

June 30, 2016
Institutional Shares (BARIX)

Baron Asset Fund Fact Sheet

BAMCO, Inc., Registered Investment Adviser



The Fund may not achieve its objectives. Portfolio holdings may change over time.

Prior to February 15, 2007, the Fund's strategy was to invest primarily in small and mid-sized growth companies. Since then, the Fund's investment strategy has shifted to mid-sized companies.

Definitions (provided by BAMCO, Inc.): The indexes are unmanaged. The **Russell Midcap® Growth Index** measures the performance of medium-sized U.S. companies that are classified as growth, and the **S&P 500 Index** of 500 widely held large-cap U.S. companies. The indexes and the Fund are with dividends, which positively impact the performance results. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell is a trademark of Russell Investment Group. The **Morningstar US OE Mid-Cap Growth Average** is not weighted and represents the straight average of annualized returns of each of the funds in the Mid-Cap Growth category. The Fund's Institutional Shares have been included in the category since May 29, 2009 and the Fund's Retail Shares since April 1, 1999. As of 6/30/16, the category consisted of 737, 732, 724, 650, 573 and 429 funds for the 3-month, year-to-date, 1-, 3-, 5-, and 10-year periods. © 2016 Morningstar, Inc. All Rights Reserved. The Morningstar information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Standard Deviation (Std. Dev.):** measures the degree to which a fund's performance has varied from its average performance over a particular time period. The greater the standard deviation, the greater a fund's volatility (risk). **Sharpe Ratio:** is a risk-adjusted performance statistic that measures reward per unit of risk. The higher the Sharpe ratio, the better a fund's risk adjusted performance. **Alpha:** measures the difference between a fund's actual returns and its expected performance, given its level of risk as measured by beta. **Beta:** measures a fund's sensitivity to market movements. The beta of the market is 1.00 by definition. **R-Squared:** measures how closely a fund's performance correlates to the performance of the

benchmark index, and thus is a measurement of what portion of its performance can be explained by the performance of the index. Values for R-Squared range from 0 to 100, where 0 indicates no correlation and 100 indicates perfect correlation. **Tracking Error:** measures how closely a fund's return follows the benchmark index returns. It is calculated as the annualized standard deviation of the difference between the fund and the index returns. **Information Ratio:** measures the excess return of a fund divided by the amount of risk the fund takes relative to the benchmark index. The higher the information ratio, the higher the excess return expected of the fund, given the amount of risk involved. **Upside Capture:** explains how well a fund performs in time periods where the benchmark's returns are greater than zero. **Downside Capture:** explains how well a fund performs in time periods where the benchmark's returns are less than zero. **EPS Growth Rate (3-5 year forecast):** indicates the long-term forecasted EPS growth of the companies in the portfolio, calculated using the weighted average of the available 3-to-5 year forecasted growth rates for each of the stocks in the portfolio provided by FactSet Estimates. The EPS Growth rate does not forecast the Fund's performance. **Price/ Earnings Ratio (trailing 12-months):** is a valuation ratio of a company's current share price compared to its actual earnings per share over the last twelve months. **Price/Book Ratio:** is a ratio used to compare a company's stock price to its tangible assets, and it is calculated by dividing the current closing price of the stock by the latest quarter's book value per share. **Price/Sales Ratio:** is a valuation ratio of a stock's price relative to its past performance. It represents the amount an investor is willing to pay for a dollar generated from a particular company's operations. Price/Sales is calculated by dividing a stock's current price by its revenue per share for the last 12 months. Historical portfolio characteristics are provided by Compustat and FactSet Fundamentals. **Weighted Harmonic Average:** is a calculation that reduces the impact of extreme observations on the aggregate calculation by weighting them based on their size in the fund.

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Not bank guaranteed, may lose value, not FDIC insured



Portfolio Facts and Characteristics

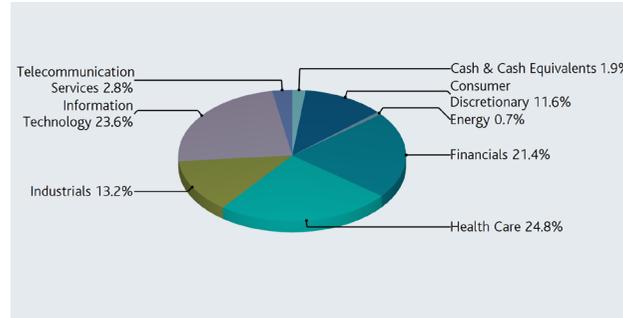
	Fund	Russell Midcap Growth Index
# of Equity Securities / % of Net Assets	55/98.1%	-
Turnover (3 Year Average)	12.86%	-
Median Market Cap†	\$8.31 billion	\$6.64 billion
Weighted Average Market Cap†	\$11.39 billion	\$12.48 billion
EPS Growth (3-5 year forecast)†	13.8%	13.8%
Price/Earnings Ratio (trailing 12-month)*†	28.9	23.9
Price/Book Ratio*†	3.8	4.6
Price/Sales Ratio*†	3.4	1.9

* Weighted Harmonic Average

† Source: FactSet PA – Compustat, FactSet and BAMCO. Internal valuations metrics may differ.

