



# Brown Advisory US Equity Growth Fund

June 2010

## Investment Strategy

The Fund seeks to invest in industry-leading companies with a history of strong, sustainable revenue, cash flow, and earnings growth. We believe the companies represented in the Fund are led by strong management teams with established track records and are well positioned to exploit large market opportunities. Common attributes among these companies include proprietary products and services, productive new product development efforts and new product development and product cycle leadership that sustains a strong brand franchise. Given the Fund's emphasis on large-cap growth companies, the largest industry concentrations currently are in the health care and technology sectors. The Fund also invests in financial services, telecommunications services, and select consumer and industrial growth stocks. The investment style utilizes valuation disciplines to identify those companies whose stocks are attractively valued relative to the market and to mitigate the potential downside risk of an investment candidate.

## Performance to June 30, 2010 (Long-term Performance Overleaf)

	1 Month	3 Months	6 Months	YTD	Since Inception
Brown Advisory US Equity Growth Fund B USD <sup>1</sup>	-3.76	-7.88	-2.45	-2.45	7.60
Brown Advisory US Equity Growth Fund A USD <sup>2</sup>	-	-	-	-	-0.60
Russell 1000 Growth Index	-5.51	-11.75	-7.65	-7.65	0.34
S&P 500 Index	-5.23	-11.43	-6.65	-6.65	0.21

Inception Dates: <sup>1</sup>November 2, 2009; <sup>2</sup>June 29, 2010

Performance data above relates to the Brown Advisory US Equity Growth Fund – a Dublin-based UCITS III fund. The performance is net of management fees and operating expenses. The long-term performance of the Brown Advisory US Growth Equity Fund (BLAGX) is shown on the next page and is net of fees. Past performance may not be a reliable guide to future performance. The Brown Advisory US Large-Cap Growth strategy was established in 1993. Long-term performance available upon request. Changes in exchange rates may have an adverse effect on the value price or income of the product. The difference at any one time between the sale and repurchase price of units in the UCITS means that the investment should be viewed as medium to long term. A simplified and full prospectus are available by calling 020 7591 7084 or visiting the fund website.

## Characteristics\* as of June 30, 2010

Estimated EPS Growth Rate	15.3%
FY2 P/E Ratio	15.4x
P/E-Growth Ratio	1.1x
Dividend Yield	0.52%
Weighted Avg. Market Cap	\$35.0 billion

### Asset Allocation

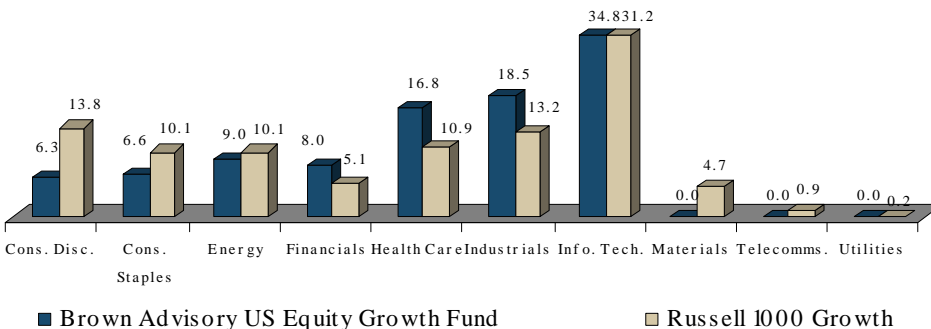
Equities	97.4%
Cash	2.6%

### Market Capitalization (%)

\$<10 billion	39.9
\$10-100 billion	48.4
\$>100 billion	11.7

Apple Inc.	4.7%
Stericycle Inc.	4.1%
Google Inc.	3.8%
Allergan Inc.	3.7%
Covance Inc.	3.6%
MasterCard Inc.	3.5%
DaVita Inc.	3.4%
Costco Wholesale Corp.	3.4%
Canadian Natural Resources Ltd	3.3%
Accenture plc.	3.2%

**Top Ten Holdings as a % of Net Assets 36.7%**



## Fund Profile

Name Brown Advisory US Equity Growth Fund  
 Manager Kenneth M. Stuzin, CFA

No. of Holdings 30 - 40  
 Base Currency US Dollar  
 Annual Management Fee 1.50/0.75%  
 Minimum Investment 5,000 (A Shares)  
 10,000,000 (B Shares)

Administrator Brown Brothers Harriman  
 (Ireland) Ltd

Dealing Number Tel: +(353) 1 603 6387  
 Fax: +(353) 1 603 6310

Structure Ireland UCITS III  
 (FSA recognised)

Listing Irish Stock Exchange  
 Liquidity Daily  
 Share Class A USD/GBP/EUR  
 and B USD/GBP/EUR

