Artisan Mid Cap Fund

QUARTERLY
Commentary

Investor Class: ARTMX | Advisor Class: APDMX | Institutional Class: APHMX

As of 31 December 2017

Investment Process

We seek to invest in companies that possess franchise characteristics, are benefiting from an accelerating profit cycle and are trading at a discount to our estimate of private market value. Our investment process focuses on two distinct elements—security selection and capital allocation. We overlay our investment process with broad knowledge of the global economy.

Security Selection

We seek to identify companies that have franchise characteristics (e.g. low cost production capability, possession of a proprietary asset, dominant market share or a defensible brand name), are benefiting from an accelerating profit cycle and are trading at a discount to our estimate of private market value. We look for companies that are well positioned for long-term growth, which is driven by demand for their products and services, at an early enough stage in their profit cycle to benefit from the increased cash flows produced by the emerging profit cycle.

Capital Allocation

Based on our fundamental analysis of a company's profit cycle, we divide the portfolio into three parts. Garden℠ investments are small positions in the early part of their profit cycle that may warrant more sizeable allocations as their profit cycle accelerates. Crop℠ investments are positions that are being increased to a full weight because they are moving through the strongest part of their profit cycles. Harvest℠ investments are positions that are being reduced as they near our estimates of full valuation or their profit cycles begin to decelerate.

Broad Knowledge

We overlay the security selection and capital allocation elements of our investment process with a desire to invest opportunistically across the entire global economy. We seek broad knowledge of the global economy in order to find growth wherever it occurs.

Team Overview

We believe deep industry expertise, broad investment knowledge, a highly collaborative decision-making process and individual accountability are a powerful combination. Since the inception of the team, we have been committed to building a team of growth investors that retains these attributes and is solely dedicated to our process and approach.

Portfolio Management

Matthew H. Kamm, CFA
Portfolio Manager (Lead)

James D. Hamel, CFA
Portfolio Manager

Craigh A. Cepukenas, CFA
Portfolio Manager

Jason L. White, CFA
Portfolio Manager

Investment Results (%)

As of 31 December 2017	QTD[1]	YTD[1]	Average Annual Total Returns 1 Yr	3 Yr	5 Yr	10 Yr	Inception[2]
Investor Class: ARTMX	**2.94**	**20.48**	**20.48**	**6.86**	**12.12**	**8.64**	**13.17**
Advisor Class: APDMX	**2.95**	**20.61**	**20.61**	**6.99**	**12.20**	**8.68**	**13.19**
Institutional Class: APHMX	**3.00**	**20.75**	**20.75**	**7.11**	**12.39**	**8.92**	**13.41**
Russell Midcap® Growth Index	6.81	25.27	25.27	10.30	15.30	9.10	8.67
Russell Midcap® Index	6.07	18.52	18.52	9.58	14.96	9.11	9.97

Source: Artisan Partners/Russell. [1]Returns for periods less than one year are not annualized. [2]Investor Class inception: 27 June 1997. Advisor Class performance is that of the Investor Class from 27 June 1997 through the inception of the Advisor Class on 1 April 2015, and actual Advisor Class performance thereafter. Performance has not been adjusted to reflect the expenses of the Advisor Class for the period prior to the Class's inception, and Advisor Class performance results would differ if such expenses were reflected. Institutional Class performance is that of the Investor Class from 27 June 1997 through the inception of the Institutional Class on 1 July 2000, and actual Institutional Class performance thereafter. Performance has not been adjusted to reflect the expenses of the Institutional Class for the period prior to the Class's inception, and Institutional Class performance results would differ if such expenses were reflected.

Expense Ratios	ARTMX	APDMX	APHMX
Annual Report 30 Sep 2017	1.18	1.05	0.95
Prospectus 30 Sep 2016[1]	1.19	1.05	0.95

[1]See prospectus for more information.

