Small Cap Value Fund

The performance reflected herein is for the Class A shares without load. *"Without load" does not reflect the deduction of the maximum 4.50% sales fee (load), which reduces the performance quoted. Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current to most recent month-end performance data may be obtained at www.KeeleyFunds.com*

This summary represents the views of the portfolio managers as of 3/31/17. Those views may change, and the Fund disclaims any obligation to advise investors of such changes. For the purpose of determining the Fund's holdings, securities of the same issuer are aggregated to determine the weight in the Fund. Portfolio holdings are subject to change without notice and are not intended as recommendations of individual securities.

***The Fund's Inception date is October 1, 1993.**

Risks: Smaller and medium-sized company stocks are more volatile and less liquid than larger, more established company securities.

Prior to investing, investors should carefully consider the Fund's investment objective, risks, charges and expenses as detailed in the prospectus and summary prospectus. To obtain a prospectus or a summary prospectus, call us at 800.533.5344 or visit www.keeleyfunds.com. The prospectus/summary prospectus should be read carefully before investing.

To Our Shareholders,

For the quarter ended March 31, 2017, the Keeley Small Cap Value Fund's net asset value ("NAV") per Class A share appreciated 0.93% versus a decline of 0.13% for the Russell 2000 Value.

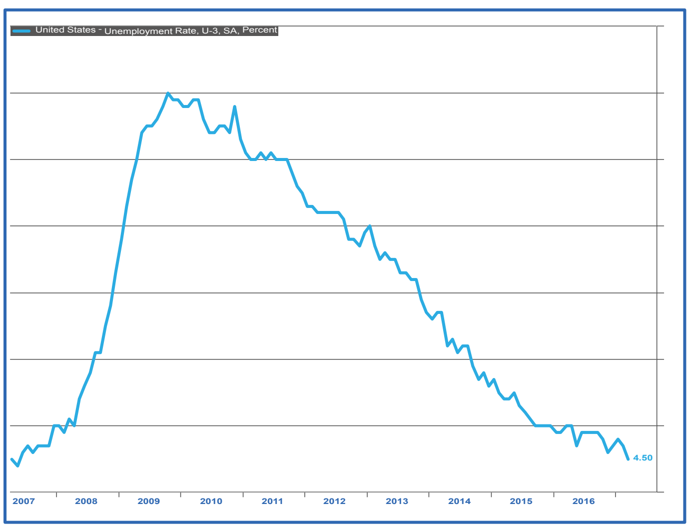
Commentary

Donald Trump's unexpected Presidential election victory ignited a rally in equities that continued through the first quarter leading the bull market into its eighth year. While investors spent much of the beginning of the year enthused about pro-business policies out of Washington given expectations of tax reform, infrastructure spending and an easing of regulatory burdens, the rally lost some steam toward the end of the quarter. Although economic statistics remain favorable with many pointing to the first global synchronized economic upturn in some time, investors began to pause for three main reasons.

Market Performance

As of March 31, 2017	3 Months	YTD	1-Year
S&P 500 Index	6.1%	6.1%	17.2%
Russell 3000 Value Index	3.0%	3.0%	20.0%
Russell 3000 Index	5.7%	5.7%	18.1%
Russell 2500 Value Index	1.6%	1.6%	23.1%
Russell Midcap Value Index	3.8%	3.8%	19.8%
Russell 2000 Index	2.5%	2.5%	26.2%
Russell 2000 Value Index	-0.1%	-0.1%	29.4%
Bloomberg Barclays Agg. Bond Index	0.8%	0.8%	0.4%

U.S. Unemployment Rate (4/30/07 - 3/31/17)



Source: U.S. Bureau of Labor Statistics, Factset.

