

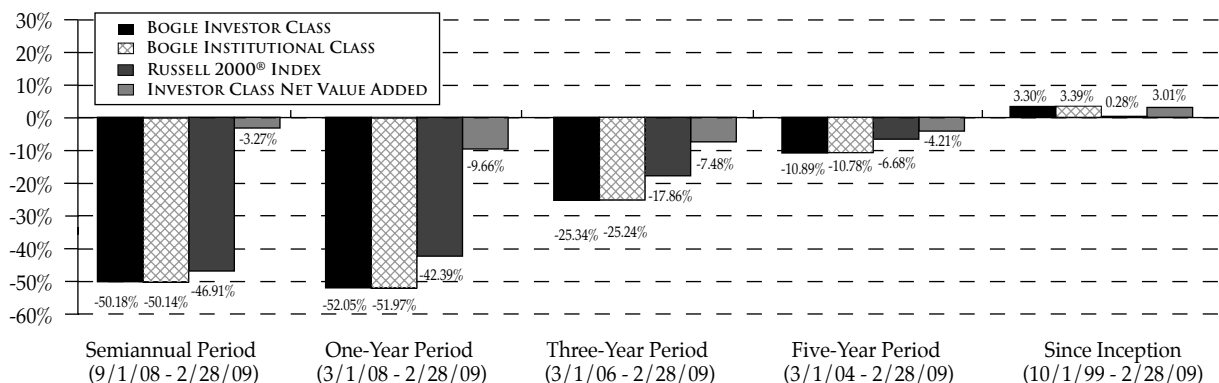
# BOGLE INVESTMENT MANAGEMENT SMALL CAP GROWTH FUND

SEMIANNUAL REPORT FOR THE SIX-MONTH PERIOD ENDED FEBRUARY 28, 2009

Fellow Shareholder:

U.S. market indices lost roughly half of their value from September 2008 through February 2009, the worst six-month period for U.S. equities that we have seen since we started managing money more than 20 years ago. During this period, the Bogle Small Cap Growth Fund (the "Fund") Investor shares declined **-50.18%** and Institutional shares fell **-50.14%**, underperforming the Russell 2000® benchmark decline of **-46.91%** by **-3.27%** (Investor class) and **-3.23%** (Institutional class). The last six months have been marked by major bank failures and bailouts, a breakdown in the global financial system and the free flow of capital, unprecedented government intervention, a severe economic contraction, an increase in unemployment, and widespread fear among investors leading to extreme risk aversion. This backdrop is discussed in more detail in the market environment section of this letter. The Fund lagged its benchmark largely due to losses in September, when fear turned to panic and the liquidation and unwinding of equity positions and exposures was most aggressive. The Fund's performance relative to its benchmark began to stabilize in late November and the Fund

## INVESTMENT PERFORMANCE – PERIODS ENDING FEBRUARY 28, 2009 BOGLE FUND VS. RUSSELL 2000® BENCHMARK



All Fund returns are presented net of fees and include the reinvestment of all dividends and other earnings. Multi-year period returns are annualized.

Returns shown represent past performance and do not guarantee future results. Current performance may be lower or higher than the returns shown above. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Returns current to the most recent month-end may be obtained at 1-877-264-5346. The table does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

The performance quoted reflects fee waivers in effect and would have been less in their absence. The Fund's annual operating expenses, as stated in the current prospectus, are 1.44% for the Institutional Class and 1.54% for the Investor Class, prior to fee waivers.

gained ground on the benchmark in each of the last three months of the reporting period. Semiannual performance is discussed further on pages 2-4, where we look at performance attribution and explain the results generated by our investment models during the period, including a few stock-specific examples. We then present key fundamental characteristics of the Fund and benchmark, highlighting how our risk controls impact the Fund's characteristics as compared to the Russell 2000®. Finally, we close with an update on developments at Bogle Investment Management, L.P.

**MARKET ENVIRONMENT.** The latest semiannual period was the most negative six-month stretch for Russell® Index returns in the history of the Russell data, which generally go back thirty years to December 31, 1978. Starting on September 7th with the government bailout of Fannie Mae and Freddie Mac, the period was marked by the worst financial crisis most investors have ever seen. The Fannie/Freddie bailout was followed a week later by the failure of Lehman Brothers, the sale of Merrill Lynch, and a government rescue of insurance company AIG. The failure of Lehman and its impact on its prime brokerage clients and derivatives counterparties caused panic in the hedge fund industry where counterparty exposures are significant and assets can be wiped out, or at least tied up, in bankruptcy proceedings. By mid-September, market liquidity in general was freezing up, as banks became reluctant to provide short-term financing. The crisis in short-term markets included fears about the safety of bank accounts and money market funds. Meanwhile, hedge funds, struggling to assess and diversify counterparty risk, were also faced with sweeping government interventions. On September 19th, the Securities and Exchange Commission announced restrictions on short selling and additional short sale regulations, giving rise to aggressive short covering (on top of the liquidation-driven covering already underway). These conditions led to a massive and broad-based unwinding and deleveraging of investment positions across asset classes and across the globe. According to our investment models the selling was indiscriminate and was not based on stock-specific fundamentals. Unprecedented and drastic government actions, including the introduction of an historic bailout package for financial institutions, failed to calm investors, and equity markets plummeted further through October. Losses continued through November 20th, as investor worries were exacerbated by the near bankruptcy of U.S. auto companies and troubles at Citigroup, which required its own government rescue. U.S. equity markets bounced back from November 21st through the first few days of January, but selling pressure resumed on fears about fourth quarter and future earnings, rising unemployment rates, and continued weakness in the financial sector (including the possible nationalization of major U.S. financial institutions). The pressure did not abate in February and by the end of the month most U.S. equity market indices were flirting with their November lows. Against this backdrop, all U.S. equity market segments posted horrific performance for the six months ended February 28, 2009. In this environment, small cap stocks underperformed large cap stocks as the Russell 2000® Index fell -46.91% for the six-month period, compared with a return of -42.25% for the larger cap Russell 1000®. The smallest of the small cap stocks were relatively worse performers, and the equal-weighted Russell 2000® fell -47.56%. Within small capitalization stocks, the growth and value benchmarks posted similar results, with growth edging out value by +0.46% (the Russell 2000® Growth lost -46.70%, while the Russell 2000® Value dropped -47.16%). Within small cap stocks, energy, industrial and basic industry were the poorest performing sectors, while the consumer growth and utilities sectors had the least negative performance.

