



**KEELEY**  
*Funds*

The Disciplined  
Discovery of Value®

# Annual Report

September 30, 2017

## **KEELEY Small Cap Value Fund**

Class (A) Shares: KSCVX

Class (I) Shares: KSCIX

## **KEELEY Small Cap Dividend Value Fund**

Class (A) Shares: KSDVX

Class (I) Shares: KSDIX

## **KEELEY Small-Mid Cap Value Fund**

Class (A) Shares: KSMVX

Class (I) Shares: KSMIX

## **KEELEY Mid Cap Dividend Value Fund**

Class (A) Shares: KMDVX

Class (I) Shares: KMDIX

## **KEELEY All Cap Value Fund**

Class (A) Shares: KACVX

Class (I) Shares: KACIX

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## MANAGER COMMENTARY

### KEELEY Small Cap Value Fund (KSCVX - KSCIX)

Dear Fellow Shareholder,

For the quarter ended September 30, 2017, the Keeley Small Cap Value Fund's net asset value ("NAV") per Class A share increased 4.17% versus 5.11% for the Russell 2000 Value Index. Over the fiscal year ended September 30, 2017, the Fund appreciated 12.65% versus an increase of 20.55% for the Russell 2000 Value Index.

The global economy continues to demonstrate its first synchronized economic expansion in many years, supported by stabilizing commodity prices and steadily climbing industrial output. Steadily improving over the past few quarters, GDP grew at an annualized rate of 3.1% in the second quarter of 2017, the strongest result in over two years. This GDP growth is being propelled by the consumer, with little assistance from corporate spending as business leaders patiently wait for clarity on the structure and timing of President Trump's promised policy changes.

Despite the economy showing sequentially improving ISM ("Institute for Supply Management") and employment data, the market appeared concerned that the "party was over" as comments from global central banks regarding the end of global quantitative easing dominated headlines in July. Whether it was the Federal Reserve (the "Fed") looking to initiate a runoff of its balance sheet, the Bank of England hinting at rate increases, or the European Central Bank suggesting it was nearing the end of its bond buying, investors grappled with the scenario of an end to "peak" quantitative easing. As if to telegraph proper expectations, the Fed has regularly conveyed its intent for "measured" rate increases, tempered according to future data or persistent low inflation. Yet, fears of higher rates and the related potential slowing of the U.S. economy drove investors to seek less risky investments, as evidenced by a decline in the yield on the 10-year Treasury from 2.6% in December 2016 to 2.13% by the end of August 2017. As in the second quarter of 2017, these concerns similarly rewarded larger cap growth stocks with outperformance versus small cap value. Altogether though, we do not see this scenario as destabilizing, but rather supportive and indicative of a healthy, growing economy that will ultimately benefit the Fund and its holdings.

Ironically, it took the unfortunate force of a string of destructive hurricanes to give Washington a wake-up call that collaboration was necessary to move forward. Unexpected to Republican leadership, President Trump cut a deal with Democrats to extend the debt ceiling, avoiding any government shutdown and any risk in the government's ability to fund disaster relief. It was a clear signal of willingness to ensure that government action does not derail economic expansion. Add to this the urgency from Washington to get a tax reform package passed before year end, and the market re-embraced the Trump reflation trade. A reversal of the prior two months ensued with small cap value stocks, as companies with the most exposure to a rebounding US economy and those with the highest corporate tax rates, outperformed larger cap, growth companies.

Capping the quarter, September's reading for the ISM manufacturing index topped a thirteen year high with the rise in the new orders index being consistent with strong

corporate earnings and capital spending. These events sketched the picture of a resilient economy in the face of hurricane disruption, spurring the markets steadily higher.

For this annual period, the Fund had a difficult time keeping up with its benchmark index particularly during the “reflation trade” periods of the fourth quarter of 2016 and the third quarter of 2017. Over half of the underperformance was due to our underweight in Financials. Prior to the Presidential election, we were not finding much change within Financials given the sector’s restructuring occurred post the economic crisis in 2008 and 2009. The prospects of higher rates, less regulation and lower corporate taxes under President Trump led Financials to be the second best performing sector within the Russell 2000 Value during this fiscal period. As these policy changes have taken longer to enact, we have increased our weighting to this group on stock price pullbacks. We continue to maintain our positive view towards the Fund’s regional bank holdings in anticipation of continued Fed-driven net interest margin (NIM) expansion and earnings sensitivity to potential corporate tax rate reductions. It is our expectation that the recent positive September 2017 results of these holdings will continue moving forward.

Stock selection earlier in the year impacted our two overweight sectors, Consumer Discretionary and Industrials. Poor execution at Time, Inc. (TIME), Houghton Mifflin (HMHC) and Vista Outdoor (VSTO) led to CEO departures. We have since exited Time and Houghton believing the turnarounds will take longer than originally anticipated. More recently, Consumer Discretionary and Industrials, posted very strong relative contribution. Three of our holdings in these sectors are beneficiaries of the unfortunate damage from Hurricanes Harvey and Irma. Visteon (VC) and Penske Auto (PAG) rebounded as auto build rates were stronger than expected, and we expect them to remain strong with a replacement cycle for vehicles damaged in the recent storms. Also storm-related, Generac (GNRC), a maker of backup generators, is expected to see increased demand and inventory restocking in future quarters.

As we have discussed in prior commentaries, we have begun to see a more rational investing environment that typically rewards our restructuring driven style. This was evident in strong performance from several holdings undergoing business transformations such as Vail Resorts (MTN), KBR, Inc. (KBR) and Welbilt (WBT). From its origins as a Rocky Mountain ski resort company, Vail Resorts has amassed the premiere collection of ski resort properties worldwide which recently included the acquisitions of Whistler in Vancouver as well as Stowe in Vermont. KBR continues to morph into a government services company from its engineering and construction roots under new CEO, Stuart Bradie, while WelBilt transforms itself into a more efficient operator post its spin-off from Manitowoc Crane.

## **Conclusion**

We remain optimistic that the Fund is positioned for attractive risk-adjusted returns across a complete market cycle and that active management remains the best situated vehicle to capitalize upon market dislocations in the small cap value space. We believe that our approach of identifying restructuring driven change with mismatched expectations to rectify intrinsic value discounts has historically served long-term investors well. We appreciate the confidence and trust you have placed in us and thank you for investing along with us in the Keeley Small Cap Value Fund.

Sincerely,



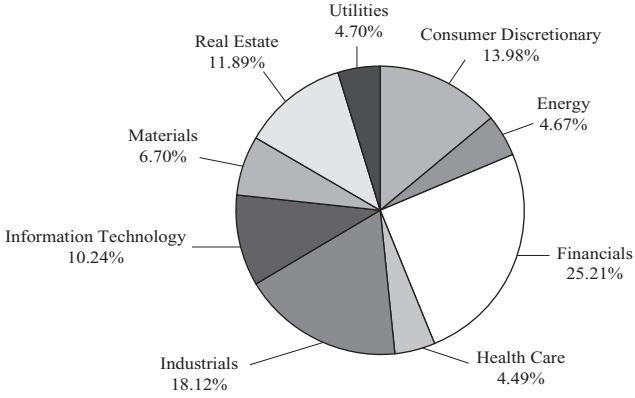
Kevin M. Chin  
Chief Investment Officer, Portfolio Manager



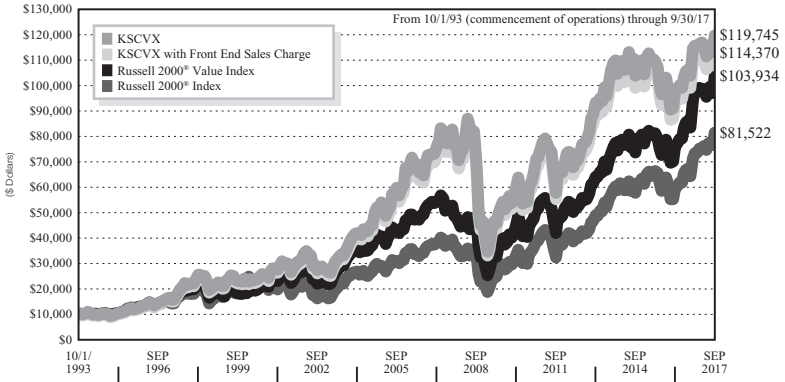
Brian R. Keeley  
Portfolio Manager

*The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Average annual total return measures annualized change, while total return measures aggregate change.*

**Investments by Sector  
As a Percentage of Investments  
As of 9/30/2017  
(Unaudited) \***



**Index Comparison  
Comparison of a Hypothetical \$10,000 Investment  
Keeley Small Cap Value Fund - Class A, Russell 2000® Value Index \*\* and Russell 2000® Index \*\*\*  
(Unaudited)**



Average annual total returns \*\*\*\*  
For the periods ended September 30, 2017

	<u>1-Year</u>	<u>5-Years</u>	<u>10-Years</u>	<u>Since Commencement of Operations <sup>(1)</sup></u>
Keeley Small Cap Value Fund				
Class A	12.65%	9.24%	4.07%	10.90%
Class A (includes max 4 1/2% front-end load)	7.58%	8.24%	3.59%	10.69%
Class I	12.95%	9.52%	N/A	4.82%
Russell 2000® Value Index	20.55%	13.27%	7.14%	10.25% <sup>(2)</sup>
Russell 2000® Index	20.74%	13.79%	7.85%	9.14% <sup>(2)</sup>

- (1) Inception date is October 1, 1993 for Class A Shares and December 31, 2007 for Class I Shares.
- (2) The Since Commencement of Operations returns shown are from the commencement date of Keeley Small Cap Value Fund - Class A. The returns for the Russell 2000® Value Index and Russell 2000® Index since the commencement date of the Keeley Small Cap Value Fund - Class I are 8.17% and 8.58%, respectively.
- \* Excludes short-term investments.
- \*\* The Russell 2000® Value Index measures the performance of those Russell 2000® Index companies with lower price-to-book ratios and lower forecasted growth values. These figures do not reflect any deduction for fees, expenses or taxes, and are not available for investment.
- \*\*\* The Russell 2000® Index is comprised of the smallest 2,000 companies in the Russell 3000® Index. The Russell 3000® Index is comprised of the 3,000 largest U.S. companies based on market capitalization. The Russell 2000® Index is unmanaged and returns include reinvested dividends. These index figures do not reflect any deduction for fees, expenses or taxes, and are not available for investment.
- \*\*\*\* Performance data quoted represents past performance, which is not predictive of future performance. The investment return and principal value of shares will fluctuate and when redeemed, may be worth more or less than their original cost. Returns shown include the reinvestment of all dividends. The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of shares. Returns shown reflect the effect of the Adviser's fee waiver agreement for the Fund. If such fee waivers had not occurred, the quoted performance would be lower.

