

# DRIEHAUS ACTIVE INCOME FUND

Fund Summary — November 2011



DRIEHAUS CAPITAL MANAGEMENT LLC

# DRIEHAUS ACTIVE INCOME FUND

25 East Erie Street, Chicago, Illinois 60611 (877) 779-0079 [www.driehaus.com](http://www.driehaus.com)

## FUND OVERVIEW

The **Driehaus Active Income Fund** (the “Fund”) seeks to provide current income and capital appreciation by investing primarily in U.S. fixed income and floating rate securities, of both investment and non-investment grade credit quality, and by engaging in a variety of short-term trading strategies (involving both fixed income and equity securities). The Fund is actively managed by taking both long and short positions and the Fund may invest in derivatives as well as foreign securities.

## FUND INFORMATION

The Fund invests primarily in U.S. fixed income and floating rate securities, of both investment and non-investment grade credit quality, as well as equities and derivative instruments. The Fund intends to pursue its fundamental opportunistic “bottom-up” trading approach using the following investment strategies:

**Inception Date:** November 8, 2005\*

**Assets Under Management as of 11/30/2011:**  
\$2.6 Billion

**Portfolio Manager:**  
K.C. Nelson, 12 years experience

**Assistant Portfolio Managers:**  
Mirsada Durakovic, 11 years experience  
Elizabeth Cassidy, 11 years experience

**Ticker:** LCMAX

**Minimum Investment:** \$25,000

**IRA Minimum Investment:** \$2,000

**Liquidity:** Daily

**Assets:** Generally liquid bonds, derivatives and equities

**Capital Structure Arbitrage**, where the Fund attempts to exploit a pricing inefficiency between two securities of the same company. Often times, the Fund may buy a debt instrument that it believes is undervalued, while simultaneously shorting a subordinated debt instrument of the same issuer that is believed to be overvalued.

**Convertible Arbitrage**, where the Fund attempts to profit from changes in a company's equity volatility or credit quality by purchasing a convertible bond and simultaneously shorting the same issuer's common stock.

**Directional Trading**, where the Fund takes long or short positions in equity or corporate debt instruments in anticipation of profiting from movements in the prices of these assets.

**Event Driven**, where the Fund invests in positions intending to profit from the consummation of a given event, e.g. a takeover, merger, reorganization or conclusion of material litigation, or based upon the perceptions of a potential pending corporate event.

**Pairs Trading**, where the Fund seeks to exploit pricing inefficiencies between the securities of two similar companies by buying the security of one company and shorting the security of the other. In these trades, the Fund anticipates the relationship between these securities will diverge or converge to an expected level where it may profit from the long and short positions.

\*The Driehaus Active Income Fund commenced operations on June 1, 2009 following the receipt of the assets and liabilities of the Lotsoff Capital Management Active Income Fund (the “Predecessor Fund”) through a reorganization into the Driehaus Active Income Fund.

The Driehaus Active Income Fund (the “Fund”), in addition to investing in unrated and investment grade bonds, may also invest in junk bonds, which involve greater credit risk, including the risk of default. The prices of high yield bonds are more sensitive to changing economic conditions and can fall dramatically in response to negative news about the issuer or its industry, or the economy in general. The use of derivatives involves risks different from, and possibly greater than, the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value, and there is a risk that changes in the value of a derivative held by the Fund will not correlate with the Fund's other investments. Further, the Fund may invest in derivatives for speculative purposes. Gains or losses from speculative positions in a derivative may be much greater than the derivative's original cost and potential losses may be substantial. The Fund may make short sales. Short sales expose the Fund to the risk of loss. 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. No investment strategy, including an absolute return strategy, can ensure a profit or protect against loss. Additionally, investing in an absolute return strategy may lead to underperforming results during an upward moving market. When interest rates increase, bond prices decrease and bond funds become more volatile.

**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 (877) 779-0079. Please read the prospectus and summary prospectus carefully before investing.**

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## Fund Summary — November 2011

### PERFORMANCE RECAP

The Driehaus Active Income Fund (the “Fund”) returned -3.76% for the month of November and underperformed its benchmark, the Citigroup 3-Month Treasury Bill Index (the “Benchmark”), which returned 0.00% for the same period. The Fund also underperformed the Barclays Capital U.S. Aggregate Bond Index (the “Index”), which returned -0.09% for the same period.<sup>1</sup>

The capital structure arbitrage strategy detracted the most from performance this month due to disappointing earnings and guidance from a telecom equipment manufacturer and continued underperformance in U.S. financials. The directional long and pairs strategies each detracted 86 basis points from the Fund. In the directional long segment there were 10 positions that lost 5-10 basis points, each due to a variety of factors including poor earnings/guidance, downward market technical pressure (despite solid earnings), and/or general global economic slowdown concerns. General market weakness also contributed to increased dislocation between names in our pairs trading strategy, particularly in two auto and chemical positions. Our event driven segment lost 30 basis points primarily due to increased concerns around spectrum valuation for a telecom provider. The convertible arbitrage strategy detracted 20 basis points from performance primarily due to continued pressure on the global solar industry.

### MORE OF THE SAME

November brought us more of the same that we have experienced this year, namely frustration. Credit markets were under pressure virtually all month as investors continued to ponder the ramifications of a Eurozone break-up. In addition, technical pressures in the form of fund flows and low institutional investor participation left the markets void of buyers. Consequently, spreads on the Merrill Lynch Master II High Yield Index increased by 72 basis points on the month to close at 779 basis points over U.S. Treasuries. Meanwhile, spreads also widened for investment grade credits as the Merrill Lynch U.S. Corporate Master Index finished the month trading 266 basis points over U.S. Treasuries; 44 basis points wider for the month. Meanwhile in the jolly land of equities, the S&P 500 Index finished the month almost unchanged at 1246 and the Chicago Board Options Exchange Market Volatility Index (VIX) closed the month 2 points lower.

U.S. credit and equity markets were not the only mixed signals we noticed during the month. As shown in the following chart, sovereign yields in the largest Eurozone economies rose sharply in November despite falling PMIs (Purchasing Managers Index) across the region, indicating investors are becoming more wary about lending to even the strongest economies in the European Union (EU).