**PERFORMANCE ATTRIBUTION.** As you know, it is our policy to remain close to fully invested and exposed to the small cap market, as we do not believe that we can consistently forecast market direction. We also maintain exposures that are very similar to those of our benchmark, such that the significant majority of our relative returns have historically been attributed to stock selection. This was again the case for the semiannual period, as the combination of our small cap investment models produced negative stock selection explaining most of the period's underperformance. All of the Fund's underperformance came in the first three months

of the semiannual period, after which the Fund outperformed the benchmark for the last three months. Over the nearly ten years we have been managing the Fund, our general approach to stock picking has remained consistent, although the details that go into the process have evolved over time. The general attributes that our three primary models seek to identify are: 1) stocks that have demonstrated an ability to produce unexpectedly better earnings growth (the earnings expectations model); 2) companies that do not have to "manufacture" earnings growth through aggressive accounting (financial quality model); and 3) stocks that trade at attractive valuations relative to their most similar peers (relative valuation model). In other words, our composite model considers earnings in the context of quality (which should reduce earnings uncertainty) and valuation (which should reduce downside when we are wrong about earnings). For the latest semiannual period, on a standalone basis, the earnings expectations model produced modestly positive returns, primarily by helping us to avoid the worst performing stocks. Financial quality results were positive for the period, as the accounting-based signals produced robust returns. The short interest component of the financial quality model, whereby we favor stocks with low levels of shares held short, dragged down overall financial quality performance. This component's results were particularly hurt by hedge fund unwinding in September and throughout the fall. As hedge funds were forced to close out of (buy/cover) short positions, this extreme buying pressure had a greater positive influence on benchmark performance than on the Fund's performance (because the Fund has a smaller percentage of heavily shorted names than the benchmark). The relative valuation model produced sharply negative results from September through November, as panicked selling penalized recent poor performers more than the average stock. The model bounced back strongly in December and January, but fell back into negative territory in February.

At the end of the semiannual period, the Fund held 160 stocks and the largest holding represented 1.6% of portfolio assets. This diversification minimizes the impact any single stock can have on total Fund performance. In the stock-specific examples that follow, we will illustrate three situations where stocks underperformed the benchmark and two where our investments paid off. We first purchased **Darling International**, a company that collects and recycles food service waste, in late 2007 due to its favorable changes to analysts' earnings forecasts and conservative accounting (quality) signals. These signals remained strong entering the semiannual period, but analysts began to cut estimates late last year, the company's earnings expectations score turned slightly negative, and the stock price dropped sharply. The company continues to look attractive according to our financial quality signal, and we maintain the position based on our belief that the company's strong balance sheet will support future earnings growth. **Center Financial Corp.**, which provides financial services for small to medium sized business owners, entered our portfolio in early September 2008 with a strong relative valuation signal and a positive financial quality score, which reflected a relatively low level of shares held by short sellers. As it has underperformed its peers, the stock has become more attractive on a valuation basis, and short sellers continue to avoid the stock, providing some indication that other investors do not see significant further downside. We began to build a position in **Tenneco, Inc.**, a supplier to the automotive industry, in August of 2008. This stock looked attractive according to both our financial quality and relative valuation models, although earnings expectations were modestly negative. The stock maintains strong valuation and quality rankings and has also seen a sharp drop in the percentage of its shares held short. Although its near-term earnings prospects are weak, the conservative nature of the company's financial accounting could bode well for future earnings once the economy stabilizes. Turning to our successes, one of our best performers, cancer screening company **Myriad Genetics**, had a strong financial quality ranking at the beginning of the semiannual period, and with its earnings expectations signal looking increasingly attractive as the period progressed the stock appreciated significantly. We often find that strong financial quality predicts future earnings strength; indeed, this reasoning supported our decisions to hold onto the three

underperforming stocks mentioned above. Finally, we began in November 2008 to purchase **Coinstar Inc.**, which offers coin counting and e-payment services (and has an interest in DVD rental kiosks), after the stock price had dropped by about 35%. At the time of purchase, both its financial quality and relative valuation signals looked attractive. The financial quality signal remains strong, and, despite a share price rebound of about 23% since our initial purchase and through the end of the semiannual period, the relative valuation ranking also remains attractive.

**INVESTMENT POSITIONING.** Fund characteristics remain in line with the benchmark. Note that small deviations from the benchmark reflected in both sector exposures and the fundamental characteristics of the Fund arise purely from the bottom up stock selection process and do not reflect attempts to actively time the overall market, style preferences, or sector rotation. As of the end of February, the Fund's median market capitalization was right in line with the benchmark. The Fund continued to have a higher analysts' expected long-term earnings growth rate (at the median) versus the benchmark. This relative exposure has increased recently as the benchmark's expected growth rate has declined more than the Fund's. The portfolio maintains its price sensitivity; price-to-earnings and price-to-sales ratios are currently below the benchmark. These ratios are at all time lows for the Fund, as market prices have been falling faster, at least so far, than earnings and revenues. Other fundamental characteristics for the portfolio and benchmark, including selected risk statistics, are shown in the table.

**PROGRESS AT BOGLE INVESTMENT MANAGEMENT, L.P.** Our team did not change during the semiannual period, remaining at thirteen full-time professionals, five dedicated to portfolio management and research and eight focused on client service, compliance, and operations. At the end of February 2009, assets in the Fund were a little over \$59 million and the Fund remains closed to new investors.

