DRIEHAUS ACTIVE INCOME FUND

Fund Summary — December 2010

DRIEHAUS CAPITAL MANAGEMENT LLC

DRIEHAUS ACTIVE INCOME FUND

25 East Erie Street, Chicago, Illinois 60611 (877) 779-0079 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 12/31/2010: $2.2 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.

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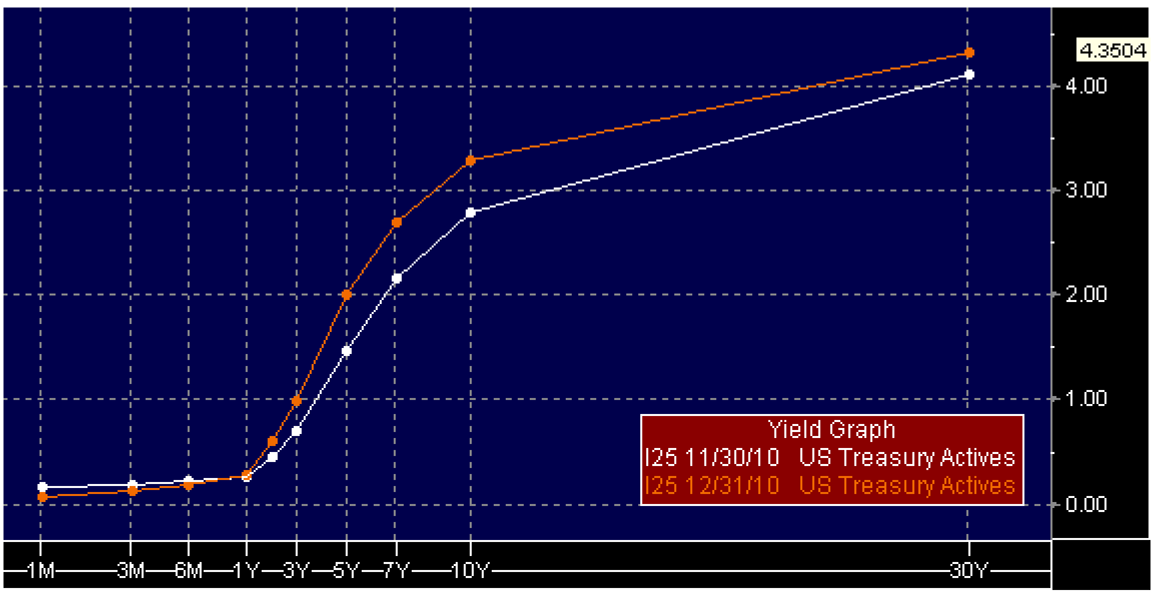
Market Recap

The Driehaus Active Income Fund (the "Fund") returned 1.42% for the month of December and outperformed its benchmark, the Citigroup 3-Month Treasury Bill Index (the "Benchmark"), which returned 0.01% for the same period. The Fund outperformed the Barclays Capital U.S. Aggregate Bond Index (the "Index"), which returned -1.08% for the same period. The Fund's return year-to-date is 5.18%, during the same period the Benchmark's return is 0.13% and the Index's return is 6.55%.[1]

The Fund finished 2010 on a strong note as investors embraced continued signs of a global economic recovery. The response by risky assets was strong in December, as the S&P 500 Index jumped 6.7% during the month. Even more impressive, the Dow Jones UBS Commodity Total Return Index leapt 10.7%. This flight to risk sparked another month of losses in U.S. Treasuries as yields jumped across the curve.

U.S. TREASURY YIELD CURVE



During the month, yields jumped across the curve.

Source: Bloomberg

Fortunately, we took advantage of some weakness in asset prices in November to add to positions which aided returns this past month. By strategy, the Fund performed fairly well in December with moderate gains in our Event Driven (+29 basis points), Directional Long (+48 basis points), and Interest Rate Hedge (+80 basis points) strategies. On the negative side, our Capital Structure Arbitrage (-17 basis points) and Directional Short (-18 basis points) strategies both detracted from returns. Generally speaking, we experienced a modest rally in risky assets during the month coupled with a fairly sharp rise in rates.

[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.

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 for more current performance information.

Reflecting back on the year, 2010 was a great year for investing. It's not too often when you will record gains across stocks, bonds, and commodities all in the same year. Unfortunately for us, absolute return strategies generally lagged long-only strategies during the year. Nevertheless, with the HFRI and HFRX Global Hedge Fund Indices up 10.4% and 5.2% for the year respectively, 2010 can hardly be considered a disaster. Hopefully 2011 will prove to be just as fruitful for investors, though we would not mind if alternatives led the pack instead of followed it.

