

DEAR BARON WEALTHBUILDER FUND SHAREHOLDER:

PERFORMANCE

The December quarter was a difficult one for equity markets. During the three-month period ended December 31, 2018, markets experienced significant and highly correlated declines. This was in response to the modest slowing of our economy's growth rate caused, in part, by rising interest rates and ongoing trade disputes with China. Baron WealthBuilder Fund's diversified portfolio of Baron mutual funds was not immune to this "correction." This is although most Baron Funds invest principally in domestic growth stocks.

Baron WealthBuilder Fund's net asset value per share fell 16.33% (Institutional Shares) in the quarter. The S&P 500 Index that measures the performance of large-cap domestic stocks fell 13.52% in the period and the MSCI ACWI Index that measures the performance of world markets, including the U.S., fell 12.75%.

Table I.  
Performance  
For periods ended December 31, 2018

	Baron Wealth Builder Fund Retail Shares <sup>1,2</sup>	Baron Wealth Builder Fund Institutional Shares <sup>1,2</sup>	Baron Wealth Builder Fund TA Shares <sup>1,2</sup>	S&P 500 Index <sup>1</sup>	MSCI ACWI Index <sup>1</sup>
Three Months <sup>3</sup>	(16.44)%	(16.33)%	(16.41)%	(13.52)%	(12.75)%
One Year and Since Inception (December 29, 2017)	(6.58)%	(6.38)%	(6.38)%	(4.38)%	(9.42)%

Following the steep share price declines in the fourth quarter, Baron WealthBuilder Fund and its benchmark indexes lost money during 2018. Baron WealthBuilder Fund declined 6.38%; the S&P 500 Index declined 4.38%; and the MSCI ACWI Index fell 9.42%.

Baron WealthBuilder Fund is comprised of 14 growth-oriented Baron mutual funds. The holdings of the underlying Baron Funds have significantly higher growth rates than their respective benchmark indexes. This is why, in our opinion, as of December 31, 2018, 11 Baron mutual funds, representing 98.1% of Baron Funds' AUM, have outperformed their benchmark indexes since those funds' inceptions. Further, 10 Baron mutual funds, representing 97.6% of Baron Funds' AUM, rank in the top 18% of their respective

Performance listed in the above table is net of annual operating expenses. Annual estimated expense ratio for the Retail Shares, Institutional Shares and TA Shares is 2.13%, 1.88% and 1.88%, respectively, but the net annual estimated expense ratio is 1.41%, 1.16% and 1.16% (includes acquired fund fees, net of the Adviser's fee waivers), respectively. The Adviser has agreed that for so long as it serves as the Adviser to the Fund, it will reimburse certain expenses of the Fund, limiting net annual operating expenses (portfolio transaction costs, interest, dividend, acquired fund fees and expenses and extraordinary expenses are not subject to the operating expense limitation) to 0.30% of average daily net assets of Retail Shares, 0.05% of average daily net assets of Institutional Shares and 0.05% of average daily net assets of TA Shares.

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 Baron 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](http://www.BaronFunds.com) or call 1-800-99BARON.

<sup>1</sup> The indexes are unmanaged. The S&P 500 Index measures the performance of 500 widely held large cap U.S. companies. The MSCI ACWI Index is an unmanaged, free float-adjusted market capitalization weighted index reflected in US dollars that measures the equity market performance of large- and mid-cap securities across developed and emerging markets. The indexes and the Fund are with dividends, which positively impact the performance results.

<sup>2</sup> The performance data in the table does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.

<sup>3</sup> Not annualized.



MICHAEL BARON  
ASSISTANT PORTFOLIO  
MANAGER

RONALD BARON  
CEO AND PORTFOLIO  
MANAGER

Retail Shares: BWBFX  
Institutional Shares: BWBIX  
TA Shares: BWBTX

Morningstar categories...and 3 Baron mutual funds, representing 33.6% of Baron Funds' AUM, rank in the top 3% of their respective Morningstar categories since their inceptions.

