



VILLX & VLEQX

ANNUAL REPORT AUGUST 31, 2018

On the cover: The American Oystercatcher, an endangered shorebird native to the Gulf Coast.

Spotting a rare species is like finding the right stock. It takes patience, knowing the field, and sticking to it. At Villere & Co., we take an independent, bottom-up research approach to uncover compelling opportunities that may be overlooked by others. We consistently apply a disciplined, proven process that has been refined over decades and tested in virtually every market environment. Learn more at villere.com.

Villere Funds

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Villere Funds

August 31, 2018

To Our Fellow Shareholders:

The strong performance of stocks across the board in 2017 continued into January of 2018 as economic momentum remained robust. During this time, large-cap stocks outperformed small-caps, growth beat value, and investors continued to prefer equities over bonds.

In February, after a prolonged period of low volatility and a series of record highs for the stock market, we abruptly saw a return of volatility. In fact, through January, the S&P 500[®] Total Return Index had gone 15 months without a loss, which is the longest such streak in history. Investors became concerned about higher inflation, and the possibility that borrowing costs and interest rates would spike more than expected this year, threatening to slow growth for both the economy and stocks. February was a turbulent month for the market, including its first correction – defined as a drop of 10% or more – in two years. Following a short resurgence, stocks continued to fall in March.

Led by technology and small-cap stocks, all the major equity market indexes bounced back and rose in the final five months of the reporting period ended August 31, 2018. The reversal of market leadership that has occurred in 2018 was aided by a number of factors. These include 1) attractive valuations in small- and medium-size stocks, 2) the relative strength of the U.S. economy, 3) tax cuts that have benefited smaller domestic companies as they generally pay higher taxes than their comparable larger companies, and 4) trade tensions favoring smaller U.S. companies as they have less overseas exposure.

Villere Funds

Villere Balanced Fund Results

Against that backdrop, the Villere Balanced Fund (the “Balanced Fund”) gained 18.67% during the 12-month period ended August 31, 2018. In comparison, the Balanced Fund’s benchmark – the Lipper Balanced Funds Index – was up 8.41%. While the S&P 500[®] Total Return Index increased 19.66% during the period, stock selection helped the Balanced Fund perform well during the period.

At Villere & Co., we are long-term investors and it is worth noting that the Balanced Fund’s 10-year and since inception returns were 9.46% and 8.23%, respectively, outpacing the long-term results of the Lipper Balanced Funds Index benchmark returns of 6.87% and 5.58%, respectively.

Average Total Returns for Periods Ending 8/31/18	6 Mos.*	1 Year	5 Years	10 Years	Since Inception 9/30/99
Balanced Fund	10.81%	18.67%	5.96%	9.46%	8.23%
Bloomberg Barclays Intermediate Government/Credit Bond Index	0.99%	-1.01%	1.76%	3.05%	4.31%
Lipper Balanced Funds Index	3.38%	8.41%	7.95%	6.87%	5.58%
S&P 500 [®] Total Return Index	7.96%	19.66%	14.52%	10.86%	6.44%

* Returns are not annualized.

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance of the Balanced Fund may be lower or higher than the performance quoted. Current performance data for the most recent month end may be obtained by visiting www.villere.com. As of the most recent prospectus, the gross expense ratio for the Balanced Fund was 0.94%.

Villere Funds

Villere Equity Fund Results

The Villere Equity Fund (the “Equity Fund”) gained 23.59% during the 12-month period ended August 31, 2018. In comparison, the Equity Fund’s benchmarks – the Lipper Mid-Cap Growth Funds Index and the S&P 500® Total Return Index – were up 25.84% and 19.66%, respectively, during the period.

Average Total Returns for Periods Ending 8/31/18	6 Mos.*	1 Year	5 Years	Since Inception 5/31/13
Equity Fund	13.57%	23.59%	5.38%	5.69%
Lipper Mid-Cap Growth Funds Index	13.07%	25.84%	13.63%	13.73%
S&P 500® Total Return Index	7.96%	19.66%	14.52%	13.93%

* Returns are not annualized.

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance of the Equity Fund may be lower or higher than the performance quoted. Current performance data for the most recent month end may be obtained by visiting www.villere.com. As of the most recent prospectus, the gross expense ratio for the Equity Fund was 1.26%. The Fund imposes a 2.00% redemption fee on shares held for less than 60 days.

Inside the Portfolios – Equity

Bottom-up company research and stock selection continue to be central to our process and strategy. Top contributors to performance for both Funds during the 12-month reporting period ended August 31, 2018, included Axon Enterprise, Inc. (“Axon”), 2U, Inc. (“2U”), and POOLCORP (“Pool”).

Axon (formerly Taser International) makes some of the most indispensable products in law enforcement, providing Taser non-lethal weapons and Axon body-worn and car-based cameras around the world. Axon stock was up 214.1% for the 12-month period as long-term initiatives and aggressive investments began to pay off.

2U works with major universities to create online graduate degree programs, providing systems and logistical support. 2U is at the forefront of this growing business, partnering with universities such as Yale, Harvard, New York University, Georgetown, and USC. 2U also announced its first international graduate program, an MBA with University College London. 2U gained 79.0% during the period.

Villere Funds

With more than 3,400 employees and over 300 locations worldwide, Pool leads the pack as the world's largest wholesale distributor of swimming pool supplies, equipment and related leisure products. Pool also distributes irrigation and landscape products in the United States. With solid revenue growth and earnings topping the consensus estimates, the stock gained 64.9% over the 12 months.

Detractors from performance this reporting period for both Funds included Western Digital Corp. ("Western Digital"), Acuity Brands, Inc. ("Acuity"), and Euronet Worldwide, Inc. ("Euronet Worldwide").

Western Digital is a computer data storage company and one of the largest computer hard disk drive manufacturers in the world. The stock fell sharply in the second half of the reporting period as concerns about memory pricing weighed on investors' minds. The stock declined 28.4% for the 12-month period ended August 31, 2018. However, we believe that Western Digital should benefit from the growth in enterprise cloud services and trends like the Internet of Things.

Acuity is a provider of lighting solutions. Although Acuity is still very profitable and well-positioned to benefit from investments in higher efficiency and better controls in the lighting industry, shares fell 25.7% after reporting weaker than expected results. As Chinese competition continued to worsen, we sold our position.

Euronet Worldwide is an industry leader in providing secure electronic financial transaction solutions. The company operates one of the largest independent ATM networks in Europe, and is the world's largest payment network for prepaid mobile top-up and the third-largest global money transfer company. Despite solid results, the stock fell in the first half of the reporting period due to regulatory concerns and uncertainty around an acquisition, but rebounded in the second half and gained 0.1% for the year.

During the reporting period, we exited our position in Skyworks Solutions, Inc. ("Skyworks") and added Cypress Semiconductors Corp. ("Cypress"). The Skyworks stock had increased significantly, while Cypress had stayed relatively reasonably priced, presenting an opportunity for us to make a lateral move into another semiconductor name.

The buyout of Financial Engines, Inc. by private equity firm Hellman & Friedman was completed in July. The stock had risen sharply after the announcement and we sold this long-term portfolio holding.

Villere Funds

In addition, we sold Luminex Corp., Gulfport Energy Corp. and, as mentioned earlier, Acuity in both Funds. We purchased The Progressive Corp., Weight Watchers International, Inc., and WABCO Holdings. We added Ebix, Inc. and First Hawaiian, Inc. in the Balanced Fund, stocks which are already held in the Equity Fund. We also trimmed our positions in a few of our top performers, including Axon and 2U.

Asset Allocation – Villere Balanced Fund

At 18.2%, the fixed income exposure in the Balanced Fund remains near the low end of its target as we anticipate that the Federal Reserve will continue to raise interest rates. The Balanced Fund's fixed income allocation is primarily designed to help temper potential downside risk, with 90% of the fixed income portfolio invested in investment-grade bonds and up to 10% in below investment-grade bonds to add potential for additional yield and return.

The Balanced Fund's allocation to stocks was at 70.5% at the end of August. The remaining allocation was in cash, at 11.3%, which we look to deploy as opportunities arise.

Strategy & Outlook

Our outlook for small- and mid-cap stocks remains moderately constructive. Although the stock market is always dependent on the economy, all signs point to continued U.S. economic growth as we have low inflation, low interest rates, low unemployment, higher savings rates, and optimistic consumers who are spending money on homes and cars. Small-cap stocks are benefiting from the larger domestic revenue exposure, which makes them less exposed to currency headwinds and the threat of a trade war. We believe that corporate earnings will have the biggest impact on the direction of the stock market for the remainder of the year.

Stock market returns have always been lumpy. They include periods when stocks have gone nowhere, and periods with large losses or gains. We believe that high market volatility will likely continue, and it may be a bumpier ride for investors going forward.

There are attractive stocks out there, but they are getting harder to find and risks are elevated in the later stage of a bull market. However, while the market does seem to be pricey, there are always hiccups in company valuations as a result of a corporate earnings miss, management dislocation, unique events, etc. Our job is to discern whether these are temporary, which may allow us to take advantage of the market's valuation, or if the problems

Villere Funds

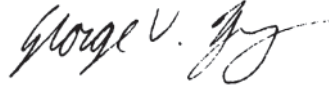
are inherent and indicative of a long-term, insurmountable problem. Given the prospects of more uncertainty and volatility, we will continue to run our selective, disciplined investment process that has served us well in the past.

Thank you for your continued support and confidence in the Villere Funds.

Sincerely,



St. Denis J. Villere II



George V. Young



St. Denis J. Villere III



Lamar G. Villere, CFA

Villere Funds

Footnotes:

The opinions expressed above are those of St. Denis J. Villere II, George V. Young, St. Denis J. Villere III, and Lamar G. Villere and are subject to change, are not guaranteed and should not be considered recommendations to buy or sell any security.

Please refer to the Schedules of Investments in the report for more complete information regarding Fund holdings. Fund holdings and sector allocations are subject to change and should not be considered a recommendation to buy or sell any security.

Any tax or legal information provided is merely a summary of our understanding and interpretation of some of the current income tax regulations and is not exhaustive. Investors must consult their tax adviser or legal counsel for advice and information concerning their situation. Neither the Funds nor any of its representatives may give legal or tax advice.