As for our Funds' (Driehaus Active Income Fund and Driehaus Select Credit Fund) performance, we would characterize it as mildly satisfactory for the year. The Driehaus Select Credit Fund, which launched on September 30, 2010, posted a gain of 3.5% and annualized realized volatility (60 day since 252 day is not yet available) of 3.0%. The Fund finished 2010 with a gain of 5.2% and realized volatility (252 day) of 2.6%. Regardless of the Sharpe Ratio, it's hard to get too excited about 5%. We did a few things well and could have done a few things better. Our 3% drawdown in May was disappointing given the condition of the markets. Fortunately, we made some changes to the portfolio that enabled us to perform pretty well during tumultuous periods in the market later in the year, such as in June, August and November. We did not do a good job of getting involved in distressed oil and gas names during the Gulf of Mexico spill even though we believed that on a fundamental basis, there were a number of great investment opportunities. At the time, we feared that the government might get involved as they did with the auto manufacturers during the Credit Crisis (sadly, we have not yet figured out how to include government involvement into our risk models). On the positive side, we did stay focused on corporate fundamentals during the second and third quarters when the bears took over the airwaves. As a result, we took advantage of market weakness to initiate some attractive positions and conveyed to investors on an open conference call in June that it was a great time to be putting capital to work in the markets.

For our investors that use the Fund as primarily a fixed income exposure, our lack of duration caused the Fund to lag most major benchmarks for the past year. However, for our absolute return-oriented investors, the Fund modestly outperformed most of the other liquid alternative mutual funds. So in aggregate, 2010 was just an okay year.

TRADING STRATEGY RETURNS

2010													
	Jan	**Feb**	**March**	**April**	**May**	**June**	**July**	**August**	**Sept**	**Oct**	**Nov**	**Dec**	**Year**
Cash Equivalent	0.02%	0.00%	-0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.03%
Cap Structure Arb	0.27%	0.10%	0.35%	0.22%	-0.78%	0.20%	0.27%	0.23%	0.29%	0.48%	0.08%	-0.17%	1.55%
Convertible Arb	-0.18%	0.15%	0.12%	0.11%	-0.23%	0.07%	0.10%	0.02%	0.07%	0.04%	-0.12%	0.03%	0.17%
Directional Long	0.46%	0.31%	0.92%	0.71%	-1.50%	0.54%	1.28%	0.33%	0.82%	0.64%	-0.06%	0.49%	4.95%
Directional Short	0.13%	-0.03%	-0.15%	-0.15%	0.32%	0.17%	-0.07%	0.03%	-0.16%	-0.17%	-0.07%	-0.18%	-0.32%
Event Driven	0.00%	0.06%	0.06%	0.01%	-0.04%	-0.03%	0.03%	-0.07%	0.18%	0.11%	-0.26%	0.28%	0.33%
IR Hedge	-0.37%	-0.23%	0.34%	-0.43%	-0.80%	-0.92%	-0.22%	-1.15%	0.08%	0.22%	0.23%	0.80%	-2.45%
Pairs Trading	0.04%	0.01%	0.03%	0.03%	-0.09%	0.03%	0.11%	-0.04%	0.08%	0.11%	-0.01%	0.09%	0.39%
Volatility Trading				0.04%	0.17%	0.22%	0.05%	0.00%	0.00%	-0.01%	-0.05%	0.09%	0.51%
	0.37%	**0.37%**	**1.65%**	**0.54%**	**-2.97%**	**0.28%**	**1.57%**	**-0.64%**	**1.37%**	**1.44%**	**-0.27%**	**1.42%**	**5.15%***

Source: Driehaus Capital Management LLC
**Slight differences exist between the Strategy returns and the Fund's actual return due to rounding.*

As shown above, the bulk of our gains were generated from our Directional Long bucket in 2010. This is not surprising given our significant weighting to the strategy over the past 12 months and our belief that spreads would tighten, particularly in high yield. The largest detractor from returns was our Interest Rate Hedge, which worked against the Fund all year until the fourth quarter. Our Capital Structure strategy contributed meaningfully to performance as volatility remained elevated for the year and selected debt versus equity trades performed well. On the negative side, our Directional Short strategy detracted from returns in most months. However, due to our general view that credit fundamentals would improve for most companies, we committed a relatively small amount of capital to the strategy (usually less than 5% of our Fund's exposure).

From a correlation standpoint, the Funds performed fairly well in 2010. Below we show correlations between the Funds and a variety of assets/indices based on daily data over the past year (keep in mind that we only have one quarter's worth of data for the Driehaus Select Credit Fund, since the Fund was launched on September 30, 2010). The assets analyzed include the S&P 500 Index (SPX), oil futures (Oil), the U.S. Dollar Index (DXY), the 10 Year Treasury (UST-10), the Barclays Capital U.S. Aggregate Bond Index (AGG), the Chicago Board of Option Exchange Volatility Index (VIX), the J.P. Morgan High Yield 100 Index (JPM HY), the Driehaus Active Income Fund (LCMAX) and the Driehaus Select Credit Fund (DRSLX).