Because the businesses in which Baron Funds invests generally grow faster than their benchmark indexes, Baron Funds' holdings generally have higher valuations than their benchmarks based upon price to sales, price to cash flow and price to earnings metrics. Stock prices of many fast-growing domestic companies underperformed their benchmarks and were penalized in the fourth quarter and the year. This was because investors more heavily discounted future earnings streams (the result of higher interest rates) and attributed greater uncertainty to future growth projections (the result of a slowing economy).

Despite the unfavorable environment for U.S. growth stocks during the fourth quarter of 2018 and the entire year, 8 of the 10 Baron mutual funds that invest principally in domestic growth businesses *outperformed* their benchmarks for the year. Five achieved gains from 0.14% to 8.35%; three had losses of 1.75% to 7.13%. These eight funds represented 75% of Baron WealthBuilder Fund's net assets at year end.



# Baron WealthBuilder Fund

Two new, and still very small, domestic Baron mutual funds, **Baron Durable Advantage Fund** and **Baron Health Care Fund**, together representing 1.3% of Baron WealthBuilder Fund's net assets at year end, had modest losses of 7.28% and 4.70%, respectively. These Funds have underperformed since their recent respective inception dates. Baron Durable Advantage Fund invests in competitively advantaged large-cap businesses that we think offer potential double-digit annualized returns. Baron Health Care Fund invests in fast growing health care businesses that offer even higher potential returns. Both funds were added to Baron WealthBuilder Fund during the year – Baron Durable Advantage Fund in March, Baron Health Care Fund in October.

Baron WealthBuilder Fund's returns were most significantly and negatively impacted by performance results of three funds, Baron Emerging Markets Fund, Baron Real Estate Fund and Baron International Growth Fund, that represent 20.7% of the Baron WealthBuilder Fund's net assets at year end. The three funds were all hurt by higher interest rates.

**Baron Emerging Markets Fund**, like virtually all emerging markets funds in 2018, had a very difficult year. The Fund represented 12.3% of Baron WealthBuilder Fund's net assets at year end and fell 18.49% for the year. Emerging markets offer significant growth opportunities. For example, discussions of income disparity within the U.S. pale when we compare per capita incomes in our prosperous nation to those of individuals in emerging markets. Annual GDP per person in the U.S. approximates \$60,000; in China, \$9,000; and in India, \$2,000. It is no wonder that those nations' economies have been able to grow faster than ours. Baron Emerging Markets Fund has been among the top performing emerging markets mutual funds since its inception and we expect that to continue to be the case over the long term. Baron Emerging Markets Fund's relative performance improved significantly during the last two months of 2018.

**Baron Real Estate Fund's** performance was also disappointing in 2018. It represented 4.3% of Baron WealthBuilder Fund's net assets at year end. Baron Real Estate Fund fell in value by 22.04% for the year. This historically top performing real estate fund is off to a strong start in 2019 and we think its portfolio holdings are terrific. Real estate is, in our opinion, an excellent inflation hedge. When interest rates rise, income streams produced by real estate are valued for less. Further, higher rates don't reduce the replacement cost of unique and growing real estate assets. Baron Real Estate Fund's real estate-related businesses, such as gaming, lodging, and data services companies, offer inflation protection and growth.

Finally, Baron WealthBuilder Fund had 4.1% of its net assets at year end invested in **Baron International Growth Fund**. That fund, also a top performer since inception, also had a difficult 2018, falling 17.68%. We believe international markets were negatively impacted last year by political uncertainty in many countries. The businesses in which the Fund has invested are continuing to do well and due to this uncertainty are valued for less than U.S. domestic growth companies. The Fund has also been performing better of late.

Amidst the fourth quarter market "correction," stocks of larger companies outperformed small- and mid-sized companies. Baron WealthBuilder Fund has a greater allocation to small- and mid-sized businesses than the S&P 500 Index, its primary benchmark. 67.0% of Baron WealthBuilder Fund's net assets fall into this category, while they comprise 11.5% the S&P 500 Index. Small- and mid-sized businesses have historically grown faster and, we believe, have greater appreciation potential than many larger publicly held companies. Despite continuing strong growth of the businesses owned by the underlying Baron mutual funds, their shares, like the market indexes, in our opinion, did not reflect their favorable fundamentals in 2018.

