



Oberweis
Funds



SEMI-ANNUAL REPORT

Oberweis International Opportunities Institutional Fund (OBIIIX)

June 30, 2017

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PRESIDENT AND PORTFOLIO MANAGER'S LETTER

Dear Fellow Shareholder:

SECOND QUARTER AND FIRST HALF OF 2017 IN REVIEW

International small-cap markets delivered strong returns in the second quarter and first half of 2017, with the MSCI World ex-US Small Cap Growth Index (the “benchmark”) returning 8.16% and 17.31%, respectively. The Oberweis International Opportunities Institutional Fund outperformed in both periods, returning 8.64% in the second quarter and 20.27% in the first half of 2017. On a global basis, equities performed well in the second quarter as economic growth and corporate earnings remained at high levels, more than offsetting political uncertainties in some areas. Equity returns were led by emerging markets such as China and India and some developed markets including France and Germany. International stock returns, in U.S. dollar terms, were also enhanced by a weaker U.S. dollar.

While many investors already appreciate the American economy's improvement, cyclical growth outside the U.S. seems to be catching up. Manufacturing PMI's remained solidly above 50 in Canada, the Eurozone, Australia, Japan, and most emerging markets, signaling continued economic expansion. Additionally, year-over-year headline inflation has gently accelerated, dampening any lingering fears of deflation that dogged many global economies — particularly those in Europe — after the Global Financial Crisis. European firms reported the highest percentage of quarterly revenue surprises over analyst expectations since 2003¹.

On the other hand some political risks, while still close in mind, are marginally abating. For example, the victory of Emmanuel Macron in the French presidential election has taken some steam out of the populist push. Ironically, European equities sold off in June, as investor focus shifted from fear of an EU breakup to concern that the European Central Bank may soon curtail the “easy money” quantitative easing spigot. Japanese small-cap stocks slightly under-performed the benchmark again this quarter despite all-time high annual earnings and more substantial returns of capital to shareholders through higher dividends and share buybacks (in a market that has historically been reticent to do so).

OUTLOOK

You may recall our balanced outlook for international small-cap equities in recent quarters. While we were encouraged by improving economic data amid attractive stock valuations, our enthusiasm was tempered by rising political uncertainties after surprising populist election wins in both the U.S. and U.K. With the recent overwhelming victory by Macron in France and a hung parliament in the U.K., populism appears to be losing momentum. Macron and German Chancellor Angela Merkel may have a window of opportunity to stabilize the EU. While Merkel still faces an upcoming election in Germany, her healthy approval rating of 64% suggests a lower risk of upset than was present in the U.K. or U.S. elections. Over time, we believe that a stable environment in the EU should lead to greater business investment and higher consumer confidence, both of which are leading indicators of future economic growth. Some indicators hint this may already be happening, as seen in a six-year high in June's Eurozone PMI.

In Japan, after Prime Minister Shinzo Abe's ruling party lost a recent Tokyo election, the pressure on him to increase economic growth will be high. In response, we expect that Abe will attempt to accelerate reforms and increase government spending. In short, we believe the opportunity in Japan could finally be ripe: many global fund managers are underweight, valuations remain below long-term averages, and we see marginally improving corporate

¹ Source: Morgan Stanley.

PRESIDENT AND PORTFOLIO MANAGER'S LETTER *(continued)*

governance as Japanese firms are increasingly electing to return capital to shareholders via dividend increases and share buybacks. Although intrigued, we remain underweight pending more evidence of change impacting growth.

While we are generally positive on opportunities in the EU, we are slightly concerned that increasingly hawkish commentary by global central bankers may create higher volatility going forward. Recently, the Federal Reserve, ECB and BOE have all talked about the unwinding of favourable money supply policies, and the potential impact of such a reversal on equity markets is uncertain.

From a sector standpoint, we see the 2016 outperformance from certain commodities unwinding as supply continues to be an issue. After finding more energy ideas in the second half of 2016, we trimmed our exposure during the first half, reflecting our stance that the oil market likely needs more time to balance supply and demand. We fear energy companies that relied on cost cuts to generate better-than-expected results may soon run out of options in the face of lower oil prices. We also trimmed materials for similar reasons and trimmed consumer staples as they appear expensive. On the flip side we added more consumer discretionary and health care ideas during the first half.

We are still broadly positive on technology given the current robust growth in the sector and strong future growth opportunities. However, we note some sub-sectors like software seem priced for perfection, and combined with high investor exposure, the sector may be ripe for some profit-taking. We reduced our exposure during the second quarter and enter the third quarter roughly neutral with the benchmark.

PORTFOLIO HIGHLIGHTS

At the end of the first half, the portfolio was invested in 99 stocks in 17 countries. Our top five country weightings (portfolio weighting versus the MSCI World ex-US Small Cap Growth Index) at the end of the first half were the United Kingdom (26.3% vs. 16.2%), Japan (21.0% vs. 27.3%), Switzerland (6.8% vs. 4.4%), Canada (6.2% vs. 8.8%), and Australia (6.1% vs. 5.7%). On a sector basis, the portfolio is overweight consumer discretionary (21.7% vs. 17.4%) and underweight consumer staples (5.0% vs. 9.1%).

