

ARTISAN PARTNERS
ASSET MANAGEMENT INC.
2015 ANNUAL REPORT

Consistent Approach



ARTISAN PARTNERS

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Artisan Partners is a high value-added investment management firm designed for talent to thrive in a growth-oriented culture.



We have consciously designed a stable and predictable business model that allows our investment teams to focus on delivering alpha on behalf of clients and investors.

**DEAR FELLOW
SHAREHOLDERS,**

In 2015, markets were volatile and reflected uncertainty across the globe, which has continued in early 2016. Market swings, losses and historical abnormalities can be disorienting and cause investors and firms to overreact, prematurely change course or drop out. At Artisan Partners, we believe that by remaining committed to Who We Are, we can identify and take advantage of the opportunities presented by the current environment.

We have consciously designed our business to provide stability and predictability even in volatile and uncertain times. The majority of our expenses, including most of the compensation we pay to our investment professionals, automatically adjust with changes in assets under management and revenues. This way, our investment professionals understand in advance how market volatility will impact their compensation. We also stabilize our business by maintaining a centralized operational infrastructure, strong balance sheet and ample liquidity, all of which give us the capabilities, time and resources to manage our business for the long term.

For our investment teams, volatile markets create opportunities to invest in companies at valuations that reflect short-term fear and uncertainty, as opposed to business fundamentals and long-term value. Market volatility also results in greater dispersion among the returns of different investments, which is a better environment for active managers to generate alpha and differentiate their returns from benchmark indices and peers. In short, we believe volatility increases the likelihood that disciplined security selection will translate into value-added results.

After the 2002 dot-com crash, all 7 of the investment strategies we managed at the time beat their benchmarks over the subsequent 10-year period, with average annual value-added returns ranging from 150 to 748 basis points over that period. After the low point of the 2008–2009 financial crisis, 8 of the 11 investment strategies we managed at the time beat their benchmarks over the subsequent 5-year period, with 7 of those strategies delivering greater than 290 basis points of average annual excess returns. While the current market environment is different from these past periods, our teams have the experience and discipline to navigate volatile markets like we have seen in recent periods. We believe maintaining a stable and predictable business model will allow them to remain focused on pursuing those opportunities on behalf of the clients and investors we serve.

The stability of our business model allows us to remain focused on Who We Are: Artisan Partners is a high value-added investment management firm designed for talent to thrive in a growth-oriented culture. In the remainder of this letter, I want to explain the long-term asset allocation trends we see creating opportunities for our high value-added firm. We believe the combination of these emerging opportunities and our talent-focused business model will result in long-term growth. I hope you will find this discussion helpful.

*Our business
model allows
us to remain
focused on
Who We Are.*

Who We Are

High Value-Added Investment Firm

Active Strategies

Autonomous Franchises

Process-Driven Results

Talent-Driven Business Model

Designed for Investment Talent to Thrive

Managed by Business Professionals

Structured to Align Interests

Thoughtful Growth

Active Talent Identification

Entrepreneurial Commitment

Focus on Long-Term Global Demand

The Long-Term Trend

CHANGING ASSET ALLOCATIONS

Throughout our firm's history, we have tried to design, launch and evolve our investment strategies in response to and consistent with growing and sustainable long-term demand from sophisticated clients and investors. For example, when we launched our Non-U.S. Growth strategy in 1996, most U.S. institutional investors were not yet categorizing non-U.S. investments by investment style, and relatively few financial intermediaries were allocating assets to non-U.S. products at all. We saw an emerging demand for strategies that would diversify equity portfolios by investment style and geography. Our Non-U.S. Growth strategy has grown to \$30.2 billion in AUM as of the end of 2015. And our Non-U.S. Value strategy, which we launched in 2002, had \$16.3 billion in AUM at the end of the year.

During the early 2000s, our portfolio managers began to note that a company's corporate domicile was becoming a weaker indicator of whether an investment was truly domestic or international. Sophisticated clients and investors were recognizing the same phenomenon and appreciating that it did not make sense to restrict a great investor to only or primarily investing in companies domiciled in (or outside of) the U.S. In this environment, we designed and launched our global strategies, which have had outstanding investment performance and demand from clients across the globe. At the end of 2015, the Global Value, Global Opportunities and Global Equity strategies had \$13.9 billion, \$7.6 billion and \$786 million in assets under management, respectively. The Global Opportunities strategy alone saw over \$2.0 billion in net inflows last year.

We are currently seeing another long-term trend in which sophisticated clients and investors are demanding a broader array of financial products to build portfolios that are more focused on generating outcomes and managing risk. We illustrate the broadening spectrum with the asset allocation diagram below.

ASSET ALLOCATIONS



The diagram is not intended to, and does not, represent any particular data set. It is a simplified representation of Artisan management's view of historical and emerging distributions of asset allocations.

The “historical” curve represents the assets that have amassed over time in constrained “style box” strategies, which provide exposures limited by the index universe and investor appetite for tracking error. Standardized constraints allow investors to easily bucket managers and products by style and category. Selecting strategies from multiple style boxes was (and remains, to a lesser extent) a traditional approach to asset allocation and equity portfolio diversification. As dollars continued to flow into these strategies, we saw industry-wide supply exceed long-term demand, which is illustrated by the flattening of the curve. We believe the “emerging” curve is a better representation of investor allocations going forward.

Traditional active management will continue to play a significant role. As of December 31, 2015, approximately \$12 trillion of the \$15 trillion of assets invested in U.S. mutual funds was invested in actively managed funds. Style box categories will remain an important part (in many cases, the most important part) of many investors’ portfolios.

However, as has been discussed in the financial press and elsewhere, the relative role of traditional active management is shrinking, as assets move to passive products (such as index and smart beta products) on the left side of the diagram and to alternative products (such as hedge fund, private equity and real asset products) on the right side.

This flattening of the curve is the result of long-term shifts in asset allocation, both by individual investors and by sophisticated institutional investors and financial intermediaries, which represent the core of Artisan Partners’ client base. In general terms, investors are transitioning from an asset allocation approach focused on a mix of relatively constrained exposures (e.g., a mix of equity and fixed income style box strategies) to an approach focused more on achieving outcomes and managing risk through the use of a broader array of financial instruments.

We believe this shift is the result of many factors, including market experiences over the last two decades, the changing demographic landscape, and the technological and financial innovation that has supplied a multitude of passive and inexpensive exposure-oriented products.

Sophisticated investors are demanding actively managed strategies focused on generating outcomes and managing risks.

Consider the baby boomer generation. As baby boomers enter or near retirement in today's prolonged low interest rate environment, low fixed-income yields are causing traditional retirement portfolios to generate lower-than-expected income. Increasing allocations to equity is a non-starter because retirees are least able to withstand the equity market volatility we have seen over the last 20 years. Faced with the choice between low yields and higher risk, baby boomers are increasingly in need of an alternative approach: investment products that can generate the needed income in a low-yield environment without the same degree of risk associated with increased equity exposure.

For different reasons, members of Generation X and millennials are also driving the shift away from traditional approaches to asset allocation. Since 1990, when Gen Xers first started to enter the workforce, the S&P 500® has generated average annual returns of over 9.0% and a cumulative return of over 900%. In the 2002 dot-com crash, though, the S&P 500® declined over 47% peak to trough, and in the 2008–2009 financial crisis, the S&P 500® declined by over 54% peak to trough. Those experiences have shaped the way Gen Xers think about investing, making them more cautious about equity markets than one might think given cumulative market returns over the last 25 years.

