



NUANCE CONCENTRATED VALUE FUND

INSTITUTIONAL CLASS SHARES – NCVLX
INVESTOR CLASS SHARES – NCAVX

ANNUAL REPORT

NUANCE CONCENTRATED VALUE FUND (UNAUDITED)

April 30, 2016

Dear Fellow Shareholders:

We are pleased to write our annual shareholder letter for the Nuance Concentrated Value Fund (the “Fund” or the “portfolio”). The Fund is a classic value investment product investing primarily in the equity or equity-linked securities of United States based companies. The Fund will typically maintain 15-35 positions in the securities of companies that, in the opinion of the Nuance Investments team, have leading and sustainable market share positions, above average financial strength, and are trading at prices materially below our internally derived view of intrinsic value.

Average Annual Rates of Return as of April 30, 2016:

	<u>1 Year</u>	<u>3 Year</u>	<u>Since Inception⁽¹⁾</u>
Institutional Class	2.78%	10.99%	11.85%
Russell 3000 Value Index ⁽³⁾	-0.68%	9.34%	10.28%
S&P 500 Index ⁽²⁾	1.21%	11.26%	11.47%
	<u>1 Year</u>	<u>3 Year</u>	<u>Since Inception⁽⁴⁾</u>
Investor Class, no load	2.44%	10.71%	14.86%
Investor Class with load	-3.45%	8.54%	13.06%
Russell 3000 Value Index ⁽³⁾	-0.68%	9.34%	10.28%
S&P 500 Index ⁽²⁾	1.21%	11.26%	11.47%

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. Investor Class performance data shown reflects both performance with the maximum sales charge of 5.00% and without it. Performance data current to the most recent month end may be obtained by calling 1-855-682-6233.

The Adviser has contractually agreed to waive fees and reimburse expenses through August 31, 2016.

Institutional Class Gross Expense Ratio – 1.17%

Net Expense Ratio – 1.16%

Investor Class Gross Expense Ratio – 1.42%

Net Expense Ratio – 1.41%

(1) May 31, 2011

(2) The Standard & Poor's 500 Index (S&P 500) is an unmanaged, capitalization-weighted index generally representative of the U.S. Market for large capitalization stocks. This Index cannot be invested in directly.

(3) The Russell 3000 Value Index measures performance of those Russell 3000 Index companies with lower price-to-book ratios and lower forecasted growth values. This index cannot be invested in directly.

(4) July 31, 2012

For the fiscal year ended April 30, 2016, the Institutional Class is up 2.78 percent (annualized) versus its primary index – the Russell 3000 Value Index – down 0.68 percent (annualized) and the S&P 500 Index up 1.21 percent (annualized). We are pleased with this performance. For more perspective on our longer term performance please refer to your prospectus. This Nuance Concentrated Value product has existed in a separate account form since November 13, 2008. We have been adding to the Fund's weighting in the Financial sector over the last quarter as a retreat in interest rates led these stocks back to what we consider attractive levels. The Fund continued to be underweight in the Financial sector as a whole however, as the Real Estate Investment Trust (REIT) industry

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appeared fully to overvalued due to what we have termed the chase for yield. As the market rallied over the last six weeks of the first quarter of 2016, we saw some of our Industrial names start to move closer to our internal view of fair value, and our weighting in the Industrial space went from overweight to more in-line with the benchmark. The portfolio continued to be overweight Energy, Utilities and Materials as it had been over the last several quarters. We were also underweight the Consumer Discretionary, Healthcare and Technology sectors primarily due to valuation concerns as a result of what we view as the favor for growth over value.

At Nuance, our team and our processes are designed to emphasize consistency and what we believe is thorough fundamental analysis of companies that have the potential to lead to investment returns that will be acceptable for our shareholders over the long term. To do this, we focus our attention on studying one company at a time using the Nuance approach. Part of that approach is to ensure that each company we own has a sound and solid competitive position and that the companies are undervalued based on our internally derived view of sustainable cash flows, earnings and valuation. We believe in a thorough fundamental valuation analysis and that focusing simply on the value of a business is not enough. Rather, we spend considerable time studying the down-side potential of each company we own. As such, we believe that we understand the potential upside and the potential downside risks to our investments. This approach is critical to our goal of trying to provide shareholders with not only above-average returns over time, but above-average risk-adjusted returns as well.

Thank you for your interest and your continued support.

Scott A. Moore, CFA

Please visit our website at www.nuanceinvestments.com for more information about our team, our process, and value investing. You can also get real-time access to the Nuance Investment website updates and information via traditional mail or e-mail. Simply contact us at client.services@nuanceinvestments.com or call 816-743-7080 to sign-up.

This report should be preceded or accompanied by a prospectus.

Mutual fund investing involves risk. Principal loss is possible. Investments in small and mid-capitalization companies involve additional risk such as limited liquidity and greater volatility than larger capitalization companies. Investments in foreign securities involve political, economic and currency risks, greater volatility and differences in accounting methods. 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.

Past performance does not guarantee future results.

Opinions expressed are subject to change, are not guaranteed and should not be considered investment advice or recommendations to buy or sell any security.

A Cash Flow is a revenue or expense stream that changes an account over a given period.

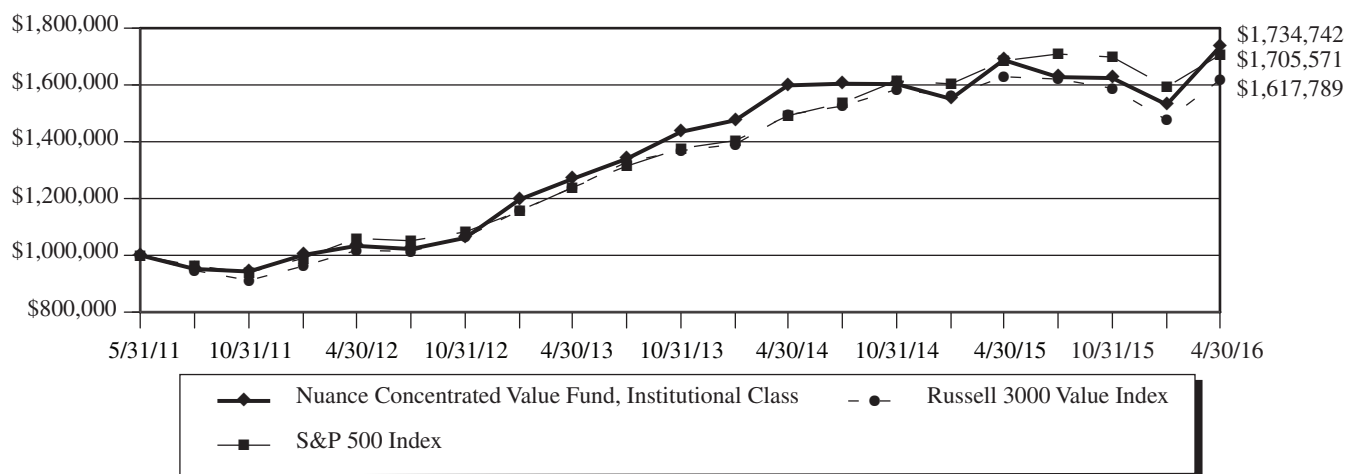
The Price to Book (P/B) Ratio is calculated by dividing the current price of the stock by the company's book value per share.

Nuance Investments, LLC is majority owned by Montage Investments, LLC.

