

Buffalo High Yield Fund

QUARTERLY
FACT SHEET

December 31, 2023

Fund Facts

	Investor	Institutional
Ticker:	BUFHX	BUIHX
Inception Date:	5/19/95	7/1/19
Expense Ratio:	1.03%	0.87%
Fund Assets:	\$392.25 Million	
Morningstar Category:	High Yield Bond	
Benchmark Index:	ICE BofA U.S. High Yield	

Portfolio Characteristics

# of Holdings:	135
3-Year Annualized Turnover Ratio:	37.09%
Average Duration:	2.10 years
Average Maturity:	4.11 years
30-day SEC Yield:	7.12%

3-Year Risk Metrics

(BUFHX vs. ICE BofA U.S. High Yield Index)

Upside Capture:	66.27
Downside Capture:	50.49
Alpha:	2.34
Beta:	0.60
Sharpe Ratio:	0.27

Morningstar Rating

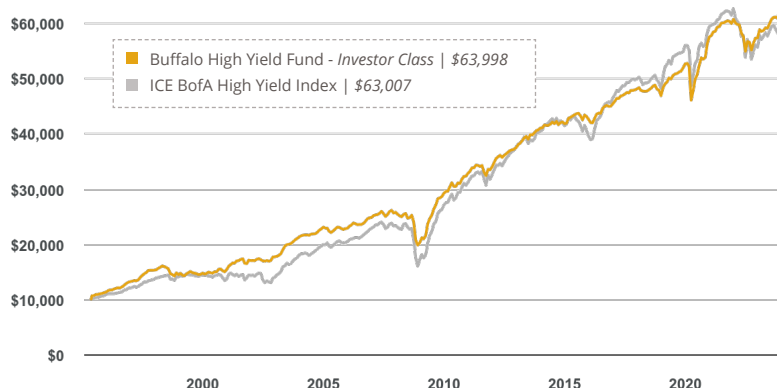
★★★★★

Overall Morningstar Rating™ of BUFHX based on risk-adjusted returns among 618 High Yield Bond funds as of 12/31/23

Investment Strategy

- Identify securities issued by higher quality (BB to B-rated), below-investment grade companies that have the potential to generate attractive risk-adjusted returns.
- Focus on securities where the yield is higher than justified by the credit metrics as analyzed through our internal research into how and where we believe a consistent level of high income is likely to occur while endeavoring to minimize default risk.
- Identify companies with leading market positions, free cash flow generation, strong management teams, stable industries, and small-to-medium issue sizes.
- Construct a core portfolio of below investment grade higher-yielding debt securities and supplement that portfolio with convertible bonds, bank loans, and other income generating assets to produce a low turnover portfolio that is fairly benchmark agnostic.

Growth of \$10,000



This chart illustrates the performance of a hypothetical \$10,000 investment made in the Fund on the Inception Date through 12/31/23. Assumes reinvestment of dividends and capital gains. This chart does not imply future performance.

Asset Allocation

Bank Loans	27.37%
Convertible Bonds	4.43%
Corporate Bonds	59.58%
Preferred Stock	5.43%
Cash	3.19%

Credit Quality

Baa	1.07%
Ba	25.40%
B	66.21%
Caa	4.81%
Unassigned	2.51%

Duration*

10+ Years	0.00%
7-10 Years	0.11%
5-7 Years	1.41%
3-5 Years	28.94%
1-3 Years	31.52%
0-1 Years	10.18%

Performance (%)

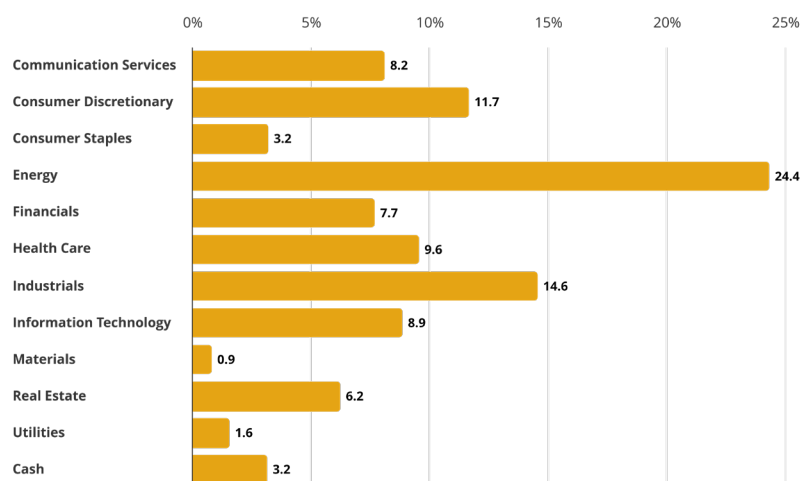
AVERAGE ANNUAL RETURNS	3 MO	YTD	1 YR	3 YR	5 YR	10 YR	15 YR	20 YR	Since Inception
Investor Class - BUFHX	4.78	11.68	11.68	3.64	6.44	4.59	8.00	5.69	6.72
Institutional Class - BUIHX¹	4.83	11.85	11.85	3.80	6.59	4.74	8.15	5.84	6.87
ICE BofA U.S. High Yield Index	7.08	13.54	13.54	2.05	5.24	4.53	9.04	6.47	6.64

Average annual total return represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate and redemption value may be more or less than original cost. Fund performance current to the most recent month-end may be lower or higher than the performance quoted and can be obtained by visiting buffalofunds.com. ¹For performance prior to 7/1/19 (Inception Date of Institutional Class), performance of the Investor Class shares is used and includes expenses not applicable and lower than those of Investor Class shares.