First, where is the spending needed to fuel economic growth? Despite unemployment at its lowest levels in a decade, consumers remain very cautious, corporate capital investment has yet to return to normalized levels, and the government's infrastructure spending program looks to be more of a 2018 event. Second, the newly inaugurated Trump administration is still feeling its way around Washington as evidenced by legislative setbacks such as its failed attempt to repeal the Affordable Care Act. How the administration fares with tax reform, which is the next major legislative item on the White House's agenda, should have meaningful implications for equity markets which have already priced in some expectations of tax relief for

2017. Lastly, with the rate hike in March following the one in December, plus Fed talk of another two to three hikes this year, at what point do higher rates and a stronger dollar act as a headwind to the economy?

The uncertainty caused by the questions above became evident in the market's actions. The potential for a slowing economy led the 10-year Treasury yield to decline from 2.6% to 2.3%, large cap stocks outperformed small cap due to more exposure to improving international economies and growth outperformed value; all a reversal of what occurred in the fourth quarter. In the first quarter, the Trump-related reflation trade began to unwind, and those areas of the market that would have benefitted from the policy changes and faster GDP growth such as the banking sector lagged as markets rebased with the realization that GDP is growing closer to 2% than 3%.

Even so, we view this economic environment as generally healthy for small capitalization company fundamentals. Though the new administration is still finding its footing, the likelihood of faster GDP growth remains high given President Trump's focus to drive change. We are not alone in this viewpoint of optimism as current small cap stock valuations are at 19x earnings, above the upper end of historic norms. In recognition, we have become more selective about new investments, but are content to retain existing positions that demonstrate improving fundamentals and confirm our initial investment theses. Likewise, with the market's weakness at quarter end serving as a reminder, much positive expectation toward unspecified future legislative policies is built into investors' outlooks and presents a risk of downside potential.

The portfolio was underexposed to the Trump reflation trade in the fourth quarter and we remained disciplined in the first quarter not to chase the market. We held our view of slower policy adoption and a slower economic outlook. Coming into this year, the Fund was positioned to capture performance from the swing in the market mood. Although our economic bias from our continued overweight to Consumer Discretionary and Industrials contributed to performance, the Fund's Utility and Real Estate sector exposure drove significant outperformance. Stock selection was also a large positive factor in driving outperformance. As the reality of the reflation trade unwind set in and investors were faced with a fairly-valued market, attention turned to the stocks that were left behind - the laggards from 2016 many of which were the restructuring stocks in which we invest. Verint Systems and Diebold Nixdorf, two technology turnaround names that were down 13% and 16% last year, respectively, compared to the Russell 2000 Value being up 32%, were each up over 20% in the quarter. We feel this more rational environment, where investors focus back on fundamentals versus Washington and the Fed, will be positive for active managers.

Merger and acquisition activity should continue to be centered upon small caps that by nature of their size and narrower business focus, provide less disruptive business integration while offering avenues of growth for constrained mid- and large-cap peers. For investors, such activity can be better captured through active management, as opposed to passive. Our strategy of seeking companies undergoing restructuring including spin-offs, often leaves these portfolio companies more susceptible to being acquired as they become much cleaner, pure play stories after restructuring activities have concluded. Two names in our portfolios that are excellent examples of this are Time Inc. (TIME) and Wright Medical Group (WMGI). In Time's case, the company has implemented several rounds of restructuring after its spinoff from Time Warner and amidst major secular headwinds in the print magazine industry. After Time began receiving unsolicited overtures from bidders last year, the company hired bankers to advise on possible strategic options. Meanwhile, Wright Medical Group, an orthopedic device manufacturer, has done a fine job integrating its recent merger with Tornier. Given Wright's strong market position in the orthopedics space plus management's past willingness to sell, we envision Wright becoming part of a much larger player at some point in the future. During periods of high merger and acquisition activity, we have typically had 10% or more of our portfolio subject to premium takeover bids.