## MANAGER COMMENTARY

### KEELEY Small Cap Dividend Value Fund (KSDVX - KSDIX)

Dear Fellow Shareholder,

For the quarter ended September 30, 2017, the Keeley Small Cap Dividend Value Fund's net asset value ("NAV") per Class A share increased 4.34% versus 5.11% for the Russell 2000 Value Index. Over the fiscal year ended September 30, 2017, the Fund appreciated 19.30% versus an increase of 20.55% for the Russell 2000 Value Index.

It has been a very interesting year.

Starting with the surprise election of Donald Trump to the Presidency last November, the stock market alternated between enthusiasm for the fiscal and regulatory changes he promised as a candidate and concern about his ability to deliver on those promises. The fiscal year began with a bang as the market moved higher in the fourth quarter of 2016. And it was not just stocks. Both the dollar index and Treasury yields also jumped in the fourth quarter. Because smaller companies tend to be more domestic and value stocks are often in industries that are more likely to benefit from a reduced regulatory burden, they led the way by a wide margin.

As the new administration came into office, it seemed to require more time to acclimate and organize. This was evidenced by the seemingly elongated period for the Trump administration to fill key vacancies. In addition, there seemed to be more departures than with previous administrations. The President's relationship with Congress, including those in his own party, appeared more contentious as well. This friction led to the failure of the Administration's first major policy initiative; the repeal of the Affordable Care Act. As these events unfolded, 10-year Treasury yield retraced much of its fourth quarter 2016 increase as did the dollar index. The stock market bifurcated, with large-cap and growth-oriented stocks trending higher, while small-cap and value-oriented stocks stagnated. The result was that large cap and growth stocks built a significant lead on small-cap and value stocks in the first half of 2017.

As we came toward the end of September 2017 and since then, Washington looks like it may be developing some policy momentum. Ironically, it took the unfortunate force of a string of destructive hurricanes to give Washington a wake-up call that collaboration was necessary to effectively move forward. Unexpected to Republican leadership, President Trump cut a deal with Democrats to extend the debt ceiling, preventing any government shutdown and any risk to the government's ability to fund disaster relief. It was a clear signal of willingness to ensure that government action does not derail economic expansion. Add to this, the urgency from Washington to get a tax reform package passed before year-end, and the market has recently re-embraced the Trump reflation trade.

Throughout it all, the synchronized global expansion that started earlier this year, seems to be rolling along. It may even be accelerating in the United States. Third quarter GDP of 3.0% nearly matched the second quarter's 3.1%. What is interesting is that this was the first time in more than two years that the economy grew at a 3% pace for consecutive quarters. One sees similar trends elsewhere in the World with a pick-up in growth in the Eurozone, Japan, Canada, Brazil, and



elsewhere. In the United States, the consumer continues to set the pace, with little assistance from corporate spending as business leaders patiently wait for clarity on the structure and timing of President Trump's promised policy changes.

For the fiscal year, the Fund slightly lagged the Russell 2000 Value index; 19.30% versus 20.55%. When we disaggregate performance into the impact from sector allocation and security selection decisions, we find that allocation was the primary driver of underperformance, with the Fund's average cash position of approximately 4% presenting a headwind. While hardly excessive and certainly not a "bet" on a falling market, the significant absolute positive performance of the market in 2017 caused even the Fund's less than 5% cash position to create performance drag. Aside from that, the impact from allocation decisions did not have a significant impact on the Fund's performance. These outcomes are in line with our expectations. We generally maintain a portfolio with few large sector overweight or underweight positions.

Rather than looking to sector allocation to drive performance, we believe a focus on stock selection will lead to more consistent relative outperformance. In the latest fiscal year, stock selection within sectors impacted relative performance, with a wide variation between sectors. We found the most success in the Consumer Discretionary, Consumer Staples, and Real Estate sectors. We did not do as well in the Health Care, Industrials, and Information Technology sectors.

Not surprisingly, the sectors that contributed the most to the Fund's relative performance had the stocks that performed very well. For example, the two largest contributors to Fund performance were Consumer Discretionary stocks. Winnebago (WGO) led the way with several drivers benefiting the stock. First, a relatively new management team streamlined several aspects of the company to improve returns across the recreational vehicle (RV) cycle. Second, the RV industry continues to benefit from a good economy, strong consumer confidence, and relatively low fuel prices. Finally, while we have mixed feelings about mergers, Winnebago made a very good one last year. The acquisition of Grand Design significantly shifted Winnebago's business toward a faster growth, higher margin mix. Marriott Vacations Worldwide (VAC) was not too far behind. The company is one of the leading developers of timeshare resorts. In the first three quarters of 2016, VAC produced lackluster earnings results as the cost of developing new resorts and expanding its sales footprint weighed on earnings. However, these investments started to pay off late last year and have driven strong earnings growth in 2017. The stock has responded accordingly.

In the Consumer Staples and Real Estate sectors, both of which lagged the overall Russell 2000 Value Index, the Fund owned stocks that appreciated in line with the market or better. In Consumer Staples, the Fund owned one stock, Sanderson Farms (SAFM). Rising chicken prices and falling grain prices drove wider profits at Sanderson, and the stock appreciated along with improved earnings expectations and results. The sector on the other hand, was only up 1%. Similarly, the Real Estate sector also lagged the Russell 2000 Value index badly, but we were able to find some differentiated companies that produced good results. Ten REITs owned by the Fund were up more than 10% (and four were up more than 30%), whereas the sector was only up 7%.

The sectors where the Fund saw the worst relative performance share a common characteristic: they outperformed the benchmark. The Fund's lagging performance

within these sectors was a combination of a few disappointing stock picks and not owning some of the stronger performers, which in many cases do not pay dividends.

The Industrials sector was the strongest performing sector in the benchmark. Unfortunately, two of the Fund's biggest detractors came from this sector: CECO Environmental (CECE) and AZZ, Inc. (AZZ). At CECO, bookings fell off in a couple of its segments which in turn led to lower earnings expectations. AZZ struggled within a couple of its segments and was hurt by deteriorating conditions in the nuclear industry early in the fiscal year and by hurricanes late in the fiscal year.

The relative underperformance in Health Care also arose from a couple underperformers and the strength in biotechnology stocks; none of which pay dividends. Aceto Corporation (ACET) was the Fund's third worst performer as it did not manage the challenging price trends in the generic pharmaceutical industry effectively. It also struggled to get new products to market on schedule to offset price erosion within its product line. Finally, the disappointing results from Diebold Nixdorf (DBD) and Plantronics (PLT) offset strong performance elsewhere in the Technology sector.

As we look ahead, we continue to think that developments in Washington will have a disproportionate impact on stocks going forward. While the economy looks solid and a lower dollar is supportive for corporate earnings, we believe valuations look fair to elevated. If corporate tax rates decline to 20%, however, stocks appear undervalued. In addition, the Administration does appear to be seeking ways to reduce the regulatory burden many industries face. While the impact of these efforts will likely take longer to impact company earnings, we believe the impact will ultimately be positive.

## Conclusion

We remain optimistic that the Fund is positioned for attractive risk-adjusted returns across a complete market cycle. Historically, we believe that dividend-paying stocks have demonstrated their true value as part of a portfolio in more difficult market periods. Although our long-term aim is to generate capital appreciation, we also strive to capture some of what we perceive to be enhanced down-side capture in challenging market environments. We appreciate the confidence and trust you have placed in us and thank you for investing along with us in the Keeley Small Cap Dividend Fund.

Sincerely,



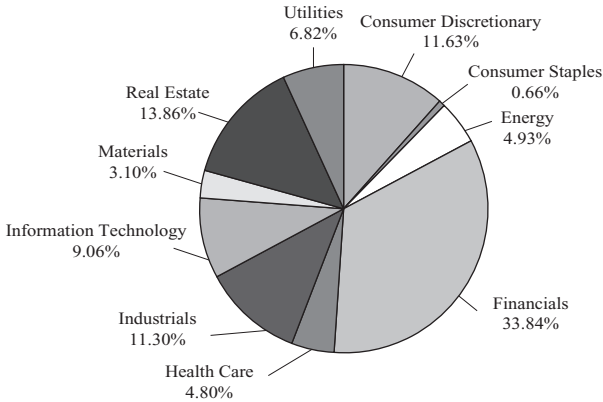
Thomas E. Browne, Jr.  
Lead Portfolio Manager



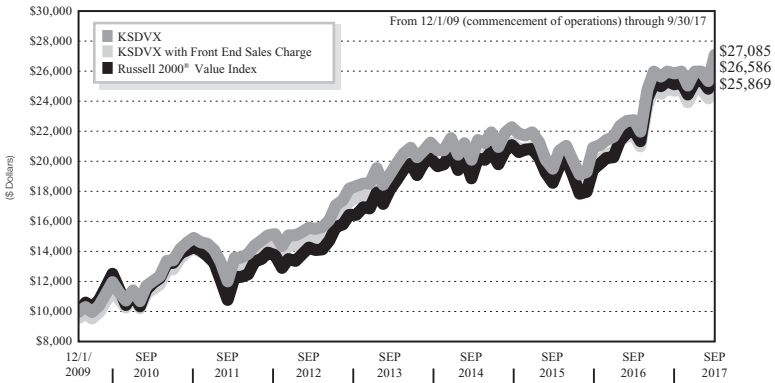
Brian P. Leonard  
Portfolio Manager

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**Investments by Sector  
As a Percentage of Investments  
As of 9/30/2017  
(Unaudited) \***



**Index Comparison  
Comparison of a Hypothetical \$10,000 Investment  
Keeley Small Cap Dividend Value Fund - Class A and Russell 2000® Value Index \*\*  
(Unaudited)**



Average annual total returns \*\*\*  
For the periods ended September 30, 2017

	<u>1-Year</u>	<u>3-Years</u>	<u>5-Years</u>	<u>Since Commencement of Operations (1)</u>
<b>Keeley Small Cap Dividend Value Fund</b>				
Class A	19.30%	10.47%	11.74%	13.57%
Class A (includes max 4 1/2% front-end load)	13.96%	8.79%	10.72%	12.91%
Class I	19.64%	10.75%	12.03%	13.85%
<b>Russell 2000® Value Index</b>	20.55%	12.12%	13.27%	13.30%

(1) Inception date for both classes is December 1, 2009.

\* Excludes short-term investments.

\*\* The Russell 2000® Value Index measures the performance of those Russell 2000® Index companies with lower prices-to-book ratios and lower forecasted growth values. These figures do not reflect any deductions for fees, expenses or taxes, and are not available for investment.

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## MANAGER COMMENTARY

### KEELEY Small-Mid Cap Value Fund (KSMVX - KSMIX)

Dear Fellow Shareholder,

For the quarter ended September 30, 2017, the Keeley Small-Mid Cap Value Fund's net asset value ("NAV") per Class A share increased 5.74% versus 3.83% for the Russell 2500 Value Index. Over the fiscal year ended September 30, 2017, the Fund appreciated 20.15% versus an increase of 15.75% for the Russell 2500 Value Index.