Nuance Investments is the advisor to the Nuance Concentrated Value Fund which is distributed by Quasar Distributors, LLC.

NUANCE CONCENTRATED VALUE FUND

Value of \$1,000,000 Investment (UNAUDITED)



The chart assumes an initial investment of \$1,000,000. Performance reflects waivers of fee and operating expenses in effect. In the absence of such waivers, total return would be reduced. Past performance is not predictive of future performance. Investment return and principal value will fluctuate, so that your shares, when redeemed may be worth more or less than their original cost. Performance assumes the reinvestment of capital gains and income distributions. The performance does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

Average Annual Rates of Return (%) As of April 30, 2016

	1 Year	3 Years	Since Inception ⁽¹⁾
Institutional Class	2.78%	10.99%	11.85%
Investor Class (without sales load)	2.44%	10.71%	11.57%
Investor Class (with sales load)⁽²⁾	-3.45%	8.54%	10.24%
S&P 500 Index⁽³⁾	1.21%	11.26%	11.47%
Russell 3000 Value Index⁽⁴⁾	-0.68%	9.34%	10.28%

(1) Period from Fund inception through April 30, 2016. The Institutional Class shares commenced operations on May 31, 2011 and Investor Class shares commenced operations on July 31, 2012. Performance shown for the Investor Class prior to inception of the Investor Class shares is based on the performance of the Institutional Class shares, adjusted for the higher expenses applicable to Investor Class shares.

(2) Returns reflect a sales load of 5.00%.

(3) The Standard & Poor's 500 Index (S&P 500) is an unmanaged, capitalization-weighted index generally representative of the U.S. market for large capitalization stocks. This Index cannot be invested in directly.

(4) The Russell 3000 Value Index measures performance of those Russell 3000 Index companies with lower price-to-book ratios and lower forecasted growth values. This Index cannot be invested in directly.

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EXPENSE EXAMPLE (UNAUDITED) APRIL 30, 2016

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, which may include but are not limited to, sales charges (loads) on purchase payments; and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees, shareholder servicing fees, and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund 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 (November 1, 2015 – April 30, 2016).

ACTUAL EXPENSES

For each class, the first line of the table below provides information about actual account values and actual expenses. 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 Period” to estimate the expenses you paid on your account during this period.

HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES

For each class, the second line of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s 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 Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if transactional costs were included, your costs may have been higher.

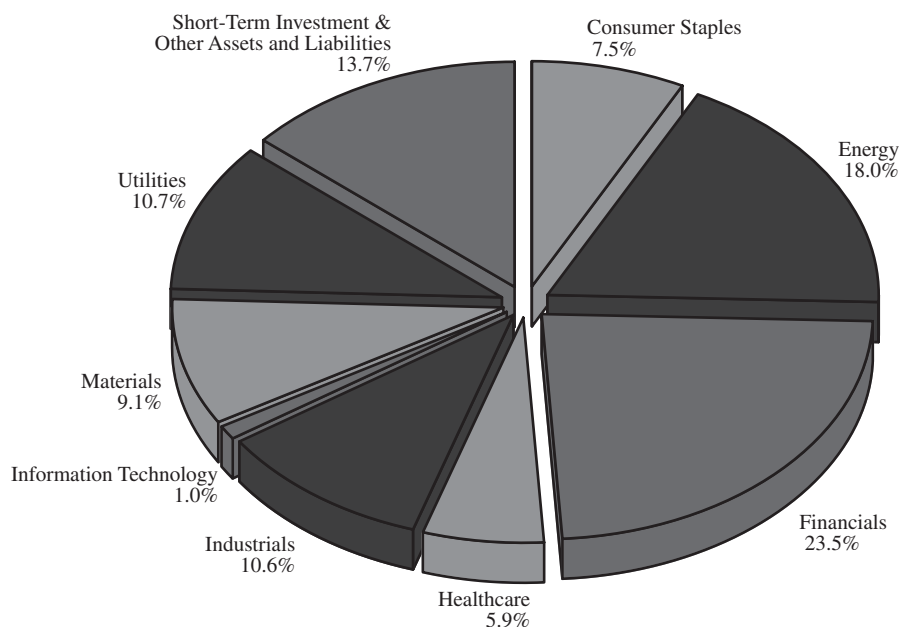
	<u>Beginning Account Value (11/1/2015)</u>	<u>Ending Account Value (4/30/2016)</u>	<u>Expenses Paid During Period⁽¹⁾ (11/1/2015 to 4/30/2016)</u>
Investor Class			
Actual ⁽²⁾	\$1,000.00	\$1,066.90	\$7.19
Hypothetical (5% return before expenses)	\$1,000.00	\$1,017.90	\$7.02
Institutional Class			
Actual ⁽²⁾	\$1,000.00	\$1,068.10	\$5.60
Hypothetical (5% return before expenses)	\$1,000.00	\$1,019.44	\$5.47

(1) Expenses are equal to the Fund’s annualized expense ratio for the most recent six-month period of 1.40% and 1.09% for the Investor Class and Institutional Class, respectively, multiplied by the average account value over the period, multiplied by 182/366 to reflect the one-half year period.

(2) Based on the actual returns for the six-month period ended April 30, 2016 of 6.69% and 6.81% for the Investor Class and Institutional Class, respectively.

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ALLOCATION OF PORTFOLIO (% OF NET ASSETS) (UNAUDITED) APRIL 30, 2016



TOP TEN EQUITY HOLDINGS⁽¹⁾ (UNAUDITED) AS OF APRIL 30, 2016 (% OF NET ASSETS)

National Fuel Gas Co.	10.7%
Frank's International N.V.	9.9%
BOK Financial Corp.	7.8%
Schlumberger Ltd.	5.9%
Diageo PLC – ADR	5.8%
H.B. Fuller Co.	5.1%
Northern Trust Corp.	4.1%
Praxair, Inc.	4.0%
Patterson Companies, Inc.	4.0%
Deere & Co.	3.9%

(1) Fund holdings and sector allocations are subject to change at any time and are not recommendations to buy or sell any security.

ADR – American Depositary Receipt

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SCHEDULE OF INVESTMENTS APRIL 30, 2016

	<u>Shares</u>	<u>Value</u>
COMMON STOCKS – 86.3%		
Consumer Staples – 7.5%		
Diageo PLC – ADR	252,130	\$ 27,313,243
Wal-Mart Stores, Inc.	122,861	8,215,715
		<u>35,528,958</u>
Energy – 18.0%		
FMC Technologies, Inc.*	324,103	9,881,901
Frank’s International N.V.	2,806,293	46,724,778
Schlumberger Ltd.	345,240	27,736,582
		<u>84,343,261</u>
Financials – 23.5%		
BOK Financial Corp.	610,630	36,747,713
Commerce Bancshares, Inc.	297,024	13,906,664
Corrections Corporation of America – REIT	211,080	6,421,053
M&T Bank Corp.	79,734	9,434,127
MetLife, Inc.	202,146	9,116,785
National Western Life Group, Inc. – Class A	29,897	6,478,680
Northern Trust Corp.	267,884	19,041,195
State Street Corp.	152,834	9,521,558
		<u>110,667,775</u>
Healthcare – 5.9%		
Johnson & Johnson	79,877	8,952,614
Patterson Companies, Inc.	429,000	18,597,150
		<u>27,549,764</u>
Industrials – 10.6%		
Deere & Co.	215,076	18,090,043
Emerson Electric Co.	164,264	8,973,742
Hub Group, Inc. – Class A*	198,368	7,641,136
Lindsay Corp.	81,557	6,235,848
United Parcel Service, Inc. – Class B	85,861	9,021,415
		<u>49,962,184</u>
Information Technology – 1.0%		
Cabot Microelectronics Corp.	111,834	4,684,726
Materials – 9.1%		
H.B. Fuller Co.	533,672	23,865,812
Praxair, Inc.	158,740	18,645,600
		<u>42,511,412</u>