Some of the top performers for the first half included: Logitech International S.A. (LOGN SW), which returned +47.3% and contributed 101 bps; Aristocrat Leisure Ltd. (ALL AU), which returned +55.2% and contributed 84 bps to the portfolio's return; Shopify Inc. (SHOP US), which returned +61.5% and contributed 73 bps. Some of the leading detractors for the first half included: Takeuchi Manufacturing Co. Ltd. (6432 JP), which returned -24.5% and detracted 32 bps; Japan Lifeline Co. Ltd. (7575 JP), which returned -11.2% and detracted 24 bps; and Outokumpu Oyj. (OUTIV FH), which returned -19.1% and detracted 19 bps.

In terms of valuation, the portfolio's weighted average P/E and forward growth rates are roughly the same as the first quarter. With valuation dispersions across our developed world markets remaining relatively narrow, we continue to expect that company specific factors will remain more important in determining equity winners.

PRESIDENT AND PORTFOLIO MANAGER'S LETTER *(continued)*

We appreciate your investment in The Oberweis International Opportunities Institutional Fund and are grateful for the trust you have shown us. If you have any questions, please contact Brian Lee (institutional clients) or John Collins (advisory accounts) at (800) 323-6166. Thank you for investing with us in The Oberweis Funds.

Sincerely,



James W. Oberweis, CFA
President



Ralf Scherschmidt
Portfolio Manager

PRESIDENT AND PORTFOLIO MANAGER'S LETTER *(continued)*

AVERAGE ANNUAL TOTAL RETURNS (%) *(as of June 30, 2017)*

Ticker	Qtr	1 Yr	3 Yr	5 Yr	10 Yr	Life of Fund*	Expense Ratio**
OBIIX	8.64	14.96	6.14	N/A	N/A	5.21	1.10

* *Life of Fund returns are from commencement of operations on 03/10/14 for the Fund*

** *Expense ratio is the total net annualized fund operating expense ratio as of 12/31/16. The expense ratio gross of expense offset arrangements and expense reimbursement was 1.18% for OBIIX. Effective May 1, 2017 through April 30, 2018, Oberweis Asset Management, Inc., (OAM), the Fund's investment advisor, is contractually obligated to reduce its management fees or reimburse OBIIX to the extent that total ordinary operating expenses exceed in any one year 1.10% expressed as a percentage of the Fund's average daily net assets.*

Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate, so that you may have gain or loss when shares are sold. Current performance may be higher or lower than quoted. Visit us online at oberweisfunds.com for most recent month-end performance. The Oberweis Funds invest in rapidly growing smaller and medium sized companies which may offer greater return potential. However, these investments often involve greater risks and volatility. Foreign investments involve greater risks than U.S investments, including political and economic risks and the risk of currency fluctuations. There is no guarantee that the funds can achieve their objectives. Holdings in the Funds are subject to change. Before investing, consider the fund's investment objectives, risks, charges, and expenses. To obtain a copy of the prospectus or summary prospectus containing this and other information please visit our website at oberweisfunds.com or call 800-323-6166. Read it carefully before investing. The Oberweis Funds are distributed by Oberweis Securities, Inc. Member: FINRA & SIPC.

The MSCI World ex-US Small Cap Growth Index (Net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of small cap growth developed markets excluding the US, with minimum dividends reinvested net of withholding tax.

Oberweis International Opportunities Institutional Fund

At June 30, 2017 (unaudited)

Asset Allocation (%)

Common Stocks	93.1
Commercial Paper	2.7
Other Assets in excess of Liabilities	4.2
	<hr/>
	100.0

Top Holdings (%)

Logitech International SA	2.7
Swedish Orphan Biovitrum AB	2.3
Bellway PLC	2.0
Just Eat PLC	1.9
Aristocrat Leisure Ltd.	1.7
ConvaTec Group PLC	1.7
MISUMI Group, Inc.	1.7
Trivago NV	1.6
Berkeley Group Hldgs. PLC	1.5
Persimmon PLC	1.5
Other Holdings	81.4
	<hr/>
	100.0

Top Industries (%)

Machinery	7.3
Household Durables	6.8
Internet Software & Services	5.4
Professional Services	4.8
Metals & Mining	4.6
Hotels, Restaurants & Leisure	4.3
Food Products	3.7
Semiconductor & Semiconductor Equipment	3.7
Health Care Equipment & Supply	3.6
Biotechnology	3.3
Other Industries	52.5
	<hr/>
	100.0

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Schedule of Investments June 30, 2017 (unaudited)