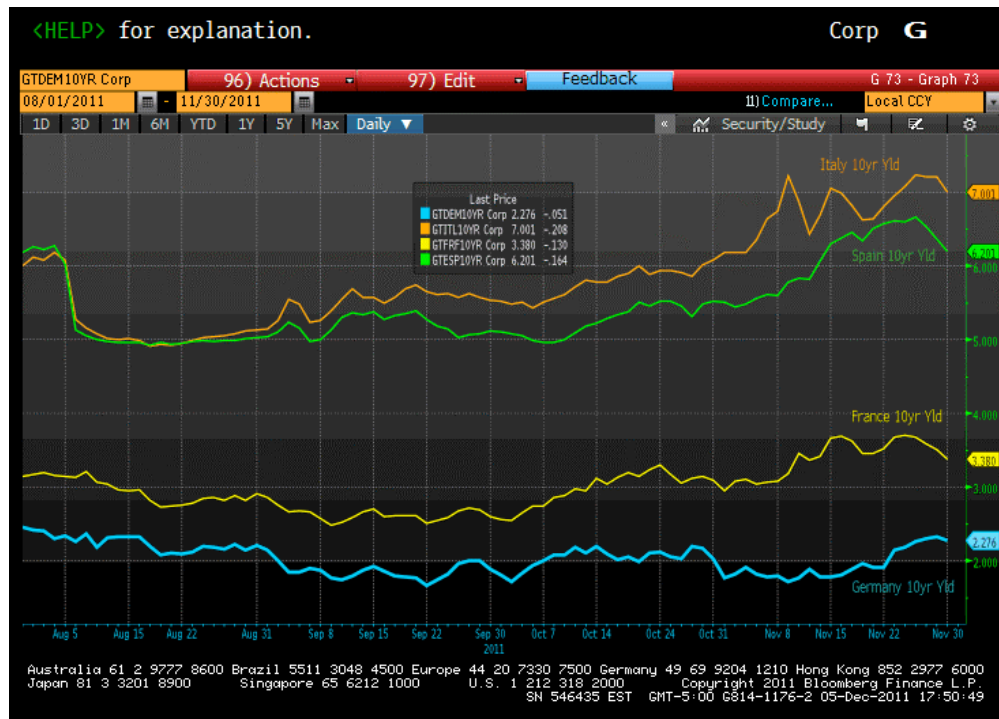
### <sup>1</sup>Performance Disclosure

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.

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 (877) 779-0079 or visit [www.driehaus.com](http://www.driehaus.com) for more current performance information.

## SOVEREIGN YIELDS IN THE LARGEST EUROZONE ECONOMIES (ITALY, SPAIN, FRANCE & GERMANY)



*Sovereign yields in the largest Eurozone economies rose sharply in November despite falling PMIs across the region, indicating investors are becoming more wary about lending to even the strongest economies in the EU.*

Source: Bloomberg

*The performance data included on this chart is not indicative of any specific fund and is for illustrative purposes only.*

At the same time, oil continued its upward climb and has traded above \$100/barrel for the past 5 trading sessions. Perhaps the market's interpretation is that central banks will respond to the Eurozone crisis with massive liquidity, and in turn, investors will gravitate towards real assets to fight global inflation. Other real assets have not rebounded nearly as sharply as oil. Additionally, U.S. Treasury yields have been fairly stable and inflation expectations are not rising.

Perhaps the interpretation is that there are two separate issues facing the markets: the first being a Euro-led global slowdown, and the second being heightened geopolitical risks in the Middle East. While this would explain bond yields, credit spreads, and the price of oil, we find these scenarios hard to envision. If investors are truly worried about a global slowdown, we believe this would overwhelm any geopolitical concerns regarding oil shocks. The terrorist attacks on September 11th illustrated that despite increased risks to oil supplies, prices will fall if investors fear a global slowdown.

Our best explanation of the current environment is that the market is in a confused, exhausted state. Recent U.S. economic data shows that the juggernaut of the global economy is not heading into a recession. Further, we have not seen evidence in our portfolio companies' results that demand is dropping off. Credit spreads remain wider than one would expect in this environment as institutional investors are wary of a seizure in the financial markets. U.S. Treasuries and the U.S. dollar will remain well-bid as they are some of the most liquid, stable assets in a world of fewer liquid investment options that are safe. As for equities, we imagine that liquidity and stability are driving investors to the U.S., which probably makes the U.S. equity market less attractive as compared to others around the world on a valuation basis (and that strikes us as just the opposite of the consensus opinion at the beginning of this year).

For our part, we became fairly uncomfortable with the stability of the markets during November. Stress in the core Eurozone, coupled with declining prices in the capital structures of systemically critical banks, sparked us to marginally de-risk the Driehaus Active Income Fund and Driehaus Select Credit Fund (collectively the "funds") in the middle of the month. In both funds, we increased

cash holdings, decreased long-only exposure and reinstated some equity hedges that rolled off mid-month. In the Driehaus Active Income Fund, where volatility has been running a touch higher than we would prefer, we decreased our net exposure by roughly 6% as we trimmed some long exposure to financials and increased hedges in some of our arbitrage positions. Despite these de-risking measures, you will notice that the yield in both funds increased marginally on a month-over-month basis. This increase in yield is attributable to falling bond prices we experienced throughout the month. In both funds, it's fair to say that we remain definitively net long, albeit a little less so than when we entered the month.

Fortunately some of the risk measures that alarmed us during November have eased during the first week of December. Hopefully this trend continues over the next several weeks. We think a few weeks and months of relative calm would go a long way in restoring investors' trust in the markets.

Until next month, we wish you the best of luck in closing out a challenging year and wish you and yours a happy holiday season.



**K.C. Nelson**

*Portfolio Manager, Driehaus Credit Strategy*

Definitions of key terms can be found on pages 2 and 14

**S&P 500 Index** - The S&P 500 Index has been widely regarded as the best single gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy, capturing 75% coverage of U.S. equities. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

**Merrill Lynch U.S. High-Yield Bond Master II Index** - The Merrill Lynch U.S. High-Yield Bond Master II Index is an unmanaged index that tracks the performance of below-investment-grade, U.S.-dollar-denominated corporate bonds publicly issued in the U.S. domestic market. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

**Merrill Lynch U.S. Corporate Master Market Index** - The Merrill Lynch U.S. Corporate Master Market Index is a statistical composite tracking the performance of the entire U.S. corporate bond market over time. The index includes dollar-denominated investment grade corporate public debt issued in the U.S. bond market. Performance is measured in terms of total return (interest income plus price gains) for different time periods as well as option-adjusted spreads, which show the amount of yield difference or "spread" between the index and a benchmark U.S. Treasury security that is attributable to all bond features—maturity, coupon, credit rating, liquidity, etc.—except for call features or other embedded options. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

**Chicago Board Options Exchange Market Volatility Index (the "VIX")**—The VIX is a popular measure of the implied volatility of S&P 500 index options. Often referred to as the fear index or the fear gauge, it represents one measure of the market's expectation of stock market volatility over the next 30 day period.

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November 2011

## Performance Disclosure

The performance data shown below 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.