The global economy continues to demonstrate its first synchronized economic expansion in many years, supported by stabilizing commodity prices and steadily climbing industrial output. Steadily improving over the past few quarters, GDP grew at an annualized rate of 3.1% in the second quarter, the strongest result in over two years. This GDP growth is being propelled by the consumer, with little assistance from corporate spending as business leaders patiently wait for clarity on the structure and timing of President Trump's promised policy changes.

Despite the economy showing sequentially improving ISM ("Institute for Supply Management") and employment data, the market appeared concerned that the "party was over" as comments from global central banks regarding the end of global quantitative easing dominated headlines in July. Whether it was the Federal Reserve (the "Fed") looking to initiate a runoff of its balance sheet, the Bank of England hinting at rate increases, or the European Central Bank suggesting it was nearing the end of its bond buying, investors grappled with the scenario of an end to "peak" quantitative easing. As if to telegraph proper expectations, the Fed has regularly conveyed its intent for "measured" rate increases, tempered according to future data or persistent low inflation. Yet, fears of higher rates and the related potential slowing of the U.S. economy drove investors to seek less risky investments, as evidenced by a decline in the yield on the 10-year Treasury from 2.6% in December to 2.13% by the end of August. As in the second quarter of 2017, these concerns similarly rewarded larger cap growth stocks with outperformance versus small cap value. Altogether though, we do not see this scenario as destabilizing, but rather supportive and indicative of a healthy, growing economy that will ultimately benefit the Fund and its holdings.

Ironically, it took the unfortunate force of a string of destructive hurricanes to give Washington a wake-up call that collaboration was necessary to move forward. Unexpected to Republican leadership, President Trump cut a deal with Democrats to extend the debt ceiling, avoiding any government shutdown and any risk in the government's ability to fund disaster relief. It was a clear signal of willingness to ensure that government action does not derail economic expansion. Add to this the urgency from Washington to get a tax reform package passed before year end, and the market re-embraced the Trump reflation trade. A reversal of the prior two months ensued with small cap value stocks, as companies with the most exposure to a rebounding US economy and those with the highest corporate tax rates, outperformed larger cap, growth companies.

Capping the quarter, September's reading for the ISM manufacturing index topped a thirteen year high with the rise in the new orders index being consistent with strong

corporate earnings and capital spending. These events sketched the picture of a resilient economy in the face of hurricane disruption, spurring the markets steadily higher.

The Fund outperformed during the fiscal year driven by strong stock selection as the market shifted to a more rational investing market, particularly in the upper end of the small-mid market cap spectrum. Our restructuring driven investment style was rewarded as four of the top five contributing companies were formed via spin-off transactions. In addition, the two sectors that provided the largest relative outperformance were Industrials and Consumer Discretionary, areas where the Fund has historically been overweight and has found the most restructuring ideas. Within Industrials, the inherent value of Orbital ATK (OA) was recognized as it agreed to be acquired by Northrop Grumman (NOC). OA was formed in early 2015 via the merger with Alliant Techsystems (ATK) and subsequent spin-off of ATK's shooting and outdoor sports equipment division, Vista Outdoor (VSTO). Similarly, the 2008 spin-off of John Bean Technologies (JBT) from FMC Corp. (FMC) has resulted in a very focused company that is consolidating both the food processing and airport ground support markets, two end markets whose growth is being fueled by the rising global middle class. In Consumer Discretionary, top contributor Marriott Vacations (VAC) is experiencing accelerated earnings growth from its investment strategy implemented post its 2011 spin from Marriott Corp (MAR). The best performing stock for the Fund was NRG Energy (NRG), an independent electric power producer that was formed via a spin-off from Xcel Energy (XEL) in 2000 and subsequent bankruptcy filing in 2003. Having grown substantially through acquisitions, NRG became the target of activist investors. The stock rebounded strongly in the third quarter as the Board of Directors accepted a 3-Year Plan to simplify the business via non-core asset sales and to further reduce costs and debt.

The largest headwind for the Fund came from Technology. Although all our Technology holdings provided positive returns, it was within this sector where our restructuring driven investment themes lagged the highest growth names. Financials also impacted the Fund in the year, though stock selection helped to offset the detracting impact of the Fund's underweight. Prior to the Presidential election, we were not finding much change within Financials given the sector's restructuring occurred post the economic crisis of 2008 and 2009. The prospects of higher rates, less regulation and lower corporate taxes under President Trump has led Financials to be the best performing sector within the Russell 2500 Value. As these policy changes have taken longer to enact, we have increased our weighting to this group on stock price pullbacks. We continue to maintain our positive view towards the Fund's regional bank holdings in anticipation of continued Fed-driven net interest margin (NIM) expansion and earnings sensitivity to potential corporate tax rate reductions. It is our expectation that the recent positive September 2017 results of these holdings will continue moving forward.

## **Conclusion**

We remain optimistic that the Fund is positioned for attractive risk-adjusted returns across a complete market cycle and that active management remains the best situated vehicle to capitalize upon market dislocations in the small and mid-cap value space. We believe that our approach of identifying restructuring driven change with mismatched expectations to rectify intrinsic value discounts has historically served

long-term investors well. We appreciate the confidence and trust you have placed in us and thank you for investing along with us in the Keeley Small-Mid Cap Value Fund.

Sincerely,



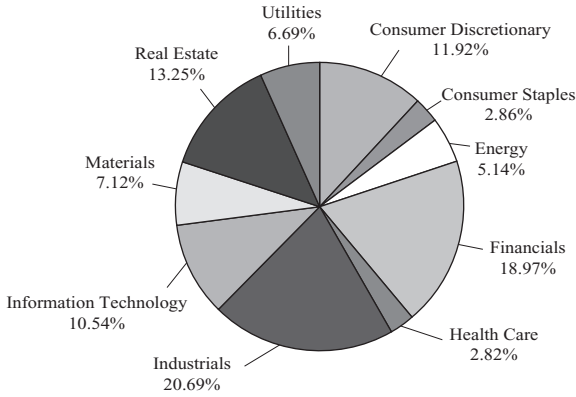
Kevin M. Chin  
Chief Investment Officer, Portfolio Manager



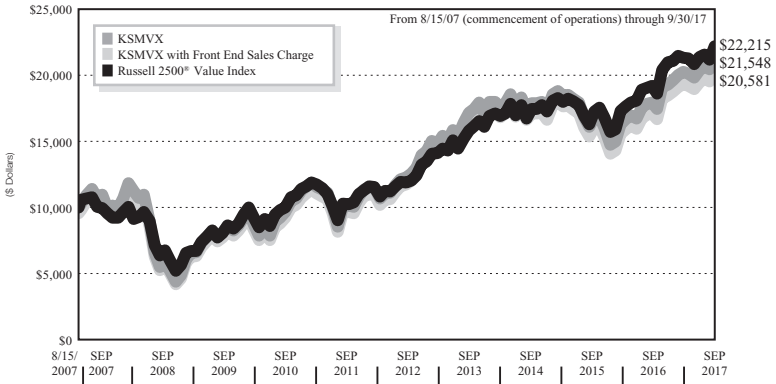
Brian R. Keeley  
Portfolio Manager

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**Investments by Sector  
As a Percentage of Investments  
As of 9/30/2017  
(Unaudited) \***



**Index Comparison  
Comparison of a Hypothetical \$10,000 Investment  
Keeley Small-Mid Cap Value Fund - Class A and Russell 2500® Value Index \*\*  
(Unaudited)**



Average annual total returns \*\*\*  
For the periods ended September 30, 2017

	<u>1-Year</u>	<u>5-Years</u>	<u>10-Years</u>	<u>Since Commencement of Operations <sup>(1)</sup></u>
Keeley Small-Mid Cap Value Fund				
Class A	20.15%	12.17%	7.01%	7.88%
Class A (includes max 4 1/2% front-end load)	14.71%	11.15%	6.52%	7.39%
Class I	20.38%	12.46%	7.27%	8.15%
Russell 2500® Value Index	15.75%	13.25%	7.59%	8.20%

- (1) Inception date for both classes is August 15, 2007.
- \* Excludes short-term investments.
- \*\* The Russell 2500<sup>®</sup> Value Index measures the performance of those Russell 2500<sup>®</sup> Index companies with lower price-to-book ratios and lower forecasted growth values. The stocks in this index are also members of either the Russell 1000<sup>®</sup> Value or the Russell 2000<sup>®</sup> Value Indexes. These figures do not reflect any deductions for fees, expenses or taxes, and are not available for investment.
- \*\*\* Performance data quoted represents past performance, which is not predictive of future performance. The investment return and principal value of shares will fluctuate and when redeemed, may be worth more or less than their original cost. Returns shown include the reinvestment of all dividends. The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of shares. Returns shown reflect the effect of the Adviser's fee waiver agreement for the Fund. If such fee waivers had not occurred, the quoted performance would be lower.



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## MANAGER COMMENTARY

### KEELEY Mid Cap Dividend Value Fund (KMDVX - KMDIX)

Dear Fellow Shareholder,

For the quarter ended September 30, 2017, the Keeley Mid Cap Dividend Value Fund's net asset value ("NAV") per Class A share increased 6.32% versus 2.14% for the Russell Midcap Value Index. Over the fiscal year ended September 30, 2017, the Fund appreciated 16.57% versus an increase of 13.37% for the Russell Midcap Value Index.

It has been a very interesting year.

Starting with the surprise election of Donald Trump to the Presidency last November, the stock market alternated between enthusiasm for the fiscal and regulatory changes he promised as a candidate and concern about his ability to deliver on those promises. The fiscal year began with a bang as the market moved higher in the fourth quarter of 2016. And it was not just stocks. Both the dollar index and Treasury yields also jumped in the fourth quarter. Because smaller companies tend to be more domestic and value stocks are often in industries that are more likely to benefit from a reduced regulatory burden, they led the way by a wide margin.

As the new administration came into office, it seemed to require more time to acclimate and organize. This was evidenced by the seemingly elongated period for the Trump administration to fill key vacancies. In addition, there seemed to be more departures than with previous administrations. The President's relationship with Congress, including those in his own party, appeared more contentious as well. This friction led to the failure of the Administration's first major policy initiative; the repeal of the Affordable Care Act. As these events unfolded, 10-year Treasury yield retraced much of its fourth quarter 2016 increase as did the dollar index. The stock market bifurcated, with large-cap and growth-oriented stocks trending higher, while small-cap and value-oriented stocks stagnated. The result was that large cap and growth stocks built a significant lead on small-cap and value stocks in the first half of 2017.

