



QUARTERLY MARKET REVIEW

In the fourth quarter of 2017 the global economy continued its steady expansion coupled with low inflation. In the U.S., equities were strong, buoyed by the prospect and eventual passing of tax reform legislation. U.S. interest rates rose by 25 bps. The market has continued to favor risk-on investments, as evident by the strength of the technology sector, emerging markets and growth indices. Risk-off sectors, such as utilities, underperformed.

In the U.S. for the fourth quarter of 2017, the small-mid cap Russell 2500 Growth[®] gained 6.35% while the Large-Cap Russell 1000 Growth[®] gained 7.86% and the Russell 3000 Growth[®] gained 7.61%. In the international equity markets, the MSCI ACWI ND[®] gained 5.73%.

STRATEGY REVIEW

For the fourth quarter of 2017, the SMID-Cap Growth Fund underperformed its benchmark, the Russell 2500 Growth Index. While performance was largely driven by our stock exposure, on a sector level, financials was the largest contributor and information technology was the largest detractor.

Contributors

LendingTree Inc., an online loan marketplace, was a contributor to performance during the quarter. The company reported impressive 3Q results, with revenue up 81% year-over year (YOY). Mortgage and non-mortgage products continued to exceed expectations, with mortgage products up 38% YOY and non-mortgage products up 138% YOY. Given the business's strength thus far, the company increased its full year financial guidance. We believe that LendingTree will not only continue to be a leader in online loan referrals, but will also strengthen its business model by successfully diversifying its product offerings.

Ubiquiti Networks, Inc., a networking equipment company, was a contributor to performance during the quarter. The company reported positive earnings, with revenue of \$245.9mm, or up 20% (YOY). Account receivables and inventories dropped materially during the quarter, driving free cash flow higher. The team is invested in Ubiquiti due to its leading position and growth in the small and midsize business networking equipment market. We further believe that the company is underappreciated by the market given the company's ability to sustain industry leading margins.

Dunkin' Brands Group, Inc., a donut company and coffee house, was a contributor to performance during the quarter. Consumer spending picked up after a soft 3Q with stable to improving comps. Due to the hurricanes, new store openings were lowered by 30 units for the year to 300-320 units from 330-350 units. The company is investing in menu rationalization and logistic software to drive franchise margin expansion, which could then offset rising labor costs. We believe the company is also poised to benefit greatly from a lower corporate tax-rate. We continue to believe there is a large growth opportunity for the company as it opens locations westward and continues to invest in new product offerings.

Detractors

LendingClub Corp., a peer-to-peer lending company, was a detractor from performance during the quarter. The company reported Q3 earnings with a slight revenue miss, but a surprising downward revision of Q4 estimates shortly after taking guidance up on the Q2 earnings call. The company cited short-term adjustment to the credit model and difficult market conditions for lowering guidance. While we believe this is a credibility hit to the management team, we still believe that LendingClub, with its distinct and disruptive business model, is an interesting company in an emerging industry.

Liberty TripAdvisor Holdings Inc., a travel website providing travel advice and planning features, was a detractor from performance during the quarter. Expedia, a TripAdvisor competitor, reported negative earnings, dragging many of the online travel companies down with it. In addition, there remains concerns that Priceline's decision to purchase fewer search listings from TripAdvisor could lead to a less profitable travel search business in the near to intermediate term. Nonetheless, we still believe the company is an undervalued asset due to its ability to attract 415mm interested travelers; we believe the company is worth more than recognized at the current depressed valuation.

Wix.com Ltd., a cloud-based web development platform, was a detractor from performance during the quarter. The company reported a mixed Q3, missing earnings per share (EPS) but beating revenue expectations and raising full-year guidance. Net subscriptions were up 33% year-over-year (YOY) and registered users were up 23% YOY. While operating expenses were on the rise, the company experienced an increase in conversion of free customers to paid subscribers. We believe Wix is well positioned to capture incremental user growth at the expense of competitors due to its superior search engine optimization and third-party reviews. We further believe there is a long-term growth opportunity for the company due in part to the fact that there are over 400mm small and medium businesses, the majority of which have yet to obtain an online presence.

MARKET OUTLOOK

Despite positive absolute returns in the equity market over the past several years, Jackson Square Partners believes that a lack of meaningful volatility combined with tepid investor confidence in the global macroeconomic outlook demonstrates that there are more than just fundamental factors affecting stock prices. Many investors have struggled with accurately predicting the pace of global economic recovery and assessing external factors that threaten economic fundamentals, such as central bank actions and fiscal policy debates across the globe. Nonetheless, absolute equity market returns have been strong since the market bottom in 2009, perhaps driven by asset allocation decision-makers seeking the potential for high returns in a low interest rate environment. The result has been more of an investor focus on equities as an asset class as opposed to a focus on company-specific fundamentals.

More recently, President Trump's surprising victory in 2016 and periodic corresponding market reactions during the first year of his presidency reflect growing investor optimism, at least in the short-term, that potential policy shifts could stimulate economic growth. While there are varying degrees of uncertainty to President's Trump's unconventional style as a head of state and current questions and investigations surrounding his administration may hamper significant policy change in the short term, we are mindful of the potential macroeconomic implications of Trump policy shifts, e.g. economic growth, higher corporate and personal incomes from lower tax rates, etc. We believe it is too early to determine the long term direction or magnitude of such outcomes but we will closely monitor President Trump's tenure with a keen eye on the execution of significant policy shifts.

Nonetheless, regardless of policy outcomes, we remain consistent in our long-term investment philosophy:

We want to own what we view as strong secular-growth companies with solid business models and competitive positions that we believe can grow market share and have the potential to deliver shareholder value in a variety of market environments.