As a reminder, information about the Fund, including historical NAVs, sector allocation, fundamental characteristics, and top ten holdings, can be viewed on our website, [www.boglefunds.com](http://www.boglefunds.com). The NAVs are updated daily while the other Fund information is updated quarterly.

<b>FUNDAMENTAL CHARACTERISTICS</b>		
<b>FEBRUARY 28, 2009</b>		
<u>Median</u>	<u>BOGLX</u>	<u>Russell 2000® Index</u>
Market Cap. (mil.)	\$647	\$621
Estimated Long-Term		
Earnings Growth Rate	15.3%	14.3%
Price/Historical Earnings	10.1x	12.5x
Price/Forward Earnings	10.8x	12.3x
Price/Sales	0.7x	1.0x
<b><u>Risk Statistics* – Semiannual Period</u></b>		
Annualized Standard Dev.	61.0%	63.4%
Annualized Active Risk	13.3%	
Beta with Russell 2000®	0.94	
Cash	0.7%	
<i>*Standard deviation is a statistical measure of the range of performance. Beta is a measure of a portfolio's sensitivity to market movements.</i>		

Please feel free to call on us at any time with questions you may have about the portfolio or anything else that might be on your mind.

Respectfully,

Bogle Investment Management, L.P.  
 Management Office: 781-283-5000  
 Shareholder Services Toll Free: 1-877-BOGLEIM (264-5346)

**The performance data quoted represents past performance and does not guarantee future results. Current performance may be lower or higher. Performance data current to the most recent month end may be obtained at 1-877-264-5346.**

**The investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. The performance quoted reflects fee waivers in effect and would have been less in their absence. The Fund's annual operating expense ratio, as stated in the current prospectus, is 1.44% for the Institutional Class and 1.54% for the Investor Class, prior to fee waivers. This material must be preceded or accompanied by a current prospectus.**

**The Russell 2000® is an index of stocks 1001 through 3000 in the Russell 3000® Index as ranked by total market capitalization. A direct investment in the index is not possible. Investing in small companies can involve more volatility, less liquidity and less available information than investing in large companies.**

# BOGLE INVESTMENT MANAGEMENT SMALL CAP GROWTH FUND

## FUND EXPENSE EXAMPLES (UNAUDITED)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees, shareholder servicing fees and other Fund expenses. These examples are 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.

These examples are based on an investment of \$1,000 invested at the beginning of the six-month period from September 1, 2008 through February 28, 2009, and held for the entire period.

### ACTUAL EXPENSES

The first line of the accompanying tables 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

The second line of the accompanying tables 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 these 5% hypothetical examples with the 5% hypothetical examples that appear in the shareholder reports of other funds.

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

	INSTITUTIONAL CLASS		
	BEGINNING ACCOUNT VALUE SEPTEMBER 1, 2008	ENDING ACCOUNT VALUE FEBRUARY 28, 2009	EXPENSES PAID DURING PERIOD*
Actual	\$1,000.00	\$ 498.60	\$4.64
Hypothetical (5% return before expenses)	1,000.00	1,018.52	6.28

# BOGLE INVESTMENT MANAGEMENT SMALL CAP GROWTH FUND

## FUND EXPENSE EXAMPLES (CONCLUDED) (UNAUDITED)

	INVESTOR CLASS		
	BEGINNING ACCOUNT VALUE SEPTEMBER 1, 2008	ENDING ACCOUNT VALUE FEBRUARY 28, 2009	EXPENSES PAID DURING PERIOD*
Actual	\$1,000.00	\$ 498.20	\$5.01
Hypothetical (5% return before expenses)	1,000.00	1,018.02	6.78

\*Expenses are equal to the Fund's annualized six-month expense ratio of 1.25% for the Institutional Class and 1.35% for the Investor Class, which includes waived fees or reimbursed expenses, multiplied by the average account value over the period, multiplied by the number of days (181) in the most recent fiscal half-year, then divided by 365 to reflect the one-half year period. The Fund's ending account values on the first line in each table are based on the actual six-month total return for each class of (50.14)% for the Institutional Class and (50.18)% for the Investor Class.

**BOGLE INVESTMENT MANAGEMENT  
SMALL CAP GROWTH FUND**

PORTFOLIO HOLDINGS SUMMARY TABLE

FEBRUARY 28, 2009

(UNAUDITED)

SECURITY TYPE & SECTOR CLASSIFICATION	% OF NET ASSETS	VALUE
<b>COMMON STOCKS:</b>		
Technology	25.5%	\$15,052,710
Consumer Growth	22.3	13,170,621
Financial	18.6	11,000,842
Industrial	18.2	10,768,622
Consumer Cyclical	8.9	5,231,381
Energy	3.1	1,837,347
Basic Industry	3.0	1,800,810
<b>SHORT-TERM INVESTMENTS</b>	1.1	638,771
<b>LIABILITIES IN EXCESS OF OTHER ASSETS</b>	(0.7)	(385,456)
<b>NET ASSETS</b>	<u>100.0%</u>	<u>\$59,115,648</u>

Portfolio holdings are subject to change at any time.

The accompanying notes are an integral part of the financial statements.