	<u>SHARES</u>	<u>VALUE</u>
Equities – 93.1%		
AUSTRALIA – 6.1%		
Aristocrat Leisure Ltd.	911,500	\$ 15,804,658
BlueScope Steel Ltd.	376,600	3,823,600
Cochlear Ltd.	68,800	8,219,937
Corporate Travel Management Ltd.	405,700	7,152,992
Evolution Mining Ltd.	5,183,900	9,602,028
NEXTDC Ltd.*	3,226,900	11,185,396
		<u>55,788,611</u>
BELGIUM – 2.0%		
Galapagos NV*	119,200	9,103,041
NV Bekaert SA	167,200	8,507,052
		<u>17,610,093</u>
CANADA – 6.2%		
CCL Industries, Inc.	210,010	10,625,198
Dollarama, Inc.	73,700	7,042,078
Ivanhoe Mines Ltd.*	46,000	147,918
Maple Leaf Foods, Inc.	432,300	10,914,175
Parex Resources, Inc.*	897,500	10,208,301
Sleep Country Canada Hldgs., Inc.	304,600	9,665,554
Torex Gold Resources, Inc.*	396,700	7,565,076
		<u>56,168,300</u>
CHINA – 2.3%		
Kingboard Laminates Hldgs. Ltd.	6,139,500	7,407,504
Nexter Automotive Group Ltd.	4,789,000	7,507,827
Sunny Optical Technology Group Co. Ltd.	675,000	6,051,874
		<u>20,967,205</u>
FINLAND – 3.4%		
Cargotec OYJ	193,200	12,258,435
Konecranes OYJ	212,700	9,001,183
Valmet OYJ*	506,546	9,841,630
		<u>31,101,248</u>
FRANCE – 4.3%		
Eurofins Scientific SE	13,480	7,592,989
Ipsen SA.	74,596	10,211,686
Nexity SA.	124,700	7,246,986
Rubis SCA	39,700	4,500,089
Teleperformance SA*	72,800	9,325,552
		<u>38,877,302</u>
GERMANY – 4.3%		
Aurelius Equity Opportunities SE	88,800	4,770,654
Carl Zeiss Meditec AG	164,500	8,537,841
Evotec AG*	435,800	6,963,840

See accompanying notes to the financial statements.

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Schedule of Investments June 30, 2017 (unaudited) (continued)

	SHARES	VALUE
Puma SE	12,408	\$ 4,768,329
Trivago NV*	607,114	14,364,317
		<u>39,404,981</u>
HONG KONG – 0.5%		
Minh Group Ltd.	1,018,000	4,315,825
IRELAND – 1.4%		
Kingspan Group PLC	379,700	13,034,704
ITALY – 1.2%		
Brembo SpA	741,000	10,842,045
JAPAN – 20.8%		
D.A. Consortium Hldgs., Inc.	474,900	6,202,517
Enigmo, Inc.*	60,500	878,386
En-Japan, Inc.*	355,200	9,243,569
Gunosy, Inc.*	239,500	4,955,026
Hirata Corp.	64,300	6,654,385
H-One Co. Ltd.	72,000	788,015
Itochu Techno-Solutions Corp.	252,500	8,822,627
Kanamoto Co. Ltd.*	140,600	4,662,707
Koa Corp.*	378,300	6,999,265
Mabuchi Motor Co. Ltd.	108,700	5,402,383
Minebea Mitsumi, Inc.	704,900	11,312,243
MISUMI Group, Inc.	676,100	15,424,517
Mitsui High-Tec, Inc.*	443,400	7,080,208
Mitsui Mining and Smelting Co. Ltd.	3,055,000	11,923,939
Modec, Inc.	297,200	6,605,912
Morinaga & Co. Ltd.	111,200	6,307,677
NH Foods Ltd.	221,000	6,710,069
Nichias Corp.	429,000	4,954,621
Nichirei Corp.	362,200	10,143,854
Open House Co. Ltd.	395,700	12,172,678
Token Corp.*	55,300	6,794,808
Tokuyama Corp.*	1,745,000	8,393,376
Ulvac, Inc.	157,900	7,580,885
UT Group Co. Ltd.*	316,500	5,079,195
V Technology Co. Ltd.	50,200	8,636,319
ZIGExN Co. Ltd.*	418,300	6,088,083
		<u>189,817,264</u>
NETHERLANDS – 1.9%		
ASR Nederland NV*	315,700	10,646,536
BE Semiconductor Industries NV	127,363	6,800,937
		<u>17,447,473</u>
NORWAY – 0.6%		
Subsea 7 SA	437,000	5,878,102

See accompanying notes to the financial statements.

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Schedule of Investments June 30, 2017 (unaudited) (continued)

	<u>SHARES</u>	<u>VALUE</u>
SINGAPORE – 0.1%		
Best World International Ltd.	1,176,900	\$ 1,213,828
SWEDEN – 5.0%		
Husqvarna AB	849,100	8,435,870
Indutrade AB	254,324	5,826,265
Saab AB	203,263	10,036,845
Swedish Orphan Biovitrum AB*	1,383,400	21,346,992
		<u>45,645,972</u>
SWITZERLAND – 6.7%		
ams AG	184,400	11,970,904
Logitech International SA*	676,300	24,861,378
Swiss Life Hldg. AG	18,205	6,143,642
Temenos Group AG	114,300	10,203,441
VAT Group AG	65,710	8,168,351
		<u>61,347,716</u>
UNITED KINGDOM – 26.3%		
888 Hldgs. PLC	1,087,300	3,614,656
B&M European Value Retail SA	2,626,825	11,587,726
Bellway PLC*	482,000	18,676,088
Berkeley Group Hldgs. PLC	332,300	13,966,295
Blue Prism Group PLC*	8,583	86,076
boohoo.com PLC*	2,549,100	7,702,412
Burford Capital Ltd.	810,000	9,505,210
Clinigen Group PLC	506,937	5,684,719
Coats Group PLC*	12,586,900	12,786,900
ConvaTec Group PLC*	3,783,900	15,730,931
DCC PLC	13,240	1,205,361
Fenner PLC	634,122	2,364,124
Fevertree Drinks PLC	440,200	9,775,215
GVC Hldgs. PLC	1,294,100	12,750,542
Hays PLC	4,909,730	10,614,941
Intermediate Capital Group PLC	670,257	7,267,374
JD Sports Fashion PLC	2,988,771	13,624,249
Just Eat PLC*	1,985,900	16,941,450
Melrose Industries PLC	2,642,900	8,347,268
Mitie Group PLC*	2,441,800	8,796,586
Pagegroup PLC	1,576,100	9,766,976
Paysafe Group PLC*	1,847,000	12,292,485
Persimmon PLC	479,900	14,013,229
Scapa Group PLC*	835,767	5,154,149
Vesuvius Ltd.	1,068,600	7,383,332
		<u>239,638,294</u>
Total Equities		
(Cost: \$718,981,320)		<u>\$ 849,098,963</u>