See Notes to the Financial Statements

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SCHEDULE OF INVESTMENTS – CONTINUED APRIL 30, 2016

	<u>Shares</u>	<u>Value</u>
Utilities – 10.7%		
National Fuel Gas Co.	903,427	\$ 50,140,199
Total Common Stocks (Cost \$376,167,146)		<u>405,388,279</u>
SHORT-TERM INVESTMENT – 13.1%		
Fidelity Institutional Government Portfolio, Class I, 0.23%^ (Cost \$61,430,174)	61,430,174	<u>61,430,174</u>
Total Investments – 99.4% (Cost \$437,597,320)		466,818,453
Other Assets and Liabilities, Net – 0.6%		<u>3,077,328</u>
Total Net Assets – 100.0%		<u>\$469,895,781</u>

* Non-income producing security.

^ The rate shown is the annualized seven day effective yield as of April 30, 2016.

ADR – American Depositary Receipt

REIT – Real Estate Investment Trust

See Notes to the Financial Statements

NUANCE CONCENTRATED VALUE FUND

STATEMENT OF ASSETS AND LIABILITIES APRIL 30, 2016

ASSETS:

Investments, at value	
(cost \$437,597,320)	\$466,818,453
Receivable for investment securities sold	12,809,618
Receivable for capital shares sold	1,593,209
Dividends & interest receivable	289,216
Prepaid expenses	24,357
Total assets	481,534,853

LIABILITIES:

Payable for investment securities purchased	10,764,804
Payable for capital shares redeemed	346,490
Payable to investment adviser	318,264
Payable for fund administration & accounting fees	57,285
Payable for transfer agent fees & expenses	28,805
Payable for custody fees	7,001
Payable for trustee fees	3,493
Payable for compliance fees	1,667
Accrued distribution & shareholder service fees	71,702
Accrued expenses	39,561
Total liabilities	11,639,072

NET ASSETS \$469,895,781

NET ASSETS CONSIST OF:

Paid-in capital	\$463,666,957
Accumulated undistributed net realized loss on investments	(22,992,309)
Net unrealized appreciation on investments	29,221,133
Net Assets	\$469,895,781

	Investor Class	Institutional Class
Net Assets	\$137,073,408	\$332,822,373
Shares issued and outstanding ⁽¹⁾	10,368,663	25,121,242
Net asset value, redemption price and minimum offering price per share ⁽²⁾	\$13.22	\$13.25
Maximum offering price per share (\$13.22/0.95) ⁽³⁾	\$13.92	N/A

(1) Unlimited shares authorized with no par value.

(2) A contingent deferred sales charge (CDSC) of 1.00% may be charged on certain shares redeemed within 12 months of purchase on Investor Class shares.

(3) Reflects a maximum sales charge of 5.00%.

See Notes to the Financial Statements

NUANCE CONCENTRATED VALUE FUND

STATEMENT OF OPERATIONS FOR THE YEAR ENDED APRIL 30, 2016

INVESTMENT INCOME:

Dividend income (includes \$635,509 from affiliates)	\$ 12,854,392
Less: Foreign taxes withheld	(321,454)
Interest income	18,839
Total investment income	<u>12,551,777</u>

EXPENSES:

Investment adviser fees (See Note 4)	4,204,396
Fund administration & accounting fees (See Note 4)	372,265
Transfer agent fees & expenses (See Note 4)	188,214
Federal & state registration fees	56,460
Custody fees (See Note 4)	48,279
Postage & printing fees	46,955
Other	23,558
Audit fees	16,003
Trustee fees (See Note 4)	12,849
Legal fees	11,331
Compliance fees (See Note 4)	10,581
Distribution & shareholder service fees (See Note 5):	
Investor Class	542,577
Institutional Class	269,423
Total expenses before net recoupment/(reimbursement)	<u>5,802,891</u>
Less: advisory fee net recoupment/(reimbursement) (See Note 4)	(4,488)
Net expenses	<u>5,798,403</u>

NET INVESTMENT INCOME 6,753,374

REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS

Net realized loss on investments (includes \$(12,732,630) net loss from affiliates)	(11,149,224)
Net change in unrealized appreciation on investments	<u>7,529,087</u>
Net realized and unrealized loss on investments	<u>(3,620,137)</u>

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS \$ 3,133,237

See Notes to the Financial Statements

NUANCE CONCENTRATED VALUE FUND

STATEMENTS OF CHANGES IN NET ASSETS

	<u>Year Ended</u> <u>April 30, 2016</u>	<u>Year Ended</u> <u>April 30, 2015</u>
OPERATIONS:		
Net investment income	\$ 6,753,374	\$ 5,418,576
Net realized gain (loss) on investments	(11,149,224)	31,203,950
Net change in unrealized appreciation on investments	<u>7,529,087</u>	<u>(7,707,729)</u>
Net increase in net assets resulting from operations	<u>3,133,237</u>	<u>28,914,797</u>
CAPITAL SHARE TRANSACTIONS:		
Investor Class:		
Proceeds from shares sold	25,201,654	89,873,453
Proceeds from reinvestment of distributions	6,291,960	13,414,021
Payments for shares redeemed	<u>(57,156,943)</u>	<u>(136,507,564)</u>
Decrease in net assets resulting from Investor Class transactions	<u>(25,663,329)</u>	<u>(33,220,090)</u>
Institutional Class:		
Proceeds from shares sold	102,833,034	266,188,819
Proceeds from reinvestment of distributions	15,660,663	29,781,147
Payments for shares redeemed	<u>(182,823,175)</u>	<u>(166,565,075)</u>
Increase (decrease) in net assets resulting from Institutional Class transactions	<u>(64,329,478)</u>	<u>129,404,891</u>
Net increase (decrease) in net assets resulting from capital share transactions	<u>(89,992,807)</u>	<u>96,184,801</u>
DISTRIBUTIONS TO SHAREHOLDERS:		
From net investment income:		
Investor Class	(1,732,105)	(1,556,846)
Institutional Class	(5,023,236)	(4,220,254)
From net realized gains:		
Investor Class	(5,217,994)	(12,659,636)
Institutional Class	(12,576,672)	(28,975,246)
From return of capital:		
Investor Class	(96,503)	—
Institutional Class	<u>(281,924)</u>	<u>—</u>
Total distributions to shareholders	<u>(24,928,434)</u>	<u>(47,411,982)</u>
TOTAL INCREASE (DECREASE) IN NET ASSETS	<u>(111,788,004)</u>	<u>77,687,616</u>
NET ASSETS:		
Beginning of year	<u>581,683,785</u>	<u>503,996,169</u>
End of year (including accumulated undistributed net investment income of \$0 and \$0, respectively)	<u>\$ 469,895,781</u>	<u>\$ 581,683,785</u>

See Notes to the Financial Statements

NUANCE CONCENTRATED VALUE FUND

FINANCIAL HIGHLIGHTS

For a Fund share outstanding throughout the period.

