Driehaus Small Cap Growth Fund

Investor Class: **DVSMX** Institutional Class: **DNSMX**

Key Features

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

Inception Date

8/21/2017

The fund's predecessor limited partnership has a performance inception date of 1/1/2007.

Fund Assets Under Management

DVSMX: $0.8 million // DNSMX: $40.2 million

Firm Assets Under Management

$9.0 billion

Investment Style

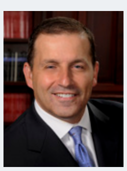
Growth equity

Available Investment Vehicles:

Mutual Fund

Separately managed account

Portfolio Managers



Jeff James
Portfolio Manager
26 years of industry experience

Michael Buck
Assistant Portfolio Manager
17 years of industry experience

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MARKET OVERVIEW

The third quarter was very positive for US equities with the major indices hitting new all-time highs. By month, stocks generally went sideways in July, sold off during August and rallied sharply during September, avoiding a selloff during what is usually a treacherous seasonal period. Equities are being driven by accelerating US and global economic conditions, strong earnings, accommodative monetary policy and renewed hope for reduced US corporate tax rates.

Accelerating US economic growth was recently punctuated by the September Institute for Supply Management (ISM) manufacturing Purchasing Managers Index (PMI) of 60.8, its highest level since May of 2004, and the September ISM services PMI of 59.8, its strongest number since August of 2005. These robust PMIs are historically consistent with sustained economic expansion. The most recent jobs report also showed that average hourly earnings (AHE) rose 2.9% year-over-year, the biggest increase since before the financial crisis. This gives further support for the Federal Open Market Committee (FOMC) to resume rate increases before year end.

Low economic growth and subdued inflation have been two key characteristics of this market cycle, resulting in sustained expansion with few signs of the economy overheating. Going forward, this recent acceleration in wages and PMIs will have to be watched closely to see if it will lead to higher inflation and more aggressive action by the Federal Reserve. This is a key risk as tighter monetary policy is what typically leads to the end of an economic and market cycle. On the more sanguine side, the higher wages missing from this entire expansion may finally be occurring and could strengthen consumer spending and business investment. In addition, the numerous factors keeping inflation in check (globalization, the Internet, technology, etc.) could continue to keep a lid on inflation.

Above all other factors, the market rally year-to-date has been all about earnings. Earnings drive stock prices. Aggregate earnings are at new highs, which helps explain why equity prices are at new highs.

The lack of volatility has been another major characteristic of the market thus far in 2017. Headlines continue to be dominated by chaos inside the White House and in Congress. Mostly the markets are ignoring this noise as investors are instead focusing on strong earnings and economic data which are keeping volatility low. Growth slowdowns cause market pullbacks, but instead, growth is improving. Also, most investors, feeling valuations are stretched and fearing a market dip, have been cautious. This tepid sentiment is perhaps causing the market to climb the wall of worry as growth prospects continue to improve.

Trump's tweets and combativeness may grab the media's attention, but again investors are focused on those policies that will impact the economy and earnings. Deregulation across many industries appears to be fueling improved confidence and helps to drive improved economic conditions. With another failed effort at health care reform, tax policy (namely lower corporate tax rates, as true reform is unlikely) is up next. The likelihood of 'something getting done' is higher here than with health care reform, but it is difficult to count on Congress. The devil is in the details but if accomplished, lower tax rates would be a huge boost for corporate earnings, especially for micro and small cap companies. A potential earnings increase would result in a corresponding reduction in valuations (P/E ratios), as some of the recent market advance were likely driven by renewed optimism that some tax cuts will pass. For now, while hopeful, we are not counting on Congress's ability to come together. So we continue to focus on earnings and company fundamentals which remain encouraging for our portfolio holdings.

"We continue to focus on companies with high revenue and earnings visibility, strong end markets and healthy balance sheets."

PERFORMANCE REVIEW

For the third quarter, the Driehaus Small Cap Growth Fund underperformed its benchmark. The fund returned 6.06%, net of fees, while the Russell 2000 Growth Index rose 6.22%.[1]

By sector, the fund's relative outperformance occurred in consumer discretionary, financials, consumer staples, materials and technology, and industrials. The fund underperformed on a relative basis in health care, mostly due to being underweight the sector and some relative stock underperformance. On an absolute basis, every sector contributed to the positive returns for the quarter, but technology, industrials and consumer discretionary contributed about 75% of the portfolio's returns on a combined basis.

Strong quarterly earnings across the fund drove the results. Technology's positive performance was led by semiconductors, semi cap equipment and internet software. Industrials positive performance came from the air cargo, trucking, machinery and alternative energy sub-sectors. Finally, the gains in consumer discretionary were broad-based with particular strength in specialty retail, auto parts, household durables and leisure products.