CORRELATION MATRIX

<HELP> for explanation. ComdtyCORR
1<GO> to Edit, 2<GO> for more options, <MENU> to return to correlation menu
1) Edit 2) Actions Add Matrix Shortc corr1
12/31/2009 - 12/31/2010 Daily Calculation Correlation USD
<Filter> Correlation Matrix (9 Rows x 9 Columns)

Security	SPX	OIL	DXY	UST-10	AGG	VIX	JPM HY	LCMAX	DRSLX
11) SPX	1.000	0.650	-0.445	-0.254	-0.329	-0.842	0.410	0.409	-0.053
12) OIL	0.650	1.000	-0.466	-0.068	-0.190	-0.535	0.410	0.334	-0.072
13) DXY	-0.445	-0.466	1.000	-0.004	-0.007	0.349	-0.205	-0.151	-0.043
14) UST-10	-0.254	-0.068	-0.004	1.000	0.930	0.125	-0.064	-0.683	0.044
15) AGG	-0.329	-0.190	-0.007	0.930	1.000	0.253	0.046	-0.375	0.046
16) VIX	-0.842	-0.535	0.349	0.125	0.253	1.000	-0.400	-0.391	-0.093
17) JPM HY	0.410	0.410	-0.205	-0.064	0.046	-0.400	1.000	0.651	0.170
18) LCMAX	0.409	0.334	-0.151	-0.683	-0.375	-0.391	0.651	1.000	0.255
19) DRSLX	-0.053	-0.072	-0.043	0.044	0.046	-0.093	0.170	0.255	1.000

Color bands based on Statistical Significance: Most Significant Significant Less Significant Least Significant
Click on a security to view more options, or on a matrix value to view correlation and scatter charts.

Correlation between the Fund and other instruments exceeded 0.500 in only one circumstance.

Source: Bloomberg

Correlations between the Fund and the other instruments exceeded +0.500 in only one circumstance, namely with the J.P. Morgan High Yield 100 Index. This was not unexpected, as we relayed throughout 2010 that we were shifting our credit exposure from investment grade corporates to the high yield end of the spectrum. The correlation between the Fund and the other instruments was less than -0.500 in only one case. The Fund's correlation to the 10 Year Treasury finished the year at -0.683. Due to the Fund's interest rate hedge and the nature of the rate move in 2010, our Fund often dropped when rates were quickly falling and rose when rates started to sharply rise. Additionally, the tight correlations between "risk" assets this year with U.S. Treasury yields caused our correlations to be more significant with Treasuries than we would normally expect. Looking forward, we would expect this relationship to ease as the markets continue to "settle" following the Credit Crisis.

Though we have only one quarter's worth of data, there were no assets that displayed any significant correlation to the Driehaus Select Credit Fund. Given the concentrated construction of the Driehaus Select Credit Fund and the event driven nature of many of the trades, we do not expect the Driehaus Select Credit Fund to be significantly correlated to any of the aforementioned assets over extended periods of time, including the Driehaus Active Income Fund.

A couple of other observations should be noted with regards to correlations during the past year. First, one can see that the global growth theme was an important one last year as correlation between the S&P 500 Index and oil registered 0.650, which was meaningfully higher than the correlation these two assets displayed over the past ten years (0.17). Second, we have stated many times throughout 2010 that high grade fixed income securities seem pretty unattractive to us given the: (1) high level of interest sensitivity to many of these products; (2) the current level of interest rates; and (3) the current level of investment grade credit spreads. As noted in the chart above, an investment in high grade fixed income (represented by the AGG) is now simply a bet on interest rates, as shown with the 0.930 correlation to the 10 Year Treasury.

Market Outlook

So you have probably been reading 2011 outlooks for weeks now. Heck, we even gave you our thoughts back in October for the coming year. What can we say that you already have not heard a few times? Regretfully, probably not too much.

Regardless, we have read a few of these year-end pieces as well. The consensus themes we walked away with, as well as our thoughts, are as follows:

1. GDP growth will accelerate in 2011 thanks to fiscal and monetary stimulus. (As you might know, we have been bullish on the recovery for quite some time now. Consequently, we have to scratch our heads at all of the economists that are now lifting their GDP estimates due to the "unforeseen" stimulus. Wow, who could have anticipated those tax cuts and more easy money from Gentle Ben?)

2. Stocks are poised to rise due to continued growth in corporate profits and attractive valuations. (Consensus earnings per share estimates for the S&P 500 Index reside at $95. Based on those earnings, the S&P 500 Index trades at 13.5x. That is too cheap based on our expectations for inflation and interest rates.)

3. High yield and distressed credit should benefit from an increased appetite for risk and strong balance sheets. (The Merrill Lynch High Yield Master Index currently trades at a spread of 540 basis points to U.S. Treasuries. Given that we expect the default rate for U.S. high yield next year will fall below 3%, we believe that spreads should tighten 100 to 150 basis points. If our prediction is correct, we believe that will result in approximately a 9-12% rate of return for the high yield index this year.)

4. The end of the Fed's Treasury purchase program, concerns over continued budget deficits, and fund flows out of fixed income and into equities will cause interest rates to steadily march higher. (We whole-heartedly agree, except with the "steadily" part. Consensus estimates for the 10 year yield at the end of the year are now wrapped pretty tightly around 3.5 – 4.0%. We think there is a high probability that the unwind in rates gets fairly messy in 2011 if a true economic recovery takes place. In fact, we would predict an end of year yield at 5.0% is every bit as likely as 3.0%. As we experienced in December, one minute the 10 year yield is sitting at 2.75%, the next minute you head out for a cup of coffee only to return to a 10 year yield at 3.00% — and that occurred while the Fed is buying $100 billion a month! Now in the interest of full disclosure to our investors who came into the Fund within the past 12 months, we thought the same thing heading into 2010, so we were wrong... or at least early on that call.)

