Oberweis
Asset Management

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND (OBIIX)

4Q 2017

AVERAGE ANNUAL TOTAL RETURNS *(as of September 30, 2017)*	QTD	YTD	1 Yr	3 YR	Since Inception 3/10/2014	Gross/Net Expense Ratio*
Oberweis International Opportunities Institutional Fund (OBIIX)	**7.48%**	**40.99%**	**40.99%**	**15.54%**	**8.95%**	**1.12%/1.10%**
MSCI World ex-US Small-Cap Growth Index	6.43%	34.27%	34.27%	14.18	8.55%	

**December 31, 2017 unaudited data. The gross expense ratio includes expense off set arrangements and expense reimbursements. Oberweis Asset Management, Inc. (OAM), the Fund's investment advisor is contractually obligated through April 30, 2018 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 each Fund's average daily net assets. The annual expense ratio will reflect a blend of both the old and new expense reimbursement arrangements in effect for 2017.*

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. 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 invest in rapidly growing smaller and medium-sized companies that 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.

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 performance of small cap growth developed markets excluding the UIS, with minimum dividends reinvested net of withholding tax.

The Oberweis Funds are distributed by Oberweis Securities, Inc. Member: FINRA & SIPC.

The Quarter and Year in Review

We are pleased to report favorable results for the fourth quarter and full year 2017. For the year, the Oberweis International Institutional Opportunities Fund returned 40.99% versus 34.27% for the MSCI World ex-US Small Cap Growth Index, for an excess return of 672 bps. In the fourth quarter, the Fund returned 7.48% versus 6.43% for the benchmark.

The year's strong outperformance was almost entirely attributable to favorable stock selection (as opposed to overweights in specific countries or sectors). Specifically, our equity investments in Japan and the United Kingdom were the largest positive contributors. Interestingly, while Japan underperformed in the first quarter, it rebounded strongly and finished the year as a top contributor. Our stock picks in Australia, Canada, and Switzerland performed exceptionally well – generating even more excess return than Japan or the United Kingdom, although these countries comprise smaller weights and therefore had a smaller impact on the overall portfolio return. Our investments in Germany underperformed in 2017, but in the aggregate 2017 was an excellent year.

At the sector level, our Information Technology investments were the most important contributor to the portfolio's return in 2017. Smartphone component manufacturers such as Sunny Optical (2382 HK) and AMS AG (AMS SW) were two of our best performing holdings. Both benefitted from smartphone makers adding higher-quality camera lenses and 3D sensing capabilities to increase product differentiation.

Interestingly, global volatility remained low in 2017. Using the CBOE's VIX Index as a proxy, 2017 ranked as the "quietest" year for market volatility since 1990. Complacency prevailed over what might otherwise be construed as above-average geopolitical uncertainty, given inflated North Korean tensions, continued Eurozone unity worries, and the uncertain direction of U.S. trade policy under the Trump administration. Three interest rate hikes from the U.S. Federal Reserve and a hint of more to come were also easily digested by equity markets. Accelerating global earnings growth (Europe posted double digit year-on-year earnings growth in each of the first three reported quarters of 2017) and a U.S. tax cut that could further stoke growth appear to have "Trumped" geopolitical concerns – at least for now. This macro backdrop was positive for our bottoms-up philosophy, which focuses exclusively on companies generating better than expected earnings due to underappreciated business fundamentals.

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Outlook

Consistent with the last few quarters, our outlook for international equities is somewhat mixed. On the positive side, growth in the Eurozone remains strong, with the Markit Eurozone Manufacturing Index posting its highest reading of the year in December. The outlook for Eurozone earnings growth seems promising, particularly if GDP growth continues. Eurozone earnings remain nearly 20% lower than the peak earnings level achieved in 2008, while earnings in the US have far eclipsed their pre-financial crisis peaks. If Europe's economy is simply lagging the U.S., one might expect more efficient asset utilization to drive profit margin expansion. For example, consider the margin expansion that occurs as manufacturing firms continue to soak up excess factory capacity. The rebound in the Euro, however, represents a potential headwind for European earnings in 2018 and European expectations feel higher post a year of net inflows into the region. As a result, we enter the year underweight the Eurozone. In the U.K, ongoing Brexit uncertainty likely keeps future growth expectations muted but also means the bar is set relatively low for UK companies. We are slightly overweight the U.K but the exposure is largely related to companies geared toward global economic activity. We believe the U.K. consumer is challenged by lackluster wage growth in the face of higher overall inflation.