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## MONTH-END PERFORMANCE AS OF 11/30/11

Fund/Index	November	YTD	1 Year	Average Annual Total Return			
				3 Year	5 Year	10 Year	Since Inception (11/8/05)
Driehaus Active Income Fund*	-3.76%	-6.99%	-5.67%	6.92%	3.96%	----	4.11%
Citigroup 3-Month T-Bill Index <sup>1</sup>	0.00%	0.08%	0.09%	0.14%	1.45%	----	2.01%
Barclays Capital U.S. Aggregate Bond Index <sup>2</sup>	-0.09%	6.77%	5.62%	7.72%	6.17%	----	6.39%

## CALENDAR QUARTER-END PERFORMANCE AS OF 9/30/11

Fund/Index	3rd QTR	YTD	1 Year	Average Annual Total Return			
				3 Year	5 Year	10 Year	Since Inception (11/8/05)
Driehaus Active Income Fund*	-8.53%	-6.81%	-4.37%	6.46%	4.19%	----	4.26%
Citigroup 3-Month T-Bill Index <sup>1</sup>	0.01%	0.07%	0.11%	0.20%	1.62%	----	2.06%
Barclays Capital U.S. Aggregate Bond Index <sup>2</sup>	3.82%	6.66%	5.27%	7.98%	6.53%	----	6.37%

\*The Driehaus Active Income Fund commenced operations on June 1, 2009 following the receipt of the assets and liabilities of the Lotsoff Capital Management Active Income Fund (the "Predecessor Fund") through a reorganization into the Driehaus Active Income Fund (the "Fund"). Lotsoff Capital Management was the investment adviser from inception through April 2, 2009. Driehaus Capital Management LLC (the "Adviser") became the interim investment adviser to the Predecessor Fund on April 3, 2009.

## ANNUAL FUND OPERATING EXPENSES\*\* (expenses that you pay each year as a percentage of the value of your investment)

Driehaus Active Income Fund	
Management Fee	0.55%
<b>Other Expenses</b>	
Other Expenses Excluding Dividends and Interest on Short Sales	0.37%
Dividends and Interest on Short Sales	0.87%
<b>Total Annual Fund Operating Expenses</b>	<b>1.79%</b>

\*\*Represents the Annual Fund Operating Expenses for the year ended December 31, 2010 as disclosed in the current prospectus dated April 30, 2011. It is important to understand that a decline in the Fund's average net assets due to unprecipitated 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.

The Driehaus Active Income Fund (the "Fund"), in addition to investing in unrated and investment grade bonds, may also invest in junk bonds, which involve greater credit risk, including the risk of default. The prices of high yield bonds are more sensitive to changing economic conditions and can fall dramatically in response to negative news about the issuer or its industry, or the economy in general. The use of derivatives involves risks different from, and possibly greater than, the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value, and there is a risk that changes in the value of a derivative held by the Fund will not correlate with the Fund's other investments. Further, the Fund may invest in derivatives for speculative purposes. Gains or losses from speculative positions in a derivative may be much greater than the derivative's original cost and potential losses may be substantial. The Fund may make short sales. Short sales expose the Fund to the risk of loss. 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. No investment strategy, including an absolute return strategy, can ensure a profit or protect against loss. Additionally, investing in an absolute return strategy may lead to underperforming results during an upward moving market. When interest rates increase, bond prices decrease and bond funds become more volatile.

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<sup>1</sup> The Citigroup 3-Month T-Bill Index is designed to mirror the performance of the 3-Month U.S. Treasury Bill. The Citigroup 3-Month T-Bill Index is unmanaged and its returns include reinvested dividends.

<sup>2</sup> The Barclays Capital U.S. Aggregate Bond Index, an unmanaged index, represents securities that are SEC-registered, taxable and dollar denominated. This index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.



# DRIEHAUS ACTIVE INCOME FUND

## Portfolio Characteristics — November 30, 2011

PORTFOLIO SNAPSHOT (as of 11/30/11)			RISK SUMMARY (as of 11/30/11)	
		<i>Excluding Cash</i>		
Assets Under Management (AUM)	2,597,679,169		Modified Duration	1.12Y
Long Market Value (LMV)	2,663,724,668	2,332,983,538	Spread Duration	3.81Y
Short Market Value (SMV)	(1,330,433,279)	(1,330,433,279)	Stock Vega/+1%	0.00%
Net Market Value	1,333,291,389	1,002,550,259	Average Coupon	5.20%
Net Exposure	51.33%	38.59%	Average Yield	7.17%
Gross Market Value (GMV)	3,994,157,948	3,663,416,818	Equity Beta	0.23%
GMV/AUM	1.54x	1.41x	Average % of Par-Longs	89.35%
			Average % of Par-Shorts	113.13%

TRADING STRATEGY TYPE (as of 11/30/11)				
	GMV	% of GMV	% Contrib. to Total Return	% of GMV Change vs. Previous Month End
Capital Structure Arbitrage <sup>1</sup>	768,602,796	19.24%	-1.23%	-0.21%
Cash Equivalent	330,741,130	8.28%	0.00%	2.05%
Convertible Arbitrage <sup>1</sup>	332,687,453	8.33%	-0.20%	-0.19%
Directional Long <sup>1</sup>	1,151,824,336	28.84%	-0.86%	-0.87%
Directional Short <sup>1</sup>	221,014,164	5.53%	0.03%	0.65%
Event Driven <sup>1</sup>	182,404,153	4.57%	-0.30%	-1.33%
Interest Rate Hedge	739,720,625	18.52%	-0.19%	0.63%
Pairs Trading <sup>1</sup>	253,031,941	6.34%	-0.86%	-0.96%
Volatility Trading	14,131,350	0.35%	-0.15%	0.24%
<b>Total</b>	<b>3,994,157,948</b>	<b>100.00%</b>	<b>-3.76%</b>	

MARKET CAPITALIZATION (as of 11/30/11)				
BILLION	LMV (\$)	% of LMV	SMV (\$)	% of SMV
\$0-500mm	188,363,412	7.07%	(27,073,493)	2.03%
\$500mm - 2bn	243,869,130	9.16%	(89,112,167)	6.70%
\$2bn - 10bn	427,028,179	16.03%	(151,543,509)	11.39%
\$10bn - 20bn	140,709,359	5.28%	(118,284,174)	8.89%
>\$20bn	425,745,003	15.98%	(174,395,528)	13.11%
<i>ABS/MBS (Excluded)<sup>2</sup></i>	<i>70,432,600</i>	<i>2.64%</i>	<i>-</i>	<i>0.00%</i>
<i>Private Companies (Excluded)<sup>3</sup></i>	<i>836,835,855</i>	<i>31.42%</i>	<i>(30,303,783)</i>	<i>2.28%</i>
<i>Treasuries (Excluded)<sup>4</sup></i>	<i>-</i>	<i>0.00%</i>	<i>(739,720,625)</i>	<i>55.60%</i>
<i>Cash (Excluded)</i>	<i>330,741,130</i>	<i>12.42%</i>		<i>0.00%</i>
<b>Total</b>	<b>2,663,724,668</b>	<b>100.00%</b>	<b>(1,330,433,279)</b>	<b>100.00%</b>

<sup>1</sup> A definition of this term can be found on page 2.

