REPRINTED FROM MARCH 21, 2011

THE WALL STREET TRANSCRIPT
Connecting Market Leaders with Investors

Bottom-Up Value Approach Favors Large-Cap Technology

GEORGE O. SERTL JR., CFA, is a Managing Director of Artisan Partners and Portfolio Co-Manager for the Artisan Small Cap Value Fund, Artisan Mid Cap Value Fund, Artisan Value Fund and the firm's U.S. value separate account portfolios. Prior to joining Artisan, Mr. Sertl was a Research Analyst at Schwartz Investment Counsel. Mr. Sertl began his investment career at Pauli & Company, where he worked as a Research Analyst in 1992. He holds a B.A. in economics and history from the University of Richmond and an M.A. in economics from St. Louis University.

SECTOR — GENERAL INVESTING

TWST: Please start with a brief history and an overview of current operations for Artisan Partners.

Mr. Sertl: Artisan Partners is an independent investment management firm, majority owned by our employees, focused on providing high value-added, active long equity investment strategies to clients globally. Currently, we have five independent, autonomous investment teams managing roughly $60 billion. Our group, the U.S. Value team, is located in Atlanta and is responsible for roughly $15 billion of the $60 billion. We also have teams that manage emerging markets, growth, global value and global equity strategies from our other principal offices in New York, Milwaukee, San Francisco and London respectively.

TWST: Would you introduce us to the members of the U.S. Value team?

Mr. Sertl: Scott Satterwhite and Jim Kieffer started our group. They've worked together more than 20 years, starting with their time together at Wachovia, where Scott hired Jim. The duo joined Artisan in 1997 and rolled out the group's initial offering, the Artisan Small Cap Value Fund (ARTVX). I came on board right at the start of 2000, so I've been with Scott and Jim over 11 years now. In 2001 we assumed management of the Artisan Mid Cap Value Fund (ARTQX), and then we launched the Artisan Value Fund (ARTLX) in 2006. The Value Fund will be five years old at the end of March. We have a lot of stability with the team, and our investment process has been a constant throughout our time together. We also have two analysts that help support the three of us in the research process, so there are really five people on the team.

TWST: Is the Artisan Value Fund focused on large-cap names?

Mr. Sertl: Yes, it basically overlaps with large-cap indexes, so our investible universe is pretty broad and runs the gamut from $2 billion on up in market capitalization. In the product, we also have some additional flexibility to incorporate larger position sizes, foreign names and increased cash levels into our investment mix. Right now the fund is tilted quite large. At the end of February, the fund's weighted average market cap was about $77 billion. From a peer group standpoint, the S&P 500, Russell 1000 or Russell 1000 Value would be fair bogeys over a full market cycle. However, as bottom-up stock pickers, our fund is much more concentrated and generally looks dramatically different than the broad-based indexes. We've owned roughly 30 to 40 names in the portfolio since we've been running it, though we've tended to be more in the mid-30s in terms of the number of stocks held versus either of the extremes. As with our other funds, we're trying to add value by picking stocks that meet our three margin of safety criteria. With the other two strategies closed to new investors, this is our only open strategy to new investors. Of our three offerings, I think the best risk/reward is currently found in the Value Fund since large caps have been out of favor for some time. Personally, it's my biggest investment, though I have large investments in all three of our funds.

TWST: What is your team's investment strategy as it applies to the Artisan Value Fund? What specific criteria do you look for when selecting holdings?

Mr. Sertl: As I mentioned, we look for three things in our investment philosophy. We call them our three margin of safety criteria, and an important thing to understand about the portfolios is that they are aligned off these criteria from a capital allocation standpoint. For a name to get into the portfolio, we need all three of them to be present when we're making an investment. If a stock fits all three very strongly, it's on the top end weighting of the portfolio; if it meets the hurdle on all three, but might just clear the hurdle on one or two of them, then it'll be on the bottom end of the portfolio. So that approach gives the portfolio its risk/reward makeup. That's important to understand as we discuss these three criteria. The first is attractive valuation. What do we mean by attractive valuation? We tend to have to go where there are low expectations or where there is fear and anxiety in the market to find things selling at a discount to what we believe they are worth.