	<u>Year Ended</u> <u>April 30, 2016</u>	<u>Year Ended</u> <u>April 30, 2015</u>	<u>Year Ended</u> <u>April 30, 2014</u>	<u>For the Period</u> <u>Inception through</u> <u>April 30, 2013⁽¹⁾</u>
Investor Class				
PER SHARE DATA:				
Net asset value, beginning of period	\$13.60	\$13.95	\$12.14	\$10.15
INVESTMENT OPERATIONS:				
Net investment income	0.15	0.10	0.06	0.21
Net realized and unrealized gain on investments	<u>0.12⁽²⁾</u>	<u>0.60</u>	<u>2.97</u>	<u>2.16</u>
Total from investment operations	<u>0.27</u>	<u>0.70</u>	<u>3.03</u>	<u>2.37</u>
LESS DISTRIBUTIONS:				
Distributions from net investment income	(0.15)	(0.11)	(0.06)	(0.20)
Distributions from net realized gains	(0.49)	(0.94)	(1.16)	(0.18)
Distributions from return of capital	<u>(0.01)</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total distributions	<u>(0.65)</u>	<u>(1.05)</u>	<u>(1.22)</u>	<u>(0.38)</u>
Net asset value, end of period	<u>\$13.22</u>	<u>\$13.60</u>	<u>\$13.95</u>	<u>\$12.14</u>
TOTAL RETURN⁽³⁾⁽⁴⁾	2.44%	5.35%	25.71%	23.90%
SUPPLEMENTAL DATA AND RATIOS:				
Net assets, end of period (in millions)	\$137.1	\$168.6	\$207.8	\$0.4
Ratio of expenses to average net assets ⁽⁵⁾ :				
Before expense reimbursement/recoupment	1.38%	1.36%	1.45%	1.57%
After expense reimbursement/recoupment	1.38%	1.39%	1.40%	1.40%
Ratio of net investment income to average net assets ⁽⁵⁾ :				
Before expense reimbursement/recoupment	1.15%	0.77%	0.35%	0.54%
After expense reimbursement/recoupment	1.15%	0.74%	0.40%	0.71%
Portfolio turnover rate ⁽⁴⁾	93%	141%	103%	110%

(1) Inception date of the Investor Class was July 31, 2012.

(2) Realized and unrealized gains per share in this caption are balancing amounts necessary to reconcile the change in net asset value per share for the period, and may not reconcile with the aggregate gains on the Statement of Operations due to share transactions for the period.

(3) Total return does not reflect sales charges.

(4) Not annualized for periods less than one year.

(5) Annualized for periods less than one year.

See Notes to the Financial Statements

NUANCE CONCENTRATED VALUE FUND

FINANCIAL HIGHLIGHTS

For a Fund share outstanding throughout the period.

Institutional Class	<u>Year Ended April 30, 2016</u>	<u>Year Ended April 30, 2015</u>	<u>Year Ended April 30, 2014</u>	<u>Year Ended April 30, 2013</u>	<u>For the Period Inception through April 30, 2012⁽¹⁾</u>
PER SHARE DATA:					
Net asset value, beginning of period	<u>\$13.62</u>	<u>\$13.97</u>	<u>\$12.15</u>	<u>\$10.26</u>	<u>\$10.00</u>
INVESTMENT OPERATIONS:					
Net investment income	0.19	0.13	0.07	0.08	0.26
Net realized and unrealized gain on investments	<u>0.13⁽²⁾</u>	<u>0.60</u>	<u>3.00</u>	<u>2.20</u>	<u>0.07⁽²⁾</u>
Total from investment operations	<u>0.32</u>	<u>0.73</u>	<u>3.07</u>	<u>2.28</u>	<u>0.33</u>
LESS DISTRIBUTIONS:					
Distributions from net investment income	(0.19)	(0.14)	(0.09)	(0.21)	(0.07)
Distributions from net realized gains	(0.49)	(0.94)	(1.16)	(0.18)	—
Distributions from return of capital	<u>(0.01)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total distributions	<u>(0.69)</u>	<u>(1.08)</u>	<u>(1.25)</u>	<u>(0.39)</u>	<u>(0.07)</u>
Net asset value, end of period	<u>\$13.25</u>	<u>\$13.62</u>	<u>\$13.97</u>	<u>\$12.15</u>	<u>\$10.26</u>
TOTAL RETURN⁽³⁾	2.78%	5.59%	25.98%	22.79%	3.33%
SUPPLEMENTAL DATA AND RATIOS:					
Net assets, end of period (in millions)	\$332.8	\$413.1	\$296.2	\$76.0	\$39.4
Ratio of expenses to average net assets ⁽⁴⁾ :					
Before expense					
reimbursement/recoupment	1.09%	1.09%	1.12%	1.40%	1.84%
After expense					
reimbursement/recoupment	1.09%	1.14%	1.15%	1.15%	1.15%
Ratio of net investment income to average net assets ⁽⁴⁾ :					
Before expense					
reimbursement/recoupment	1.45%	1.04%	0.67%	0.71%	2.49%
After expense					
reimbursement/recoupment	1.45%	0.99%	0.64%	0.96%	3.18%
Portfolio turnover rate ⁽³⁾	93%	141%	103%	110%	77%

(1) Inception date of the Institutional Class was May 31, 2011.

(2) Realized and unrealized gains per share in this caption are balancing amounts necessary to reconcile the change in net asset value per share for the period, and may not reconcile with the aggregate gains on the Statement of Operations due to share transactions for the period.

(3) Not annualized for periods less than one year.

(4) Annualized for periods less than one year.

See Notes to the Financial Statements

NUANCE CONCENTRATED VALUE FUND

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016

1. ORGANIZATION

Managed Portfolio Series (the “Trust”) was organized as a Delaware statutory trust under a Declaration of Trust dated January 27, 2011. The Trust is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Nuance Concentrated Value Fund (the “Fund”) is a non-diversified series with its own investment objectives and policies within the Trust. The investment objective of the Fund is long-term capital appreciation. The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 946 Financial Services – Investment Companies. The Fund commenced operations on May 31, 2011. The Fund currently offers two classes, the Investor Class and the Institutional Class. Investor Class shares are subject to a 0.25% distribution fee and each class of shares is subject to a shareholder servicing fee of up to 0.15%. Each class of shares has identical rights and privileges with respect to voting on matters affecting a single share class. The Fund may issue an unlimited number of shares of beneficial interest, with no par value.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. These policies are in conformity with generally accepted accounting principles in the United States of America (“GAAP”).

Security Valuation – All investments in securities are recorded at their estimated fair value, as described in Note 3.

Federal Income Taxes – The Fund complies with the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended, necessary to qualify as a regulated investment company and distributes substantially all net taxable investment income and net realized gains to shareholders in a manner which results in no tax cost to the Fund. Therefore, no federal income or excise tax provision is required. As of and during the year ended April 30, 2016, the Fund did not have any tax positions that did not meet the “more-likely-than-not” threshold of being sustained by the applicable tax authority. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits on uncertain tax positions as income tax expense in the Statement of Operations. During the year ended April 30, 2016, the Fund did not incur any interest or penalties.