The Lipper Balanced Funds Index is an equally weighted performance index of the largest qualifying funds in the Lipper category. The Lipper Mid-Cap Growth Funds Index invests at least 75% of their equity assets in companies with market capitalizations (on a three-year weighted basis) below Lipper's large-cap floor. These indices are unmanaged and returns include reinvested dividends. The S&P 500[®] Total Return Index is an unmanaged index that is widely regarded as the standard for measuring large-cap U.S. stock market performance. The Bloomberg Barclays Intermediate Government/Credit Bond Index measures the performance of the U.S. dollar-denominated U.S. Treasuries, government-related and investment-grade credit securities that have a remaining maturity of greater than or equal to 1 year or less than 10 years.

It is not possible to invest directly in an index.

Mutual fund investing involves risk; loss of principal is possible. Investments in smaller and medium sized companies involve additional risks such as limited liquidity and greater volatility. The Balanced Fund will invest in debt securities. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in lower rated and non-rated securities present a great risk of loss to principal and interest than higher rated securities. The Equity Fund may invest in foreign securities. Foreign investments involve additional risks, including currency fluctuation, political and economic instability, lack of liquidity and differing legal and accounting standards. These risks are magnified in emerging markets. The Equity Fund's ability to invest in initial public offerings (IPOs) involves a higher degree of risk than more seasoned companies.

Past performance is not indicative of future results.

While the Funds are no-load, advisory & other expenses still apply. Please refer to the Prospectus for more information.

Must be preceded or accompanied by a current prospectus.

The Funds are distributed by Quasar Distributors, LLC.

Villere Funds

SECTOR ALLOCATIONS at August 31, 2018 (Unaudited)

Balanced Fund

Sector Allocation	Percent of Net Assets
General Manufacturing	17.9%
Finance	16.9%
Money Market Funds ¹	13.2%
Mining	7.6%
Professional, Scientific & Technical Services	7.5%
Transportation & Warehousing	6.7%
Computer & Electronic Products	6.1%
Health Care Equipment Manufacturing	4.7%
Food Manufacturing	4.2%
Information	3.8%
Real Estate, Rental & Leasing	3.7%
Insurance	3.6%
Personal Services	3.2%
Utilities	2.2%
Wholesale Trade	0.3%
General Merchandise Store	0.2%
Liabilities in Excess of Other Assets	(1.8)%
Total	100.0%

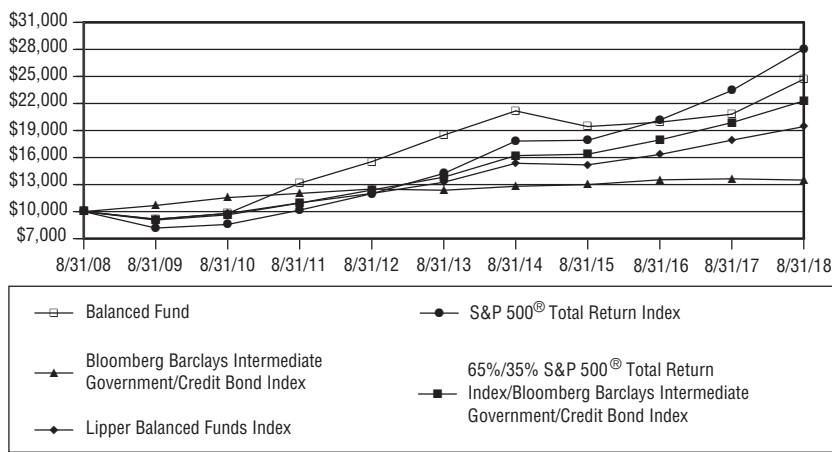
Equity Fund

Sector Allocation	Percent of Net Assets
General Manufacturing	18.6%
Finance	18.3%
Money Market Funds ¹	13.8%
Transportation & Warehousing	8.7%
Computer & Electronic Products	8.5%
Professional, Scientific & Technical Services	7.8%
Health Care Equipment Manufacturing	6.0%
Insurance	4.7%
Real Estate, Rental & Leasing	4.4%
Personal Services	4.3%
Mining	4.2%
Furniture Manufacturing	3.2%
Liabilities in Excess of Other Assets	(2.5)%
Total	100.0%

¹ Includes short-term investments and investments purchased with cash proceeds from securities lending.

Balanced Fund

Hypothetical Value of \$10,000 vs Bloomberg Barclays Intermediate Government/Credit Bond Index, Lipper Balanced Funds Index, S&P 500® Total Return Index and Blended 65%/35% S&P 500® Total Return Index/
Bloomberg Barclays Capital Intermediate Government/Credit Bond Index
(Unaudited)



Average Annual Total Returns as of August 31, 2018

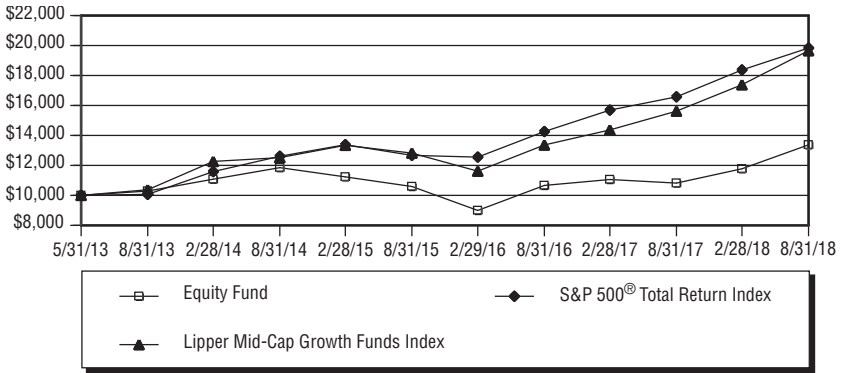
	One Year	Five Year	Ten Year	Value of \$10,000 (8/31/18)
Balanced Fund	18.67%	5.96%	9.46%	\$24,695
Bloomberg Barclays Intermediate Government/Credit Bond Index	-1.01%	1.76%	3.05%	\$13,500
Lipper Balanced Funds Index	8.41%	7.95%	6.87%	\$19,432
S&P 500® Total Return Index	19.66%	14.52%	10.86%	\$28,044
65%/35% S&P 500® Total Return Index/ Bloomberg Barclays Intermediate Government/Credit Bond Index	12.11%	10.02%	8.34%	\$22,281

This chart illustrates the performance of a hypothetical \$10,000 investment made on August 31, 2008, and is not intended to imply any future performance. Investment returns reflect fee waivers in effect. In the absence of such waivers, total return would be reduced. The returns shown do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemptions of fund shares. The chart assumes reinvestment of capital gains, dividends, and return of capital, if applicable, for the Fund and dividends for an index.

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Current performance data to the most recent month end may be obtained by visiting www.villere.com.

Equity Fund

Hypothetical Value of \$10,000 vs S&P 500® Total Return Index,
Lipper Mid-Cap Growth Funds Index and Russell 2000 Total Return Index
(Unaudited)



Average Annual Total Returns as of August 31, 2018

	One Year	Five Year	Since Inception	Value of \$10,000 (8/31/18)
Equity Fund	23.59%	5.38%	5.69%	\$13,372
Lipper Mid-Cap Growth Funds Index	25.84%	13.63%	13.73%	\$19,655
S&P 500® Total Return Index	19.66%	14.52%	13.93%	\$19,834

This chart illustrates the performance of a hypothetical \$10,000 investment made on May 31, 2013, (the Fund's inception) and is not intended to imply any future performance. Investment returns reflect fee waivers in effect. In the absence of such waivers, total return would be reduced. The returns shown do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemptions of fund shares. The chart assumes reinvestment of capital gains, dividends, and return of capital, if applicable, for a Fund and dividends for an index.

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Current performance data to the most recent month end may be obtained by visiting www.villere.com.

Balanced Fund

SCHEDULE OF INVESTMENTS at August 31, 2018

Shares	Value	Shares	Value
COMMON STOCKS: 70.4%		Oil & Gas Extraction: 3.0%	
Computer & Electronic Products: 6.0%		207,700	Apache Corp. \$ 9,103,491
583,200	Cypress Semiconductor Corp. \$ 10,036,872	Personal Services: 3.2%	
125,350	Western Digital Corp. 7,927,134	126,850	Weight Watchers International, Inc. ¹ 9,501,065
	17,964,006	Professional, Scientific & Technical Services: 5.9%	
Credit Intermediation: 16.6%		103,196	2U, Inc. ¹ 9,221,595
134,750	Euronet Worldwide, Inc. ¹ 13,178,550	107,250	Ebix, Inc. ² 8,542,462
314,086	First Hawaiian, Inc. 9,105,353		17,764,057
753,704	Kearny Financial Corp. ³ 10,325,745	Rail Transportation: 3.0%	
117,410	Visa, Inc. – Class A 17,246,355	104,000	Genesee & Wyoming, Inc. – Class A ¹ 9,140,560
	49,856,003	Real Estate: 3.7%	
Electrical Equipment & Appliance Manufacturing: 2.8%		85,552	The Howard Hughes Corp. ¹ 11,153,414
121,182	Axon Enterprise, Inc. ¹ 8,271,884	Sporting & Recreation Goods: 4.8%	
Furniture Manufacturing: 3.2%		87,697	Pool Corp. 14,405,109
207,916	Leggett & Platt, Inc. 9,447,703	Transportation Equipment Manufacturing: 3.1%	
Health Care Equipment Manufacturing: 4.7%		74,790	WABCO Holdings, Inc. ¹ 9,205,153
121,960	STERIS PLC 13,954,663	TOTAL COMMON STOCKS	
Insurance Carriers & Related Activities: 3.6%		(Cost \$159,544,039) 210,953,905	
158,900	The Progressive Corp. 10,730,517	Principal Amount	
Machinery: 3.3%		CORPORATE BONDS: 18.2%	
486,320	3D Systems Corp. ^{1,2} 9,896,612	Air Transportation: 0.6%	
Merchant Wholesalers & Durable Goods: 3.5%			PHI, Inc., 5.250%, 3/15/19 1,673,160
305,900	LKQ Corp. ¹ 10,559,668	Commercial Finance: 0.2%	
		500,000	John Deere Capital Corp., 2.250%, 4/17/19 498,754

The accompanying notes are an integral part of these financial statements.

