DEAR BARON PARTNERS FUND SHAREHOLDER:

PERFORMANCE

Baron Partners Fund (the "Fund") rose substantially in the final quarter of 2020 and outpaced its comparable benchmarks and peer group. The Fund gained 42.87% (Institutional Shares) in the quarter. The Russell Midcap Growth Index (the "Index") and S&P 500 Index were up 19.02% and 12.15%, respectively. The Morningstar Mid-Cap Growth Category Average rose 21.03%.

The Fund's quarterly performance caps an excellent year on both an absolute and relative basis. The Fund rebounded considerably since the depths of the COVID-19-induced market panic in March and that strong performance continued throughout the latter part of the year. The Fund advanced 149.18% in 2020. This result again compares favorably to its benchmarks and peer group. The Index gained 35.59% for the year. The Morningstar Mid-Cap Growth Category Average increased 39.26%, and the S&P 500 Index was up 18.40%. For the 17-plus years since Baron Partners Fund converted from a private partnership into a mutual fund on April 30, 2003, it is ranked 2nd among all U.S. equity funds (2,256 share classes) through December 31, 2020.*

MICHAEL BARON
CO-PORTFOLIO MANAGER

RON BARON
CEO AND LEAD PORTFOLIO MANAGER

Retail Shares: BPTRX
Institutional Shares: BPTIX
R6 Shares: BPTUX

Table I.
Performance
Annualized for periods ended December 31, 2020

	Baron Partners Fund Retail Shares[1,2,3]	Baron Partners Fund Institutional Shares[1,2,3,4]	Russell Midcap Growth Index[2]	S&P 500 Index[2]
Three Months[5]	42.78%	42.87%	19.02%	12.15%
One Year	148.52%	149.18%	35.59%	18.40%
Three Years	52.28%	52.68%	20.50%	14.18%
Five Years	37.04%	37.40%	18.66%	15.22%
Ten Years	23.71%	24.04%	15.04%	13.88%
Since Conversion (April 30, 2003)	19.29%	19.50%	13.18%	10.54%
Since Inception (January 31,1992)	16.40%	16.52%	10.85%	10.18%

We are optimistic that the end of the COVID-19 pandemic is within sight. Scientific research and discovery have led to viable vaccines, which are now in the process of being administered. Governments continue to provide financial assistance to their citizens and various industries. And the incoming new Presidential administration in the U.S. has pledged to continue this support while also taking steps to slow the virus' spread. These developments have been well received by investors.

* **This is a hypothetical ranking created by Baron Capital using Morningstar data and is as of 12/31/2020.** Note, the peer group used for this analysis includes all U.S. equity share classes in Morningstar Direct domiciled in the U.S., including obsolete funds, index funds, and ETFs. The individual Morningstar Categories used for this analysis are the Morningstar Large Blend, Large Growth, Large Value, Mid-Cap Blend, Mid-Cap Growth, Mid-Cap Value, Small Blend, Small Growth, and Small Value Categories. There are **2,256** share classes in these nine Morningstar Categories for the period from 4/30/2003 to 12/31/2020.

As of 12/31/2020 The Morningstar Mid-Cap Growth Category consisted of 604, 504, and 383 share classes for the 1-, 5-, and 10-year periods. Morningstar ranked Baron Partners Fund (Retail Shares) in the 1st, 1st, 1st, and 1st percentiles for the 1-, 5-, 10-year, and since conversion periods, respectively. The Fund converted into a mutual Fund 4/30/2003, and the category consisted of 227 share classes.

Morningstar calculates the Morningstar Mid-Cap Growth Category Average performance and rankings 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.

Performance listed in the above table is net of annual operating expenses. Annual expense ratio for the Retail Shares as of December 31, 2019 was 2.22% (comprised of operating expenses of 1.32% and interest expense of 0.90%) and Institutional Shares was 1.96% (comprised of operating expenses of 1.06% and interest expense of 0.90%). 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 reimburses certain Baron Fund expenses pursuant to a contract expiring on August 29, 2031, unless renewed for another 11-year term 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.

