

2015 Capital Gains

In accordance with IRS rules, mutual funds are required to distribute substantially all net investment income and net capital gains to shareholders. Therefore, some of the Baird Funds are required to make capital gain distributions in December. Funds normally distribute net capital gains earned through October 31st to all shareholders before the end of the calendar year.

Information concerning capital gain distributions will be provided at www.bairdfunds.com:

Record Date December 24, 2015
Ex-date / Reinvest Date December 28, 2015
Payable Date December 29, 2015

Fund	Ticker	Short Term Capital Gain	Long Term Capital Gain	Fund Price (NAV)
		Paid per share	Paid per share	As of 12/28/15
Baird Aggregate Bond-Inst.	BAGIX	\$0.00	\$0.00	\$10.63
Baird Aggregate Bond-Investor	BAGSX	\$0.00	\$0.00	\$10.96
Baird Core Plus Bond-Inst.	BCOIX	\$0.00	\$0.00	\$10.87
Baird Core Plus Bond-Investor	BCOSX	\$0.00	\$0.00	\$11.28
Baird Core Int. Muni Bond – Inst.	BMNIX	\$0.00933	\$0.00	\$10.13
Baird Core Int. Muni Bond - Investor	BMNSX	\$0.00933	\$0.00	\$10.13
Baird Intermediate Bond-Inst.	BIMIX	\$0.00783	\$0.02567	\$10.94
Baird Intermediate Bond-Investor	BIMSX	\$0.00783	\$0.02567	\$11.40
Baird LargeCap-Inst.	BHGIX	\$0.19074	\$0.26933	\$8.07
Baird LargeCap-Investor	BHGSX	\$0.19074	\$0.26933	\$8.03
Baird MidCap-Inst.	BMDIX	\$0.00	\$0.02146	\$15.12
Baird MidCap-Investor	BMDSX	\$0.00	\$0.02146	\$14.49
Baird Quality Int. Muni Bond-Inst.	BMBIX	\$0.00	\$0.00	\$11.73
Baird Quality Int. Muni Bond-Investor	BMBSX	\$0.00	\$0.00	\$12.00
Baird Short Term Bond - Inst.	BSBIX	\$0.00033	\$0.00382	\$9.60
Baird Short Term Bond - Investor	BSBSX	\$0.00033	\$0.00382	\$9.60
Baird Short-Term Muni Bond – Inst.	BTMIX	\$0.00896	\$0.00	\$10.04
Baird Short-Term Muni Bond - Investor	BTMSX	\$0.00896	\$0.00	\$10.04
Baird SmallCap Value-Inst.	BSVIX	\$0.00	\$0.00	\$13.14
Baird SmallCap Value-Investor	BSVSX	\$0.00	\$0.00	\$13.10
Baird Small/Mid Cap Value-Inst.	BMVIX	\$0.00	\$0.00	\$9.58
Baird Small/Mid Cap Value-Investor	BMVSX	\$0.00	\$0.00	\$9.58
Baird Ultra Short Bond - Inst.	BUBIX	\$0.00	\$0.00	\$9.98
Baird Ultra Short Bond - Investor	BUBSX	\$0.00	\$0.00	\$9.98

Final capital gains are reported on Form 1099-DIV which will be mailed to shareholders in late January.

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Investors should consider the investment objectives, risks, charges and expenses of the fund carefully before investing. This, and other information can be found in the prospectus or summary prospectus. A prospectus or summary prospectus may be obtained by visiting www.bairdfunds.com or by contacting Baird Funds directly at 800-444-9102. Please read the prospectus or summary prospectus carefully before investing.

Past performance is no guarantee of future results.

Baird Funds are offered through Robert W. Baird & Co., a registered broker/dealer. Baird also serves as investment advisor for the Funds and receives compensation for these services as disclosed in the current prospectus.