

Baird MidCap Fund

Institutional – BMDIX | Investor – BMDSX

BAIRD

Baird Funds

As of December 31, 2018

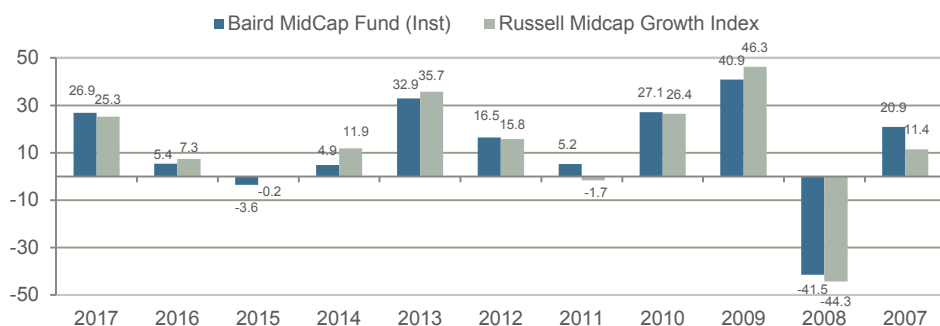
bairdfunds.com | 866-442-2473

FUND PERFORMANCE

	Total Returns (%)		Average Annual Total Returns (%)					
	QTR	YTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr	Since Inception*
Baird Mid Cap Fund Institutional Class	-15.54	-1.61	-1.61	9.58	5.87	10.87	14.52	6.83
Baird Mid Cap Fund Investor Class	-15.57	-1.86	-1.86	9.30	5.62	10.60	14.25	6.58
Russell Midcap Growth Index	-15.99	-4.75	-4.75	8.59	7.42	12.27	15.12	6.30
Lipper Mid-Cap Growth Funds Average	N/A	-5.30	-5.30	7.71	6.04	11.19	13.31	6.21

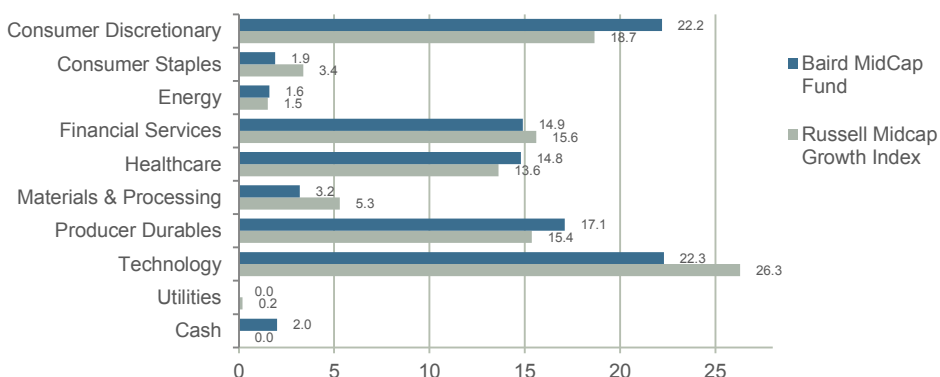
*Inception date: 12/29/00

CALENDAR YEAR RETURNS (%)



Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value of an investment in the fund will fluctuate so that an investor's shares when redeemed may be worth more or less than their original cost. The fund's current performance may be lower or higher than the performance data quoted. Performance figures assume reinvestment of all dividends and capital gains. For performance current to the most recent month-end, please visit bairdfunds.com.

SECTOR ALLOCATION (%)



CATEGORY

Mid Cap Growth

MORNINGSTAR OVERALL RATING¹

★★★★★

542 Funds as of 12/31/18

INVESTMENT OBJECTIVE

Long-term growth of capital

INVESTMENT STRATEGY

Invests primarily in high-quality common stocks selected for growth potential, with typically at least 80% of its net assets in mid-size companies.

PORTFOLIO MANAGERS

Charles Severson, CFA
Senior Portfolio Manager

Kenneth Hemauer, CFA
Co-Portfolio Manager

Industry	Team
Years	Since

32 1993

25 2001

INCEPTION DATE

12/29/00

EXPENSE RATIO*

Institutional Shares: 0.84%

Investor Shares: 1.09%

MINIMUM INITIAL INVESTMENT

Institutional Shares: \$25,000

Investor Shares: \$2,500 (IRA: \$1,000)

TURNOVER (TRAILING 12 MONTH)

38.2%

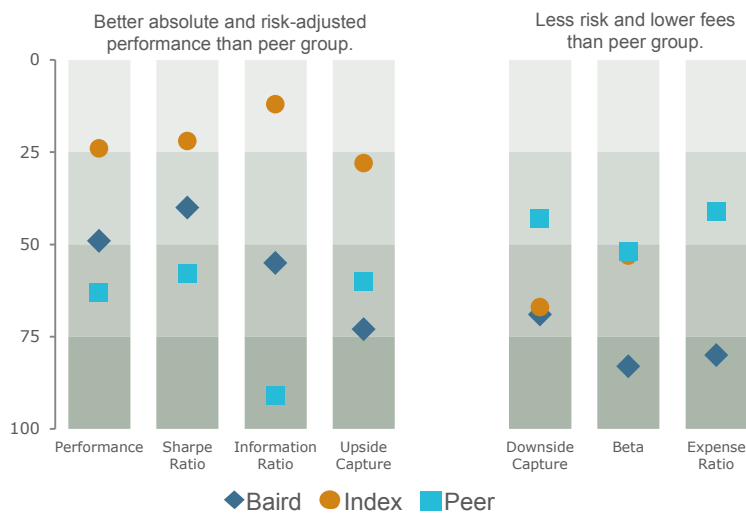
NUMBER OF EQUITY ISSUES

58

¹For each fund with at least a three year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages. The Baird MidCap Fund (Institutional Class) was rated 4 stars out of 542 funds; 3 stars out of 489 funds; and 4 stars out of 341 funds in the Mid-Cap Growth category for the 3-, 5- and 10-year periods, respectively.
*Expense ratio as of 12/31/2017.