Balanced Fund

SCHEDULE OF INVESTMENTS at August 31, 2018 (Continued)

Shares	Value
SHORT-TERM	
INVESTMENTS: 11.2%	
Money Market Funds: 11.2%	
33,671,476 Invesco	
Short-Term	
Government &	
Agency	
Portfolio –	
Institutional	
Class, 1.850% ⁴	\$ 33,671,476
TOTAL SHORT-TERM	
INVESTMENTS	
(Cost \$33,671,476)	<u>33,671,476</u>

Shares	Value
INVESTMENTS PURCHASED	
WITH CASH PROCEEDS	
FROM SECURITIES	
LENDING: 2.0%	
Money Market Funds: 2.0%	
5,901,902 First American	
Government	
Obligations	
Fund – Class Z,	
1.800% ⁴	\$ 5,901,902
TOTAL INVESTMENTS	
PURCHASED WITH	
CASH PROCEEDS	
FROM SECURITIES	
LENDING	
(Cost \$5,901,902)	<u>5,901,902</u>
TOTAL INVESTMENTS	
IN SECURITIES: 101.8%	
(Cost \$256,187,541)	304,870,090
Liabilities in Excess of	
Other Assets: (1.8)%	<u>(5,247,655)</u>
TOTAL NET	
ASSETS: 100.0%	<u><u>\$299,622,435</u></u>

¹ Non-income producing security.

² This security or a portion of this security was out on loan as of August 31, 2018. Total loaned securities had a value of \$5,676,540 or 1.9% of net assets. The remaining contractual maturity of all of the securities lending transactions is overnight and continuous. See Note 4.

³ A portion of this security is illiquid. As of August 31, 2018, the value of illiquid securities was \$10,325,745 or 3.4% of net assets. See Note 2H.

⁴ Seven-day yield as of August 31, 2018.

The accompanying notes are an integral part of these financial statements.

Equity Fund

SCHEDULE OF INVESTMENTS at August 31, 2018

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
COMMON STOCKS: 88.7%		Oil & Gas Extraction: 4.2%	
Computer & Electronic Products: 8.5%		40,400	Apache Corp. \$ 1,770,732
105,600	Cypress Semiconductor Corp. \$ 1,817,376	Personal Services: 4.3%	
27,970	Western Digital Corp. <u>1,768,823</u>	24,070	Weight Watchers International, Inc. ¹ <u>1,802,843</u>
	<u>3,586,199</u>	Professional, Scientific & Technical Services: 7.8%	
Credit Intermediation: 18.3%		18,250	2U, Inc. ¹ 1,630,820
21,700	Euronet Worldwide, Inc. ¹ 2,122,260	20,800	Ebix, Inc. <u>1,656,720</u>
53,700	First Hawaiian, Inc. 1,556,763		<u>3,287,540</u>
94,900	Kearny Financial Corp. ³ 1,300,130	Rail Transportation: 5.1%	
18,580	Visa, Inc. – Class A <u>2,729,216</u>	24,508	Genesee & Wyoming, Inc. – Class A ¹ <u>2,154,008</u>
	<u>7,708,369</u>	Real Estate: 4.4%	
Electrical Equipment & Appliance Manufacturing: 3.7%		14,230	The Howard Hughes Corp. ¹ <u>1,855,165</u>
22,480	Axon Enterprise, Inc. ¹ <u>1,534,485</u>	Sporting & Recreation Goods: 6.1%	
Furniture Manufacturing: 3.2%		15,550	Pool Corp. <u>2,554,243</u>
29,700	Leggett & Platt, Inc. <u>1,349,568</u>	Transportation Equipment Manufacturing: 3.6%	
Health Care Equipment Manufacturing: 6.0%		12,145	WABCO Holdings, Inc. ¹ <u>1,494,807</u>
21,850	STERIS PLC <u>2,500,077</u>	TOTAL COMMON STOCKS	
Insurance Carriers & Related Activities: 4.7%		(Cost \$28,499,785) <u>37,304,587</u>	
29,500	The Progressive Corp. <u>1,992,135</u>	SHORT-TERM INVESTMENTS: 11.4%	
Machinery: 4.4%		Money Market Funds: 11.4%	
90,756	3D Systems Corp. ^{1, 2} <u>1,846,884</u>	4,790,903	Invesco Short-Term Government & Agency Portfolio – Institutional Class, 1.850% ⁴ <u>4,790,903</u>
Merchant Wholesalers & Durable Goods: 4.4%		TOTAL SHORT-TERM INVESTMENTS	
54,100	LKQ Corp. ¹ <u>1,867,532</u>	(Cost \$4,790,903) <u>4,790,903</u>	

The accompanying notes are an integral part of these financial statements.

Equity Fund

SCHEDULE OF INVESTMENTS at August 31, 2018 (Continued)

<u>Shares</u>	<u>Value</u>
INVESTMENTS PURCHASED WITH CASH PROCEEDS FROM SECURITIES LENDING: 2.4%	
Money Market Funds: 2.4%	
1,020,003 First American Government Obligations Fund – Class Z, 1.800% ⁴	<u>\$ 1,020,003</u>
TOTAL INVESTMENTS PURCHASED WITH CASH PROCEEDS FROM SECURITIES LENDING	
(Cost \$1,020,003)	<u>1,020,003</u>
TOTAL INVESTMENTS IN SECURITIES: 102.5%	
(Cost \$34,310,691)	43,115,493
Liabilities in Excess of	
Other Assets: (2.5)%	<u>(1,038,794)</u>
TOTAL NET ASSETS: 100.0%	
	<u><u>\$42,076,699</u></u>

¹ Non-income producing security.

² This security or a portion of this security was out on loan as of August 31, 2018. Total loaned securities had a value of \$965,445 or 2.3% of net assets. The remaining contractual maturity of all of the securities lending transactions is overnight and continuous. See Note 4.

³ A portion of this security is illiquid. As of August 31, 2018, the value of illiquid securities was \$1,300,130 or 3.1% of net assets. See Note 2H.

⁴ Seven-day yield as of August 31, 2018.

The accompanying notes are an integral part of these financial statements.

Villere Funds

STATEMENTS OF ASSETS AND LIABILITIES at August 31, 2018

	Balanced Fund	Equity Fund
ASSETS:		
Investments in securities, at value (Cost \$256,187,541 and \$34,310,691, respectively)	\$304,870,090 ¹	\$43,115,493 ¹
Receivables:		
Fund shares sold	59,548	—
Dividends and interest	984,042	38,141
Securities lending income, net	21,987	3,277
Prepaid expenses	19,737	14,701
Total assets	<u>305,955,404</u>	<u>43,171,612</u>
LIABILITIES:		
Payables:		
Collateral received for securities lending	5,901,902	1,020,003
Fund shares redeemed	68,154	—
Investment advisory fees, net	188,119	26,598
Transfer agent fees	91,417	5,966
Administration fees	34,919	5,234
Audit fees	22,100	22,100
Fund accounting fees	5,755	5,315
Custody fees	2,301	852
Chief Compliance Officer fees	1,551	1,500
Trustee fees	664	421
Other accrued expenses	16,087	6,924
Total liabilities	<u>6,332,969</u>	<u>1,094,913</u>
NET ASSETS	<u>\$299,622,435</u>	<u>\$42,076,699</u>
COMPONENTS OF NET ASSETS		
Paid-in capital	\$242,580,481	\$34,034,771
Undistributed net investment income (loss)	1,616,740	—
Undistributed (accumulated) net realized gain (loss) on investments	6,742,665	(762,874)
Net unrealized appreciation on investments	48,682,549	8,804,802
Net assets	<u>\$299,622,435</u>	<u>\$42,076,699</u>
¹ Includes loaned securities with a value of	\$ 5,676,540	\$ 965,445
Net Assets	\$299,622,435	\$42,076,699
Shares (unlimited number of shares authorized without par value)	11,881,335	3,263,839
Net assets value, offering, and redemption price per share . . .	<u>\$ 25.22</u>	<u>\$ 12.89</u>

The accompanying notes are an integral part of these financial statements.

Villere Funds

STATEMENTS OF OPERATIONS For the Year Ended August 31, 2018

	Balanced Fund	Equity Fund
INVESTMENT INCOME		
Interest from unaffiliated investments	\$ 2,681,011	\$ 62,774
Dividends from unaffiliated investments	1,831,396	325,168
Dividends from affiliated investments ¹	6,465	4,662
Income from securities lending, net	640,345	109,281
Total investment income	<u>5,159,217</u>	<u>501,885</u>
EXPENSES		
Investment advisory fees	2,139,964	293,178
Administration fees	203,068	30,506
Sub-transfer agent fees	176,606	6,138
Miscellaneous expense	39,332	12,194
Fund accounting fees	34,392	31,463
Transfer agent fees	25,346	19,098
Reports to shareholders	23,258	7,395
Audit fees	22,117	22,108
Registration fees	21,263	19,190
Trustee fees	14,630	10,194
Custody fees	13,029	4,895
Chief Compliance Officer fees	9,075	8,852
Legal fees	7,775	7,467
Insurance expense	3,591	3,207
Total expenses	<u>2,733,446</u>	<u>475,885</u>
Net investment income	<u>2,425,771</u>	<u>26,000</u>
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS		
Net realized gain (loss) on unaffiliated investments	3,277,519	(17,500)
Net realized gain on affiliated investments ¹	10,676,052	1,593,904
Change in net unrealized appreciation/depreciation on unaffiliated investments	26,749,596	5,621,466
Change in net unrealized appreciation/depreciation on affiliated investments ¹	5,757,743	1,104,958
Net realized and unrealized gain on investments	<u>46,460,910</u>	<u>8,302,828</u>
Net increase in net assets resulting from operations	<u>\$48,886,681</u>	<u>\$8,328,828</u>

¹ Includes amounts for securities that were considered an affiliate during the period but are no longer an affiliate at August 31, 2018.

The accompanying notes are an integral part of these financial statements.