**BOGLE INVESTMENT MANAGEMENT  
SMALL CAP GROWTH FUND**

PORTFOLIO OF INVESTMENTS

FEBRUARY 28, 2009 (UNAUDITED)

	NUMBER OF SHARES	VALUE		NUMBER OF SHARES	VALUE
<b>COMMON STOCKS—99.6%</b>			<b>CONSUMER GROWTH—(CONTINUED)</b>		
<b>BASIC INDUSTRY—3.0%</b>			BioScrip, Inc.*	300,415	\$ 447,618
Brush Engineered Materials, Inc.*	14,300	\$ 177,320	Cantel Medical Corp.*	38,800	484,224
Carpenter Technology Corp.	21,700	297,290	Cardiac Science Corp.*	11,400	41,496
Chemtura Corp.	173,900	59,126	Catalyst Health Solutions, Inc.*	26,800	564,944
Innophos Holdings, Inc.	33,200	352,584	Centene Corp.*	27,000	458,460
Schulman (A.), Inc.	34,700	495,863	Chemed Corp.	11,000	437,910
Trex Co, Inc.*	34,600	311,746	CRA International, Inc.*	27,300	596,505
Xerium Technologies, Inc.*	154,900	106,881	Depomed, Inc.*	219,300	383,775
		<u>1,800,810</u>	Emergency Medical Services Corp., Class A*	14,800	453,176
<b>CONSUMER CYCLICAL—8.9%</b>			Emergent Biosolutions, Inc.*	14,100	272,271
Avis Budget Group, Inc.*	190,600	76,240	Hanger Orthopedic Group, Inc.*	25,900	344,470
Carter's, Inc.*	44,100	719,271	ICON PLC - ADR*	24,100	494,532
Centex Corp.	47,300	293,733	Invacare Corp.	14,300	229,372
Discovery Communications, Inc., Class A*	43,600	676,236	Lancaster Colony Corp.	10,800	419,904
Harman International Industries, Inc.	38,800	412,056	LHC Group, Inc.*	19,400	386,642
Interstate Hotels & Resorts, Inc.*	172,800	65,664	Lincare Holdings, Inc.*	20,800	438,256
Lions Gate Entertainment Corp.*	104,600	529,276	Lincoln Educational Services Corp.*	32,000	458,880
Modine Manufacturing Co.	52,300	59,099	Martek Bioscience Corp.	20,500	383,965
Pantry, Inc., (The)*	48,400	748,264	Myriad Genetics, Inc.*	2,200	173,470
Tenneco, Inc.*	137,300	186,728	NBTY, Inc.*	14,000	208,180
Timberland Co., (The), Class A*	6,641	74,711	Noven Pharmaceuticals, Inc.*	55,600	452,028
Town Sports International Holdings, Inc.*	80,100	154,593	Owens & Minor, Inc.	2,800	94,388
WMS Industries, Inc.*	29,500	534,835	PDL BioPharma, Inc.	79,100	464,317
Wolverine World Wide, Inc.	11,200	169,792	PerkinElmer, Inc.	46,800	602,784
World Fuel Services Corp.	18,300	530,883	Questcor Pharmaceuticals, Inc.*	80,100	389,286
		<u>5,231,381</u>	STERIS Corp.	21,200	488,872
<b>CONSUMER GROWTH—22.3%</b>			SXC Health Solutions Corp.*	32,700	634,053
Alkermes, Inc.*	8,300	83,664	Tyson Foods, Inc., Class A	53,400	450,162
American Italian Pasta Co., Class A*	19,800	607,662	Viropharma, Inc.*	42,400	175,960
Arbitron, Inc.	31,100	402,434	Vivus, Inc.*	63,000	253,890
			WellCare Health Plans, Inc.*	3,800	34,314
			Winn-Dixie Stores, Inc.*	37,100	358,757
					<u>13,170,621</u>

The accompanying notes are an integral part of the financial statements.



**BOGLE INVESTMENT MANAGEMENT  
SMALL CAP GROWTH FUND**

PORTFOLIO OF INVESTMENTS (CONCLUDED)  
FEBRUARY 28, 2009 (UNAUDITED)

	NUMBER OF SHARES	VALUE
SHORT-TERM INVESTMENTS—1.1%		
Columbia Prime Reserves Fund .....	638,771	\$ 638,771
TOTAL SHORT-TERM INVESTMENTS (Cost \$638,771) .....		<u>638,771</u>
TOTAL INVESTMENTS—100.7% (Cost \$94,142,499) .....		<u>59,501,104</u>
LIABILITIES IN EXCESS OF OTHER ASSETS—(0.7%) .....		<u>(385,456)</u>
NET ASSETS—100.0% .....		<u><u>\$59,115,648</u></u>

ADR — American Depository Receipt.  
\* Non-income producing.

SFAS 157 DISCLOSURE

The following is a summary of the inputs used, as of February 28, 2009, in valuing the Fund's assets carried at fair value:

VALUATION INPUTS	INVESTMENTS IN SECURITIES
Level 1 – Quoted Prices .....	\$59,501,104
Level 2 – Other Significant Observable Inputs .....	—
Level 3 – Significant Unobservable Inputs .....	—
Total .....	<u><u>\$59,501,104</u></u>

The accompanying notes are an integral part of the financial statements.

**BOGLE INVESTMENT MANAGEMENT  
SMALL CAP GROWTH FUND**

STATEMENT OF ASSETS AND LIABILITIES  
FEBRUARY 28, 2009  
(UNAUDITED)

ASSETS	
Investments, at value (Cost \$94,142,499) .....	\$ 59,501,104
Receivables	
Investments sold .....	1,484,439
Capital shares sold .....	50,345
Dividends and interest .....	48,874
Prepaid expenses and other assets .....	16,252
Total assets .....	<u>61,101,014</u>
LIABILITIES	
Payables	
Investments purchased .....	1,710,834
Capital shares redeemed .....	120,843
Directors' and officers' fees .....	27,723
Investment adviser and shareholder servicing fees .....	26,111
Other accrued expenses and liabilities .....	99,855
Total liabilities .....	<u>1,985,366</u>
Net assets .....	<u>\$ 59,115,648</u>
NET ASSETS	
Paid-in capital .....	167,721,418
Accumulated net investment loss .....	(186,422)
Accumulated net realized loss from investments .....	(73,777,953)
Net unrealized depreciation on investments .....	(34,641,395)
Net assets .....	<u><u>\$ 59,115,648</u></u>
INSTITUTIONAL CLASS	
Net assets .....	\$ 24,119,852
Shares outstanding (\$0.001 par value, 100,000,000 shares authorized) .....	2,789,187
Net asset value, offering and redemption price per share .....	<u>\$ 8.65</u>
INVESTOR CLASS	
Net assets .....	\$ 34,995,796
Shares outstanding (\$0.001 par value, 100,000,000 shares authorized) .....	4,096,323
Net asset value, offering and redemption price per share .....	<u>\$ 8.54</u>

The accompanying notes are an integral part of the financial statements.