We approach value from a variety of ways. We use a range of values, and our most common starting place is a view of normalized free cash flow. We tend to buy in the 8-times to 12-times range, and we tend to sell when valuations approach the mid- to high teens and recycle that money back into more attractive risk/reward and/or lower valuation situations. We look at the sum-of-the-parts analysis for multidivision companies. Asset value may be more important for some situations, and we'll also look at M&A multiples as it applies to different industries. Those are some examples of the inputs we use to determine our range. We think it's a conservative view of what a company is worth. As an example, if we think a company is worth in the range of $26 to $33 a share, we probably want to buy it in the low $20s or high teens.

Highlights

George O. Sertl Jr. co-manages the Artisan Value Fund with two other managers. The fund includes 30 to 40 large-cap holdings, and Mr. Sertl says their return on equity and financial conditions are considerably stronger than their index, but they sell at a modest discount. The team takes a bottom-up approach to value investing, and their strategies include three considerations to both enter and exit a holding. Mr. Sertl says their "three margins of safety" criteria are attractive valuation, sound financial condition and attractive business economics. Conversely, the three cues to sell are when the stock price hits its target, the stock violates one of the three margins of safety criteria or if a better opportunity comes along. Currently, the Value Fund is overweight technology and underweight materials, telecom and utilities.

Companies include: Wal-Mart Stores (WMT); Unilever NV (UN); Kraft Foods (KFT); Comcast Corp. (CMCSA); Microsoft Corp. (MSFT); Exxon Mobil (XOM); International Business Machines (IBM); Verizon Communications (VZ); AT&T (T); Cisco Systems (CSCO); Nokia Corp. (NOK); Google (GOOG) and Yahoo! (YHOO).

Our second, sound financial condition has been a very important part of our strategy since day one. From our perspective, we saw it come into vogue in the money management industry during the financial crisis a couple of years ago, but it's always been a big part of our process. And quite frankly, it explains a lot of the return patterns of our strategies over time. Since we focus on companies with a sound financial condition, our strategies have tended to do pretty well in down markets. In terms of sound financial condition, it starts with the balance sheet, but it doesn't end there. It includes all the on and off-balance sheet liabilities of the company, so it includes pension liabilities, health care liabilities, legal liabilities and other things of that nature. Ideally, we don't want the CEO and the CFO worrying how they're funding their business daily, weekly, monthly or yearly for that matter. We want funding issues to be a side factor, and we don't want it to affect how they take the business strategically.

To view it another way, if a company or an industry is in a downturn, we want our companies to be able to take advantage of the downturn instead of being taken advantage of. So even if current earnings are down in a down period, we want management to be expanding the earning power of the business through the downturn. It may mean taking market share organically, or buying assets maybe out of bankruptcy, or other things of that nature. When we are looking at sound financial condition, we like companies with little or no debt. We are fine having companies with some debt. After all, they are public companies and a lot of companies do have some debt. But we want that debt to be modest and well covered by their cash flow. We also are careful about the structure of the debt, whether it's bank debt, or whether it's termed out debt. Debt that is due in 10 years possesses a different risk factor then say, bank debt that is due every day. These types of factors illustrate some of the items we take into account when we're looking at the financial condition of companies.

"If a company or an industry is in a downturn, we want our companies to be able to take advantage of the downturn instead of being taken advantage of. So even if current earnings are down in a down period, we want management to be expanding the earning power of the business through the downturn."

Third, we seek businesses with attractive business economics. Here we primarily focus on two things. We want companies that generate real free cash flow as opposed to just earnings, and by that we mean cash that shows up on the balance sheet at the end of the quarter or year and can be redistributed back to investors and/or reinvested back into the business. We don't like companies that just generate earnings and never generate any cash. So we aren't focused on EBITDA or EBIT or any of those other metrics of cash flow, we want real free cash flow. We then focus on the sustainability of that cash flow, which comes down to analyzing what some people call competitive advantage. Warren Buffett calls it a moat. It's really, what's your competitive edge? Do you have a strong market position and is it sustainable? If so, then why? Seeking businesses that earn at least their cost of capital over a cycle is our second area of focus. We prefer good to high return on capital businesses. And I'm happy to say, we tend to find our share of them.

