KEELEY Funds

Mid Cap Dividend 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 3/31/19. 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, 2011.**

Risks: Smaller and medium-sized company stocks are more volatile and less liquid than larger, more established company securities. Dividend paying investments may not experience the same price appreciation as non-dividend paying investments. Portfolio companies may choose not to pay a dividend or it may be less than anticipated.

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, 2019, the KEELEY Mid Cap Dividend Value Fund's net asset value ("NAV") per Class A share rose 13.67% compared with a 14.37% gain for the Russell Mid Cap Value Index.

Commentary

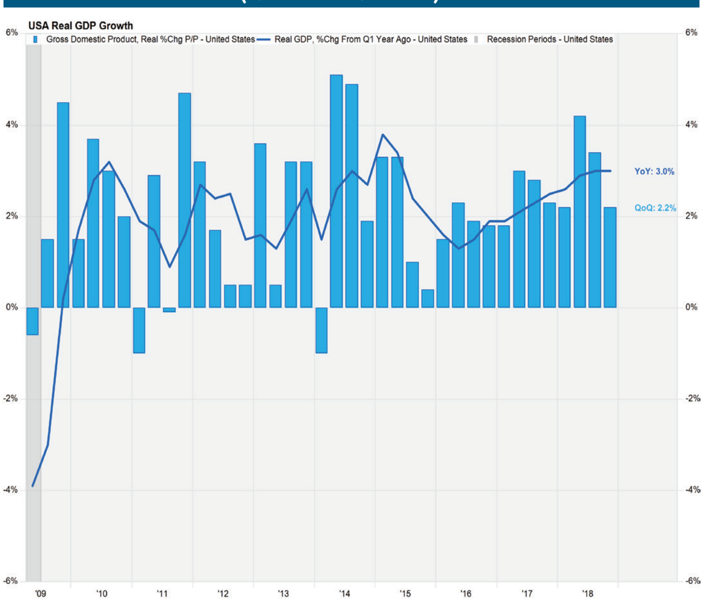
The market, as measured by the S&P 500 got off to its best start in the last twenty years and posted its best overall quarter since Q3-2009. The quarter's 13.6% gain nearly recouped the fourth quarter's steep drop. The first quarter was the sixth time since 1970 that a quarter with a double-digit loss was followed by a quarter with a double-digit gain. In four of the five previous instances of this pattern, the subsequent quarter also saw a double-digit gain[1]. While that is too small a sample size to factor it into one's outlook, it is an interesting data point.

Market Performance

As of March 31, 2019	3 Months	1-Year	3-Years
S&P 500 Index	13.6%	9.5%	13.5%
Russell 3000 Value Index	11.9%	5.3%	10.5%
Russell 3000 Index	14.0%	8.8%	13.5%
Russell 2500 Value Index	13.1%	1.8%	9.9%
Russell Midcap Value Index	14.4%	2.9%	9.5%
Russell 2000 Index	14.6%	2.0%	12.9%
Russell 2000 Value Index	11.9%	0.2%	10.9%
Bloomberg Barclays Agg. Bond Index	2.9%	4.5%	2.0%

Source: eVestment.

USA Real GDP Growth (Q1 2009 - Q4 2018)



Source: U.S. Bureau of Economic Analysis, Factset. Grey represents recession periods.

We think that the bounceback was mostly driven by an easing of the worries that led to the fourth quarter drop. As the fourth quarter progressed, investors became increasingly concerned about the potential that an overshoot on rate increases by the Fed, combined with the impact of trade actions would push the economy into recession. A slight thawing in the rhetoric around trade and clear signals from the Fed that it would at least put its rate tightening campaign on hold were enough to stop the decline and drive a sharp reversal.

And reversal is a pretty accurate description. In the fourth quarter, the market fell, small caps fell more than large caps (as measured by the Russell 2000 and Russell Top 200 indices), and growth fell more than value (as measured by the Russell indices). In the first quarter, the market rose, small caps led large caps, and value lagged growth.

Interestingly, mid-caps outperformed both small-cap and large-cap stocks.

[1]It is interesting that four of these six instances have occurred in the last ten years.

We also saw a sharp snapback in the price of oil; up 32% in Q1-2019 after falling 38% in Q4-2018. The two benchmark assets that sustained their fourth quarter trends were gold, which rose in both periods, and the yield on the ten-year Treasury, which fell in both periods. The sum of the last six months is that we have had a lot of movement in the markets, but we are pretty close to where we started.