Security Transactions, Income and Distributions – The Fund follows industry practice and records security transactions on the trade date. Realized gains and losses on sales of securities are calculated on the basis of identified cost. Dividend income is recorded on the ex-dividend date and interest income is recorded on an accrual basis. Withholding taxes on foreign dividends have been provided for in accordance with the Fund’s understanding of the applicable country’s tax rules and regulations. Discounts and premiums on securities purchased are amortized over the expected life of the respective securities.

The Fund will make distributions, if any, of net investment income quarterly. The Fund will also distribute net realized capital gains, if any, annually. Distributions to shareholders are recorded on the ex-dividend date. The treatment for financial reporting purposes of distributions made to shareholders during the year from net investment income or net realized capital gains may differ from their treatment for federal income tax purposes. These differences are caused primarily by differences in the timing of the recognition of certain components of income, expense or realized capital gain for federal income tax purposes. Where such differences are permanent in nature, GAAP requires that they be reclassified in the components of the net assets based on their ultimate characterization for federal income tax purposes. Any such reclassifications will have no effect on net assets, results of operations or net asset values per share of the Fund. For the year ended April 30, 2016, the Fund increased accumulated undistributed net investment loss by \$380,394, decreased accumulated undistributed net realized loss by \$(1,895), and decreased paid-in capital by \$(378,499).

NUANCE CONCENTRATED VALUE FUND

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED APRIL 30, 2016

Use of Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Allocation of Income, Expenses and Gains/Losses – Income, expenses (other than those deemed attributable to a specific share class), and gains and losses of the Fund are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of the net assets of the Fund. Expenses deemed directly attributable to a class of shares are recorded by the specific class. Most Fund expenses are allocated by class based on relative net assets. 12b-1 fees are expensed at 0.25% of average daily net assets of Investor Class shares. Shareholder service fees are expensed at up to 0.15% of average daily net assets for each class of shares. Expenses associated with a specific fund in the Trust are charged to that fund. Common Trust expenses are typically allocated evenly between the funds of the Trust, or by other equitable means.

3. SECURITIES VALUATION

The Fund has adopted authoritative fair value accounting standards which establish an authoritative definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value, a discussion in changes in valuation techniques and related inputs during the period and expanded disclosure of valuation levels for major security types. These inputs are summarized in the three broad levels listed below:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has 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 Fund's 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.

Following is a description of the valuation techniques applied to the Fund's major categories of assets and liabilities measured at fair value on a recurring basis. The Fund's investments are carried at fair value.

Equity Securities – Securities that are primarily traded on a national securities exchange are valued at the last sale price on the exchange on which they are primarily traded on the day of valuation or, if there has been no sale on such day, at the mean between the bid and ask prices. Securities traded primarily in the Nasdaq Global Market System for which market quotations are readily available are valued using the Nasdaq Official Closing Price ("NOCP"). If the NOCP is not available, such securities are valued at the last sale price on the day of valuation, or if there has been no sale on such day, at the mean between the bid and ask prices. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy.

Mutual Funds – Investments in other mutual funds, including money market funds, are valued at their net asset value per share and are categorized in Level 1 of the fair value hierarchy. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy.

NUANCE CONCENTRATED VALUE FUND

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED APRIL 30, 2016

Securities for which market quotations are not readily available, or if the closing price does not represent fair value, are valued following procedures approved by the Board of Trustees. These procedures consider many factors, including the type of security, size of holding, trading volume and news events. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset values per share. The Board of Trustees has established a Valuation Committee to administer, implement, and oversee the fair valuation process, and to make fair value decisions when necessary. The Board of Trustees regularly reviews reports that describe any fair value determinations and methods.

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities. The following is a summary of the inputs used to value the Fund's securities as of April 30, 2016:

	Level 1	Level 2	Level 3	Total
Common Stocks	\$405,388,279	\$ —	\$ —	\$405,388,279
Short-Term Investment	61,430,174	—	—	61,430,174
Total Investments in Securities	<u>\$466,818,453</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$466,818,453</u>

Transfers between levels are recognized at the end of the reporting year. During the year ended April 30, 2016, the Fund recognized no transfers between levels. The Fund did not invest in any Level 3 investments during the year. Refer to the Schedule of Investments for further information on the classification of investments.

4. INVESTMENT ADVISORY FEE AND OTHER TRANSACTIONS WITH AFFILIATES

The Trust has an agreement with Nuance Investments, LLC (the "Adviser") to furnish investment advisory services to the Fund. Pursuant to an Investment Advisory Agreement between the Trust and the Adviser, the Adviser is entitled to receive, on a monthly basis, an annual advisory fee equal to 0.85% of the Fund's average daily net assets.

The Fund's Adviser has contractually agreed to waive a portion or all of its management fees and reimburse the Fund for its expenses to ensure that total annual operating expenses (excluding acquired fund fees and expenses, interest, taxes, brokerage commissions and extraordinary expenses) for the Fund do not exceed 1.40% and 1.15% of average daily net assets of the Fund's Investor Class and Institutional Class, respectively. Fees waived and expenses reimbursed by the Adviser may be recouped by the Adviser for a period of three fiscal years following the fiscal year during which such waiver or reimbursement was made if such recoupment can be achieved without exceeding the expense limit in effect at the time the waiver and reimbursement occurred. The Operating Expense Limitation Agreement is intended to be continual in nature and cannot be terminated within a year after the effective date of the Fund's prospectus. After that date, the agreement may be terminated at any time upon 60 days' written notice by the Trust's Board of Trustees or the Adviser, with the consent of the Board. Waived fees and reimbursed expenses subject to potential recovery by year of expiration are as follows:

Expiration	Amount
April 30, 2019	\$4,488

U.S. Bancorp Fund Services, LLC ("USBFS" or the "Administrator") acts as the Fund's Administrator, Transfer Agent, and Fund Accountant. U.S. Bank N.A. (the "Custodian") serves as the custodian to the Fund. The Custodian is an affiliate of the Administrator. The Administrator performs various administrative and accounting services for the Fund. The Administrator prepares various federal and state regulatory filings, reports and returns for the Fund; prepares reports and materials to be supplied to the Trustees; monitors the activities of the Fund's custodian; coordinates the payment of the Fund's expenses and reviews the Fund's expense accruals. The officers of the Trust and the Chief Compliance Officer are employees of the Administrator. A Trustee of the Trust is an officer of the

NUANCE CONCENTRATED VALUE FUND

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED APRIL 30, 2016

Administrator. As compensation for its services, the Administrator is entitled to a monthly fee at an annual rate based upon the average daily net assets of the Fund, subject to annual minimums. Fees paid by the Fund for administration and accounting, transfer agency, custody and chief compliance officer services for the year ended April 30, 2016, are disclosed in the Statement of Operations.

Quasar Distributors, LLC (the “Distributor”) acts as the Fund’s principal underwriter in a continuous public offering of the Fund’s shares. The Distributor is an affiliate of the Administrator. A Trustee of the Trust is an interested person of the Distributor.

5. DISTRIBUTION & SHAREHOLDER SERVICING FEES

The Fund has adopted a Distribution Plan pursuant to Rule 12b-1 (the “Plan”) in the Investor Class only. The Plan permits the Fund to pay for distribution and related expenses at an annual rate of 0.25% of the Investor Class average daily net assets. The expenses covered by the Plan may include the cost of preparing and distributing prospectuses and other sales material, advertising and public relations expenses, payments to financial intermediaries and compensation of personnel involved in selling shares of the Fund. Payments made pursuant to the Plan will represent compensation for distribution and service activities, not reimbursements for specific expenses incurred. For the year ended April 30, 2016, the Investor Class incurred expenses of \$360,879 pursuant to the Plan.

