

FIRST QUARTER 2007

Stephens Mid Cap Growth Fund

Market Overview

Domestic equity markets were up nearly across the board, with mid-cap stocks once again showing their leadership and only the largest market cap indices posting losses for the quarter. The strong performance and lower levels of volatility carried over from Q4 of 2006 until concerns in the Chinese markets and complications in the Middle East once again shook the market. The correction was sharp and swift, but most equities rallied back in the last weeks of the quarter.

The S&P 500 finished up only 0.64% for the period, while the Russell Mid Cap[®] Growth was up 3.96%. Among smaller capitalization companies, growth strategies fared better, but value outperformed among mid- and large stocks.

On the economic front, there are several factors that indicate our economy may be slowing or about to slow. The housing market continues to slow and sub-prime mortgage lenders have suffered significantly, creating additional fears about default rates. Consequently, tighter lending standards and lower home prices have led to a reduction in mortgage equity withdrawals, limiting the U.S. consumer's ability to continue borrowing and spending. Gasoline prices have ticked up recently, also creating a potential drag on consumer spending.

The U.S. economy remains resilient today, however. It may take months for these effects to fully show up on the bottom line, but in the meantime there is some evidence that growth is slowing.

Performance as of 3/31/2007

	3 month	YTD	1 Year	Since Inception (2/01/06)	Expense Ratio Gross	Expense Ratio Net
Stephens Mid Cap Growth Fund (w/ Sales Charge)	-0.39%	-0.39%	-5.43%	-2.21%	3.24%	1.50%
Stephens Mid Cap Growth Fund (w/out Sales Charge)	5.11%	5.11%	-0.19%	2.41%		
Russell Midcap [®] Growth Index	3.96%	3.96%	6.90%	7.21%		
S&P 500 [®] Index	0.64%	0.64%	11.83%	11.38%		

Performance data quoted represents past performance and does not guarantee future results. Investment returns and principal value will fluctuate, and when sold, may be worth more or less than their original cost. Performance current to the most recent month-end may be lower or higher than the performance quoted and can be obtained by calling 866-735-7464. The Fund imposes a 2% redemption fee on shares held less than 60 days. Performance data does not reflect the redemption fee. If reflected, total returns would be reduced. Performance data shown without Sales Charge does not reflect the deduction of the sales load or fee. If reflected, the load or fee would reduce the performance quoted. Performance data shown with Sales Charge reflects the maximum sales charge of 5.25%.

The Investment Advisor has contractually agreed to reduce its fees of the Fund to ensure the total amount of Fund normal operating expenses does not exceed 1.50% of the Fund's average daily net assets indefinitely. Investment performance reflects fee waivers, in the absence of such waivers, total return would be reduced.

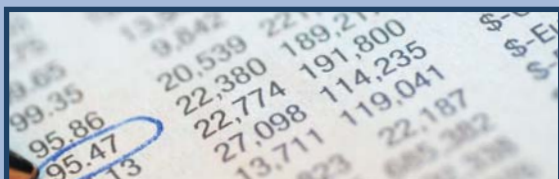
The Stephens Mid Cap Growth Fund gained 5.11% (without sales charge) for the quarter, beating its benchmark by 1.15%. The Fund's improved performance was mostly a result of a broad-based return to quality and growth.

The Fund's overweight stake in Healthcare paid off, as it was a top performer. Our top holding in the sector, Cerner Inc.^{CERN} continued making new highs on improved earnings and fundamentals. The Fund also benefited from its holdings in healthcare companies that leverage modern technology to create innovative products such as Hologic Inc.^{HOLX} and Intuitive Surgical Inc.^{ISRG}

Last quarter, we mentioned our success with video game retailer, GameStop Corp.^{GME}, and once again it was a big contributor to performance as it is in the midst of a video game console upgrade cycle. Relative to the benchmark and our peers, the Fund benefited from not having any exposure to the many homebuilding stocks in the sector.