R6 Shares are also available for this Fund.

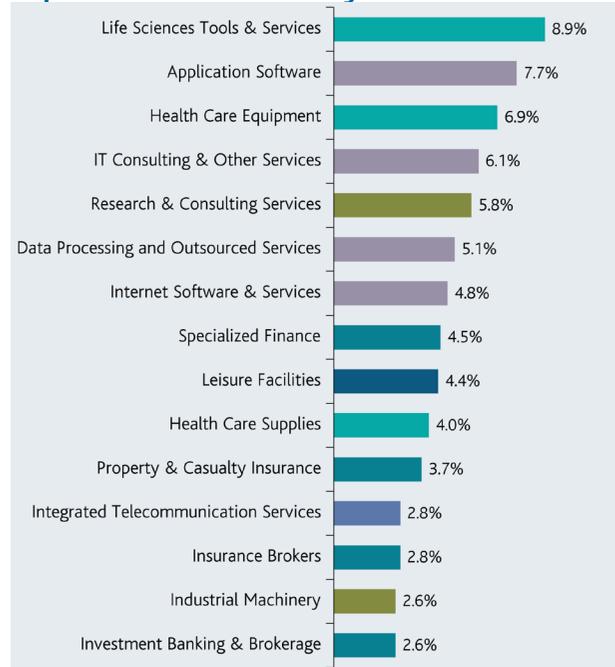
GICS Sector Breakdown¹



Performance Based Characteristics²

	3 Years	5 Years	10 Years
Std. Dev. (%) - Annualized	12.79	14.43	17.63
Sharpe Ratio	0.82	0.70	0.34
Alpha (%) - Annualized	0.09	0.36	-0.56
Beta	0.99	0.97	0.94
R-Squared (%)	93.15	93.87	93.08
Tracking Error (%)	3.30	3.56	4.75
Information Ratio	-0.03	0.02	-0.24
Upside Capture (%)	102.74	101.13	96.34
Downside Capture (%)	105.40	101.34	100.19

Top 15 GICS Sub-Industry Breakdown¹



Colors of Sub-Industry bars correspond to sector chart above.

Top 10 Holdings

% of Net Assets

IDEXX Laboratories, Inc.	6.2
Gartner, Inc.	6.1
Vail Resorts, Inc.	4.3
Verisk Analytics, Inc.	4.2
Arch Capital Group Ltd.	3.7
Mettler-Toledo International, Inc.	3.7
FactSet Research Systems, Inc.	3.2
Guidewire Software, Inc.	3.0
FleetCor Technologies, Inc.	2.9
SBA Communications Corp.	2.8
Total	40.1

Securities issued by medium sized companies may be thinly traded and may be more difficult to sell during market downturns. Even though the Fund is diversified, it may establish significant positions where the Adviser has the greatest conviction. This could increase volatility of the Fund's returns.

1 - Industry sector or sub-industry group levels are provided from the Global Industry Classification Standard ("GICS"), developed and exclusively owned by MSCI, Inc. ("MSCI") and Standard & Poor's Financial Services LLC ("S&P"). All GICS data is provided "as is" with no warranties. The Adviser may have reclassified/classified certain securities in or out of a sub-industry. Such reclassifications are not supported by S&P or MSCI.

2 - Source: FactSet SPAR. Except for Standard Deviation and Sharpe Ratio, the performance based characteristics above were calculated relative to the Fund's benchmark.

Investment Strategy

The Fund invests mainly in mid-sized U.S. companies that have matured beyond their start-up phase and have significant secular growth opportunities. Diversified.

Portfolio Manager

Andrew Peck has been a portfolio manager since 2003. Andrew joined Baron in 1998 as a research analyst and has 20 years of research experience. From 1992 to 1994, Andrew worked at Salomon Brothers as an analyst in the Equity Capital Markets group. Andrew graduated magna cum laude from Yale College with a B.A. in History in 1991 and from Stanford Law School and Graduate School of Business with a J.D. and M.B.A. in 1998.