The Fund has entered into a shareholder servicing agreement (the “Agreement”) with the Adviser, under which the Fund may pay servicing fees at an annual rate of up to 0.15% of the average daily net assets of each class. Payments to the Adviser under the Agreement may reimburse the Adviser for payments it makes to selected brokers, dealers and administrators which have entered into service agreements with the Adviser for services provided to shareholders of the Fund. The services provided by such intermediaries are primarily designed to assist shareholders of the Fund and include the furnishing of office space and equipment, telephone facilities, personnel and assistance to the Fund in servicing such shareholders. Services provided by such intermediaries also include the provision of support services to the Fund and includes establishing and maintaining shareholders’ accounts and record processing, purchase and redemption transactions, answering routine client inquiries regarding the Fund, and providing such other personal services to shareholders as the Fund may reasonably request. For the year ended April 30, 2016, the Investor and Institutional Class incurred \$181,698 and \$269,423, respectively, of shareholder servicing fees under the Agreement.

6. CAPITAL SHARE TRANSACTIONS

Transactions in shares of the Fund were as follows:

	<u>Year Ended April 30, 2016</u>	<u>Year Ended April 30, 2015</u>
Investor Class:		
Shares sold	1,999,451	6,539,068
Shares issued to holders in reinvestment of distributions	516,551	1,022,431
Shares redeemed	(4,539,960)	(10,063,206)
Net decrease in Investor Class shares	<u>(2,023,958)</u>	<u>(2,501,707)</u>
Institutional Class:		
Shares sold	8,101,710	19,303,240
Shares issued to holders in reinvestment of distributions	1,279,062	2,263,637
Shares redeemed	(14,579,948)	(12,449,572)
Net increase (decrease) in Institutional Class shares	<u>(5,199,176)</u>	<u>9,117,305</u>
Net increase (decrease) in shares outstanding	<u>(7,223,134)</u>	<u>6,615,598</u>

NUANCE CONCENTRATED VALUE FUND

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED APRIL 30, 2016

7. INVESTMENT TRANSACTIONS

The aggregate purchases and sales, excluding short-term investments, by the Fund for the year ended April 30, 2016, were as follows:

	Purchases	Sales
U.S. Government	\$ —	\$ —
Other	\$442,805,910	\$589,138,378

8. FEDERAL TAX INFORMATION

The aggregate gross unrealized appreciation and depreciation of securities held by the Fund and the total cost of securities for federal income tax purposes at April 30, 2016, the Fund's most recent fiscal year end, were as follows:

Aggregate Gross Appreciation	Aggregate Gross Depreciation	Net	Federal Income Tax Cost
\$38,797,527	\$(15,919,671)	\$22,877,856	\$443,940,597

The difference between book-basis and tax-basis unrealized appreciation is attributable primarily to the deferral of wash sale losses. At April 30, 2016, components of accumulated earnings on a tax-basis were as follows:

Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Other Accumulated Losses	Unrealized Appreciation	Total Accumulated Earnings
\$ —	\$ —	\$(16,649,032)	\$22,877,856	\$6,228,824

As of April 30, 2016, the Fund did not have any capital loss carryovers. A regulated investment company may elect for any taxable year to treat any portion of any qualified late year loss as arising on the first day of the next taxable year. Qualified late year losses are certain capital, and ordinary losses which occur during the portion of the Fund's taxable year subsequent to October 31. For the taxable year ended April 30, 2016, the Fund deferred, on a tax basis, short-term post-October losses of \$16,649,032.

The tax character of distributions paid during the year ended April 30, 2016, were as follows:

Ordinary Income*	Long Term Capital Gains	Return of Capital	Total
\$17,501,023	\$7,048,984	\$378,427	\$24,928,434

The tax character of distributions paid during the year ended April 30, 2015, were as follows:

Ordinary Income*	Long Term Capital Gains	Total
\$41,104,415	\$6,307,567	\$47,411,982

* For federal income tax purposes, distributions of short-term capital gains are treated as ordinary income distributions.

The Fund designated as long-term capital gain dividend, pursuant to Internal Revenue Code Section 852(b)(3), the amount necessary to reduce the earnings and profits of the Fund related to net capital gain to zero for the tax year ended April 30, 2016.

NUANCE CONCENTRATED VALUE FUND

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED APRIL 30, 2016

9. TRANSACTIONS WITH AFFILIATES

If the Fund's holding represents ownership of 5% or more of the voting securities of a company, the company is deemed to be an affiliate as defined by the 1940 Act. The Fund conducted transactions during the year ended April 30, 2016 with affiliated companies as so defined:

	Beginning Shares	Additions	Reductions	Ending Shares	Dividend Income	Realized Loss
American Science & Engineering, Inc.	361,345	33,376	394,721	—	\$635,509	\$(12,732,630)

10. CONTROL OWNERSHIP

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates a presumption of control of the fund, under Section 2(a)(9) of the Investment Company Act of 1940. As of April 30, 2016, Charles Schwab & Co., Inc. and National Financial Services, LLC, for the benefit of its customers, owned 26.04% and 41.95% of the Fund, respectively.

NUANCE CONCENTRATED VALUE FUND

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Nuance Concentrated Value Fund and
Board of Trustees of Managed Portfolio Series

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Nuance Concentrated Value Fund (the “Fund”), a series of Managed Portfolio Series, as of April 30, 2016, and 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, and the financial highlights for each of the five periods in the period then ended. These financial statements and financial highlights are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of April 30, 2016, by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Nuance Concentrated Value Fund as of April 30, 2016, 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 periods in the period then ended, in conformity with accounting principles generally accepted in the United States of America.



COHEN FUND AUDIT SERVICES, LTD.

Cleveland, Ohio

June 28, 2016

NUANCE CONCENTRATED VALUE FUND

ADDITIONAL INFORMATION (UNAUDITED) APRIL 30, 2016

TRUSTEES AND OFFICERS

Name, Address and Age	Position(s) Held with the Trust	Term of Office and Length of Time Served	Number of Portfolios in Trust Overseen by Trustee	Principal Occupation(s) During the Past Five Years	Other Directorships Held by Trustee During the Past Five Years
INDEPENDENT TRUSTEES					
Leonard M. Rush, CPA 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1946	Lead Trustee and Audit Committee Chairman	Indefinite Term; Since April 2011	36	Retired; Chief Financial Officer, Robert W. Baird & Co. Incorporated, (2000-2011).	Independent Trustee, ETF Series Solutions (13 Portfolios) (2012-Present); Director, Anchor Bancorp Wisconsin, Inc. (2011-2013)
David A. Massart 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1967	Trustee and Valuation Committee Chairman	Indefinite Term; Since April 2011	36	Co-Founder and Chief Investment Strategist, Next Generation Wealth Management, Inc. (2005-present).	Independent Trustee, ETF Series Solutions (13 Portfolios) (2012-Present)
David M. Swanson 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1957	Trustee	Indefinite Term; Since April 2011	36	Founder and Managing Principal, SwanDog Strategic Marketing, LLC (2006-present); Executive Vice President, Calamos Investments (2004-2006).	Independent Trustee, ALPS Variable Insurance Trust (8 Portfolios) (2006-Present) Independent Trustee, RiverNorth Opportunities Closed-End Fund (2015-Present)
INTERESTED TRUSTEE					
Robert J. Kern* 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1958	Chairman, and Trustee	Indefinite Term; Since January 2011	36	Executive Vice President, U.S. Bancorp Fund Services, LLC (1994-Present).	None