The economic outlook, on the other hand, has probably deteriorated slightly. While the labor market in the US remains tight, growth expectations around the world are lower than they were six months ago. You see the signs in a variety of reports of both sentiment and activity. We believe that most of this slippage arises from the various trade sanctions coming out of Washington. When we talk to company management teams about any softness they are seeing, they cite higher materials costs as one source of pressure, but also the uncertainty created by the possibility of an expansion of the tariffs.

The good thing about this is that it appears that the US and China will come to a trade agreement that will remove this overhang. Last quarter, we suggested that a conclusion to these trade disputes (along with the ending of the government shutdown) might drive strong market performance. While we think a resolution of the trade disputes would be a positive, at this point the market has discounted much of that potential.

The strong move in the market, combined with a slight reduction in forward EPS estimates, has made the market somewhat more expensive. At year-end, the S&P 500 traded at 14.4x forward EPS compared with 16.5x at the end of the first quarter. This is a little above average, but not worrisome. Small caps, as measured by the S&P Small Cap index, traded at 14.1x then vs. 16.7x now. The Russell indices tell a similar story. In almost all cases, valuation has moved from below average to slightly above average. What has not changed is that small caps continue to look attractive relative to large caps and value looks compelling compared to growth.

As we look ahead, we believe the economy will muddle along. The resolution of trade disputes should resolve some uncertainty, but unemployment is very low and the stimulative impact of the 2017 tax cuts should begin to fade. In addition, a stronger dollar and higher energy prices are slight headwinds as well.

It seems to us that a slow, steady-growth environment, combined with stable low interest rates, and above average valuations suggests only modest market returns. We also believe we are entering a great period for dividend-paying stocks and a good environment for differentiated returns from stock selection. Value should begin to outperform growth.

Portfolio Results

The Keeley Mid Cap Dividend Value Fund lagged slightly in the quarter. Several factors created headwinds to performance. These included the underperformance of dividend-paying stocks within the Russell MidCap Value index relative to non-dividend payers and the overall index. In addition, the small cash holdings within the Fund had a more meaningful impact than usual due to the large gain in the market. Finally, many of the Fund's Financial holdings have benefitted from the rise in interest rates over the last two years. The sharp drop in bond yields in the second half of the quarter caused investors to reassess the attractiveness of these stocks and caused some weakness in them during March.

When we look at the two components of return, Sector Allocation and Stock Selection, we find that Allocation was a slight detractor while Selection was a slight positive. Most of the Allocation impact came from the previously mentioned cash balances (~4% on average for the quarter). The Selection impact came from positive contributions in six sectors, partly offset by more significant give-backs in the Energy and Healthcare sectors.

- All eleven Industrial stocks owned by the fund rose in the first quarter and five generated total returns in excess of 20%. BWX Technologies led the way after posting solid fourth quarter earnings as it appears to be back on track after some unevenness last year.

- All nine real estate investment trusts owned by the Fund were up double-digits. Brixmor was the strongest of these as investor sentiment about retail real estate appears to be improving (or not deteriorating further). We have more on this stock later in the commentary.

- The Health Care sector was the third strongest sector in the index, but the biggest detractor for the Fund. We provide more detail below, but our holdings in Cigna and AmeriSourceBergen suffered from the talk about drug price controls and "Medicare for All".

- Energy was the other sector where the Fund lagged its benchmark. It was the strongest sector in the benchmark, but the Fund's heavier weighting of natural gas stocks and its minimal holdings in energy service companies held back the gains in the Fund.

During the quarter, the Fund added 5 new positions (A.O. Smith, Fortune Brands Home & Security, Franco-Nevada, Ingredion, Quanta Services, and Tapestry) and eliminated two holdings (Patterson-UTI and UGI Corporation)

Let's Talk Stocks

The top three contributors in the quarter were:

Versum Materials (VSM - $50.31 – NYSE) is a leading maker of chemicals used in the production of semiconductors and other electronics. Its stock appreciated sharply during the quarter after it received an acquisition offer from Entegris for cash and stock. It moved even higher after Merck KGaA topped that offer with a $48 cash proposal. At quarter-end, the Fund had sold most of its stock, although we believe there is a good chance that the final sale price could be above the Merck offer.

