British Virgin Islands	0.06	1.93	0.01	--	--	--	1.17	0.01	--	-0.01	0.00
Cambodia	1.69	82.57	1.50	--	--	--	1.00	1.30	--	0.09	1.38
Canada	2.62	31.10	1.09	0.10	-67.66	-0.11	4.19	-3.14	4.32	0.04	1.22
Cayman Islands	--	--	--	0.03	-26.76	-0.01	-0.05	0.04	--	-0.01	0.02
Chile	0.47	-27.64	-0.29	1.74	-29.40	-0.58	-1.35	0.31	0.12	-0.02	0.42
China	10.59	26.66	2.30	9.10	22.71	1.86	6.16	0.30	-0.37	-0.07	-0.13
Colombia	--	--	--	0.04	-53.12	-0.04	-0.03	0.07	--	-0.01	0.06
Cyprus	0.31	27.11	0.57	--	--	--	1.74	0.57	--	0.02	0.58
Czech Republic	--	--	--	0.07	-6.61	-0.01	-0.05	0.04	--	-0.01	0.03
Egypt	0.43	2.58	0.01	0.65	19.74	0.17	-0.43	-0.16	0.14	-0.07	-0.08
Greece	0.04	2.23	0.03	0.13	-4.68	-0.04	0.68	0.04	0.06	-0.05	0.05
Hong Kong	5.89	35.24	1.95	9.40	17.13	1.46	-4.45	-0.16	0.77	-0.23	0.39
Hungary	--	--	--	0.08	67.39	0.04	-0.13	-0.01	--	-0.02	-0.03
India	6.80	5.60	0.47	5.74	-12.39	-1.11	4.46	0.54	1.54	-0.18	1.91
Indonesia	3.83	-22.21	0.73	4.32	-26.39	-1.49	-1.88	1.32	0.19	0.45	1.97
Kazakhstan	0.63	29.60	0.19	--	--	--	1.02	0.15	--	0.02	0.17
Kenya	1.21	100.37	0.75	--	--	--	2.20	0.74	--	0.02	0.76
Luxembourg	--	--	--	0.35	15.94	0.04	-0.37	-0.05	--	0.04	-0.01
Macau	0.07	40.71	0.27	--	--	--	--	0.31	--	-0.00	0.30
Malaysia	4.14	24.01	0.49	5.00	12.21	0.46	-2.75	0.21	-0.06	-0.04	0.11
Mexico	5.64	4.96	0.93	1.99	-8.78	-0.12	2.20	-0.81	1.20	0.34	0.74
Morocco	--	--	--	0.05	-7.00	-0.01	--	0.04	--	-0.02	0.02
Netherlands	--	--	--	0.02	57.12	0.01	-0.02	0.02	--	-0.01	0.00
Nigeria	3.10	31.30	0.90	--	--	--	2.53	0.74	--	0.04	0.77
Norway	1.16	119.77	1.56	--	--	--	1.53	1.65	--	-0.04	1.61
Oman	0.18	-0.99	-0.03	--	--	--	--	0.01	--	0.02	0.02
Pakistan	2.48	60.33	1.08	--	--	--	0.81	1.24	--	-0.15	1.09
Panama	--	--	--	0.02	-14.73	-0.02	-0.12	0.05	--	-0.01	0.03
Peru	0.84	-11.83	-0.03	0.17	-18.77	-0.04	-0.15	-0.31	0.35	-0.01	0.03
Philippines	4.76	0.91	1.22	1.56	-24.81	-0.30	1.37	-0.01	1.44	-0.04	1.40
Poland	0.13	-7.47	-0.05	1.44	16.25	0.25	-1.79	0.03	-0.16	-0.15	-0.28
Qatar	0.83	60.92	0.54	--	--	--	1.00	0.53	--	0.02	0.55
Romania	0.01	15.03	0.01	--	--	--	--	0.04	--	-0.01	0.02
Russia	--	--	--	0.73	-13.96	-0.08	-1.07	0.11	--	-0.01	0.10
Saudi Arabia	5.13	55.53	2.34	--	--	--	7.53	2.09	--	0.22	2.31
Singapore	2.60	11.56	0.24	--	--	--	0.53	0.17	--	0.04	0.21
South Africa	0.30	-11.92	-0.31	7.76	-3.75	-0.11	-7.47	-0.78	-0.22	1.09	0.09
South Korea	4.34	57.51	1.68	16.61	4.15	0.81	-11.54	0.50	1.61	-0.96	1.16
Sri Lanka	2.43	7.69	-0.22	--	--	--	2.58	-0.11	--	0.02	-0.09
Switzerland	0.07	-7.84	-0.06	--	--	--	--	-0.03	--	-0.02	-0.05
Taiwan	4.28	61.17	2.13	19.22	21.90	3.86	-15.83	-2.44	1.51	-0.47	-1.39
Thailand	4.58	-15.92	-0.18	4.25	-11.28	-0.63	-1.68	0.25	0.08	0.07	0.40
Turkey	2.52	22.53	0.79	2.61	-24.03	-0.65	-0.49	0.17	1.25	0.01	1.44
United Arab Emirates	0.94	108.69	1.17	--	--	--	0.69	1.08	--	0.12	1.20
United Kingdom	1.93	0.95	0.63	--	--	--	4.42	0.09	--	0.31	0.39
United States	0.15	21.46	0.10	0.09	-23.58	-0.02	0.90	0.05	0.08	-0.02	0.11
Vietnam	0.38	-27.39	-0.42	--	--	--	--	-0.36	--	0.01	-0.35
Cash	5.68	0.05	0.00	--	--	--	4.38	-0.28	--	0.18	-0.11

Sources: FactSet Research Systems Inc. and Driehaus Capital Management LLC. Per FactSet Research Systems Inc., the Attribution Report provides an in-depth analysis of relative performance. With this report one can research whether 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.**

<sup>1</sup>A definition of this index can be found on page 4.