In fact, the Artisan Value Fund currently holds a lot of high-return businesses. However, we will also own an average business as long as its financial condition and stock price warrant it. We attempt to avoid the poor return on capital businesses. Those tend to be the value traps. They look statistically very cheap as stocks, but often they are poor businesses. Furthermore, in these situations, you can also have time working against you with the re-investment of cash flows. When combining this re-investment of cash flows with our earlier range for valuation discussion, if companies are re-investing cash flows back into their business at a good return, and that range is up over time, our return isn't just dependent on a valuation gap closure. If our analysis is correct, we can get the returns of the business, plus hopefully a valuation closure or multiple revaluation that could provide us with a higher overall total return.

1-Year Daily Chart of Unilever NV

Chart provided by www.BigCharts.com

"A lot of our stocks are paying 2%, 3%, 4% dividends currently. And that's pretty attractive yield for large companies, because their 10-year corporate debt is sometimes selling for around that or less, and government bonds are selling for that or less."

1-Year Daily Chart of Wal-Mart Stores

Chart provided by www.BigCharts.com

TWST: How important are dividends?

Mr. Sertl: We like dividends and they can play an important role in the total-return equation for stocks. While we don't need a company to pay a dividend to invest in a stock, I would say a lot of our companies do pay dividends, and we think that's a good thing. A lot of our stocks are paying 2%, 3%, 4% dividends currently. And that's pretty attractive yield for large companies, because their 10-year corporate debt is sometimes selling for around that or less, and government bonds are selling for that or less. **Wal-Mart** (WMT) has an almost 3% dividend yield on it currently. Another holding, **Unilever** (UN), has about a 4% dividend. If we do buy something with a dividend, we want the dividend to be well covered, and hopefully with a history of increasing the dividend over time. But it's not an absolute necessity to own a stock. Some groups say if it doesn't have a dividend we won't invest in it. We're not like that, but we feel that if companies generate excess cash, paying out dividends is a good way to return capital to shareholders. And then we can re-invest it as we see fit.

TWST: What prompts an exit for you and how do you approach risk management?

Mr. Sertl: We sell for three reasons. We sell when we are right. We talked about the price range we set for a stock when we purchase it. While subject to continual monitoring and evaluation, we tend to start selling at the beginning of that range, when the company starts gaining respect in the market. When price gets to the top end of that range, all else being equal, we'd be out of the stock at that time. So as an example of selling when we are right, we would be selling the name as it progresses through our

price target range. We also sell a stock when we are wrong, and that's when it violates one of these three margins of safety criteria. So in a case where we are wrong, the company's financial condition or business economics may deteriorate. These things could happen slowly or they could happen quickly. Possible examples could include new market entrants or regulatory change.

"Microsoft is one of our largest holdings. The valuation is very compelling; it's trading around 9 times or 10 times our estimate of normalized earnings before you factor in all of the cash on its balance sheet. That's a very cheap price for a high-quality company that continues to grow at a high rate, so we really like our position here."

1-Year Daily Chart of Microsoft Corp.

Chart provided by www.BigCharts.com

Finally, since we tend to run fully invested portfolios, we might also sell a stock in an effort to materially upgrade the names in the portfolio. A couple of examples from last year that highlight this type of sale were **Kraft** (KFT) and **Comcast** (CMCSA). Both stocks were valued at the low end of our range, so they weren't through our selling range. At that time, both had a good bit of debt and were selling for roughly 13 times or 14 times earnings. With the sales proceeds, we swapped into names like **Microsoft** (MSFT), **Exxon** (XOM) and **IBM** (IBM) that at the time were selling around 9 times or 10 times earnings with relatively little debt. So while a stock may not be through your target range and there is nothing wrong with it per se, we will sell if we can materially upgrade the portfolio. In this illustration, we were able to upgrade to companies with little leverage selling at much more attractive valuations. So we sell for three reasons: we are right, we are wrong or we have a better opportunity.

TWST: Are there any particular sectors you are overweighting today, and if so, why?