See accompanying notes to the financial statements.

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Schedule of Investments June 30, 2017 (unaudited) (continued)

	<u>FACE AMOUNT</u>	<u>VALUE</u>
Commercial Paper – 2.7%		
Prudential Financial		
1.200281%, 7/05/2017	\$25,000,000	\$ 25,000,000
Total Commercial Paper		
(Cost: \$25,000,000)		\$ 25,000,000
Total Investments – 95.8%		
(Cost: \$743,981,320)		\$ 874,098,963
Other Assets Less Liabilities – 4.2%		38,164,925
Net Assets – 100%		<u>\$ 912,263,888</u>
Cost of investments is \$747,756,190 for federal income tax purposes and net unrealized appreciation consists of:		
Gross unrealized appreciation		\$ 136,923,881
Gross unrealized depreciation		(10,581,108)
Net unrealized appreciation		<u>\$ 126,342,773</u>

* Non-income producing security during the period ended June 30, 2017

SECTOR ALLOCATIONS (As a percentage of Net Assets)

Consumer Discretionary	21.7%
Consumer Staples	4.9%
Energy	2.5%
Financials	4.2%
Health Care	10.2%
Industrials	20.7%
Information Technology	19.0%
Materials	7.2%
Real Estate	2.1%
Utilities	0.6%

See accompanying notes to the financial statements.

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Statement of Assets and Liabilities June 30, 2017 (unaudited)

ASSETS	
Investment securities at value ^a	\$874,098,963
Cash	31,054,809
Receivable from securities sold	11,458,441
Dividends and interest receivable	2,895,491
Prepaid expenses	83,529
Total Assets	<u>919,591,233</u>
LIABILITIES	
Payable for securities purchased	6,473,674
Payable to advisor (see note 2)	743,145
Accrued expenses	110,526
Total Liabilities	<u>7,327,345</u>
NET ASSETS	<u>\$ 912,263,888</u>
SHARES OUTSTANDING	
(shares of beneficial interest issued and outstanding, respectively, unlimited number of shares authorized with no par value)	<u>78,058,311</u>
Net asset value, offering price and redemption price	<u>\$ 11.69</u>
ANALYSIS OF NET ASSETS	
Capital	\$ 785,444,794
Accumulated net investment gain	4,586,578
Accumulated net realized losses on investments and foreign currency transactions	(7,917,622)
Net unrealized appreciation/depreciation on investments and translation of assets and liabilities denominated in foreign currencies	<u>130,150,138</u>
Net Assets	<u>\$ 912,263,888</u>
^a Investment securities at cost	<u>\$ 743,981,320</u>

See accompanying notes to the financial statements.

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Statement of Operations *Period Ended June 30, 2017 (unaudited)*

INVESTMENT INCOME	
Interest	\$ 139,999
Dividends ^a	8,780,469
Total Income	<u>8,920,468</u>
EXPENSES	
Investment advisory fees (see note 2)	3,936,544
Transfer agent fees and expenses	64,730
Custodian fees and expenses	419,222
Other	139,163
Total expenses before reimbursed expenses	<u>4,559,659</u>
Earnings credit (see note 5)	(60,469)
Expense reimbursement (see note 2)	<u>(169,113)</u>
Total Expenses	4,330,077
NET INVESTMENT INCOME	<u>4,590,391</u>
NET REALIZED AND UNREALIZED GAINS (LOSSES) FROM INVESTMENTS	
Net realized gains on investment transactions	33,853,597
Net realized gains on foreign currency transactions	162,696
Net realized gains on investment and foreign currency transactions	<u>34,016,293</u>
Change in net unrealized appreciation/depreciation on investments and translation of assets and liabilities denominated in foreign currencies	<u>104,471,835</u>
Net realized /unrealized gains on investments and foreign currencies	<u>138,488,128</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$143,078,519</u>

^a Dividends are net of foreign withholding tax of \$536,624

See accompanying notes to the financial statements.