5. Developing economies will continue to be the driving force behind global growth and represent the most compelling investment opportunities. (We actually disagree on this point. We think the U.S. is in the process of taking the baton from China to spark global growth. The U.S. consumer is a powerful force and based on the last several months of data, she could be awakening from her extended slumber. If so, we would not be shocked to see a 2011 real GDP print in excess of 4%.)

So there you have it, we are almost in total agreement with the consensus. And to be honest with you, that is the biggest risk factor we foresee as a portfolio management team. We prefer not to be investing with the herd, in fact, we dislike it. So often it is just a great way to lose money, or prevent yourself from making any. Last year alone there were a few great examples of the herd being way off the mark. The year started with an uncertain tone, but one thing most everyone did agree on was that Treasury yields were going higher. Of course, buying treasuries would have been about the best trade to make for the first 9 months of the year. Then the markets dropped during the summer and all we heard about was that this was the "new normal" regime of lower returns and slower growth. We only hope investors can get another decade of these "depressed" new normal returns that they have notched in each of the past two years. And how could we forget the worst herd idea of 2010? It's quite possible that during the peak of the bond rally last fall someone presented you with an attractive back-test, mumbled something about risk parity, and tried to convince you to lever up your bond portfolio while decreasing your equity allocation going forward. Hopefully you did the opposite.

Yes without a doubt, the herd can be a dangerous investing partner. But in this case, we are not letting it scare us off yet. There are a few reasons why.

First, the herd is usually wrong, but not always. At the beginning of 2009 for instance, the herd believed credit offered a much better risk/reward proposition than equities. In hindsight, the herd was spot on — credit far outperformed equities on a risk-adjusted basis. Gold has been another great herd trade. We have been watching commercials on our favorite business news channel for over a year about how we should be buying gold bars and coins. How is that for sage advice!? Since then, the commodity is about 30% higher.

Second, we believe the herd is long on talk and short on action thus far in terms of pouring into risky assets and out of relatively safe ones. If you look at the fund flows, money has just started to exit fixed income in favor of equities over the past few weeks. And even over that period, it has not been consistent. When you consider that money has been flowing full-force into fixed income assets for three years, you have quite a bit of room for reversal. Additionally, volumes for equities and bonds over the past several weeks have been extremely light, so it is not as if there has been a flurry of activity during this rally.

Third, the herd has not showed much conviction in its appetite for risky assets over the past few years – so we are not even sure how long our thesis and the herds' will overlap. Unlike in 1999, the herd has not been wed to the idea of getting long risk for years. In fact, this herd idea is only about 45 days old. It was not that long ago that Ireland was causing another bout of fear to enter the markets. Who knows, someone might protest government austerity measures in Italy next week, thereby leading the herd to sell stocks and conclude that Europe remains a weight wrapped around the neck of the U.S.

Last, it is not as if the herd has pushed valuations beyond the realm of reason with regards to most risky assets. Again, with an S&P 500 Index at 13.5x next year's earnings, valuations are actually below historical norms. Likewise for spread products, valuations are quite attractive given the strength of corporate balance sheets and the expectations for defaults.

In summary, we believe 2011 presents another great year for investment opportunities. Based on our current positioning, We would expect returns to be negatively affected by widening spreads, declining asset volatility, and quickly dropping U.S. Treasury yields. If credit spreads were to tighten, volatility remain elevated, and U.S. Treasury yields rise sharply, the Fund's returns may exceed our expectations. Annualized volatility is expected to track around 3% for the Driehaus Active Income Fund, as it has for most of the Fund's existence. The Driehaus Select Credit Fund currently has a net long bias, and consequently, we would expect it to perform better in a stable or improving credit environment as compared to a deteriorating one. We believe the Driehaus Select Credit Fund will exhibit annualized volatility of 5-7% over the next year.

In closing, we thank you for your continued support and interest in our Funds. We wish you the best in getting off to a positive start in the New Year. As always, if we can be of any assistance, please do not hesitate to contact us.

K.C. Nelson

K.C. Nelson
Portfolio Manager, Driehaus Credit Strategy

DRIEHAUS ACTIVE INCOME FUND

December 2010

Performance Disclosure
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MONTH-END & CALENDAR QUARTER-END PERFORMANCE AS OF 12/31/10

					Average Annual Total Return			
Fund/Index	December	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception (11/8/05)
Driehaus Active Income Fund*	**1.42%**	**2.61%**	**5.18%**	**5.18%**	**8.85%**	**6.44%**	----	**6.34%**
Citigroup 3-Month T-Bill Index[1]	0.01%	0.04%	0.13%	0.13%	0.69%	2.30%	----	2.35%
Barclays Capital U.S. Aggregate Bond Index[2]	-1.08%	-1.30%	6.55%	6.55%	5.90%	5.80%	----	5.99%

*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%
Other Expenses	
Other Expenses Excluding Dividends and Interest on Short Sales	0.51%
Dividends and Interest on Short Sales	1.03%
Total Annual Fund Operating Expenses	**2.09%**

**Represents the Annual Fund Operating Expenses for the year ended December 31, 2009 as disclosed in the current prospectus dated April 30, 2010. 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. As disclosed in the current prospectus, the information in the table has been restated to reflect a change in the shareholder services fee (from 0.15% to 0.25%) for the Fund, which is effective June 1, 2010.