1 Reflects the actual fees and expenses that were charged when the Fund was a partnership. The predecessor partnership charged a 20% performance fee after reaching a certain performance benchmark. If the annual returns for the Fund did not reflect the performance fees the returns would be higher. The Fund's shareholders will not be charged a performance fee. The predecessor partnership's performance is only for periods before the Fund's registration statement was effective, which was April 30, 2003. During those periods, the predecessor partnership was not registered under the Investment Company Act of 1940 and was not subject to its requirements or the requirements of the Internal Revenue Code relating to registered investment companies, which, if it were, might have adversely affected its performance.

2 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 Russell Midcap Growth Index, the S&P 500 Index 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 indexes are unmanaged. The index performance is not Fund performance; one cannot invest directly into an index.

3 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.

4 Performance for the Institutional Shares prior to May 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 May 29, 2009 did not reflect this fee, the returns would be higher.

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We did not predict the pandemic, or its severity, nor do we know when it will end. We did not alter the portfolio to populate it with "work-from-home" businesses because of the virus' impact. And the main contributors to performance have been companies that had long been held in the portfolio prior to the COVID-19 outbreak. We believe this pandemic will not fundamentally change the long-term trajectory of the economy but rather accelerated its transformation. The Fund owns businesses that are driving this change.

We continue to analyze the Fund's performance in 2020 during various periods: Pre-COVID-19, the COVID-19 Panic, and the COVID-19 Temporary Normal. We also segment the Fund's concentrated portfolio into four business categories (Core Growth, Disruptive Growth, Financials, and Real/Irreplaceable Assets).

We are hopeful that the end of 2020 coincides with the end of this "COVID-19 Temporary Normal" period. Over the past year, individuals and businesses were forced to adapt many of their practices because of the pandemic. While many mandated restrictions will likely ease throughout the upcoming year, we believe many changes made by both businesses and individuals will endure.

Disruptive Growth had the most sizable positive impact in the quarter. These companies gained 52.7% in the most recent period. **Tesla, Inc.**, **Zillow Group, Inc.**, and **Space Exploration Technologies Corp.** ("SpaceX") were the largest contributors. Tesla deliveries were up 36% in the year despite restrictions that led to shutdowns throughout their facilities. Zillow's mortgage business reached an inflection point in the recently reported period with 114% growth compared to the prior year. Its core Premier Agent service grew a strong 24% as agents recognized its benefits. And SpaceX had a record number of launches (26) and a record number of flights (7) using the same booster. Its operational satellites increased nearly 8 times, which enabled it to begin the beta test of Starlink, its internet service.

Not only have these companies exhibited an ability to continue their growth despite COVID restrictions, but customers and clients are unlikely to fully return to prior ways of doing business. Tesla has pioneered over the air vehicle updates and eliminated most in-person service requirements. These updates have improved Tesla's vehicle functionality and increased its value to consumers. Historically, competitors' cars immediately drop in value by more than 20% upon leaving the dealership. Zillow has facilitated home transactions without physically visiting properties. It has improved efficiency and transparency throughout this once opaque process. And SpaceX has dramatically reduced the cost to reach orbit through its largely reusable equipment. The data transmission that its satellites enable will be increasingly more important in the future. Incumbent launch organizations will be unable to attain such cost levels using antiquated disposable rockets.

Real/Irreplaceable Assets were lifted by optimism surrounding vaccine discovery. The businesses within this group have weathered a very difficult year and their financial strength allowed them to endure. Pent-up client demand for many of these properties is high and we believe customers will return in 2021. However, these companies did not sit idle during the prior year. Instead, they reassessed their cost structure and client acquisition strategies. **Hyatt Hotels Corp.** and **Vail Resorts, Inc.** were the two largest contributors to performance in the group. Hyatt reviewed the cost structure at the corporate and property levels. Vail's network of acquired properties helped the company attain a large number of recurring season pass users. Its customer acquisition costs should decline as these skiers comprise a larger percent of lift pass sales.

Our holdings of **Financials** and **Core Growth** businesses also did well in the quarter, but these returns approximated the benchmark's return. Financials businesses appreciated 20.1%. **The Charles Schwab Corp.** and **Arch Capital Group Ltd.** were the largest contributors in this group. Schwab continues to successfully integrate key acquisitions to improve its services and scale. We believe its organic asset growth should improve post-COVID as advisors turning independent reaccelerate. Arch is exploring improved pricing for its property and casualty policies. The industry has endured elevated losses and reserves are low. Current low interest rates and increasing inflation should provide additional support for insurance pricing. Arch's previously conservative underwriting positions it to meet demand for new policies.