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Statement of Changes in Net Assets

	Six Months Ended June 30, 2017 (unaudited)	Year Ended December 31, 2016
FROM OPERATIONS		
Net investment income	\$ 4,590,391	\$ 2,602,725
Net realized gains (losses) on investments and foreign currency transactions	34,016,293	(25,406,503)
Change in net unrealized appreciation\depreciation on investments and foreign currencies	<u>104,471,835</u>	<u>(9,930,622)</u>
Net increase (decrease) in net assets resulting from operations	<u>143,078,519</u>	<u>(32,734,400)</u>
FROM DISTRIBUTIONS		
Distributions from net investment income	<u>—</u>	<u>(2,716,040)</u>
Net decrease in net assets from distributions	<u>—</u>	<u>(2,716,040)</u>
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from sale of shares	211,617,972	466,903,029
Proceeds from reinvestment of distributions	—	2,400,836
Redemption of shares	<u>(99,909,201)</u>	<u>(137,778,866)</u>
Net increase from capital share transactions	<u>111,708,771</u>	<u>331,524,999</u>
Total increase in net assets	254,787,290	296,074,559
NET ASSETS		
Beginning of period	657,476,598	361,402,039
End of period	<u>\$912,263,888</u>	<u>\$ 657,476,598</u>
ACCUMULATED NET INVESTMENT INCOME (LOSS)	<u>\$ 4,586,578</u>	<u>\$ (132,426)</u>
TRANSACTIONS IN SHARES		
Shares sold	19,322,006	46,177,997
Shares issued in reinvestment of distributions	—	249,049
Less shares redeemed	<u>(8,893,663)</u>	<u>(13,833,412)</u>
Net increase from capital share transactions	<u>10,428,343</u>	<u>32,593,634</u>

See accompanying notes to the financial statements.

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Notes to Financial Statements *June 30, 2017 (unaudited)*

1. Description of Organization

Description of business. The Oberweis Funds (the “Trust”) is registered under the Investment Company Act of 1940 as a diversified open-end management investment company. The Trust is authorized to operate numerous Funds under various trading strategies. The Oberweis International Opportunities Institutional Fund is one fund in a series issued by the Trust.

2. Significant Accounting Policies

The following is a summary of significant accounting policies consistently followed by the Fund. These policies are in conformity with accounting principles generally accepted in the United States of America (“GAAP”). The Fund is an investment company and follows accounting and reporting guidance under the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946, “Financial Services — Investment Companies.”

Investment valuation. Investments in securities are stated at value as of the close of the regular trading session on the New York Stock Exchange (“NYSE”) (generally 3 p.m., Central Standard Time). Each listed and unlisted security for which last sale information is regularly reported is valued at the last reported sales price on that day. If there has been no sale on such day, then such security is valued at the current day’s bid price. Any unlisted security for which last sale information is not regularly reported and any listed debt security which has an inactive listed market for which over-the-counter market quotations are readily available are valued at the closing bid price determined on the basis of reasonable inquiry. Options are valued at the last reported bid price on the primary exchange as of the close of the regular trading session of the Chicago Board Options Exchange (“CBOE”). Restricted securities and any other securities or other assets for which market quotations are not readily available are valued by appraisal at their fair value as determined in good faith under procedures established by and under the general supervision and responsibility of the Board of Trustees. Short-term debt obligations, commercial paper and repurchase agreements are valued on the basis of quoted yields for securities of comparable maturity, quality and type or on the basis of amortized cost.

The Oberweis International Opportunities Institutional Fund holds foreign equity securities. Foreign securities are fair valued as described in the following circumstances. Generally, trading in foreign securities markets is completed each day at various times prior to the close of the regular trading session of the NYSE. Due to the time differences between the closings of the relevant foreign securities exchanges and the close of the regular trading session of the NYSE for the Fund, the Fund will fair value their foreign investments when it is determined that the market quotations for the foreign investments either are not readily available or are unreliable and, therefore, do not represent fair value. When the fair value prices are utilized, these prices will attempt to reflect the impact of the U.S. financial markets’ perceptions and trading activities on the Funds’ foreign investments since the last closing prices of the foreign investments were calculated on their primary foreign securities markets or exchanges. For these purposes, the Board of Trustees of the Trust has determined that movements in relevant indices, after the close of the foreign securities exchanges, may demonstrate that market quotations are unreliable, and may trigger fair value pricing for certain securities. Consequently, fair valuation of portfolio securities may occur on a daily basis. In determining fair value prices, the Trust utilizes data furnished by an independent pricing service (and that data draws upon, among other information, the market values of foreign investments). When a

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Notes to Financial Statements June 30, 2017 (unaudited) (continued)

Fund uses fair value pricing, the values assigned to the Fund's foreign investments may not be the quoted or published prices of the investments on their primary markets or exchanges.