Balanced Fund

STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended August 31, 2018	Year Ended August 31, 2017
INCREASE (DECREASE) IN NET ASSETS FROM:		
OPERATIONS		
Net investment income	\$ 2,425,771	\$ 1,704,612
Net realized gain on unaffiliated investments	3,277,519	2,783,438
Net realized gain on affiliated investments	10,676,052	5,635,178
Change in net unrealized appreciation/depreciation on unaffiliated investments	26,749,596	11,341,385
Change in net unrealized appreciation/depreciation on affiliated investments	<u>5,757,743</u>	<u>(5,723,092)</u>
Net increase in net assets resulting from operations	<u>48,886,681</u>	<u>15,741,521</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	<u>(1,938,172)</u>	<u>(3,170,757)</u>
Total distributions to shareholders	<u>(1,938,172)</u>	<u>(3,170,757)</u>
CAPITAL SHARE TRANSACTIONS		
Net decrease in net assets derived from net change in outstanding shares ¹	<u>(42,564,433)</u>	<u>(112,752,765)</u>
Total increase (decrease) in net assets	<u>4,384,076</u>	<u>(100,182,001)</u>
NET ASSETS		
Beginning of year	\$295,238,359	\$ 395,420,360
End of year	<u>\$299,622,435</u>	<u>\$ 295,238,359</u>
Undistributed net investment income	<u>\$ 1,616,740</u>	<u>\$ 1,129,141</u>

¹ Summary of capital share transactions is as follows:

	Year Ended August 31, 2018		Year Ended August 31, 2017	
	Shares	Value	Shares	Value
Shares sold	1,254,851	\$ 29,654,279	657,204	\$ 13,900,129
Shares issued in reinvestment of distributions	85,297	1,888,478	147,936	3,063,756
Shares redeemed	<u>(3,254,797)</u>	<u>(74,107,190)</u>	<u>(6,143,517)</u>	<u>(129,716,650)</u>
Net decrease	<u>(1,914,649)</u>	<u>\$(42,564,433)</u>	<u>(5,338,377)</u>	<u>\$(112,752,765)</u>

The accompanying notes are an integral part of these financial statements.

Equity Fund

STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended August 31, 2018	Year Ended August 31, 2017
INCREASE (DECREASE) IN NET ASSETS FROM:		
OPERATIONS		
Net investment income (loss)	\$ 26,000	\$ (156,561)
Net realized loss on unaffiliated investments	(17,500)	(128,821)
Net realized gain on affiliated investments	1,593,904	310,130
Change in net unrealized appreciation/depreciation on unaffiliated investments	5,621,465	1,673,491
Change in net unrealized appreciation/depreciation on affiliated investments	<u>1,104,959</u>	<u>(1,107,526)</u>
Net increase in net assets resulting from operations	<u>8,328,828</u>	<u>590,713</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	<u>—</u>	<u>(40,823)</u>
Total distributions to shareholders	<u>—</u>	<u>(40,823)</u>
CAPITAL SHARE TRANSACTIONS		
Net decrease in net assets derived from net change in outstanding shares ¹	<u>(2,783,377)</u>	<u>(1,271,385)</u>
Total increase (decrease) in net assets	<u>5,545,451</u>	<u>(721,495)</u>
NET ASSETS		
Beginning of year	<u>\$36,531,248</u>	<u>\$37,252,743</u>
End of year	<u>\$42,076,699</u>	<u>\$36,531,248</u>
Accumulated net investment loss	<u>\$ —</u>	<u>\$ (98,343)</u>

¹ Summary of capital share transactions is as follows:

	Year Ended August 31, 2018		Year Ended August 31, 2017	
	Shares	Value	Shares	Value
Shares sold	261,663	\$ 3,012,596	356,239	\$ 3,745,592
Shares issued in reinvestment of distributions	—	—	3,843	40,043
Shares redeemed ²	<u>(499,386)</u>	<u>(5,795,973)</u>	<u>(479,245)</u>	<u>(5,057,020)</u>
Net decrease	<u>(237,723)</u>	<u>\$(2,783,377)</u>	<u>(119,163)</u>	<u>\$(1,271,385)</u>

² Net of redemption fees of \$57 and \$699, respectively.

The accompanying notes are an integral part of these financial statements.

Balanced Fund

FINANCIAL HIGHLIGHTS For a capital share outstanding throughout each year

	Year Ended August 31,				
	2018	2017	2016	2015	2014
Net asset value, beginning of year	\$21.40	\$20.67	\$23.12	\$26.67	\$23.75
INCOME FROM INVESTMENT OPERATIONS:					
Net investment income ¹	0.20	0.10	0.19	0.23	0.25
Net realized and unrealized gain (loss) on investments	3.77	0.81	0.11	(2.40)	3.16
Total from investment operations	3.97	0.91	0.30	(2.17)	3.41
LESS DISTRIBUTIONS:					
From net investment income	(0.15)	(0.18)	(0.20)	(0.30)	(0.10)
From net realized gain	—	—	(2.55)	(1.08)	(0.39)
Total distributions	(0.15)	(0.18)	(2.75)	(1.38)	(0.49)
Net asset value, end of year	\$25.22	\$21.40	\$20.67	\$23.12	\$26.67
Total return	18.67%	4.45%	2.50%	(8.19)%	14.51%
SUPPLEMENTAL DATA:					
Net assets, end of year (millions)	\$299.6	\$295.2	\$395.4	\$670.2	\$1,209.2
Portfolio turnover rate	23%	18%	14%	15%	25%
RATIOS OF EXPENSES TO AVERAGE NET ASSETS:					
Before fees waived/recouped and expenses absorbed/recouped	0.96%	0.93%	0.97%	0.88%	0.86%
RATIOS OF NET INVESTMENT INCOME (LOSS) TO AVERAGE NET ASSETS:					
Before fees waived/recouped and expenses absorbed/recouped	0.85%	0.50%	0.93%	0.70%	1.02%

¹ Calculated using the average shares outstanding method.

The accompanying notes are an integral part of these financial statements.

Equity Fund

FINANCIAL HIGHLIGHTS For a capital share outstanding throughout each year

	Year Ended August 31,				
	2018	2017	2016	2015	2014
Net asset value, beginning of year	<u>\$10.43</u>	<u>\$10.29</u>	<u>\$10.40</u>	<u>\$11.85</u>	<u>\$10.29</u>
INCOME FROM INVESTMENT OPERATIONS:					
Net investment gain (loss) ¹	0.01	(0.04)	0.01	(0.03)	(0.00) ²
Net realized and unrealized gain (loss) on investments	<u>2.45</u>	<u>0.19</u>	<u>0.04</u>	<u>(1.23)</u>	<u>1.56</u>
Total from investment operations	<u>2.46</u>	<u>0.15</u>	<u>0.05</u>	<u>(1.26)</u>	<u>1.56</u>
Paid-in capital from redemption fees	<u>0.00²</u>	<u>0.00²</u>	<u>0.00²</u>	<u>0.00²</u>	<u>0.00²</u>
LESS DISTRIBUTIONS:					
From net investment income	—	(0.01)	—	—	—
From net realized gain	—	—	(0.16)	(0.19)	—
Total distributions	—	(0.01)	(0.16)	(0.19)	—
Net asset value, end of year	<u>\$12.89</u>	<u>\$10.43</u>	<u>\$10.29</u>	<u>\$10.40</u>	<u>\$11.85</u>
Total return	23.59%	1.47%	0.68%	(10.62)%	15.16%
SUPPLEMENTAL DATA:					
Net assets, end of year (millions)	\$42.1	\$36.5	\$37.3	\$38.2	\$46.2
Portfolio turnover rate	24%	25%	32%	32%	13%
RATIO OF EXPENSES TO AVERAGE NET ASSETS:					
Before fees waived/recouped and expenses absorbed/recouped	1.22%	1.24%	1.24%	1.10%	1.20%
After fees waived/recouped and expenses absorbed/recouped	1.22%	1.24%	1.24%	1.16%	1.25%
RATIO OF NET INVESTMENT INCOME (LOSS) TO AVERAGE NET ASSETS:					
Before fees waived/recouped and expenses absorbed/recouped	0.07%	(0.41)%	0.15%	(0.15)%	(0.02)%
After fees waived/recouped and expenses absorbed/recouped	0.07%	(0.41)%	0.15%	(0.21)%	(0.07)%

¹ Calculated using the average shares outstanding method.

² Does not round to \$0.01 or \$(0.01), as applicable.

The accompanying notes are an integral part of these financial statements.

Villere Funds

NOTES TO FINANCIAL STATEMENTS August 31, 2018

NOTE 1 – ORGANIZATION

The Balanced Fund and the Equity Fund are each a diversified series of shares of beneficial interest of Professionally Managed Portfolios (the “Trust”), which is registered under the Investment Company Act of 1940, as amended (the “1940 Act”) as an open-end management investment company. Each Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 “Financial Services—Investment Companies”. The Balanced Fund commenced operations on September 30, 1999. The Equity Fund commenced operations on May 31, 2013.

The investment objective of the Balanced Fund is to seek long-term capital growth consistent with preservation of capital and balanced by current income. The Balanced Fund seeks to achieve its objective by investing in a combination of equity securities and high quality fixed income obligations.

The Equity Fund seeks to achieve long term growth. The Equity Fund seeks to achieve its objective by investing in equity securities.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Funds. These policies are in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

- A. *Security Valuation.* All equity securities, which may include Real Estate Investment Trusts (“REITs”), Business Development Companies (“BDCs”) and Master Limited Partnerships (“MLPs”), that are traded on U.S. or foreign national securities exchanges are valued either at the last reported sale price on the exchange on which the security is principally traded or the exchange’s official closing price, if applicable. If, on a particular day, an exchange-traded security does not trade, then the mean between the most recent quoted bid and asked prices will be used. All equity securities, which may include REITs, BDCs and MLPs, that are not traded on a listed exchange are valued at the last sale price in the over-the-counter market. If a non-exchange traded security does not trade on a particular day, then the mean between the last quoted closing bid and asked price will be used.

Villere Funds

NOTES TO FINANCIAL STATEMENTS August 31, 2018 (Continued)

Debt securities are valued by using the evaluated mean prices supplied by an approved independent pricing service. The independent pricing service may use various valuation methodologies including matrix pricing and other analytical pricing models as well as market transactions and dealer quotations. These models generally consider such factors as yields or prices of bonds of comparable quality, type of issue, coupon, maturity, ratings and general market conditions. In the absence of a price from a pricing service, securities are valued at their respective fair values as determined in good faith by the Valuation Committee.