Core Growth businesses advanced 16.9% in the fourth quarter. This group had been able to consistently grow throughout the preceding year. Vaccine developments should not alter their trajectories. Two exceptions are **HEICO Corporation** and **Gartner, Inc.** These two companies had the largest appreciation in the group. HEICO, a provider of alternative parts and technology systems to the aerospace sector, gained 28.9% in the quarter. Vaccines should enable an increase in flight hours this coming year. We also believe that the COVID pandemic reinforced the importance of alternative parts for the financially stressed airlines. HEICO's parts have a cost savings of around 40%. Gartner gained 28.2% in the quarter. Reduced COVID restrictions should enable its in-person conferences to resume in 2021. We also believe the company will implement virtual elements to its gatherings that should yield higher margins.

We are pleased with the Fund's performance. Most companies in the portfolio were able to continue their growth. We believe the high-quality growth businesses in the Fund are well positioned to benefit as the economy continues its transformation.

Table II.
Total returns by category for the year ended December 31, 2020

	% of Net Assets (as of 12/31/2020)	Pre-COVID-19 12/31/2019 to Peak (2/19/2020) Total Return (%)	COVID-19 Panic Peak to Trough (3/23/2020) Total Return (%)	COVID-19 Temporary Normal Trough to 12/31/2020 Total Return (%)	YTD Total Return (%)
Disruptive Growth	**60.6**	**65.85**	**-45.21**	**448.03**	**399.68**
Tesla, Inc.	47.0	119.31	-52.66	713.19	744.21
Zillow Group, Inc.	5.4	19.90	-45.19	352.44	197.34
Airbnb, Inc.	0.0	–	–	115.88	115.88
Virgin Galactic Holdings Inc	0.1	223.38	-65.27	82.96	105.45
Spotify Technology S.A.	0.9	-4.14	-18.08	142.35	90.33
Iridium Communications Inc.	0.9	26.30	-35.92	97.32	59.64
Space Exploration Technologies Corp.	3.2	8.74	-7.63	32.71	33.30
Shopify Inc.	1.1	–	-9.51	43.07	27.96
Guidewire Software, Inc.	1.7	11.69	-38.55	69.08	16.46
American Well Corp	0.2	–	–	12.92	12.92
Zoom Video Communications, Inc.	–	–	–	-0.23	-0.23
GoodRx Holdings, Inc.	0.1	–	–	-8.65	-8.65
Benefitfocus, Inc.	–	-22.01	-5.62	–	-46.99
Core Growth	**22.1**	**16.31**	**-32.01**	**105.52**	**62.56**
Adyen N.V.	2.0	6.71	-21.29	203.95	154.64
IDEXX Laboratories, Inc.	5.8	11.43	-37.40	173.33	91.13
GDS Holdings Limited	1.3	15.87	-16.86	87.41	81.12
Activision Blizzard, Inc.	1.1	8.33	-12.27	65.27	57.07
CoStar Group, Inc.	9.9	23.32	-29.57	76.59	53.80
HEICO Corporation	0.4	14.77	-45.64	96.21	22.41
Gartner, Inc.	1.6	-0.27	-44.89	88.75	4.10
Moderna, Inc.	–	–	–	-32.06	-32.06
Financials	**11.3**	**10.90**	**-44.30**	**70.30**	**5.42**
MSCI, Inc.	0.8	28.64	-28.39	94.04	77.31
FactSet Research Systems, Inc.	3.4	15.04	-34.12	63.72	24.80
The Charles Schwab Corp.	3.0	0.12	-39.92	88.43	13.34
Brookfield Asset Management, Inc.	0.6	17.49	-51.13	87.76	7.64
Windy City Investments Holdings, L.L.C.	0.0	0.39	–	1.95	2.35
Arch Capital Group Ltd.	3.5	12.33	-51.81	55.04	-15.97
Air Lease Corp.	–	-7.93	-78.98	–	-79.50
Real/Irreplaceable Assets	**11.3**	**1.39**	**-49.50**	**82.82**	**-6.15**
Vail Resorts, Inc.	3.8	2.36	-42.24	99.20	17.77
Marriott Vacations Worldwide Corp.	1.4	-1.77	-65.81	212.24	5.97
Gaming and Leisure Properties, Inc.	1.1	13.64	-59.94	125.88	4.45
Red Rock Resorts, Inc.	0.2	11.57	-78.23	232.59	-10.51
Manchester United plc	1.2	-4.06	-29.91	26.35	-15.05
Hyatt Hotels Corp.	3.2	0.26	-47.07	56.24	-16.84
Douglas Emmett, Inc.	0.4	1.18	-44.71	23.59	-30.86
MGM Growth Properties LLC	–	8.91	-90.86	–	-65.05
Norwegian Cruise Line Holdings, Ltd.	–	-10.94	-64.96	–	-67.23
[Cash]	**-5.3**	**-0.00**	**-0.01**	**-0.02**	**-0.03**
[Fees]	**–**	**-0.24**	**-0.16**	**-1.07**	**-1.46**
Baron Partners Fund	**100.0**	**30.85***	**-50.76***	**286.37***	**148.93***
Russell Midcap Growth Index		**6.97**	**-35.71**	**97.15**	**35.59**