Fair Value Measurements. In accordance with Financial Accounting Standards Board ("FASB") guidance, the Fund utilizes the "Fair Value Measurements and Disclosures" to define fair value, set out a framework for measuring fair value, and expand disclosures regarding fair value measurements. The Fair Value Measurement Standard applies to fair value measurements already required or permitted by existing standards.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three levels listed below:

- Level 1 — Quoted prices in active markets for identical securities.
- 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. The following is a summary of the inputs used to value the Fund's net assets as of June 30, 2017:

	Level 1	Level 2	Level 3
Investment Securities			
Common Stocks			
Total Asia	\$ 216,314,122	\$ —	\$ —
Total Australia	55,788,611	—	—
Total Europe	520,827,930	—	—
Total North America	56,168,300	—	—
Commercial Paper	—	25,000,000	—
Total Investments	<u>\$849,098,963</u>	<u>\$25,000,000</u>	<u>\$ —</u>

The Fund's assets include certain foreign securities for which a third party statistical pricing service may be employed for purposes of fair market valuation. The pricing service provides fair market valuation on days when the movement in relevant indices exceeds a predetermined threshold. When fair market valuations are employed these techniques may result in transfers between Level 1 and Level 2. For movements between the levels within the fair value hierarchy, the Funds have adopted a policy of recognizing the transfers as of year-end. There were no significant transfers between Levels 1 and 2 at June 30, 2017.

Foreign Currency Transactions. The accounting records of the Fund are maintained in U.S. dollars. Foreign currency amounts are translated into U.S. dollars at the current rate of exchange to determine the value of investments, assets and liabilities. Purchases and sales of securities, and income and expenses are translated at the prevailing rate of exchange on the respective date of these transactions. The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from fluctuations arising from changes in market prices of securities held. These fluctuations are included with the net realized and unrealized gains or losses from investments and foreign currencies.

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Notes to Financial Statements June 30, 2017 (unaudited) (continued)

Risks Associated with Foreign Securities and Currencies. Investments in securities of foreign issuers carry certain risks not ordinarily associated with investments in securities of U.S. issuers. These risks include future political and economic developments, and the possible imposition of exchange controls or other foreign governmental laws and restrictions. In addition, with respect to certain countries, there is the possibility of expropriation of assets, confiscatory taxation, political or social instability or diplomatic developments, which could adversely affect investments in those countries.

Certain countries also may impose substantial restrictions on investments in their capital markets by foreign entities, including restrictions on investments in issuers of industries deemed sensitive to relevant national interests. These factors may limit the investment opportunities available and result in a lack of liquidity and a high price volatility with respect to securities of issuers from developing countries.

Fund share valuation. Fund shares are sold and redeemed on a continuous basis at net asset value. On each day the NYSE is open for trading, the net asset value per share is determined as of the later of the close of the NYSE or the CBOE by dividing the total value of each Fund's investments and other assets, less liabilities, by the number of each Fund's shares outstanding.

Investment transactions and investment income. Investment transactions are accounted for on the trade date (date the order to buy or sell is executed). Dividend income is recorded on the ex-dividend date, except that certain dividends from foreign securities are recorded as soon as the information is available to the Fund, and interest income is recorded on the accrual basis and includes amortization of premium and discount. Realized gains and losses from investment transactions are reported on an identified cost basis. Gains and losses on premiums from expired options are recognized on the date of expiration.

Federal income taxes and dividends to shareholders. It is the policy of the Fund to comply with all requirements of the Internal Revenue Code of 1986, as amended ("the Code"), applicable to regulated investment companies and to distribute substantially all of their taxable income to their shareholders. The Fund has met the requirements of the Code applicable to regulated investment companies for the period ended June 30, 2017. Therefore, no federal income tax provision is required. Income and capital gains of the Fund are determined in accordance with both tax regulations and accounting principles generally accepted in the U.S. ("GAAP"). Such treatment may result in temporary and permanent differences between tax basis earnings and earnings reported for financial statement purposes. These reclassifications, which have no impact on the net asset value of the Fund, are primarily attributable to certain differences in computation of distributable income and capital gains under federal tax rules versus GAAP.

For the period ended June 30, 2017, permanent book and tax differences resulting primarily from differing treatments for foreign currency transactions, and passive foreign investment company ("PFIC") adjustments were identified and reclassified among the components of the Fund's net assets.

GAAP requires that certain components of net assets be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. For the year ended December 31, 2016, permanent differences in book and tax accounting have been reclassified to paid in capital, accumulated net investment income/loss and accumulated net realized gain/loss as follows:

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Notes to Financial Statements June 30, 2017 (unaudited) (continued)

	Increases/(Decrease)		
	Capital	Accumulated Net Investment Income (Loss)	Accumulated Net Realized Gain (Loss) on Investments and Foreign Currency Transactions
International Opportunities Institutional Fund	\$(1)	\$(2,529)	\$2,530

The tax character of distributions paid during the fiscal year ended December 31, 2016 was as follows:

	Distributions Paid from Ordinary Income	Distributions Paid from Net Long-Term Capital Gains	Total Distributions Paid
International Opportunities Institutional Fund	\$2,716,040	\$ —	\$2,716,040

The tax character of distributions paid during the fiscal year ended December 31, 2015 was as follows:

	Distributions Paid from Ordinary Income	Distributions Paid from Net Long-Term Capital Gains	Total Distributions Paid
International Opportunities Institutional Fund	\$1,967,928	\$ —	\$1,967,928

As of December 31, 2016, the Fund had net capital loss carryforwards to offset future net capital gains, if any, to the extent provided by treasury regulations:

	Not Subject to Expiration (Post-Enactment)	
	Short-Term	Long-Term
International Opportunities Institutional Fund	\$37,521,984	\$ —

Capital loss carryforwards are subject to certain limitations to offset future gains, if any, due to the ownership change limitations set forth in Internal Revenue Code Section 382. All losses may not be available in any particular year.