As we came toward the end of September 2017 and since then, Washington looks like it may be developing some policy momentum. Ironically, it took the unfortunate force of a string of destructive hurricanes to give Washington a wake-up call that collaboration was necessary to effectively move forward. Unexpected to Republican leadership, President Trump cut a deal with Democrats to extend the debt ceiling, preventing any government shutdown and any risk to the government's ability to fund disaster relief. It was a clear signal of willingness to ensure that government action does not derail economic expansion. Add to this, the urgency from Washington to get a tax reform package passed before year-end, and the market has recently re-embraced the Trump reflation trade.

Throughout it all, the synchronized global expansion that started earlier this year, seems to be rolling along. It may even be accelerating in the United States. Third quarter GDP of 3.0% nearly matched the second quarter's 3.1%. What is interesting is that this was the first time in more than two years that the economy grew at a 3% pace for consecutive quarters. One sees similar trends elsewhere in the World with a pick-up in growth in the Eurozone, Japan, Canada, Brazil, and

elsewhere. In the United States, the consumer continues to set the pace, with little assistance from corporate spending as business leaders patiently wait for clarity on the structure and timing of President Trump's promised policy changes.

For the fiscal year, the Fund significantly outperformed the Russell Midcap Value index; 16.57% versus 13.37%. Interestingly, the Fund's outperformance was generated in the fourth quarter of 2016 and the third quarter of 2017, while it underperformed slightly in the first quarter of 2017 and significantly in the second quarter of 2017. The third quarter of 2017 was the Fund's best quarter of relative performance since its inception in 2011.

The periods of the Fund's relative outperformance generally corresponded to times when market interest rates were rising. That is not something that one might expect from a Fund that focuses on dividend-paying stocks, but reflects our attention to managing interest rate risk within the portfolio.

When we disaggregate performance into the impact from sector allocation and security selection decisions, we find that both allocation and selection contributed to the Fund's outperformance. The Fund does not generally maintain large over and underweights relative to the Russell Midcap Value Index; the largest this year were a two percentage point overweight in Information Technology and a two percentage point underweight in Energy. That said, almost all of these sector allocation differences worked in the Fund's favor. The Fund was slightly overweight Materials, which outperformed, and slightly underweight Real Estate, which not only lagged, but was down.

Rather than looking to sector allocation to drive performance, we believe a focus on stock selection leads to more consistent relative outperformance. In the latest fiscal year, stock selection contributed even more to the Fund's outperformance than did sector allocation. The greatest positive impact was seen in Utilities, Health Care, Financials, and Materials, while Real Estate and Consumer Discretionary detracted from the Fund's relative performance.

Within Utilities, one stock accounted for the vast majority of the outperformance: NRG Energy (NRG). The stock appreciated more than 130% over the fiscal year as several factors fell into place. The company is one of the largest independent power producers in the U.S. With natural gas fired generation being the marginal source of supply, firmer natural gas prices created a positive backdrop for NRG. More importantly, the company has made several strategic moves to simplify its business and reduce its debt load. Activist investors probably accelerated these actions, but we believed the company was heading down this path and think it will create even more value going forward.

Health Care was one of the weaker sectors within the Russell Midcap Value Index, but our holdings in Cigna and Agilent appreciated sharply. For Cigna, the collapse of its deal to be acquired by Anthem appears to have removed an overhang and allowed the company to aggressively return capital to shareholders. We believe this will also allow the company to add incremental value through acquisitions, something it has a good track record of accomplishing successfully.

The Financials sector is the largest sector in the Russell Midcap Value Index and was the benchmark's best performing sector during the fiscal year with a 31% gain.

For several years, the Fund's holdings in the sector have tilted towards companies that stand to benefit from rising interest rates. This was the year that this positioning paid off as stocks such as Ameriprise, Comerica, Lincoln National, and Voya all appreciated sharply.

The Fund's holdings in the Materials sector also boosted performance. Long-time holding FMC Corp. (FMC) rose sharply after a couple years of disappointing results. Its key agricultural chemicals business improved. More importantly to the stock, it announced a transaction to swap its personal care chemicals business for most of the agricultural chemical business of DowDuPont. Furthermore, it is evaluating strategic options for its lithium business. At the end of the process, FMC looks like it will be a more focused, higher returns company. Huntsman Corp. (HUN) also benefitted from improving markets and a sizable transaction. Profits at its titanium dioxide business improved enough to enable Huntsman to complete a partial IPO of the business. In addition, Huntsman announced plans to merge with Clariant AG. Clariant's shareholders objected to the deal, and it was called off after the end of the fiscal year. Investors largely anticipated the break-up, and it has not hurt Huntsman's stock.

The Fund's largest detracting sectors (Real Estate and Consumer Discretionary) suffered from the same factor; the collapse of sentiment and value in the retail space. In Real Estate, Brixmor, DDR, and Spirit Realty dragged down performance. All three invest in retail-oriented real estate such as strip malls, power centers, and triple-net properties. None has cut its dividend and all have produced earnings that were generally in line with expectations. In Consumer Discretionary, Foot Locker, Ralph Lauren, and American Eagle drove underperformance. Our interest in these businesses stemmed from their strong franchises and attractive valuations. With unemployment low and consumer confidence high, we believed that the environment for retail should be strong. This thesis, however, was derailed by growing concerns among investors that Amazon will continue to gain market share and eventually become the only retail outlet. We are not sure whether we were too slow to recognize the threat that Amazon poses to retailers of all types or we underestimated how scared investors would become of this possibility. Either way, we reduced the Fund's holdings in these stocks.

As we look ahead, we continue to think that developments in Washington will have a disproportionate impact on stocks going forward. While the economy looks solid and a lower dollar is supportive for corporate earnings, we believe valuations look fair to elevated. If corporate tax rates decline to 20%, however, stocks appear undervalued. In addition, the Administration does appear to be seeking ways to reduce the regulatory burden many industries face. While the impact of these efforts will likely take longer to impact company earnings, we believe the impact will ultimately be positive.

## **Conclusion**

We remain optimistic that the Fund is positioned for attractive risk-adjusted returns across a complete market cycle. Historically, we believe that dividend-paying stocks have demonstrated their true value as part of a portfolio in more difficult market periods. Although our long-term aim is to generate capital appreciation, we also strive to capture some of what we perceive to be enhanced down-side capture in

challenging market environments. We appreciate the confidence and trust you have placed in us and thank you for investing along with us in the Keeley Mid Cap Dividend Fund.

Sincerely,



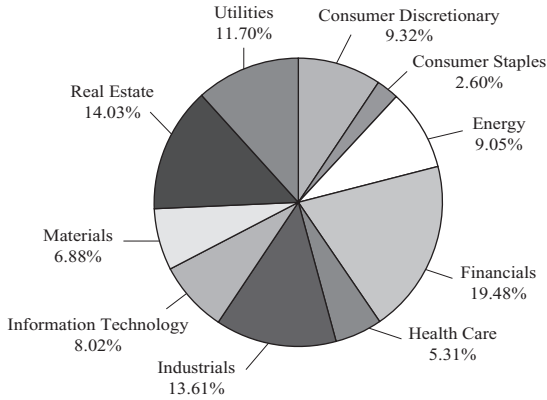
Thomas E. Browne, Jr.  
Lead Portfolio Manager



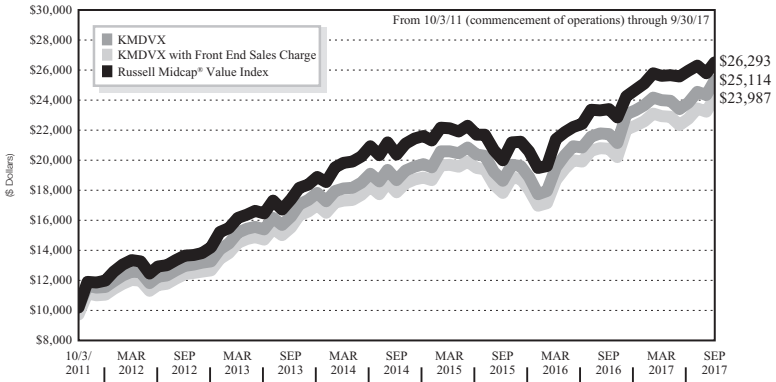
Brian P. Leonard  
Portfolio Manager

*The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Average annual total return measures annualized change, while total return measures aggregate change.*

**Investments by Sector  
As a Percentage of Investments  
As of 9/30/2017  
(Unaudited) \***



**Index Comparison  
Comparison of a Hypothetical \$10,000 Investment  
Keeley Mid Cap Dividend Value Fund - Class A and Russell Midcap® Value Index \*\*  
(Unaudited)**



Average annual total returns \*\*\*  
For the periods ended September 30, 2017

	<u>1-Year</u>	<u>3-Years</u>	<u>5-Years</u>	<u>Since Commencement of Operations (1)</u>
Keeley Mid Cap Dividend Value Fund				
Class A	16.57%	10.74%	14.47%	16.60%
Class A (includes max 4 1/2% front-end load)	11.32%	9.06%	13.42%	15.71%
Class I	16.86%	11.02%	14.74%	16.89%
Russell Midcap® Value Index	13.37%	9.19%	14.33%	17.50%

(1) Inception date for both classes is October 3, 2011.

\* Excludes short-term investments.

\*\* The Russell Midcap® Value Index is an unmanaged index of common stock prices that measures the performance of those Russell Midcap® companies with lower price-to-book ratios and lower forecasted growth values. These figures do not reflect any deduction for fees, expenses or taxes, and are not available for investment.

\*\*\* Performance data quoted represents past performance, which is not predictive of future performance. The investment return and principal value of shares will fluctuate and when redeemed, may be worth more or less than their original cost. Returns shown include the reinvestment of all dividends. The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of shares. Returns shown reflect the effect of the Adviser's fee waiver agreement for the Fund. If such fee waivers had not occurred, the quoted performance would be lower.

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## MANAGER COMMENTARY

### KEELEY All Cap Value Fund (KACVX - KACIX)

Dear Fellow Shareholder,

For the quarter ended September 30, 2017, the Keeley All Cap Value Fund's net asset value ("NAV") per Class A share increased 5.78% versus 3.27% for the Russell 2000 Value Index. Over the fiscal year ended September 30, 2017, the Fund appreciated 12.08% versus an increase of 15.53% for the Russell 3000 Value Index.

The global economy continues to demonstrate its first synchronized economic expansion in many years, supported by stabilizing commodity prices and steadily climbing industrial output. Steadily improving over the past few quarters, GDP grew at an annualized rate of 3.1% in the second quarter, the strongest result in over two years. This GDP growth is being propelled by the consumer, with little assistance from corporate spending as business leaders patiently wait for clarity on the structure and timing of President Trump's promised policy changes.