Investment Principles

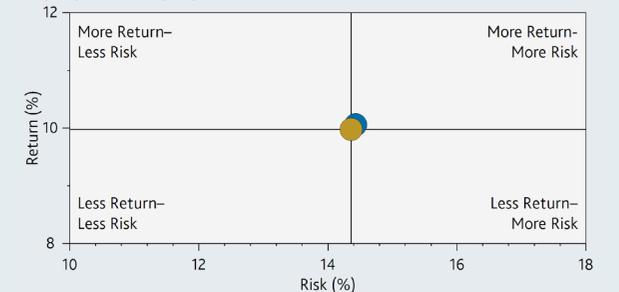
- Long-term perspective allows us to think like an owner of a business
- Independent and exhaustive research is essential to understanding the long-term fundamental growth prospects of a business
- We seek appropriately capitalized open-ended growth opportunities, exceptional leadership, and sustainable competitive advantages
- Purchase price and risk management are integral to our investment process

Fund Facts

Inception Date	June 12, 1987
Net Assets	\$2.50 billion
Institutional Shares	
CUSIP	068278605
Expense Ratio (as of FYE 09/15)	1.04%

Risk/Return Comparison²

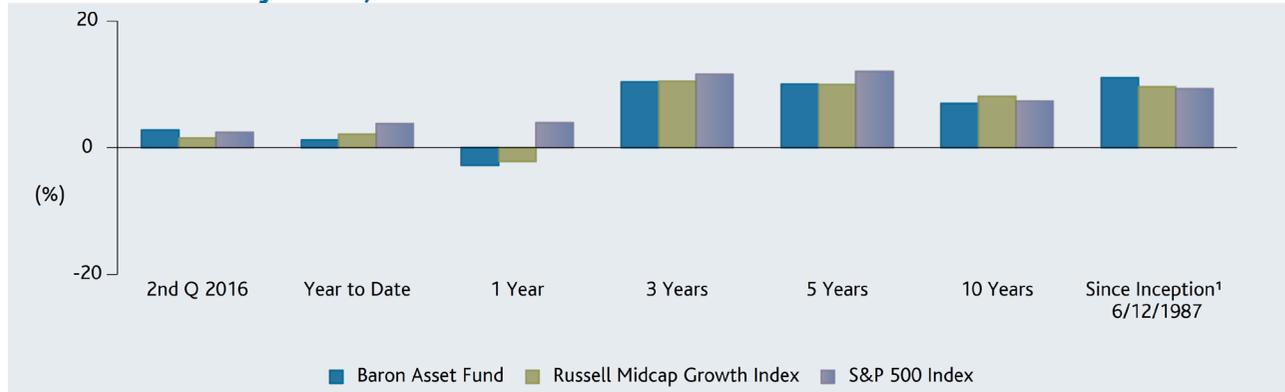
06/30/2011 - 06/30/2016



- Baron Asset Fund - I
- Russell Midcap Growth Index



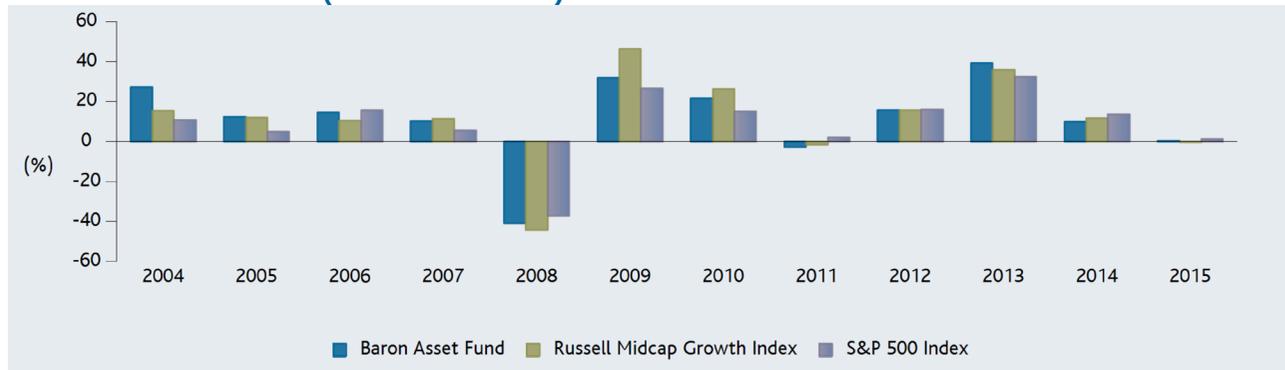
Performance as of June 30, 2016



	Total Returns(%)						Annualized Returns(%)									
	2nd Q 2016		Year to Date		1 Year		3 Years		5 Years		10 Years		Since Inception ¹ 6/12/1987			
	Return	+ -	Return	+ -	Return	+ -	Return	+ -	Return	+ -	Return	+ -	Return	+ -		
BARIX - Institutional Shares	2.79		1.23		-2.75		10.43		10.06		6.99		11.05			
Russell Midcap Growth Index	1.56	1.23	2.15	-0.92	-2.14	-0.61	10.52	-0.09	9.98	0.08	8.12	-1.13	9.65	1.40		
S&P 500 Index	2.46	0.33	3.84	-2.61	3.99	-6.74	11.66	-1.23	12.10	-2.04	7.42	-0.43	9.34	1.71		
Morningstar Mid-Cap Growth Category Average	1.98	0.81	0.04	1.19	-6.43	3.68	8.21	2.22	7.93	2.13	6.79	0.20	N/A			

