Neuberger Berman Intrinsic Value Fund

TICKER: Institutional Class: NINLX, Class A: NINAX, Class C: NINCX, Class R6: NRINX

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Performance Highlights

The Institutional Class of the Neuberger Berman Intrinsic Value Fund (the "Fund") posted a loss for the first quarter of 2025 and underperformed the Russell 2000 Value Index (the "R2V" or the "Index"), which also declined for the month.

Regardless of the 'master plan' or whatever future 'prize' awaits, tariff fears have created an environment that is as 'risk off' as it gets. Small caps and cyclicals are aggressively sold or shorted for risk mitigation. The first week of April hasn't been kind to say the least as the Fund continued to lose ground.

Market Context

We didn't care for the first movie featuring a newly elected President in love with his ability to sow fear into investors and trade partners with middle of the night tariff tweets, and we're really not enjoying the sequel. Well at least not the first three and half months. Six weeks of enthusiasm for deregulation and tax cuts quickly morphed into tariff and recession anxiety. It's too early to tell how much the trade proposals are rooted in the idea that globalization has hurt the United States more than it has helped, or rather a tool to level the playing field by eliminating indirect barriers and predatory practices that have hamstrung American companies. Fortress America or a tough opening gambit for fairer trade – we're still not sure.

Motives matter but, in our view, there is a basic intention to charge the world for access to the U.S market. It's just a matter of price – tariffs or commitment to invest in the U.S. So how much does the investor calculus change? Well, candidly a lot. Inflation stays higher, recession risks grow and capital allocation decisions bog down.

Portfolio Review

The first quarter is long gone in the rearview mirror but here's a quick recap. In January, our technology investments and exposure to the Artificial Intelligence ('AI") megatrend generated relative and absolute performance buoyed by several large datacenter investment announcements. Performance quickly reversed with the news around the 'Deepseek' AI model. Many questioned how much compute will be required in the future. Others argued that narrower, skinnier language models are healthy and will continue to drive demand for compute as more applications are built around tailored models. We're in the camp that compute needs only grow with time. The AI narrative, while still relevant for the long term, took a back seat as trade policy with Canada and Mexico quickly grabbed investor attention and the speculation as to what else lay ahead. Needless to say, the April 2nd announcement was far worse than feared.

BEST AND WORST PERFORMERS FOR 1Q 2025[1]

Best Performers	Worst Performers
ViaSat, Inc.	Ciena Corporation
Devon Energy Corporation	Veeco Instruments Inc.
AerCap Holdings NV	Resideo Technologies, Inc.
OSI Systems, Inc.	Conduent, Inc.
TechnipFMC plc	MACOM Technology Solutions Holdings, Inc.

1. Reflects the best and worst performers for year to date, in descending order, based on individual security performance and portfolio weighting in the Fund. Positions listed may include securities that are not held in the Fund as of 3/31/2025. Specific securities identified and described do not represent all of the securities purchased, sold or recommended for the Fund. It should not be assumed that any investments in securities identified and described were or will be profitable.

Outlook

In light of the current environment, we've conducted a review of the Fund's exposure to global trade and the risk to earnings from a recession.

We've never been shy about the fact that the Fund has more revenues tied to global markets than our benchmark. In fact, we view it as a long-term driver of alpha. When a company has the right products, why not play on the global stage rather than just to a domestic audience? International revenues have contributed to faster growth and more profits, in turn driving shareholder returns for many of our technology and healthcare investments. Also worth noting is that approximately 25 percent of our portfolio companies' assets are non-US; this is also greater than the small cap benchmarks.

At first blush increasing barriers and costs to trade will not only be hard on many companies but for us could present relative performance challenges. Fair enough but consider the following possibility – if Europe and China conclude that export driven growth has peaked, they will probably adopt measures to encourage domestic consumption, like lowering rates (already happening) and increasing government spending on healthcare and defense (also happening). On the other hand, the US economy is already largely driven by consumer spending. Higher prices as well as fears of unemployment together with declining household wealth will likely restrain domestic spending. While US-based manufacturing could get a boost from trade policy, it may not be enough to propel our consumption-based economy forward. Maybe it's not so bad to have some foreign operations and sales. To be determined. Our thought is to simply look past the initial shock and ponder how matters could play out over a longer time horizon.

The bigger concern after the April 2nd 'Liberation Day' announcement was whether the broader tariff policy will drive the U.S and the global economy into recession. We thought it would be worthwhile to examine how our current portfolio companies' earnings fared during the 2008-2009 Global Financial Crisis and the 2020 COVID-19 period, two recessionary periods characterized by downward demand shocks.

The data seems to indicate that in each period our companies suffered earnings declines less severe than our two small cap benchmarks. I wouldn't over extrapolate from this observation and imply much because it's a small sample. Both recessions had different root causes and resolutions as well as varied winners and losers, but the first pass analysis on the surface does not indicate outsized relative earnings risk to the Fund in aggregate. However, we are concerned that the certain country tariffs will present a steep challenge to individual technology companies like Veeco and several others that either export to or import from China.