Despite the economy showing sequentially improving ISM ("Institute for Supply Management") and employment data, the market appeared concerned that the "party was over" as comments from global central banks regarding the end of global quantitative easing dominated headlines in July. Whether it was the Federal Reserve (the "Fed") looking to initiate a runoff of its balance sheet, the Bank of England hinting at rate increases, or the European Central Bank suggesting it was nearing the end of its bond buying, investors grappled with the scenario of an end to "peak" quantitative easing. As if to telegraph proper expectations, the Fed has regularly conveyed its intent for "measured" rate increases, tempered according to future data or persistent low inflation. Yet, fears of higher rates and the related potential slowing of the U.S. economy drove investors to seek less risky investments, as evidenced by a decline in the yield on the 10-year Treasury from 2.6% in December to 2.13% by the end of August. As in the second quarter of 2017, these concerns similarly rewarded larger cap growth stocks with outperformance versus small cap value. Altogether though, we do not see this scenario as destabilizing, but rather supportive and indicative of a healthy, growing economy that will ultimately benefit the Fund and its holdings.

Ironically, it took the unfortunate force of a string of destructive hurricanes to give Washington a wake-up call that collaboration was necessary to move forward. Unexpected to Republican leadership, President Trump cut a deal with Democrats to extend the debt ceiling, avoiding any government shutdown and any risk in the government's ability to fund disaster relief. It was a clear signal of willingness to ensure that government action does not derail economic expansion. Add to this the urgency from Washington to get a tax reform package passed before year end, and the market re-embraced the Trump reflation trade. A reversal of the prior two months ensued with small cap value stocks, as companies with the most exposure to a rebounding US economy and those with the highest corporate tax rates, outperformed larger cap, growth companies.

Capping the quarter, September's reading for the ISM manufacturing index topped a thirteen year high with the rise in the new orders index being consistent with strong



corporate earnings and capital spending. These events sketched the picture of a resilient economy in the face of hurricane disruption, spurring the markets steadily higher.

For the annual period, the Fund faced headwinds in areas that were affected by the “reflation trade”. The Financial and Energy sectors were two such areas. Prior to the Presidential election, we were not finding much opportunity within Financials given the sector’s restructuring occurred post the economic crisis of 2008 and 2009. However, the prospect of higher rates, less regulation and lower corporate taxes under President Trump has led Financials to be the best performing sector within the Russell 3000 Value. As these policy changes have taken longer to enact, we have increased our weighting to this group on stock price pullbacks. We continue to maintain our positive view towards the Fund’s bank holdings in anticipation of continued Fed-driven net interest margin (NIM) expansion and earnings sensitivity to potential corporate tax rate reductions. The Energy space continues to be volatile. In the energy services business, which we continue expect to rebound as the US shale glut clears, we sold Patterson-UTI Energy (PTEN) and purchased Halliburton (HAL). Haliburton is a leader in the sector and has been focusing its service offerings to profit as the industry recovers. We also purchased Delek US Holdings Inc. (DK), which recently merged with a like-sized refinery company, Alon Energy (ALJ). The new Delek has the highest percentage exposure to midcontinent refining margins in the industry. The midcontinent margins should continue to be favorable, as the growing production from the basin remains higher than the take away capacity.

We have begun to see a more rational investing environment that typically rewards our restructuring driven style. This was evident in the Fund’s positive stock selection in 2017, highlighted by a very strong fiscal fourth quarter. NRG Energy (NRG) was our best performer in 2017 as the stock price rose over 100%. The company announced an aggressive three-year plan comprised of over \$1bn in cost reductions, \$2.5 to \$4 billion in asset sales, and the removal of \$13 billion of debt. We feel that this should help clarify the underlying value of its businesses. Similarly, auto supplier Visteon (VC) also had a strong year as the company has repositioned itself under a new CEO for continued increase in electronics and advanced driver assistance systems (ADAS) in automobiles.

## Conclusion

We remain optimistic that the Fund is positioned for attractive risk-adjusted returns across a complete market cycle and that active management remains the best situated vehicle to capitalize upon market dislocations in the value spaces in which the Fund invests. We believe that our approach of identifying restructuring driven change with mismatched expectations to rectify intrinsic value discounts has historically served long-term investors well. We appreciate the confidence and trust you have placed in us and thank you for investing along with us in the Keeley All Cap Value Fund.

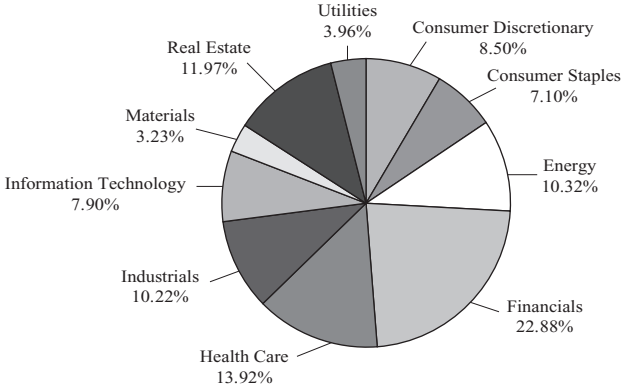
Sincerely,



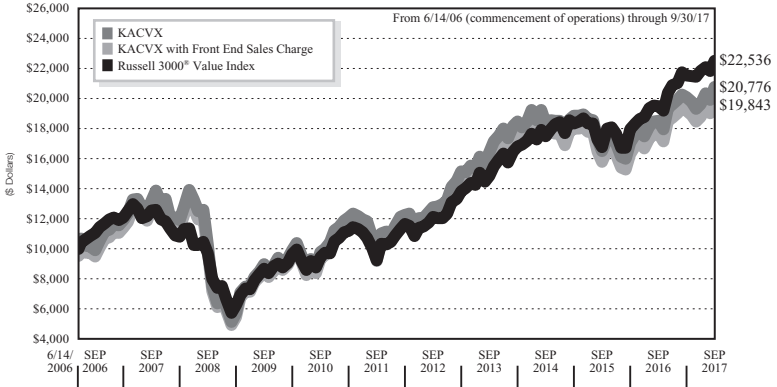
Brian R. Keeley  
Lead Portfolio Manager

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**Investments by Sector  
As a Percentage of Investments  
As of 9/30/2017  
(Unaudited) \***



**Index Comparison  
Comparison of a Hypothetical \$10,000 Investment  
Keeley All Cap Value Fund - Class A and Russell 3000® Value Index \*\*  
(Unaudited)**



Average annual total returns \*\*\*  
For the periods ended September 30, 2017

	<u>1-Year</u>	<u>5-Years</u>	<u>10-Years</u>	<u>Since Commencement of Operations <sup>(1)</sup></u>
Keeley All Cap Value Fund				
Class A	12.08%	10.22%	4.64%	6.69%
Class A (includes max 4 1/2% front-end load)	7.05%	9.21%	4.16%	6.25%
Class I	12.40%	10.50%	N/A	4.91%
Russell 3000® Value Index	15.53%	13.20%	6.01%	7.46% <sup>(2)</sup>

- (1) Inception date is June 14, 2006 for Class A Shares and December 31, 2007 for Class I Shares.
- (2) The Since Commencement of Operations return shown is from the commencement date of the Keeley All Cap Value Fund - Class A. The return for the Russell 3000® Value Index since the commencement date of the Keeley All Cap Value Fund - Class I is 6.83%.
- \* Excludes short-term investments.
- \*\* The Russell 3000® Value Index measures the performance of those Russell 3000® Index companies with lower price-to-book ratios and lower forecasted growth values. The stocks in this index also are members of either the Russell 1000® Value or the Russell 2000® Value indexes. These figures do not reflect any deduction for fees, expenses or taxes, and are not available for investment.
- \*\*\* Performance data quoted represents past performance, which is not predictive of future performance. The investment return and principal value of shares will fluctuate and when redeemed, may be worth more or less than their original cost. Returns shown include the reinvestment of all dividends. The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of shares. Returns shown reflect the effect of the Adviser's fee waiver agreement for the Fund. If such fee waivers had not occurred, the quoted performance would be lower.

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**KEELEY Funds, Inc.**  
**Expense Example**  
**For the Six Month Period Ended September 30, 2017**  
**(Unaudited)**

As a shareholder of the Funds, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments; and (2) ongoing costs, including management fees, distribution (12b-1) fees, and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the 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 invested at the beginning of the period and held for the entire period from April 1, 2017 to September 30, 2017 (the "period") for the Small Cap Value Fund, the Small Cap Dividend Value Fund, the Small-Mid Cap Value Fund, the Mid Cap Dividend Value Fund, and the All Cap Value Fund.

**Actual Expenses**

The table below provides information about actual account values and actual expenses. You may use the information in this table, 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 equals 8.6), then multiply the result by the number in the applicable line under the heading entitled "Expenses Paid During the Period" to estimate the expenses you paid on your account during the period.

	<b>CLASS A</b>			
	<u>Beginning account value</u>	<u>Ending account value</u>	<u>Annual Expense Ratio</u>	<u>Expenses Paid During the Period *</u>
Small Cap Value Fund	\$1,000.00	\$1,024.40	1.39%	\$7.05
Small Cap Dividend Value Fund	1,000.00	1,049.00	1.29%	6.63
Small-Mid Cap Value Fund	1,000.00	1,063.40	1.39%	7.19
Mid Cap Dividend Value Fund	1,000.00	1,054.70	1.29%	6.64
All Cap Value Fund	1,000.00	1,034.40	1.39%	7.09

	<b>CLASS I</b>			
	<u>Beginning account value</u>	<u>Ending account value</u>	<u>Annual Expense Ratio</u>	<u>Expenses Paid During the Period *</u>
Small Cap Value Fund	\$1,000.00	\$1,025.80	1.14%	\$5.79
Small Cap Dividend Value Fund	1,000.00	1,050.20	1.04%	5.35
Small-Mid Cap Value Fund	1,000.00	1,064.40	1.14%	5.90
Mid Cap Dividend Value Fund	1,000.00	1,056.00	1.04%	5.36
All Cap Value Fund	1,000.00	1,036.00	1.14%	5.82

\* Expenses are equal to the Funds' expense ratio for the six-month period, multiplied by the average account value over the period, multiplied by 183/365 for the Funds (to reflect the one-half year period).

**KEELEY Funds, Inc.**  
**Expense Example (Continued)**  
**For the Six Month Period Ended September 30, 2017**  
**(Unaudited)**

**Hypothetical Example for Comparison Purposes**

The table below provides information about hypothetical account values and hypothetical expenses based on the Funds' actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Funds' 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 the ongoing costs of investing in the Funds and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

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 sales charges (loads). Therefore, the table below is useful in comparing the 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 could have been higher.