Past performance does not guarantee and is not a reliable indicator of future results. Investment returns and principal values will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown. Call 800.344.1770 for current to most recent month-end performance.

Investing Environment

Markets concluded one of their stronger recent years with a solid Q4. US stocks led in the quarter on the ongoing strength of corporate earnings and investor enthusiasm for forthcoming corporate tax cuts. Emerging markets led global markets for the quarter and year, tied particularly to strength among Chinese stocks. European markets, though positive, trailed in the quarter but modestly beat global stocks for the year. Notably absent in 2017 was much volatility, perhaps thanks to relatively few exogenous shocks which can commonly trigger near-term corrections.

On the monetary policy front, most central banks started hinting at the growing potential for modest tightening in 2018. As expected in Q4, the Fed raised the US benchmark rate by 25bps (to a target range of 1.25%-1.50%) as did the Bank of England, lifting rates to 0.50%. Meanwhile, the ECB and BoJ left rates on hold but indicated they may begin moving toward a modestly tighter stance next year. Provided economic momentum generally continues picking up steam through 2018, it wouldn't be surprising to see gradually rising rates over the year—though the market impact may be muted as has been the case with monetary policy shifts in recent years.

Among emerging markets, China was the clear leader with India also solidly positive. Brazil's market was modestly negative in Q4 but nicely positive for the year, as Brazil's economy finally showed some signs of life despite the headwind of ongoing political machinations. Russia's market was effectively flat for the year, weighed down by ongoing geopolitical bluster. In Europe, most EU markets were within a few hundred basis points of one another. The UK was up along with most global markets in 2017, though less than some, given the uncertainties surrounding its upcoming exit from the EU.

From a style standpoint, growth stocks led in Q4 and for 2017 overall, while performance across market caps was relatively undifferentiated. Technology stocks led in both the US and globally in 2017, delivering solid returns, as did materials, consumer discretionary, financials, health care and industrials stocks. US energy stocks bounced back nicely in Q4 but remained in the red for the year, whereas globally, they closed the year modestly positive.

Performance Discussion

Our absolute returns in 2017 were particularly strong. However from a relative standpoint, the portfolio trailed the Russell Midcap® and Russell Midcap® Growth Indices in Q4. The portfolio also trailed the Russell Midcap® Growth Index for the year, largely due to a challenging Q4. The current market environment reflects a multi-year recovery in economic activity and stock prices—a rising tide that is lifting many boats. Economic growth is broadening out, which does benefit our uniquely positioned businesses, but also allows many average businesses to show accelerating growth. As such, almost all the index's sectors appreciated practically in lock-step in Q4, with health care a modest laggard.

Adding fuel to the fire in Q4, Congress's passage of corporate tax reform will provide many mid-cap companies a meaningful earnings increase—including many retailers, hospitals and distributors who otherwise face challenging fundamental trends. Investor enthusiasm is high, in some cases driving valuations above our willingness to pay. As a result, and as we will discuss in more detail shortly, we trimmed several holdings in Q4 based on their valuations.

Relative underperformance in 2016 and 2017 impacts our three- and five-year results. We recognize that over the course of the portfolio's 20-plus-year history, not all periods have benefited our process. There have been periods during which we have lagged the markets. For example, 2003 was a year in which our portfolio was up roughly 30%, while the market was up roughly 40%. From 2003-2006, our portfolio also trailed the broader market—though our portfolio's investor shares delivered 80.79% net of fees on an absolute basis. Granted, these periods were very different in some ways from the current market environment. Still, our discipline then held us in good stead, and we have no reason to feel differently about remaining disciplined today—and we are staying true to our process now as we did then.

Looking back on 2017, our health care holdings were the largest source of relative underperformance. While health care stocks were an area of strength in the mid-cap universe during 2017, our holdings lagged overall due to Envision Healthcare, DexCom and Regeneron. We also did not participate in a strong year for life science instrumentation providers, who benefited from strong capital market spending from pharmaceutical customers and improving cyclical trends in their industrial and energy segments. Historically, health care stock selection has been an area of strength for our portfolios, and we look forward to rebuilding momentum on this front in 2018.