Securities for which quotations are not readily available are valued at their respective fair values as determined in good faith by the Trust's Valuation Committee. When a security is "fair valued," consideration is given to the facts and circumstances relevant to the particular situation, including a review of various factors set forth in the pricing procedures adopted by the Board of Trustees. Fair value pricing is an inherently subjective process, and no single standard exists for determining fair value. Different funds could reasonably arrive at different values for the same security. The use of fair value pricing by a fund may cause the net asset value of its shares to differ significantly from the net asset value that would be calculated without regard to such considerations.

As described above, the Funds utilize various methods to measure the fair value of its investments on a recurring basis. U.S. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Funds have the ability to access.
- Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.
- Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available; representing the Funds' own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

Villere Funds

NOTES TO FINANCIAL STATEMENTS August 31, 2018 (Continued)

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurements fall in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The following is a summary of the inputs used to value the Funds' investments as of August 31, 2018. See the Schedules of Investments for industry breakouts.

Balanced Fund

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$210,953,905	\$ —	\$ —	\$210,953,905
Corporate Bonds	—	54,342,807	—	54,342,807
Short-Term				
Investments	33,671,476	—	—	33,671,476
Investments				
Purchased with Cash				
Proceeds from				
Securities Lending	<u>5,901,902</u>	<u>—</u>	<u>—</u>	<u>5,901,902</u>
Total Investments				
in Securities	<u>\$250,527,283</u>	<u>\$54,342,807</u>	<u>\$ —</u>	<u>\$304,870,090</u>

Villere Funds

NOTES TO FINANCIAL STATEMENTS August 31, 2018 (Continued)

Equity Fund

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$37,304,587	\$ —	\$ —	\$37,304,587
Short-Term				
Investments	4,790,903	—	—	4,790,903
Investments				
Purchased with Cash				
Proceeds from				
Securities Lending	<u>1,020,003</u>	<u>—</u>	<u>—</u>	<u>1,020,003</u>
Total Investments				
in Securities	<u>\$43,115,493</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$43,115,493</u>

It is each Fund's policy to recognize transfers between levels at the end of each Fund's reporting period. There were no transfers made into or out of Level 1, 2, or 3 for the year ended August 31, 2018.

- B. *Federal Income Taxes.* Each Fund has elected to be taxed as a "regulated investment company" and intends to distribute substantially all taxable income to its shareholders and otherwise comply with the provisions of the Internal Revenue Code applicable to regulated investment companies. Therefore, no provision for federal income taxes or excise taxes has been made.

In order to avoid imposition of the excise tax applicable to regulated investment companies, each Fund intends to declare dividends in each calendar year at least 98.0% of its net investment income (earned during the calendar year) and 98.2% of its net realized capital gains (earned during the twelve months ended October 31) plus undistributed amounts, if any, from prior years.

Net capital losses incurred after October 31 and within the taxable year are deemed to arise on the first business day of each Fund's next taxable year. For the fiscal year ended August 31, 2018, the Funds had the following capital loss carryovers available for federal income tax purposes:

	<u>Balanced Fund</u>	<u>Equity Fund</u>
Unlimited Short-Term	\$ —	\$(411,707)
Unlimited Long-Term	<u>—</u>	<u>(351,167)</u>
	<u>\$ —</u>	<u>\$(762,874)</u>

Villere Funds

NOTES TO FINANCIAL STATEMENTS August 31, 2018 (Continued)

As of August 31, 2018, the Funds did not have any tax positions that did not meet the “more-likely-than-not” threshold of being sustained by the applicable tax authority. Generally, tax authorities can examine all the tax returns filed for the last three years. The Funds identify major tax jurisdiction as U.S. Federal and the Commonwealth of Massachusetts. As of August 31, 2018, the Funds are not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially.

- C. *Securities Transactions and Investment Income.* Investment securities transactions are accounted for on the trade date. Gains and losses realized on sales of securities are determined on a specific identification basis. Discounts/premiums on debt securities purchased are accreted/amortized over the life of the respective securities using the effective interest method. Dividend income is recorded on the ex-dividend date. Interest income and securities lending income are recorded on an accrual basis. Other non-cash dividends are recognized as investment income at the fair value of the property received. Withholding taxes on foreign dividends have been provided for in accordance with the Trust’s understanding of the applicable country’s tax rules and rates.
- D. *Distributions to Shareholders.* Distributions to shareholders from net investment income and net realized gains on securities for each Fund normally are declared and paid on an annual basis. Distributions are recorded on the ex-dividend date.
- E. *Use of Estimates.* The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from those estimates.
- F. *Share Valuation.* The net asset value (“NAV”) per share of the Funds are calculated by dividing the sum of the value of the securities held by each Fund, plus cash and other assets, minus all liabilities (including estimated accrued expenses) by the total number of shares outstanding for each Fund, rounded to the nearest cent. Each Fund’s shares will not be priced on the days on which the New York Stock Exchange is closed for trading. The offering and redemption price per share for each Fund is equal to each Fund’s NAV per share. The

Villere Funds

NOTES TO FINANCIAL STATEMENTS August 31, 2018 (Continued)

Equity Fund charges a 2.00% redemption fee on shares held less than 60 calendar days. This fee is deducted from the redemption proceeds otherwise payable to the shareholder. The Equity Fund retains the fee charged as paid-in capital and such fees become part of the Fund's daily NAV calculation.

- G. *Guarantees and Indemnifications.* In the normal course of business, each Fund enters into contracts with service providers that contain general indemnification clauses. Each Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against each Fund that have not yet occurred. However, based on experience, the Funds expect the risk of loss to be remote.
- H. *Illiquid Securities.* A security may be considered illiquid if it lacks a readily available market. Securities are generally considered liquid if they can be sold or disposed of in the ordinary course of business within seven days at approximately the price at which the security is valued by the fund. Illiquid securities may be valued under methods approved by the Board of Trustees as reflecting fair value. Each Fund intends to invest no more than 15% of its net assets in illiquid securities.
- I. *Reclassification of Capital Accounts.* U.S. GAAP requires that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. For the year ended August 31, 2018, the following adjustments were made¹:

	<u>Balanced Fund</u>	<u>Equity Fund</u>
Net Investment Income/(Loss)	\$ —	\$ 72,343
Paid-in Capital	—	(72,343)

¹ These differences are primarily due to net operating loss.

- J. *Subsequent Events.* In preparing these financial statements, the Funds have evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued. Management has determined that there are no subsequent events that would need to be disclosed in the Funds' Financial Statements.
- K. *Recently Issued Accounting Pronouncement.* In March 2017, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2017-08, Receivables—Nonrefundable Fees and Other Costs (Subtopic 310-20): Premium Amortization on

Villere Funds

NOTES TO FINANCIAL STATEMENTS August 31, 2018 (Continued)

Purchased Callable Debt Securities. The amendments in the ASU shorten the amortization period for certain callable debt securities, held at a premium, to be amortized to the earliest call date. The ASU does not require an accounting change for securities held at a discount; which continues to be amortized to maturity. The ASU is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2018. Management is currently evaluating the impact, if any, of applying this provision.

NOTE 3 – COMMITMENTS AND OTHER RELATED PARTY TRANSACTIONS

St. Denis J. Villere & Company, LLC (the “Adviser”) provides the Funds with investment management services under an Investment Advisory Agreement (the “Advisory Agreement”) for each Fund. Under each Advisory Agreement, the Adviser furnishes all investment advice, office space, and certain administrative services, and provides most of the personnel needed by the Funds. As compensation for its services, the Adviser is entitled to receive a monthly fee at the annual rate of 0.75% for the Balanced Fund and Equity Fund based upon the average daily net assets of each Fund. For the year ended August 31, 2018, the advisory fees incurred by the Funds are disclosed in the Statements of Operations. The investment advisory fees incurred are paid monthly to the Adviser, net of any monthly waiver or reimbursement discussed below.

The Adviser has contractually agreed to limit the annual ratio of expenses to 0.99% and 1.25% of each Fund’s average daily net assets for the Balanced Fund and Equity Fund, respectively. The Operating Expense Limitation Agreement has an indefinite term and may be terminated at any time, and without payment of any penalty, by the Board of Trustees of the Trust, on behalf of the Fund, upon sixty days written notice. Upon Board approval, the Adviser is permitted to seek reimbursement from the Funds, subject to limitations, for fees waived and/or Fund expenses prior to the end of the three years after payment, if the aggregate amount actually paid by the Fund toward operating expenses for such period (taking into account the reimbursement) does not exceed the lesser of the expense caps in place at the time of waiver or at the time of reimbursement. For the year ended August 31, 2018, the Adviser has recouped all eligible fees previously waived for the Funds. Each Fund must pay current ordinary operating expenses before the Adviser is entitled to any reimbursement. Any amount due from the Adviser is paid monthly to the Funds, if applicable.

U.S. Bancorp Fund Services, LLC (“Fund Services”), doing business as U.S. Bank Global Fund Services, acts as the Funds’ administrator, fund

Villere Funds

NOTES TO FINANCIAL STATEMENTS August 31, 2018 (Continued)

accountant, and transfer agent. In those capacities, Fund Services maintains the Funds' books and records, calculates each Fund's NAV, prepares various federal and state regulatory filings, coordinates the payment of the Funds' expenses, reviews expense accruals, and prepares materials supplied to the Board of Trustees. The officers of the Trust and the Chief Compliance Officer are also employees of Fund Services. Fees paid by each Fund to Fund Services for these services for the year ended August 31, 2018 are disclosed in the Statements of Operations.

Quasar Distributors, LLC (the "Distributor") acts as the Funds' principal underwriter in a continuous public offering of the Funds' shares. U.S. Bank N.A. serves as the Funds' custodian. Both the Distributor and U.S. Bank N.A. are affiliates of Fund Services.

The Funds have entered into Sub-Transfer Agent Arrangements (the "Arrangements"). All Arrangements must be approved by the Board of Trustees. For the year ended August 31, 2018, the Sub-Transfer Agent Fees and Transfer Agent Fees incurred by the Funds are disclosed in the Statements of Operations.