Like Generation X, millennials are entering their prime income-earning years skeptical about traditional approaches to investing. The 2008–2009 financial crisis and aftermath frame their thinking about investing, as well as their view of financial institutions. Skepticism about markets—together with large amounts of student debt and an uncertain and changing job market—has made millennials particularly risk averse. Studies show affluent millennials hold over 50% of their financial wealth in cash. We believe the experience and needs of Gen Xers and millennials—as has been the case with baby boomers—are driving them away from traditional investment portfolios and, for Gen Xers and millennials in particular, toward investment portfolios and products that emphasize risk management.

In light of these changing attitudes and needs, investors are increasingly looking for something other than a set of traditionally diversified exposures. They are looking for outcomes that meet their financial needs within their risk tolerances. And to generate those outcomes, the financial institutions and advisors who serve them are using a broad array of financial products and investment strategies, from passive products to traditional active products to alternatives and everything in between. As we at Artisan Partners design our next generation of strategies and evolve our existing strategies, we are aligning the strategies with this long-term trend.

Opportunity

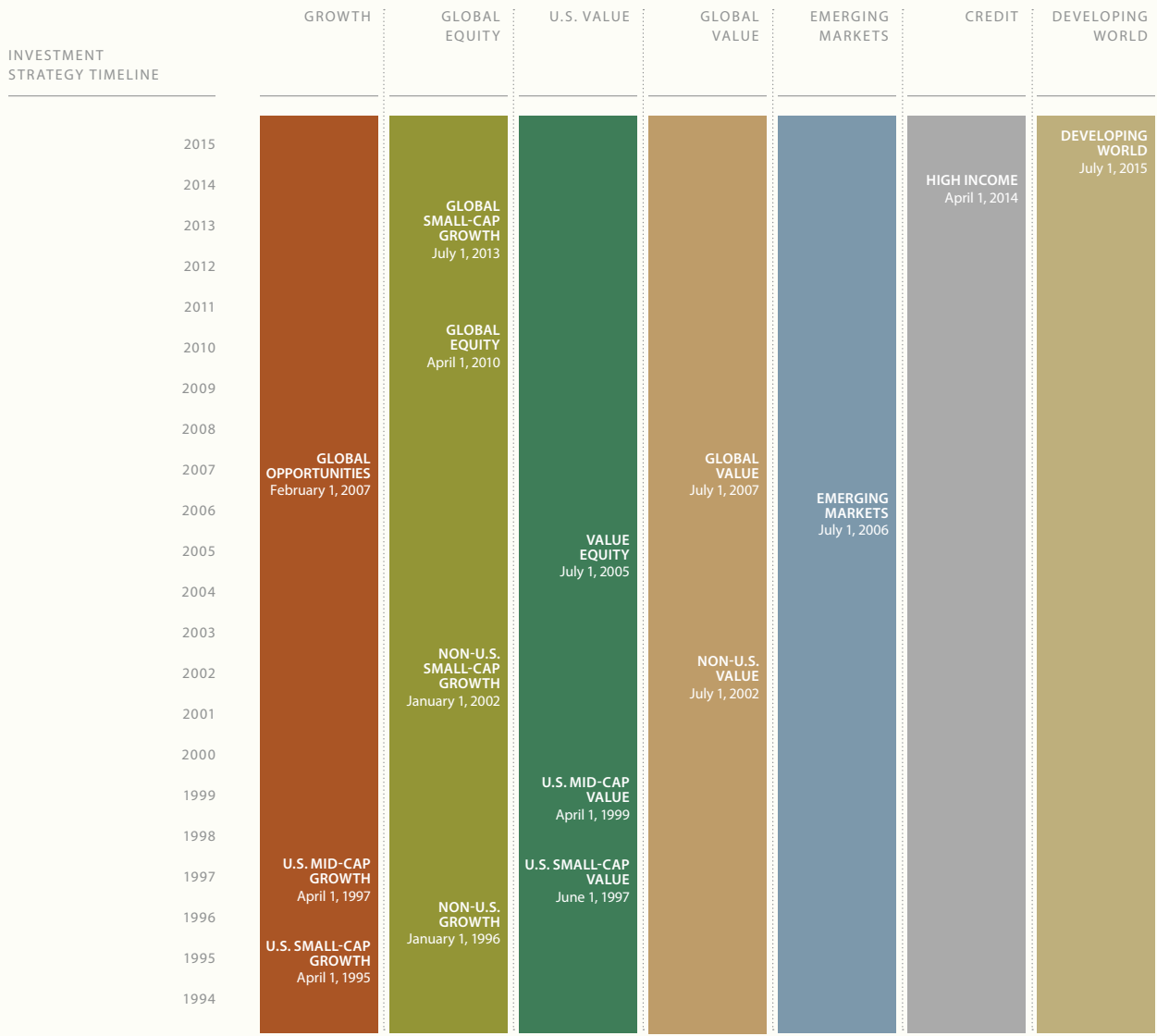
HIGH VALUE-ADDED
STRATEGIES THAT
BRIDGE THE GAP

The use of a broader set of investment products has created obvious opportunities at the tails of the asset allocation diagram on page 5. On the left side of the diagram, demand for passive and factor-based investing has increased. On the right side, the rise in popularity of alternative assets, including hedge funds, real assets and private equity, is reflected.

The products represented on the left side are low-margin, high-volume and distribution-oriented, all of which are inconsistent with our business model. Accordingly, we are not looking to move in that direction. Instead, the emerging opportunity for Artisan Partners is on the right side of the diagram—in particular, in the space represented by the shaded area.

This area identifies the growing demand for high value-added, active strategies that bridge the gap between traditional active strategies and alternative strategies. In this space, investors who are using a broader array of investment products to build outcome- and risk-based portfolios are allocating assets to strategies that give talented managers greater flexibility to act on philosophy and judgment. These newer strategies have broader investment universes and allow for more tools to manage risks and outcomes. We believe both types of approaches—traditional active mandates and more flexible active mandates—have a place in asset allocations, depending on the distinct preferences and risk tolerances of investors.

Our two emerging markets teams provide a relevant example. Our Emerging Markets team, led by portfolio manager Maria Negrete-Gruson, has been employing a traditional active emerging markets strategy for the past decade focusing on companies that are mostly domiciled in emerging countries



and that have unique access to the growth opportunities found in emerging economies. In contrast, our newest strategy managed by Lewis Kaufman, the Developing World strategy, has the flexibility to and does invest significantly in companies domiciled in developed markets but economically tied to emerging markets. Both strategies pursue an emerging markets outcome—returns that reflect emerging markets opportunities and economies—yet implement unique approaches in doing so.

Our High Income strategy, which we launched in 2014, also fits within the theme of increasing flexibility through a broader investment universe. The strategy has the flexibility to invest in a variety of credit instruments, including corporate bonds, bank loans, revolving loans and credit default swaps. This expands the universe of fixed income investments available to our Credit team, so the team has more opportunities to build a differentiated portfolio and generate alpha. While the strategy only has a short-term track record, it has differentiated itself from its index and peers and grown to over \$1 billion in assets.

While the flattening asset allocation curve is creating the new opportunities represented by the shaded area, we believe it also creates long-term opportunities for our more traditional investment strategies. As investors revisit their asset allocations and retool their portfolios, they are taking a fresh look at the traditional strategies they have been using. If those strategies have not been adding value or do not offer differentiated exposure, they are likely to be replaced—often with passive products, but also with better performing traditional strategies or active strategies with greater flexibility, such as global products. That is why we continue to evolve our existing strategies, adding degrees of freedom over time, as clients and investors become more comfortable with allowing our portfolio managers greater investment flexibility.