**BOGLE INVESTMENT MANAGEMENT  
SMALL CAP GROWTH FUND**

STATEMENT OF OPERATIONS  
FOR THE SIX MONTHS ENDED FEBRUARY 28, 2009  
(UNAUDITED)

INVESTMENT INCOME	
Dividends (Net of foreign withholding taxes of \$1,083) .....	\$ 423,770
Total investment income .....	<u>423,770</u>
EXPENSES	
Advisory fees .....	468,409
Administration and accounting fees .....	93,245
Transfer agent fees .....	69,721
Directors' and officers' fees .....	36,355
Professional fees .....	29,975
Shareholder servicing fees .....	24,681
Printing and shareholder reporting fees .....	19,852
Registration and filing fees .....	17,356
Custodian fees .....	17,302
Other expenses .....	14,776
Total expenses before waivers .....	791,672
Less: waivers .....	<u>(181,480)</u>
Net expenses after waivers .....	610,192
Net investment loss .....	<u>(186,422)</u>
NET REALIZED AND UNREALIZED GAIN/(LOSS) FROM INVESTMENTS	
Net realized loss from investments .....	(45,722,414)
Net change in unrealized appreciation/(depreciation) on investments .....	<u>(30,771,227)</u>
Net realized and unrealized loss from investments .....	<u>(76,493,641)</u>
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS .....	<u><u>\$(76,680,063)</u></u>

The accompanying notes are an integral part of the financial statements.

**BOGLE INVESTMENT MANAGEMENT  
SMALL CAP GROWTH FUND**

STATEMENTS OF CHANGES IN NET ASSETS

	FOR THE SIX MONTHS ENDED FEBRUARY 28, 2009 (UNAUDITED)	FOR THE YEAR ENDED AUGUST 31, 2008
INCREASE/(DECREASE) IN NET ASSETS FROM OPERATIONS:		
Net investment loss .....	\$ (186,422)	\$ (1,640,130)
Net realized loss from investments .....	(45,722,414)	(25,550,402)
Net change in unrealized depreciation from investments .....	<u>(30,771,227)</u>	<u>(28,210,112)</u>
Net decrease in net assets resulting from operations .....	<u>(76,680,063)</u>	<u>(55,400,644)</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM:		
Net realized capital gains		
Institutional Class .....	—	(24,591,377)
Investor Class .....	—	<u>(16,794,653)</u>
Net decrease in net assets from distributions to shareholders .....	—	<u>(41,386,030)</u>
CAPITAL SHARE TRANSACTIONS <sup>(1)</sup>		
Decrease in net assets from share transactions		
Institutional Class .....	(23,250,992)	(56,500,835)
Investor Class .....	<u>(7,976,053)</u>	<u>(12,856,585)</u>
Net decrease in net assets from capital share transactions .....	<u>(31,227,045)</u>	<u>(69,357,420)</u>
Total decrease in net assets .....	(107,907,108)	(166,144,094)
NET ASSETS		
Beginning of period .....	167,022,756	333,166,850
End of period .....	<u>\$ 59,115,648</u>	<u>\$ 167,022,756</u>
Undistributed net investment loss, end of period .....	<u>\$ (186,422)</u>	<u>\$ —</u>

<sup>(1)</sup> See note 4 in the Notes to Financial Statements

The accompanying notes are an integral part of the financial statements.

**BOGLE INVESTMENT MANAGEMENT**  
**SMALL CAP GROWTH FUND**  
**FINANCIAL HIGHLIGHTS**

Contained below is per share operating performance data for each class of shares outstanding, total investment return, ratios to average net assets and other supplemental data for the respective years. This information has been derived from information provided in the financial statements.

	INSTITUTIONAL CLASS					
	FOR THE SIX MONTHS ENDED 2/28/09	FOR THE YEAR ENDED 8/31/08	FOR THE YEAR ENDED 8/31/07	FOR THE YEAR ENDED 8/31/06	FOR THE YEAR ENDED 8/31/05	FOR THE YEAR ENDED 8/31/04
	(UNAUDITED)					
<b>PER SHARE OPERATING PERFORMANCE</b>						
Net asset value, beginning of period . . . . .	\$ 17.35	\$ 24.61	\$ 27.74	\$ 28.78	\$ 24.99	\$ 22.71
Net investment loss . . . . .	(0.02)*	(0.13)*	(0.08)*	(0.16)*	(0.22)	(0.16)*
Net realized and unrealized gain/(loss) from investments . . . . .	(8.68)	(3.99)	2.74	3.08	6.49	2.44
Net increase/(decrease) in net assets resulting from operations . . . . .	(8.70)	(4.12)	2.66	2.92	6.27	2.28
Distributions to shareholders from:						
Net realized capital gains . . . . .	—	(3.14)	(5.79)	(3.96)	(2.48)	—
Net asset value, end of period . . . . .	\$ 8.65	\$ 17.35	\$ 24.61	\$ 27.74	\$ 28.78	\$ 24.99
Total investment return <sup>(1)</sup> . . . . .	(50.14)%	(19.33)%	10.29%	12.46%	27.34%	10.04%
<b>RATIOS/SUPPLEMENTAL DATA</b>						
Net assets, end of period (000's omitted) .	\$24,120	\$84,546	\$197,415	\$189,920	\$177,359	\$175,642
Ratio of expenses to average net assets with waivers and reimbursements . . . . .	1.25% <sup>(2)</sup>	1.25%	1.25%	1.25%	1.25%	1.25%
Ratio of expenses to average net assets without waivers and reimbursements . .	1.63% <sup>(2)</sup>	1.44%	1.43%	1.43%	1.46%	1.44%
Ratio of net investment loss to average net assets . . . . .	(0.33)% <sup>(2)</sup>	(0.64)%	(0.30)%	(0.55)%	(0.73)%	(0.61)%
Portfolio turnover rate . . . . .	82.86%	162.10%	142.45%	126.64%	129.18%	129.18%