The top three performing stocks in the quarter were:

Nexstar Media Group (NXST) is a television broadcast company operating in medium-sized markets in the United States. About a year ago, the company entered into a drawn out, contested merger process with Media General, which resulted in significant share pressure from merger arbitrage activity. This selling pressure created an attractive entry price for the stock equating to a valuation with a 20+% free cash flow yield. The company completed the merger in early 2017 and has now significantly increased its scale and reach. Management is respected as a strong operator and was able to exceed expectations in 2016 in spite of disappointing political advertising revenues for the industry as a whole. Nexstar can now finally commence on realizing the meaningful synergies from the merger, while taking advantage of their increased bargaining power with distribution partners. The proactive manner in which the company undertook the transformative merger has been viewed favorably by the market, especially as further speculation around industry consolidation heats up with the proposed deregulatory plans of the new FCC administration. In the meantime, Nexstar's valuation remains attractive, with a free cash flow yield in the high teens. The company has ample opportunity to reduce debt, fund further M&A, and continue to return capital to shareholders through dividends and share buybacks.

Wright Medical Group (WMGI) is a global medical device company focused on extremities and biologics. The company completed a merger of equals with Tornier NV in late 2015 becoming the worldwide leader in providing surgical solutions for upper extremities (shoulder, elbow, wrist and hands), lower extremities (foot and ankle) and biologics (bone graft stimulators) - three of the fastest growing segments in orthopedics. Both companies had been investing heavily for growth resulting in low, short-term profitability, but under new CEO Robert Palmisano, the combined company has substantial scale opportunities and would be a beneficiary of the aging, but much more active baby boom generation. The company has exceeded analysts' estimates for the past four quarters post the deal closing and EBITDA margins have increased from -5.5% in 4Q15 to 11.7% in 4Q16, on its way towards our 20% margin target by 2019. In addition, a recent Financial Times article reported on speculation that a larger orthopedic company may be looking to acquire Wright. Given the consolidation in the orthopedic market and CEO Palmisano's history of selling his prior companies, we would not be surprised if a strategic player recognizes Wright's intrinsic value sooner than expected.

Air Lease Corporation (AL) is a leading global aircraft leasing company headquartered in Los Angeles, CA. Strong performance during the quarter reflects the company's continued strong operating results. For 2016, Air Lease grew its revenue by 19% and EBITDA by 25% while maintaining a conservative financial profile – secured debt made up 8% of total debt, which was one of the factors in S&P upgrading its debt to BBB in October 2016. Our initial investment thesis was based on the rising global middle class and expectation of global passenger traffic growing at a healthy rate to double every 15 years. We believe that airline operators, particularly the capital constrained non-US operators will rely more on leasing companies to provide the aircrafts and remove the threat of residual risk. This thesis is playing out as expected. Despite economic and geopolitical issues roiling the travel industry, Air Lease has continued to keep its current fleet fully utilized and has a large order book of 363 aircraft which is 1.4x its current fleet of 267 aircraft, mostly the in-demand wide-body planes. We continue to believe that the stock is trading at a meaningful discount to its intrinsic value and that the quality of the management team combined with the strength of the balance sheet will help the company generate healthy returns.

The bottom three performing stocks in the quarter were:

Vista Outdoor, Inc. (VSTO) designs, manufactures and markets consumer products for the shooting and outdoor sports markets. The company was a division within Alliance TechSystems (ATK), an aerospace and defense contractor, and became its own stand-alone entity when it was spun out when Alliance merged with Orbital

Sciences. Vista had become the leading consolidator of the fragmented outdoor sports industry diversifying away from its core shooting sports products via accretive acquisitions which leveraged the company's customer base and distribution network. Unfortunately, sporting goods store closures/bankruptcies (Sports Authority) and hoarding of ammunition into the Presidential election (as most had expected a Democratic win), led to excess inventory in the channel. In addition, an expected pickup in shooting accessory sales (holsters, scopes, etc.), Vista's most profitable products, has not materialized despite the strength in gun sales over the past two years. A perfect storm has hit this new company, but we believe expectations are extremely low and all the bad news is in the stock. The company has not lost market share, the excess inventory shall clear as the outdoor and shooting sports categories continue to grow, and management will thus reset guidance to rebuild credibility.