	<b>CLASS A</b>			
	<u>Beginning account value</u>	<u>Ending account value</u>	<u>Annual Expense Ratio</u>	<u>Expenses Paid During the Period *</u>
Small Cap Value Fund	\$1,000.00	\$1,018.10	1.39%	\$7.03
Small Cap Dividend Value Fund	1,000.00	1,018.60	1.29%	6.53
Small-Mid Cap Value Fund	1,000.00	1,018.10	1.39%	7.03
Mid Cap Dividend Value Fund	1,000.00	1,018.60	1.29%	6.53
All Cap Value Fund	1,000.00	1,018.10	1.39%	7.03

	<b>CLASS I</b>			
	<u>Beginning account value</u>	<u>Ending account value</u>	<u>Annual Expense Ratio</u>	<u>Expenses Paid During the Period *</u>
Small Cap Value Fund	\$1,000.00	\$1,019.35	1.14%	\$5.77
Small Cap Dividend Value Fund	1,000.00	1019.85	1.04%	5.27
Small-Mid Cap Value Fund	1,000.00	1019.35	1.14%	5.77
Mid Cap Dividend Value Fund	1,000.00	1019.85	1.04%	5.27
All Cap Value Fund	1,000.00	1019.35	1.14%	5.77

\* Expenses are equal to the Funds' expense ratio for the six-month period, multiplied by the average account value over the period, multiplied by 183/365 for the Funds (to reflect the one-half year period).

**KEELEY Small Cap Value Fund**  
**SCHEDULE OF INVESTMENTS**  
**September 30, 2017**

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
<b>COMMON STOCKS – 97.78%</b>		<b>Diversified Financial Services – 3.40%</b>	
<b>Auto Components – 2.04%</b>		<b>Electric Utilities – 2.32%</b>	
199,200 Modine Manufacturing Co. (a)	\$ 3,834,600	663,641 Air Lease Corp.	\$ 28,284,380
106,100 Visteon Corp. (a)	<u>13,131,997</u>	<b>Electrical Equipment – 1.05%</b>	
	<u>16,966,597</u>	249,618 Allethe, Inc.	<u>19,292,975</u>
<b>Banks – 4.86%</b>		<b>Electronic Equipment, Instruments &amp; Components – 1.46%</b>	
115,800 Bank of NT Butterfield & Son Ltd.	4,242,912	189,900 Generac Holdings, Inc. (a)	<u>8,722,107</u>
1,051,169 Opus Bank (a)	25,228,056	<b>Health Care Equipment &amp; Supplies – 2.28%</b>	
383,600 State Bank Financial Corp.	<u>10,990,140</u>	797,300 Knowles Corp. (a)	<u>12,174,771</u>
	<u>40,461,108</u>	<b>Health Care Providers &amp; Services – 2.11%</b>	
<b>Capital Markets – 0.94%</b>		345,600 Invacare Corp.	5,443,200
362,522 Donnelley Financial Solutions, Inc. (a)	<u>7,815,974</u>	81,103 Varex Imaging Corp. (a)	2,744,526
<b>Chemicals – 1.99%</b>		417,867 Wright Medical Group N.V. (a)	<u>10,810,219</u>
215,355 Sensient Technologies Corp.	<u>16,565,107</u>		<u>18,997,945</u>
<b>Commercial Banks – 11.49%</b>		<b>Hotels, Restaurants &amp; Leisure – 5.27%</b>	
411,500 BancorpSouth, Inc.	13,188,575	777,600 The Ensign Group, Inc.	<u>17,565,984</u>
249,600 BOK Financial Corp.	22,234,368	<b>Household Durables – 1.60%</b>	
255,200 Columbia Banking System, Inc.	10,746,472	963,378 TRI Pointe Group, Inc. (a)	<u>13,304,250</u>
841,428 Hilltop Holdings, Inc.	21,877,128	<b>IT Services – 1.26%</b>	
295,900 Synovus Financial Corp.	13,629,154	93,300 WEX, Inc. (a)	<u>10,470,126</u>
186,675 UMB Financial Corp.	<u>13,905,421</u>	<b>Leisure Products – 0.63%</b>	
	<u>95,581,118</u>	227,686 Vista Outdoor, Inc. (a)	<u>5,223,117</u>
<b>Commercial Services &amp; Supplies – 3.25%</b>		<b>Machinery – 8.49%</b>	
380,410 ABM Industries, Inc.	15,866,901	283,168 ESCO Technologies, Inc.	16,975,921
354,882 Ritchie Bros. Auctioneers, Inc.	<u>11,221,369</u>	388,400 ITT, Inc.	17,194,468
	<u>27,088,270</u>	220,136 John Bean Technologies Corp.	22,255,750
<b>Communications Equipment – 1.94%</b>		618,900 Welbilt, Inc. (a)	<u>14,265,645</u>
1,923,588 Mitel Networks Corp. (a)	<u>16,138,903</u>		<u>70,691,784</u>
<b>Computer &amp; Peripherals – 1.51%</b>			
548,689 Diebold Nixdorf, Inc.	<u>12,537,544</u>		
<b>Construction &amp; Engineering – 1.52%</b>			
709,800 KBR, Inc.	<u>12,691,224</u>		

The accompanying notes are an integral part of these financial statements.



**KEELEY Small Cap Value Fund**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**September 30, 2017**

Shares	Value	Shares	Value
<b>Media – 2.78%</b>		<b>Thriffs &amp; Mortgage Finance – 7.36%</b>	
851,756 Media General, Inc. CVR (a)(c)	\$ 25,553	207,400 Iberiabank Corp.	\$ 17,037,910
370,884 Nexstar Media Group, Inc.	23,106,073	1,137,300 Kearny Financial Corp.	17,457,555
	23,131,626	370,900 OceanFirst Financial Corp.	10,196,041
		621,293 Provident Financial Services, Inc.	16,569,884
<b>Metals &amp; Mining – 3.13%</b>			61,261,390
693,000 Commercial Metals Co.	13,187,790	<b>Total Common Stocks</b>	
124,625 Kaiser Aluminum Corp.	12,853,823	(Cost \$585,780,237) <b>\$813,754,607</b>	
	26,041,613	<b>SHORT TERM INVESTMENTS – 2.24%</b>	
<b>Multi-Utilities – 2.28%</b>		<b>Money Market Funds – 2.24%</b>	
275,200 Black Hills Corp.	18,953,024	18,626,888 Fidelity® Investments Money Market Government Portfolio Class I, 0.91% (b)	\$ 18,626,888
<b>Oil, Gas &amp; Consumable Fuels – 4.56%</b>		<b>Total Short Term Investments</b>	
461,400 Delek US Holdings, Inc.	12,333,222	(Cost \$18,626,888) <b>\$ 18,626,888</b>	
465,000 Parsley Energy, Inc. (a)	12,248,100	<b>Total Investments – 100.02%</b>	
1,386,123 SRC Energy, Inc. (a)	13,403,809	(Cost \$604,407,125) <b>\$832,381,495</b>	
	37,985,131	Liabilities in Excess of Other Assets – (0.02)% <b>(204,952)</b>	
<b>Paper &amp; Forest Products – 1.43%</b>		<b>TOTAL NET ASSETS – 100.00%</b>	
553,474 Kapstone Paper & Packaging Corp.	11,894,156	<b>\$832,176,543</b>	
<b>Real Estate Investment Trusts (REITs) – 9.51%</b>		<b>Percentages are stated as a percent of net assets.</b>	
674,200 CareTrust REIT, Inc.	12,836,768	<b>(a) Non Income Producing.</b>	
1,027,240 OUTFRONT Media, Inc.	25,865,903	<b>(b) Represents annualized seven-day yield as of the close of the reporting period.</b>	
262,374 Ryman Hospitality Properties, Inc.	16,395,751	<b>(c) A CVR is a contingent value right. The price for this security was derived from an estimate of fair market value using methods approved by the Fund's Board of Directors. This security represents \$25,553 or 0.00% of the Fund's net assets and is classified as a Level 3 security.</b>	
709,234 Sabra Health Care REIT, Inc.	15,560,594	<b>The industry classifications listed above are in accordance with Global Industry Classification Standards (GICS®), which was developed by and/or is the exclusive property of MSCI, Inc. and Standard &amp; Poor Financial Services LLC ("S&amp;P").</b>	
183,700 Seritage Growth Properties	8,463,059		
	79,122,075		
<b>Real Estate Management &amp; Development – 2.12%</b>			
951,386 Kennedy-Wilson Holdings, Inc.	17,648,210		
<b>Semiconductors &amp; Semiconductor Equipment – 2.25%</b>			
481,800 Versum Materials, Inc.	18,703,476		
<b>Software – 1.60%</b>			
317,419 Verint Systems, Inc. (a)	13,283,985		
<b>Specialty Retail – 1.35%</b>			
236,866 Penske Automotive Group, Inc.	11,267,716		

The accompanying notes are an integral part of these financial statements.

**KEELEY Small Cap Dividend Value Fund**  
**SCHEDULE OF INVESTMENTS**  
**September 30, 2017**

Shares	Value	Shares	Value
<b>COMMON STOCKS – 95.72%</b>		<b>Construction &amp; Engineering –</b>	
<b>Automobiles – 2.34%</b>		<b>(continued)</b>	
51,350 Winnebago Industries, Inc.	\$ 2,297,913	61,560 Primoris Services Corp.	\$ 1,811,095
<b>Banks – 6.91%</b>			3,684,025
21,700 Bank of NT Butterfield & Son Ltd.	795,088	<b>Diversified Consumer Services – 1.28%</b>	
56,380 CenterState Bank Corp.	1,510,984	49,092 Carriage Services, Inc.	1,256,755
106,829 FNB Corp.	1,498,811	<b>Electric Utilities – 2.52%</b>	
46,600 Guaranty Bancorp	1,295,480	19,025 Allete, Inc.	1,470,442
58,528 State Bank Financial Corp.	1,676,827	18,110 El Paso Electric Co.	1,000,578
	6,777,190		2,471,020
<b>Capital Markets – 4.60%</b>		<b>Electrical Equipment – 2.11%</b>	
108,010 Silvercrest Asset Management Group, Inc.	1,571,545	19,331 AZZ, Inc.	941,420
64,090 Solar Cap Ltd.	1,386,908	14,330 Regal Beloit Corp.	1,132,070
96,340 Virtu Financial, Inc.	1,560,708		2,073,490
	4,519,161	<b>Electronic Equipment, Instruments &amp; Components – 3.97%</b>	
<b>Commercial Banks – 11.45%</b>		86,565 AVX Corp.	1,578,080
67,810 BancorpSouth, Inc.	2,173,310	73,130 Daktronics, Inc.	772,984
41,610 Columbia Banking System, Inc.	1,752,197	26,890 Dolby Laboratories, Inc.	1,546,713
35,030 Glacier Bancorp, Inc.	1,322,733		3,897,777
54,870 Hanmi Financial Corp.	1,698,227	<b>Energy Equipment &amp; Services – 1.11%</b>	
37,406 LegacyTexas Financial Group, Inc.	1,493,248	52,130 Patterson-UTI Energy, Inc.	1,091,602
21,500 Union Bankshares Corp.	758,950	<b>Food Products – 0.63%</b>	
26,110 Wintrust Financial Corp.	2,044,674	3,850 Sanderson Farms, Inc.	621,852
	11,243,339	<b>Gas Utilities – 1.09%</b>	
<b>Commercial Services &amp; Supplies – 3.02%</b>		31,010 South Jersey Industries, Inc.	1,070,775
56,342 CECO Environmental Corp.	476,653	<b>Health Care Providers &amp; Services – 4.60%</b>	
87,670 Covanta Holding Corp.	1,301,900	8,725 Chemed Corp.	1,762,886
16,190 Deluxe Corp.	1,181,222	21,800 Owens & Minor, Inc.	636,560
	2,959,775	93,440 The Ensign Group, Inc.	2,110,810
<b>Communications Equipment – 1.07%</b>			4,510,256
23,700 Plantronics, Inc.	1,048,014	<b>Hotels, Restaurants &amp; Leisure – 1.56%</b>	
<b>Computer &amp; Peripherals – 1.16%</b>		12,290 Marriott Vacations Worldwide Corp.	1,530,474
49,630 Diebold Nixdorf, Inc.	1,134,045	<b>Household Durables – 1.85%</b>	
<b>Construction &amp; Engineering – 3.75%</b>		21,171 Nacco Industries, Inc.	1,816,472
104,750 KBR, Inc.	1,872,930		