Energy also detracted from relative results in 2017 despite being a relatively small portion of the portfolio (and incidentally, a very small portion of the mid-cap indices as well). Our stock selection was additive—Concho Resources and Diamondback Energy are respected operators with strong acreage and sturdy balance sheets—but uncertainty about the future direction of global supply and demand trends held the sector back. That said, we think selectivity and patience will be rewarded here.

Our consumer discretionary holdings were another source of relative weakness in 2017. Newell Brands, Ulta Beauty and Advance Auto Parts in particular detracted from relative results. It has been challenging to find accelerating profit cycles within the traditional consumer industries given the rapidly changing retail landscape. Consequently, our exposure to this area of the market is lower than has typically been the case as we enter 2018.

Conversely, areas of strength in 2017 included information technology and financials, where we outperformed two of the market's strongest sectors. We benefited from our years of research

into emerging cloud-based software franchises such as Guidewire Software, Atlassian and Veeva Systems, many of whose business models are now blossoming into impressive cash-flow generators. The market-share opportunities ahead of such companies—combined with the fact that they're built on recurring subscription revenue streams—make us optimistic about their long-term profit-growth potential.

Our financials holdings were led by capital markets franchises such as S&P Global and Cboe Global Markets (known historically as the owner of the Chicago Board Options Exchange), which are capitalizing on the combination of an accelerating economic backdrop, less onerous regulatory environment and smart acquisitions.

Turning back to the recent quarter, on an individual holdings basis, our bottom contributors were the aforementioned Envision Healthcare and Regeneron, along with Newell Brands. Envision Healthcare is the largest owner of physician practices that staff such hospital departments as emergency rooms or anesthesia. We were initially attracted to Envision as we observed a growing trend of hospitals attempting to improve care while managing costs by outsourcing this work to professional companies (such as Envision). But hospital volumes have materially slowed recently following the bump they received from Affordable Care Act enrollment a couple of years ago. Without volume growth, our thesis became far less interesting, and as a result, we exited our position in Q4.

Regeneron delivered a solid quarter, led by strong Eylea® growth and an ongoing solid launch for Dupixent®. While we remain very optimistic about Dupixent's® long-term potential and Regeneron's R&D capabilities, during the quarter, competitive data from Novartis raised questions about future market-share trends for Eylea®. Given this product's importance for Regeneron's profitability, we responded by reducing our position.

Newell Brands owns a broad portfolio of consumer brands—from Sharpie® markers to PaperMate pens to Graco baby gear. Newell acquired Jarden about 18 months ago—a company with a similar business model in terms of owning a portfolio of consumer brands. Our investment thesis was that Newell would apply the same operating playbook that made its own portfolio successful to revitalize Jarden. The jury is still out on how effective those efforts will prove—but in the meantime, the changing retail landscape has become noticeably more difficult. Traditional retailers are reducing inventory levels, which is forcing Newell and others to spend more to grow—and to grow at slower rates. As a result, we believe our investment thesis is compromised, and we harvested our position in favor of more compelling profit cycle opportunities.

Among our top Q4 individual contributors were Atlassian, Progressive Insurance and SVB Financial (SIVB). Atlassian provides well regarded and inexpensive software tools to help teams within organizations collaborate—especially IT teams, though teams across enterprises are increasingly using Atlassian's software. The company's business model is fairly unique in that it has no sales force, so its sales are primarily self-service purchases by customers. We attribute its impressive growth (despite lower investment in sales and marketing) to several factors: the company's vast market opportunity, its heavy investment in R&D to make its tools more desirable and its very affordable price points. So far, this has proven to be a winning formula—the company has been nicely profitably for many years and is delivering one of the best combinations of revenue growth and cash-flow generation of any software business we follow.