Technology was also a strong performer and an overweight sector. MEMC Electronic Materials Inc.^{WFR} was the Fund's top contributor for the period. As a supplier of silicon wafers they are benefiting from increased semiconductor demand and more specifically strong demand and a favorable pricing environment for their use in the manufacturing of solar panels.

The Fund's other holdings in alternative and traditional energy stocks performed well during the period. Energy remains an overweight sector for the Fund at over 9% of assets



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Stephens Mid Cap Growth Fund

Portfolio Characteristics

We made some minor changes to the Fund's sector weightings. We took some profits on the heels of the solid performance in Healthcare, resulting in a slightly reduced overweight position from approximately 24% to 22%. We reallocated some of those assets into Consumer Discretionary and Energy.

The Fund maintained its earnings growth advantage over the benchmark, with the median company growing at nearly 20% versus 14% for the Russell Mid Cap® Growth on a forward twelve month basis, and actual growth for the last quarter was 22% for the Fund and only 16% for the benchmark.¹

Some of the portfolio changes we made also had the impact of raising the median market cap of the Fund from \$3.5B to \$4.3B. This places us more squarely in the mid-cap universe, although the Fund still has a slight bias toward smaller companies, leveraging the management team's experience in this area.

Outlook

Mid-cap stocks have been quietly outperforming for the 3-, 5- and 10-year periods². And although we sometimes take a contrarian approach, one is not warranted here – the fundamentals for many mid-cap stocks remain robust. Additionally, mid-cap stocks are being sought by managers of other asset classes: large cap managers trying to differentiate themselves and add alpha³, and small cap managers growing up with their stocks and seeking less volatility and lower risk associated with larger companies. This trend seems set to continue and provide additional fuel for mid-cap performance.

It is not new news that the economy may be slowing. The factors that would lead to this have been in place for quite some time. As it usually happens though, it takes several quarters for the changes in economic environment to trickle down to individual company earnings. It appears as though this may be happening now. We are still hopeful that this slowdown is only just that, and that it will not lead to a recession. If this is the case, then periods of slowdown have historically been a good time to own equities.

Earnings growth has been strong for years, across the board. A strong U.S. economy coupled with the amazing growth in China and India has been the proverbial rising tide. Our value investing compatriots have been benefiting from owning "cheap" stocks that were also growing at a historically high rate because of this underlying growth. But as these economies slow, particularly domestically, not all boats will be lifted, and in such a case investors may once again put a premium on real growth. When growth is scarce, investors are more willing to pay up for it. And we are building this portfolio, one stock at a time, focused on delivering the highest quality and fastest growing companies the mid-cap universe has to offer.

¹Median data

²As compared to the Russell 1000, 2000 and 3000 Indexes as of 3/31/07.

³Alpha: A measure of a mutual funds' risk relative to the market.

The Price to Earnings (P/E) Ratio reflects the multiple of earnings at which a stock sells and is calculated by dividing the current market price of a stock by the earnings per share.

The Russell Midcap® Growth Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The S&P 500 Index is a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The Dow Jones Industrial Average (DJIA) is an unmanaged index of common stocks comprised of major industrial companies and assumes reinvestment of dividends. You cannot invest directly in an index.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling (866)735-7464, or visiting www.stephensfunds.com. Read it carefully before investing.

The Fund invests in smaller companies, which involve additional risks such as limited liquidity and greater volatility than larger companies. Growth stocks typically are more volatile than value stocks; however, value stocks have a lower expected growth rate in earnings and sales.

Quasar Distributors, LLC, distributor 4/07

Top Ten Holdings

GameStop Corp.	1.94%
Precision Castparts Corp.	1.89%
Cerner Corp.	1.75%
Memc Electr Mats Inc	1.72%
Polo Ralph Lauren Corp.	1.71%
Covance Inc.	1.60%
Hologic Inc	1.52%
ResMed Inc.	1.52%
Harris Corp	1.45%
ARM Holdings PLC	1.44%

TOTAL TOP TEN HOLDINGS* **16.54%**

* Excludes Money Market Fund holdings.

Fund holdings and asset allocations are subject to change and are not recommendations to buy or sell any security.

For More Information, Contact: _____

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