Brixmor Property Group (BRX - $18.37 – NYSE) is a real estate investment trust that owns and operates grocery-anchored shopping centers. This past quarter, Brixmor rebounded from meaningful share-price weakness in the December quarter as it reported largely in-line fourth-quarter earnings. Brixmor also reaffirmed its guidance of significantly stronger same-store profit growth in 2019 relative to 2018, which helped to fuel Brixmor's rally. Looking ahead, Brixmor should begin seeing better earnings growth, owing to the benefits of redevelopment activity, a reduced level of dilutive asset dispositions, renewals at much higher rents, and less exposure to retailer bankruptcies.

BWX Technologies (BWXT - $49.58 – NYSE) provides nuclear components and products to the U.S. Navy and Canadian nuclear power markets along with environmental site restoration services. The company reported very good quarterly results which was welcomed as the past couple of quarters were disappointing due to welding issues. It appears that these issues are behind them and the focus will shift back to one of the more attractive parts of the business being the sole supplier of nuclear components to the U.S. Navy. This should start accelerating over the next couple of years as the Navy starts to rebuild its fleet.

The three largest detractors in the quarter were:

Cigna Corporation (CI - $160.82 – NYSE) is a global health insurer that in 2018 acquired pharmacy benefit manager Express Scripts. Investors initially were not fans of the deal, but later came around. In the first quarter, however, shares were pressured after investors began questioning whether Cigna can execute on the deal's integration.

Investors also started to worry about potential changes to rebate practices for PBMs and proposals from Democratic Presidential candidates and Congressmen for "Medicare for All". While we acknowledge that changes may come to the way healthcare is paid for in the US, we believe Cigna and the other managed care companies will be part of the solution.

Tapestry Inc. (TPR - $32.49 – NYSE) is a fashion holding company that is the parent company of handbag brands Coach and Kate Spade, as well as shoe firm Stuart Weitzman. In the first quarter, Tapestry reported below-consensus earnings. Some product from Kate Spade's previous design team was not well received by customers during the December quarter. Looking ahead, new Kate Spade designs from a new head designer have arrived in stores and should be fully rolled out by June. We expect these to drive a pick-up in sales beginning in the June quarter. In addition, the rolling-off of some higher computer systems investments and the continued capturing of synergies from the Kate Spade acquisition should serve as further tailwinds to earnings growth acceleration.

RPM International (RPM - $58.04 – NYSE) is a leading manufacturer of high-performance coatings, sealants, and specialty chemicals. Shares fell in the quarter after it released its November quarter results. Earnings were disappointing due to a combination of higher raw materials costs and wet weather. RPM is in the midst of a substantial restructuring program and the recent results have been uneven. At the beginning of April, however, the company reported better February quarter results which were well received. These results showed the beginnings of the benefits from its cost-cutting and price improvement efforts.

Conclusion

In conclusion, thank you for your investment in the KEELEY MidCap Cap Dividend Value Fund. We will continue to work hard to justify your confidence and trust.

April 15, 2019

Mid Cap Dividend 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 1.20% for Class A Shares and 0.95% 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 February 28, 2020 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 3/31/2019)

	KMDVX No Load	KMDVX Load	Russell Midcap Value
1 Year	3.15%	-1.51%	2.89%
5 Year	8.11%	7.11%	7.22%
Since Inception**	13.88%	13.18%	14.03%

Expense Ratio (Gross)**	1.38%
Waiver/Expense Reimbursement**	-0.17%
Expense Ratio (Net)**	1.21%

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, 2019

Name	Weight (%)	Name	Weight (%)
Vulcan Materials Company	2.08%	Hudson Pacific Properties, Inc.	1.86%
NRG Energy, Inc.	1.99%	Iron Mountain, Inc.	1.86%
Total System Services, Inc.	1.96%	Brixmor Property Group, Inc.	1.84%
FMC Corporation	1.96%	Oshkosh Corp	1.77%
ITT, Inc.	1.90%	Air Lease Corporation Class A	1.74%

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.

Mid Cap Dividend Value Fund

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by Keeley Teton. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

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. The S&P SmallCap 600® measures the small-cap segment of the U.S. equity market and is unmanaged. The index is designed to track companies that meet specific inclusion criteria to confirm that they are liquid and financially viable. The S&P MidCap 400® provides investors with a benchmark for mid-sized companies. The index, which is distinct from the large-cap S&P 500®, measures the performance of mid-sized companies reflecting the distinctive risk and return characteristics of this market segment. 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 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.

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