Progressive is wrapping up a very impressive 2017. Revenue growth is accelerating thanks to its low cost structure and superior market segmentation data—factors which are allowing the company to take market share from auto insurers who have faced the need to raise prices to offset past underwriting mistakes. In addition, Progressive's entry into the homeowners' insurance market a few years ago is starting to pay dividends, as roughly half of auto insurance in the US is purchased in a bundle with homeowners' policies. As a result, Progressive's ability to sell bundles is now translating into faster market-share gains. We capitalized on a brief period of share-price weakness following the Fall hurricanes to increase our exposure.

SVB Financial (SIVB) illustrates well why we're positive on high-quality, traditional financial franchises. As short-term interest rates have begun moving up, SIVB has captured higher net-interest margins. Meanwhile, its leading position within the West Coast's tech community is enabling it to outgrow its competitors. It is also poised to be one of the largest beneficiaries of corporate tax cuts among our holdings.

Portfolio Activity

We added several new Garden℠ holdings to the portfolio in Q4, including Box, Discover Financial Services and Match. Box is a leading provider of cloud-based enterprise file-sharing and enterprise content management (ECM) software. Its ECM platform is gaining traction as the company adds products and features that distinguish it from competitors. In particular, we believe its advantage lies in its compelling blend of consumer usability with enterprise-grade features such as data protection and governance. Further, Box has added experienced executives who have proven track records of scaling software businesses. We believe Box is well positioned to drive an attractive profit cycle as it takes market share in an already meaningful and growing market.

Discover Financial Services (DFS) is a leading credit card lender whose franchise we know well from past investment campaigns. We believe the strengthening macroeconomic backdrop—including solid economic growth and improving employment and wages—should lead to healthy consumer spending and credit-quality trends. We further believe some of the intense marketing battles among credit card companies have settled down this year, as some of the recently aggressive players experienced larger-than-expected losses. DFS is

also poised to be a meaningful beneficiary of corporate tax cuts, which broadens an already attractive profit growth runway.

Match Group is the world's largest online dating platform, comprising a number of the most popular brands, including Tinder, Match.com, OurTime, OKCupid and others. As the millennial generation has increasingly accepted online dating, Match has positioned itself well to monetize its top platforms, especially Tinder—capitalizing on its large and growing base of daily active users to generate an attractive recurring revenue stream via subscription fees as well as advertisements. Its recently launched Tinder Gold, which provides users a premium version of its service, is already seeing strong adoption. As Internet dating becomes increasingly mainstream and as the company learns new, more sophisticated ways to grow and monetize its user base, we expect Match can experience strong revenue and profit growth.

We also added to several holdings during the quarter, including Gardner Denver, TransUnion and Edwards Lifesciences—all relatively new campaigns. Led by a new management team, Gardner Denver, a leading manufacturer of flow control and compression technologies for industrial end markets, is making progress enhancing almost every area of its operations against a generally favorable cyclical backdrop. The results have been clear, as Gardner Denver has reported strong revenues, margins and cash flows since its recent IPO.

As we've outlined in recent communications, TransUnion, which provides risk and information solutions to businesses and consumers, has spent the better part of the last five years remaking itself into a more energetic franchise under a solid management team. We've been further impressed by the company's level of innovation across business segments and geographies, which we think can drive strong top-line growth and margin expansion for a sustained period ahead. Following a compelling opportunity to add it to the portfolio in Q3 in the wake of the Equifax data breach and on the strength of recent, thesis-affirming results, we've continued building our position in Q4.

In contrast to TransUnion, Edwards Lifesciences' sales growth remains firm but decelerated relative to a very strong first half of the year. Nevertheless, we added to Edwards later in Q4 for two main reasons. First, Boston Scientific's indefinite delay of its Lotus™ valve launch reduces an important source of competition in 2018. Second, Edwards' reported progress in its own R&D pipeline should strengthen the case for the company's long-duration profit cycle potential as more surgical heart valve cases transition to minimally invasive procedures.