5-YEAR STATISTICS VS. RUSSELL MID CAP GROWTH AND PEER GROUP²

Percentile Ranking



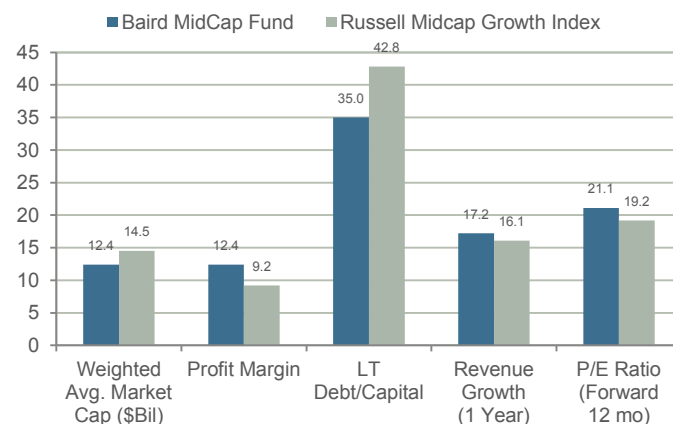
	Baird MidCap Fund	Russell Midcap Growth Index	Morningstar Category Average
Performance	5.87	7.42	5.39
Sharpe Ratio	0.48	0.58	0.42
Information Ratio	-0.45	0.00	-1.04
Upside Capture Ratio	92.2	100.0	94.9
Downside Capture Ratio	99.2	100.0	106.8
Beta	0.92	1.00	1.01
Expense Ratio	0.84	N/A	1.21

Source: Morningstar Direct

TOP 10 HOLDINGS

Security	% of Fund
Dollar General Corporation (DG)	3.16
O'Reilly Automotive (ORLY)	2.85
Burlington Stores (BURL)	2.84
Verisk Analytics (VRSK)	2.56
Euronet Worldwide (EEFT)	2.50
Pool Corporation (POOL)	2.44
Arthur J. Gallagher & Co. (AJG)	2.44
Edwards Lifesciences Corporation (EW)	2.40
ServiceNow (NOW)	2.30
Henry Schein (HSIC)	2.26

FUND CHARACTERISTICS VS. BENCHMARK



Source: FactSet

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 bairdfunds.com or calling 866-442-2473. Please read the prospectus or summary prospectus carefully before you invest or send money.

²Source: Morningstar Direct. Percentile rankings are based on comparison to the 544 funds in the Morningstar Direct US OE Mid Cap Growth category. **Beta** is a measurement of a portfolio's trailing since-inception returns in relation to the overall market (or appropriate market index). Beta of 1 means share price will typically move with the market; Beta more than 1 means share price will typically be more volatile than the market; Beta less than 1 means share price will typically be less volatile in the market. **Information Ratio** is a measure of portfolio management's performance against risk and return relative to a benchmark or alternative measure. **Sharpe Ratio** is a measure of 3-year historical adjusted performance calculated by dividing the portfolio's excess returns (average monthly returns minus the average monthly return of the Citigroup 3-month Treasury bill benchmark) by the standard deviation of those returns. The higher the ratio, the better the portfolio's return per unit of risk. The **Upside Capture Ratio** is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen. The **Downside Capture Ratio** is used to evaluate how well or poorly an investment manager performed relative to an index during periods when that index has dropped. **Profit margin** is a ratio of profitability calculated as net income divided by revenues, or net profits divided by sales. **Debt/Capital ratio** is a measurement of a company's financial leverage. Domino's Pizza was excluded from the calculation due to the multiple recapitalizations of its balance sheet (including Domino's LT Debt/Cap is 42.5% for portfolio vs. 45.5% for benchmark). **Revenue Growth** is the total of operating revenues less various adjustments to gross sales. Revenue Growth does not include outliers defined by companies with Revenue Growth less than -50% and greater than 300%. **P/E ratio** is a valuation of a company's current share price compared to its expected per-share earnings. The characteristics and statistical measures used in this fact sheet are not a forecast of the fund's future performance. Top 10 Holdings and Sector Weights are subject to change. Sector weights based on equity sector values. *Cash may include money market and other comparable short-term investments.

The performance of Baird MidCap Fund is measured against the Russell Midcap Growth Index. This is the primary prospectus benchmark. It measures the performance of those Russell Midcap companies with higher price-to-book and higher forecasted growth values. Indices are unmanaged and direct investment is not possible. Lipper Mid-Cap Growth funds will normally have an above-average price-to-earnings ratio, price-to-book ratio, and three-year earnings growth figure, compared to the U.S. diversified mid-cap funds universe average.

The Baird Mid Cap Fund focuses on growth style stocks and therefore the performance of the Fund will typically be more volatile than the performance of funds that focus on types of stocks that a broader investment style. The fund may invest up to 15% of its total assets in U.S. dollar denominated foreign securities and ADRs. Foreign investments involve additional risks such as currency rate fluctuations and the potential for political and economic instability, and different and sometimes less strict financial reporting standards and regulation.

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