The market multiple on earnings has fallen from more than 18 times to 14.4 times over the year. We believe this environment gives the underlying Baron mutual funds an opportunity to invest in what we believe are fast growing, competitively advantaged, well-managed businesses at attractive prices, thus offering our shareholders strong long-term growth potential.

We believe the underlying Baron Funds' diverse investment strategies will be critical to producing the attractive risk-adjusted returns we seek to achieve in Baron WealthBuilder Fund. Obviously, all businesses may not perform well at the same time. But, investments in a variety of non-correlated, fast growing businesses should hopefully offer consistent, above passive index returns over the long term.

We encourage you to read the various quarterly letters for our underlying Baron funds to gain a deeper understanding of the investments held within Baron WealthBuilder Fund.

## FUND OF FUNDS STRUCTURE AND INVESTMENT STRATEGY

Baron WealthBuilder Fund closely mimics the way we would incrementally invest across our various funds and strategies. Baron WealthBuilder Fund allows investors to diversify across several Baron Funds and gain exposure to various market caps, sectors, and geographies. Each Fund abides by the same core investment process and philosophy, focused on proprietary research to discover what we believe are competitively advantaged businesses with immense opportunities led by smart and honorable executives.

Baron has had broad historical success. The unique investment approach and process has yielded outstanding results since the Firm's founding in 1982. Since their inceptions, as of December 31, 2018, 11 of 17 Baron mutual funds, representing **98.1%** of Baron Funds' AUM, have **outperformed**, net of fees and expenses, their respective benchmarks. 10 of these funds, representing **97.6%** of Baron Funds' AUM, rank in the **top 18%** of their respective Morningstar categories; and 3 of these funds, representing **33.6%** of Baron Funds' AUM, rank in the **top 3%** of their respective Morningstar categories. We have always strived to provide top performance in various asset categories. Baron WealthBuilder Fund allows individuals to gain access to a variety of these strategies in a single fund. While not satisfied with the first year's absolute results, we are very pleased with the portfolio's composition and anticipate improved returns in the future.

**Table II.**  
Baron Funds Performance  
As of December 31, 2018

## Institutional Share Class Data

% of Net Assets of Fund		Performance		Benchmark	Performance	
		Fourth Quarter of 2018	Calendar Year 2018		Fourth Quarter of 2018	Calendar Year 2018
<b>30.6%</b>	<b>Small Cap</b>					
3.9%	Baron Discovery Fund	-23.36%	<b>0.64%</b>	<b>Russell 2000 Growth Index</b>	-21.65%	<b>-9.31%</b>
13.6%	Baron Growth Fund	-18.53%	<b>-2.67%</b>			
13.1%	Baron Small Cap Fund	-22.01%	<b>-7.13%</b>			
<b>3.8%</b>	<b>Small/Mid Cap</b>					
3.8%	Baron Focused Growth Fund	-11.21%	<b>4.07%</b>	<b>Russell 2500 Growth Index</b>	-20.08%	<b>-7.47%</b>
<b>15.0%</b>	<b>Mid Cap</b>					
15.0%	Baron Asset Fund	-16.35%	<b>0.14%</b>	<b>Russell Midcap Growth Index</b>	-15.99%	<b>-4.75%</b>
<b>6.3%</b>	<b>Large Cap</b>					
5.3%	Baron Fifth Avenue Growth Fund	-16.92%	<b>1.39%</b>	<b>Russell 1000 Growth Index</b>	-15.89%	<b>-1.51%</b>
1.0%	Baron Durable Advantage Fund	-13.83%	<b>-7.28%</b>	<b>S&amp;P 500 Index</b>	-13.52%	<b>-4.38%</b>
<b>20.3%</b>	<b>All Cap</b>					
5.8%	Baron Opportunity Fund	-16.47%	<b>8.35%</b>	<b>Russell 3000 Growth Index</b>	-16.33%	<b>-2.12%</b>
14.5%	Baron Partners Fund	-16.72%	<b>-1.75%</b>	<b>Russell Midcap Growth Index</b>	-15.99%	<b>-4.75%</b>
<b>19.4%</b>	<b>International</b>					
12.3%	Baron Emerging Markets Fund	-6.15%	<b>-18.49%</b>	<b>MSCI EM Index</b>	-7.47%	<b>-14.58%</b>
3.0%	Baron Global Advantage Fund	-14.37%	<b>-3.66%</b>	<b>MSCI ACWI Growth Index</b>	-14.66%	<b>-8.13%</b>
4.1%	Baron International Growth Fund	-15.41%	<b>-17.68%</b>	<b>MSCI ACWI ex USA Index</b>	-11.46%	<b>-14.20%</b>
<b>4.6%</b>	<b>Specialty</b>					
4.3%	Baron Real Estate Fund	-16.25%	<b>-22.04%</b>	<b>MSCI USA IMI Extended Real Estate Index</b>	-11.77%	<b>-10.73%</b>
0.3%	Baron Health Care Fund	-17.84%	<b>-4.70%*</b>	<b>Russell 3000 Health Care Index</b>	-10.73%	<b>4.85%*</b>