The accompanying notes are an integral part of these financial statements.

**KEELEY Small Cap Dividend Value Fund**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**September 30, 2017**

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
<b>Independent Power and Renewable Electricity Producers – 1.04%</b>		<b>Semiconductors &amp; Semiconductor Equipment – 2.48%</b>	
51,540 Atlantica Yield PLC	\$ 1,015,338	138,280 Cypress Semiconductor Corp.	\$ 2,076,965
<b>Insurance – 2.09%</b>		15,021 IXYS Corp. (a)	355,998
27,544 FBL Financial Group, Inc.	2,052,028		<u>2,432,963</u>
<b>Internet &amp; Direct Marketing Retail – 0.72%</b>		<b>Textiles, Apparel &amp; Luxury Goods – 0.92%</b>	
18,140 HSN, Inc.	708,367	27,700 Culp, Inc.	907,175
<b>Machinery – 0.88%</b>		<b>Thrifts &amp; Mortgage Finance – 7.34%</b>	
8,530 John Bean Technologies Corp.	862,383	48,180 Berkshire Hills Bancorp, Inc.	1,866,975
<b>Media – 2.45%</b>		19,620 Iberiabank Corp.	1,611,783
26,320 Nexstar Media Group, Inc.	1,639,736	55,760 OceanFirst Financial Corp.	1,532,842
48,000 Regal Entertainment Group	768,000	40,410 Oritani Financial Corp.	678,888
	<u>2,407,736</u>	56,830 Provident Financial Services, Inc.	1,515,656
<b>Metals &amp; Mining – 1.48%</b>			<u>7,206,144</u>
76,160 Commercial Metals Co.	1,449,325	<b>Transportation Infrastructure – 1.05%</b>	
<b>Multi-Utilities – 1.40%</b>		14,330 Macquarie Infrastructure Company LLC	1,034,339
20,000 Black Hills Corp.	1,377,400	<b>Water Utilities – 0.48%</b>	
<b>Oil, Gas &amp; Consumable Fuels – 3.61%</b>		12,420 California Water Service Group	473,823
56,523 Delek US Holdings, Inc.	1,510,860	<b>Total Common Stocks</b>	
38,880 SemGroup Corp.	1,117,800	(Cost \$66,402,838)	<u>\$93,955,583</u>
26,890 World Fuel Services Corp.	911,840	<b>SHORT TERM INVESTMENTS – 3.32%</b>	
	<u>3,540,500</u>	<b>Money Market Funds – 3.32%</b>	
<b>Paper &amp; Forest Products – 1.49%</b>		3,262,528 Fidelity® Investments Money Market Government Portfolio Class I, 0.91% (b)	\$ 3,262,528
123,090 Mercer International, Inc.	1,458,616	<b>Total Short Term Investments</b>	
<b>Real Estate Investment Trusts (REITs) – 13.27%</b>		(Cost \$3,262,528)	<u>\$ 3,262,528</u>
93,133 CareTrust REIT, Inc.	1,773,252	<b>Total Investments – 99.04%</b>	
118,710 City Office REIT, Inc.	1,634,637	(Cost \$69,665,366)	\$97,218,111
27,790 CorEnergy Infrastructure Trust, Inc.	982,377	<b>Other Assets in Excess of Liabilities – 0.96%</b>	
47,892 Gramercy Property Trust	1,448,733		<u>942,614</u>
41,025 National Storage Affiliates	994,446	<b>TOTAL NET ASSETS – 100.00%</b>	
68,560 OUTFRONT Media, Inc.	1,726,341		<u>\$98,160,725</u>
15,890 Potlatch Corp.	810,390		
17,270 Ryman Hospitality Properties, Inc.	1,079,202		
73,345 Sabra Health Care REIT, Inc.	1,609,189		
35,200 STAG Industrial, Inc.	966,944		
	<u>13,025,511</u>		

The accompanying notes are an integral part of these financial statements.

**KEELEY Small Cap Dividend Value Fund**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**September 30, 2017**

Percentages are stated as a percent of net assets.

- (a) Non Income Producing.
- (b) Represents annualized seven-day yield as of the close of the reporting period.

The industry classifications listed above are in accordance with Global Industry Classification Standards (GICS<sup>®</sup>), which was developed by and/or is the exclusive property of MSCI, Inc. and Standard & Poor Financial Services LLC ("S&P").

**KEELEY Small-Mid Cap Value Fund**  
**SCHEDULE OF INVESTMENTS**  
**September 30, 2017**

Shares	Value	Shares	Value
<b>COMMON STOCKS – 96.46%</b>		<b>Electronic Equipment, Instruments &amp; Components – 1.63%</b>	
<b>Aerospace &amp; Defense – 1.46%</b>		<b>Energy Equipment &amp; Services – 0.96%</b>	
14,850 Orbital ATK, Inc.	\$ 1,977,426	144,170 Knowles Corp. (a)	\$ 2,201,476
<b>Auto Components – 1.39%</b>		<b>Food Products – 1.29%</b>	
19,100 Delphi Automotive PLC	1,879,440	62,190 Patterson-UTI Energy, Inc.	1,302,259
<b>Banks – 3.14%</b>		<b>Health Care Equipment &amp; Supplies – 1.32%</b>	
202,600 FNB Corp.	2,842,478	37,130 Lamb Weston Holdings, Inc.	1,741,026
27,600 PacWest Bancorp	1,394,076	<b>Health Care Providers &amp; Services – 1.40%</b>	
	4,236,554	69,010 Wright Medical Group N.V. (a)	1,785,289
<b>Building Products – 1.85%</b>		<b>Home Furnishings – 1.42%</b>	
42,120 A.O. Smith Corp.	2,503,192	12,500 Laboratory Corporation of America Holdings (a)	1,887,125
<b>Capital Markets – 1.64%</b>		<b>Hotels, Restaurants &amp; Leisure – 4.32%</b>	
148,746 OM Asset Management PLC	2,219,290	183,750 Del Taco Restaurants, Inc. (a)	2,818,725
<b>Chemicals – 4.09%</b>		109,500 Denny's Corp. (a)	1,363,275
29,300 Ashland Global Holdings, Inc.	1,915,927	13,220 Marriott Vacations Worldwide Corp.	1,646,287
86,020 Huntsman Corp.	2,358,668		5,828,287
53,455 Valvoline, Inc.	1,253,520	<b>Household Durables – 1.23%</b>	
	5,528,115	120,710 TRI Pointe Group, Inc. (a)	1,667,005
<b>Commercial Banks – 8.97%</b>		<b>Household Products – 1.47%</b>	
37,140 BOK Financial Corp.	3,308,431	18,770 Spectrum Brands Holdings, Inc.	1,988,118
113,120 Hanmi Financial Corp.	3,501,064	<b>IT Services – 4.39%</b>	
42,130 Synovus Financial Corp.	1,940,508	16,420 Broadridge Financial Solutions, Inc.	1,327,064
45,140 UMB Financial Corp.	3,362,478	86,580 CSRA, Inc.	2,793,937
	12,112,481	16,130 WEX, Inc. (a)	1,810,109
<b>Commercial Services &amp; Supplies – 1.44%</b>			5,931,110
56,740 Copart, Inc. (a)	1,950,154	<b>Machinery – 7.16%</b>	
<b>Communications Equipment – 1.77%</b>		50,857 ESCO Technologies, Inc.	3,048,877
284,580 Mitel Networks Corp. (a)	2,387,626	66,130 ITT, Inc.	2,927,575
<b>Diversified Consumer Services – 1.29%</b>			
68,030 Carriage Services, Inc.	1,741,568		
<b>Diversified Financial Services – 7.35%</b>			
88,430 Air Lease Corp.	3,768,886		
48,210 Fidelity National Financial, Inc.	2,288,047		
97,090 Voya Financial, Inc.	3,872,920		
	9,929,853		

The accompanying notes are an integral part of these financial statements.