For example, working with our clients in the Non-U.S. Growth strategy over the last 20 years, we have been moving toward reducing the minimum country count from 20 to 15, increasing the single country maximum from 20% to 30% of portfolio assets, and increasing the maximum exposure to emerging markets from 15% of the portfolio to 35%. Consistent with our commitment to delivering on client expectations and our preference for glacial change, none of these changes alone is dramatic. But over time and together, the changes provide our Global Equity team significantly more flexibility to generate alpha and create a differentiated portfolio.

We have made similar changes to our other more traditional strategies, and we expect to continue to do so as investors and clients become increasingly comfortable with broader mandates. With these types of changes, strong performance track records, differentiated portfolios and (most importantly) our investment talent, I expect our strategies to remain relevant and in demand for years to come.

*We continue to
evolve with long-term
trends in mind.*

Talent Focus

Whether with our more traditional strategies, global strategies or our latest generation strategies, investment talent is and will remain the ultimate determinant of long-term success. This is nothing new. We have always been a talent-driven business because we recognize successful active management will always require talent: experience, insight, hard work and judgment.

In the past, I have used examples from Jim Collins' book *Good to Great* to explain our approach to talent. Collins' "great company" characteristics boil down to the following: leadership with the right people, a culture of discipline, and the hedgehog concept—which adapts an ancient Greek parable contrasting a hedgehog, a methodical character that sticks to what it can do best, with a fox that excels at many things but lacks greatness at any one.

LEADERSHIP WITH THE RIGHT PEOPLE

At Artisan Partners, each of our investment teams is led by one or more portfolio managers with tremendous experience and a tested approach to investment management and leading a successful investment team. Each of our portfolio managers was either the founding portfolio manager of his or her team or has a very long tenure with the team. As such, each portfolio manager has had the opportunity to create and evolve a culture and process that works best for the team. Our autonomous structure gives our portfolio managers the space, independence, resources and time to realize their visions and execute their plans. We recognize great investing requires unique and creative individuals. We want to foster idiosyncrasies, not stifle them.

*Investment talent is the
ultimate determination of
long-term success for our clients,
our investors and our firm.*

A CULTURE
OF DISCIPLINE

Our autonomous team structure and centralized business operations allow our investment teams to maximize their time spent on investing. Our business management supports the investment teams by handling the day-to-day management of the business, allowing each team to focus on applying its unique investment philosophy and process. We do not impose an investment philosophy or process on the teams, nor do we dilute the purity of a team's approach by centralizing research or making investment decisions at the firm level. This structure allows the teams to focus primarily on making investment decisions and generating returns for our clients. When we assess investment performance, though, we are not only focused on the numbers. We always ask whether the investment team has been faithful to its stated investment strategy and process. Integrity of philosophy and process keeps the teams focused on what they do best and results in investment portfolios consistent with client expectations.



THE HEDGEHOG
CONCEPT

The essence of the hedgehog concept is aligning passion, ability and incentives in order to achieve greatness. At Artisan Partners, we look to recruit and retain investment talent that has deeply passionate beliefs about its investment philosophy. We are extremely selective in adding new investment talent. We only add new teams when we believe we have identified a passionate and great investor who will fit well within our high value-added culture. When we find these investors and bring them to Artisan Partners, we provide them with autonomy to retain the purity of the investment philosophy they are so passionate about. We protect their time to maximize the hours they devote to investment decisions. And we align their economic interests with the experience of our clients and shareholders.

Our approach to talent has worked. As of December 31, 2015, the 5-year average annual returns of 8 of our 12 investment strategies with 5-year track records exceeded the returns of the applicable benchmark. Six of those strategies beat their benchmarks on average by over 450 basis points per year during the period. Our Global Opportunities and Global Equity strategies, both of which are open to new clients and investors and have realizable capacity, beat their benchmarks by averages of over 600 and 550 basis points, respectively, over that period. At the end of the year, 6 of our 8 investment strategies with 10-year track records had added value relative to their broad performance benchmarks over that time period. And since inception, 12 of our 15 investment strategies added value relative to their broad performance benchmarks. All of our strategies continue executing their distinct investment processes with integrity.

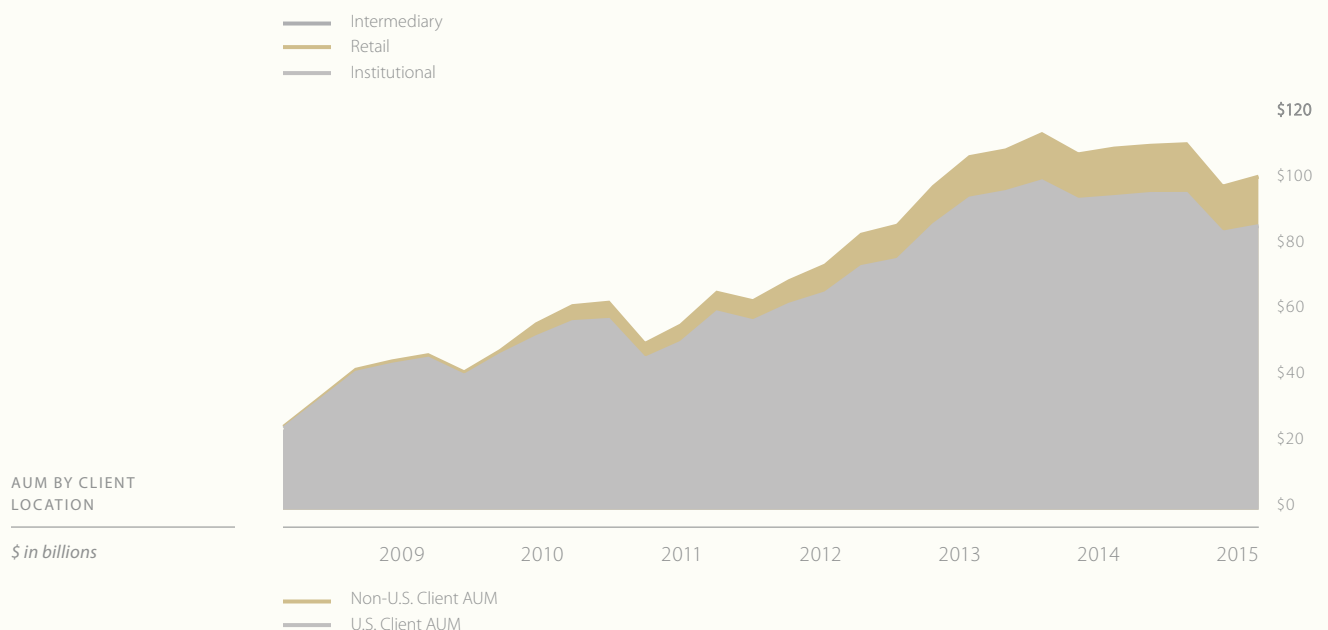
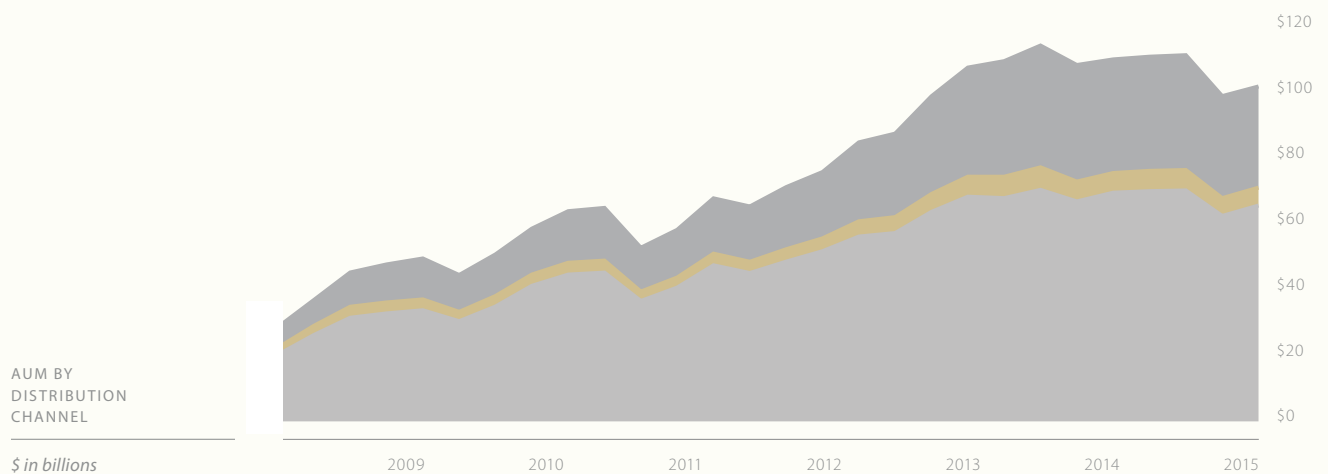
Thoughtful and Patient Growth

