

September 30, 2016
Institutional Shares (BFTIX)

Baron Fifth Avenue Growth Fund Fact Sheet

BAMCO, Inc., Registered Investment Adviser



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

Definitions (provided by BAMCO, Inc.): The indexes are unmanaged. The **Russell 1000® Growth Index** measures the performance of large-sized U.S. companies that are classified as growth. The **S&P 500 Index** measures the performance 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 Large Growth Category Average** is not weighted and represents the straight average of annualized returns of each of the funds in the Large Growth category. The Fund's Institutional Shares have been included in the category since May 29, 2009 and the Fund's Retail Shares since inception. As of 9/30/16, the category consisted of 1672, 1651, 1629, 1482, 1285 and 924 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

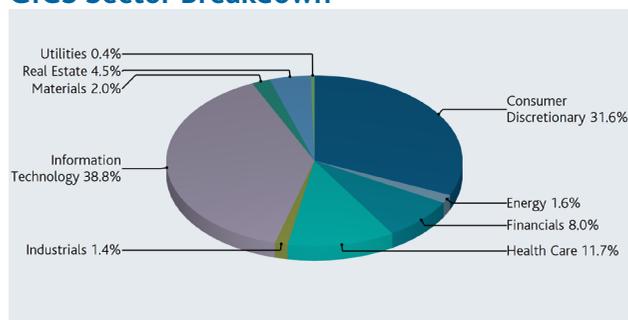
	Fund	Russell 1000 Growth Index
# of Equity Securities / % of Net Assets	35/100.1%	-
Turnover (3 Year Average)	16.89%	-
Median Market Cap†	\$35.42 billion	\$9.13 billion
Weighted Average Market Cap†	\$182.90 billion	\$151.73 billion
EPS Growth (3-5 year forecast)†	23.6%	13.8%
Price/Earnings Ratio (trailing 12-month)*†	33.7	21.9
Price/Book Ratio*†	4.3	4.7
Price/Sales Ratio*†	5.4	2.2

* Weighted Harmonic Average

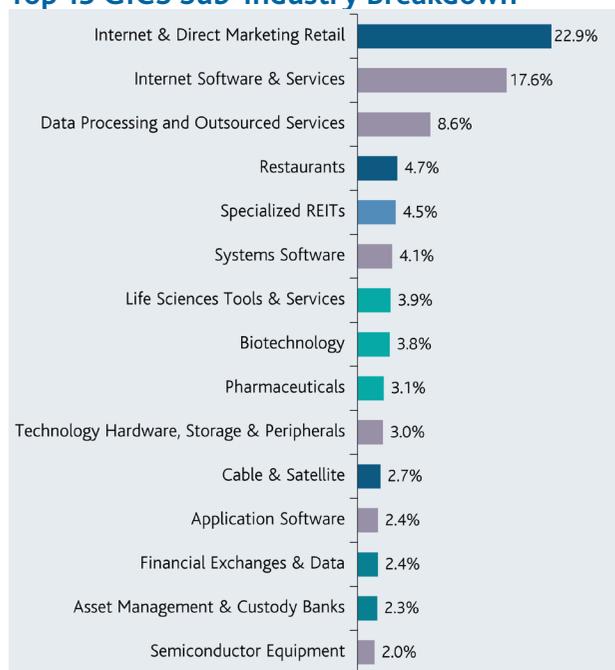
† Source: FactSet PA – Compustat, FactSet and BAMCO. Internal valuations metrics may differ.

R6 Shares are also available for this Fund.

GICS Sector Breakdown^{1,2}



Top 15 GICS Sub-Industry Breakdown^{1,2}



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

Performance Based Characteristics³

	3 Years	5 Years	10 Years
Std. Dev. (%) - Annualized	14.38	15.01	17.49
Sharpe Ratio	0.74	1.13	0.35
Alpha (%) - Annualized	-2.63	-2.52	-2.03
Beta	1.16	1.20	1.06
R-Squared (%)	85.24	87.06	88.76
Tracking Error (%)	5.74	5.84	5.92
Information Ratio	-0.22	0.05	-0.32
Upside Capture (%)	111.87	113.54	102.80
Downside Capture (%)	135.26	133.12	114.35