Relatedly, we trimmed our exposure to Boston Scientific in Q4. We believe the company has numerous diversified growth drivers and potential sources of margin expansion aside from its now-postponed heart valve. However, the Lotus™ valve was the main home run-potential product in Boston Scientific's portfolio. The resulting uncertainty about the product's future has led us to moderate our position size.

We also pared our positions in Monster Beverage and Fidelity National Information Services (FIS) in Q4. We purchased Monster Beverage as Coca-Cola began taking an equity stake in the company and agreed to distribute Monster's products globally. This relationship has allowed Monster to accelerate its global growth and profitability—while it has simultaneously grown to lead the energy beverage category in the US. From here, we believe the main source of valuation upside would be a long-rumored acquisition by Coca-Cola. However, we have no visibility into whether and when that may happen, so we have begun harvesting our position as the stock has approached our estimate of its private market value.

Shares of Fidelity National Information Services (FIS) have performed well this year as the company has over-delivered on cost synergy commitments following its acquisition of SunGard. While we admire the company's cost discipline and the business's free cash-flow generation, the modest organic revenue growth rate has not improved, limiting our ability to ascribe a higher valuation to the business. As shares have appreciated, we've consequently begun trimming our position.

In addition to the aforementioned Newell Brands and Envision Healthcare, we also concluded our campaigns in Ctrip.com and Electronic Arts in Q4. Ctrip.com is the dominant online travel agency (OTA) in China, and we have been attracted to its long-term growth potential and ability to repair its margin structure now that it has largely consolidated the market. However, regulators in China have begun restricting the company's ability to attach add-on services to air tickets on its website. Because we believe these add-on services represent a meaningful part of the company's current profitability, our view of the profit-cycle potential has been impeded, and we consequently harvested the position.

We also concluded a long and rewarding investment campaign in Electronic Arts (EA). While we like the secular trends toward digital content and downloading in the video game industry, the valuation has increased to a relatively full level. Further, EA's attempts to increase the monetization of its Star Wars Battlefront franchise have met with controversy among gamers, forcing EA to back away from some of those plans—a move we think reduces the company's growth potential in 2018. We consequently concluded our campaign in favor of more compelling profit cycle opportunities elsewhere.

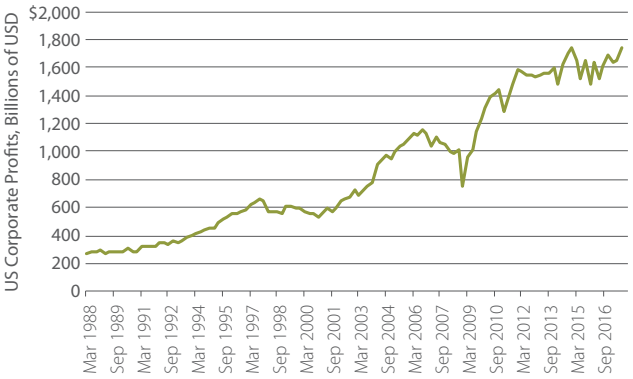
Portfolio Statistics

As of December 31, the portfolio had a median market cap of $13.4 billion and a 3-5 year forecasted weighted average earnings growth rate of 19%. Our holdings were selling at a weighted harmonic average P/E (excluding negative earnings) of 26X FY1 earnings and 23X FY2 earnings. As of quarter end, we held 62 positions. Our top 20 holdings accounted for roughly 52% of portfolio assets as of quarter end. Our top 30 holdings represented about 67% of portfolio assets.