\* Calculated based on average shares outstanding for the period.  
<sup>(1)</sup> Total investment return is calculated assuming a purchase of shares on the first day and a sale of shares on the last day of each period reported and includes reinvestments of dividends and distributions, if any.  
<sup>(2)</sup> Annualized.

The accompanying notes are an integral part of the financial statements.

**BOGLE INVESTMENT MANAGEMENT**  
**SMALL CAP GROWTH FUND**  
**FINANCIAL HIGHLIGHTS**

Contained below is per share operating performance data for each class of shares outstanding, total investment return, ratios to average net assets and other supplemental data for the respective years. This information has been derived from information provided in the financial statements.

	INVESTOR CLASS					
	FOR THE SIX MONTHS ENDED 2/28/09	FOR THE YEAR ENDED 8/31/08	FOR THE YEAR ENDED 8/31/07	FOR THE YEAR ENDED 8/31/06	FOR THE YEAR ENDED 8/31/05	FOR THE YEAR ENDED 8/31/04
	(UNAUDITED)					
<b>PER SHARE OPERATING PERFORMANCE</b>						
Net asset value, beginning of period . . . . .	\$ 17.14	\$ 24.38	\$ 27.56	\$ 28.65	\$ 24.91	\$ 22.65
Net investment loss . . . . .	(0.03)*	(0.14)*	(0.10)*	(0.18)*	(0.23)	(0.18)*
Net realized and unrealized gain/(loss) from investments . . . . .	(8.57)	(3.96)	2.71	3.05	6.45	2.44
Net increase/(decrease) in net assets resulting from operations . . . . .	(8.60)	(4.10)	2.61	2.87	6.22	2.26
Distributions to shareholders from:						
Net realized capital gains . . . . .	—	(3.14)	(5.79)	(3.96)	(2.48)	—
Net asset value, end of period . . . . .	\$ 8.54	\$ 17.14	\$ 24.38	\$ 27.56	\$ 28.65	\$ 24.91
Total investment return <sup>(1)</sup> . . . . .	(50.18)%	(19.45)%	10.15%	12.33%	27.22%	9.98%
<b>RATIOS/SUPPLEMENTAL DATA</b>						
Net assets, end of period (000's omitted) .	\$34,996	\$82,477	\$135,752	\$147,471	\$134,054	\$124,031
Ratio of expenses to average net assets with waivers and reimbursements . . . . .	1.35% <sup>(2)</sup>	1.35%	1.35%	1.35%	1.35%	1.35%
Ratio of expenses to average net assets without waivers and reimbursements . .	1.75% <sup>(2)</sup>	1.54%	1.53%	1.53%	1.56%	1.54%
Ratio of net investment loss to average net assets . . . . .	(0.45)% <sup>(2)</sup>	(0.74)%	(0.40)%	(0.65)%	(0.83)%	(0.70)%
Portfolio turnover rate . . . . .	82.86%	162.10%	142.45%	126.64%	129.18%	129.18%

\* Calculated based on average shares outstanding for the period.  
<sup>(1)</sup> Total investment return is calculated assuming a purchase of shares on the first day and a sale of shares on the last day of each period reported and includes reinvestments of dividends and distributions, if any.  
<sup>(2)</sup> Annualized.

The accompanying notes are an integral part of the financial statements.

# BOGLE INVESTMENT MANAGEMENT SMALL CAP GROWTH FUND

NOTES TO FINANCIAL STATEMENTS  
(UNAUDITED)

## 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The RBB Fund, Inc. ("RBB" or the "Company") was incorporated under the laws of the State of Maryland on February 29, 1988 and is registered under the Investment Company Act of 1940, as amended, (the "Investment Company Act") as an open-end management investment company. RBB is a "series fund," which is a mutual fund divided into separate portfolios. Each portfolio is treated as a separate entity for certain matters under the Investment Company Act, and for other purposes, and a shareholder of one portfolio is not deemed to be a shareholder of any other portfolio. Currently, RBB has eighteen active investment portfolios, including the Bogle Investment Management Small Cap Growth Fund (the "Fund"), which commenced investment operations on October 1, 1999. As of the date hereof, the Fund offers two classes of shares, Institutional Class and Investor Class.

RBB has authorized capital of one hundred billion shares of common stock of which 78.773 billion shares are currently classified into one hundred and twenty-seven classes of common stock. Each class represents an interest in an active or inactive RBB investment portfolio. The active classes have been grouped into nine separate "families."

**PORTFOLIO VALUATION** — The Fund's net asset value ("NAV") is calculated once daily at the close of regular trading hours on the New York Stock Exchange ("NYSE") (generally 4:00 p.m. Eastern time) on each day the NYSE is open. Securities held by the Fund are valued using the closing price or the last sale price on a national securities exchange or the National Association of Securities Dealers Automatic Quotation System ("NASDAQ") market system where they are primarily traded. Equity securities traded in the over-the-counter market are valued at their closing prices. If there were no transactions on that day, securities traded principally on an exchange or on NASDAQ will be valued at the mean of the last bid and ask prices prior to the market close. Fixed income securities having a remaining maturity of greater than 60 days are valued using an independent pricing service. Fixed income securities having a remaining maturity of 60 days or less are amortized to maturity based on their cost. Investments in other open-end investment companies are valued based on the NAV of those investment companies (which may use fair value pricing as discussed in their prospectuses). If market quotations are unavailable or deemed unreliable, securities will be valued in accordance with procedures adopted by the Board of Directors. Relying on prices supplied by pricing services or dealers or using fair valuation may result in values that are higher or lower than the values used by other investment companies and investors to price the same investments.