Under the Regulated Investment Company Modernization Act of 2010 (the "Act"), the Fund will be permitted to carryforward capital losses incurred in taxable years beginning after December 22, 2010, the date of enactment of the Act, for an unlimited period. However, any losses incurred during those future taxable years will be required to be utilized prior to the losses incurred in pre-enactment taxable years. As a result of this ordering rule, pre-enactment capital loss carryforwards may be more likely to expire unused. Additionally, post-enactment capital loss that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term as under previous law.

Post-October capital losses and Qualified late-year losses incurred after October 31 and within the taxable year are deemed to arise on the first business day of the Fund's next taxable year. For the year ended December 31, 2016, International Opportunities Institutional Fund had no post-October capital losses or qualified late-year loss deferred to January 1, 2017.

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Notes to Financial Statements June 30, 2017 (unaudited) (continued)

As of December 31, 2016 the components of accumulated earnings (deficit) on a tax basis were as follows:

	Undistributed Ordinary Income (Deficit)	Undistributed Long-Term Capital Gains	Accumulated Capital and Other Losses	Unrealized Appreciation on Investments	Unrealized Depreciation Foreign Currency Translations
International Opportunities Institutional Fund . . .	\$46,953	\$ —	\$(37,521,984)	\$21,226,558	\$(10,953)

Accumulated capital and other losses consists of timing differences related to wash sales and capital loss carryforwards.

The Funds have reviewed all open tax years and major jurisdictions and concluded that there are no significant uncertain tax positions that would require recognition in the financial statements. Open tax years are those that are open for exam by taxing authorities and, as of June 30, 2017, open Federal tax years include the tax years ended 2014 through 2017. The Funds have no examinations in progress and are also 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.

Use of estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Indemnifications. Under the Trusts' organizational documents, its present and former Officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Trust. In addition, in the normal course of business, the Trust enters into contracts that provide general indemnifications to other parties. The Trusts' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. However, the Trust has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

3. Transactions with affiliates

The Fund has written agreements with Oberweis Asset Management, Inc. ("OAM") as the Funds' investment adviser and manager. Oberweis Securities, Inc. ("OSI"), the Funds' principal distributor, is an affiliate of OAM.

Investment advisory agreement. Under the Advisory Agreement, OAM provides investment advisory and management services to the International Opportunities Institutional Fund. The International Opportunities Institutional Fund paid monthly investment advisory and management fees at an annual rate equal to 1.00% of average daily net assets. For the period ended June 30, 2017, the International Opportunities Institutional Fund incurred investment advisory and management fees totaling \$3,936,544.

Expense reimbursement. OAM is contractually obligated to reduce its investment and management fees or reimburse the International Opportunities Institutional Fund to the extent that total ordinary operating expenses, as defined, exceed in any one year 1.10% expressed as a percentage of the Funds' average daily net assets. For the period ended June 30, 2017 OAM reimbursed the International Opportunities Institutional Fund in the amount of \$169,113.

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Notes to Financial Statements June 30, 2017 (unaudited) (continued)

Officers and trustees. Certain officers and trustees of the Trust are also officers and/or directors of OAM and OSI. During the period ended June 30, 2017, the Trust made no direct payments to its officers and paid \$32,000 to its unaffiliated trustees.

Affiliated Commissions. For the period ended June 30, 2017, the International Opportunities Institutional Fund did not execute any security transactions through OSI and therefore did not pay commissions to OSI.

4. Investment transactions

The cost of securities purchased and proceeds from securities sold during the period ended June 30, 2017, other than options written and money market investments, aggregated \$650,530,025 and \$583,396,482, respectively. The Fund did not hold government securities during the period ended June 30, 2017.

The Fund may write covered call options. The premiums received provide a partial hedge (protection) against declining prices and enables the Fund to generate a higher return during periods when OAM does not expect the underlying security to make any major price moves in the near future but still deems the underlying security to be, over the long term, an attractive investment for each Fund. The Fund may write covered call options for which premiums received are recorded as liabilities and are subsequently adjusted to the current value of the options written. Premiums received from writing options that expire are treated as realized gains. Premiums received from writing options, which are either exercised or closed, are offset against the proceeds received or amount paid on the transaction to determine realized gains or losses. Amounts recovered for securities litigation are included in the realized gains of the Fund and are recorded when received. The Fund did not write covered call options for the period ended June 30, 2017.

5. Redemption fee

The Oberweis International Opportunities Institutional Fund is designed for long-term investors. To discourage market timers, redemptions of shares within 90 days of purchase are subject to a 2% redemption fee of the total redemption amount. The redemption fee is deducted from the redemption proceeds and is retained by the Fund.

The redemption fee is retained by the Fund for the expense they incur in connection with shareholder redemptions. Redemption fees received by the Fund were \$17,223, for the period ended June 30, 2017, and were recorded as a reduction of the cost of shares redeemed in the statement of changes in net assets.