**PORTFOLIO CHARACTERISTICS (3-Years)**

	Fund	Benchmark <sup>1</sup>
Beta	0.73	1.00
Standard Deviation	16.19%	19.91%
Downside Deviation	11.92%	14.99%
Alpha	9.77%	n/a
Sharpe Ratio	0.45	-0.16
Sortino Ratio	0.61	-0.22
Downside Capture	56.43%	100.00%
Upside Capture	81.73%	100.00%
# Negative Monthly Returns	11	18
# Positive Monthly Returns	25	18
Number of Holdings <sup>2</sup>	103	1,812
Weighted Avg. Market Cap (\$M)	\$2,100	\$959
Median Market Cap (\$M)	\$1,725	\$463
Active Share (3-year avg.) <sup>3</sup>	96.39	n/a

**SECTOR WEIGHTS**

<i>Month-End Absolute Weights</i>	Fund	Benchmark	<i>Active Weights<sup>4</sup></i>
Consumer Discretionary	18.2%	16.9%	1.3%
Consumer Staples	5.0%	7.0%	-2.0%
Energy	16.7%	2.5%	14.2%
Financials	15.2%	18.9%	-3.7%
Health Care	11.7%	6.4%	5.3%
Industrials	16.0%	15.7%	0.3%
Information Technology	6.4%	16.7%	-10.3%
Materials	4.2%	11.9%	-7.7%
Telecomm. Services	1.5%	1.0%	0.5%
Utilities	0.9%	2.9%	-2.0%
Cash	4.3%	0.0%	4.3%
Unassigned	0.0%	0.0%	0.0%

**COUNTRY WEIGHTS**

	Fund	Benchmark
Austria	1.2%	0.0%
Brazil	3.4%	5.9%
British V.I.	1.2%	0.0%
Cambodia	1.0%	0.0%
Canada	4.2%	0.1%
China	16.4%	9.7%
Cyprus	1.5%	0.0%
Egypt	0.4%	0.8%
Greece	1.5%	0.8%
Hong Kong	5.6%	10.0%
India	9.7%	5.3%
Indonesia	1.4%	3.3%
Kazakhstan	1.0%	0.0%
Kenya	2.2%	0.0%
Malaysia	2.6%	5.0%
Mexico	4.3%	2.1%
Nigeria	2.5%	0.0%
Norway	1.5%	0.0%
Pakistan	0.8%	0.0%
Philippines	2.5%	1.1%
Qatar	1.0%	0.0%
Saudi Arabia	7.5%	0.0%
Singapore	0.5%	0.0%
South Korea	5.0%	16.6%
Sri Lanka	2.6%	0.0%
Taiwan	4.5%	20.7%
Thailand	2.2%	3.9%
Turkey	1.4%	1.9%
United Arab Emirates	0.7%	0.0%
United Kingdom	4.4%	0.0%
United States	1.0%	0.1%
Cash	4.3%	0.0%

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance  
Data as of 12/31/2013. Benchmark: MSCI Emerging Markets Small Cap Index

Driehaus Securities LLC, Distributor

Benchmark: <sup>1</sup>The Morgan Stanley Capital International Emerging Markets Small Cap Index (MSCI Emerging Markets Small Cap Index) is a market capitalization-weighted index designed to measure equity market performance of small cap stocks in 22 global emerging markets <sup>2</sup>Holdings subject to change. <sup>3</sup>Active share calculated with options as an "out of benchmark" holding. Data is calculated monthly. <sup>4</sup>Active weights do not reflect hedged positions.

The Fund invests in foreign securities, including small and mid cap stocks, which may be subject to greater volatility than other investments. During certain periods, the Fund has benefited from unusually strong market conditions. 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 the Fund may not experience similar performance results as its assets grow. **Investments in overseas markets can pose more risks than U.S. investments, and the Fund's share prices are expected to be more volatile than that of a U.S.-only fund.** In addition, the Fund's returns will fluctuate with changes in stock market conditions, currency values, interest rates, foreign government regulations, and economic and political conditions in countries in which the Fund invests. These risks are generally greater when investing in emerging markets. 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 contains 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:** **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. **Downside risk (also known as downside deviation)** attempts to further break down volatility between upside volatility – which is generally favorable since it implies positive outperformance – and downside volatility – which is generally unfavorable and implies loss of capital or returns below an expected or required level. **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. **Sortino ratio** is a downside risk-adjusted measure of value added. This ratio is calculated by first finding the portfolio's excess return of the target and then dividing the portfolio's semi-deviation of active returns. An important benefit of this measure is that it offers an indication of both the likelihood of failing to achieve the target return and also the consequences of the shortfall. **Downside/Upward capture** is a measure of performance in up markets (upside) and down markets (downside) relative to the index. **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.