If we accurately identify long-term asset allocation trends and continue to provide an environment in which investment talent thrives, we believe long-term growth will follow. We have seen our thoughtful, long-term approach result in growth throughout our history.

For example, over a decade ago we recognized that broker-dealers and other wealth managers were centralizing their research efforts and beginning to operate with institutional-like decision-making processes, which aligned with our targeted distribution model. So we designed a marketing strategy and built out a team to distribute our investment strategies to broker-dealers and other financial intermediaries in a targeted and efficient manner consistent with Who We Are.

Since we began these efforts, AUM sourced through broker-dealers and other financial intermediaries has grown to over \$30 billion at the end of 2015. This has not only grown our business, but also diversified it. I expect our intermediary business channel will continue growing as a percentage of our total business as more 401(k) assets roll over into IRAs, the popularity of fee-based programs grows and wealth management firms continue centralizing their investment decision-making processes.

The growth of our non-U.S. business is the result of a similar strategy. When we began designing and launching our global strategies, we recognized these strategies would be attractive to investors in both the U.S. and abroad. In response, we added distribution personnel in London and eventually launched the Artisan Partners Global Funds to provide our strategies in pooled vehicles to non-U.S. investors. We have continued methodically building out our non-U.S. distribution efforts, adding new offices in Australia and Canada during 2015. At the end of the year, we had over \$14 billion in assets sourced from clients and investors outside of the U.S. Ten years ago that number was just over \$200 million. As with our success in the intermediary channel, our success overseas has grown and diversified our business, and non-U.S. markets remain a significant opportunity for us.



The allocation of AUM by distribution channel involves the use of estimates and the exercise of judgment.

In addition to diversifying our business, we remain committed to managing our capacity and maintaining fee rates consistent with our high value-added approach. We want to grow, but we want to do so thoughtfully. We prioritize our commitment to existing clients and investors over short-term growth. We preserve a strategy's integrity and the investment team's ability to generate alpha by closing strategies when necessary. That approach to capacity management also allows us to maintain our above-average fee rates. The capacity of our products is a scarce resource—so we are careful about the price we are willing to accept to manage assets.

Consistent with these principles, in 2015, we announced plans to close our Non-U.S. Growth strategy in phases over the course of 2016. At the end of the year, six of our other strategies were closed to most new clients and investors. However, our Global Opportunities and Global Equity strategies—both of which have strong long-term track records and are in asset categories we expect will continue growing—are open to new clients and investors. We also continue to see strong early interest in our High Income and Developing World strategies.

At Artisan Partners, we know Who We Are as a firm. Our core competency is high value-added active investment management. As I have described here, we believe investors will continue to demand high value-added actively managed strategies, both traditional strategies and newer outcome- and risk-based strategies. If we continue providing an environment in which talented investors develop unique portfolios in response to long-term demand and deliver alpha, we are confident long-term growth will result. Over extended periods of time, our approach has proven successful for our clients, talent and shareholders. I expect it will continue to do so in the future.

Thank you for your time and interest in our firm.

Sincerely,



Eric Colson
Chief Executive Officer
Artisan Partners



*We consciously
designed an
investment
culture that
allows our
talent to thrive.*



JAMES HAMEL

19

YEARS INVESTMENT
EXPERIENCE

*It is our
fundamental
belief that stocks
follow profits.*



LEVERAGE HIGH
DEGREES OF
EXPERIENCE AND
KNOWLEDGE WITHIN
A DISCIPLINED
INVESTMENT
PROCESS



MATTHEW KAMM

16

YEARS INVESTMENT
EXPERIENCE

*We focus on identifying
companies that possess
franchise characteristics
and are well positioned
for long-term growth.*



Our goal is to invest in companies with franchise characteristics that are benefiting from an accelerating profit cycle and are trading at a discount to our estimate of private market value.

ARTISAN PARTNERS GROWTH TEAM

MILWAUKEE

GLOBAL OPPORTUNITIES
U.S. MID-CAP GROWTH
U.S. SMALL-CAP GROWTH

In many ways, 2015 was a continuation of themes we have been discussing for some time: The world economy is struggling to build momentum, despite years of exceptionally accommodative central bank policies. In a growth-scarce world, we believe investors will seek out companies capable of delivering acceptable rates of growth based on profit catalysts that are not predicated on a vibrant macro environment. In that sense, we believe this remains a reasonable environment for what we do—finding defensible franchises exposed to identifiable, long-term profit cycles that are selling at reasonable valuations.

We continue to believe there are a number of strong secular trends that can play a material role in driving profit cycles for well-positioned franchises in a global macro environment unlikely to quickly ignite into faster growth. These include biopharmaceutical innovation, industrial process innovation, mobile Internet and the rising importance of cloud computing and data analytics, among others.



to us
tically
rowth
r or

However, we will note that 2016 marks the seventh year since the global equity market bottom in 2009. Given where we are in the cycle, we are also seeing considerable opportunities among companies we believe can determine their own destinies, quite independent of the macro environment. These are companies we believe can benefit primarily or additionally from strong internal change catalysts, whether those are new management teams, new product lines, accretive acquisitions or other new strategic initiatives.

In 2015, we also saw ongoing broadening and deepening of our team's talent and decision-making capabilities. As such, early in 2016 we were pleased to announce that Jason White had been named a portfolio manager for all three of the strategies our team manages. Jason joined our team in 2000 and was promoted to associate portfolio manager in 2011, in recognition of the value of his recommendations over the years and our interest to have him broaden his leadership and influence on the portfolios. Jason continues to progress in a positive direction, and this recent promotion reflects that.

Title changes on our team rarely alter our process. Rather, they are a reflection of the natural evolution of our team-building process, which is structured to optimize deep industry and sector expertise while applying the broad knowledge and judgment critical to successful investment decision-making.