Perspective

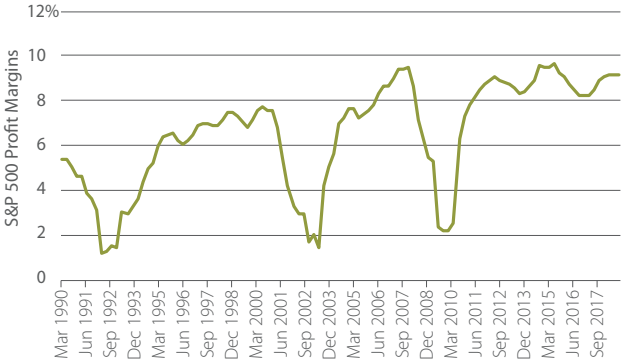
There's been a lot to like about both economic activity and market returns over the last year—absolute returns in most indices have been some of the highest we've seen in recent years. Furthermore, economic growth is picking up steam. GDP growth globally has generally accelerated in 2017 and seems poised to continue picking up in 2018. Corporate profits are at their highest point over the last 30 years and are still rising (Exhibit 1), and corporate profit margins, though historically more volatile, are also continuing their general upward trajectory (Exhibit 2).

Exhibit 1: Corporate Profits Are at Historic Highs and Rising



Source: St. Louis Fed, Corporate Profits After Tax, without Inventory Valuation Adjustment or Capital Consumption Adjustment, 31 Mar 1988-29 Sep 2017.

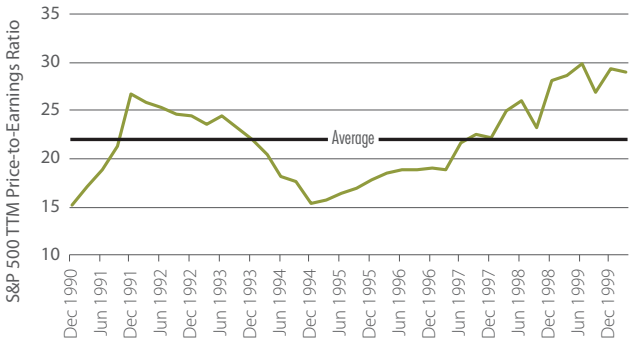
Exhibit 2: Corporate Profit Margins Are Also Expanding



Source: Bloomberg, S&P 500 profit margins, 31 Mar 1990-31 Dec 2017.

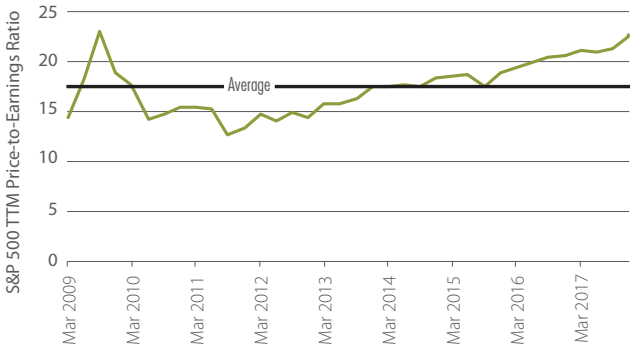
However, with PEs high in many sectors (exceptions include banks, energy and some cyclicals), many investors are concluding that returns are likely to be more muted looking forward. It's worth noting that history shows that PEs can remain above their average for longer than generally believed (for example, during the 1990s tech boom—Exhibit 3—when PEs remained above their average for several years).

Exhibit 3: 1990s S&P 500 PE Ratio vs. Average PE



Source: Bloomberg, 31 Dec 1990-31 Mar 2000.

Exhibit 4: Current Bull Market S&P 500 PE Ratio vs. Average PE



Source: Bloomberg, 31 Mar 2009-31 Dec 2017.

Further, though valuations are higher, we don't believe they're unreasonably so (Exhibit 4)—nor have they exceeded their average for a particularly extended period of time to date. In contrast, during the late 1990s, PEs for many individual stocks reached extremes higher than we're currently seeing. Much of stocks' recent returns can also be attributed to strong earnings growth—not unexpected, as over time, we'd expect earnings to be the primary driver of returns. Then, too, Congress's recent passage of corporate tax reform could unleash a one-time burst of earnings growth, likely more markedly so among smaller companies, which could in turn bring PEs down due to a larger denominator. Consider as well that the average interest rate has been much lower during the current bull market (3/9/09-12/31/17) than it was during the 1990s: 0.38% versus 5.14%.