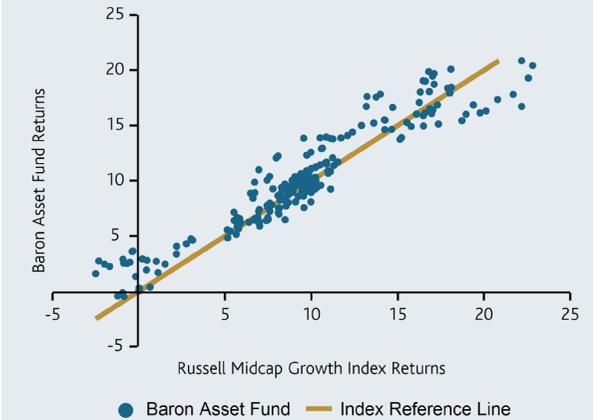
The blue shading represents Fund outperformance vs. the corresponding benchmark. The yellow shading represents underperformance.

Historical Performance(Calendar Year %)



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
BARIX - Institutional Shares	27.13	12.47	14.64	10.13	-40.75	31.85	21.66	-2.68	15.63	39.25	9.77	0.20
Russell Midcap Growth Index	15.48	12.10	10.66	11.43	-44.32	46.29	26.38	-1.65	15.81	35.74	11.90	-0.20
S&P 500 Index	10.88	4.91	15.79	5.49	-37.00	26.46	15.06	2.11	16.00	32.39	13.69	1.38

BARIX has outperformed the Russell Midcap Growth Index 66% of the time (since its inception and using rolling 10-year annualized returns).



The performance data quoted represents past performance. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate; an investor's shares, when redeemed, may be worth more or less than their original cost. The Fund's transfer agency expenses may be reduced by expense offsets from an unaffiliated transfer agent, without which performance would have been lower. Current performance may be lower or higher than the performance data quoted. For performance information current to the most recent month end, visit www.BaronFunds.com or call 1-800-99BARON. You should consider the investment objectives, risks, charges, and expenses of the Fund carefully before investing. The prospectus and summary prospectus contain this and other information about the Fund and can be obtained from the Fund's distributor, Baron Capital, Inc., by calling 1-800-99BARON or visiting www.BaronFunds.com. Please read them carefully before investing.

Performance for the Institutional Shares prior to 5/29/2009 is based on the performance of the Retail Shares, which have a distribution fee. The Institutional Shares do not have a distribution fee. If the annual returns for the Institutional Shares prior to 5/29/2009 did not reflect this fee, the returns would be higher.

1 - For this report, the Since Inception date for Russell Midcap Growth Index is 6/30/1987.



Review and Outlook

During the quarter ended June 30, 2016, equity markets increased before falling suddenly on June 24, when British voters unexpectedly voted in favor of leaving the European Union, the so-called Brexit. After digesting the likely implications of Brexit, U.S. investors appeared to change their view, and the markets rose sharply during the last few days of June and through early July.

Baron Asset Fund increased in the quarter. The top sector contributors to performance were Health Care, Information Technology (IT), and Financials. Industrials and Consumer Discretionary detracted. While results were mixed, contributors among Health Care holdings outweighed detractors. The sector benefited in particular from the strong performance of top contributor IDEXX Laboratories, Inc. Positive performance of the IT sector was largely driven by Gartner, Inc. and Zillow Group, Inc., the second and third largest contributors to performance respectively. A strong showing by property and casualty insurance vendor Guidewire Software, Inc. also helped boost performance. Contribution of the Financials sector was led by specialized REIT Equinix, Inc. Weakness in the Industrials sector was driven primarily by holdings in the construction machinery & heavy trucks and trading companies & distributors sub-industries, including top five detractor Westinghouse Air Brake Technologies Corp., which manufactures safety equipment for the rail industry. Consumer Discretionary detracted primarily due to the weak performance of investments in the hotels, resorts & cruise lines and specialty stores sub-industries.

Despite the near-term uncertainty created by various global events, most notably Brexit, we continue to believe that high-quality, mid-sized growth stocks represent an attractive long-term investment opportunity. During the past 30 years, mid-cap growth stocks, as a category, have outperformed small-cap and large-cap growth stocks. We believe that this trend will continue.