ARTISAN PARTNERS GROWTH TEAM STRATEGIES	AVERAGE ANNUAL TOTAL RETURNS (%)					
	1 YR	3 YR	5 YR	10 YR	INCEPTION	
ARTISAN GLOBAL OPPORTUNITIES (INCEPTION: FEBRUARY 1, 2007)	9.12	12.61	12.11	—	9.42	GROSS
	8.18	11.63	11.13	—	8.52	NET
MSCI ALL COUNTRY WORLD INDEX	(2.36)	7.69	6.08	—	3.01	
ARTISAN U.S. MID-CAP GROWTH (INCEPTION: APRIL 1, 1997)	3.44	15.44	13.03	11.11	15.55	GROSS
	2.48	14.38	12.00	10.09	14.48	NET
RUSSELL MIDCAP* INDEX	(2.44)	14.18	11.43	7.99	9.96	
ARTISAN U.S. SMALL-CAP GROWTH (INCEPTION: APRIL 1, 1995)	1.61	13.85	13.76	8.18	9.94	GROSS
	0.60	12.73	12.64	7.13	8.87	NET
RUSSELL 2000* INDEX	(4.41)	11.65	9.18	6.80	8.79	

Source: Artisan Partners, MSCI, Russell as of December 31, 2015. Past performance is not indicative of future results and represents investment composite returns.



CRAIGH CEPUKENAS

27

YEARS INVESTMENT
EXPERIENCE

*We build position
sizes according to
our conviction
in profit cycles.*



TEAM AUM

AS OF 12.31.15

\$24.9
BILLION



JASON WHITE

16

YEARS INVESTMENT
EXPERIENCE

*Broad knowledge to us
means opportunistically
going wherever growth
occurs—any sector or
any geography.*





MARK YOCKEY

35

YEARS INVESTMENT
EXPERIENCE

*For us, sustainability is
incredibly important.
We're looking for
companies that will
grow for a number
of years.*



OUR TEAM COMBINES
THE BENEFITS
OF STRONG
LEADERSHIP WITH
THE CREATIVE IDEAS
OF EXPERIENCED
RESEARCH ANALYSTS



CHARLES-HENRI HAMKER

26

YEARS INVESTMENT
EXPERIENCE

*Our goal is to invest
in well-managed
businesses that
generate strong
earnings and free
cash flow growth.*

Our process blends our pursuit of sustainable growth priced at a reasonable valuation with our thematic approach of identifying global secular trends.

ARTISAN PARTNERS GLOBAL EQUITY TEAM

SAN FRANCISCO | NEW YORK | LONDON | SINGAPORE

GLOBAL EQUITY
GLOBAL SMALL-CAP GROWTH
NON-U.S. GROWTH
NON-U.S. SMALL-CAP GROWTH

The close of 2015 marked the 20-year anniversary of our investment team at Artisan Partners. The past two decades have been a period of industry evolution—marked by the rising impacts of globalization, the rapid growth of emerging markets, the introduction of disruptive technologies—all contributing to a major expansion of the investable universe.

While our investment philosophy and process has remained consistent throughout those 20 years, our team and research capabilities have evolved along with the industry. What began as a small team in San Francisco—close to the heart of Silicon Valley, the home of many global technology and biotech companies—has grown into a 24-person research franchise in four offices globally. Our team today reflects the increasingly global nature of our business—collectively we've lived in 20 different countries, represent eight countries of citizenship and speak eight different languages. Our team is extremely well equipped to identify secular growth trends globally, and to capitalize on those trends by investing in companies best positioned to benefit.

These evolutions led us to launch our global strategies (Global Equity in 2010 and Global Small-Cap Growth in 2013), which were a natural extension of the research process we have had in place since 1995. Even in the early days of our team's history, we researched U.S.-based companies that were competitors or suppliers to the companies we owned in our non-U.S. portfolios. We had detailed



analysis, financial models and management meetings with these companies, even though they were out of scope for our existing non-U.S. portfolios. Over time, as globalization continued to change the investing landscape, it made sense to consider these companies as investment candidates and be able to invest in them within portfolios that offered us that flexibility.

Given the lifecycle of our team's investment strategies, we determined this is a prudent time to begin closing our Non-U.S. Growth strategy in order to protect our ability to generate alpha for existing clients and to preserve capacity for the growth of our Global Equity strategy. While there are many factors that we take into consideration, the most important one in our minds is protecting the integrity of the investment process for our clients. Our goal is to continue adding value for our clients over the long term across all of our strategies and we believe the decision to close the Non-U.S. Growth strategy is in the best interest of our clients and our team.

Stock picking is our passion, and we look forward to scouring the globe in search of new opportunities in the years to come.

ARTISAN PARTNERS GLOBAL EQUITY TEAM STRATEGIES	AVERAGE ANNUAL TOTAL RETURNS (%)					
	1 YR	3 YR	5 YR	10 YR	INCEPTION	
ARTISAN GLOBAL EQUITY (INCEPTION: APRIL 1, 2010)	2.18	11.91	11.65	—	12.44	GROSS
	1.16	10.80	10.55	—	11.33	NET
MSCI ALL COUNTRY WORLD INDEX	(2.36)	7.69	6.08	—	6.90	
ARTISAN GLOBAL SMALL-CAP GROWTH (INCEPTION: JULY 1, 2013)	7.72	—	—	—	6.37	GROSS
	6.65	—	—	—	5.31	NET
MSCI ALL COUNTRY WORLD SMALL CAP INDEX	(1.04)	—	—	—	7.25	
ARTISAN NON-U.S. GROWTH (INCEPTION: JANUARY 1, 1996)	(2.83)	7.70	8.13	6.37	10.60	GROSS
	(3.71)	6.72	7.15	5.40	9.58	NET
MSCI EAFE INDEX	(0.81)	5.01	3.60	3.03	4.42	
ARTISAN NON-U.S. SMALL-CAP GROWTH (INCEPTION: JANUARY 1, 2002)	12.63	9.94	9.24	9.39	14.54	GROSS
	11.24	8.58	7.89	8.04	13.13	NET
MSCI EAFE SMALL CAP INDEX	9.59	10.44	6.32	4.55	10.06	

Source: Artisan Partners and MSCI as of December 31, 2015. Past performance is not indicative of future results and represents investment composite returns.



ANDREW EURETIG

12

YEARS INVESTMENT
EXPERIENCE

*We want to find
companies that do
something unique
for their customers
that cannot be
easily replicated.*



TEAM AUM

AS OF 12.31.15

\$32.4
BILLION





JAMES KIEFFER

27

YEARS INVESTMENT
EXPERIENCE

*Our job is to
buy cash flows
as cheaply and as
safely as we can.*



WE SHARE
A STRONG
COMMITMENT
TO VALUE,
QUALITY AND
RISK CONTROL



GEORGE SERTL

23

YEARS INVESTMENT
EXPERIENCE

*We want the business
on our side, the
balance sheet on our
side and valuation
on our side.*

We seek cash-producing businesses in strong financial condition that are selling at undemanding valuations.

ARTISAN PARTNERS U.S. VALUE TEAM

ATLANTA

VALUE EQUITY
U.S. MID-CAP VALUE
U.S. SMALL-CAP VALUE

As we look back at the market environment in 2015, we think the year was a helpful reminder to investors that markets do not always move in one direction. Markets in general had gone a long time without a major pullback, and we had complained for a long time that too much of the market was fully or fairly valued. But we witnessed a more bifurcated market in 2015, with increasing differentials between sectors and styles.

As bottom-up stock pickers, we value fundamentals and valuation—two things that we believe have had little input into market performance over the past few years. In our view, fundamentals have taken a backseat while momentum carried many names and valuations away from us. The bifurcated market kept rewarding stocks with momentum already behind them and unjustly punishing unpopular stocks beyond what we view as reasonable. The environment was one in which no price was too high to pay in the market for things that were working, and no price was too low for things that were unloved.

