JACKSON SQUARE PARTNERS
SAN FRANCISCO

Jackson Square Large-Cap Growth Fund Commentary

As of December 31, 2018

QUARTERLY MARKET REVIEW

Volatility began to significantly increase on October 4 and the VIX maintained generally high levels for the remainder of the year. At the beginning of the quarter, we witnessed significant dispersion in sector returns as investors fled the momentum driven sectors that had led performance for much of 2018.

Despite higher interest rates for much of the year, the upheaval in the final quarter brought high quality bonds back to an approximately zero return for 2018. While Growth and Large-Cap stocks experienced a poor quarter, they maintained their relative leadership for the year. In contrast, Emerging Debt and Equity, despite a relatively positive fourth quarter, remained laggards for the year.

Consistent with the fourth quarter, Quality style factors dominated their Low Quality counterparts by wide margins.

The US managed to maintain leadership among developed countries despite being the worst performer in Q4. Similarly, Technology and Healthcare were dominant for the year despite significant weakness later.

STRATEGY REVIEW

For the fourth quarter of 2018, the Large-Cap Growth Portfolio outperformed its benchmark, the Russell 1000 Growth Index. While performance was largely driven by our stock exposure, on a sector level, information technology was the largest contributor and industrials the largest detractor from performance.

Contributors

TripAdvisor Inc., a travel website providing travel advice and planning features, was a contributor to performance during the quarter. The company announced third quarter earnings and has seen its stock price appreciate since. Revenue per hotel shopper grew 5% and the company has seen revenue growth accelerate in its key Non-Hotel offerings. Additionally, Hotel adjusted EBITDA and Total Adjusted EBITDA grew 94% and 54% respectively. Management stated they are on track to deliver strong profit growth in 2018 and the business is well-positioned heading into 2019. We continue to believe TripAdvisor is an undervalued asset due to its ability to attract significant numbers of interested travelers and that the company is worth more than recognized at the current valuation.

CME Group Inc., the financial market company operating options and futures exchanges, was a contributor to performance during the quarter. The stock has performed well since the company announced earnings, showing an improving quarter of strong volumes driven by increased volatility in interest rate, equities and metals product lines. The company remains well positioned to benefit from increased trading volumes as a result of increasing volatility rather than the strength of any given market. The CME Group is a platform company with a natural monopoly in many of its futures and clearing products. The business is highly cash generative with low capital spending requirements. Furthermore, we believe there are multiple regulatory and structural changes that are creating favorable growth conditions for the CME Group.

Dollar General Corporation, a chain of American variety stores, was a contributor to performance during the period. After strong earnings during the year, the stock held in relatively well during the recent market sell off. Many higher growth, more expensive stocks suffered while companies with more reasonable valuations held in relatively well. Jackson Square owns Dollar General as a contrarian consumer staple play; we believe the company is a highly durable and an underappreciated consumer discretionary franchise. We further believe there is opportunity for growth given the scarcity of valuable retail assets outside of Amazon's direct line of fire.

Detractors

FedEx Corporation, a transportation, e-commerce and business services company, was a detractor from performance during the quarter. The stock has lagged after the company announced disappointing earnings guidance due to international weakness. Additionally, the increasing threat posed by Amazon Air to FedEx's competitive position has been an overhang on the stock as analysts predict the negative impact to the company's revenue and margins over the long-term. That said, we continue to believe that FedEx has a strong competitive position as one of the few delivery and logistics players with both scale and scope. The company's recent large capital investment, we believe, has set the stage for enhancements of yields and profitability which can scale significantly across large volumes. Finally, we think industry capacity dynamics are setting up for improving prices and better margins for the industry, overall.

KKR & Co. Inc., a global investment firm which manages multiple alternative asset classes, was a detractor from performance during the period. Although earnings have demonstrated continued business momentum, we believe recent stock weakness can be explained by capital market conditions and investor risk aversion, specifically the recent sell off in the US alongside meaningful pull-backs in China and Europe during the year. That said, the company's change in organizational structure from an LLC to a C-corp has opened the stock up to new investors and broader analyst coverage. Further, we believe investor concerns about a potential late cycle in private equity and related alternative strategies are overdone given the company's diversified product lineup and multiple vintages that should smooth cash flows to offset cyclical movements. Finally, we believe the company's business model diversification to a broader alternatives platform and its mix-shift towards carry-harvesting products will drive value over the longer-term.

Electronic Arts, Inc., an American video game company, was a detractor from performance during the period. The company announced earnings at the end of October, which included softer than anticipated FY19 guidance with a reduction in EPS. Bearish near-term analysis has focused on Live Services growth, which has been lowered to 0-5% from 10-15%. That said, current weakness can be explained by recent delays in big title names which should

STRATEGY REVIEW CONTINUED

not impact significantly the long-term outlook for the stock; we continue to believe these issues to be transitory. We believe the company should benefit from upcoming and established game franchises combined with its growth within the digital downloads and mobile phone gaming channels, leading to more stable revenues and increased margins.