<sup>2</sup> Market capitalization information is unavailable for Asset Backed Securities (ABS)/ Mortgage Backed Securities (MBS).

<sup>3</sup> Market capitalization information is unavailable for Private Companies.

<sup>4</sup> Market capitalization information is unavailable for Treasuries.

Credit Ratings and market capitalization information for Credit Default Swaps (CDS) and Interest Rate Swaps are from underlying securities.

**CREDIT RATING\* (as of 11/30/11)**

	LMV (\$)	% of LMV	SMV (\$)	% of SMV	GMV (\$)	% of GMV	% of GMV Change vs. Previous Month End
AAA <sup>1</sup>	337,919,825	12.69%	(753,851,975)	56.66%	1,091,771,800	27.33%	2.91%
AA	36,211,500	1.36%	(38,390,625)	2.89%	74,602,125	1.87%	-0.05%
A <sup>2</sup>	122,934,586	4.62%	(46,917,453)	3.53%	169,852,039	4.25%	0.43%
BBB	408,806,349	15.35%	(152,789,358)	11.48%	561,595,707	14.06%	-0.57%
BB	373,686,162	14.03%	(139,282,148)	10.47%	512,968,310	12.84%	-1.17%
B	470,976,792	17.68%	(131,269,502)	9.87%	602,246,294	15.08%	0.27%
CCC	607,605,185	22.81%	(36,807,571)	2.77%	644,412,755	16.13%	-0.24%
CC	20,651,000	0.78%	-	0.00%	20,651,000	0.52%	0.01%
C	171,655	0.01%	-	0.00%	171,655	0.00%	0.00%
Not Rated	284,761,614	10.69%	(31,124,647)	2.34%	315,886,261	7.91%	-1.58%
<b>Total</b>	<b>2,663,724,668</b>	<b>100.00%</b>	<b>(1,330,433,279)</b>	<b>100.00%</b>	<b>3,994,157,948</b>	<b>100.00%</b>	

**PRODUCT TYPE (as of 11/30/11)**

	LMV (\$)	% of LMV	SMV (\$)	% of SMV	GMV (\$)	% of GMV	% of GMV Change vs. Previous Month End
ABS	21,640,830	0.81%	-	0.00%	21,640,830	0.54%	-0.02%
Agency MBS	45,035,410	1.69%	-	0.00%	45,035,410	1.13%	0.00%
Bank Loan	185,297,899	6.96%	-	0.00%	185,297,899	4.64%	-0.09%
CDS	14,488,972	0.54%	(414,205,485)	31.13%	428,694,457	10.73%	0.46%
Convertible Bonds	270,142,564	10.14%	(38,390,625)	2.89%	308,533,189	7.72%	-0.11%
Convertible Preferred	260,371,236	9.77%	-	0.00%	260,371,236	6.52%	-1.98%
Corp. Bonds	1,425,401,844	53.51%	(13,624,000)	1.02%	1,439,025,844	36.03%	-0.75%
Equity	82,546,068	3.10%	(108,739,009)	8.17%	191,285,077	4.79%	-0.24%
Equity Option	24,302,355	0.91%	(15,753,535)	1.18%	40,055,890	1.00%	0.06%
Govt Bonds	-	0.00%	-	0.00%	-	0.00%	0.00%
MBS	3,756,360	0.14%	-	0.00%	3,756,360	0.09%	0.00%
Money Market	330,741,130	12.42%	-	0.00%	330,741,130	8.28%	2.05%
Treasury Futures	-	0.00%	(739,720,625)	55.60%	739,720,625	18.52%	0.63%
<b>Total</b>	<b>2,663,724,668</b>	<b>100.00%</b>	<b>(1,330,433,279)</b>	<b>100.00%</b>	<b>3,994,157,948</b>	<b>100.00%</b>	

\*Credit ratings listed are subject to change.

<sup>1</sup> All government bonds are rated AAA.

<sup>2</sup> All agency Mortgage Backed Securities (MBS) are rated A.

**Credit Ratings:**

AAA and AA:

A and BBB:

BB, B, CCC, CC, C:

Not Rated:

High credit-quality investment grade

Medium credit-quality investment grade

Low credit-quality (non-investment grade), or "junk bonds"