Top 10 Holdings

% of Net Assets

Amazon.com, Inc.	15.6
Alibaba Group Holding Limited	6.3
Alphabet Inc.	6.0
Facebook, Inc.	5.3
Equinix, Inc.	4.5
Visa, Inc.	4.4
Mastercard Incorporated	4.2
The Priceline Group, Inc.	4.1
Illumina, Inc.	3.9
Apple, Inc.	3.0
Total	57.3

The Fund invests primarily in equity securities, which are subject to price fluctuations in the stock market. 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 - The sector and sub-industry breakdowns are expressed as a percentage of the fund's long positions. These percentages may change over time.

3 - 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 large-sized U.S. companies with significant growth potential and competitive advantages. Diversified.

Portfolio Manager

Alex Umansky joined Baron in 2011 as a portfolio manager and has 24 years of investment experience. From 2007 to 2011, Alex was a co-manager of the Morgan Stanley Opportunity Fund and co-managed the Global Opportunity Fund from 2008 to 2011, the International Opportunity Fund and the International Advantage Fund from 2010 to 2011. From 1998 to 2004, Alex was lead manager of the Morgan Stanley Institutional Technology Strategy and the Technology Fund and also the co-manager of the Information Fund and the Small Company Growth Fund. He began his career at Morgan Stanley in 1993. Alex graduated from New York University with a B.S. in Finance, Information Systems and Mathematics in 1993.

Investment Principles

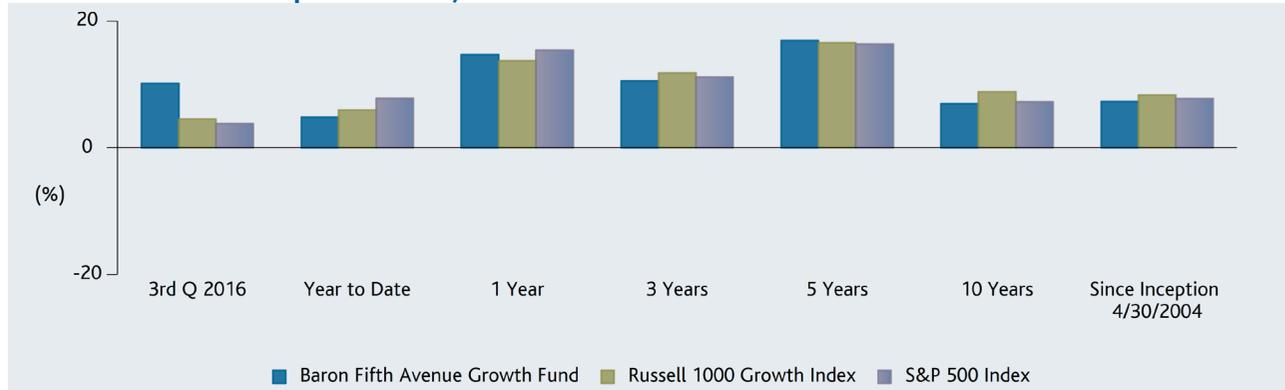
- Long-term perspective allows us to think like an owner of a business
- Independent and exhaustive research is essential to understanding the long-term fundamental growth prospects of a business
- We seek appropriately capitalized open-ended growth opportunities, exceptional leadership, and sustainable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

Fund Facts

Inception Date	April 30, 2004
Net Assets	\$156.81 million
Institutional Shares	
CUSIP	068278878
Expense Ratio (as of FYE 09/15 restated to reflect current management fee)	0.84%