PERFORMANCE as of 12/31/17	Current quarter	YTD	1 year	3 year	5 year	10 year	Since inception	Inception date	Gross expense	Net expense*
JS SMID-Cap Growth Fund Inst. Class**	5.38%	20.35%	20.35%	11.69%	14.97%	12.95%	10.91%	9/16/16	1.00%	0.97%
JS SMID-Cap Growth Fund Inv. Class**	5.24%	19.97%	19.97%	11.38%	14.66%	12.67%	10.63%	9/19/16	1.25%	1.22%
JS SMID-Cap Growth Fund IS Class	5.37%	20.40%	20.40%	11.78%	15.07%	13.06%	11.01%	12/1/03	0.90%	0.87%
Russell 2500® Growth Index	6.35%	24.46%	24.46%	10.88%	15.47%	9.62%	9.89%	12/1/03		

The performance shown represents past performance. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, call 844.577.3863. Performance reflects fee waivers in effect. In the absence of such waiver, returns would be reduced.

* The adviser has contractually agreed to reduce management fees and reimburse operating expenses until 3/28/18. Net expense is what the investor pays.

**Returns shown are for the IS Class shares of the Fund. Pursuant to an Agreement and Plan of Reorganization between Managed Portfolio Series, on behalf of the Fund, and Delaware Pooled Trust on behalf of The Large-Cap Growth Equity Portfolio (the "Predecessor Fund"), the Fund acquired all of the assets and liabilities of the Predecessor Fund in exchange for IS Class shares of the Fund on September 19, 2016 (the "Reorganization"). The IS Class of the Fund had no operations prior to the Reorganization. The Predecessor Fund was a series of Delaware Pooled Trust, a registered open-end investment company. As a result of the Reorganization, the Fund will be the accounting successor of the Predecessor Fund. Prior to September 19, 2016, the Adviser served as sub-adviser to the Predecessor Fund. The IS Class performance has not been restated to reflect any differences in expenses paid by the Predecessor Fund and those paid by the Fund. Performance shown for the periods prior to the inception of the Institutional Class and Investor Class is based on the performance of the IS Class shares, adjusted for the higher expenses applicable to that class.

TOP 10 HOLDINGS

		% of Total Net Assets
LendingTree	Financial Services	5.77
Bio-Techne	Health Care	4.89
Equity Commonwealth - REIT	Financial Services	4.81
Logitech International	Technology	4.59
Dunkin' Brands Group	Consumer Discretionary	4.58
Blackbaud	Technology	4.49
ABIOMED	Health Care	4.28
j2 Global	Utilities	3.88
Affiliated Managers Group	Financial Services	3.78
Graco	Producer Durables	3.66
Total Top Ten Holdings		44.73

List excludes cash and cash equivalents.

IMPORTANT INFORMATION

Unless otherwise noted, the source of statistical information used in this document was FactSet.

The views expressed represent the Manager's assessment of the account and market environment as of 12/31/17 and should not be considered a recommendation to buy, hold, or sell any security, and should not be relied on as research or investment advice. Holdings are as of 12/31/17 and subject to change. Investments in small and/or medium-sized companies typically exhibit greater risk and higher volatility than larger, more established companies. Because this strategy expects to hold a concentrated portfolio of a limited number of securities, the portfolio's risk is increased because each investment has a greater effect on the strategy's overall performance.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contains this and other important information about the investment company and may be obtained by calling 844.577.3863, or by visiting www.jspfunds.com. Read the prospectus carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund. Small- and Mid-capitalization companies tend to have limited liquidity and greater price volatility than large-capitalization companies. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater in emerging and frontier markets. Investments in Real Estate Investment Trusts (REITs) involve additional risks such as declines in the value of real estate and increased susceptibility to adverse economic or regulatory developments.

Earnings growth is not representative of the Fund's future performance.

The Russell 3000® Growth Index measures the growth segment of the U.S. equity universe. It includes those Russell 3000® Index companies with higher growth earning potential, as defined by Russell's leading style methodology. The Russell 2500® Growth Index measures the performance of the SMID-Cap Growth segment of the U.S. equity universe. It includes those Russell 2500® Growth companies with higher price-to-book ratios and higher forecasted growth values. Russell 1000® Growth Index is an unmanaged index that measures the performance of the large-cap growth segment of the U.S. equity universe. The MSCI All Country World Index is a free float-adjusted market capitalization weighted index designed to measure equity market performance across developed markets world-wide. Index "net" return reflects minimum possible dividend reinvestment, after deduction of withholding tax at the highest possible rate. For comparison purposes, the index is fully invested and includes the reinvestment of income. Index returns do not reflect management fees, transaction costs, or expenses. Indices are unmanaged, and one cannot invest directly in an index. Benchmark information contained herein has been obtained from third party sources believed to be reliable, but we cannot guarantee its accuracy or completeness. All third-party marks are the property of their respective owners. The index is unmanaged and one cannot invest directly in it. The S&P 500 Index is a capitalization weighted index of 500 large capitalization stocks which is designed to measure broad domestic securities markets. Nasdaq is a global electronic marketplace for buying and selling securities, as well as the benchmark index for U.S. technology stocks. EBITDA is earnings before interest, tax, depreciation and amortization. Basis points is one hundredth of one percent. Free cash flow (FCF) is a measure of a company's financial performance, calculated as operating cash flow minus capital expenditures. FCF represents the cash that a company is able to generate after spending the money required to maintain or expand its asset base.

Information regarding JSP's policies and procedures for calculating and reporting performance results is available upon request. A complete list and description of composites managed by Jackson Square Partners is available upon request. The above information is not intended and should not be construed as a presentation of information regarding any mutual fund.

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