Nevertheless, as we near the bull market's nine-year mark, we are certainly seeing signs that animal spirits are returning—for example, the current euphoria surrounding bitcoin, whose price chart increasingly resembles those of some of the tech boom's most notorious busts (Exhibit 5).

Exhibit 5: Bitcoin's Euphoric 2017

Source: Bloomberg, 2 Jan 2017-31 Dec 2017. **Past performance is not indicative of future results.** Cryptocurrencies are decentralized, math-based digital assets in which transactions can be performed cryptographically without the need for a central issuing authority. The first specification and proof of concept of Bitcoin, the first widely used crypto currency, was published in 2009 based on a paper published pseudonymously by Satoshi Nakamoto. Cryptocurrencies are subject to extreme volatility, hacking risk, and may be subject to heightened regulatory scrutiny both in the US and abroad in the future.

Such phenomena would point to a bull market that is nearer its end than its beginning, in our view.

Combining these considerations with the fact that growth stocks have outperformed value over the past year, the question naturally becomes: How can we continue to find compelling growth franchises? We believe it is at precisely such points in a market cycle that our process becomes even more critical to identifying opportunities for accelerating profit growth. Recall, too, that our definition of profit growth isn't limited to top-line growth—rather, we're looking for companies that are accelerating their operating profits. Another consideration is how early in a profit cycle we are. At this point in the bull market, there are some sectors in which the majority of profit cycles are several years in and are consequently much more mature. However, we're still finding some profit cycles that are nearer their first year, rather than their fourth or fifth—particularly in financials but in other sectors as well. For example, SVB Financial and Discover Financial Services are in the relatively early innings of what we expect to be a multi-year period of growth as they capitalize on both individual internal drivers and a relatively more cyclical backdrop.

Due in part to some strong secular trends, we also continue to find holdings with fundamentals we believe are supportive of longer-term profit growth. One such trend is "transforming how we work"—the development and use of modern software tools to facilitate a more collaborative, efficient, mobile and secure work environment. Over the past several years, we have identified several holdings capitalizing on this trend that have done well—such as Atlassian, Veeva Systems, Box, Workday and Guidewire Systems—though they have been, and likely will continue to be, subject to volatility. But we think their profits and equity values can still be materially higher over our time horizon.

We are always selective in the profit cycles we pursue, seeking high-quality franchises that are early in their profit cycles and are trading at reasonable valuations. But as the economic backdrop becomes a rising tide lifting all boats, we avoid chasing pure price momentum. During such periods, our goal becomes participating in the market's upside for the right reasons (profits growth), with an eye toward protecting capital. We stick to our discipline and look for profit cycles with sustainable fundamental drivers. Chasing the market's favorite "hot dots" opens us to the risk of permanent capital losses should the market take a turn.

That said, we are not macro prognosticators, nor does our process require it. We have no especially unique insight into what will cause the next turn in sentiment. It could be something less obvious to us today. Or it could be something that has already been identified but its market impact is underappreciated. Regardless, we are both cautious and diligent as we enter 2018, given our recognition that PEs are above their average—though we simultaneously see why that comment may still be early, given PEs can remain above their averages for some time before markets turn and, in our view, aren't unreasonably high given the fundamental backdrop. Nevertheless, we will maintain our rigorous adherence to our disciplined process, which has served us well since our team's founding.

For more information: Visit www.artisanpartners.com | Call 800.344.1770

Carefully consider the Fund's investment objective, risks and charges and expenses. This and other important information is contained in the Fund's prospectus and summary prospectus, which can be obtained by calling 800.344.1770. Read carefully before investing.

