



Baird Funds

2018 Capital Gains – Baird Bond Funds

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, 2018 |
| Ex-date / Reinvest Date | December 26, 2018 |
| Payable Date | December 27, 2018 |

| BAIRD BOND FUNDS | | | | |
|---------------------------------------|--------|---|--|------------------------------------|
| Fund | Ticker | Short Term Capital Gain Paid per share | Long Term Capital Gain Paid per share | Fund Price (NAV) As of 12/26/18 |
| Baird Aggregate Bond-Inst. | BAGIX | None | None | 10.48 |
| Baird Aggregate Bond-Investor | BAGSX | None | None | 10.84 |
| Baird Core Plus Bond-Inst. | BCOIX | None | None | 10.78 |
| Baird Core Plus Bond-Investor | BCOSX | None | None | 11.23 |
| Baird Intermediate Bond-Inst. | BIMIX | None | None | 10.74 |
| Baird Intermediate Bond-Investor | BIMSX | None | None | 11.23 |
| Baird Short-Term Bond - Inst. | BSBIX | None | None | 9.55 |
| Baird Short-Term Bond - Investor | BSBSX | None | None | 9.55 |
| Baird Ultra Short Bond - Inst. | BUBIX | None | None | 10.00 |
| Baird Ultra Short Bond - Investor | BUBSX | None | None | 10.00 |
| Baird Quality Int. Muni Bond-Inst. | BMBIX | None | None | 11.37 |
| Baird Quality Int. Muni Bond-Investor | BMBSX | None | None | 11.65 |
| Baird Core Int. Muni Bond – Inst. | BMNIX | None | None | 10.21 |
| Baird Core Int. Muni Bond - Investor | BMNSX | None | None | 10.21 |
| Baird Short-Term Muni Bond – Inst. | BTMIX | \$0.00087 | None | 10.05 |
| Baird Short-Term Muni Bond - Investor | BTMSX | \$0.00087 | None | 10.04 |

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

Baird Funds, Robert W. Baird & Co., and its affiliates do not provide tax advice. This information is provided for general educational purposes only. The information is not to be relied upon for legal or tax advice and in the event of a discrepancy, the shareholder's 1099-DIV supersedes this information. Investors should consult with their legal or tax advisors for personalized assistance, including information regarding any specific state law requirements.

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.



2018 Capital Gains – Baird Equity Funds

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

| | |
|-------------------------|-------------------|
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| Payable Date | December 27, 2018 |

| BAIRD EQUITY FUNDS | | | | |
|------------------------------------|--------|---|--|------------------------------------|
| Fund | Ticker | Short Term Capital Gain Paid per share | Long Term Capital Gain Paid per share | Fund Price (NAV) As of 12/26/18 |
| Baird MidCap-Inst. | BMDIX | \$0.02555 | \$1.08337 | 17.37 |
| Baird MidCap-Investor | BMSX | \$0.02555 | \$1.08337 | 16.43 |
| Baird SmallCap Value-Inst. | BSVIX | None | \$0.54697 | 13.37 |
| Baird SmallCap Value-Investor | BSVSX | None | \$0.54697 | 13.38 |
| Baird Small/Mid Cap Value -Inst. | BMVIX | None | \$0.00423 | 10.35 |
| Baird Small/Mid Cap Value-Investor | BMVSX | None | \$0.00423 | 10.32 |
| Chautauqua Global Growth-Inst. | CCGIX | \$0.08391 | \$0.07737 | 11.18 |
| Chautauqua Global Growth-Investor | CCGSX | \$0.08391 | \$0.07737 | 11.11 |
| Chautauqua International-Inst. | CCWIX | \$0.21258 | \$0.01529 | 10.09 |
| Chautauqua International-Investor | CCWSX | \$0.21258 | \$0.01529 | 10.08 |

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