Bonds currently not rated

Source: Bloomberg, Moody's, Standard & Poor's

**Note:** A definition of key terms can be found on page 14



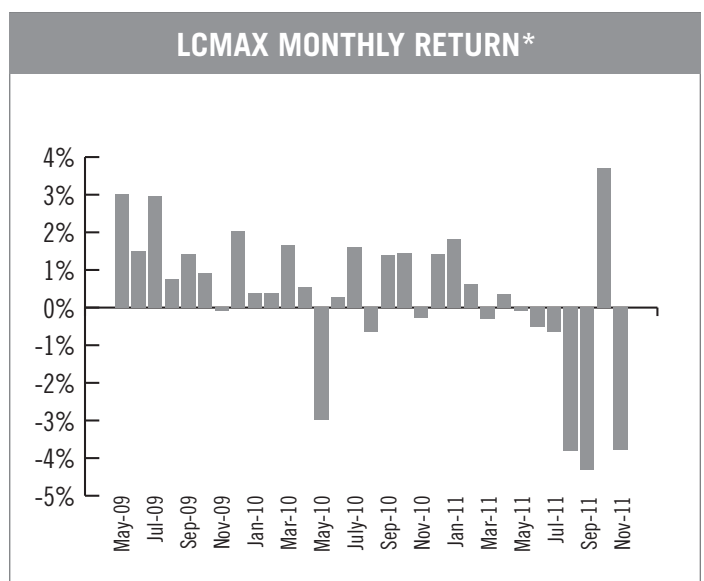
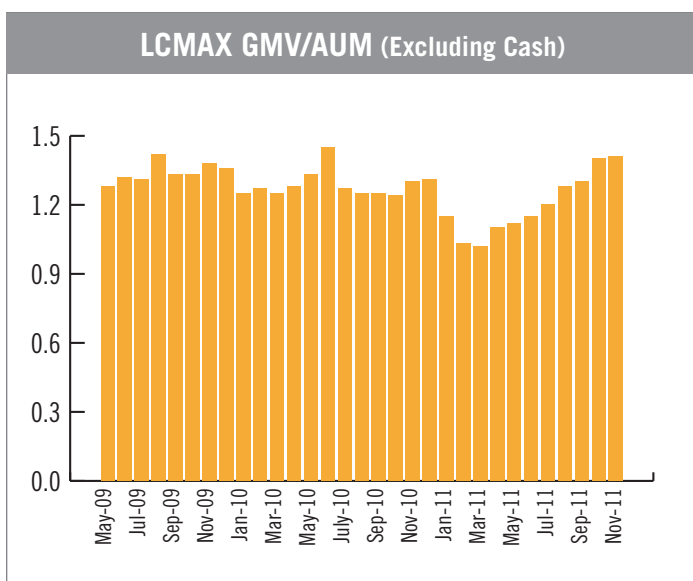
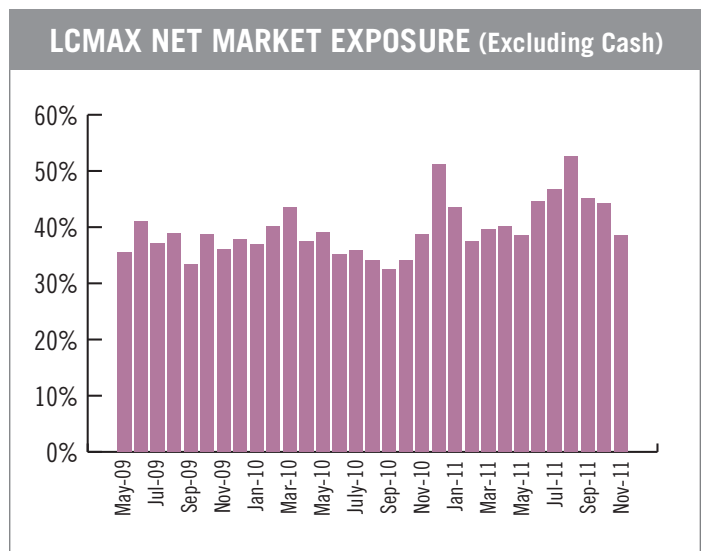
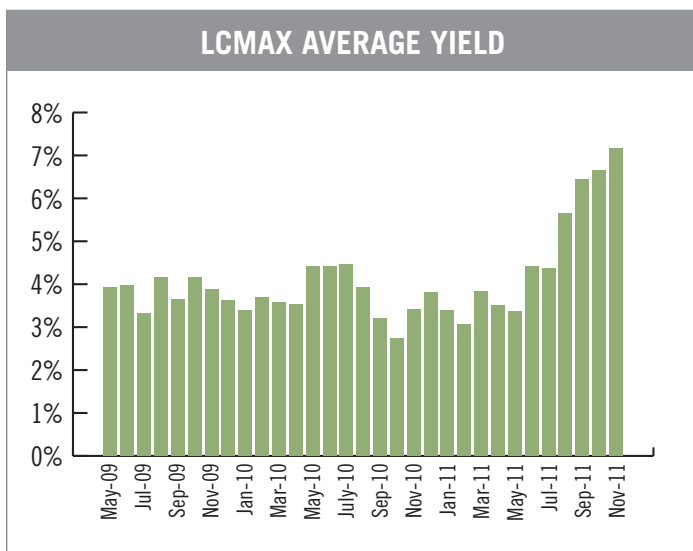
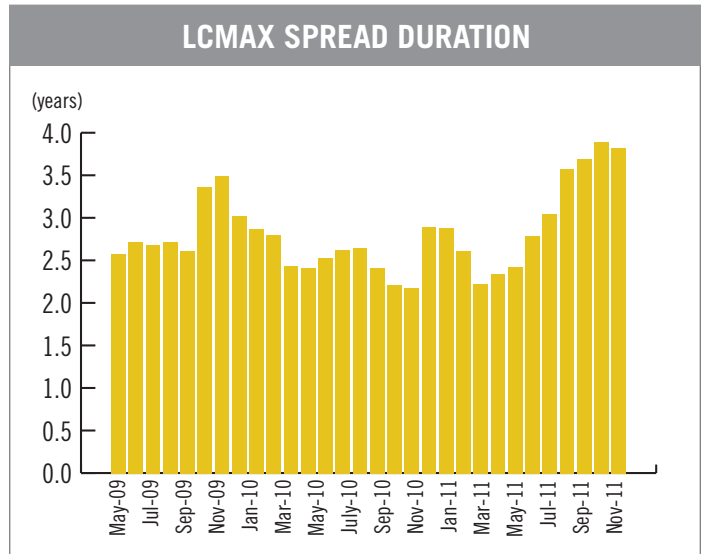
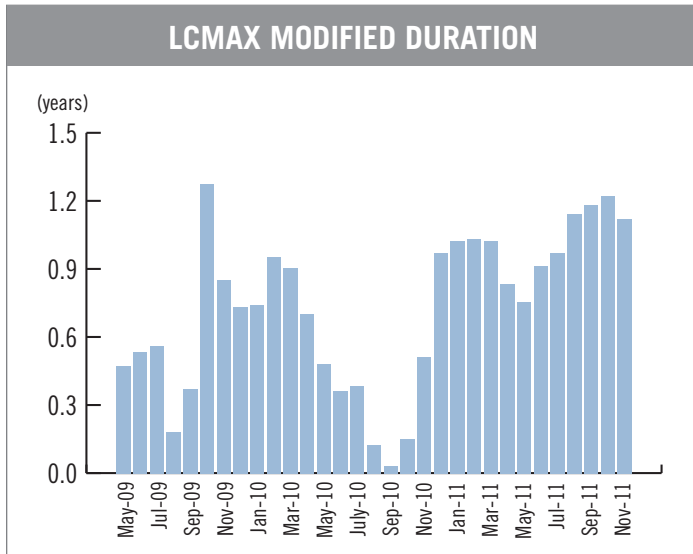
SPREAD DISTRIBUTION* (\$M) (as of 11/30/11)													
		0-100	100-200	200-300	300-400	400-500	500-600	600-700	700-800	800-900	900-1000	>1000	Total
Money Market	LMV	330,741,130	-	-	-	-	-	-	-	-	-	-	330,741,130
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	330,741,130	-	-	-	-	-	-	-	-	-	-	330,741,130
Govt Bonds	LMV	-	-	-	-	-	-	-	-	-	-	-	-
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-
Treasury Futures	LMV	-	-	-	-	-	-	-	-	-	-	-	-
	SMV	(739,720,625)	-	-	-	-	-	-	-	-	-	-	(739,720,625)
	Total	(739,720,625)	-	-	-	-	-	-	-	-	-	-	(739,720,625)
Corp. Credit	LMV	-	-	108,569,582	196,114,201	150,285,423	111,384,002	97,520,973	129,781,206	124,573,303	72,555,038	434,618,118	1,425,401,844
	SMV	-	-	-	-	-	-	(6,150,000)	(7,474,000)	-	-	-	(13,624,000)
	Total	-	-	108,569,582	196,114,201	150,285,423	111,384,002	91,370,973	122,307,206	124,573,303	72,555,038	434,618,118	1,411,777,844
Convertible Bond	LMV	-	-	-	-	-	-	63,583,500	53,505,375	36,153,750	-	116,899,939	270,142,564
	SMV	(38,390,625)	-	-	-	-	-	-	-	-	-	-	(38,390,625)
	Total	(38,390,625)	-	-	-	-	-	63,583,500	53,505,375	36,153,750	-	116,899,939	231,751,939
Preferred	LMV	-	-	-	65,266,747	2,330,474	59,962,965	-	65,793,551	-	-	67,017,500	260,371,236
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	65,266,747	2,330,474	59,962,965	-	65,793,551	-	-	67,017,500	260,371,236
Equity	LMV	15,079,028	-	-	-	57,004,254	-	8,340,098	-	-	2,122,688	-	82,546,068
	SMV	-	-	-	-	-	-	(16,644,980)	(42,774,163)	(21,075,193)	(865,645)	(27,379,028)	(108,739,009)
	Total	15,079,028	-	-	-	57,004,254	-	(8,304,883)	(42,774,163)	(21,075,193)	1,257,043	(27,379,028)	(26,192,941)