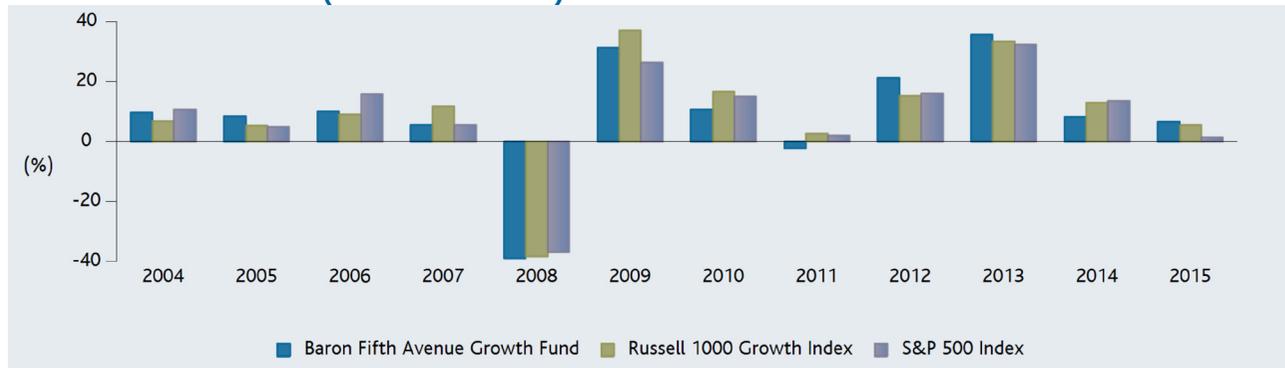
Performance as of September 30, 2016



	Total Returns(%)				Annualized Returns(%)									
	3rd Q 2016		Year to Date		1 Year		3 Years		5 Years		10 Years		Since Inception 4/30/2004	
	Return	+ -	Return	+ -	Return	+ -	Return	+ -	Return	+ -	Return	+ -	Return	+ -
BFTIX - Institutional Shares	10.16		4.86		14.74		10.58		16.90		6.96		7.29	
Russell 1000 Growth Index	4.58	5.58	6.00	-1.14	13.76	0.98	11.83	-1.25	16.60	0.30	8.85	-1.89	8.33	-1.04
S&P 500 Index	3.85	6.31	7.84	-2.98	15.43	-0.69	11.16	-0.58	16.37	0.53	7.24	-0.28	7.79	-0.50
Morningstar Large Growth Category Average	5.59	4.57	3.45	1.41	10.46	4.28	9.23	1.35	14.98	1.92	7.52	-0.56	N/A	

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

Historical Performance(Calendar Year %)¹



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
BFTIX - Institutional Shares	9.70	8.48	10.17	5.64	-38.92	31.43	10.67	-2.28	21.20	35.73	8.34	6.61
Russell 1000 Growth Index	6.71	5.26	9.07	11.81	-38.44	37.21	16.71	2.64	15.26	33.48	13.05	5.67
S&P 500 Index	10.77	4.91	15.79	5.49	-37.00	26.46	15.06	2.11	16.00	32.39	13.69	1.38

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 Adviser has reimbursed certain Fund expenses (by contract as long as BAMCO, Inc. is the adviser to the Fund) and 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 - Performance information for 2004 is from its inception date 4/30/2004 to 12/31/2004.



Review and Outlook

Baron Fifth Avenue Growth Fund increased 10.2% in the third quarter. In a complete reversal from the first half of the year, where the Fund plainly lacked sizable winners, the Fund saw broad-based strength across the entire portfolio, with 21 of our 36 investments rising double digits, and 12 of them appreciating over 15%.

Investments in Information Technology (IT), Consumer Discretionary, and Health Care were the top contributors. IT advanced on the strength of double-digit increases in 10 out of 13 sector investments. Performance was led by Alibaba Group Holding Ltd., the Fund's second largest contributor in the quarter. Alphabet, Inc., the world's largest search and online advertising company, was another significant IT contributor after its share price increased on the strength of quarterly results that surpassed Street expectations. With five investments posting double-digit share price increases, Consumer Discretionary appreciated in the third quarter, led by top contributor Amazon.com, Inc. Also within the sector, shares of leading online travel agency The Priceline Group, Inc. rose after reporting strong Q2 results and a robust outlook for Q3. While Health Care investments posted somewhat mixed performance, contributors outweighed detractors. Life sciences tools & services company Illumina, Inc. was the Fund's third largest contributor. Holdings in the Real Estate sector lost some ground in the quarter due to a decline in the share price of Equinix, Inc., which was the second largest detractor from performance. The Materials sector was a minor detractor after the share price of the Fund's sole holding within the sector, Monsanto Company, fell modestly in the period.