OUTLOOK & POSITIONING

The synchronized global growth backdrop is accelerating and provides a bullish environment for equities. Strong earnings and accommodative monetary policy round out this picture. We believe the outlook continues to remain sustainable looking at a wide number of economic indicators, including the manufacturing and services PMI (both at decade-plus year highs) and the Conference Board's Leading Economic Indicators (LEI). Credit conditions remain very benign and the shape of the yield curve is still positive. Higher GDP and wage growth will have to be watched carefully to see if inflation speeds up enough to cause the dovish Federal Reserve to become more hawkish. This dynamic will be one of the major risks as we close out 2017 and head into 2018.

In terms of positioning, the fund is overweight the following sectors: consumer discretionary, technology and real estate. Technology, health care, industrials and consumer discretionary are the four largest absolute weightings. The fund is underweight health care, consumer staples, materials and utilities. It is equal weight industrials and energy.

We have strong conviction in the current fundamentals and outlooks for the holdings in the fund. We continue to focus on companies with high revenue and earnings visibility, strong end markets and healthy balance sheets. We have an abundant number of well positioned growth companies that are differentiated, innovative and are market leaders, which we believe will continue to exceed forward expectations.

[1]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. 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

PERFORMANCE as of 9/30/17

				Annualized Total Return			
	QTR	YTD	1 Year	3 Year	5 Year	10 Year	Inception[1]
Investor Class: DVSMX[1]	**6.06%**	**21.28%**	**19.04%**	**14.16%**	**16.53%**	**8.14%**	**10.28%**
Institutional Class: DNSMX[1]	**6.06%**	**21.28%**	**19.04%**	**14.16%**	**16.53%**	**8.14%**	**10.28%**
Russell 2000® Growth Index[2]	6.22%	16.81%	20.98%	12.17%	14.28%	8.47%	8.75%

ANNUAL FUND OPERATING EXPENSES[3]

	Management Fee	Other Expenses[4]	Total Annual Fund Operating Expenses	Expense Reimbursement[5]	Total Annual Fund Operating Expenses
Investor Class: DVSMX	0.60%	0.89%	1.49%	(0.29)%	**1.20%**
Institutional Class: DNSMX	0.60%	0.64%	1.24%	(0.29)%	**0.95%**

SECTOR PERFORMANCE ATTRIBUTION 3rd Quarter — 6/30/17 to 9/30/17

	Driehaus Small Cap Growth Fund (DVSMX)[1] (Port) (%)		Russell 2000® Growth Index[2] (Bench) (%)		Attribution Analysis (%)		
GICS Sector	Port Avg. Weight	Port Contrib To Return	Bench Avg.Weight	Bench Contrib To Return	Allocation Effect	Selection + Interaction	Total Effect
Consumer Discretionary	16.89	0.82	14.40	0.68	-0.04	-0.10	-0.13
Consumer Staples	0.86	0.14	2.71	0.04	0.06	0.08	0.14
Energy	0.16	0.04	1.13	0.03	0.12	-0.08	0.03
Financials	7.76	0.89	6.46	0.37	-0.06	0.53	0.47
Health Care	19.31	0.18	25.26	1.80	-0.12	-1.13	-1.25
Industrials	17.75	1.39	17.30	1.59	0.00	-0.10	-0.10
Information Technology	25.74	2.25	22.62	1.19	0.02	0.67	0.70
Materials	3.11	0.29	4.62	0.27	-0.02	0.14	0.12
Real Estate	5.30	0.38	3.52	0.05	-0.01	0.28	0.27
Telecom. Services	1.96	0.06	1.24	0.12	-0.01	-0.13	-0.14
Utilities	0.00	0.00	0.74	0.01	0.03	0.00	0.03
Cash	1.16	0.01	0.00	0.00	0.13	0.00	0.13
Other	0.00	-0.19	0.00	0.00	-0.19	0.00	-0.19
Total	**100.00**	**6.25**	**100.00**	**6.16**	**-0.07**	**0.15**	**0.08**