Sources: FactSet PA, BAMCO, and Russell, Inc.
* Represents the blended return of all share classes of the Fund.

The peak and trough dates are based on the Russell Midcap Growth Index. The index is unmanaged. The index performance is not fund performance; one cannot invest directly into an index.

Table III.
Top contributors to performance for the quarter ended December 31, 2020

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Total Return	Percent Impact
Tesla, Inc.	2014	$22.0	$668.9	64.54%	26.80%
IDEXX Laboratories, Inc.	2013	4.7	42.6	27.17	2.01
Zillow Group, Inc.	2015	1.5	30.6	33.88	1.89
The Charles Schwab Corp.	1992	1.0	99.5	46.97	1.67
Hyatt Hotels Corp.	2009	4.2	7.5	39.12	1.61

Tesla, Inc. designs, manufactures, and sells fully electric vehicles, solar products, and energy storage solutions. The stock increased on strong financial results, including profitability that exceeded market forecasts and strong growth across different geographies and vehicle programs. Newly released full self-driving functionality could also lead to improving unit economics and growth opportunities, in our view. Lastly, Tesla joined the S&P 500 Index, a meaningful milestone that expands its potential shareholder base.

Shares of veterinary diagnostics leader **IDEXX Laboratories, Inc.** contributed to performance in the quarter. Veterinary visits continued to recover from lows in the early months of the pandemic, with practice visits growing at double-digit rates through October. IDEXX's competitive trends are outstanding, and we expect new proprietary innovations and field salesforce expansion to be meaningful contributors to growth. Margins are moving significantly higher, and we believe margins can exceed 30% over time.

Zillow Group, Inc. operates leading U.S. real estate sites, a mortgage marketplace, and the Zillow Offers home-buying business. Shares were up on strong results driven by record top-of-funnel metrics, an inflection in mortgages revenue, and excellent profitability in the core business. In our view, Zillow is well positioned to penetrate the large online real estate advertising opportunity with substantial upside from Offers, leads for Premier Agents, and Zillow Home Loans.

Shares of brokerage firm **The Charles Schwab Corp.** rose in the quarter. The company has been integrating its recent acquisition of TD Ameritrade. The combined company should result in improved services as it cross-sells products to clients of Schwab and TD Ameritrade as well as expense synergies that should lower the cost of operation per custodial asset to industry-leading levels. Finally, Schwab has maintained an impressive mid-single-digit organic growth rate. Once interest rates eventually rise, Schwab's profitability should improve significantly.

Global hotelier **Hyatt Hotels Corp.** contributed to results on investor expectations that travel will increase as several newly developed COVID-19 vaccines work to help bring an end to the pandemic. While it may take time for Hyatt's business and group customers to return, a strong leisure business is aiding recovery in revenue per available room. Hyatt has also successfully lowered its breakeven occupancy levels by reducing fixed costs and has cut its capital budget to preserve cash. Hyatt's strong balance sheet is allowing it to weather the pandemic-generated disruption.