Our goal is to maximize long-term returns without taking significant risks of permanent loss of capital. We continue to focus on identifying and investing in what we believe are unique companies with sustainable competitive advantages and the ability to redeploy capital at high rates of return. We are optimistic about the long-term prospects of the companies in which we are invested and continue to search for new ideas and investment opportunities.

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

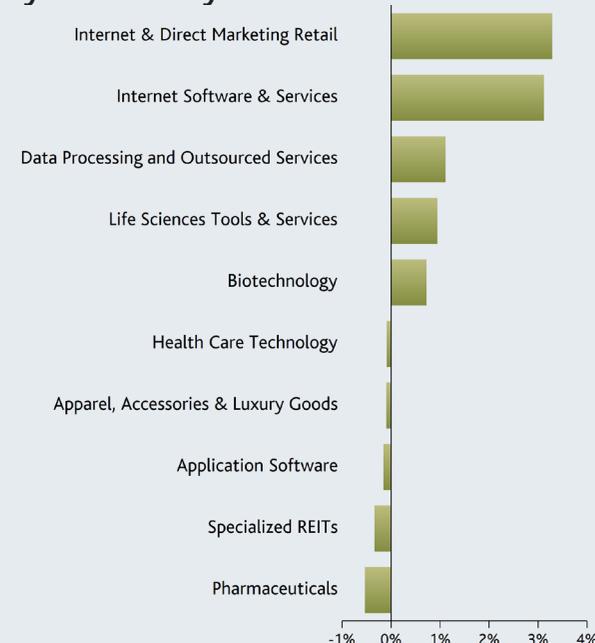
Contributors

- Shares of **Amazon.com, Inc.**, the world's largest retailer and cloud services provider, rose in Q3 after reporting strong revenue growth and improving margins in its core business. Amazon's other major business segment, Amazon Web Services (AWS), continues to gain traction with enterprise customers, and had another strong quarter of growth. Over time, we expect AWS to be the larger contributor to value creation. The company continues to invest in new and potentially large business segments such as e-finance, business supplies and apparel.
- Shares of **Alibaba Group Holding Limited**, the largest e-commerce company in China, performed well in Q3 following strong quarterly results. Enhanced financial disclosure helped investors to understand better the profitability of the core commerce business and thereby attribute a higher value to it. We expect that mobile monetization will continue to improve through 2016 and beyond as the company invests in new areas such as online grocery and cloud computing.
- Shares of **Illumina, Inc.**, the leading provider of DNA sequencing technology to academic and commercial laboratories, contributed to performance in Q3. The company reported financial results that beat Street expectations and reiterated guidance for the year. 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.

Detractors

- **Bristol-Myers Squibb Company** is a large diversified pharmaceutical leading the development of immune stimulating therapies for oncology. These efforts are spearheaded by its product Opdivo, now approved to treat several types of cancer. After positive data was released on a rival drug to treat first-line advanced non-small-cell lung cancer, Bristol-Myers revealed that Opdivo did not meet the primary endpoint in a Phase III trial in the same indication, and shares fell. We are analyzing the competitor's trial results and Bristol-Myers data sets.
- This quarter saw pressure in the data center segment, and **Equinix, Inc.** was no exception. Slowing industry activity and cautious management commentary spurred some profit taking ahead of Q3 earnings. We like the growth prospects for Equinix and think management has a clear and sensible plan to keep growing at a relatively higher pace while improving efficiencies and demonstrating margin leverage. We view 2016 as a digestion year, with two acquisitions and a divestiture, and expect 2017 to show significant leverage to shareholder profitability.
- Shares of cybersecurity software vendor **FireEye, Inc.** fell in Q3 on disappointing guidance as new management reset expectations for 2016 in an effort to build a solid base for 2017. We believe management is building a strong foundation for future growth. The organization has been right-sized, mid-market and new subscription products are being launched, and go-to-market partnerships have been fine tuned. FireEye has best-in-class technology and is improving its delivery methodology in products (subscriptions) and go-to-market design.