Data as of 9/30/17 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.** [1]The average annual total returns and attribution of the Driehaus Small Cap Growth Fund include the performance of one of the Fund's predecessor limited partnerships, which is calculated from January 1, 2007, before it commenced operations as a series of the Driehaus Mutual Funds on August 21, 2017 and succeeded to the assets of the Driehaus Institutional Small Cap, L.P. (the "Predecessor Partnership"), Driehaus Small Cap Investors, L.P., Driehaus Institutional Small Cap Recovery Fund, L.P. and Driehaus Small Cap Recovery Fund, L.P., (together, the "Limited Partnerships"). The Limited Partnerships were managed by the same investment team with substantially the same investment objective, policies and philosophies as the Fund. The investment portfolios of the Limited Partnerships were identical and therefore had similar performance. The performance of the Predecessor Partnership is shown here because it has been in operation the longest. The Predecessor 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 Partnership had been registered under the 1940 Act, its performance may have been adversely affected. Accordingly, future Fund performance may be different than the Predecessor Partnership's past performance. After-tax performance returns are not included for the Predecessor Partnership. The Predecessor Partnership was not a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended, and therefore did not distribute current or accumulated earnings and profits and was not subject to the diversification and source of income requirements applicable to regulated investment companies. [2]The Russell 2000® Growth Index measures the performance of those Russell 2000® companies with higher price-to-book ratios and higher forecasted growth values. The performance data includes reinvested dividends. The Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index. [3]Represents the Annual Fund Operating Expenses as disclosed in the current prospectus dated August 4, 2017. 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. A shareholder may be required to pay a commission to their financial intermediary. [4]"Other Expenses" are estimated for the current year. [5]Driehaus Capital Management LLC, the Fund's investment adviser (the "Adviser"), has entered into a contractual agreement to cap the Fund's ordinary annual operating expenses (excluding interest, taxes, brokerage commissions, other investment-related expenses, acquired fund fees and expenses, and extraordinary expenses, such as litigation and other expenses not incurred in the ordinary course of the Fund's business) at 1.20% of average daily net assets for the Investor Shares and 0.95% of average daily net assets for the Institutional Shares until the earlier of the termination of the investment advisory agreement, by the Board of Trustees or the Fund's shareholders, or August 20, 2020. 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 21, 2017, the 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 that was in place at the time of the waiver / expense reimbursement as well as the current operating expense cap.

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. **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 WEIGHTS

Month-End Absolute Weights

	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate	Telecomm. Services	Utilities	Cash
DVSMX	17.5	1.7	1.3	8.2	19.8	16.0	28.1	3.1	1.7	2.2	0.0	0.3
Benchmark	14.1	2.7	1.2	6.5	25.5	17.8	22.3	4.6	3.4	1.3	0.7	0.0

Active Weights

PORTFOLIO CHARACTERISTICS

	DVSMX	Benchmark
Number of Holdings	106	1,172
Weighted Avg. Market Cap (M)	$2,536	$2,421
Median Market Cap (M)	$2,062	$987
Active Share	85.95	n/a
Market Cap Breakout (%)		
< $2.5 billion	58.1	55.2
$2.5 - $15 billion	41.9	44.8
> $15 billion	0.0	0.0

5-year period[1]	DVSMX	Benchmark
Annualized Alpha	1.56	n/a
Sharpe Ratio	0.98	0.96
Information Ratio	0.35	n/a
Beta	1.05	1.00
Standard Deviation	16.74	14.70
Tracking Error	6.51	0.00
R-squared	0.85	1.00

TOP 5 HOLDINGS[2] (as of 8/31/17)

Company	% of Fund
Lumentum Holdings, Inc.	2.1
XPO Logistics, Inc.	2.0
RingCentral, Inc. Class A	2.0
Tower Semiconductor Ltd	1.8
GTT Communications, Inc.	1.7

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance
Data as of 9/30/17. Benchmark: Russell 2000® Growth Index

[1]The 5-year period characteristics of the Driehaus Small Cap Growth Fund include the performance of one of the Fund's predecessor limited partnerships, which is calculated from January 1, 2007, before it commenced operations as a series of the Driehaus Mutual Funds on August 21, 2017 and succeeded to the assets of the Driehaus Institutional Small Cap, L.P. (the "Predecessor Partnership"), Driehaus Small Cap Investors, L.P., Driehaus Institutional Small Cap Recovery Fund, L.P. and Driehaus Small Cap Recovery Fund, L.P., (together, the "Limited Partnerships"). The Limited Partnerships were managed by the same investment team with substantially the same investment objective, policies and philosophies as the Fund. The investment portfolios of the Limited Partnerships were identical and therefore had similar performance. The performance of the Predecessor Partnership is shown here because it has been in operation the longest. The Predecessor 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 Partnership had been registered under the 1940 Act, its performance may have been adversely affected. Accordingly, future Fund performance may be different than the Predecessor Partnership's past performance. After-tax performance returns are not included for the Predecessor Partnership. The Predecessor Partnership was not a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended, and therefore did not distribute current or accumulated earnings and profits and was not subject to the diversification and source of income requirements applicable to regulated investment companies. [2]Data 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 small and 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. 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 of 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.

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