We are reminded of the Benjamin Graham quote, “In the short run, the market is a voting machine, but in the long run, it is a weighing machine.” We have stayed true to our philosophy and process despite what we view as irrational market behavior. Our focus remains on identifying companies that meet our strict investment criteria—attractive valuation, sound financial condition and attractive business economics—and we are holding names consistent with that strategy. We have gone toward fear and uncertainty in order to find quality companies selling at undemanding valuations.

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Today, we would say the markets look more compelling to us going into 2016—we believe our portfolios have a good collection of names that have been out of favor for some time. It has been rough getting to this point, but on an absolute and relative basis, forward expectations on many of our holdings are low, and we believe there is a large amount of potential alpha in our holdings. This market has an uncharacteristic tenor to it, so you never know what's going to happen in the short term, but we see a large valuation gap as a result of the bifurcation. Regardless of the market environment, we remain focused on our disciplined approach, which requires a long-term horizon. We sell what is working and buy where there is fear and uncertainty. This discipline is not typically rewarded in the short run or in a momentum market, but makes rational sense to us longer term.

2016 UPDATE

Artisan Partners announced on February 23, 2016, that it will cease managing assets in the Artisan U.S. Small-Cap Value Strategy. In connection with that decision, the board of directors of Artisan Partners Funds approved the merger of Artisan Small Cap Value Fund into Artisan Mid Cap Value Fund, which is expected to close in May 2016. The U.S. Value team will continue to manage the Artisan U.S. Mid-Cap Value and Artisan Value Equity Strategies.

ARTISAN PARTNERS U.S. VALUE TEAM STRATEGIES	AVERAGE ANNUAL TOTAL RETURNS (%)					
	1 YR	3 YR	5 YR	10 YR	INCEPTION	
ARTISAN VALUE EQUITY (INCEPTION: JULY 1, 2005)	(8.30)	7.20	8.52	5.96	6.45	GROSS
	(8.94)	6.46	7.76	5.12	5.60	NET
RUSSELL 1000® INDEX	0.92	15.01	12.44	7.40	7.64	
ARTISAN U.S. MID-CAP VALUE (INCEPTION: APRIL 1, 1999)	(8.77)	8.80	9.34	8.32	12.92	GROSS
	(9.62)	7.80	8.34	7.32	11.85	NET
RUSSELL MIDCAP® INDEX	(2.44)	14.18	11.43	7.99	8.88	
ARTISAN U.S. SMALL-CAP VALUE (INCEPTION: JUNE 1, 1997)	(11.24)	2.32	2.47	5.34	10.60	GROSS
	(12.13)	1.30	1.45	4.32	9.54	NET
RUSSELL 2000® INDEX	(4.41)	11.65	9.18	6.80	7.45	

Source: Artisan Partners and Russell as of December 31, 2015. Past performance is not indicative of future results and represents investment composite returns.



DANIEL KANE

17

YEARS INVESTMENT
EXPERIENCE

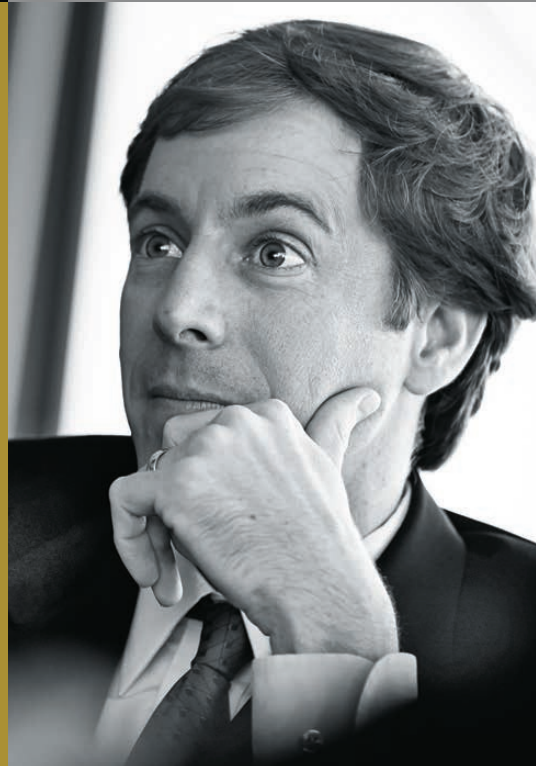
*We tend to go toward
fear and uncertainty
because that pressure
tends to open up
the valuation.*



TEAM AUM

AS OF 12.31.15

\$10.4
BILLION



SCOTT SATTERWHITE

35

YEARS INVESTMENT
EXPERIENCE

*We desire companies
that are trading at a
distinct discount to
underlying worth.*





DAVID SAMRA

23

YEARS INVESTMENT
EXPERIENCE

We want to own high-quality businesses that have sustainable competitive advantages that translate into attractive returns on capital.



OUR TEAM
IS COMPRISED OF
DEEPLY ROOTED
VALUE INVESTORS
WHO HAVE
APPLIED THE SAME
PHILOSOPHY THEIR
ENTIRE CAREERS



DANIEL O'KEEFE

23

YEARS INVESTMENT
EXPERIENCE

Key components to our investment philosophy are valuation discipline, a long-term perspective and a focus on risk management.

Our goal is to invest in high quality, undervalued companies with strong balance sheets and shareholder-oriented management teams.

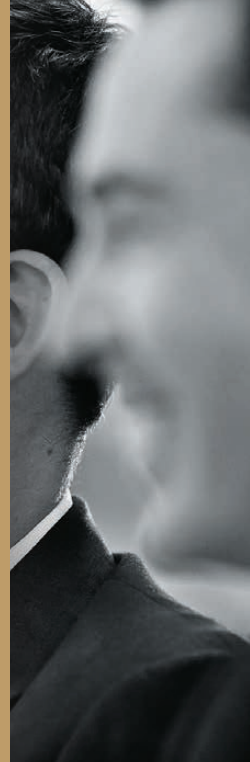
ARTISAN PARTNERS GLOBAL VALUE TEAM

SAN FRANCISCO

GLOBAL VALUE
NON-U.S. VALUE

After several years of increasingly lofty valuations, volatility picked up across global equity markets starting mid-2015. As value investors, we don't fear volatility. We embrace it, as we see it as a sign that some rationality is returning to markets. Volatility also helps open up gaps between long-term intrinsic value and stock prices, giving us opportunities to buy quality businesses at attractive discounts to their intrinsic values. Market momentum over the past few years resulted in larger-than-normal cash balances in our portfolios that we are now deploying into new as well as existing holdings.

As volatility increased and valuations improved, we chose to reopen the Global Value strategy to pooled vehicles in 2015. We closed the Global Value strategy in 2013 and 2014, first to separate accounts and then across all pooled vehicles, to protect the integrity of our investment process and strategy. At that time, attractive performance results generated strong demand, which translated to relatively quick asset growth. When combined with a shrinking set of value-oriented investment opportunities, we felt it was prudent to manage the pace of growth and diversification of assets under management by



closing the strategy. More recently, we have seen a widening of the portfolio's discount to intrinsic value to more reasonable levels, and cash levels are falling from recent highs, prompting us to reopen the strategy.

We were also pleased to announce the promotion of two long-term senior analysts, Ian McGonigle and Justin Bandy, to associate portfolio managers. These promotions reflect our confidence in Ian's and Justin's abilities to further broaden their influence on the strategies we manage, as well as the value they have created for clients since joining our team.