Mr. Sertl: We have a fairly large overweight in the technology/IT area, and that's because a lot of those companies meet all three of our criteria very well. As a group, we owned very little technology from 1998 to 2003, so it's not like we have always been in love with technology. But over the last few years, we have found it to be quite a compelling area for us. A lot of these companies have net cash on the balance sheet, they earn very nice returns on capital and the valuations are undemanding — at 8, 9, 10, 11 times our estimates of normalized earnings. In general, they have much better balance sheets than the overall market. They have fewer off-balance sheet liabilities; a number of these companies don't have big pension liabilities or some of the other off-balance sheet liabilities that a lot of other companies do. So that's an area that's about 30% of the Artisan Value Fund currently. It's a big weight, and it has been a big weight for some time. We continue to like this area, and unless these stocks go up dramatically, I suspect it will be a pretty large weight in the portfolio for some time.

TWST: Is there any area where you're particularly underweight?

Mr. Sertl: If you have overweights, you have underweights. Currently, we have no exposure to materials, telecom or utilities in the Artisan Value Fund. With materials, it's largely valuation that's holding us back right now. A lot of people have been pretty excited recently about materials stocks because of the emerging markets run-up and their use of commodities. We tend to normalize earnings as opposed to looking at current earnings, so while they may not look expensive on current earnings, when we normalize them they look pretty expensive. And we're concerned that a lot of these areas are adding a lot of capacity, which would mean that if you do get a slowdown in emerging markets, earnings could get hit pretty severely. So that's why we are avoiding that area.

Telecom is a decent sized weight in the large-cap value index, but that weighting is driven by two stocks, **Verizon** (VZ) and **AT&T** (T). We've looked at those two names closely, but don't have any real interest in them. They have a lot of on and off-balance sheet debt, and their traditional wireline business is in decline. It takes a lot of capital to remain in that business, so we think that could be a material headwind for those companies. Interestingly, **Cisco** (CSCO) is a large holding in the portfolio, and they sell a lot to those telecom companies. We look at **Cisco**, and it's selling at a much lower multiple than **AT&T** or **Verizon**, it has a better return on capital, and it has a lot of net cash instead of a lot of debt. **Cisco** is classified as an IT company, but since its big customers are telecom companies, we look at it and say, relative to the telecom companies, we'd much rather own **Cisco**.

The utilities sector is an interesting sector, because we have a decent weighting in both our Artisan Small Cap Value Fund and Mid Cap Value Fund, but we have no exposure in our Value Fund. Given the Value Fund's concentrated nature and

higher hurdle rate for investments, quite frankly, we have found 35 other stocks that have a better risk/reward makeup than the utilities do.

TWST: Would you be willing to talk about a couple of specific current holdings and what you liked about them, how they fit into your strategy?

Mr. Sertl: Microsoft is one of our largest holdings. The valuation is very compelling; it's trading around 9 times or 10 times our estimate of normalized earnings before you factor in all of the cash on its balance sheet. That's a very cheap price for a high-quality company that continues to grow at a high rate, so we really like our position here. As for financial condition, they have a significant amount of net cash, about $30 billion, so they have no worries about how they're financing their business. They also have very high returns on equity and capital because of some of their dominant market positions.

I sometimes get comments when I talk about companies like **Microsoft** or **Wal-Mart**. People tell me these companies aren't growing or that they haven't grown in a while. I think what they're really talking about is that the stock price hasn't really grown in the last 10 years, which is also pretty much true for the S&P. But if you look at **Microsoft**, in 2000 they earned $0.86 a share, and this year they're going to earn about $2.50, so the business is growing, it's just that the multiple has contracted from a very high multiple 10 years ago in the midst of the tech bubble and now it's selling at a much lower level. The business has actually fared very well, and it continues to do well.

In terms of their business, PCs, while they are still growing, are growing a little slower because of tablets, and in smartphones, they've lost a lot of market share, which they are trying to regain through a joint venture with **Nokia** (NOK). But that being said, even in those categories they continue to grow. They are also taking a lot of share in enterprise, and the Windows® 7 and the Office products that have been introduced within the last year have been some of the most successful products the company has ever introduced. On the Xbox®, **Microsoft** has had quite a lot of success with the Kinect™. I believe they sold about seven million units of that during Christmas, so that was a huge success for them. They also compete in search with **Google** (GOOG), and although that's an area they are losing money in currently, we're optimistic that in the long term it can be a good market. Bing™ gained share pretty consistently over the last year, and we think **Microsoft**'s JV with **Yahoo!** (YHOO) will give them a lot of search traffic, so there are some signs of improvement there.

