

Aberdeen U.S. Small Cap Equity Fund (GSXAX | GSXCX | GSCIX)



Morningstar Analyst Rating™ as of April 3, 2017.

Big opportunities in small caps
Second Quarter 2017

In domestic equity investing, large-cap stocks listed on the S&P 500 Index tend to steal headlines. Investors often confine themselves to the larger end of the company scale for perceived reasons of liquidity and volatility. But by navigating into the small-cap end where there's limited analyst coverage, investors can reach more opportunities.

The sweet spot

The below chart shows the average number of Wall Street analysts per stock.



Source: Bloomberg, February 2016. For illustrative purposes only.

Measuring Active Share

Active Share, or how much a manager's portfolio differs from its benchmark index, is measured on a percentage basis from zero to 100.



Source: Morningstar Direct, U.S. Open End Small Growth Category, as of June 30, 2017.

Why small caps?

Nearly 70% of companies listed in the U.S. are small caps. Of these listed small-cap companies, many have substantial inside ownership. This means that company management has a vested interest not just in owning a company but also an interest in growing it. Yet small caps are mostly ignored by Wall Street analysts relative to large caps. This high analyst coverage and abundant research means the market often prices large-cap stocks efficiently; conversely, a lack of coverage and research on small caps leaves room for investors to uncover mispriced opportunities in the small-cap universe.

Big ideas in small caps

Our Aberdeen U.S. Small Cap Equity Fund draws on our bottom-up research process to maximize the benefits of investing in equities by searching across the landscape for the companies that may not be leaders today but could be in the future. Smaller companies can also be attractive candidates for mergers-and-acquisitions (M&A) activity, which has seen a significant surge in recent years. We seek out companies with robust balance sheets and good management teams that lay a solid foundation for a sustainable business model. We believe the current environment presents many opportunities to purchase well-run companies with strong performance records and continued potential for further growth.

Aberdeen's strengths

We use a bottom-up research process, carrying out our own due diligence and never investing without first meeting face-to-face with the management teams of the companies we plan to hold. We see ourselves as owners instead of buyers of a stock. Our portfolio team of 14 experts dig deep and get to know our companies to the core. We also hold a concentrated portfolio of truly small-cap stocks. This means none of our holdings have a market capitalization of more than \$5 billion.

To learn more, visit www.aberdeen-asset.us or call us at (800) 485-2294.

© 2017 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.**

The Morningstar Analyst Rating is not a credit or risk rating. It is a subjective evaluation performed by the manager research analysts of Morningstar. Morningstar evaluates funds based on five key pillars, which are process, performance, people, parent, and price. Analysts use this five pillar evaluation to determine how they believe funds are likely to perform over the long term on a risk-adjusted basis. They consider quantitative and qualitative factors in their research, and the weighting of each pillar may vary. The Analyst Rating scale is Gold, Silver, Bronze, Neutral, Negative. A Morningstar Analyst Rating of Gold, Silver, or Bronze reflect an Analyst's conviction in a fund's prospects for outperformance. Analyst Ratings are continuously monitored and reevaluated at least every 14 months. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to <http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf>

The Morningstar Analyst Rating should not be used as the sole basis in evaluating a mutual fund. Morningstar Analyst Ratings involve unknown risks and uncertainties which may cause Morningstar's expectations not to occur or to differ significantly from what we expected.

NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE



Aberdeen U.S. Small Cap Equity Fund

Net Asset Value (NAV) (A, C, Inst.): \$33.48, \$29.16, \$35.22
 Ticker (A, C, Inst.): GSXAX, GSXCX, GSCIX
 CUSIP (A, C, Inst.): 003020716, 003020682, 003020666
 Morningstar Category: Small Growth
 All information as of June 30, 2017 unless otherwise noted.

Total Returns (%)

	Cumulative as of June 30, 2017			Annualized as of June 30, 2017				Since Inception 11/02/98
	1 Mo	3 Mo	YTD	1Yr	3 Yrs	5 Yrs	10 Yrs	
Class A w/o sales charges	3.75	3.98	1.42	14.03	12.06	17.03	6.24	10.40
Class A with sales charges	-2.22	-2.00	-4.41	7.48	9.87	15.65	5.62	10.05
Institutional Class	3.80	4.05	1.56	14.39	12.42	17.40	6.57	10.70
Russell 2000® Index	3.46	2.46	4.99	24.60	7.36	13.70	6.92	8.64

Annual Calendar Year Returns (%)

	2016	2015	2014	2013	2012	2011	2010	2009
Class A w/o sales charges	23.26	8.29	6.73	42.15	14.07	-6.33	27.72	37.53
Institutional Class	23.68	8.64	7.10	42.52	14.49	-6.02	28.07	37.95
Russell 2000® Index	21.31	-4.41	4.89	38.82	16.35	-4.18	26.85	27.17

PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS. The performance data quoted represents past performance, and current returns may be lower or higher. Class A shares have up to a 5.75% front-end sales charge and a 0.25% 12b-1 fee. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month-end, which may be higher or lower than the performance shown above, please call 866-667-9231 or go to www.aberdeen-asset.us.