Ensign Group (ENSG) is a provider of healthcare services in the traditional skilled nursing, assisted living, and home health and hospice segments. We initially established a position in CareTrust REIT Inc. (CTRE), which was the spun-off real estate assets of Ensign, and through our maintenance research realized how good of an operator Ensign was compared to its peers. The company has had great success with its growth-through-acquisition strategy, which focuses on acquiring and turning around small struggling operators. However, Ensign recently diverted from this playbook and purchased a larger stable of assets that led to some integration issues which have weighed on near-term profitability despite posting tremendous top-line growth. We view these issues as short-term concerns as Ensign Group remains one of the best operators in the post-acute space.

Superior Energy Services, Inc. (SPN) is a diversified oil service company that offers drilling, completion and production-related services worldwide. A significant amount of capacity came out of the industry over the past two years when oil dropped below $30 per barrel. However, as oil has stabilized in the $50 per barrel range, drilling activity is picking up and we are beginning to see a recovery in pricing for pressure pumping and other land-based services. Superior is investing in additional pressure pumping horsepower that is expected to be deployed in the second half of 2017, but its higher than expected fleet reactivation costs and need to rehire personnel impacted the stock. Also, there has been some concern about the timing of a recovery in the offshore and international businesses, though we believe this will be more than offset by positive contribution from Superior's land-based business. Management sees reactivation costs per crew declining over time and we would view the reactivation cost issue as an investment in growth as exploration & production customer activity picks up over the course of 2017.

Conclusion

We are cautiously optimistic for the remainder of 2017 and feel this more rational market will recognize the value inherent in our restructuring stories. We remain bottom-up, value-oriented stock pickers, committed to uncovering mispriced equities of companies undergoing some type of restructuring action to unlock hidden value. Thank you for investing in the Keeley Small Cap Value Fund. We appreciate your confidence and trust.

KEELEY Funds

Small Cap Value Fund

The Fund's adviser has contractually agreed to waive a portion of its management fee or reimburse the Fund if total ordinary operating expenses during the current fiscal year as a percentage of the Fund's average net assets exceed 1.39% for Class A Shares and 1.14% for Class I Shares. The waiver excludes expenses related to taxes, interest charges, dividend expenses incurred on securities that a Fund sells short, litigation and other extraordinary expenses, brokerage commissions and other charges relating to the purchase and sale of portfolio securities. The waiver is in effect through January 31, 2018 and neither the Fund's adviser nor the Fund can discontinue the agreement prior to its expiration. **The expense ratios presented herein are for the Class A shares.

AVERAGE ANNUAL TOTAL RETURNS (as of 3/31/2017)

	KSCVX No Load	KSCVX Load	Russell 2000 Value
1 Year	19.20%	13.85%	29.37%
5 Year	9.60%	8.60%	12.54%
10 Year	4.49%	4.01%	6.09%
Since Inception**	11.03%	10.81%	10.21%

Expense Ratio (Gross)**	1.42%
Waiver/Expense Reimbursement**	-0.02%
Expense Ratio (Net)**	1.40%

Stocks of smaller cap companies tend to be more volatile and less liquid than those of large cap companies.

Top Ten Holdings (Percent of Net Assets)
March 31, 2017

Name	Weight (%)	Name	Weight (%)
OUTFRONT Media, Inc.	3.42%	Kennedy-Wilson Holdings, Inc.	2.64%
Nexstar Media Group, Inc.	3.22%	John Bean Technologies Corporation	2.46%
Air Lease Corporation	3.21%	BOK Financial Corporation	2.42%
BancorpSouth, Inc.	3.05%	Denny's Corporation	2.26%
Hilltop Holdings, Inc.	2.88%	Black Hills Corporation	2.26%