TWST: You also mentioned Wal-Mart.

Mr. Sertl: Wal-Mart also fits all of our criteria strongly. The company has huge scale advantages as it generates over $400 billion in annual sales. I think some people probably don't understand the scale of some of **Wal-Mart**'s individual businesses. Everyone knows the U.S. business is huge, but their international division generates over $100 billion in sales, and their Sam's Club platform adds another $50 billion. They're a low-cost operator, they have a very nice return on equity, up around 20%, and they benefit from very strong control of inventory and very little working capital. They also generate a lot of cash, and a lot of cash comes back to shareholders. As for valuation, the stock's currently selling around 12 times our estimate of normalized earnings, which is quite attractive to us given its market position and the stability of the company. They also pay almost a 3% dividend and bought back about 5% of their stock last year. It's a tremendously strong company, and they are acting very much in the interest of shareholders. We think they can grow earnings in the high-single-digits to low-double-digits, and when you add that to the low multiple and the dividend, that is quite attractive to us.

TWST: Generally speaking, how would you characterize the environment today for large-cap value investing?

Mr. Sertl: We invest across the market cap spectrum, and I think in general large caps have the most attractive risk/reward in the market today. A lot of these companies are out issuing debt at 4% or 5%, but you can get an earnings yield of 8% or 9%, with some of that paid out as dividends. So that looks quite attractive to us. I'm even more bullish on our Value Fund portfolio because we're not just buying large caps broadly. With a target of 30 to 40 holdings and the flexibility to buy some international companies, we can actually look quite different from the index. And because of that, we have the opportunity to create a lot of value. I think our average p/e is in the low teens today, around 11 times to 12 times, which is pretty attractive given where interest rates are. I look at our portfolio and think it's a very high-quality portfolio, and what I mean by that is the return on equity in the portfolio and the financial condition of our companies are both considerably stronger than the index, and it's selling at a modest discount. We're buying above-average companies at below-average prices, which we think bodes pretty well for the future.

TWST: Any final thoughts to wrap up?

Mr. Sertl: Jim, Scott and I are in agreement that, right now, large caps are the most attractive area within the equity market, and we continue to really like the Value Fund portfolio. We're coming up on our five-year anniversary with that fund, and we're really excited about the future. At the end of the day, we're bottom-up stock pickers focused on creating value over the long term, and right now we are seeing a number of opportunities to do just that.

TWST: Thank you. (MN)

© 2011 The Wall Street Transcript, 48 West 37th Street, NYC 10018
Tel: (212) 952-7400 • Fax: (212) 668-9842 • Website: www.twst.com

Average Annual Total Returns

As of 31-Mar-11	YTD[1]	1 Yr	3 Yr	5 Yr	Inception[2]	Expense Ratio[3]
Artisan Value Fund (ARTLX)	7.23%	13.59%	1.97%	3.17%	3.12%	1.18%
Russell 1000® Value Index	6.46	15.15	0.60	1.38	1.25	
Russell 1000® Index	6.24	16.69	2.98	2.93	2.86	

Source: Artisan Partners/Russell. [1]Returns are not annualized. [2]Fund inception 27-Mar-06. [3]The Fund's operating expenses have been restated to reflect a reduction in management fees, effective as of 1-Dec-10, as if such reduction had been in effect during the fiscal year ended 30-Sep-10. The information has been restated to better reflect anticipated expenses of the Fund.

The performance quoted represents past performance, which does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For current to most recent month-end performance information, call 800.399.1770.

Investors should consider carefully before investing the Fund's investment objective, risks and charges and expenses. For a prospectus or summary prospectus, which contains that information and other information about the Fund, please call us at 800.399.1770. Please read the prospectus or summary prospectus carefully before you invest or send money.

International investments involve special risks, including currency fluctuation, lower liquidity, different accounting methods and economic and political systems, and higher transaction costs. These risks typically are greater in emerging markets. Securities of medium-sized companies tend to be more volatile and less liquid than those of large companies, may have underperformed the securities of large companies during some periods and tend to have a shorter history of operations than large companies. Value securities may underperform other asset types during a given period.