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[1] 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.

[2] 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 — December 31, 2010

PORTFOLIO SNAPSHOT (as of 12/31/10)

		Excluding Cash
Assets Under Management (AUM)	$2,177,288,525	
Long Market Value (LMV)	$2,199,781,888	$1,988,040,706
Short Market Value (SMV)	$(872,307,455)	$(872,307,455)
Net Market Value	$1,327,474,433	$1,115,733,251
Net Exposure	60.97%	51.24%
Gross Market Value (GMV)	$3,072,089,344	$2,860,348,162
GMV/AUM	1.41x	1.31x

RISK SUMMARY (as of 12/31/10)

Modified Duration	0.97Y
Spread Duration	2.88Y
Stock Vega/+1%	0.01%
Average Coupon	5.34%
Average Yield	4.15%
Equity Beta	0.18%
Average % of Par-Longs	98.25%
Average % of Par-Shorts	103.14%

TRADING STRATEGY TYPE (as of 12/31/10)

	GMV	% of GMV	% Contrib. to Total Return	% of GMV Change vs. Previous Month End
Capital Structure Arbitrage[1]	490,790,683	15.98%	-0.17%	0.32%
Cash Equivalent	274,653,619	8.94%	0.00%	-5.03%
Convertible Arbitrage[1]	291,924,964	9.50%	0.03%	1.43%
Directional Long[1]	1,090,748,869	35.51%	0.48%	4.92%
Directional Short[1]	175,158,051	5.70%	-0.18%	0.20%
Event Driven[1]	307,731,522	10.02%	0.29%	1.97%
Interest Rate Hedge	411,887,656	13.41%	0.80%	-3.49%
Pairs Trading[1]	29,193,980	0.95%	0.07%	-0.10%
Volatility Trading	-	0.00%	0.09%	-0.21%
Total	**3,072,089,344**	**100.00%**	**1.42%**	

MARKET CAPITALIZATION (as of 12/31/10)

BILLION	LMV ($)	% of LMV	SMV ($)	% of SMV
$0-500mm	137,664,131	6.26%	-	0.00%
$500mm - 2bn	208,602,101	9.48%	(81,243,982)	9.31%
$2bn -10bn	389,800,725	17.72%	(198,301,920)	22.73%
$10bn - 20bn	133,869,816	6.09%	(77,831,040)	8.92%
>$20bn	349,111,778	15.87%	(84,656,635)	9.70%
ABS/MBS (Excluded)[2]	*108,507,184*	*4.93%*	-	*0.00%*
Private Companies (Excluded)[3]	*597,572,534*	*27.17%*	*(18,386,222)*	*2.11%*
Treasuries (Excluded)[4]	*62,912,437*	*2.86%*	*(411,887,656)*	*47.22%*
Cash (Excluded)	*211,741,182*	*9.63%*		
Total	**2,199,781,888**	**100.00%**	**(872,307,455)**	**100.00%**

[1] A definition of this term can be found on page 2.
[2] Market capitalization information is unavailable for Asset Backed Securities (ABS)/ Mortgage Backed Securities (MBS).
[3] Market capitalization information is unavailable for Private Companies.
[4] 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.

Source: Bloomberg

Note: A definition of key terms can be found on page 15

STANDARD & POOR'S CREDIT RATING* (as of 12/31/10)

	LMV ($)	% of LMV	SMV ($)	% of SMV	GMV ($)	% of GMV	% of GMV Change vs. Previous Month End
AAA[1]	294,743,019	13.40%	(411,887,656)	47.22%	706,630,675	23.00%	-8.51%
AA	4,464,073	0.20%	-	0.00%	4,464,073	0.15%	0.00%
A[2]	175,212,524	7.96%	(34,338,634)	3.94%	209,551,158	6.82%	0.49%
BBB	307,264,631	13.97%	(97,954,256)	11.23%	405,218,887	13.19%	0.23%
BB	299,182,091	13.60%	(123,640,392)	14.17%	422,822,483	13.76%	2.12%
B	399,192,545	18.15%	(148,369,527)	17.01%	547,562,072	17.82%	3.13%
CCC	303,191,368	13.78%	(35,317,446)	4.05%	338,508,814	11.02%	1.79%
C	343,848	0.02%	-	0.00%	343,848	0.01%	0.00%
Not Rated	416,187,790	18.92%	(20,799,543)	2.38%	436,987,333	14.22%	0.75%
Total	**2,199,781,888**	**100.00%**	**(872,307,455)**	**100.00%**	**3,072,089,344**	**100.00%**	

PRODUCT TYPE (as of 12/31/10)