NOTE 4 – SECURITIES LENDING

The Funds may lend up to 33 1/3% of the securities in its portfolios to brokers, dealers and financial institutions (but not individuals) under terms of participation in a securities lending program administered by U.S. Bank N.A. The securities lending agreement requires that loans are collateralized at all times in an amount equal to at least 100% of the market value of any loaned securities at the time of the loan, plus accrued interest.

The Funds receive compensation in the form of fees and earn interest on the cash collateral. The amount of fees depends on a number of factors, including the type of security and length of the loan. The Funds continue to receive interest payments or dividends on the securities loaned during the borrowing period. The Funds have the right under the terms of the securities lending agreement to recall the securities from the borrower on demand.

As of August 31, 2018, the Funds had loaned securities that were collateralized by cash equivalents. The cash collateral is invested by U.S. Bank N.A. in accordance with approved investment guidelines. Those guidelines require the cash collateral to be invested in readily marketable, high quality, short-term obligations; however, such investments are subject to risk of payment delays or default on the part of the issuer or counterparty or otherwise may not generate sufficient interest to support the costs associated

Villere Funds

NOTES TO FINANCIAL STATEMENTS August 31, 2018 (Continued)

with securities lending. The Funds could also experience delays in recovering its securities and possible loss of income or value if the borrower fails to return the borrowed securities, although the Funds are indemnified from this risk by contract with the securities lending agent.

As of August 31, 2018, the market value of the securities on loan and payable on collateral received for securities lending were as follows:

	<u>Market Value of Securities on Loan</u>	<u>Payable on Collateral Received</u>
Balanced Fund	\$5,676,540	\$5,901,902
Equity Fund	965,445	1,020,003

Offsetting Assets and Liabilities. The Funds may be subject to netting arrangements, which govern the terms of certain transactions with counterparties. The arrangements allow the Funds to close out and net their total exposure to a counterparty in the event of a default with respect to all transactions governed under a single agreement with a counterparty. The following is a summary of the transactions subject to netting as of August 31, 2018:

		Gross Amounts Offset in the Statements of Assets & Liabilities	Net Amounts Presented in the Statements of Assets & Liabilities	Gross Amounts Not Offset in the Statements of Assets & Liabilities	Cash (Received)	Net Amount
Balanced Fund	Collateral received for securities loaned	\$5,901,902	\$ —	\$5,901,902	\$5,901,902	\$ —
Equity Fund	Collateral received for securities loaned	\$1,020,003	\$ —	\$1,020,003	\$1,020,003	\$ —

The Funds receive cash as collateral in return for securities lent as part of the securities lending program. The collateral is invested in the First American Government Obligations Fund – Class Z (a money market fund subject to Rule 2a-7 under the 1940 Act). The Schedules of Investments for the Funds include the particular cash collateral holding as of August 31, 2018. The remaining contractual maturity of all securities lending transactions is overnight and continuous.

Villere Funds

NOTES TO FINANCIAL STATEMENTS August 31, 2018 (Continued)

The fee and interest income earned by the Funds on investments of cash collateral received from borrowers for the securities loaned to them are reflected in the Funds' Statements of Operations.

NOTE 5 – PURCHASES AND SALES OF SECURITIES

For the year ended August 31, 2018, the cost of purchases and proceeds from the sales and maturities of securities, excluding short-term investments were as follows:

	<u>Purchases</u>	<u>Sales</u>
Balanced Fund	\$60,362,427	\$121,487,780
Equity Fund	8,242,678	13,895,123

For the year ended August 31, 2018, there were no purchases or sales of U.S. Government obligations in the Funds.

NOTE 6 – DISTRIBUTIONS TO SHAREHOLDERS

The tax character of distributions paid during the year ended August 31, 2018 and the year ended August 31, 2017 for the Funds were as follows:

Balanced Fund

	<u>2018</u>	<u>2017</u>
Distributions paid from:		
Ordinary income	\$1,938,172	\$3,170,757
Long-term capital gain	—	—
	<u>\$1,938,172</u>	<u>\$3,170,757</u>

Equity Fund

	<u>2018</u>	<u>2017</u>
Distributions paid from:		
Ordinary income	\$ —	\$ 40,823
Long-term capital gain	—	—
	<u>\$ —</u>	<u>\$ 40,823</u>

Distribution classification may differ from the Statements of Changes in Net Assets as a result of the treatment of short-term capital gains as ordinary income for tax purposes.

Villere Funds

NOTES TO FINANCIAL STATEMENTS August 31, 2018 (Continued)

As of August 31, 2018, the components of accumulated earnings/(losses) on a tax basis were as follows:

Balanced Fund

Cost of investments	<u>\$256,187,541</u>
Gross tax unrealized appreciation	61,219,916
Gross tax unrealized depreciation	<u>(12,537,367)</u>
Gross tax unrealized appreciation	48,682,549
Undistributed ordinary income	1,616,740
Undistributed long-term capital gain	<u>6,742,665</u>
Total distributable earnings	<u>8,359,405</u>
Other accumulated losses	<u>—</u>
Total accumulated gains	<u>\$ 57,041,954</u>

Equity Fund

Cost of investments	<u>\$ 34,310,691</u>
Gross tax unrealized appreciation	10,803,324
Gross tax unrealized depreciation	<u>(1,998,522)</u>
Gross tax unrealized appreciation	8,804,802
Undistributed ordinary income	—
Undistributed long-term capital gain	<u>—</u>
Total distributable earnings	<u>—</u>
Other accumulated losses	<u>(762,874)</u>
Total accumulated gains	<u>\$ 8,041,928</u>

Under tax law, net capital losses incurred after October 31, and within the taxable year are deemed to arise on the first business day of each Fund's next taxable year. At August 31, 2018, the Funds had no late year losses or post-October losses.

Villere Funds

NOTES TO FINANCIAL STATEMENTS August 31, 2018 (Continued)

NOTE 7 – INVESTMENTS IN AFFILIATES

Affiliated companies are those that are “affiliated persons” as defined in Section 2(a)(3) of the 1940 Act. They include, among other entities, issuers 5% or more of whose outstanding voting shares are held by the Funds. For the year ended August 31, 2018, the Funds had the following transactions with affiliated companies:

Balanced Fund

As of August 31, 2018, the Balanced Fund did not hold securities of affiliated companies. The following securities were considered affiliates during the period but were no longer affiliates at August 31, 2018.

	Share/Par Balance at August 31, 2018	Value at August 31, 2017	Acquisitions	Dispositions
Axon Enterprises, Inc.	121,182	\$18,862,864	\$ —	\$26,889,950
Luminex Corp.	—	2,082,943	14,476	2,232,244
		Change in		
	Realized	Unrealized	Value at	Dividend
	Gain (Loss)	Appreciation/ Depreciation	August 31, 2018	Income and Interest
Axon Enterprises, Inc.	\$10,343,833	\$5,955,137	\$8,271,884	\$ —
Luminex Corp.	332,219	(197,394)	—	6,465
Total	<u>\$10,676,052</u>	<u>\$5,757,743</u>	<u>\$8,271,884</u>	<u>\$6,465</u>

Equity Fund

As of August 31, 2018, the Equity Fund did not hold any securities of affiliated companies. The following securities were considered affiliates during the period but were no longer affiliates at August 31, 2018.

	Share Balance at August 31 2018	Value at August 31, 2017	Acquisitions	Dispositions
Axon Enterprises, Inc.	22,480	\$1,856,205	\$ —	\$2,861,986
Luminex Corp.	—	1,501,941	—	1,660,539
		Change in		
	Realized	Unrealized	Value at	Dividend
	Gain (Loss)	Appreciation/ Depreciation	August 31, 2018	Income and Interest
Axon Enterprises, Inc.	\$1,421,949	\$1,118,316	\$1,534,485	\$ —
Luminex Corp.	171,955	(13,358)	—	4,662
Total	<u>\$1,593,904</u>	<u>\$1,104,958</u>	<u>\$1,534,485</u>	<u>\$4,662</u>

Villere Funds

NOTES TO FINANCIAL STATEMENTS August 31, 2018 (Continued)

NOTE 8 – CREDIT FACILITY

U.S. Bank N.A. has made available to the Funds credit facilities pursuant to separate Loan and Security Agreements for temporary or extraordinary purposes. Interest expenses for the year ended August 31, 2018, are disclosed in the Statements of Operations, if applicable. Credit facility activity for the year ended August 31, 2018, was as follows:

	<u>Balanced Fund</u>	<u>Equity Fund</u>
Maximum available credit	\$45,000,000	\$2,500,000
Largest amount outstanding on an individual day	—	—
Average daily loan outstanding	—	—
Credit facility outstanding as of August 31, 2018	—	—
Average interest rate	—	—

Villere Funds

EXPENSE EXAMPLES For the Six Months Ended August 31, 2018 (Unaudited)

As a shareholder of the Balanced Fund and Equity Fund (each a “Fund” and collectively the “Funds”), you incur two types of costs: (1) transaction costs and (2) ongoing costs, including investment advisory fees and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (3/1/18 – 8/31/18).

Actual Expenses

The first line of the following tables provide information about actual account values based on actual returns and actual expenses. Although the Funds charge no sales load, you will be assessed fees for outgoing wire transfers, returned checks and stop payment orders at prevailing rates charged by U.S. Bancorp Fund Services, LLC, the Funds’ transfer agent. If you request a redemption be made by wire transfer, the Funds’ transfer agent currently charges a \$15.00 fee. You will be charged a redemption fee equal to 2% of the net amount of the redemption if you redeem shares within 60 calendar days after you purchase them for the Equity Fund. In addition to the Funds’ expenses, you will indirectly bear your proportionate share of any fees and expenses charged by the underlying funds of other investment companies in which the Funds have shares. Actual expenses of the underlying funds may vary. These expenses are not included in the following examples. The following examples include, but are not limited to, investment advisory fees, fund accounting fees, administration fees, custody fees and transfer agent fees. However, the following examples do not include portfolio trading commissions and related expenses and other extraordinary expenses as determined under generally accepted accounting principles. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled “Expenses Paid During the Period” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of the following tables include information about hypothetical account values and hypothetical expenses based on the Funds’ actual expense ratio and an assumed rate of return of 5% per year before

Villere Funds

EXPENSE EXAMPLES For the Six Months Ended August 31, 2018 (Unaudited) (Continued)

expenses, which is not the Funds' actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Funds and other funds. To do so, compare these 5% hypothetical examples with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Please note that the expenses shown in the tables are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as redemption fees. Therefore, the second line of the tables are useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

Balanced Fund

	Beginning Account Value 3/1/18	Ending Account Value 8/31/18	Expenses Paid During the Period 3/1/18 – 8/31/18*
Actual	\$1,000.00	\$1,108.10	\$5.15
Hypothetical (5% return before expenses)	\$1,000.00	\$1,020.32	\$4.94

* Expenses are equal to the Balanced Fund's annualized expense ratio for the most recent six-month period of 0.97% multiplied by the average account value over the period multiplied by 184/365 (to reflect the one-half year period).