Equity Option	LMV	-	-	-	-	24,302,355	-	-	-	-	-	-	24,302,355
	SMV	(15,073,430)	-	-	-	-	(312,665)	(286,440)	-	-	-	(81,000)	(15,753,535)
	Total	(15,073,430)	-	-	-	24,302,355	(312,665)	(286,440)	-	-	-	(81,000)	8,548,820
Bank Loan	LMV	-	-	-	-	34,304,358	-	42,432,111	43,139,920	39,314,432	-	26,107,077	185,297,899
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	34,304,358	-	42,432,111	43,139,920	39,314,432	-	26,107,077	185,297,899
Agency MBS	LMV	45,035,410	-	-	-	-	-	-	-	-	-	-	45,035,410
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	45,035,410	-	-	-	-	-	-	-	-	-	-	45,035,410
ABS	LMV	18,228,378	-	-	-	-	-	-	-	-	-	3,412,453	21,640,830
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	18,228,378	-	-	-	-	-	-	-	-	-	3,412,453	21,640,830
MBS	LMV	-	-	-	-	-	-	-	-	-	3,584,705	171,655	3,756,360
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	3,584,705	171,655	3,756,360
CDS	LMV	-	2,404,193	-	-	-	4,071,123	-	-	490,842	1,877,120	5,645,694	14,488,972
	SMV	(99,792,904)	(65,542,894)	(64,102,997)	(34,761,061)	(49,002,143)	(12,526,743)	(4,714,743)	(42,409,015)	-	(9,126,540)	(32,226,446)	(414,205,485)
	Total	(99,792,904)	(63,138,701)	(64,102,997)	(34,761,061)	(49,002,143)	(8,455,620)	(4,714,743)	(42,409,015)	490,842	(7,249,420)	(26,580,752)	(399,716,513)
Combined	LMV	409,083,945	2,404,193	108,569,582	261,380,947	268,226,864	175,418,090	211,876,682	292,220,052	200,532,327	80,139,550	653,872,435	2,663,724,668
	SMV	(892,977,584)	(65,542,894)	(64,102,997)	(34,761,061)	(49,002,143)	(12,839,408)	(27,796,163)	(92,657,178)	(21,075,193)	(9,992,185)	(59,686,474)	(1,330,433,279)
	Total	(483,893,639)	(63,138,701)	44,466,585	226,619,886	219,224,721	162,578,682	184,080,519	199,562,875	179,457,134	70,147,365	594,185,962	1,333,291,389
	%	<b>-36.29%</b>	<b>-4.74%</b>	<b>3.34%</b>	<b>17.00%</b>	<b>16.44%</b>	<b>12.19%</b>	<b>13.81%</b>	<b>14.97%</b>	<b>13.46%</b>	<b>5.26%</b>	<b>44.57%</b>	<b>100.00%</b>