Effective September 1, 2008, the Fund adopted Financial Accounting Standards Board ("FASB") Statement of Financial Accounting Standards No. 157 ("SFAS 157"). This standard clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value and requires additional disclosures about the use of fair value measurements. The three levels of the fair value hierarchy under SFAS 157 are described below:

- Level 1 — quoted prices in active markets for identical securities

# BOGLE INVESTMENT MANAGEMENT SMALL CAP GROWTH FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
(UNAUDITED)

- Level 2 — other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 — significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. A summary of the inputs used to value the Fund's investments as of February 28, 2009 is included with the Fund's Portfolio of Investments.

**USE OF ESTIMATES** — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 period. Actual results could differ from those estimates.

**INVESTMENT TRANSACTIONS, INVESTMENT INCOME AND EXPENSES** — The Fund records security transactions based on trade date. The cost of investments sold is determined by use of the specific identification method for both financial reporting and income tax purposes in determining realized gains and losses on investments. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date. The Fund's net investment income (other than class specific shareholder servicing fees) and unrealized and realized gains and losses are allocated daily to each class of shares based upon the relative proportion of net assets of each class at the beginning of the day. Expenses incurred on behalf of a specific class, fund or fund family are charged directly to the class, fund or fund family (in proportion to net assets). Expenses incurred for all of the RBB fund families (such as director or professional fees) are charged to all funds in proportion to their net assets of the RBB funds, or in such other manner as the Board of Directors deems fair or equitable. Expenses and fees, including investment advisory and administration fees, are accrued daily for the purpose of determining the net asset value of the Fund.

**DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS** — Dividends from net investment income and distributions from net realized capital gains, if any, will be declared and paid at least annually to shareholders and recorded on ex-date. Income dividends and capital gain distributions are determined in accordance with U.S. federal income tax regulations which may differ from accounting principles generally accepted in the United States. Permanent book and tax basis differences relating to shareholder distributions will result in reclassifications within the components of net assets.

**U.S. TAX STATUS** — No provision is made for U.S. income taxes as it is the Fund's intention to qualify for and elect the tax treatment applicable to regulated investment companies under Subchapter M of the Internal Revenue Code of 1986, as amended, and make the requisite distributions to its shareholders which will be sufficient to relieve it from U.S. income and excise taxes.

# BOGLE INVESTMENT MANAGEMENT SMALL CAP GROWTH FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
(UNAUDITED)

OTHER — In the normal course of business, the Fund may enter into contracts that provide general indemnifications. The Fund's maximum exposure under these arrangements is dependent on claims that may be made against the Fund in the future, and, therefore, cannot be estimated; however, based on experience, the risk of material loss for such claims is considered remote.

## 2. TRANSACTIONS WITH AFFILIATES AND RELATED PARTIES

Bogle Investment Management, L.P. (the "Adviser" or "Bogle") serves as the Fund's investment adviser. For its advisory services, the Adviser is entitled to receive 1.00% of the Fund's average daily net assets, computed daily and payable monthly.

The Adviser has contractually agreed to limit the Fund's total operating expenses for the current fiscal year to the extent that such expenses exceed 1.25% of the average daily net assets of the Fund's Institutional Class and 1.35% of the average daily net assets of the Fund's Investor Class. As necessary, this limitation is effected in waivers of advisory fees and reimbursements of expenses exceeding the advisory fee. The contractual fee waiver does not provide for recoupment of fees that were waived or expenses that were reimbursed. For the six-month period ended February 28, 2009, investment advisory fees and waivers of the Fund were as follows:

GROSS ADVISORY FEES	WAIVERS	NET ADVISORY FEES
\$468,409	\$(175,625)	\$292,784

The Fund will not pay the Adviser at a later time for any amounts waived or any amounts assumed.

In addition to serving as the Fund's investment adviser, Bogle provides certain shareholder services to the Investor Class of the Fund. As compensation for such services, the Adviser receives a monthly fee equal to an annual rate of 0.10% of the average daily net assets of the Fund's Investor Class.

PNC Global Investment Servicing (U.S.), Inc. ("PNC"), a member of the PNC Financial Services Group, Inc., serves as administrator for the Fund. For providing administrative and accounting services, PNC is entitled to receive a monthly fee equal to an annual rate of 0.115% of the Fund's average daily net assets, subject to a minimum of \$6,250 per month. The Fund also pays a monthly multiple class fee of \$1,875 per additional class. In addition, PNC serves as the Fund's transfer and dividend disbursing agent.

# BOGLE INVESTMENT MANAGEMENT SMALL CAP GROWTH FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
(UNAUDITED)

PNC has voluntarily agreed to waive a portion of its administration and accounting services fees for the Fund. For the six-month period ended February 28, 2009, administration and accounting services fees and waivers of the Fund were as follows:

GROSS ADMINISTRATION AND ACCOUNTING SERVICES FEES	WAIVERS	NET ADMINISTRATION AND ACCOUNTING SERVICES FEES
\$93,245	\$(5,855)	\$87,390

Included in the administration and accounting services fees and expenses, shown above, are fees for providing regulatory administration services to RBB. For providing these services, PNC is entitled to receive compensation as agreed to by the Company and PNC. This fee is allocated to each portfolio in proportion to its net assets of the RBB Funds.

In addition, PNC serves as the Fund's transfer and dividend disbursing agent. For providing transfer agent services, PNC is entitled to receive a monthly fee subject to a minimum monthly fee of \$6,000 plus out of pocket expenses.