Equity Fund

	Beginning Account Value 3/1/18	Ending Account Value 8/31/18	Expenses Paid During the Period 3/1/18 – 8/31/18**
Actual	\$1,000.00	\$1,135.70	\$6.57
Hypothetical (5% return before expenses)	\$1,000.00	\$1,019.06	\$6.21

** Expenses are equal to the Equity Fund's annualized expense ratio for the most recent six-month period of 1.22% (reflecting fee waivers in effect) multiplied by the average account value over the period multiplied by 184/365 (to reflect the one-half year period).

Villere Funds

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Villere Balanced Fund and Villere Equity Fund and
The Board of Trustees of Professionally Managed Portfolios

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Villere Balanced Fund and Villere Equity Fund (the “Funds”), each a series of Professionally Managed Portfolios, including the schedule of investments, as of August 31, 2018, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, financial highlights for each of the five years in the period then ended, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Funds as of August 31, 2018, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Funds’ management. Our responsibility is to express an opinion on the Funds’ financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We have served as the auditor of one or more of the funds in the Trust since 1995.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Funds are not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Funds’ internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of August 31, 2018 by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

TAIT, WELLER & BAKER LLP

Philadelphia, Pennsylvania
October 29, 2018

Villere Funds

APPROVAL OF INVESTMENT ADVISORY AGREEMENTS (Unaudited)

At a meeting held on August 21, 2018, the Board (which is comprised of five persons all of whom are Independent Trustees as defined under the Investment Company Act) considered and approved the continuance of the Investment Advisory Agreements (the “Advisory Agreements”) between Professionally Managed Portfolios (the “Trust”) and St. Denis J. Villere & Company, LLC (the “Adviser”) for the Villere Balanced Fund and the Villere Equity Fund (each, a “Fund” and together, the “Funds”). At this meeting and at a prior meeting held on May 30-31, 2018, the Board received and reviewed substantial information regarding the Funds, the Adviser and the services provided by the Adviser to the Funds under the Advisory Agreements. This information, together with the information provided to the Board throughout the course of the year, formed the primary (but not exclusive) basis for the Board’s determinations. Below is a summary of the factors considered by the Board and the conclusions that formed the basis for the Board’s approval of the continuance of the Advisory Agreements:

- 1. The nature, extent and quality of the services provided and to be provided by the Adviser under the Advisory Agreements.** The Trustees considered the nature, extent and quality of the Adviser’s overall services provided to the Funds as well as its specific responsibilities in all aspects of day-to-day investment management of the Funds. The Board considered the qualifications, experience and responsibilities of the portfolio managers, as well as the responsibilities of other key personnel of the Adviser involved in the day-to-day activities of the Funds. The Board also considered the resources and compliance structure of the Adviser, including information regarding its compliance program, its chief compliance officer and the Adviser’s compliance record, as well as the Adviser’s cybersecurity program and business continuity plan. The Board also considered the prior relationship between the Adviser and the Trust, as well as the Board’s knowledge of the Adviser’s operations, and noted that during the course of the prior year they had met with the Adviser in person to discuss fund performance and investment outlook, as well as, various marketing and compliance topics, including the Adviser’s risk management process. The Board concluded that the Adviser had the quality and depth of personnel, resources, investment methods and compliance policies and procedures essential to performing its duties under the Advisory Agreements and that the nature, overall quality and extent of such management services are satisfactory.

Villere Funds

APPROVAL OF INVESTMENT ADVISORY AGREEMENTS (Unaudited) (Continued)

- 2. The Funds' historical performance and the overall performance of the Adviser.** In assessing the quality of the portfolio management delivered by the Adviser, the Board reviewed the short-term and long-term performance of each Fund on both an absolute basis, and in comparison to its peer funds utilizing Morningstar classifications and appropriate securities benchmarks, all for periods ended March 31, 2018. While the Board considered both short-term and long-term performance, it placed greater emphasis on longer term performance. When reviewing each Fund's performance against its comparative peer group universe, the Board took into account that the investment objective and strategies of each Fund, as well as its level of risk tolerance, may differ significantly from funds in the peer universe.

For the Villere Balanced Fund, the Board noted that the Fund outperformed its peer group median for the one-year and ten-year periods, and underperformed its peer group median for the three-year and five-year periods. The Board also considered the performance of the Fund against its broad-based securities market benchmark, noting it underperformed for the one-year, three-year, five-year and ten-year periods. The Board also noted that the Fund outperformed its secondary benchmark for the one-year and ten-year periods and underperformed for the three-year and five-year periods. The Board also considered that the Fund outperformed the Adviser's balanced composite for the one-year and ten-year periods, performed in-line for the three-year period and underperformed for the five-year period ended March 31, 2018.

For the Villere Equity Fund, the Board noted that the Fund underperformed its peer group median for the one-year and three-year periods. The Board also considered the underperformance of the Fund against its broad-based securities market benchmark for the one-year and three-year periods, as well as its underperformance against its secondary benchmark for the one-year and three-year periods. The Board also considered that the Fund underperformed the Adviser's equity composite for the one-year and three-year periods ended March 31, 2018 and the reasons given by the Adviser for such underperformance.

- 3. The costs of the services provided by the Adviser and the structure of the Adviser's fees under the Advisory Agreements.** In considering the advisory fee and total fees and expenses of each Fund, the Board reviewed comparisons to the peer funds and similarly managed separate

Villere Funds

APPROVAL OF INVESTMENT ADVISORY AGREEMENTS (Unaudited) (Continued)

accounts for other types of clients advised by the Adviser, as well as all expense waivers and reimbursements. When reviewing fees charged to other similarly managed accounts, the Board took into consideration the type of account and the differences in the management of that account that might be germane to the difference, if any, in the fees charged to such accounts. The Trustees noted that the fees charged to each Fund as compared to the fees charged by the Adviser to its similarly managed separate account clients differed due to a number of factors.

For the Villere Balanced Fund, the Board noted that the Adviser had contractually agreed to maintain an annual expense ratio of 0.99% for the Fund (the “Expense Cap”), but was currently operating slightly below this level and the Adviser has been recouping waived fees. The Board noted that the Fund’s advisory fee was above the peer group median and equal to the peer group average and that the Fund’s net expense ratio was below that of its peer group median and average. The Board concluded that the fees paid to the Adviser were fair and reasonable in light of the comparative performance and advisory fee information.

For the Villere Equity Fund, the Board noted that the Adviser had contractually agreed to maintain an annual expense ratio of 1.25% for the Fund (the “Expense Cap”), but was currently operating slightly below this level. The Board noted that the Fund’s advisory fee was slightly below its peer group median and lower than its peer group average, and the net expense ratio was higher than the peer group median and average. The Board concluded that the fees paid to the Adviser were fair and reasonable in light of the comparative performance and advisory fee information.

- Economies of Scale.** The Board also considered whether economies of scale were being realized by the Adviser that should be shared with shareholders. The Board noted that the Adviser has contractually agreed to reduce its advisory fees or reimburse Fund expenses so that each Fund does not exceed its specified Expense Cap. The Board also noted that each Fund’s annual expense ratio is currently below its respective Expense Cap. The Board noted that at current asset levels, it did not appear that there were additional significant economies of scale being realized by the Adviser that should be shared with shareholders and concluded that it would continue to monitor economies of scale in the future as circumstances changed and assuming asset levels continued to increase.

Villere Funds

APPROVAL OF INVESTMENT ADVISORY AGREEMENTS (Unaudited) (Continued)

- 5. The profits to be realized by the Adviser and its affiliates from their relationship with the Funds.** The Board reviewed the Adviser's financial information and took into account both the direct benefits and the indirect benefits to the Adviser from advising the Funds. The Board considered the profitability to the Adviser from its relationship with the Funds and considered that there were no additional benefits derived by the Adviser from its relationship with the Funds. The Board also reviewed information regarding fee offsets for separate accounts invested in the Funds and determined that the Adviser was not receiving an advisory fee both at the separate account and at the Fund level for these accounts, and as a result was not receiving additional fall-out benefits from these relationships. After such review, the Board determined that the profitability to the Adviser with respect to the Advisory Agreement was not excessive, and that the Adviser had maintained adequate profit levels to support the services it provides to the Funds.

No single factor was determinative of the Board's decision to approve the continuance of the Advisory Agreement, but rather the Board based its determination on the total combination of information available to them. Based on a consideration of all the factors in their totality, the Board determined that the advisory arrangements with the Adviser, including each Fund's advisory fee, were fair and reasonable. The Board therefore determined that the continuance of the Advisory Agreements would be in the best interests of the Funds and their shareholders.

Villere Funds

TRUSTEES AND EXECUTIVE OFFICERS (Unaudited)

The Board is responsible for the overall management of the Trust, including general supervision and review of the investment activities of the Funds. The Board, in turn, elects the officers of the Trust, who are responsible for the day-to-day operations of the Trust and its separate series. The current Trustees and executive officers of the Trust, their birth dates, positions with the Trust, terms of office with the Trust and length of time served, their principal occupations during the past five years and other directorships are set forth in the table below.