\* Performance is calculated from the Fund's inception date (4/30/2018).

**Table III.**  
Sector exposures as of December 31, 2018

	Percent of Net Assets	S&P 500 Index	MSCI ACWI Index
Information Technology	21.4%	20.1%	14.8%
Consumer Discretionary	21.1	9.9	10.4
Health Care	13.6	15.5	12.1
Financials	13.6	13.3	17.2
Industrials	12.4	9.2	10.3
Communication Services	7.9	10.1	9.0
Real Estate	5.8	3.0	3.2
Consumer Staples	1.9	7.4	8.4
Materials	1.1	2.7	5.0
Energy	1.1	5.3	6.2
Utilities	0.1	3.3	3.4

**Table IV.**  
Country exposures as of December 31, 2018

	Percent of Net Assets	S&P 500 Index	MSCI ACWI Index
United States	80.4%	100.0%	54.4%
China	4.5		3.6
India	2.3		1.1
Brazil	1.7		0.9
Israel	1.3		0.2
Taiwan	1.1		1.3
United Kingdom	1.0		5.2
Korea	1.0		1.6
South Africa	0.9		0.7
Netherlands	0.9		1.1
Other	4.9		29.8

# Baron WealthBuilder Fund

**Table V.**  
**Fund of fund holdings as of December 31, 2018**

	Percent of Net Assets
Baron Asset Fund	15.0%
Baron Partners Fund	14.5
Baron Growth Fund	13.6
Baron Small Cap Fund	13.1
Baron Emerging Markets Fund	12.3
Baron Opportunity Fund	5.8
Baron Fifth Avenue Growth Fund	5.3
Baron Real Estate Fund	4.3
Baron International Growth Fund	4.1
Baron Discovery Fund	3.9
Baron Focused Growth Fund	3.8
Baron Global Advantage Fund	3.0
Baron Durable Advantage Fund	1.0
Baron Health Care Fund	0.3

We have confidence that the businesses in which we have invested can achieve strong growth over the long term.

**Thank you for investing in Baron WealthBuilder Fund.**

Respectfully,

Ronald Baron  
CEO and Portfolio Manager

Michael Baron  
Assistant Portfolio Manager

*Investors should consider the investment objectives, risks, and charges and expenses of the investment carefully before investing. The prospectus and summary prospectus contains this and other information about the Funds. You may obtain them from its distributor, Baron Capital, Inc., by calling 1-800-99BARON or visiting [www.BaronFunds.com](http://www.BaronFunds.com). Please read them carefully before investing.*

**Risks:** The Fund is a non-diversified fund because it invests, at any given time, in the securities of a select number of Baron mutual funds (the "Underlying Funds"), representing specific investment strategies. The Fund can invest in funds holding U.S. and international stocks; small-cap, small to mid-cap, large-cap, all-cap stocks; and specialty stocks. Each of the Underlying Funds has its own investment risks, and those risks can affect the value of the Fund's investments and therefore the value of the Fund's shares. To the extent that the Fund invests more of its assets in one Underlying Fund than in another, it will have greater exposure to the risks of that Underlying Fund. For further information regarding the investment risks of the Underlying Funds, please refer to the Underlying Funds' prospectus.