CALENDAR YEAR RETURNS	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Investor Class - BUFHX	1.96	1.80	6.65	5.98	-2.26	12.32	9.27	5.53	-5.53	11.68
Institutional Class - BUIHX¹	2.11	1.95	6.81	6.14	-2.12	12.40	9.43	5.69	-5.39	11.85
ICE BofA U.S. High Yield Index	2.50	-4.64	17.49	7.48	-2.26	14.41	6.17	5.36	-11.17	13.54



Sector Weights (%)



Top 10 Holdings**

Uniti Group Lp (10.5%, 2/15/28)	2.75%
Northern Oil And Gas, Inc. (8.125%, 3/1/28)	2.56%
Geo Group Inc (Term Loan, 3/23/27)	2.52%
Directv Financing Llc (Term Loan, 8/2/27)	2.49%
Consensus Cloud Solutions, Inc. (6.0%, 10/15/26)	1.94%
KDC/One Development Corporation, Inc. (Term Loan, 8/3/28)	1.90%
Energy Transfer, L.p. (7.125%, Perpetual)	1.78%
Talos Energy Inc (12.0%, 1/15/26)	1.76%
Corecivic, Inc. (8.25%, 4/15/26)	1.71%
Burford Capital Global Finance Llc (9.25%, 7/1/31)	1.70%
Top 10 Holdings Total	21.12%

Management Team


Paul Dlugosch, CFA

 Co-Manager since 2007
 B.S. – University of Iowa

Jeff Sitzmann, CFA

 Co-Manager since 2007
 M.B.A. – University of Chicago
 B.B.A. – University of Toledo

Jeff Deardorff, CFA

 Co-Manager since 2015
 B.S. – Kansas State University

The Fund's investment objectives, risks, charges, and expenses must be considered carefully before investing. The summary and statutory prospectuses contain this and other important information about the investment company and may be obtained by calling (800) 49-BUFFALO or visiting buffalofunds.com. Read them carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. Investment by the Fund in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated 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 foreign securities include additional risk such as greater volatility, and political, economic, and currency risks, as well as difference in accounting methods.

The Morningstar Rating™ for funds, or “star rating”, is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% 3-year rating for 36-59 months of total returns, 60% 5-year rating/40% 3-year rating for 60-119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all 3 rating periods. The Buffalo High Yield Fund (BUFHX) received 5 stars among 618 for the 3-year, 5 stars among 586 for the 5-year, and 5 stars among 432 High Yield Bond funds for the 10-year period ending 12/31/23. © 2024 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Past performance is no guarantee of future results.**

The ICE BofA U.S. High Yield Index is an unmanaged index that tracks the performance of U.S. dollar denominated, below investment-grade rated corporate debt publicly issued in the U.S. domestic market. One cannot invest directly in an index. Alpha is an annualized return measure of how much better or worse a fund's performance is relative to an index of funds in the same category, after allowing for differences in risk. Beta measures the volatility of the fund, as compared to that of the overall market. The Market's beta is set at 1.00; a beta higher than 1.00 is considered to be more volatile than the market, while a beta lower than 1.00 is considered to be less volatile. Market Capture Ratio is a statistical measure of the Fund's overall performance in up-markets (positive return periods) and down-markets (negative return periods). The market capture ratios are used to evaluate how well an investment performed relative to an index during periods when that index has risen or fallen. The Sharpe Ratio is a measure for calculating risk-adjusted return. Free cash flow is a measure of the cash produced by the firm in a given period on behalf of equity holders. The true measure of the value of a firm's equity is considered to be the present value of all free cash flows. Duration is an approximate measure of a bond's price sensitivity to changes in interest rates and is expressed as a number of years. Securities with longer duration generally have more volatile prices than securities of comparable quality with a shorter duration. Converts, or convertible bonds, give the holder the option to exchange the bond for a predetermined number of shares in the issuing company. Each Morningstar category average represents a universe of funds with similar objectives. Asset Allocation and Sector Allocation may not equal 100% due to rounding. Moody's is the rating source for the Quality Breakout Table. All bond quality ratings are as of 9/30/22. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO), such as Moody's, which evaluates the credit worthiness of an issuer with respect to debt obligations, including specific securities, money market instruments, or other bonds. Ratings are measured on a scale that generally ranges from Aaa (highest grade) to C (lowest grade); ratings are subject to change without notice. Unassigned rating indicates that the debtor was not rated by an NRSRO and should not be interpreted as indicating low quality. LIBOR (London Interbank Offered Rate) serves as a globally accepted key benchmark interest rate that indicates borrowing costs between banks. Secured Overnight Financing Rate (SOFR) is a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities.

*Excludes Bank Loans and Convertibles. **Top Ten Holdings for the quarter are not disclosed until 60 days after quarter end. Those listed are as of 9/30/23. Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any securities.

Kornitzer Capital Management is the advisor to the Buffalo Funds, which are distributed by Quasar Distributors, LLC.