NUANCE CONCENTRATED VALUE FUND

ADDITIONAL INFORMATION (UNAUDITED) – CONTINUED APRIL 30, 2016

Name, Address and Age	Position(s) Held with the Trust	Term of Office and Length of Time Served	Number of Portfolios in Trust Overseen by Trustee	Principal Occupation(s) During the Past Five Years	Other Directorships Held by Trustee During the Past Five Years
OFFICERS					
James R. Arnold 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1957	President and Principal Executive Officer	Indefinite Term; Since January 2011	N/A	Senior Vice President, U.S. Bancorp Fund Services, LLC (2002-Present).	N/A
Deborah Ward 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1966	Vice President, Chief Compliance Officer and Anti-Money Laundering Officer	Indefinite Term; Since April 2013	N/A	Senior Vice President, U.S. Bancorp Fund Services, LLC (2004-Present).	N/A
Brian R. Wiedmeyer 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1973	Treasurer and Principal Financial Officer	Indefinite Term; Since January 2011	N/A	Vice President, U.S. Bancorp Fund Services, LLC (2005-Present).	N/A
Jeanine M. Bajczyk, Esq. 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1965	Secretary	Indefinite Term; Since August 2015	N/A	Senior Vice President and Counsel, U.S. Bancorp Fund Services, LLC (May 2006-Present).	N/A
Mark Quade, Esq. 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1982	Assistant Secretary	Indefinite Term; Since June 2015	N/A	Assistant Vice President, U.S. Bancorp Fund Services, LLC (2013-Present); Law Clerk, U.S. Bancorp (2012-2013); Graduate, University of Minnesota Law School (2010-2013).	N/A
Ryan L. Roell 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1973	Assistant Treasurer	Indefinite Term; Since September 2012	N/A	Assistant Vice President, U.S. Bancorp Fund Services, LLC (2005-Present).	N/A

* Mr. Kern is an “interested person” of the Trust as defined by the 1940 Act by virtue of the fact that he is an interested person of Quasar Distributors, LLC, the Fund’s principal underwriter.

NUANCE CONCENTRATED VALUE FUND

ADDITIONAL INFORMATION (UNAUDITED) – CONTINUED APRIL 30, 2016

AVAILABILITY OF FUND PORTFOLIO INFORMATION

The Fund files complete schedules of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q, which is available on the SEC's website at www.sec.gov. The Fund's Form N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. For information on the Public Reference Room call 1-800-SEC-0330. In addition, the Fund's Form N-Q is available without charge upon request by calling 1-855-682-6233.

AVAILABILITY OF PROXY VOTING INFORMATION

A description of the Fund's Proxy Voting Policies and Procedures is available without charge, upon request, by calling 1-855-682-6233. Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12 month period ended June 30, is available (1) without charge, upon request, by calling 1-888-621-9258, or (2) on the SEC's website at www.sec.gov.

QUALIFIED DIVIDEND INCOME/DIVIDENDS RECEIVED DEDUCTION

For the fiscal year ended April 30, 2016, certain dividends paid by the Fund may be subject to a maximum tax rate of 23.8%, as provided for by the American Taxpayer Relief Act of 2012. The percentage of dividends declared from ordinary income designated as qualified dividend income was 78.17% for the Fund.

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the fiscal year ended April 30, 2016 was 60.55% for the Fund.

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distributions under Internal Revenue Section 871 (k)(2)(c) was 61.39%.

NUANCE CONCENTRATED VALUE FUND

APPROVAL OF INVESTMENT ADVISORY AGREEMENT (UNAUDITED)

At the regular meeting of the Board of Trustees of Managed Portfolio Series (“Trust”) on February 16-17, 2016, the Trust’s Board of Trustees (“Board”), including all of the Trustees who are not “interested persons” of the Trust, as that term is defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended, (“Independent Trustees”) considered and approved the continuation of the Investment Advisory Agreement between the Trust and Nuance Investments, LLC (“Nuance” or the “Adviser”) regarding the Nuance Concentrated Value Fund (the “Fund”) (the “Investment Advisory Agreement”) for another annual term.

Prior to this meeting and at a meeting held on January 7, 2016, the Trustees received and considered information from Nuance and the Trust’s administrator designed to provide the Trustees with the information necessary to evaluate the continuance of the Investment Advisory Agreement (“Support Materials”). Before voting to approve the continuance of the Investment Advisory Agreement, the Trustees reviewed the Support Materials with Trust management and with counsel to the Independent Trustees, and received a memorandum from such counsel discussing the legal standards for their consideration of the renewal of the Investment Advisory Agreement. 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.

In determining whether to continue the Investment Advisory Agreement, the Trustees considered all factors they believed relevant, including the following: (1) the nature, extent, and quality of the services provided by Nuance with respect to the Fund; (2) the Fund’s historical performance and the performance of other investment accounts managed by Nuance; (3) the costs of the services provided by Nuance and the profits realized by Nuance from services rendered to the Trust with respect to the Fund; (4) comparative fee and expense data for the Fund and other investment companies with similar investment objectives; (5) the extent to which economies of scale may be realized as the Fund grows and whether the advisory fee for the Fund reflects such economies of scale for the Fund’s benefit; and (6) other financial benefits to Nuance and its affiliates resulting from services rendered to the Fund. In their deliberations, the Trustees did not identify any particular information that was all-important or controlling.

Based upon the information provided to the Board throughout the course of the year, including an in-person presentation by a representative of Nuance, and the Support Materials, the Board concluded that the overall arrangements between the Trust and Nuance set forth in the Investment Advisory Agreement, as it relates to the Fund, continue to be fair and reasonable in light of the services that Nuance performs, the investment advisory fees that the Fund pays, and such other matters as the Trustees considered relevant in the exercise of their reasonable business judgment. The material factors and conclusions that formed the basis of the Trustees’ determination to approve the continuation of the Investment Advisory Agreement are summarized below.

Nature, Extent and Quality of Services Provided. The Trustees considered the scope of services that Nuance provides under the Investment Advisory Agreement with respect to the Fund, noting that such services include, but are not limited to, the following: (1) investing the Fund’s assets consistent with the Fund’s investment objective and investment policies; (2) determining for the Fund the portfolio securities to be purchased, sold, or otherwise disposed of, and the timing of such transactions; (3) voting all proxies with respect to the Fund’s portfolio securities; (4) maintaining the required books and records for transactions that Nuance effected on behalf of the Fund; (5) selecting broker-dealers to execute orders on behalf of the Fund; and (6) monitoring and maintaining the Fund’s compliance with policies and procedures of the Trust and with applicable securities laws. The Trustees noted Nuance’s assets under management and its strong capitalization, as well as Nuance’s affiliation with Montage Investments, LLC, an SEC-registered investment adviser which, through itself and its numerous advisory subsidiaries, oversees approximately \$20 billion in assets. The Trustees considered the investment philosophy of

NUANCE CONCENTRATED VALUE FUND

APPROVAL OF INVESTMENT ADVISORY AGREEMENT (UNAUDITED) – CONTINUED

the Fund's portfolio managers and their investment analysis and portfolio management experience, noting one portfolio manager's significant experience managing assets utilizing investment objectives similar to those of the Fund. The Trustees concluded that they are satisfied with the nature, extent and quality of services that Nuance provides to the Fund under the Investment Advisory Agreement.