	LMV ($)	% of LMV	SMV ($)	% of SMV	GMV ($)	% of GMV	% of GMV Change vs. Previous Month End
ABS	31,947,503	1.45%	-	0.00%	31,947,503	1.04%	0.56%
Agency MBS	68,845,393	3.13%	-	0.00%	68,845,393	2.24%	-0.01%
Bank Loan	40,723,590	1.85%	-	0.00%	40,723,590	1.33%	0.38%
CDS	9,406,566	0.43%	(269,444,670)	30.89%	278,851,236	9.08%	0.31%
Convertible Bonds	397,201,440	18.06%	-	0.00%	397,201,440	12.93%	0.75%
Convertible Preferred	253,885,775	11.54%	-	0.00%	253,885,775	8.26%	0.59%
Corp. Bonds	1,099,223,034	49.97%	(11,566,165)	1.33%	1,110,789,199	36.16%	5.29%
Equity	16,180,680	0.74%	(179,138,364)	20.54%	195,319,044	6.36%	0.88%
Equity Option	-	0.00%	(270,600)	0.03%	270,600	0.01%	-0.22%
Govt Bonds	62,912,437	2.86%	(393,737,656)	45.14%	456,650,093	14.86%	-3.44%
MBS	7,714,288	0.35%	-	0.00%	7,714,288	0.25%	0.00%
Money Market	211,741,182	9.63%	-	0.00%	211,741,182	6.89%	-5.08%
Treasury Futures	-	0.00%	(18,150,000)	2.08%	18,150,000	0.59%	-0.01%
Total	**2,199,781,888**	**100.00%**	**(872,307,455)**	**100.00%**	**3,072,089,344**	**100.00%**	

*Credit ratings listed are subject to change.

[1] All government bonds are rated AAA.

[2] All agency Mortgage Backed Securities (MBS) are rated A.

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

Note: A definition of key terms can be found on page 15

Credit Ratings:

AAA and AA:	High credit-quality investment grade
A and BBB:	Medium credit-quality investment grade
BB, B, CCC, CC, C:	Low credit-quality (non-investment grade), or "junk bonds"
Not Rated:	Bonds currently not rated

	SPREAD DISTRIBUTION* ($M) (as of 12/31/10)												
		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	211,741,182	-	-	-	-	-	-	-	-	-	-	211,741,182
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	211,741,182	-	-	-	-	-	-	-	-	-	-	211,741,182
Govt Bonds	LMV	62,912,437	-	-	-	-	-	-	-	-	-	-	62,912,437
	SMV	(393,737,656)	-	-	-	-	-	-	-	-	-	-	(393,737,656)
	Total	(330,825,220)	-	-	-	-	-	-	-	-	-	-	(330,825,220)
Treasury Futures	LMV	-	-	-	-	-	-	-	-	-	-	-	-
	SMV	(18,150,000)	-	-	-	-	-	-	-	-	-	-	(18,150,000)
	Total	(18,150,000)	-	-	-	-	-	-	-	-	-	-	(18,150,000)
Corp. Credit	LMV	86,226,930	-	166,346,595	257,938,012	125,308,264	118,508,154	114,990,525	32,161,875	77,978,930	4,987,500	114,776,250	1,099,223,034
	SMV	-	-	-	-	-	-	(7,795,800)	(1,799,115)	(1,971,250)	-	-	(11,566,165)
	Total	86,226,930	-	166,346,595	257,938,012	125,308,264	118,508,154	107,194,725	30,362,760	76,007,680	4,987,500	114,776,250	1,087,656,869
Convertible Bond	LMV	-	73,367,033	101,261,938	26,571,406	14,993,545	-	17,671,875	28,457,125	40,642,369	55,750,500	38,485,650	397,201,440
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	73,367,033	101,261,938	26,571,406	14,993,545	-	17,671,875	28,457,125	40,642,369	55,750,500	38,485,650	397,201,440
Preferred	LMV	-	-	9,260,000	68,455,891	107,983,822	-	-	6,151,050	62,035,012	-	-	253,885,775
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	9,260,000	68,455,891	107,983,822	-	-	6,151,050	62,035,012	-	-	253,885,775
Equity	LMV	-	851,032	-	12,515,934	-	-	-	-	-	-	2,813,714	16,180,680
	SMV	-	(20,574,394)	(79,300,514)	-	-	-	(12,564,397)	(15,064,950)	-	(41,202,467)	(10,431,643)	(179,138,364)
	Total	-	(19,723,362)	(79,300,514)	12,515,934	-	-	(12,564,397)	(15,064,950)	-	(41,202,467)	(7,617,929)	(162,957,684)
Equity Option	LMV	-	-	-	-	-	-	-	-	-	-	-	-
	SMV	-	-	-	-	-	-	-	-	(270,600)	-	-	(270,600)
	Total	-	-	-	-	-	-	-	-	(270,600)	-	-	(270,600)
Bank Loan	LMV	-	-	-	10,087,500	-	7,506,675	15,139,331	5,427,584	2,562,500	-	-	40,723,590
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	10,087,500	-	7,506,675	15,139,331	5,427,584	2,562,500	-	-	40,723,590
Agency MBS	LMV	68,845,393	-	-	-	-	-	-	-	-	-	-	68,845,393
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	68,845,393	-	-	-	-	-	-	-	-	-	-	68,845,393
ABS	LMV	19,511,197	-	5,453,758	-	-	-	-	-	-	-	6,982,547	31,947,503
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	19,511,197	-	5,453,758	-	-	-	-	-	-	-	6,982,547	31,947,503
MBS	LMV	-	-	-	-	-	-	-	-	-	-	7,714,288	7,714,288
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	7,714,288	7,714,288
CDS	LMV	2,411,396	-	4,487,346	-	2,507,824	-	-	-	-	-	-	9,406,566
	SMV	(116,212,302)	(40,551,265)	(60,305,017)	(5,310,138)	-	(29,865,367)	-	(17,200,581)	-	-	-	(269,444,670)
	Total	(113,800,905)	(40,551,265)	(55,817,671)	(5,310,138)	2,507,824	(29,865,367)	-	(17,200,581)	-	-	-	(260,038,104)
Combined	LMV	451,648,536	74,218,065	286,809,636	375,568,744	250,793,455	126,014,829	147,801,731	72,197,634	183,218,810	60,738,000	170,772,448	2,199,781,888
	SMV	(528,099,958)	(61,125,659)	(139,605,530)	(5,310,138)	-	(29,865,367)	(20,360,197)	(34,064,646)	(2,241,850)	(41,202,467)	(10,431,643)	(872,307,455)
	Total	(76,451,422)	13,092,406	147,204,106	370,258,605	250,793,455	96,149,462	127,441,534	38,132,989	180,976,960	19,535,533	160,340,806	1,327,474,433
	%	**-5.76%**	**0.99%**	**11.09%**	**27.89%**	**18.89%**	**7.24%**	**9.60%**	**2.87%**	**13.63%**	**1.47%**	**12.08%**	**100.00%**