Contribution to Return¹ By Sub-Industry



By Holdings

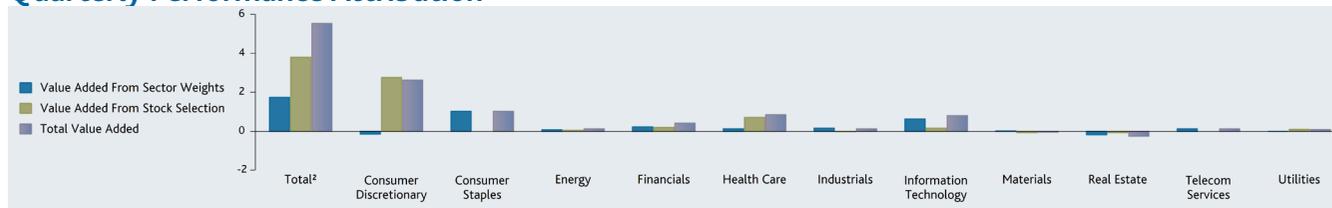
Top Contributors	Average Weight(%)	Contribution(%)
Amazon.com, Inc.	14.44	2.39
Alibaba Group Holding Limited	5.61	1.65
Illumina, Inc.	3.57	0.94
Alphabet Inc.	6.59	0.84
The Priceline Group, Inc.	3.90	0.67

Top Detractors	Average Weight(%)	Contribution(%)
Bristol-Myers Squibb Company	1.58	-0.50
Equinix, Inc.	4.71	-0.34
FireEye, Inc.	2.10	-0.25
Mobileye N.V.	2.69	-0.21
Starbucks Corp.	2.86	-0.14

1 - Source: FactSet PA.

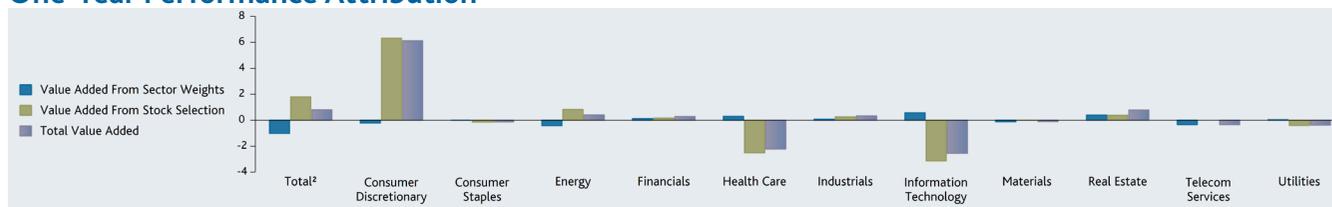


Quarterly Performance Attribution¹



Sector Average Weights(%)	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate ³	Telecom Services	Utilities
Baron Fifth Avenue Growth Fund	30.12	-	1.52	7.83	12.31	1.65	38.62	2.12	4.73	-	0.34
Russell 1000 Growth Index	20.77	10.06	0.59	2.66	17.20	10.42	30.46	3.59	2.95	1.25	0.06
Over/Underweight	9.35	-10.06	0.94	5.16	-4.89	-8.76	8.17	-1.47	1.78	-1.25	0.28
Total Return(%)											
Baron Fifth Avenue Growth Fund	12.31	-	15.16	10.69	7.39	0.23	12.89	-0.63	-6.39	-	26.07
Russell 1000 Growth Index	2.81	-4.87	12.00	8.47	2.07	2.90	12.40	3.56	-4.79	-4.13	-1.76
Relative Return	9.50	4.87	3.15	2.22	5.31	-2.67	0.49	-4.20	-1.60	4.13	27.83

One-Year Performance Attribution¹



Sector Average Weights(%)	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate ³	Telecom Services	Utilities
Baron Fifth Avenue Growth Fund	27.14	0.72	1.95	4.84	12.42	2.14	40.15	1.69	6.09	-	0.47
Russell 1000 Growth Index	21.22	11.16	0.57	2.77	16.57	10.73	28.60	3.55	2.81	1.96	0.05
Over/Underweight	5.92	-10.45	1.38	2.07	-4.15	-8.59	11.54	-1.86	3.28	-1.96	0.42
Total Return(%)											
Baron Fifth Avenue Growth Fund	35.93	-0.45	42.38	14.11	-10.48	22.25	11.55	22.32	22.82	-	-24.79
Russell 1000 Growth Index	10.25	12.76	2.56	12.25	5.57	12.63	19.29	18.93	18.18	26.80	20.59
Relative Return	25.68	-13.21	39.82	1.86	-16.05	9.62	-7.74	3.39	4.64	-26.80	-45.38