Fund Historical Performance and the Overall Performance of Nuance. In assessing the quality of the portfolio management delivered by Nuance, the Trustees reviewed the short-term and longer-term performance of the Fund on both an absolute basis and in comparison to appropriate securities benchmark indices, the Fund's respective peer funds according to Morningstar classifications, and the Fund's respective composite of separate accounts that Nuance manages utilizing a similar investment strategy. When reviewing the Fund's performance against its Morningstar peer group universe, the Trustees took into account that the investment objective and strategies of the Fund, as well as the Fund's level of risk tolerance, may differ significantly from funds in its respective peer group. The Trustees noted the Fund's performance, with regard to its Morningstar peer group, was in the thirtieth and fifty-third percentiles for the one-year and three-year periods ended December 31, 2015, respectively. The Trustees considered that the Fund outperformed its Russell 3000 Value Index benchmark during the one-year period ended December 31, 2015, and that the Fund's Institutional Class outperformed the Russell 3000 Value Index since inception on May 31, 2011. The Trustees also considered that the Fund underperformed the Russell 3000 over a three-year period and the S&P 500 Index during all reporting periods. The Trustees also observed that the Fund's performance was consistent with the performance of a composite of similar accounts managed by Nuance over all relevant time periods.

Cost of Advisory Services and Profitability. The Trustees considered the annual advisory fee that the Fund pays to Nuance under the Investment Advisory Agreement, as well as Nuance's profitability from services that Nuance and its affiliates rendered to the Fund during the 12 month period ended June 30, 2015. In that regard, the Trustees noted Nuance and its affiliates subsidize the cost of all shareholder (other than transfer agency fees) and distribution services rendered to the Fund which exceed the projected Rule 12b-1 and shareholder servicing fees payable by the Fund. The Trustees also considered the management fees Nuance charges to separately managed accounts with investment strategies similar to those of the Fund. They observed that the Fund generally pays a slightly higher advisory fee, than corresponding separately managed accounts with similar asset levels. The Trustees also took into account, however, that Nuance has additional responsibilities with respect to the Fund, including additional compliance obligations and the preparation of Board and shareholder materials, which justify a higher fee. The Trustees also noted Nuance had contractually agreed to reduce its management fee and, if necessary, reimburse the Fund for operating expenses, as specified in the Fund's prospectus. The Trustees concluded that Nuance's service relationship with the Fund provides a reasonable profit.

Comparative Fee and Expense Data. The Trustees considered a comparative analysis of the contractual expenses borne by the Fund and those of funds in the same Morningstar benchmark category. The Trustees noted that the Fund's advisory fee was higher than the average and median management fees of funds comprising the benchmark category. The total expenses of the Fund (after waivers and expense reimbursements) were higher than the average and median total expenses reported for the benchmark category. The Trustees took into account that the advisory fees and total expenses (after waivers and expense reimbursements) borne by the Fund were within the range of that borne by funds in the benchmark category. The Trustees also considered that the average net assets of the funds comprising the benchmark category for the Fund were significantly higher than the assets of the Fund. While recognizing that it is difficult to compare advisory fees because the scope of advisory services pro-

NUANCE CONCENTRATED VALUE FUND

APPROVAL OF INVESTMENT ADVISORY AGREEMENT (UNAUDITED) – CONTINUED

vided may vary from one investment adviser to another, the Trustees concluded that Nuance’s advisory fee with respect to the Fund continues to be reasonable.

Economies of Scale. The Trustees then considered whether the Fund may benefit from any economies of scale, noting that the investment advisory fee for the Fund does not contain breakpoints. The Trustees noted given current asset levels, it was not necessary to consider the implementation of fee breakpoints at the present time, but agreed to revisit the issue in the future as circumstances change and asset levels increase. The Trustees additionally took into account the fact that Nuance had expressed reservations about adopting breakpoints for the Fund because of concerns about potential capacity constraints associated with that strategy.

Other Benefits. The Trustees considered the direct and indirect financial benefits that could be realized by the Adviser and its affiliates from Nuance’s relationship with the Fund. The Trustees considered the extent to which Nuance utilizes soft dollar arrangements with respect to portfolio transactions, and noted affiliated brokers are not used to execute the Fund’s portfolio transactions. While the Trustees noted Rule 12b-1 fees may be paid to Nuance and its affiliates as compensation for shareholder and distribution services performed on behalf of the Fund, the Trustees also observed that the distribution expenses that Nuance and its affiliates incurred significantly exceed any Rule 12b-1 payments from the Fund. The Trustees considered that Nuance may receive some form of reputational benefit from services rendered to the Fund, but that such benefits are immaterial and cannot otherwise be quantified. The Trustees concluded that Nuance does not receive additional material financial benefits from services rendered to the Fund.

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NUANCE CONCENTRATED VALUE FUND

PRIVACY NOTICE (UNAUDITED)

The Fund collects only relevant information about you that the law allows or requires it to have in order to conduct its business and properly service you. The Fund collects financial and personal information about you (“Personal Information”) directly (e.g., information on account applications and other forms, such as your name, address, and social security number, and information provided to access account information or conduct account transactions online, such as password, account number, e-mail address, and alternate telephone number), and indirectly (e.g., information about your transactions with us, such as transaction amounts, account balance and account holdings).

The Fund does not disclose any non-public personal information about its shareholders or former shareholders other than for everyday business purposes such as to process a transaction, service an account, respond to court orders and legal investigations or as otherwise permitted by law. Third parties that may receive this information include companies that provide transfer agency, technology and administrative services to the Fund, as well as the Fund’s investment adviser who is an affiliate of the Fund. If you maintain a retirement/educational custodial account directly with the Fund, we may also disclose your Personal Information to the custodian for that account for shareholder servicing purposes. The Fund limits access to your Personal Information provided to unaffiliated third parties to information necessary to carry out their cable law. The Fund maintains physical, electronic and procedural safeguards to protect your Personal Information and requires its third party service providers with access to such information to treat your Personal Information with the same high degree of confidentiality.

In the event that you hold shares of the Fund through a financial intermediary, including, but not limited to, a broker-dealer, credit union, bank or trust company, the privacy policy of your financial intermediary governs how your non-public personal information is shared with unaffiliated third parties.

INVESTMENT ADVISER

Nuance Investments, LLC
4900 Main Street, Suite 220
Kansas City, MO 64112

DISTRIBUTOR

Quasar Distributors, LLC
615 East Michigan Street
Milwaukee, WI 53202

CUSTODIAN

U.S. Bank, N.A.
1555 North Rivercenter Drive
Milwaukee, WI 53212

**ADMINISTRATOR, FUND ACCOUNTANT
AND TRANSFER AGENT**

U.S. Bancorp Fund Services, LLC
615 E. Michigan Street
Milwaukee, WI 53202

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Cohen Fund Audit Services, Ltd.
1350 Euclid Avenue, Suite 800
Cleveland, OH 44115

LEGAL COUNSEL

Bernstein, Shur, Sawyer & Nelson, P.A.
100 Middle Street
Portland, ME 04104

This report should be accompanied or preceded by a prospectus.

The Fund's Statement of Additional Information contains additional information about the Fund's trustees and is available without charge upon request by calling 1-855-682-6233.