*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 15

INDUSTRY GROUP (as of 12/31/10)

GICS[1]

	LMV ($)	% of LMV	SMV ($)	% of SMV	GMV ($)	% of GMV
Automobiles & Components	167,105,480	7.60%	(75,096,885)	8.61%	242,202,366	8.61%
Banks	14,310,000	0.65%	-	0.00%	14,310,000	0.00%
Capital Goods	168,193,307	7.65%	(14,130,307)	1.62%	182,323,614	1.62%
Consumer Durables & Apparel	4,487,346	0.20%	(87,452,766)	10.03%	91,940,111	10.03%
Consumer Services	132,210,573	6.01%	(24,286,537)	2.78%	156,497,109	2.78%
Diversified Financials	200,746,963	9.13%	-	0.00%	200,746,963	0.00%
Energy	69,600,715	3.16%	(10,023,727)	1.15%	79,624,442	1.15%
Food & Staples Retailing	40,083,750	1.82%	(10,225,628)	1.17%	50,309,378	1.17%
Food Beverage & Tobacco	127,439,561	5.79%	(16,545,138)	1.90%	143,984,699	1.90%
Health Care Equipment & Services	40,375,000	1.84%	-	0.00%	40,375,000	0.00%
Household & Personal Products	42,068,375	1.91%	-	0.00%	42,068,375	0.00%
Insurance	34,690,750	1.58%	(20,477,815)	2.35%	55,168,565	2.35%
Materials	97,435,211	4.43%	-	0.00%	97,435,211	0.00%
Media	91,573,225	4.16%	(45,651,228)	5.23%	137,224,453	5.23%
Pharmaceuticals, Biotechnology	35,781,675	1.63%	-	0.00%	35,781,675	0.00%
Real Estate	33,698,125	1.53%	(49,516,977)	5.68%	83,215,102	5.68%
Retailing	108,482,530	4.93%	(33,323,499)	3.82%	141,806,029	3.82%
Semiconductors & Semiconductor Equip.	87,057,189	3.96%	(15,168,198)	1.74%	102,225,387	1.74%
Software & Services	10,900,000	0.50%	-	0.00%	10,900,000	0.00%
Technology Hardware & Equipment	105,504,625	4.80%	(39,402,533)	4.52%	144,907,158	4.52%
Telecomm. Services	136,196,662	6.19%	(9,080,503)	1.04%	145,277,165	1.04%
Transportation	37,079,788	1.69%	(1,688,243)	0.19%	38,768,030	0.19%
Utilities	4,130,001	0.19%	-	0.00%	4,130,001	0.00%
Other[2]						
Agency Collateral CMO*	67,400,482	3.06%	-	0.00%	67,400,482	0.00%
Automobile ABS	24,733,262	1.12%	-	0.00%	24,733,262	0.00%
CDS FI Index**	2,411,396	0.11%	(8,349,815)	0.96%	10,761,211	0.96%
Commercial MBS	4,464,073	0.20%	-	0.00%	4,464,073	0.00%
FHLMC Collateral***	1,444,911	0.07%	-	0.00%	1,444,911	0.00%
Holding Companies-Divers	4,969,440	0.23%	-	0.00%	4,969,440	0.00%
Home Equity ABS	323,047	0.01%	-	0.00%	323,047	0.00%
Money Market	211,741,182	9.63%	-	0.00%	211,741,182	0.00%
Other ABS	6,891,193	0.31%	-	0.00%	6,891,193	0.00%
Sovereign	83,001,837	3.77%	(411,887,656)	47.22%	494,889,493	47.22%
WL Collateral CMO****	3,250,214	0.15%	-	0.00%	3,250,214	0.00%
Total	**2,199,781,888**	**100.00%**	**(872,307,455)**	**100.00%**	**3,072,089,344**	**100.00%**