6. Earnings credits and interest charges

The Trust, as part of the agreement with the Custodian, receives credits against its custodian fees on its uninvested cash balances and is allowed to borrow for temporary purposes. Borrowings are not to exceed 5% of the value of each Fund's total assets at the time of any such borrowing. Interest on amounts borrowed is calculated at the prime rate and is payable monthly. During the period ended June 30, 2017, the Fund received credits of \$60,469. The Fund incurred interest charges of \$5,976, which is included in custodian fees and expenses in the statement of operations.

7. Subsequent events

The Fund has evaluated subsequent events through the issuance of the financial statements and determined that no events have occurred that require disclosure.

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Financial Highlights

Per share income and capital for a share outstanding throughout each period is as follows:

	Six Months Ended June 30, 2017 (unaudited)	Years Ended December 31,		Period Ended December 31, 2014 ^a
		2016	2015	
Net asset value at beginning of period	\$ 9.72	\$ 10.32	\$ 8.97	\$ 10.00
INCOME (LOSS) FROM INVESTMENT OPERATIONS				
Net investment income ^b06	.05	.06	.01
Net realized and unrealized gains (losses) on investments	1.91	(.61)	1.35	(1.02)
Total from investment operations	1.97	(.56)	1.41	(1.01)
Redemption Fees ^b	— ^g	— ^g	— ^g	— ^g
Less dividends:				
Dividends from net investment income	—	(.04)	(.06)	(.02)
Net asset value at end of period	\$ 11.69	\$ 9.72	\$ 10.32	\$ 8.97
Total Return (%)	20.27	(5.43)	15.68	(10.10) ^e
RATIO/SUPPLEMENTAL DATA				
Net Assets at end of period (in thousands)	\$912,264	\$657,477	\$361,402	\$178,991
Ratio of gross expenses to average net assets (%)	1.16 ^d	1.18	1.28	1.39 ^d
Ratio of net expenses to average net assets (%) ^c	1.10 ^d	1.10	1.10	1.10 ^d
Ratio of net investment income to average net assets (%)	1.17 ^d	.47	.59	.11 ^d
Portfolio turnover rate (%)	79 ^e	123 ^f	211	152 ^{e,f}

Notes:

^a For the period from March 10, 2014 (commencement of operations) through June 30, 2014.

^b The net investment loss per share data and the redemption fee data were determined using average shares outstanding during the period.

^c The ratios in this row reflect the impact, if any, of expense offset arrangements and expense reimbursement from the advisor.

^d Annualized.

^e Not annualized.

^f Excludes the value of portfolio securities received as a result of in-kind purchases of the Fund's capital shares.

^g Less than \$0.005 per share.

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Supplemental Information *(unaudited)*

Proxy Voting:

The Oberweis Funds has delegated authority to vote proxies related to the International Opportunities Institutional Fund's portfolio securities to the Funds' investment adviser, Oberweis Asset Management, Inc. ("OAM"). A description of the policies and procedures that OAM uses in fulfilling this responsibility is available, without charge upon request, by calling 800-323-6166. It also appears on oberweisfunds.com and in the Funds' Statement of Additional Information, which can be found on the Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>. Information on how the Funds voted proxies relating to portfolio securities during the most recent 12 month period ended June 30 is available (1) without charge, upon request, by calling 800-323-6166, and (2) on the SEC's website at <http://www.sec.gov>.

Availability of Schedules of Portfolio Investments:

The Funds file their complete schedule of portfolio investments with the SEC for the first and third quarter of each fiscal year (March 31 and September 30) on Form NQ. The Funds' Forms NQ are available, without charge, on the SEC's website at <http://www.sec.gov> and may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330.

Expense Examples:

As a shareholder of The Oberweis Funds, you may incur two types of costs: (1) transaction costs, including redemption fees and (2) ongoing costs, including management fees; distribution (and/or service) 12b-1 fees; and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in The Oberweis Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 investment at the beginning of the period and held for the entire period.

Actual Expenses:

The first line for each Fund in the table below provides information about actual account values and actual expenses. You may use the information below; 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 table 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 for each Fund in the table below provides information about hypothetical account values and hypothetical expenses based on each 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 this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND

Supplemental Information (unaudited) (continued)

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as redemption fees. Therefore, the second line for each Fund in the table 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.

	Beginning Account Value 1/1/17	Ending Account Value 6/30/17	Expense Paid during Period* 1/1/17– 6/30/17	Expense Ratio during Period 1/1/17– 6/30/17
Actual	\$1,000.00	\$1,202.70	\$6.01	1.10%
Hypothetical (5% return before expenses)	\$1,000.00	\$ 1,019.34	\$5.51	1.10%

* Expenses are equal to the average account value times the Fund's annualized expense ratio multiplied by the number of days in the most recent fiscal half-year divided by the number of days in the fiscal year.

Trustees and Officers

James D. Oberweis
Trustee

Gary D. McDaniel
Trustee

James W. Oberweis
President

David I. Covas
Vice President

Kenneth S. Farsalas
Vice President

Katherine Smith Dedrick
Trustee

James G. Schmidt
Trustee

Patrick B. Joyce
Executive Vice President
Treasurer

Eric V. Hannemann
Secretary

Manager and Investment Advisor

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