One additional point as we head into earnings season and look for clues into potential sales and profit impacts. We believe companies will refrain from annual guidance until more tariff clarity emerges, but managements will also be quick to highlight the general challenges that tariffs pose to their operations. Highly asymmetrical corporate narratives will not inspire much confidence. Uncertainty will prevail, fueling investor angst and maybe more selling. At some point, when enough damage has been done, governments here and abroad will come to the table and address the issues that brought us to this unhappy and out-of-balance place.

In our year-end communication we wrote that 'seatbelts for the duration of the flight' were recommended. It's more turbulent than expected but we've weathered and navigated storms before and remain guardedly optimistic that we can do so again. Nevertheless, we're all going to need strong stomachs and lots of patience.

NEUBERGER BERMAN INTRINSIC VALUE FUND RETURNS (%)

				(ANNUALIZED AS OF 3/31/25)				
	Mar 2025	1Q25	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
At NAV								
Institutional Class	-7.64	-9.83	-9.83	-7.36	-2.71	15.41	6.84	10.11
Class A	-7.65	-9.90	-9.90	-7.72	-3.07	14.99	6.45	9.90
Class C	-7.71	-10.07	-10.07	-8.39	-3.80	14.13	5.65	9.46
Class R6	-7.63	-9.80	-9.80	-7.31	-2.61	15.53	6.91	10.14
With Sales Charge								
Class A	-12.96	-15.07	-15.07	-13.02	-4.96	13.63	5.82	9.66
Class C	-8.63	-10.97	-10.97	-9.30	-3.80	14.13	5.65	9.46
Russell 2000® Value Index	-6.00	-7.74	-7.74	-3.12	0.05	15.31	6.07	7.95
Russell 2000® Index	-6.81	-9.48	-9.48	-4.01	0.52	13.27	6.30	7.45

Performance data quoted represent past performance, which is no guarantee of 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. Results are shown on a "total return" basis and include reinvestment of all dividends and capital gains distributions. Current performance may be higher or lower than the performance given. For current performance data, including current to the most recent month end, please visit www.nb.com/performance.

Average Annual Total Returns with sales charge reflect deduction of current maximum initial sales charge of 5.75% for Class A shares and applicable contingent deferred sales charges ("CDSC") for Class C shares. The maximum CDSC for Class C shares is 1%, which is reduced to 0% after 1 year.

The inception date for Neuberger Berman Intrinsic Value Fund Class A, Class C and Institutional Class shares was 5/10/10. The inception date of Class R6 was 1/18/19. The performance data for Class R6 also includes the performance of the Fund's Institutional Class from 5/10/10 through 1/18/19. Performance prior to the date is that of the Fund's predecessor, the Neuberger Berman DJG Small Cap Value Fund L.P., an unregistered limited partnership ("DJG Fund"); DJG Fund was the successor to The DJG Small Cap Value Fund, an unregistered commingled investment account ("DJG Account"). The performance from 9/12/08 is that of the DJG Fund and the performance from 7/8/97 (the Fund's commencement of operations) to 9/11/08 is that of the DJG Account. On May 10, 2010, the DJG Fund transferred its assets to the Fund in exchange for the Fund's Institutional Class shares. The investment policies, objectives, guidelines and restrictions of the Fund are in all material respects equivalent to those of the DJG Fund and the DJG Account (the "Predecessors"). As a mutual fund registered under the Investment Company Act of 1940, the Fund is subject to certain restrictions under the 1940 Act and the Internal Revenue Code to which the Predecessors were not subject. Had the Predecessors been registered under the 1940 Act and been subject to the provisions of the 1940 Act and the Code, its investment performance may have been adversely affected. The performance information reflects the actual expenses of the Predecessors.

	Gross Expense
Institutional Class	0.95
Class A	1.31
Class C	2.07
Class R6	0.87

Gross expense represents the total annual operating expenses that shareholders pay (after the effect of any fee waivers and/or expense reimbursement). The Fund's investment manager has contractually undertaken to waive and/or reimburse certain fees and expenses of the Fund so that the total annual operating expenses are capped (excluding interest, brokerage commissions, acquired fund fees and expenses, taxes including any expenses relating to tax reclaims, dividend and interest expenses relating to short sales, and extraordinary expenses, if any) through 8/31/28 for Class A at 1.36%, Institutional Class at 1.00%, Class C at 2.11% and for Class R6 at 0.90% (each as a percentage of average net assets). Absent such arrangements, which cannot be changed without Board approval, the returns may have been lower. As of the Fund's most recent prospectuses, the Manager was not required to waive or reimburse any expenses pursuant to this arrangement. Information as of the most recent prospectus dated December 18, 2024, as amended, restated and supplemented.