MARKET OUTLOOK

After significant positive absolute returns in the equity market over the past several years, sporadic volatility emerged during 2018. The volatility appeared to be both technical and fundamental, leaving investors continuing to struggle with accurately predicting the pace of global economic activity and assessing external factors that threaten economic fundamentals, such as central bank actions and fiscal policy debates across the globe. During the fourth quarter, the equity markets reflected such uncertainty, resulting in a significant correction. Previous market corrections over the past several years tended to be relatively quick, only to reverse before getting to any material level of investor risk aversion. As the 2019 year begins, investors are focused on the interplay between technical and fundamental factors to determine whether the long, post-financial crisis economic and equity market recovery has come to an end or whether the recent sell off will prove to be transitory.

Adding to investor uncertainty is President Trump's unconventional style as a head of state and various controversies surrounding his administration that may hamper significant policy change. In the short term, we are mindful of the potential macroeconomic implications of Trump policy shifts, e.g. economic growth, higher corporate and personal incomes from lower tax rates, etc. In recent months, President Trump's comments and public positioning on global trade has created more investor concerns about how a potential global trade war might impact the pace of economic growth. We believe it is too early to determine the long term magnitude of such outcomes but we will closely monitor President Trump's tenure with a keen eye on the execution of significant policy shifts.

Nonetheless, regardless of policy outcomes and of oscillating investor sentiment in any given period, we remain consistent in our long-term investment philosophy:

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

PERFORMANCE as of 12/31/18	Current quarter	YTD	1 year	3 year	5 year	10 year	Since inception	Inception date	Gross expense	Net expense*
JS Large-Cap Growth Fund Inst. Class**	-13.77%	-2.77%	-2.77%	5.80%	6.99%	14.48%	7.64%	9/19/16	0.86%	0.74%
JS Large-Cap Growth Fund Inv. Class**	-13.90%	-3.10%	-3.10%	5.50%	6.70%	14.19%	7.36%	9/19/16	1.11%	0.99%
JS Large-Cap Growth Fund IS Class	-13.84%	-2.84%	-2.84%	5.82%	7.05%	14.57%	7.73%	11/1/05	0.76%	0.64%
Russell 1000® Growth Index	-15.89%	-1.51%	-1.51%	11.15%	10.40%	15.29%	9.37%	11/1/05		

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

* The adviser has contractually agreed to reduce management fees and reimburse operating expenses until 02/28/19. Net expense is what the investor pays.

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

TOP 10 HOLDINGS		% of Total Net Assets
Microsoft	Technology	9.12
IQVIA Holdings	Health Care	5.34
Biogen	Health Care	4.42
Alphabet - Class A & C	Technology	4.41
KKR & Co. - Class A	Financial Services	4.31
Hasbro	Consumer Discretionary	4.24
Dollar General	Consumer Discretionary	4.21
TripAdvisor	Consumer Discretionary	4.17
UnitedHealth Group	Health Care	3.99
Take-Two Interactive Software	Technology	3.92
Total Top Ten Holdings		**48.13**

List excludes cash and cash equivalents.

IMPORTANT INFORMATION

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

The views expressed represent the Manager's assessment of the account and market environment as of 12/31/18 and should not be considered a recommendation to buy, hold, or sell any security, and should not be relied on as research or investment advice. Holdings are as of 12/31/18 and subject to change. Investments in small and/or medium-sized companies typically exhibit greater risk and higher volatility than larger, more established companies. Because this strategy expects to hold a concentrated portfolio of a limited number of securities, the portfolio's risk is increased because each investment has a greater effect on the strategy's overall performance.

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

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

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

Russell 1000® Growth Index is an unmanaged index that measures the performance of the large-cap growth segment of the U.S. equity universe. Index returns do not reflect management fees, transaction costs, or expenses. VIX index is a popular measure of the stock market's expectation of volatility implied by S&P 500 index options. Indices are unmanaged, and one cannot invest directly in an index. Benchmark information contained herein has been obtained from third party sources believed to be reliable, but we cannot guarantee its accuracy or completeness. All third-party marks are the property of their respective owners. EBITDA is earning before interest, tax, depreciation and amortization. Basis points is one hundredth of one percent. Earnings per share (EPS) is the portion of a company's profit allocated to each share of common stock. Earnings per share serve as an indicator of a company's profitability. Free Cash Flow is a way of looking at a business's cash flow to see what is available for distribution among all the securities holders of a corporate entity.

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

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