\*Spread differential between the underlying securities and Treasury bonds in basis points

The chart above measures the excess yield (in basis points) that these securities provide over the yield offered by U.S. treasuries of comparable maturities according to market prices at the end of the month. We then define the security type, as well as the Fund's long and short exposure, and plot these exposures based on current market values to show a more accurate view of where the Fund's capital is allocated than can be depicted by simply defining exposures by credit rating or security type.

Source: Bloomberg

Note: A definition of key terms can be found on page 14



Sources: Driehaus Capital Management LLC, Bloomberg

\*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.

Note: A definition of key terms can be found on page 14

**INDUSTRY GROUP (as of 11/30/11)**
**GICS<sup>1</sup>**

	LMV (\$)	% of LMV	SMV (\$)	% of SMV	GMV (\$)	% of GMV
Automobiles & Components	174,982,458	6.57%	(48,815,236)	3.67%	223,797,694	5.60%
Banks	24,910,000	0.94%	-	0.00%	24,910,000	0.62%
Capital Goods	159,145,753	5.97%	(17,530,708)	1.32%	176,676,460	4.42%
Commercial & Professional Services	-	0.00%	(32,981,568)	2.48%	32,981,568	0.83%
Consumer Durables & Apparel	17,189,536	0.65%	(97,822,810)	7.35%	115,012,346	2.88%
Consumer Services	134,585,767	5.05%	(8,225,318)	0.62%	142,811,085	3.58%
Diversified Financials	269,117,599	10.10%	(40,847,200)	3.07%	309,964,799	7.76%
Energy	69,465,118	2.61%	(9,837,059)	0.74%	79,302,177	1.99%
Food & Staples Retailing	117,599,695	4.41%	(24,754,772)	1.86%	142,354,467	3.56%
Food Beverage & Tobacco	67,745,276	2.54%	(23,905,697)	1.80%	91,650,972	2.29%
Health Care Equipment & Services	70,837,875	2.66%	(832,437)	0.06%	71,670,312	1.79%
Household & Personal Products	28,460,000	1.07%	-	0.00%	28,460,000	0.71%
Insurance	31,913,000	1.20%	(20,351,506)	1.53%	52,264,506	1.31%
Materials	107,139,499	4.02%	(15,708,380)	1.18%	122,847,879	3.08%
Media	27,532,750	1.03%	-	0.00%	27,532,750	0.69%
Pharmaceuticals, Biotechnology	56,716,065	2.13%	-	0.00%	56,716,065	1.42%
Real Estate	35,672,833	1.34%	(62,690,043)	4.71%	98,362,876	2.46%
Retailing	114,230,352	4.29%	(42,412,850)	3.19%	156,643,202	3.92%
Semiconductors & Semiconductor Equip.	60,749,073	2.28%	(108,456)	0.01%	60,857,528	1.52%
Software & Services	123,038,149	4.62%	(58,927,167)	4.43%	181,965,316	4.56%
Technology Hardware & Equipment	144,289,397	5.42%	(40,607,563)	3.05%	184,896,960	4.63%
Telecomm. Services	392,302,877	14.73%	(4,288,332)	0.32%	396,591,209	9.93%
Transportation	4,490,650	0.17%	(33,209)	0.00%	4,523,858	0.11%
Utilities	28,033,023	1.05%	-	0.00%	28,033,023	0.70%
<b>Other<sup>2</sup></b>						
Agency Collateral CMO*	43,862,405	1.65%	-	0.00%	43,862,405	1.10%
Automobile ABS	3,009,232	0.11%	-	0.00%	3,009,232	0.08%
CDS FI Index**	2,404,193	0.09%	(25,900,996)	1.95%	28,305,189	0.71%
Commercial MBS	3,584,705	0.13%	-	0.00%	3,584,705	0.09%
Credit Card ABS	15,008,985	0.56%	-	0.00%	15,008,985	0.38%
Equity Index	-	0.00%	(14,131,350)	1.06%	14,131,350	0.35%
FHLMC Collateral	1,173,004	0.04%	-	0.00%	1,173,004	0.03%
Home Equity ABS	275,542	0.01%	-	0.00%	275,542	0.01%
Money Market	330,741,130	12.42%	-	0.00%	330,741,130	8.28%
Other ABS	3,347,072	0.13%	-	0.00%	3,347,072	0.08%
Sovereign	-	0.00%	(739,720,625)	55.60%	739,720,625	18.52%
WL Collateral CMO	171,655	0.01%	-	0.00%	171,655	0.00%
<b>Total</b>	<b>2,663,724,668</b>	<b>100.00%</b>	<b>(1,330,433,279)</b>	<b>100.00%</b>	<b>3,994,157,948</b>	<b>100.00%</b>

Sources: Bloomberg, Global Industry Classification Standard

<sup>1</sup>The Global Industry Classification Standard (GICS), a collaboration between Standard & Poor's and Morgan Stanley Capital International, is a system of classification that identifies a company according to its business activity.

<sup>2</sup>The Other Industry Group data is not categorized within the GICS classification system.

\*Agency Collateral Collateralized Mortgage Obligation

\*\*Credit Default Swaps Fixed Income Index

\*\*\*Federal Home Loan Mortgage Corporation Collateral

Industry group information for Credit Default Swaps and Interest Rate Swaps is from underlying securities.

**Note:** A definition of key terms can be found on page 14

**INDUSTRY SECTOR (as of 11/30/11)**

	LMV (\$)	% of LMV	SMV (\$)	% of SMV	GMV (\$)	% of GMV
<b>GICS<sup>1</sup></b>						
Consumer Discretionary	468,520,863	17.59%	(197,276,213)	14.83%	665,797,077	16.67%
Consumer Staples	213,804,971	8.03%	(48,660,469)	3.66%	262,465,439	6.57%
Energy	69,465,118	2.61%	(9,837,059)	0.74%	79,302,177	1.99%
Financials	361,613,433	13.58%	(123,888,748)	9.31%	485,502,181	12.16%
Health Care	127,553,940	4.79%	(832,437)	0.06%	128,386,377	3.21%
Industrials	163,636,403	6.14%	(50,545,484)	3.80%	214,181,886	5.36%
Information Technology	328,076,619	12.32%	(99,643,186)	7.49%	427,719,804	10.71%
Materials	107,139,499	4.02%	(15,708,380)	1.18%	122,847,879	3.08%
Telecommunication Services	392,302,877	14.73%	(4,288,332)	0.32%	396,591,209	9.93%
Utilities	28,033,023	1.05%	-	0.00%	28,033,023	0.70%
<b>Other<sup>2</sup></b>						
Asset Backed Securities	21,640,830	0.81%	-	0.00%	21,640,830	0.54%
CDS FI Index	2,404,193	0.09%	(25,900,996)	1.95%	28,305,189	0.71%
Equity Index	-	0.00%	(14,131,350)	1.06%	14,131,350	0.35%
Government	-	0.00%	(739,720,625)	55.60%	739,720,625	18.52%
Money Market	330,741,130	12.42%	-	0.00%	330,741,130	8.28%
Mortgage Securities	48,791,770	1.83%	-	0.00%	48,791,770	1.22%
<b>Total</b>	<b>2,663,724,668</b>	<b>100.00%</b>	<b>(1,330,433,279)</b>	<b>100.00%</b>	<b>3,994,157,948</b>	<b>100.00%</b>

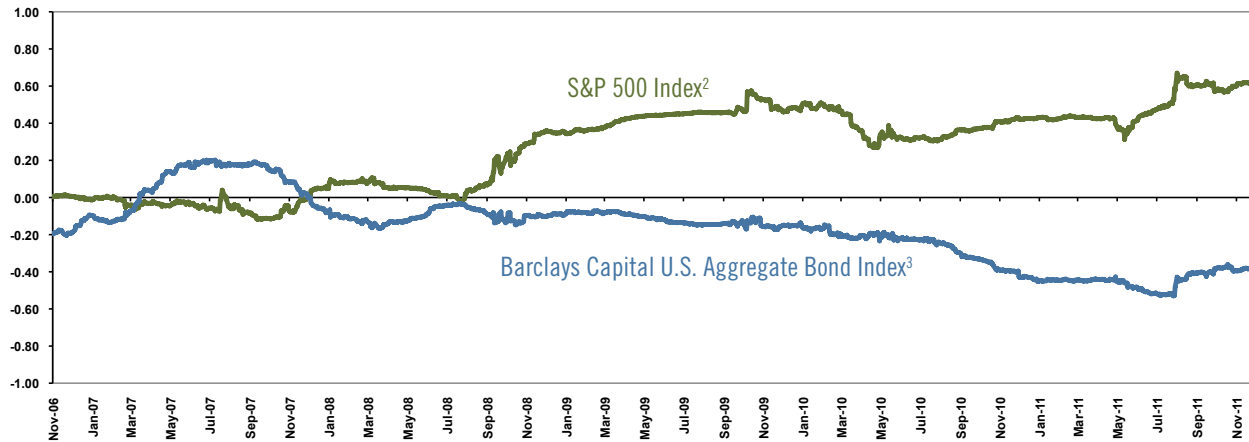
Sources: Bloomberg, Global Industry Classification Standard  
 Industry sector information for CDS and Interest Rate Swaps is from underlying securities.