We remain focused on key elements of our process, which we believe serve us well during periods of heightened market turmoil. We continue to seek quality companies with strong balance sheets that are selling at distinct discounts to intrinsic value with shareholder-oriented management teams.

ARTISAN PARTNERS
GLOBAL VALUE TEAM STRATEGIES

AVERAGE ANNUAL TOTAL RETURNS (%)

	1 YR	3 YR	5 YR	10 YR	INCEPTION	
ARTISAN GLOBAL VALUE (INCEPTION: JULY 1, 2007)	(1.83)	11.70	11.66	—	7.64	GROSS
	(2.77)	10.64	10.58	—	6.61	NET
MSCI ALL COUNTRY WORLD INDEX	(2.36)	7.69	6.08	—	2.14	
ARTISAN NON-U.S. VALUE (INCEPTION: JULY 1, 2002)	(0.64)	9.96	9.09	9.25	12.67	GROSS
	(1.56)	8.95	8.09	8.24	11.61	NET
MSCI EAFE INDEX	(0.81)	5.01	3.60	3.03	5.93	

Source: Artisan Partners and MSCI as of December 31, 2015. Past performance is not indicative of future results and represents investment composite returns.



TEAM AUM
AS OF 12.31.15

\$30.2
BILLION





MARIA NEGRETE-GRUSON

24

YEARS INVESTMENT
EXPERIENCE

*We focus on companies
with direct and concentrated
exposure to sustainable
growth trends.*



*OUR TEAM BENEFITS
FROM EXTENSIVE
EMERGING MARKETS
EXPERIENCE, CONTINUITY
OF OUR INVESTMENT
PROFESSIONALS
AND A RIGOROUS
RESEARCH PROCESS*



Our goal is to invest in companies that are uniquely positioned to benefit from the growth potential in emerging markets and that possess a sustainable global competitive advantage.

ARTISAN PARTNERS EMERGING MARKETS TEAM

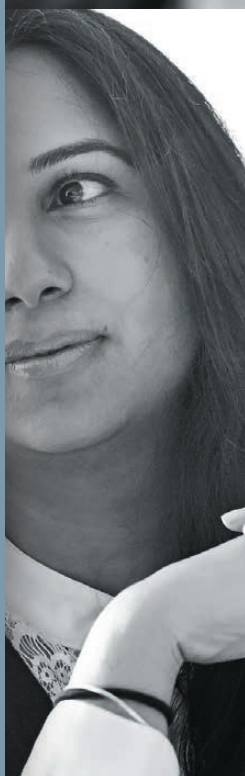
NEW YORK | WILMINGTON

EMERGING MARKETS

As we reflect on the 2015 calendar year, it brings us back to our two core beliefs about investing in emerging markets:

- Emerging markets are growing, and we believe they will continue to provide growth opportunities in excess of developed markets over the long term
- Emerging markets will remain volatile

The second core belief was certainly true of 2015. Emerging markets faced serious structural headwinds during the year, triggering a sharp decline in stock prices, and marked the worst year for emerging markets since 2011. Volatility was driven in large part by economic growth concerns in China, among other economies, the devaluation of the yuan and falling commodity prices. As career investors in emerging markets, we expect this type of macro uncertainty and volatility over time, as economic evolution is never a smooth process.



As bottom-up, fundamental investors, we remain focused on what we can control, which is remaining steadfast to our disciplined investment philosophy. Even in this volatile macro environment, there are several bright spots in both emerging and frontier markets. These are, generally speaking, economies that are either less blighted by private-sector debt or have other reasons to be optimistic about growth. As such, we remain focused on identifying companies with unique access to growth in these markets and sustainable competitive advantages. Emphasizing unique access to growth helps us avoid companies with relatively easy access to general growth that could be fleeting. And we believe sustainable competitive advantages are key to a company's ability to survive in times of crisis—a sustainable competitive advantage might be challenged in weak business cycles but not destroyed.

Regardless of the market environment, our goal is to identify companies that are undervalued relative to their sustainable earnings growth potential. If we do that correctly, we are confident the portfolio will be well positioned to deliver attractive performance results over the long term.

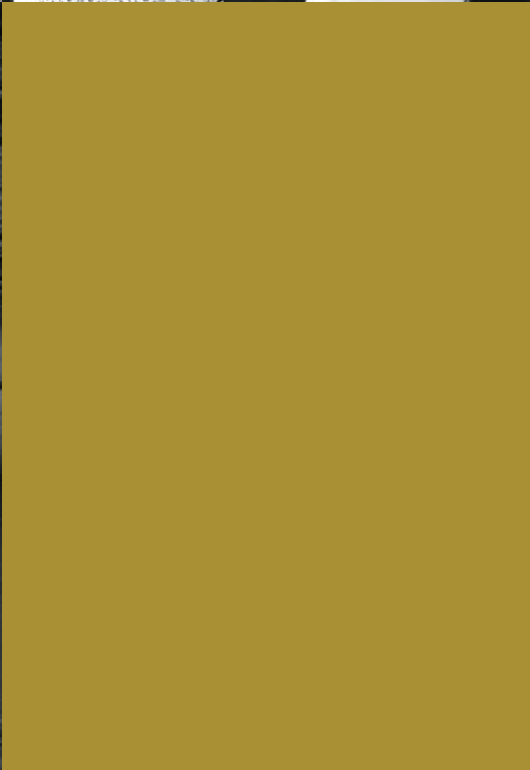
ARTISAN PARTNERS EMERGING MARKETS TEAM STRATEGY	AVERAGE ANNUAL TOTAL RETURNS (%)					
	1 YR	3 YR	5 YR	10 YR	INCEPTION	
ARTISAN EMERGING MARKETS (INCEPTION: JULY 1, 2006)	(10.95)	(5.56)	(6.26)	—	2.82	GROSS
	(11.90)	(6.55)	(7.25)	—	1.75	NET
MSCI EMERGING MARKETS INDEX	(14.92)	(6.76)	(4.80)	—	3.05	

Source: Artisan Partners and MSCI as of December 31, 2015. Past performance is not indicative of future results and represents investment composite returns.



TEAM AUM
AS OF 12.31.15

\$571
MILLION





BRYAN KRUG

15

YEARS INVESTMENT
EXPERIENCE

—

Our ability to invest in debt across the capital structure is a key differentiator of our strategy.



*DEDICATED TO DEEP
FUNDAMENTAL
CREDIT RESEARCH,
WHICH SERVES AS A
FOUNDATION TO OUR
HIGH-CONVICTION
INVESTMENT PROCESS*



Our goal is to invest in issuers with high-quality business models that have compelling risk-adjusted return characteristics.

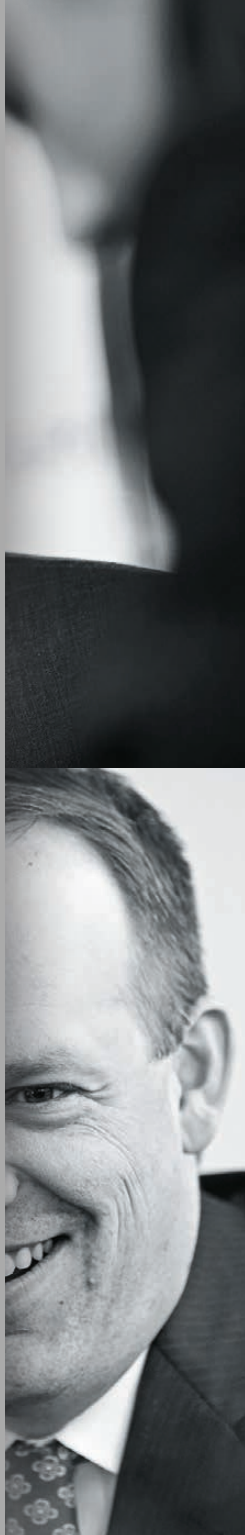
ARTISAN PARTNERS CREDIT TEAM

KANSAS CITY

HIGH INCOME

Weakness in the non-investment grade credit market persisted throughout 2015, leading to the asset class' first calendar-year decline since 2008—and its first negative calendar year in a non-recessionary environment. Over the past 18 months, we have seen a material re-pricing of risk. Yields troughed in June 2014 below 5% and subsequently rose over 400 basis points over the next year and a half. In our view, this has created an expanded opportunity set.