Table IV.
Top detractors from performance for the quarter ended December 31, 2020

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Total Return	Percent Impact
GoodRx Holdings, Inc.	2020	$ 1.9	$15.8	–33.88%	–0.50%
American Well Corporation	2020	5.1	6.0	–16.25	–0.28
FactSet Research Systems, Inc.	2007	2.7	12.6	–0.47	–0.08
Moderna, Inc.	2020	61.4	44.0	–32.06	–0.01

GoodRx Holdings, Inc. operates the nation's largest online platform providing users free access to drug pricing information and pharmacy discounts. Its shares gave back some of their heady post-IPO run after Amazon's announcement that it has entered the online pharmacy space. Although Amazon is a formidable rival, we believe its success is not assured as its participation is limited to the low-penetration mail order segment of the market. GoodRx has the advantages of the leading brand, best pricing, telehealth tie-in, and nascent opportunities in drug manufacturer referrals.

American Well Corporation is one of the U.S.'s largest telehealth companies for health systems, health plans, employers, and doctors. The stock declined after reporting third quarter results. Full-year 2020 guidance exceeded consensus estimates but implied top-line and margin deceleration. We believe future results could exceed these forecasts due to increases in pandemic-driven volumes.

Investment Strategy and Portfolio Structure

Baron Partners Fund seeks to invest in businesses that we believe could double in value within five or six years. Our strategy to accomplish this goal is to invest for the long term in a focused portfolio of appropriately capitalized, well-managed growth businesses at attractive prices across market capitalizations. We attempt to create a portfolio of approximately 30 securities diversified by GICS sectors, but with the top 10 positions representing a significant portion of net assets. The Fund uses leverage to enhance returns, although this does increase the volatility of performance. These businesses are identified by our analysts using our Firm's proprietary research approach. We think these well-managed businesses have sustainable competitive advantages and strong, long-term growth opportunities.

As of December 31, 2020, Baron Partners Fund held 32 investments. The median market capitalization of these growth companies was $15.2 billion. The top 10 positions represented 88.0% of net assets. Leverage was 5.3%.

The long-term absolute and relative performance of the Fund has been very good. The Fund has returned 16.52% annualized since inception as a private partnership on January 31, 1992, besting its comparable Index by 5.67% per year. Additionally, the Fund's performance has exceeded its Index over the prior 1-, 3-, 5-, 10-, and 15-year periods.

The Fund outperformed modestly in good times…

In addition to viewing the Fund's returns over various trailing periods, we believe it is helpful to understand how the Fund has performed in various economic cycles. (Please see Table V.) The Fund had performed well during the economic expansion that followed the Financial Panic. This 11-year period has seen steady financial growth and stock market appreciation. Had you hypothetically invested $10,000 in the Fund on 12/31/2008, it would have been worth $58,586 at the end of the bull run on 12/31/2019. Had you only tried to mimic benchmark returns, that $10,000 hypothetical investment would be worth $55,380 if you invested in a fund designed to track the Russell Midcap Growth Index or $45,104 if you invested in a fund designed to track the S&P 500 Index.

The Fund outperformed significantly in difficult times…

We believe it is equally important to look at the Fund during more challenging economic times. The nine-year period from the Internet Bubble collapse through the Financial Panic (12/31/1999 –12/31/2008) saw lower returns for the Fund. It had gained 1.54% annualized. $10,000 hypothetically invested at the start of this period would have been worth $11,479 after the nine years. The Fund preserved (and slightly grew) capital during this challenging economic time because of its investments in high-quality growth businesses that were able to weather the environment while its competition retrenched. The indexes performed worse. The Russell Midcap Growth Index and S&P 500 Index fell 4.69% annualized and 3.60% annualized, respectively. A $10,000 hypothetical investment would be worth only $6,488 and $7,188 in each of those indexes, respectively.

Additionally, the current volatile COVID-19 period has again led to strong absolute and relative results. The Fund has returned 149.18% while the Russell Midcap Growth Index gained 35.59% and the S&P 500 Index rose 18.40%.

The preservation (and modest growth) during difficult times is what we believe sets the Fund apart and makes its long-term returns exceptional. A $10,000 hypothetical investment at the inception of the Fund in 1992 would be worth $832,574 today. That same $10,000 hypothetical investment would be worth 76% less had it been invested in a fund designed to track the Russell Midcap Growth Index or 80% less had it been invested in a fund that tracked the S&P 500 Index. Those investments would be worth only $196,396 and $164,849, respectively.

