



December 31, 2008

The following provides you with the **final** per share year-end ordinary income distributions for 2008 for The FBR Funds. Account owners as of the record dates shown below will receive the applicable distribution. The ex-date is the date when the NAV is adjusted by the amount of the distribution. The payable date is the date when the distribution is credited to your account.

Declaration Date:	December 30, 2008
Record Date:	December 30, 2008
Ex Date/Payable Date:	December 31, 2008

<u>Fund</u>	<u>Cusip</u>	<u>Ticker</u>	<u>Type</u>	<u>Amount Per Share</u>
FBR Pegasus Fund™ Investor Class	30246J877	FBRPX	Ordinary Income	\$0.046421
FBR Pegasus Fund™ I Class	30246J810	FBPIX	Ordinary Income	\$0.063334
FBR Pegasus Mid Cap Fund™ Investor Class	30246J869	FBRMX	Ordinary Income	\$0.011501
FBR Pegasus Mid Cap Fund™ I Class	30246J844	FBPMX	Ordinary Income	\$0.028499
FBR Large Cap Financial Fund Investor Class	30246J109	FBRFX	Ordinary Income	\$0.115090
FBR Small Cap Financial Fund Investor Class	30246J208	FBRSX	Ordinary Income	\$0.185430
FBR Small Cap Financial Fund I Class	30246J695	FBRUX	Ordinary Income	\$0.208680
FBR Small Cap Financial Fund R Class	30246J794	FBRWX	Ordinary Income	\$0.161720
FBR Gas Utility Index Fund Investor Class	30246J604	GASFX	Ordinary Income	\$0.116200
FBR Gas Utility Index Fund R Class	30246J752	GASSX	Ordinary Income	\$0.111555

The FBR Pegasus Small Cap Fund™, FBR Pegasus Small Cap Growth Fund™, FBR Focus Fund and FBR Large Cap Technology Fund do not have any income distributions for the calendar year 2008. FBR Fund for Government Investors declares and distributes ordinary income on a daily basis and pays monthly.

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. The performance data quoted represents past performance and the current performance may be lower or higher than the performance data quoted. The investment return and principal will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end please call 888.200.4710 or visit [www.fbrfunds.com](http://www.fbrfunds.com).

**Investors are asked to consider the investment objectives, risks, charges and expenses carefully before investing. For more complete information about The FBR Funds, including fees and expenses, and a copy of a FREE prospectus please call 1.888.888.0025 or visit us at [www.fbrfunds.com](http://www.fbrfunds.com). Please read the prospectus carefully before you invest or send money.**

The FBR Funds are distributed by FBR Investment Services, Inc., member FINRA/SIPC.

FBR Mutual Funds  
 1001 Nineteenth Street North  
 Arlington, Virginia 22209  
 888.200.4710  
[www.fbrfunds.com](http://www.fbrfunds.com)



December 16, 2008

The following provides you with the **final** per share year-end capital gains distributions for 2008 for The FBR Funds. Account owners as of the record dates shown below will receive the applicable distribution. The ex-date is the date when the NAV is adjusted by the amount of the distribution. The payable date is the date when the distribution is credited to your account.

Declaration Date:	December 15, 2008
Record Date:	December 15, 2008
Ex Date/Payable Date:	December 16, 2008
Time Period:	November 1, 2007 – October 31, 2008

Fund	Cusip	Ticker	Amount Per Share	
			ST Gains	LT Gains
FBR Pegasus Mid Cap Fund™ Investor	30246J869	FBRMX	\$0.121925	None
FBR Pegasus Mid Cap Fund™ I Class	30246J844	FBPMX	\$0.121925	None
FBR Focus Fund Investor Class	30246J307	FBRVX	None	\$5.191804
FBR Focus Fund I Class	30246J679	FBRIX	None	\$5.191804
FBR Focus Fund R Class	30246J778	FBRRX	None	\$5.191804
FBR Gas Utility Index Fund Investor	30246J604	GASFX	None	\$0.743998
FBR Gas Utility Index Fund R Class	30246J752	GASSX	None	\$0.743998

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