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 Fifth Avenue Growth Fund increased 10.16% in the third quarter and outperformed the Russell 1000 Growth Index by 558 basis points. During the quarter, stock selection and, to a lesser extent, relative sector weights lifted relative results.

Consumer Discretionary, Health Care, and Information Technology (IT) investments and lack of exposure to the lagging Consumer Staples sector, which fell 4.9% in the index, contributed the most to relative results. Within Consumer Discretionary, outperformance of internet & direct marketing retail holdings Amazon.com, Inc. and The Priceline Group, Inc. and larger exposure to this strong performing sub-industry added the most value. Amazon was the largest contributor to absolute results, while shares of leading online travel agency Priceline rose on strong Q2 results and a robust outlook for Q3. Naspers Limited, a South Africa-based internet and media platform operator, also contributed to relative performance due to its large ownership position in Tencent Holdings Limited, whose stock price rose more than 20% in the quarter. Strength in Health Care was mostly attributable to the outperformance of Illumina, Inc., the third largest contributor on an absolute basis, and biotechnology holdings Biogen, Inc. and Regeneron Pharmaceuticals, Inc. Within IT, outperformance of internet software & services holdings, led by Alibaba Group Holding Limited and Alphabet Inc., and significantly larger exposure to this better performing sub-industry contributed the most to relative results. Alibaba was the second largest contributor to absolute performance, while shares of leading search and online advertising company Alphabet were up in the quarter, driven by quarterly results that surpassed Street expectations. Payment networks Mastercard Incorporated and Visa, Inc. also aided relative performance.

Larger exposure to the underperforming Real Estate sector, which was hurt by the poor performance of REITs, detracted the most from relative performance.

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.

3 - As of 9/1/2016 GICS added Real Estate as a new sector. The performance attribution figures above assume that the Real Estate sector existed during the entire time period presented.