The U.S. economy continues to rank among the world's healthiest, and its equity market multiples are within the range of their long-term averages. Although interest rates declined again during the quarter, perhaps the most prevalent concern among equity investors is uncertainty about what will happen to stocks when interest rates finally begin to increase. We believe that equity markets often perform well during a rising rate environment. Separately, employment and housing trends continue to improve, and energy prices still remain meaningfully below recent levels. We think that our portfolio of what we believe are well-managed, competitively advantaged, fast growing companies will continue to perform well in this environment, although we cannot guarantee that they will.

Top Contributors/Detractors to Performance for the Quarter Ended June 30, 2016

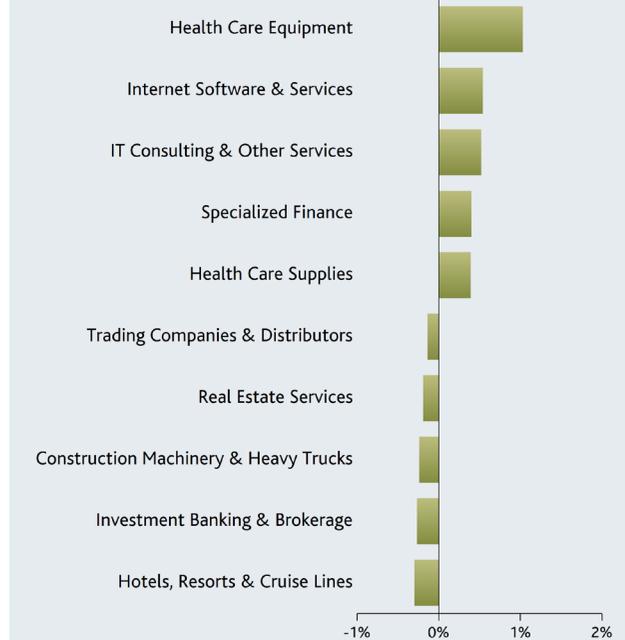
Contributors

- Shares of veterinary diagnostics leader **IDEXX Laboratories, Inc.** rallied in Q2 on strong financial results and multiple expansion. Competitive trends are strong and improving, highlighted by instrument placement growth of almost 25%, domestic lab growth more than twice that of its main competitor, rising sales productivity, and stability in rapid assays. We think that IDEXX's direct go-to-market model coupled with meaningful R&D-driven product enhancements will boost revenue and earnings growth over time.
- Shares of **Gartner, Inc.**, a provider of syndicated IT research, increased in Q2 on strong financial results. We believe that key forward-looking metrics continue to look strong. Contract value growth and productivity trends are approaching levels sufficient to drive margin expansion, retention rates are at all-time highs, and the company has significant financial flexibility. We believe that Gartner will generate accelerating top line growth, significant growth in earnings and free cash flow and persistent return of capital.
- **Zillow Group, Inc.** is the leading real estate website in the U.S. In addition to information on rentals and homes for sale, the company owns the Zillow Mortgage Marketplace and Street Easy, New York City's leading real estate site. Zillow continues to invest in its brand as the leader in an \$8 billion real estate advertising market. Shares were up in Q2, based on improving fundamentals and the favorable settlement of a lawsuit with Move, Inc. We think Zillow is well positioned to grow its share of the real estate advertising market.

Detractors

- Shares of DNA sequencing company **Illumina, Inc.** fell in Q2 on first quarter revenue that missed Street expectations and a lowered forecast for 2016 due to weak first quarter sales of its HiSeq instrument line and a lower forecast for Europe. Management believes the issues are short-term, fixable, and unrelated to fundamental market demand. We continue to believe Illumina has a long runway for growth driven by increasing adoption of DNA sequencing in clinical markets such as cancer screening, diagnosis, and treatment.
- Shares of **The Charles Schwab Corp.**, a brokerage business, fell due to the steep market decline and volatility in the wake of "Brexit." Investors appeared concerned that higher volatility would cut into trading revenue, lower market values would pressure asset-based revenue generation, and interest rate hikes will be paused (or reversed), causing net interest margins to remain low and money market fee waivers to persist. We believe Schwab will continue to experience growth in accounts as brokers leave traditional wirehouses.
- Shares of financial technology vendor **SS&C Technologies Holdings, Inc.** detracted from second quarter performance. We attribute the decline to concerns that lackluster hedge fund performance will impact SS&C's growth. We believe a low single digit percentage of the company's revenue is directly correlated to equity markets, far less than investors feared. We believe the company will continue to generate attractive revenue growth through market share gains, cross-sales of its expanded services portfolio into the Advent installed base, new product introductions, and share gains in the admin market.