Performance attribution is commonly used to measure the quality of the separate decisions that go into the management of an investment portfolio compared to a benchmark index. This analysis tries to isolate the effect and measure the return contribution of market allocation, which analyzes the positive/negative impact of a portfolio's allocation to groupings such as geographic regions or market sectors, and stock selection, which analyzes the positive/negative impact of the portfolio manager's security ownership and weighting decisions within a wider grouping. The performance attribution data in this quarterly commentary was prepared by Keeley-Teton Advisors, LLC ("Keeley Teton") using the following constraints: (1) Fund portfolio holdings are as of the beginning of each day; index constituents are as of the end of the day. That means that the Fund's holdings are not included until the day after acquisition (when it is included in the portfolio as of the beginning of the next business day), and a portfolio holding that is sold is included in the analysis through the end of the day on which it is sold, and that the values at which securities are included in the analysis are the values as of the beginning of the day. For the index, securities are included at their values at the end of the day. (2) The securities' values used in the analysis are the prices used by Keeley Teton in its internal records for the Fund and the prices used by the index provider for the benchmark index. If a price from either of those sources is unavailable, pricing information from FactSet is used. Pricing information from the index provider or from FactSet may differ from the pricing information used by Keeley Teton. (3) Sector and/or industry classifications may change over time. The attribution information provided in this commentary includes summaries of attribution by market sector. Attribution is not precise and should be considered to be an approximation of the relative contribution of each of the sectors considered. The information on performance by sector reflects the aggregated gross return of the Fund's securities. Contributions to the Fund's performance by sector (computed as described above) were compared against the contributions to the aggregate return of the stocks comprising the index, by sector, as reported by FactSet Databases. Holdings returns for this commentary are calculated as total returns, which reflect any dividends or income earned during the period. Prior to September 30, 2016, holdings returns were based upon price percentage change.

Small Cap Value Fund

Data provided for performance attribution are estimates based on unaudited portfolio results. Performance contributors and detractors were not realized gains or losses for the Fund during the quarter. Market performance presented solely for informational purposes. The S&P 500 Index is designed to act as a barometer for the overall U.S. stock market. The index is unmanaged, consisting of 500 stocks that are chosen on the basis of market size, liquidity, and industry grouping. The S&P 500 is a market value weighted index with each stock's weight in the index proportionate to its market value. The Russell 2000® Value Index is an unmanaged index that measures the performance of the small-cap value segment of the U.S. equity universe and includes those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000® Index is an unmanaged index that measures the performance of the smallest 2,000 companies by market capitalization of the Russell 3000® Index. The Russell 2500® Value Index is an unmanaged index that measures the performance of the small to mid-cap value segment of the U.S. equity universe and includes those Russell 2500 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2500® Index is an unmanaged index that measures the performance of the 2,500 smallest companies by market capitalization of the Russell 3000® Index. The Russell Midcap® Value Index is an unmanaged index that measures the performance of the mid-cap value segment of the U.S. equity universe and includes those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values. The Russell Midcap® Index is an unmanaged index that measures the performance of the 800 smallest companies by market capitalization of the Russell 1000® Index. The Russell 1000® Index is an unmanaged index that measures the performance of the 1,000 largest companies by market capitalization of the Russell 3000® Index. The Russell 3000® Value Index is an unmanaged index that measures the performance of the broad value segment of the U.S. equity universe and includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 3000® Index is an unmanaged index that measures the performance of the 3,000 largest U.S. companies by market capitalization. The Barclays U.S. Aggregate Bond Index is a broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS. These Index figures do not reflect any deduction for fees, expenses or taxes, and are not available for direct investment. Securities in the Fund may not match those in the indexes and performance of the Fund will differ. The KEELEY All Cap Value Fund, KEELEY Small-Mid Cap Value Fund, KEELEY Small Cap Value Fund, KEELEY Small Cap Dividend Value Fund and KEELEY Mid Cap Dividend Value Fund are distributed by G.distributors, LLC.

KEELEY Funds
Direct Shareholders: 888-933-5391
Investment Professionals: 800-422-2274
National Accounts: 800-533-5344
info@keeleyfunds.com

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