International investments involve special risks, including currency fluctuation, lower liquidity, different accounting methods and economic and political systems, and higher transaction costs. These risks typically are greater in emerging markets. Securities of small- and medium-sized companies tend to have a shorter history of operations, be more volatile and less liquid and may have underperformed securities of large companies during some periods. Growth securities may underperform other asset types during a given period.

Russell Midcap® Growth Index measures the performance of US mid-cap companies with higher price/book ratios and forecasted growth values. Russell Midcap® Index measures the performance of roughly 800 US mid-cap companies. S&P 500® Index measures the performance of 500 US companies focused on the large-cap sector of the market. The index(es) are unmanaged; include net reinvested dividends; do not reflect fees or expenses; and are not available for direct investment.

This summary represents the views of the portfolio managers as of 31 Dec 2017. Those views may change, and the Fund disclaims any obligation to advise investors of such changes. For the purpose of determining the Fund's holdings, securities of the same issuer are aggregated to determine the weight in the Fund. The holdings mentioned comprise the following percentages of Artisan Mid Cap Fund's total net assets (including all classes of shares) as of 31 Dec 2017: The Progressive Corp 3.5%, S&P Global Inc 3.4%, Boston Scientific Corp 2.6%, Concho Resources Inc 2.4%, Atlassian Corp PLC 2.2%, Guidewire Software Inc 2.0%, Veeva Systems Inc 2.0%, Diamondback Energy Inc 1.9%, Monster Beverage Corp 1.8%, Edwards Lifesciences Corp 1.7%, Cboe Global Markets Inc 1.6%, TransUnion 1.5%, SVB Financial Group 1.5%, Gardner Denver Holdings Inc 1.5%, Fidelity National Information Services Inc 1.3%, Discover Financial Services 1.1%, Regeneron Pharmaceuticals Inc 1.0%, Box Inc 1.0%, Workday Inc 0.8%, Match Group Inc 0.6%, DexCom Inc 0.6%. Securities named in the Commentary; but not listed here are not held in the Fund(s) as of the date of this report. Portfolio holdings are subject to change without notice and are not intended as recommendations of individual securities. All information in this report, unless otherwise indicated, includes all classes of shares (except performance and expense ratio information) and is as of the date shown in the upper right hand corner. This material does not constitute investment advice.

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Portfolio statistics are intended to provide a general view of the entire portfolio, or Index, at a certain point in time. Statistics are calculated using information obtained from various data sources. Artisan Partners excludes outliers when calculating portfolio characteristics. If information is unavailable for a particular security Artisan Partners may use data from a related security to calculate portfolio statistics. **Median** is the data's midpoint value. **Weighted Harmonic Average** is a calculation of weighted average commonly used for rates or ratios. **Weighted Average** is the average of values weighted to the data set's composition. **Market Cap** is the aggregate value of all of a company's outstanding equity securities. **Earnings Growth Rate** is the annual rate at which a company's earnings are expected to grow. **Price-to-Earnings (P/E)** is a valuation ratio of a company's current share price compared to its per-share earnings. **Private Market Value** is an estimate of the value of a company if divisions were each independent and established their own market stock prices. **Free Cash Flow** is a measure of financial performance calculated as operating cash flow minus capital expenditures. **TTM** refers to the trailing 12-month period.

Our capital allocation process is designed to build position size according to our conviction. Portfolio holdings develop through three stages: Garden℠, Crop℠ and Harvest℠. Garden℠ investments are situations where we believe we are right, but there is not clear evidence that the profit cycle has taken hold, so positions are small. Crop℠ investments are holdings where we have gained conviction in the company's profit cycle, so positions are larger. Harvest℠ investments are holdings that have exceeded our estimate of intrinsic value or holdings where there is a deceleration in the company's profit cycle. Harvest℠ investments are generally being reduced or sold from the portfolios.

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