Contribution to Return¹ By Sub-Industry



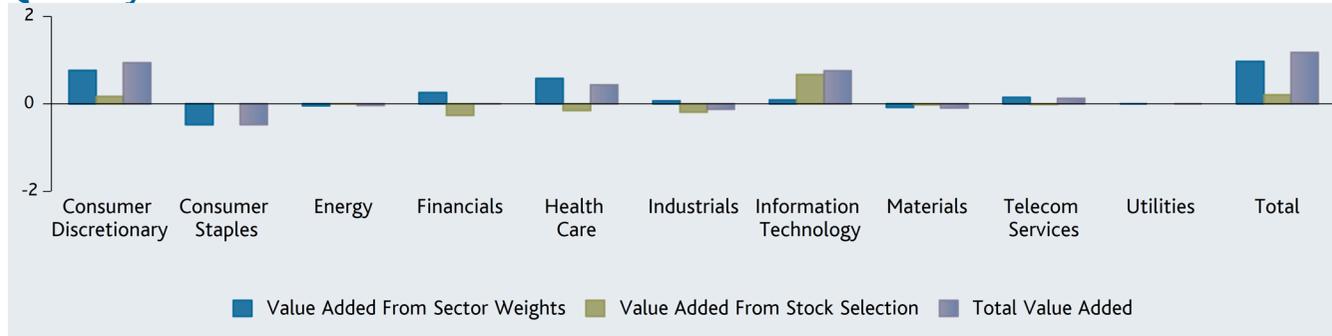
By Holdings

Top Contributors	Average Weight(%)	Contribution(%)
IDEXX Laboratories, Inc.	5.75	1.01
Gartner, Inc.	5.92	0.52
Zillow Group, Inc.	0.97	0.43
Equinix, Inc.	2.13	0.35
Guidewire Software, Inc.	2.77	0.35

Top Detractors	Average Weight(%)	Contribution(%)
Illumina, Inc.	2.75	-0.45
The Charles Schwab Corp.	2.92	-0.27
SS&C Technologies Holdings, Inc.	1.74	-0.21
CBRE Group, Inc.	2.29	-0.19
Westinghouse Air Brake Technologies Corporation	1.58	-0.18

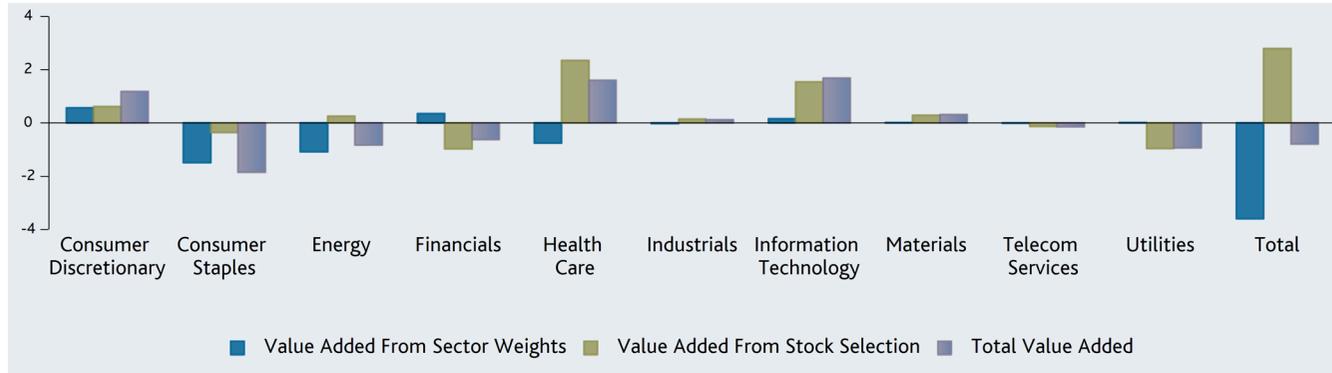
1 - Source: FactSet PA.

Quarterly Performance Attribution¹



Sector Average Weights(%)	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecom Services	Utilities	Total ²
Baron Asset Fund	11.77	-	0.71	21.46	24.07	13.77	22.64	0.38	2.68	-	100.00
Russell Midcap Growth Index	24.36	8.23	0.96	12.23	13.23	16.05	19.21	5.21	0.40	0.11	100.00
Over/Underweight	-12.59	-8.23	-0.25	9.23	10.83	-2.28	3.43	-4.83	2.29	-0.11	-
Total Return(%)											
Baron Asset Fund	-2.99	-	19.39	3.04	6.03	-2.83	6.37	0.96	7.64	-	2.75
Russell Midcap Growth Index	-4.38	7.84	18.32	4.34	6.36	-1.55	3.27	3.46	7.96	4.56	1.56
Relative Return	1.39	-7.84	1.07	-1.30	-0.34	-1.27	3.10	-2.50	-0.32	-4.56	1.18