Top 10 Holdings as of September 30, 2016

Company	Investment Premise	Company	Investment Premise
<p>Amazon.com, Inc. (AMZN) is an e-commerce pioneer, innovator, and market share leader, with relentless focus on providing value and convenience to its customers. It also operates the industry-leading cloud infrastructure business Amazon Web Services.</p>	<p>Amazon accounts for about 25% of U.S. online retail sales but less than 5% of global retail sales, while continuing to take market share. Amazon has numerous avenues for new revenue growth opportunities, including consumer staples, apparel, international expansion, digital media offerings, office and industrial supplies, and advertising. We believe Amazon represents a unique opportunity to invest in the secular growth of both online retail and cloud computing.</p>	<p>Visa, Inc. (V) is the world's largest payment network authorizing and facilitates electronic payments for consumers, merchants, and banks.</p>	<p>Visa benefits from the secular shift from cash to electronic payments. We expect the recent acquisition of Visa Europe to create significant value over time through faster revenue growth and cost synergies. Margins should continue expanding due to operating leverage. The company generates significant free cash flow, which is being returned to shareholders through dividends and share repurchases. We believe Visa enjoys high barriers to entry given its well-established brand, ubiquitous merchant acceptance network, and extensive banking relationships.</p>
<p>Alibaba Group Holding Limited (BABA) is the largest e-commerce company in the world. Alibaba owns and operates the two largest online shopping platforms in China, Taobao and Tmall. It also participates in the profits of Ant Financial, which owns Alipay, the largest third party online payment provider in China.</p>	<p>With over 400 million active buyers and over 10 million merchants, we believe Alibaba is poised to benefit disproportionately from the increased penetration of internet, mobile, and e-commerce in China. It enjoys more than 50% market share of all e-commerce transactions in China, and we expect it to continue growing 20%+ for years to come. We also see significant positive optionality in Alibaba's cloud computing, data management, and electronic payments platforms.</p>	<p>MasterCard, Inc. (MA) is the world's second-largest payment network that facilitates electronic payments for consumers, merchants, and banks.</p>	<p>MasterCard benefits from the secular shift from cash to electronic payments. The company has significant exposure to international markets where consumer spending and the adoption rate of electronic payments have been rising quickly. Margins should continue expanding due to operating leverage. The company generates significant free cash flow, which is being returned to shareholders through dividends and buybacks. We believe MasterCard enjoys high barriers to entry given its well-established brand, ubiquitous merchant acceptance network, and extensive banking relationships.</p>
<p>Alphabet, Inc. (GOOG) (formerly Google Inc.) is the world's most recognized and dominant online search provider. The company provides a variety of services and tools for advertisers, primarily for search and display advertising.</p>	<p>Alphabet is the largest beneficiary of a secular shift of advertising from all other mediums to online and mobile. With data becoming increasingly important, Alphabet has processed and indexed more data than any other company. With what we consider to be the greatest collection of talent assembled of any company that we cover, we believe Alphabet will continue to grow and innovate for many years to come.</p>	<p>The Priceline Group, Inc. (PCLN) is a leading global online travel agent, with particular strength in international travel and hotel bookings. The company's brands include priceline.com, Booking.com, RentalCars.com, and Agoda.com.</p>	<p>The company's websites have become an important source of customers for hotels. In our view, Priceline's financials are strong, growing more than 20% on the topline. We believe that Priceline continues to have significant growth potential, as its penetration rate of international hotel bookings remains below 15%.</p>
<p>Facebook, Inc. (FB) is the world's largest social network with over 1.25 billion active monthly users, 950 million mobile users, and 750 million daily active users.</p>	<p>Facebook is a unique social platform where users continue to demonstrate stickiness and high engagement. Advertisers want to be where users are; and Facebook's ability to analyze, target, and show clear, demonstrable and rising returns on investment makes it particularly attractive to them. We believe the company is still in the early stages of monetizing its vast customer base. In addition, we see significant positive optionality from eventual monetization opportunities in search, video, publishing, and Instagram.</p>	<p>Illumina, Inc. (ILMN) is the recognized leader in next generation DNA sequencing platforms.</p>	<p>Illumina has a dominant position in DNA sequencing technology, which is increasingly being used for patient care, such as in the diagnosis and treatment of cancer and in reproductive health. We believe the company has a large addressable market and is in the early stages of its growth. Illumina's R&D spend as a percentage of sales is significantly higher than that of its peers, which allows the company to continue to innovate. The company has an attractive razor/razorblade business model with strong recurring revenue and profit margins that we believe have room to expand.</p>
<p>Equinix, Inc. (EQIX) is a network neutral operator of state-of-the-art data centers across North America, Europe, and Asia-Pacific. It provides highly reliable facilities and offers low latency interconnection to and among business partners, networks, and cloud service providers, among others.</p>	<p>We believe Equinix continues to benefit from a number of key long-term trends, including growth in Internet traffic (including video), globalization of financial markets, IT outsourcing, cloud computing, and mobility. Equinix began operating as a REIT at the beginning of 2015. With its improved cost of capital, Equinix was able to bid for its largest European competitor and a Japanese firm. We believe these deals will create meaningful cost and revenue synergies and will further enhance Equinix's global platform and competitive advantage in an accommodative market.</p>	<p>Apple, Inc. (AAPL) designs, manufactures, and markets personal computers and related personal computing and mobile communication devices. Its products include Mac laptops, iPods, iPhones, iPads, and Apple Watch, along with OS X, iLife, iWork, iPay, and professional software.</p>	<p>Apple is unique. As the creator and owner of one of the largest and most popular consumer electronics platforms, Apple is, in our view, well positioned to benefit from the network effect that typically accrues to platform companies. It has a large and growing eco-system, a trusted brand, and positive optionality due to its effort to push into additional consumer and enterprise services with its large install base. We believe Apple trades at a discount to the market and to our estimate of its intrinsic value.</p>



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