The Fund may not achieve its objectives. Portfolio holdings are subject to change. Current and future portfolio holdings are subject to risk.

The discussions of the companies herein are not intended as advice to any person regarding the advisability of investing in any particular security. The views expressed in this report reflect those of the respective portfolio managers only through the end of the period stated in this report. The portfolio manager's views are not intended as recommendations or investment advice to any person reading this report and are subject to change at any time based on market and other conditions and Baron has no obligation to update them.

This report does not constitute an offer to sell or a solicitation of any offer to buy securities of Baron WealthBuilder Fund by anyone in any jurisdiction where it would be unlawful under the laws of that jurisdiction to make such offer or solicitation.

Ranking information provided is calculated for Retail Share Class and is as of 12/31/2018.

The number of share classes in each category may vary depending on the date that Baron downloaded information from Morningstar Direct.

Morningstar calculates its category averages using its Fractional Weighting methodology. Morningstar rankings are based on total returns and do not include sales charges. Total returns do account for management, administrative, and 12b-1 fees and other costs automatically deducted from fund assets.

The **Morningstar US Fund Mid-Cap Growth Category** consisted of 605, 489, and 341 share classes for the 1-, 5-, and 10-year periods.

Morningstar ranked **Baron Asset Fund** in the 12<sup>th</sup>, 17<sup>th</sup>, 35<sup>th</sup>, and 18<sup>th</sup> percentiles, respectively, in the category for the 1-year, 5-year, 10-year, and since inception periods. The Fund was inceptioned 6/12/1987 and the category consisted of 18 share classes for the since inception period.

Morningstar ranked **Baron Growth Fund** in the 22<sup>nd</sup>, 57<sup>th</sup>, 43<sup>rd</sup>, and 7<sup>th</sup> percentiles, respectively, in the category for the 1-year, 5-year, 10-year, and since inception periods. The Fund was inceptioned 12/30/1994 and the category consisted of 56 share classes for the since inception period.

Morningstar ranked **Baron Partners Fund** in the 18<sup>th</sup>, 21<sup>st</sup>, 19<sup>th</sup>, and 3<sup>rd</sup> percentiles, respectively, in the category for the 1-year, 5-year, 10-year, and since conversion periods. The Fund was converted into a mutual Fund 4/30/2003 and the category consisted of 232 share classes for the since conversion period.

The **Morningstar US Fund Small Growth Category** consisted of 676, 516, and 391 share classes for the 1-, 5-, and 10-year time periods.

Morningstar ranked **Baron Small Cap Fund** in the 63<sup>rd</sup>, 62<sup>nd</sup>, 64<sup>th</sup>, and 14<sup>th</sup> percentiles, respectively, in the category for the 1-year, 5-year, 10-year, and since inception periods. The Fund was inceptioned 9/30/1997 and the category consisted of 112 share classes for the since inception period.

Morningstar ranked **Baron Discovery Fund** in the 17<sup>th</sup>, 4<sup>th</sup>, and 2<sup>nd</sup> percentiles, respectively, in the category for the 1-year, 5-year and since inception periods. The Fund was inceptioned 9/30/2013 and the category consisted of 507 share classes for the since inception period.

The **Morningstar US Fund Large Growth Category** consisted of 1,405, 1,107, 799 and 339 share classes for the 1-year, 5-year, 10-year, and since inception (2/29/2000) periods. Morningstar ranked **Baron Opportunity Fund** in the 3<sup>rd</sup>, 65<sup>th</sup>, 16<sup>th</sup>, and 16<sup>th</sup> percentiles, respectively, in the category.

The **Morningstar US Fund Foreign Large Growth Category** consisted of 439, 315, 228, and 228 share classes for the 1-year, 5-year, 10-year, and since inception (12/31/2008) periods. Morningstar ranked **Baron International Growth Fund** in the 89<sup>th</sup>, 26<sup>th</sup>, 12<sup>th</sup>, and 12<sup>th</sup> percentiles, respectively, in the category.