Returns prior to 6/23/08 reflect the performance of a predecessor fund. Please consult the Fund's prospectus for more detail. Total returns assume the reinvestment of all distributions. Total returns may reflect a waiver of part of the Fund's fees for certain periods since inception, without which returns would have been lower. Indexes are unmanaged and have been provided for comparison purposes only. No fees or expenses are reflected. You cannot invest directly in an index.

Minimum Initial Investment (A; C; Inst.): \$1,000; \$1,000; \$1,000,000. Gross/Net expense ratio as of most recent prospectus (A; C; Inst.): 1.30%/1.30%; 2.06%/2.06%; 1.05%/1.05%. Annual distributions/ annual capital gains.

Expenses stated as of the Fund's most recent prospectus. All classes of the Fund have contractual waivers in place and may not be terminated before 2/28/18 without approval of the Independent Trustees.

Sector Breakdown vs. Benchmark (%)¹

	Fund	Benchmark	Difference
Industrials	20.0	14.6	5.4
Materials	9.5	4.4	5.1
Consumer Staples	5.5	2.7	2.8
Telecom Services	2.4	0.9	1.6
Consumer Discretionary	11.9	12.4	-0.5
Information Technology	16.0	17.0	-1.1
Energy	2.0	3.6	-1.7
Real Estate	4.0	7.5	-3.4
Financials	14.6	18.2	-3.6
Utilities	0.0	3.7	-3.7
Health Care	10.8	15.0	-4.2
Cash	3.4	0.0	3.4

Top Ten Holdings¹

	% of Portfolio
Beacon Roofing Supply	2.9
Fair Isaac Corporation	2.7
Glacier Bancorp	2.7
Exl Service Holdings	2.6
Littelfuse	2.5
WSFS Financial Corp	2.5
Canadian Western Bank	2.5
Cal-Maine Foods, Inc	2.5
Gibraltar Industries	2.5
Univest Corp of Pennsylvania	2.4
Percent of Portfolio in Top Ten	25.6

Holdings are subject to change and are provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities shown.

Portfolio Characteristics

	Fund	Benchmark
Number of holdings (not including cash)	52	2,008
Weighted average market cap (bn USD)	2.2	2.0
Beta	0.8	1.0
Alpha	6.6	0.0
Standard deviation	12.3	15.2
R-squared	87.2	100.0
Sharpe ratio	1.0	0.5
Active Share (%) ²	95.2	86.1 ³

¹Figures may not sum due to rounding.

²Source: Morningstar, 6/30/17

³Morningstar Small Growth Category

© 2017 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

The beta, alpha, standard deviation and R-squared are based on a 36-month rolling period. Beta is a measure of the volatility of a portfolio in comparison to a benchmark index. Alpha is a measure of performance that takes the volatility of a mutual fund and compares its risk-adjusted performance to a benchmark index. Standard deviation measures historical volatility. R-squared is a statistical measurement that determines the proportion of a fund's return that can be explained by variations in the market, as measured by a benchmark index. Sharpe ratio measures risk-adjusted performance. Active share is a holdings-based measure of active management representing the percentage of a portfolio that differs from a benchmark index. A vehicle with an Active Share of 0 would hold exactly the same portfolio as the benchmark index, while a vehicle with an Active Share of 100 would have no holdings in common with the benchmark.

Investors should carefully consider a fund's investment objectives, risks, fees, charges and expenses before investing any money.

To obtain this and other fund information, please call 866-667-9231 to request a summary prospectus and/or prospectus, or download at www.aberdeen-asset.us. Please read the summary prospectus and/or prospectus carefully before investing any money.

Aberdeen Funds and Aberdeen Investment Funds are distributed by Aberdeen Fund Distributors LLC, Member FINRA and SIPC. 1735 Market Street, 32nd Floor, Philadelphia, PA 19103. "Aberdeen" is a U.S. registered service mark of Aberdeen Asset Management PLC.

NOT FDIC INSURED	NO BANK GUARANTEE	MAY LOSE VALUE
------------------	-------------------	----------------

Objective

The Fund seeks long-term capital appreciation.

Strategy

The Fund invests in equities of U.S. small-cap companies. We look for companies with sound or improving prospects and supportive valuations and hold them for the long term. Our fundamental, bottom-up investment approach is based on a rigorous and disciplined proprietary research effort.

Total Net Assets (all share classes)

\$1,893.82 million

Portfolio Management

Aberdeen North American Equity Team

Risk Considerations

Equity securities of small-cap companies generally carry greater risk and more volatility, and may be more illiquid, than equity securities of larger, more established companies.

Please read the prospectus for more detailed information regarding these and other risks.

Overall Morningstar Rating™: ★★★★★

Institutional class shares rated 4 overall stars by Morningstar among 599 US Fund Small Growth funds for the period ended 6/30/17 based on risk-adjusted performance.

For the 3-, 5- and 10-year periods, respectively, the Fund was rated 5, 5 and 2 stars among 599, 533, and 398 funds in the US Fund Small Growth funds category for the time period 6/30/17. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. **PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.**