Sources: Bloomberg, Global Industry Classification Standard

[1] 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.
[2] 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
****Whole Loan Collateral Collateralized Mortgage Obligations
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 15

INDUSTRY SECTOR (as of 12/31/10)

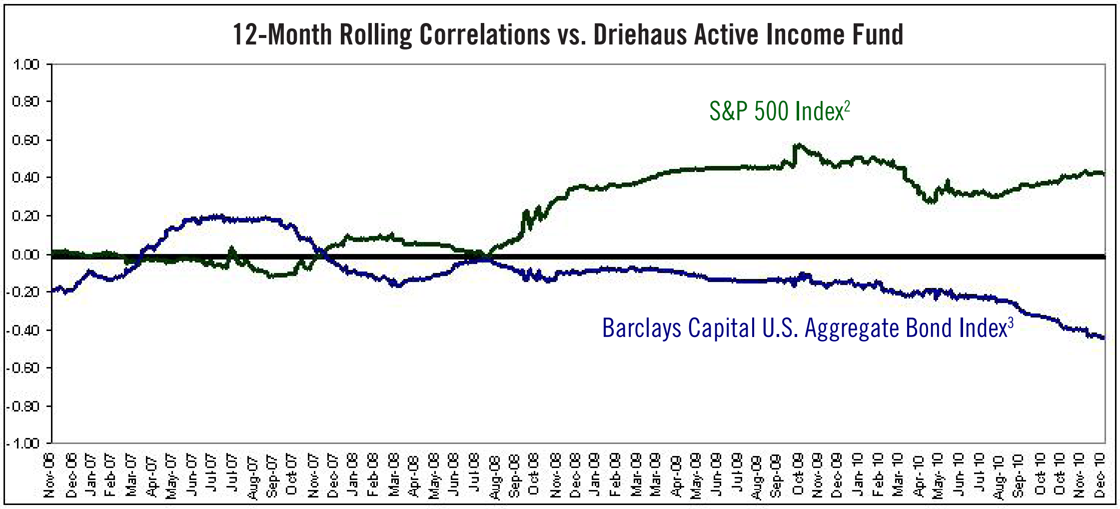
	LMV ($)	% of LMV	SMV ($)	% of SMV	GMV ($)	% of GMV
GICS[1]						
Consumer Discretionary	503,859,154	22.90%	(265,810,914)	30.47%	769,670,068	25.05%
Consumer Staples	209,591,686	9.53%	(26,770,766)	3.07%	236,362,452	7.69%
Energy	69,600,715	3.16%	(10,023,727)	1.15%	79,624,442	2.59%
Financials	283,445,838	12.89%	(69,994,792)	8.02%	353,440,630	11.50%
Health Care	76,156,675	3.46%	-	0.00%	76,156,675	2.48%
Industrials	205,273,095	9.33%	(15,818,550)	1.81%	221,091,644	7.20%
Information Technology	203,461,814	9.25%	(54,570,731)	6.26%	258,032,545	8.40%
Materials	97,435,211	4.43%	-	0.00%	97,435,211	3.17%
Telecommunication Services	136,196,662	6.19%	(9,080,503)	1.04%	145,277,165	4.73%
Utilities	4,130,001	0.19%	-	0.00%	4,130,001	0.13%
Other[2]						
ABS	31,947,503	1.45%	-	0.00%	31,947,503	1.04%
CDS FI Index	2,411,396	0.11%	(8,349,815)	0.96%	10,761,211	0.35%
Diversified	4,969,440	0.23%	-	0.00%	4,969,440	0.16%
Government	83,001,837	3.77%	(411,887,656)	47.22%	494,889,493	16.11%
Money Market	211,741,182	9.63%	-	0.00%	211,741,182	6.89%
Mortgage Securities	76,559,681	3.48%	-	0.00%	76,559,681	2.49%
Total	**2,199,781,888**	**100.00%**	**(872,307,455)**	**100.00%**	**3,072,089,344**	**100.00%**

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

[1] 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.

[2] The Other Industry Group data is not categorized within the GICS classification system.

CORRELATION[1] COMPARISON (as of 12/31/10)



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.

[1] 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 co-efficient 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.

[2] 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.

[3] 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.

Please consider the investment objectives, risks, fees and expenses of the Fund carefully prior to investing. The prospectus contains this and other important information about the Fund. To obtain a copy of the prospectus, please call us at (877) 779-0079 or visit www.driehaus.com. Please read the 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 November 9, 2010 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.

Driehaus Securities LLC, Distributor

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.