In Japan, we continue to like the combination of attractive valuations, an increasing willingness by Japanese corporations to return excess cash to shareholders, and a tight labor market which could spur some much-needed wage inflation. We found more Japanese investment ideas in the second half of 2017 and enter 2018 with a slight overweight.

When we think about international growth generally, we believe tax reform in the U.S. is likely to provide a boost to U.S. earnings in 2018, although the long-term implications are less clear. If U.S. corporations use the excess cash to re-invest, there are likely positive implications and benefits for international companies, potentially increasing the marginal probability of surprise.

Lastly, it is worth nothing that growth outperformed value stocks in 2017, and while the magnitude was large, it didn't fully recover the outperformance of value stocks in 2016. Recently, many market pundits have questioned if technology – the sector most synonymous with growth and the best-performing sector in our universe in 2017 – can provide an encore performance this year. While there is always a temptation to assume mean reversion, we continue to find a quality and quantity of technology investments that lead us to maintain our overweight position from 2017. While we are cognizant of the potential risk of a style transition from growth to value, the data to support such a change is unclear. Our friends at Empirical Research Partners found that there is only 'weak' statistical evidence to suggest that a prior year's winning sector will not repeat the following year.

Fund Highlights

At quarter-end, the Fund was invested in 73 stocks in 14 countries. Our top five country weightings (portfolio weighting versus the MSCI World ex-US Small Cap Growth Index) at the end of the quarter were Japan (31.8% vs. 28.2%), the United Kingdom (15.8% vs. 15.7%), Canada (6.6% vs. 9.1%), Switzerland (6.0% vs. 4.9%), and Sweden (5.8% vs. 5.6%). On a sector basis, the Fund is overweight information technology (24.6% vs. 17.6%) and underweight consumer staples (2.4% vs. 8.9%). In addition, we ended the quarter with a slightly above-average cash levels to provide flexibility entering 2018.

Key Benefits

The Oberweis International Opportunities Institutional Fund seeks to identify and capitalize on the investment opportunities offered by smaller companies in Europe, the UK, Canada, Asia, Japan, and Latin America. The Fund focuses on identifying less well-known small-cap companies which traditionally receive less coverage than larger companies, consequently providing unique opportunities to unearth hidden values.

The potential key benefits of the International Opportunities Institutional Fund are:

- Diversified portfolio of smaller, non-U.S. companies with higher than expected earnings potential
- Combines empirically-proven Behavioral Finance principles with the very best of fundamental bottom-up research
- Access to attractive but lesser-known foreign companies that do not receive significant institutional coverage but possess higher than expected growth potential
- Achieve a more effective asset allocation, and greater long-term diversification of their portfolios through investments in non-U.S. equities
- Invests primarily in developed markets with some exposure to emerging markets
- Potential for significant alpha over a full market cycle

Minimum Investment: $1,000,000

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. Investing in emerging markets involves risks and considerations not present when investing in more-established securities markets. Investing in international/emerging market investment funds should be considered speculative and thus not appropriate for all investors. There is no guarantee that the portfolios can achieve their objectives.

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COUNTRY ALLOCATION *(As of December 31, 2017)*

	Oberweis International Opportunities Institutional Fund (OBIIX)	MSCI World ex-US Small-Cap Growth Index
Japan	31.8%	28.2%
United Kingdom	15.8%	15.7%
Canada	6.6%	9.1%
Switzerland	6.0%	4.9%
Sweden	5.8%	5.6%
France	5.1%	4.1%
Netherlands	4.3%	1.9%
Germany	3.8%	5.9%
Australia	3.6%	6.2%
Singapore	2.3%	1.5%
Italy	0.0%	3.2%
Spain	0.0%	2.0%
Other Countries	4.7%	11.7%
Cash	10.2%	N/A
	100%	100%

*Country Allocation is defined using MSCI's Country Classification methodology and represents countries whose allocation in the Strategy or Index is 2% or more. Country allocations representing less than 2% are categorized in "Other Countries". Country Allocation as a Percentage of Total Net Assets.
Source: Thomson Reuters Eikon