This summary represents the views of the portfolio manager as of 11-Mar-11. Those views may change, and the Fund disclaims any obligation to advise investors of such changes. For the purpose of determining the Fund's holdings, securities of the same issuer are aggregated to determine the weight in the Fund. The holdings mentioned in this material comprise the following percentages of Artisan Value Fund's total net assets as of 31-Dec-10: Wal-Mart Stores Inc: 4.3%; Microsoft Corp 5.0%; Exxon Mobil Corp 5.3%; International Business Machines Corp 2.9%; Cisco Systems Inc 4.0%. Unilever PLC comprised 3.3% of Artisan Value Fund's total net assets as of 28-Feb-11. Securities named in this material, but not listed here were not held in the Fund as of 31-Dec-10. Portfolio holdings are subject to change without notice and are not intended as recommendations of individual securities.

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by Artisan Partners. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a presentation of Artisan Partners or Artisan Distributors LLC. Russell Investment Group is not responsible for the formatting or configuration of this material or for any inaccuracy in Artisan Partners' or Artisan Distributors' presentation thereof.

The S&P 500® Index is an index of 500 of the largest U.S. companies. The Russell 1000® Value Index is an unmanaged, market-weighted index of those large companies included in the Russell 1000® Index, an index of about 1,000 large U.S. companies, with lower price-to-book ratios and lower forecasted growth values. All indices are unmanaged, market-weighted indices. Index returns include net reinvested dividends but, unlike the Fund's returns, do not reflect the payment of sales commissions or other expenses incurred in the purchase or sale of the securities included in the indices. An investment cannot be made directly into an index.

Information, if presented, about portfolio holdings is as of the date indicated and changes without notice. While we believe the data accurately reflects the investment process, the holdings and portfolio characteristics will change from time to time. Portfolio characteristics are intended to provide a general view of the entire portfolio, or Index, at a certain point in time. Characteristics are calculated using information obtained from various data sources. Artisan Partners excludes outliers when calculating portfolio characteristics. If information is unavailable for a particular security Artisan may use data from a related security to calculate portfolio characteristics.

Margin of Safety is the difference between the market price and the estimated intrinsic value of a business. The concept was developed by Benjamin Graham and is believed to be an important measure of risk and appreciation potential. The Artisan U.S. Value team also incorporates a company's financial strength and certain business quality measures into its margin of safety estimates. A large margin of safety helps guard against permanent capital loss and improves the probability of capital appreciation; however, a margin of safety does not prevent market loss. All investments contain risk and may lose value. **Free cash flow** represents the cash that a company is able to generate after laying out the money required to maintain or expand its asset base. **Price-to-Earnings** (P/E) is a valuation ratio of a company's current share price compared to its per-share earnings. A **Mergers & Acquisitions (M&A) Multiple** approach assumes a third-party buyer, whether a financial buyer or an industry competitor, is willing to purchase the enterprise at prevailing market prices where similar enterprises have been purchased whole or for the very substantial majority of capital stock. **Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA**) is an indicator of a company's financial performance, calculated as revenue minus expenses excluding tax, interest, depreciation and amortization. **Earnings Before Interest & Tax (EBIT)** is an indicator of a company's profitability, calculated as revenue minus expenses, excluding tax and interest. **Dividend Yield** is a financial ratio that shows how much a company pays out in dividends each year relative to its share price. **Return on Equity (ROE)** is a measure of a corporation's profitability. It is calculated as the last twelve months net income before extraordinary items divided by the average total stockholder's equity at the beginning and end of the last twelve month period, weighted by the size of the company's position within the portfolio. **Weighted Average LT Debt/Capital** is the average long term debt to total capital relationship of each company within the portfolio, weighted by the size of each stock within the portfolio.

Artisan Funds offered through Artisan Distributors LLC (ADLLC), member FINRA. ADLLC is a wholly owned broker/dealer subsidiary of Artisan Partners Holdings LP. Artisan Partners Limited Partnership, an investment advisory firm and adviser to Artisan Funds, is wholly owned by Artisan Partners Holdings LP.

Copyright 2011 Artisan Distributors LLC. All rights reserved. This material may not be reproduced in whole or in part without Artisan Distributors' permission.

May Lose Value. Not FDIC Insured. No Bank Guarantee.

4/6/11 – A11533L