One-Year Performance Attribution¹



Sector Average Weights(%)	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecom Services	Utilities	Total ²
Baron Asset Fund	13.13	0.38	2.14	18.26	23.00	15.21	21.53	0.63	2.84	0.31	100.00
Russell Midcap Growth Index	24.68	8.19	0.85	11.83	13.38	15.87	19.58	5.12	0.39	0.10	100.00
Over/Underweight	-11.55	-7.82	1.28	6.43	9.62	-0.66	1.95	-4.49	2.45	0.21	-
Total Return(%)											
Baron Asset Fund	-2.59	-52.54	-11.66	-0.03	-0.31	1.62	3.76	37.57	-6.29	-80.36	-2.93
Russell Midcap Growth Index	-6.90	19.56	-18.70	3.14	-9.06	0.66	-3.89	-2.26	-1.85	23.17	-2.14
Relative Return	4.31	-72.10	7.03	-3.17	8.75	0.96	7.65	39.83	-4.44	-103.54	-0.80

Return calculations for the Portfolio are transaction based and are calculated from the underlying security-level data; they may not correspond with published performance information based on NAV per share.

1 - Attribution analysis for other periods or versus another index will be provided upon request. Source: FactSet PA.

2 - Fund total returns include cash, fees and unassigned securities.

When reviewing performance attribution on our portfolio, please be aware that we construct the portfolio from the bottom up, one stock at a time. Each stock is included in the portfolio if it meets our rigorous investment criteria. To help manage risk, we are aware of our sector and security weights, but we do not include a holding to achieve a target sector allocation or to approximate an index. Our exposure to any given sector is purely a result of our stock selection process.

Quarterly Analysis

Baron Asset Fund increased 2.79% in the second quarter and outperformed the Russell Midcap Growth Index by 123 basis points. Relative sector weights and, to a lesser extent, stock selection contributed to relative performance.

Consumer Discretionary and Information Technology (IT) investments and larger exposure to the strong performing Health Care sector contributed the most to relative results. Within Consumer Discretionary, lower exposure to lagging apparel retail and apparel accessories & luxury goods sub-industries and outperformance of ski resort operator Vail Resorts, Inc. added the most value. Vail's stock price rose on reports of a strong 2015/2016 ski season, with increased visitation and spend across its resorts. Management also indicated that 2016/2017 season pass sales were off to a robust start as units were up 29% over last year. Strength in IT was partly due to the outperformance of Gartner, Inc. and Zillow Group, Inc., which were the second and third largest contributors on an absolute basis. Investments in application software, led by Guidewire Software, Inc. and Mobileye N.V., also aided relative performance. Shares of property and casualty insurance software vendor Guidewire increased on reports of near-perfect retention rates, a growing installed base, and accelerating adoption. Guidewire is early in its core system replacement cycle, and is expanding its addressable market through persistent innovation. Mobileye recouped losses suffered in the first quarter after management allayed investor concerns regarding competitive threats by announcing two autonomous program wins. The Fund's investment in real estate information and marketing services company CoStar Group, Inc. also lifted relative performance after the company reported outstanding financial results.

Lack of exposure to the outperforming Consumer Staples sector and underperformance of Industrials investments detracted the most from relative performance. The Fund's Industrials holdings trailed their counterparts in the index after falling 2.8%, with Westinghouse Air Brake Technologies Corporation, Roper Technologies, Inc., and Fastenal Co. driving the decline. Shares of Westinghouse, the market leader in transportation products that improve railroad safety and productivity, declined due to uncertainty around global freight volumes, continued volatility in commodities and the potential impact of "Brexit" on foreign operations. Shares of Roper, which manufactures industrials controls, fluid handling, and analytical instrumentation products, fell after a short report expressed concerns about second half growth and the company's acquisition-driven growth strategy. The concerns were fairly general in nature and not necessarily specific to Roper in our view. Roper's strategy has consistently generated value over time, and we believe it has the potential to outperform as it completes additional deals.