We believe our bottom-up, fundamental strategy is well positioned in this type of environment. In situations where investors must be discriminating and diligent in their efforts to find the right balance of risk and reward, we are confident in the merits of our investment philosophy and process. As we look for value in high-quality businesses in the non-investment grade space, we maintain our approach that is ratings-aware but agnostic. As it happens, lower-rated debt is often where we find the most mispricing of good businesses in the market. We attribute this mispricing to the emphasis rating agencies place on hard assets to the detriment of asset-light businesses that have meaningful intangible assets, such as intellectual property and technology. We rely primarily on our own fundamental research





to determine the creditworthiness of a given company. As a result, we will oftentimes be attracted to businesses that we believe are underrated.

We are attracted to companies with resilient business models and strong competitive positioning that we believe will show profit improvement and financial deleveraging. We seek businesses with recurring revenue and low capital intensity. As an active management team with high degrees of freedom, we believe the disciplined execution of our process will enable us to build a focused portfolio of non-investment grade debt securities that is positioned well regardless of the market environment.

ARTISAN PARTNERS
CREDIT TEAM STRATEGY

AVERAGE ANNUAL TOTAL RETURNS (%)

	1 YR	3 YR	5 YR	10 YR	INCEPTION	
ARTISAN HIGH INCOME (INCEPTION: APRIL 1, 2014)	2.02	—	—	—	2.59	GROSS
	1.28	—	—	—	1.85	NET
BofA MERRILL LYNCH U.S. HIGH YIELD MASTER II INDEX	(4.64)	—	—	—	(2.94)	

Source: Artisan Partners and BofA Merrill Lynch as of December 31, 2015. Past performance is not indicative of future results and represents investment composite returns.



TEAM AUM
AS OF 12.31.15

\$989
MILLION





LEWIS KAUFMAN

16

YEARS INVESTMENT
EXPERIENCE

—

*Our investment
philosophy is built
on the importance
of compounding.*



WE EMPHASIZE
FINANCIALLY
SOUND, FREE CASH
FLOW-GENERATIVE
COMPANIES WITH
BUSINESS MODELS
THAT ARE NOT
PREDICATED ON
FINANCIAL LEVERAGE



We seek to capitalize on opportunities in developing world economies by investing in companies that compound business value over a market cycle, while mitigating the volatility of returns.

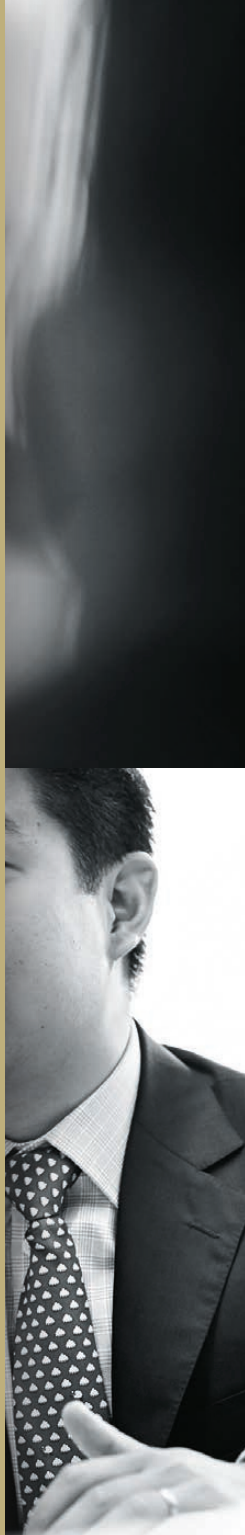
ARTISAN PARTNERS DEVELOPING WORLD TEAM

SAN FRANCISCO

DEVELOPING WORLD

We joined Artisan Partners in February 2015, and launched our first investment strategy—Artisan Developing World Strategy—in July 2015. Our team is based in San Francisco.

Our investment philosophy is predicated on the importance of compounding. At the stock level, that means emphasizing what we call business value compounders. While earnings development can be an important driver of share price performance over time, compounded business value is a more robust concept than earnings. A business value compounder can grow at above-average rates over a market cycle, in part because adverse movements in capital markets or business cycles should not impair underlying business progression. We want to own companies that emerge stronger from weak economic conditions, rather than those that may retrench from their core strategic objectives. We also emphasize companies of a domestic-demand orientation, as we believe low penetration of basic goods and services remains the essence of the emerging markets story.



At the portfolio level, we seek to mitigate the volatility of returns. To this end, we consider multiple dimensions of risk beyond sector and country diversification, such as correlation risk and currency risk. For example, we may target investments that are not perfectly correlated to emerging markets fund flows, or investments in small-cap companies with the potential to transcend broad market movements. We also seek to mitigate currency volatility by emphasizing countries and currencies that are not overly dependent on foreign capital. Notably, we have been focused on incorporating currencies with managed floats but visible imbalances, such as the Chinese renminbi and Saudi Arabian riyal, into this framework.

On balance, we believe our investment approach provides a useful framework for navigating the current environment. Underlying value creation for most companies in the portfolio continues even as capital markets remain volatile and the economic backdrop deteriorates. We would expect share prices to be correlated to underlying business value creation over the medium term.

ARTISAN PARTNERS
DEVELOPING WORLD TEAM STRATEGY

AVERAGE ANNUAL TOTAL RETURNS (%)

	1 YR	3 YR	5 YR	10 YR	INCEPTION	
ARTISAN DEVELOPING WORLD (INCEPTION: JULY 1, 2015)	—	—	—	—	(11.75)	GROSS
	—	—	—	—	(12.23)	NET
MSCI EMERGING MARKETS INDEX	—	—	—	—	(17.35)	

Source: Artisan Partners and MSCI as of December 31, 2015. Returns for periods less than one year are not annualized. Past performance is not indicative of future results and represents investment composite returns.



TEAM AUM
AS OF 12.31.15

\$374
MILLION



*Our financial model
allows us to stay
focused on managing
our business for the
long term.*

Artisan Partners

MANAGEMENT TEAM

Eric Colson

President and Chief Executive Officer

Charles (C.J.) Daley, Jr.

Executive Vice President, Chief Financial Officer and Treasurer

James Hamman, Jr.

Executive Vice President

Sarah Johnson

Executive Vice President, Chief Legal Officer and Secretary

Dean Patenaude

Executive Vice President

Gregory Ramirez

Executive Vice President

BOARD OF DIRECTORS

Eric Colson

Chairman of the Board

Matthew Barger

Independent Director

Seth Brennan

Independent Director

Tench Coxe

Independent Director

Stephanie DiMarco

Independent Director

Jeffrey Joerres

Independent Director

Andrew Ziegler

Lead Director

A R T I S A N



P A R T N E R S