The Fund consistently invests in businesses based on their future earnings potential. Those businesses often penalize near-term results while investing to become larger and more profitable businesses. The current global health pandemic is unlike other economic periods the Fund has successfully navigated in the past. This COVID-19 crisis has negatively impacted many sectors. However, we were assured that the high-quality growth businesses in which we are invested could still execute their strategies throughout the cycle. The Fund's portfolio investments have once again successfully weathered a difficult economic period. This is because many of these businesses had penalized earnings for years to implement technologically enabled growth strategies. They are now realizing the benefits of those prior investments.

Due to strong growth in its portfolio companies since its conversion to a mutual fund on April 30, 2003 through December 31,2020, the Fund's performance ranked 2nd among all U.S equity funds (2,256 share classes). The Fund also ranked in the 1st percentile for the same time period.

Table V.
Performance
Millennium to COVID-19 Pandemic. The Impact of Not Losing Money.

	Millennium Internet Bubble to Financial Panic 12/31/1999 to 12/31/2008		Financial Panic to COVID-19 Pandemic 12/31/2008 to 12/31/2019		COVID-19 Pandemic to Present 12/31/2019 to 12/31/2020		Millennium Internet Bubble to Present 12/31/1999 to 12/31/2020		Inception 1/31/1992 to 12/31/2020	
	Value $10,000	Annualized	Value $10,000	Annualized	Value $10,000	Cumulative	Value $10,000	Annualized	Value $10,000	Annualized
Baron Partners Fund (Institutional Shares)	$11,479	1.54%	$58,586	17.44%	$24,918	149.18%	$167,570	14.37%	$832,574	16.52%
Russell Midcap Growth Index	$ 6,488	(4.69)%	$55,380	16.84%	$13,559	35.59%	$ 48,715	7.83%	$196,396	10.85%
S&P 500 Index	$ 7,188	(3.60)%	$45,104	14.68%	$11,840	18.40%	$ 38,386	6.61%	$164,849	10.18%

Portfolio Holdings

Table VI.
Top 10 holdings as of December 31, 2020

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Quarter End Investment Value (millions)	Percent of Total Investments
Tesla, Inc.	2014	$22.0	$668.9	$3,228.4	44.6%
CoStar Group, Inc.	2005	0.7	36.4	679.3	9.4
IDEXX Laboratories, Inc.	2013	4.7	42.6	399.9	5.5
Zillow Group, Inc.	2015	1.5	30.6	373.8	5.2
Vail Resorts, Inc.	2008	1.6	11.2	258.0	3.6
Arch Capital Group Ltd.	2002	0.6	14.6	236.3	3.3
FactSet Research Systems, Inc.	2007	2.7	12.6	232.8	3.2
Space Exploration Technologies Corp.	2017	–	–	220.5	3.0
Hyatt Hotels Corp.	2009	4.2	7.5	215.3	3.0
The Charles Schwab Corp.	1992	1.0	99.5	206.9	2.9

Thank you for joining us as fellow shareholders in Baron Partners Fund. We continue to work hard to justify your confidence and trust in our stewardship of your hard-earned savings. We remain dedicated to continuing to provide you with the information we would like to have if our roles were reversed. We hope this letter enables you to make an informed decision about whether this Fund remains an appropriate investment.

Respectfully,

Ronald Baron
CEO and Lead Portfolio Manager

Michael Baron
Co-Portfolio Manager

Investors should consider the investment objectives, risks, and charges and expenses of the investment carefully before investing. The prospectus and summary prospectus contain 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. Please read them carefully before investing.

Risks: The Adviser believes that there is more potential for capital appreciation using non-diversification and leverage, but there also is more risk. Specific risks associated with non-diversification and leverage include increased volatility of the Fund's returns and exposure of the Fund to greater loss in any given period. The Fund invests in companies of all sizes, including small and medium sized companies whose securities may be thinly traded and made difficult to sell during market downturns. Leverage is the degree to which an investor or business is utilizing borrowed money. The Fund may not achieve its objectives. Portfolio holdings are subject to change. Current and future portfolio holdings are subject to risk.

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