Name, Address and Age	Positions with the Trust ⁽¹⁾	Term of Office and Length of Time Served	Principal Occupation During Past Five Years	Number of Portfolios in Fund Complex ⁽²⁾ Overseen by Trustees	Other Directorships Held During the Past Five Years
Independent Trustees of the Trust					
Dorothy A. Berry (born 1943) c/o U.S. Bank Global Fund Services 2020 E. Financial Way Suite 100 Glendora, CA 91741	Chairman and Trustee	Indefinite Term; Since May 1991.	Formerly, President, Talon Industries, Inc. (business consulting); formerly, Executive Vice President and Chief Operating Officer, Integrated Asset Management (investment adviser and manager) and formerly, President, Value Line, Inc. (investment advisory and financial publishing firm).	2	Director, PNC Funds (23 series), PNC Advantage Funds (1 series).
Wallace L. Cook (born 1939) c/o U.S. Bank Global Fund Services 2020 E. Financial Way Suite 100 Glendora, CA 91741	Trustee	Indefinite Term; Since May 1991.	Investment Consultant; formerly, Chief Executive Officer, Rockefeller Trust Co., (prior thereto Senior Vice President), and Managing Director, Rockefeller & Co. (Investment Manager and Financial Advisor); formerly, Senior Vice President, Norton Simon, Inc. (international consumer products conglomerate).	2	Trustee, The Dana Foundation.

Villere Funds

TRUSTEES AND EXECUTIVE OFFICERS (Unaudited) (Continued)

Name, Address and Age	Positions with the Trust ⁽¹⁾	Term of Office and Length of Time Served	Principal Occupation During Past Five Years	Number of Portfolios in Fund Complex ⁽²⁾ Overseen by Trustees	Other Directorships Held During the Past Five Years
Eric W. Falkeis (born 1973) c/o U.S. Bank Global Fund Services 2020 E. Financial Way Suite 100 Glendora, CA 91741	Trustee	Indefinite Term; Since September 2011.	Chief Executive Officer, Tidal ETF Services Co. (2018 to present); formerly, Chief Operating Officer, Direxion Funds (2013 to 2018); formerly, Senior Vice President and Chief Financial Officer (and other positions), U.S. Bancorp Fund Services, LLC (1997 to 2013).	2	Interested Trustee, Direxion Funds (22 series), Direxion Shares ETF Trust (112 series) and Direxion Insurance Trust (2013 to 2018).
Carl A. Froebel (born 1938) c/o U.S. Bank Global Fund Services 2020 E. Financial Way Suite 100 Glendora, CA 91741	Trustee	Indefinite Term; Since May 1991.	Formerly, President and Founder, National Investor Data Services, Inc. (investment related computer software).	2	None.
Steven J. Paggioli (born 1950) c/o U.S. Bank Global Fund Services 2020 E. Financial Way Suite 100 Glendora, CA 91741	Trustee	Indefinite Term; Since May 1991.	Consultant, since July 2001; formerly, Executive Vice President, Investment Company Administration, LLC (mutual fund administrator).	2	Independent Trustee, AMG Funds (61 series); Advisory Board Member, Sustainable Growth Advisers, LP; Independent Director, Chase Investment Counsel.

Villere Funds

TRUSTEES AND EXECUTIVE OFFICERS (Unaudited) (Continued)

Name, Address and Age	Positions with the Trust ⁽¹⁾	Term of Office and Length of Time Served	Principal Occupation During Past Five Years	Number of Portfolios in Fund Complex ⁽²⁾ Overseen by Trustees	Other Directorships Held During the Past Five Years
Officers of the Trust					
Elaine E. Richards (born 1968) c/o U.S. Bank Global Fund Services 2020 E. Financial Way Suite 100 Glendora, CA 91741	President Secretary	Indefinite Term; Since March 2013. Indefinite Term; Since February 2008.	Senior Vice President and Legal Compliance Officer, U.S. Bank Global Fund Services since July 2007.	Not Applicable.	Not Applicable.
Aaron J. Perkovich (born 1973) c/o U.S. Bank Global Fund Services 615 East Michigan St. Milwaukee, WI 53202	Vice President Treasurer	Indefinite Term; Since March 2017. Indefinite Term; Since August 2016.	Vice President, U.S. Bank Global Fund Services since June 2006.	Not Applicable.	Not Applicable.
Melissa Breitzman (born 1983) c/o U.S. Bank Global Fund Services 615 East Michigan St. Milwaukee, WI 53202	Assistant Treasurer	Indefinite Term; Since August 2016.	Assistant Vice President, U.S. Bank Global Fund Services since June 2005.	Not Applicable.	Not Applicable.
Craig Benton (born 1985) c/o U.S. Bank Global Fund Services 615 East Michigan St. Milwaukee, WI 53202	Assistant Treasurer	Indefinite Term; Since August 2016.	Assistant Vice President, U.S. Bank Global Fund Services since November 2007.	Not Applicable.	Not Applicable.

Villere Funds

TRUSTEES AND EXECUTIVE OFFICERS (Unaudited) (Continued)

Name, Address and Age	Positions with the Trust ⁽¹⁾	Term of Office and Length of Time Served	Principal Occupation During Past Five Years	Number of Portfolios in Fund Complex ⁽²⁾ Overseen by Trustees	Other Directorships Held During the Past Five Years
Cory Akers (born 1978) c/o U.S. Bank Global Fund Services 615 East Michigan St. Milwaukee, WI 53202	Assistant Treasurer	Indefinite Term; Since August 2017.	Assistant Vice President, U.S. Bank Global Fund Services since October 2006.	Not Applicable.	Not Applicable.
Donna Barrette (born 1966) c/o U.S. Bank Global Fund Services 615 East Michigan St. Milwaukee, WI 53202	Chief Compliance Officer Anti- Money Laundering Officer Vice President	Indefinite Term; Since July 2011. Indefinite Term; Since July 2011. Indefinite Term; Since July 2011.	Senior Vice President and Compliance Officer, U.S. Bank Global Fund Services since August 2004.	Not Applicable.	Not Applicable.

- (1) All Trustees of the Trust are not “interested persons” of the Trust as defined under the 1940 Act (“Independent Trustees”)
- (2) The Trust is comprised of numerous series managed by unaffiliated investment advisers. The term “Fund Complex” applies only to the Funds. The Funds do not hold themselves out as related to any other series within the Trust for purposes of investment and investor services, nor do they share the same investment adviser with any other series.

Villere Funds

FEDERAL TAX INFORMATION (Unaudited)

For the fiscal year ended August 31, 2018, certain dividends paid by the Funds may be subject to a maximum tax rate of 15%, as provided for by the Jobs and Growth Tax Relief Reconciliation Act of 2003 and the Tax Cuts and Jobs Act of 2017. The percentage of dividends declared from ordinary income designated as qualified dividend income was as follows:

Balanced Fund	61.30%
Equity Fund	0.00%

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the fiscal year ended August 31, 2018 was as follows:

Balanced Fund	80.48%
Equity Fund	0.00%

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distributions under Internal Revenue Section 871(k)(2)(C) for each Fund were as follows (unaudited):

Balanced Fund	0.00%
Equity Fund	0.00%

INFORMATION ABOUT PROXY VOTING (Unaudited)

A description of the policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities is available upon request without charge, by calling (866) 209-1129 or by accessing the Funds' web site at www.villere.com. Furthermore, you can obtain the description on the SEC's web site at www.sec.gov.

Information regarding how the Funds vote proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, upon request, by calling (866) 209-1129. Furthermore, you can obtain the Funds' proxy voting records on the SEC's web site at www.sec.gov.

Villere Funds

INFORMATION ABOUT THE PORTFOLIO HOLDINGS (Unaudited)

The Funds file their complete schedule of portfolio holdings for its first and third fiscal quarters with the SEC on Form N-Q. Each Fund's Form N-Q is available without charge, upon request, by calling toll-free at (866) 209-1129. Furthermore, you can obtain the Form N-Q on the SEC's web site at www.sec.gov. Each Fund's Form N-Q may be reviewed and copied at the Commission's Public Reference Room in Washington D.C. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

INFORMATION ABOUT HOUSEHOLDING (Unaudited)

To reduce expenses, we may mail only one copy of each Fund's prospectus and each annual and semi-annual report to those addresses shared by two or more accounts. If you wish to receive individual copies of these documents, please call us at (866) 209-1129 (or contact your financial institution). We will begin sending you individual copies thirty days after receiving your request.

INFORMATION ABOUT THE FUNDS' TRUSTEES (Unaudited)

The Statement of Additional Information ("SAI") includes additional information about the Funds' Trustees and is available without charge, upon request, by calling (866) 209-1129. Furthermore, you can obtain the SAI on the SEC's web site at www.sec.gov or the Funds' web site at www.villere.com.

Villere Funds

PRIVACY NOTICE

The Funds collect non-public information about you from the following sources:

- Information we receive about you on applications or other forms;
- Information you give us orally; and
- Information about your transactions with us or others.

We do not disclose any non-public personal information about our shareholders or former shareholders without the shareholder's authorization, except as permitted by law or in response to inquiries from governmental authorities. We may share information with affiliated parties and unaffiliated third parties with whom we have contracts for servicing the Funds. We will provide unaffiliated third parties with only the information necessary to carry out their assigned responsibility. We maintain physical, electronic and procedural safeguards to protect your non-public personal information and require third parties to treat your non-public information with the same high degree of confidentiality.

In the event that you hold shares of the Funds through a financial intermediary, including, but not limited to, a broker-dealer, bank or trust company, the privacy policy of your financial intermediary would govern how your non-public personal information would be shared by those entities with unaffiliated third parties.

Adviser

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New Orleans, LA 70130-6308

Distributor

QUASAR DISTRIBUTORS, LLC
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Milwaukee, WI 53202

Custodian

U.S. BANK N.A.
Custody Operations
1555 N. RiverCenter Drive, Suite 302
Milwaukee, WI 53212

Transfer Agent, Fund Accountant and Fund Administrator

U.S. BANCORP FUND SERVICES, LLC
615 E. Michigan Street
Milwaukee, WI 53202
(866) 209-1129

Independent Registered Public Accounting Firm

TAIT, WELLER & BAKER, LLP
1818 Market Street, Suite 2400
Philadelphia, PA 19103

Legal Counsel

SCHIFF HARDIN LLP
666 Fifth Avenue, Suite 1700
New York, NY 10103

Villere Balanced Fund

Symbol - VILLX
CUSIP - 742935539

Villere Equity Fund

Symbol - VLEQX
CUSIP - 74316J391

This report is intended for shareholders of the Fund and may not be used as sales literature unless preceded or accompanied by a current prospectus.

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