The **Morningstar US Fund Real Estate Category** consisted of 251, 193, and 144 share classes for the 1-year, 5-year, and since inception (12/31/2009) periods. Morningstar ranked **Baron Real Estate Fund** in the 100<sup>th</sup>, 99<sup>th</sup>, and 7<sup>th</sup> percentiles, respectively, in the category.

The **Morningstar US Fund Diversified Emerging Markets Category** consisted of 836, 533, and 299 share classes for the 1-year, 5-year, and since inception (12/31/2010) periods. Morningstar ranked **Baron Emerging Markets Fund** in the 75<sup>th</sup>, 25<sup>th</sup>, and 1<sup>st</sup>, percentiles, respectively, in the category.

The **Morningstar US Fund World Large Stock Category** consisted of 901, 618, and 494 share classes for the 1-year, 5-year, and since inception (4/30/2012) periods. Morningstar ranked **Baron Global Advantage Fund** in the 11<sup>th</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> percentiles, respectively, in the category.

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### Fund (Institutional Shares) and Benchmark Performance 12/31/2018

Fund	Benchmark	Annualized Return Since Fund Inception	Annualized Benchmark Return Since Fund Inception	Inception Date	Average Annualized Returns				Annual Expense Ratio	Net Assets
					1-Year	5-Year	10-Year	15-Year		
<b>Small Cap</b>										
Baron Growth Fund	Russell 2000 Growth Index	12.46%	7.35%	12/31/1994	-2.67%	5.76%	13.77%	9.00%	1.03% <sup>(3)</sup>	\$5.40 billion
Baron Small Cap Fund	Russell 2000 Growth Index	9.29%	5.41%	9/30/1997	-7.13%	4.79%	13.07%	8.44%	1.04% <sup>(3)</sup>	\$3.46 billion
Baron Discovery Fund <sup>†</sup>	Russell 2000 Growth Index	12.88%	6.47%	9/30/2013	0.64%	10.11%	N/A	N/A	1.12%/1.10% <sup>(3)(4)</sup>	\$338.15 million
<b>Small/Mid Cap</b>										
Baron Focused Growth Fund <sup>(1)</sup>	Russell 2500 Growth Index	10.72%	7.30%	5/31/1996	4.07%	5.95%	12.50%	10.61%	1.12%/1.10% <sup>(5)(6)</sup>	\$203.81 million
<b>Mid Cap</b>										
Baron Asset Fund <sup>†</sup>	Russell Midcap Growth Index	11.14%	9.64% <sup>(2)</sup>	6/12/1987	0.14%	8.21%	14.07%	9.66%	1.04% <sup>(3)</sup>	\$3.06 billion
<b>Large Cap</b>										
Baron Fifth Avenue Growth Fund <sup>†</sup>	Russell 1000 Growth Index	8.27%	8.91%	4/30/2004	1.39%	10.15%	14.26%	N/A	0.82%/0.75% <sup>(3)(8)</sup>	\$305.82 million
Baron Durable Advantage Fund	S&P 500 Index	-7.28%	-4.38%	12/29/2017	-7.28%	N/A	N/A	N/A	5.71%/0.70% <sup>(3)(9)</sup>	\$3.52 million
<b>All Cap</b>										
Baron Partners Fund <sup>(1)</sup>	Russell Midcap Growth Index	12.35%	9.20%	1/31/1992	-1.75%	7.83%	14.96%	10.92%	1.53% <sup>(5)(7)</sup>	\$1.96 billion
Baron Opportunity Fund <sup>†</sup>	Russell 3000 Growth Index	7.38%	4.81%	2/29/2000	37.73%	13.59%	14.23%	12.41%	1.11% <sup>(3)</sup>	\$372.29 million
<b>International</b>										
Baron Emerging Markets Fund	MSCI EM Index	3.30%	0.24%	12/31/2010	-18.49%	1.96%	N/A	N/A	1.10% <sup>(5)</sup>	\$4.61 billion
Baron Global Advantage Fund <sup>†</sup>	MSCI ACWI Growth Index	11.05%	8.13%	4/30/2012	-3.66%	8.20%	N/A	N/A	1.59%/0.90% <sup>(5)(10)</sup>	\$89.16 million
Baron International Growth Fund <sup>†</sup>	MSCI ACWI ex USA Index	9.52%	6.57%	12/31/2008	-17.68%	2.63%	9.52%	N/A	1.13%/0.95% <sup>(5)(11)</sup>	\$226.45 million
<b>Specialty</b>										
Baron Energy and Resources Fund	S&P North American Natural Resources Sector Index	-6.51%	-2.28%	12/30/2011	-25.03%	-12.12%	N/A	N/A	1.42%/1.10% <sup>(5)(12)</sup>	\$33.92 million
Baron Real Estate Fund <sup>†</sup>	MSCI USA IMI Extended Real Estate Index	11.31%	10.74%	12/31/2009	-22.04%	2.38%	N/A	N/A	1.06% <sup>(5)</sup>	\$543.20 million
Baron Real Estate Income Fund	MSCI US REIT Index	-11.03%	-5.83%	12/29/2017	-11.03%	N/A	N/A	N/A	1.71%/0.80% <sup>(13)</sup>	\$2.78 million
Baron Health Care Fund	Russell 3000 Growth Index	-4.70% <sup>*</sup>	4.85% <sup>*</sup>	4/30/2018	N/A	N/A	N/A	N/A	1.71%/0.85% <sup>(13)</sup>	\$8.02 million
<b>Fund of Funds</b>										
Baron WealthBuilder Fund	S&P 500 Index	-6.38%	-4.38%	12/29/2017	-6.38%	N/A	N/A	N/A	1.88%/1.16% <sup>(13)</sup>	\$94.85 million