<sup>1</sup>The Global Industry Classification Standard (GICS), a collaboration between Standard & Poor's and Morgan Stanley Capital International, is system of classification that identifies a company according to its business activity.

<sup>2</sup>The Other Industry Group data is not categorized within the GICS classification system.

## CORRELATION<sup>1</sup> COMPARISON (as of 11/30/11)

### 12-Month Rolling Correlations vs. Driehaus Active Income Fund



Source: Standards & Poor's ("S&P") 500 Index total return data from Bloomberg. Barclays Capital U.S. Aggregate Bond Index data from Barclays Capital

The benchmarks for the Driehaus Active Income Fund are the Citigroup 3-Month T-Bill and the Barclays Capital U.S. Aggregate Bond Index. The S&P 500 Index is shown for illustrative purposes only.

<sup>1</sup> Correlation is a statistical measure of how return sets move in relation to each other. Correlation is computed into what is known as the correlation coefficient, which ranges between -1 and +1. Perfect positive correlation (a correlation coefficient of +1) implies that as one security moves, either up or down, the other security will move in lockstep, in the same direction. Alternatively, perfect negative correlation means that if one security moves in either direction the security that is perfectly negatively correlated will move by an equal amount in the opposite direction. If the correlation is 0, the movements of the securities are said to have no correlation; they are completely random. The S&P 500 Index and the Barclays Capital U.S. Aggregate Bond Index are recognized proxies for the U.S. fixed income market.

<sup>2</sup> The S&P 500 Index consists of 500 stocks chosen for market size, liquidity, and industry group. It is a market-weighted index (stock price times number of shares outstanding), with each stock's weight in the index proportionate to its market value.

<sup>3</sup> The Barclays Capital U.S. Aggregate Bond Index is a broad base index, maintained by Barclays Capital, used to represent investment grade bonds being traded in the United States.

The Driehaus Active Income Fund (the "Fund"), in addition to investing in unrated and investment grade bonds, may also invest in junk bonds, which involve greater credit risk, including the risk of default. The prices of high yield bonds are more sensitive to changing economic conditions and can fall dramatically in response to negative news about the issuer or its industry, or the economy in general. The use of derivatives involves risks different from, and possibly greater than, the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value, and there is a risk that changes in the value of a derivative held by the Fund will not correlate with the Fund's other investments. Further, the Fund may invest in derivatives for speculative purposes. Gains or losses from speculative positions in a derivative may be much greater than the derivative's original cost and potential losses may be substantial. The Fund may make short sales. Short sales expose the Fund to the risk of loss. 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. No investment strategy, including an absolute return strategy, can ensure a profit or protect against loss. Additionally, investing in an absolute return strategy may lead to underperforming results during an upward moving market. When interest rates increase, bond prices decrease and bond funds become more volatile.

**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 (877) 779-0079. Please read the prospectus and summary prospectus carefully before investing.**

This snapshot is not intended to provide investment advice. Nothing herein should be construed as a solicitation or a recommendation to buy or sell securities or other investments. You should assess your own investment needs based on your individual financial circumstances and investment objectives. Driehaus does not guarantee the accuracy or completeness of this information. This data was prepared on December 6, 2011 and has not been updated since then. It may not reflect recent market activity. Driehaus assumes no obligation to update or supplement this information to reflect subsequent changes. This material is not intended to be relied upon as a forecast, research or investment advice, and is not a recommendation, offer or solicitation to buy or sell any securities or to adopt any investment strategy. The information and opinions contained in this material are derived from proprietary and non-proprietary sources deemed by Driehaus to be reliable, are not necessarily all inclusive and are not guaranteed as to accuracy. 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.

## DEFINITIONS OF KEY TERMS

### **AGENCY MORTGAGE-BACKED SECURITY**

A mortgage-backed security issued and guaranteed by a government agency such as the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, or Government National Mortgage Association.

### **ASSET-BACKED SECURITY (ABS)**

A security whose value and income payments are derived from and collateralized (or “backed”) by a specified pool of underlying assets.

### **AVERAGE % OF PAR-LONGS**

The average dollar price of a bond the Fund is long as a percentage of par.

### **AVERAGE % OF PAR-SHORTS**

The average dollar price of a bond the Fund is short as a percentage of par.

### **AVERAGE COUPON**

The weighted-average gross interest rates of the pool of mortgages that underlie a mortgage-backed security (MBS) at the time the securities were issued.

### **AVERAGE YIELD**

The average yield on an investment or a portfolio that results from adding all interest, dividends or other income generated from the investment, divided by the average of the investments for the year.

### **CREDIT DEFAULT SWAP (CDS)**

A contract in which the buyer of the CDS makes a series of payments to the seller and, in exchange, receives a payoff if a credit instrument (typically a bond or loan) goes into default. In its simplest form, a credit default swap is a bilateral contract between the buyer and seller of protection.

### **EQUITY BETA**

A measure describing the relation of a portfolio's returns with that of the financial market as a whole. A portfolio with a beta of 0 means that its price is not at all correlated with the market. A positive beta means that the portfolio generally follows the market. A negative beta shows that the portfolio inversely follows the market; the portfolio generally decreases in value if the market goes up and vice versa.

### **MODIFIED DURATION**

A formula that expresses the measurable change in the value of a security in response to a change in interest rates.

### **MORTGAGE-BACKED SECURITY (MBS)**

An asset-backed security or debt obligation that represents a claim on the cash flows from mortgage loans, most commonly on residential property.

### **NET EXPOSURE**

Calculated by subtracting the percentage of the Fund's capital invested in short sales from the percentage of its capital used for long positions. It measures the Fund's exposure to the market value of the positions.

### **SPREAD DURATION**

The sensitivity of the price of a bond to a 100 basis point change to its option-adjusted spread. As the rate of the Treasury security in the option-adjusted spread increases, the rate of the option-adjusted spread also increases.

### **STOCK VEGA**

The change in the price of an option that results from a 1% change in volatility. Vega changes when there are large price movements in the underlying asset and Vega falls as the option gets closer to maturity. Vega can change even if there is no change in the price of the underlying asset (e.g., if there is a change in expected volatility).

### **SWAP**

A derivative in which two counterparties exchange certain benefits of one party's financial instrument for those of the other party's financial instrument.