Dividends UK distributor status  
 Settlement Terms T+3

	ISIN	Sedol
Sterling A Class	IE00B0PVD535	B0PVD53
Sterling B Class	IE00B0PVD758	B0PVD75
Dollar A Class	IE00B0PVD642	B0PVD64
Dollar B Class	IE00B0PVD865	B0PVD86
Euro A Class	IE00B2NN6563	B2NN656
Euro B Class	IE00B2NN6670	B2NN667



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## Long-term Performance of US Mutual Fund (Ticker: BIAGX)

	1 Month	3 Months	6 Months	YTD	1 Year	3 Years	5 Years	10 Years
Brown Advisory US Growth Equity Fund BIAGX	-3.85	-8.26	-2.73	-2.73	23.79	-2.62	3.24	-0.63
Russell 1000 Growth Index	-5.51	-11.75	-7.65	-7.65	13.62	-6.91	0.38	-5.14
S&P 500 Index	-5.23	-11.43	-6.65	-6.65	14.43	-9.81	-0.79	-1.59

## Activity

**Top 5 Contributors:** Stericycle Inc., Accenture Plc., ABB Ltd. ADS, Cognizant Technology Solutions Corp., Salesforce.com Inc.

**Bottom 5 Contributors:** Jacobs Engineering Group Inc., Google Inc. (Cl A), Charles Schwab Corp., Coach Inc., FMC Technologies Inc.

June continued the recent trend we have seen in the markets, and was the third down month in a row. Markets seem fixated currently on the possibility of a “double-dip” recession, with that concern only heightened by economic issues in Europe as well as the frustratingly slow recovery in the U.S. jobs outlook.

During the month, the best performing stock by a wide margin was SRCL, up almost 12%. Given its relatively defensive business model (medical waste management services), investors sought out the safety of its lower exposure to the macro-economic cycle. Other names that were additive to performance were ACN (up 3%) and ABB (up 1.6%). ACN announced Q3 results during the month and results surprised investors to the upside.

The names that hurt performance the most during the month included JEC (down 12.7%), SCHW (down 13%) and COH (down 10.8%). SCHW and COH traded down in response to concerns about the general health of U.S. consumers. It should be noted that while we feel that these two companies are very much “best-in-breed” business models, we currently have a large under-weight to the consumer discretionary space as we remain concerned about the growth prospects of selling into the U.S. consumer space. As a global construction and engineering company, JEC’s stock was down as investors try to delineate what the economic recovery path will look like, and will it in fact retrace itself into another recession.

During the past month we did not introduce, nor eliminate, any names from the portfolio.

## The Fund Manager

**Kenneth M. Stuzin, CFA** is a Partner of Brown Advisory and Manager of the Brown Advisory U.S. Equity Growth Fund. He has over twenty years of investment industry experience. Prior to joining Brown Advisory, he was a Vice President and Portfolio Manager at J.P. Morgan Investment Management in Los Angeles, where he was a U.S. Large-Cap Portfolio Manager. Previously, Mr. Stuzin worked as a quantitative Portfolio Strategist in New York, where he advised clients on capital markets issues and strategic asset allocation decisions. Mr. Stuzin received his B.A. and M.B.A. from Columbia University in 1986 and 1993, respectively.

## About Brown Advisory

Brown Advisory has its roots in Alex Brown & Sons, America's oldest investment banking firm, founded in 1800. In 1998 Brown Advisory separated from Alex Brown to create an independent organization better positioned to serve its clients’ interests. Brown Advisory is now an independent firm with over 200 partners and employees entrusted with US\$18 billion. Client assets are invested across a range of in-house US strategies.

## Further Information

Brown Advisory US Equity Growth Fund is a sub-fund of Brown Advisory Funds plc, an umbrella fund with segregated liability between sub-funds. The Fund is authorized in Ireland as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities Regulations, 2003 as amended).

The Fund is available to:

(a) “Investment professionals” (including persons whose ordinary activities involve them in participating in collective investment schemes and other Authorized Persons); and

(b) “High net worth entities” (including (i) a body corporate with more than 20 members (or which is a subsidiary of a parent with more than 20 members) if it has a called-up share capital or net assets of at least £500,000 and (ii) other bodies corporate if they have a called-up share capital or net assets of at least £5 million, and (iii) unincorporated associations or partnerships with net assets of at least £5 million).

*\*Estimated EPS Growth Rate is the forecasted growth rate of a company’s earnings per share. Forward P/E ratio is determined by dividing the price of the stock by the company’s forecasted earnings per share. The P/E-Growth ratio is the company’s harmonic average P/E divided by the weighted average earnings growth rate. Market cap is the value of the fund as determined by the market price of its issued and outstanding stock.*

For investment enquiries, please contact:

Logie Fitzwilliams  
Brown Advisory Ltd., 150 Brompton Road, London, SW3 1HX  
Email: lfitzwilliams@brownadvisory.com  
Tel: 020 7591 7084  
Website: www.brownadvisory.com



Brown Advisory is the trade name of Brown Investment Advisory & Trust Company and Brown Advisory Securities, L.L.C.