TOP TEN HOLDINGS *(as of September 30, 2017)*

	Company		Line of Business
1	Furukawa Electric	2.2%	One of the top three electric wire and optical fiber manufactures in Japan
2	Sunny Optical Technology	2.1%	Designs, research & development, manufactures and sells optical and optical related products
3	Just Eat PLC	2.0%	United Kingdom market leading online takeaway food platform
4	Kingspan Group PLC	2.0%	Provides building solutions for the construction industry worldwide.
5	Aurelius Equity Opportunities	1.9%	Investment company that provides loans to distressed companies, offers management services, and develops & implements restructuring plans
6	Bellway PLC	1.8%	Major residential property developer in the Unitetd Kingdom
7	Mitsui Mining	1.8%	Japan-based non-ferrous metal and electronics materials supplier
8	Outsourcing, Inc.	1.8%	Japan-based staffing services company
9	ASR Nederland	1.7%	One of the largest insurance companies in the Netherlands
10	Air Canada	1.7%	Provides domestic and international air transportation for passengers and cargo

Top 10 holdings as a percentage of Total Net Assets. Portfolio Holdings are subject to change at any time. References to specific securities should not be construed as a recommendation to buy or sell and should not be assumed profitable. Source: Thomson Reuters Eikon

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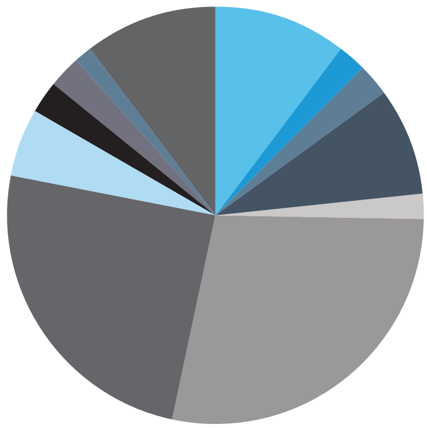
SECTOR WEIGHTINGS *(as of December 31, 2017)*

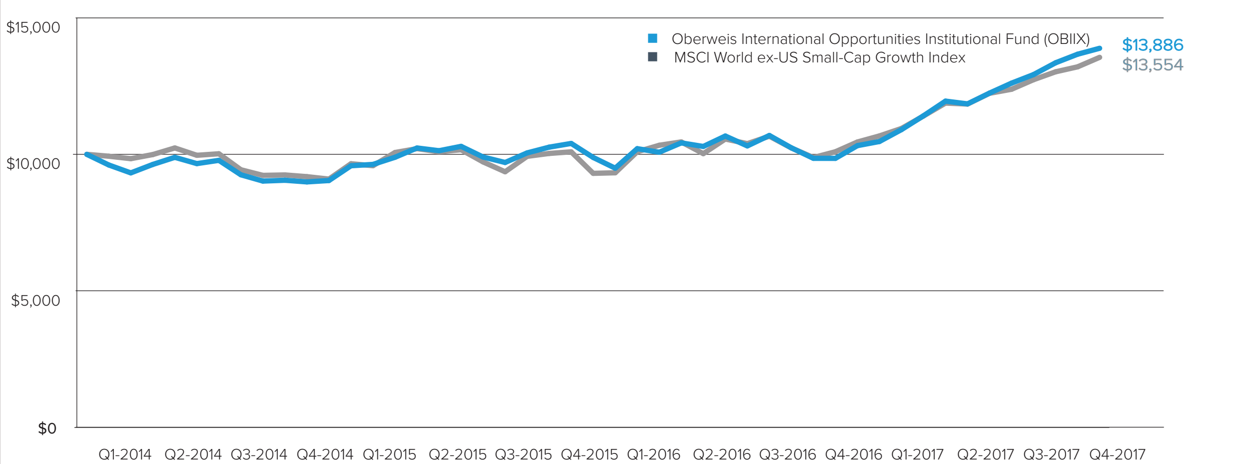
Consumer Discretionary	10.5%
Consumer Staples	2.2%
Energy	2.5%
Financials	8.2%
Health Care	2.1%
Industrials	28.0%
Information Technology	24.6%
Materials	5.4%
Real Estate	2.6%
Telecomm Service	2.4%
Utilities	1.3%
Cash	10.2%
Total	100.0%



Sector weightings as a % of Total Net Assets.

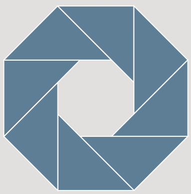
Source: Thomson Reuters Eikon used unless otherwise noted. Sector data based on MSCI's revised Global Industry Classification Standards. For more details, visit www.msci.com

GROWTH OF $10,000 — WITH INCOME INVESTED *(March 10, 2014 – December 31, 2017)*



The Oberweis Aperture

Our unique, highly disciplined investment approach includes a series of eight criteria to focus our research efforts.



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Oberweis Asset Management, Inc.

Recognized as a leading small-cap stock specialist, Oberweis has been helping institutional investors manage their assets prudently and effectively for many years.

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