An investor should consider Neuberger Berman Intrinsic Value Fund's investment objectives, risks and fees and expenses carefully before investing. This and other important information can be found in the Fund's prospectus and summary prospectus, which you can obtain by calling 877.628.2583. Please read the prospectus and the summary prospectus carefully before making an investment.

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As of 3/31/25, the Fund's discount to the team's calculated intrinsic value estimate was 35 percent. Intrinsic value reflects the team's analysis and estimates. There is no guarantee that any intrinsic values will be realized; security prices may decrease regardless of intrinsic values. This estimate of intrinsic value represents what we believe a company in the portfolio could be worth if it is acquired, if its profitability normalizes to its long-term average level, if its valuation moves in line with publicly traded peers' valuations, or if other investors recognize its potential for earnings growth. Intrinsic value is not a guarantee of performance of the Fund.

The **Russell 2000® Index** is a float-adjusted market capitalization-weighted index that measures the performance of the small-cap segment of the U.S. equity market. It includes approximately 2,000 of the smallest securities in the Russell 3000® Index (which measures the performance of the 3,000 largest U.S. public companies based on total market capitalization). The index is rebalanced annually in June.

The **Russell 2000® Value Index** is a float-adjusted market capitalization-weighted index that measures the performance of the small-cap value segment of the U.S. equity market. It includes those Russell 2000® Index companies with lower price-to-book ratios and lower forecasted growth rates. The index is rebalanced annually in June. Please note that indices do not take into account any fees and expenses of investing in the individual securities that they track, and that individuals cannot invest directly in any index. Data about the performance of this index are prepared or obtained by the Manager and include reinvestment of all dividends and capital gain distributions. The Fund may invest in many securities not included in the above described indices. Effective after the market close on March 21, 2025, FTSE Russell is implementing a capping methodology to all Russell U.S. Style Indices including this one. Any individual company weights in the index greater than 22.5% will be capped, and the sum of all individual companies that have an index weight greater than 4.5% will be capped to a 45% aggregate weight in the index. This will be applied quarterly going forward, but historical index returns will not be restated.

As of 3/31/2025, the weightings of the best and worst performers mentioned indicated as a percentage of Fund net assets were: ViaSat, Inc., 1.49%; Devon Energy Corporation, 1.63%; AerCap Holdings NV, 3.17%; OSI Systems, Inc., 1.70%; Technip FMC plc, 1.80%; Ciena Corporation, 2.53%; Veeco Instruments Inc., 1.90%, Resideo Technologies, Inc., 2.08%; Conduent, Inc., 0.99%; MACOM Technology Solutions Holdings, Inc., 1.68%;.

Investing in companies in anticipation of a catalyst carries the risk that the catalyst may not happen as anticipated, possibly due to the actions of other market participants, or the market may react to the catalyst differently than expected.

An individual security may be more volatile, and may perform differently, than the market as a whole.

Private placements and other restricted securities are securities that are subject to legal and/or contractual restrictions on their sales. These securities may not be sold to the public unless certain conditions are met, which may include registration under the applicable securities laws. As a result of the absence of a public trading market, the prices of these securities may be more difficult to determine than publicly traded securities and these securities may involve heightened risk as compared to investments in securities of publicly traded companies.

High public debt in the U.S. and other countries creates ongoing systemic and market risks and policymaking uncertainty.

The Fund may experience periods of large or frequent redemptions that could cause the Fund to sell assets at inopportune times or at a loss or depressed value. Redemption risk is heightened during periods of declining or illiquid markets.

From time to time, based on market or economic conditions, the Fund may have significant positions in one or more sectors of the market. To the extent the Fund invests more heavily in particular sectors, its performance will be especially sensitive to developments that significantly affect those sectors.

At times, small-and mid-cap companies may be out of favor with investors. Compared to larger companies, small-and mid-cap companies may depend on a more limited management group, may have a shorter history of operations, and may have limited product lines, markets or financial resources. The securities of small-and mid-cap companies are often more volatile and less liquid than the securities of larger companies and may be more affected than other types of securities by the underperformance of a sector or during market downturns.

Value stocks may remain undervalued or may decrease in value during a given period or may not ever realize what the portfolio management team believes to be their full value or intrinsic value.

A decline in the Fund's average net assets during the current fiscal year due to market volatility or other factors could cause the Fund's expenses for the current fiscal year to be higher than the expense information presented.

The Fund and its service providers, and your ability to transact with the Fund, may be negatively impacted due to operational matters arising from, among other problems, human errors, systems and technology disruptions or failures, or cybersecurity incidents. It is not possible for the Manager or the other Fund service providers to identify all of the cybersecurity or other operational risks that may affect the Fund or to develop processes and controls to completely eliminate or mitigate their occurrence or effects.

Risk is an essential part of investing. No risk management program can eliminate the Fund's exposure to adverse events; at best, it may only reduce the possibility that the Fund will be affected by such events, and especially those risks that are not intrinsic to the Fund's investment program.