Top 10 Holdings as of June 30, 2016

Company	Investment Premise	Company	Investment Premise
IDEXX Laboratories, Inc. (IDXX) is the leading provider of diagnostics to the veterinary industry.	IDEXX continues to benefit from secular growth spending on pets, due to a growing human-animal bond, favorable demographics, increased use of diagnostics, and an increasing focus on preventative care. We believe IDEXX has the best menu of diagnostics, which it has continuously improved by spending six times more on R&D annually than all its competitors combined. The company's products are sold via a razor/razorblade model, which creates high retention rates and incremental margins. IDEXX generates outstanding cash flow, which it has returned to shareholders via repurchases.	Mettler-Toledo International, Inc. (MTD) is the world's largest provider of weighing instruments for use in laboratory, industrial, and food retailing applications.	Mettler has a track record of consistent growth. In our opinion, the company has strong brand recognition, customer diversification, pricing power, and margin expansion opportunities. We think the business has attractive financial characteristics, including high returns on capital, minimal capital requirements, and strong free cash flow generation. The company uses all of its free cash flow to repurchase its stock. We believe the management team is an excellent steward of capital and skilled at developing sales and marketing initiatives to enhance growth.
Gartner, Inc. (IT) is the leading independent provider of research and analysis on the information technology industry.	Gartner has a vast addressable market, which management estimates is in excess of \$47 billion annually, implying a penetration rate of less than 3%. IT is rapidly changing and is growing in strategic importance, leading users to turn to third-party providers for insight into trends. The Gartner brand is highly valued in the IT community, and the company is frequently cited in the mass media as the leading expert on IT trends. The low price of Gartner's research relative to its value has created strong renewal trends, with retention rates running above 100%.	FactSet Research Systems, Inc. (FDS) provides financial information to the global investment community.	FactSet is serving only a small part of the addressable market, which we estimate is approximately \$20 billion annually. The company has been taking market share, offering broader data sets and more advanced portfolio analytics than its competitors, and has a highly regarded customer service model. The company has also been expanding into fixed income markets. Its products are sticky, leading to retention rates over 95% and high visibility. FactSet generates robust free cash flow, which it has aggressively returned to shareholders via share repurchases and dividends.
Vail Resorts, Inc. (MTN) is the largest operator of ski resorts in the U.S. It owns and operates 13 ski resorts in Vail, Breckenridge, Keystone, and Beaver Creek in Colorado; Canyons and Park City in Utah; Heavenly, Northstar, and Kirkland in Lake Tahoe, Perisher in Australia and three U.S. regional resorts.	Most of Vail's revenues come from its ski resorts. The company has been upgrading its current properties to offer guests new and higher quality services and amenities, which should attract more visitors per year and enable the company to raise lift ticket prices, which should, in turn, generate greater profits. High pre-season advance sales of lift tickets should provide less risk for uncertain weather conditions. Its summer opportunity could significantly help reduce seasonal losses, beginning in summer 2016, with zip lines, mountain coasters, hiking, and biking tours.	Guidewire Software, Inc. (GWRE) is a leading provider of core systems software to the global P&C insurance industry.	Guidewire is a small player in a vast addressable market and has been benefiting from the inevitable need for P&C insurers to upgrade 30-year old systems. The company offers best-in-class functionality, as evidenced by its growing installed base and 100% retention rates, and we believe it has a significant amount of off-balance sheet revenue. We think the company's recent launch of data, benchmarking, and ancillary applications could drive a network effect, provide significant upside to financial estimates, and double the company's addressable market.
Verisk Analytics, Inc. (VRSK) provides information about risk to companies in the insurance, financial services, and energy industries. Verisk enables these businesses to better understand and manage their risks and optimize their decision-making processes.	We think Verisk has a unique competitive position. The company is investing to expand its product set in Insurance and Financials, and acquired WoodMac for energy exposure, creating a path to sustained double digit growth. Verisk generates robust margins, which we believe can grow modestly over time with scale. Verisk has been generating significant levels of free cash flow, which it has been using to repurchase stock and make acquisitions.	FleetCor Technologies, Inc. (FLT) provides fuel cards and payment services to vehicle fleets and other businesses around the world. The company's services enable businesses to better manage and control employee spending.	We think FleetCor has a long runway for growth as businesses increasingly use digital payment products to manage expenses. FleetCor generates recurring revenue with high margins and relatively low exposure to fuel prices. A mix shift toward higher-revenue products has been driving strong top-line growth and margin expansion. The company is supplementing strong organic growth with accretive acquisitions of other payments companies. We believe FleetCor's advanced payment technology, scale, and sales and marketing capabilities represent meaningful barriers to entry.
Arch Capital Group Ltd. (ACGL) is a specialty insurance and reinsurance company with operations in Bermuda, the U.S., Europe, and Canada.	Arch Capital is led by an experienced management team with a successful track record across several insurance cycles. We believe the company excels at underwriting specialized policies and can nimbly shift its business mix to target the most profitable lines. Arch has a compensation system that rewards long-term profitability rather than short-term premium growth. In our view, management has demonstrated good underwriting discipline and has returned excess capital to shareholders during soft pricing cycles, allowing Arch to maintain industry-leading returns on equity.	SBA Communications Corp. (SBAC) is the third largest independent owner of wireless towers in the U.S. and has a growing presence in Canada, Central America, and Brazil. SBA owns and operates over 25,000 towers in total.	Consumers continue to adopt smartphones and use increasing amounts of wireless data bandwidth, forcing carriers to augment their networks. Carriers place more equipment on existing towers and place equipment on new towers to increase network density. We think SBA can generate additional leasing revenue from new lease and amendment activity, leading to strong cash flow growth. Given its strong balance sheet, we believe SBA has many opportunities to grow internationally, particularly in Brazil, where SBA has recently acquired over 5,000 towers.



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