<sup>(1)</sup> Reflects the actual fees and expenses that were charged when the Funds were partnerships. The predecessor partnerships charged a 20% performance fee (Baron Partners Fund) or a 15% performance fee (Baron Focused Growth Fund) after reaching a certain performance benchmark. If the annual returns for the Funds did not reflect the performance fee for the years the predecessor partnerships charged a performance fee, returns would be higher. The Funds' shareholders are not charged a performance fee.

<sup>(2)</sup> For the period June 30, 1987 to December 31, 2018.

<sup>(3)</sup> As of 9/30/2018.

<sup>(4)</sup> Annual expense ratio was 1.12%, but the net annual expense ratio was 1.10% (net of the Adviser's fee waivers).

<sup>(5)</sup> As of 12/31/2017.

<sup>(6)</sup> Annual expense ratio was 1.12%, but the net annual expense ratio was 1.10% (net of the Adviser's fee waivers).

<sup>(7)</sup> Comprised of operating expenses of 1.08% and interest expenses of 0.45%.

<sup>(8)</sup> Annual expense ratio was 0.82%, but the net annual expense ratio was 0.75% (restated to reflect current fee waivers).

<sup>(9)</sup> Annual expense ratio was 5.71%, but the net annual expense ratio was 0.70% (net of Adviser's fee waivers).

<sup>(10)</sup> Annual expense ratio was 1.59%, but the net annual expense ratio was 0.90% (restated to reflect management fee reduction from 1.00% to 0.85% and current fee waivers).

<sup>(11)</sup> Annual expense ratio was 1.13%, but the net annual expense ratio was 0.95% (restated to reflect management fee reduction from 1.00% to 0.88% and current fee waivers).

<sup>(12)</sup> Annual expense ratio was 1.42%, but the net annual expense ratio was 1.10% (net of the Adviser's fee waivers).

<sup>(13)</sup> Expense ratios are estimated for the current fiscal year.

<sup>\*</sup> Not annualized.

<sup>†</sup> The Fund's historical performance was impacted by gains from IPOs and/or secondary offerings. There is no guarantee that these results can be repeated or that the Fund's level of participation in IPOs and secondary offerings will be the same in the future.