For providing custodial services to the Fund, PFPC Trust Company, an affiliate of PNC, is entitled to receive a monthly fee equal to an annual rate of 0.03% of the Fund's average daily net assets subject to a minimum monthly fee of \$1,500.

PFPC Distributors, Inc., an affiliate of PNC, serves as the principal underwriter and distributor of the Fund's shares pursuant to a Distribution Agreement with RBB.

The Fund will not pay PNC or PNC's affiliates at a later time for any amounts waived or any amounts assumed.

## 3. INVESTMENT IN SECURITIES

For the six-month period ended February 28, 2009, aggregate purchases and sales of investment securities (excluding short-term investments) of the Fund were as follows:

INVESTMENT SECURITIES	
PURCHASES	SALES
\$81,447,254	\$111,522,499

**BOGLE INVESTMENT MANAGEMENT  
SMALL CAP GROWTH FUND**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
(UNAUDITED)

**4. CAPITAL SHARE TRANSACTIONS**

As of February 28, 2009, the Fund has 100,000,000 shares of \$0.001 par value common stock authorized for the Institutional Class and 100,000,000 shares of \$0.001 par value common stock authorized for the Investor Class.

Transactions in capital shares were as follows:

	INSTITUTIONAL CLASS			
	FOR THE SIX MONTHS ENDED FEBRUARY 28, 2009 (UNAUDITED)		FOR THE YEAR ENDED AUGUST 31, 2008	
	SHARES	VALUE	SHARES	VALUE
Sales .....	189,891	\$ 2,156,753	753,671	\$ 14,498,333
Reinvestments .....	—	—	1,096,153	23,830,362
Redemptions .....	(2,275,070)	(25,407,745)	(4,997,050)	(94,829,530)
Net Decrease .....	<u>(2,085,179)</u>	<u>\$(23,250,992)</u>	<u>(3,147,226)</u>	<u>\$(56,500,835)</u>
	INVESTOR CLASS			
	FOR THE SIX MONTHS ENDED FEBRUARY 28, 2009 (UNAUDITED)		FOR THE YEAR ENDED AUGUST 31, 2008	
	SHARES	VALUE	SHARES	VALUE
Sales .....	157,597	\$ 1,654,279	190,305	\$ 3,624,195
Reinvestments .....	—	—	745,852	16,043,279
Redemptions .....	(872,874)	(9,630,332)	(1,691,787)	(32,524,059)
Net Decrease .....	<u>(715,277)</u>	<u>\$(7,976,053)</u>	<u>(755,630)</u>	<u>\$(12,856,585)</u>

As of February 28, 2009, the Fund had three shareholder accounts and/or omnibus accounts (comprised of a group of individual shareholders) that amounted to 34% of the total shares outstanding of the Fund.

**BOGLE INVESTMENT MANAGEMENT  
SMALL CAP GROWTH FUND**

NOTES TO FINANCIAL STATEMENTS (CONCLUDED)  
(UNAUDITED)

**5. FEDERAL INCOME TAX INFORMATION**

Financial Accounting Standards Board ("FASB") Interpretation No. 48 ("FIN 48"), Accounting for Uncertainty in Income Taxes, sets forth a minimum threshold for financial statement recognition of the benefit of a tax position taken or expected to be taken in a tax return. Management has analyzed the Fund's tax positions and has concluded that no provision for income tax is required in the Fund's financial statements. The Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. However, management's conclusions regarding the adoption of FIN 48 may be subject to review and adjustment at a later date based on factors including, but not limited to, further implementation guidance from the FASB, new tax laws, regulations and administrative interpretations (including court decisions). Each of the Fund's federal tax returns for the prior three fiscal years remains subject to examination by the Internal Revenue Service.

At February 28, 2009, federal tax cost, aggregate gross unrealized appreciation and depreciation of securities held by the Fund were as follows:

FEDERAL TAX COST	UNREALIZED APPRECIATION	UNREALIZED DEPRECIATION	NET UNREALIZED DEPRECIATION
\$94,142,497	\$2,104,406	\$(36,745,799)	\$(34,641,393)

On August 31, 2008, the Fund had \$2,386,627 of capital loss carryforwards available to offset future capital gains. This capital loss carryforward will expire on August 31, 2016.

Under federal tax law, foreign currency and capital losses realized after October 31 may be deferred and treated as having arisen on the first day of the following fiscal year. For the year ended August 31, 2008, the Fund deferred post-October capital losses of \$22,208,358.

The differences between the book and tax basis components of distributable earnings relate principally to the timing of recognition of income and gains for federal income tax purposes. Short-term and foreign currency gains are reported as ordinary income for federal tax purposes.

**BOGLE INVESTMENT MANAGEMENT**  
**SMALL CAP GROWTH FUND**  
OTHER INFORMATION  
(UNAUDITED)

**PROXY VOTING**

Policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities as well as information regarding how the Fund voted proxies relating to portfolio securities for the most recent 12-month period ended June 30 are available without charge, upon request, by calling (877) 264-5346 and on the Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>.

**QUARTERLY PORTFOLIO SCHEDULES**

The Company will file its complete schedule of portfolio holdings with the SEC for the first and third fiscal quarters of each fiscal year (quarters ended November 30 and May 31) on Form N-Q. The Company's Form N-Q will be available on the SEC website at <http://www.sec.gov> and may be reviewed and copied at the SEC Public Reference Room in Washington, D.C. Information on the operation of the SEC Public Reference Room may be obtained by calling (202) 551-8090.

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**Custodian**

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**BOGLE  
INVESTMENT  
MANAGEMENT**

**SMALL CAP  
GROWTH FUND**

of THE RBB FUND, INC.

**SEMIANNUAL REPORT  
FEBRUARY 28, 2009  
(UNAUDITED)**

This report is submitted for the general information of the shareholders of the Fund. It is not authorized for distribution unless preceded or accompanied by a current prospectus for the Fund.