**KEELEY Small-Mid Cap Value Fund**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**September 30, 2017**

Shares	Value	Shares	Value
<b>Machinery – (continued)</b>		<b>Specialty Retail – 1.52%</b>	
36,570 John Bean Technologies Corp.	\$ 3,697,227	43,270 Penske Automotive Group, Inc.	\$ 2,058,354
	9,673,679		
<b>Metals &amp; Mining – 2.77%</b>		<b>Textiles, Apparel &amp; Luxury Goods – 1.74%</b>	
105,800 Commercial Metals Co.	2,013,374	18,670 PVH Corp.	2,353,540
16,780 Kaiser Aluminum Corp.	1,730,689		
	3,744,063	<b>Trading Companies &amp; Distributors – 1.61%</b>	
<b>Multi-Utilities – 5.28%</b>		42,400 AerCap Holdings N.V. (a)	2,167,064
92,180 MDU Resources Group, Inc.	2,392,071	<b>Water Utilities – 1.18%</b>	
184,990 NRG Energy, Inc.	4,733,894	19,740 American Water Works Company, Inc.	1,597,163
	7,125,965	<b>Total Common Stocks</b> (Cost \$83,622,623) <span style="float: right;">\$130,303,714</span>	
<b>Oil, Gas &amp; Consumable Fuels – 4.00%</b>		<b>SHORT TERM INVESTMENTS – 3.62%</b>	
47,010 Energen Corp. (a)	2,570,507	<b>Money Market Funds – 3.62%</b>	
62,790 Parsley Energy, Inc. (a)	1,653,889	4,884,468 Fidelity® Investments Money Market Government Portfolio Class I, 0.91% (b)	\$ 4,884,468
66,080 SM Energy Co.	1,172,259		
	5,396,655	<b>Total Short Term Investments</b> (Cost \$4,884,468) <span style="float: right;">\$ 4,884,468</span>	
<b>Real Estate Investment Trusts (REITs) – 10.47%</b>		<b>Total Investments – 100.08%</b> (Cost \$88,507,091) <span style="float: right;">\$135,188,182</span>	
113,130 CareTrust REIT, Inc.	2,153,995	Liabilities in Excess of Other Assets – (0.08%) <span style="float: right;">(101,564)</span>	
68,620 Equity Commonwealth (a)	2,086,048	<b>TOTAL NET ASSETS – 100.00%</b> <span style="float: right;">\$135,086,618</span>	
52,235 Gaming & Leisure Properties, Inc.	1,926,949		
53,183 Iron Mountain, Inc.	2,068,819		
28,350 Lamar Advertising Co.	1,942,826		
28,420 Ryman Hospitality Properties, Inc.	1,775,966		
99,960 Sabra Health Care REIT, Inc.	2,193,122		
	14,147,725		
<b>Real Estate Management &amp; Development – 2.31%</b>		<b>Percentages are stated as a percent of net assets.</b>	
26,410 The Howard Hughes Corp. (a)	3,114,531	<b>(a) Non Income Producing.</b>	
<b>Road &amp; Rail – 2.22%</b>		<b>(b) Represents annualized seven-day yield as of the close of the reporting period.</b>	
35,510 Ryder System, Inc.	3,002,370	<b>The industry classifications listed above are in accordance with Global Industry Classification Standards (GICS®), which was developed by and/or is the exclusive property of MSCI, Inc. and Standard &amp; Poor Financial Services LLC (“S&amp;P”).</b>	
<b>Software – 2.38%</b>			
24,690 CDK Global, Inc.	1,557,692		
39,590 Verint Systems, Inc. (a)	1,656,842		
	3,214,534		

The accompanying notes are an integral part of these financial statements.

**KEELEY Mid Cap Dividend Value Fund**  
**SCHEDULE OF INVESTMENTS**  
**September 30, 2017**

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
<b>COMMON STOCKS – 97.19%</b>		<b>Electronic Equipment, Instruments &amp; Components – 1.59%</b>	
<b>Aerospace &amp; Defense – 0.82%</b>		<b>Energy Equipment &amp; Services – 0.91%</b>	
17,300 BWX Technologies, Inc.	\$ 969,146	32,570 Dolby Laboratories, Inc.	\$ 1,873,426
<b>Auto Components – 1.41%</b>		<b>Food Products – 2.53%</b>	
13,425 Autoliv, Inc.	1,659,330	51,100 Patterson-UTI Energy, Inc.	1,070,034
<b>Banks – 1.28%</b>		<b>Gas Utilities – 2.16%</b>	
107,135 FNB Corp.	1,503,104	26,150 National Fuel Gas Co.	1,480,352
<b>Capital Markets – 1.46%</b>		22,555 UGI Corp.	1,056,927
11,595 Ameriprise Financial, Inc.	1,721,973		2,537,279
<b>Chemicals – 4.88%</b>		<b>Health Care Equipment &amp; Supplies – 1.28%</b>	
30,875 FMC Corp.	2,757,446	16,980 STERIS PLC	1,501,032
58,720 Huntsman Corp.	1,610,102	<b>Health Care Providers &amp; Services – 2.88%</b>	
26,625 RPM International, Inc.	1,366,928	13,800 AmerisourceBergen Corp.	1,141,950
	5,734,476	12,000 CIGNA Corp.	2,243,280
<b>Commercial Banks – 8.27%</b>			3,385,230
73,960 Associated Banc-Corp.	1,793,530	<b>Hotels, Restaurants &amp; Leisure – 2.97%</b>	
27,574 BOK Financial Corp.	2,456,292	67,830 Extended Stay America, Inc.	1,356,600
33,130 Comerica, Inc.	2,526,494	20,200 Wyndham Worldwide Corp.	2,129,283
15,050 UMB Financial Corp.	1,121,075		3,485,883
94,300 Umpqua Holdings Corp.	1,839,793	<b>Household Durables – 1.15%</b>	
	9,737,184	36,900 CalAtlantic Group, Inc.	1,351,647
<b>Commercial Services &amp; Supplies – 2.37%</b>		<b>Insurance – 4.60%</b>	
16,100 Dun & Bradstreet Corp.	1,874,201	22,000 Arthur J. Gallagher & Co.	1,354,100
28,770 Ritchie Bros. Auctioneers, Inc.	909,707	37,170 Lincoln National Corp.	2,731,252
	2,783,908	9,500 Reinsurance Group of America, Inc.	1,325,535
<b>Construction Materials – 1.81%</b>			5,410,887
17,825 Vulcan Materials Co.	2,131,870	<b>IT Services – 6.20%</b>	
<b>Consumer Finance – 1.51%</b>		61,540 CSRA, Inc.	1,985,896
27,505 Discover Financial Services	1,773,522	26,700 DXC Technology Co.	2,292,996
<b>Diversified Financial Services – 4.06%</b>		9,085 Fidelity National Information Services, Inc.	848,448
62,100 Air Lease Corp.	2,646,702	33,080 Total System Services, Inc.	2,166,740
53,400 Voya Financial, Inc.	2,130,126		7,294,080
	4,776,828	<b>Electric Utilities – 2.08%</b>	
43,425 PPL Corp.	1,647,979		
16,180 Westar Energy, Inc.	802,528		
	2,450,507		

The accompanying notes are an integral part of these financial statements.

**KEELEY Mid Cap Dividend Value Fund**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**September 30, 2017**

Shares	Value	Shares	Value
<b>Leisure Equipment &amp; Products – 1.49%</b>		<b>Real Estate Investment Trusts (REITs) – (continued)</b>	
31,385 Brunswick Corp.	\$ 1,756,618	59,740 Healthcare Trust of America, Inc.	\$ 1,780,252
<b>Life Sciences Tools &amp; Services – 1.00%</b>		17,335 Hudson Pacific Properties, Inc.	581,243
18,410 Agilent Technologies, Inc.	1,181,922	64,240 Iron Mountain, Inc.	2,498,936
<b>Machinery – 4.54%</b>		25,155 Lamar Advertising Co.	1,723,872
38,940 ITT, Inc.	1,723,874	72,645 Sabra Health Care REIT, Inc.	1,593,831
26,900 Oshkosh Corp.	2,220,326	77,890 Spirit Realty Capital, Inc.	667,517
9,400 Snap-On, Inc.	1,400,694		<u>16,045,168</u>
	<u>5,344,894</u>	<b>Road &amp; Rail – 1.75%</b>	
<b>Media – 1.21%</b>		24,330 Ryder System, Inc.	2,057,102
8,170 Scripps Networks Interactive, Inc.	701,721	<b>Specialty Retail – 0.83%</b>	
54,555 TEGNA, Inc.	727,218	27,600 Foot Locker, Inc.	972,072
	<u>1,428,939</u>	<b>Transportation Infrastructure – 1.50%</b>	
<b>Multi-Utilities – 6.16%</b>		24,385 Macquarie Infrastructure Company LLC	1,760,109
27,100 Black Hills Corp.	1,866,377	<b>Water Utilities – 0.97%</b>	
64,575 MDU Resources Group, Inc.	1,675,721	14,150 American Water Works Company, Inc.	1,144,877
83,060 NRG Energy, Inc.	2,125,504	<b>Total Common Stocks</b>	
43,650 OGE Energy Corp.	1,572,710	(Cost \$99,386,454)	\$114,331,849
	<u>7,240,312</u>	<b>SHORT TERM INVESTMENTS – 2.11%</b>	
<b>Oil, Gas &amp; Consumable Fuels – 7.88%</b>		<b>Money Market Funds – 2.11%</b>	
70,000 Cabot Oil & Gas Corp.	1,872,500	2,476,658 Fidelity® Investments Money Market Government Portfolio Class I, 0.91% (b)	\$ 2,476,658
44,555 Delek US Holdings, Inc.	1,190,955	<b>Total Short Term Investments</b>	
16,985 Energen Corp. (a)	928,740	(Cost \$2,476,658)	\$ 2,476,658
25,175 EQT Corp.	1,642,417	<b>Total Investments – 99.30%</b>	
65,175 HollyFrontier Corp.	2,344,345	(Cost \$101,863,112)	\$116,808,507
73,100 SM Energy Co.	1,296,794	Other Assets in Excess of Liabilities – 0.70%	
	<u>9,275,751</u>		<u>825,887</u>
<b>Real Estate Investment Trusts (REITs) – 13.64%</b>		<b>TOTAL NET ASSETS – 100.00%</b>	
63,425 Brixmor Property Group, Inc.	1,192,390		<u>\$117,634,394</u>
94,775 DDR Corp.	868,139		
37,435 Education Realty Trust, Inc.	1,345,040		
20,650 EPR Properties	1,440,131		
14,100 Equity Lifestyle Properties, Inc.	1,199,628		
38,155 Gramercy Property Trust	1,154,189		

The accompanying notes are an integral part of these financial statements.



**KEELEY Mid Cap Dividend Value Fund**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**September 30, 2017**

Percentages are stated as a percent of net assets.

- (a) Non Income Producing.
- (b) Represents annualized seven-day yield as of the close of the reporting period.

The industry classifications listed above are in accordance with Global Industry Classification Standards (GICS<sup>®</sup>), which was developed by and/or is the exclusive property of MSCI, Inc. and Standard & Poor Financial Services LLC ("S&P").

**KEELEY All Cap Value Fund**  
**SCHEDULE OF INVESTMENTS**  
**September 30, 2017**

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
<b>COMMON STOCKS – 98.50%</b>		<b>Health Care Providers &amp; Services – 1.83%</b>	
<b>Auto Components – 4.09%</b>		<b>Hotels, Restaurants &amp; Leisure – 3.07%</b>	
19,190 Visteon Corp. (a)	\$ 2,375,146	12,880 AmerisourceBergen Corp.	\$ 1,065,820
<b>Banks – 6.55%</b>		<b>Household Products – 2.17%</b>	
43,510 Bank of America Corp.	1,102,543	11,900 Spectrum Brands Holdings, Inc.	1,260,448
21,200 Citigroup, Inc.	1,542,088	<b>Insurance – 2.95%</b>	
48,458 Opus Bank (a)	1,162,992	31,810 Athene Holding Ltd. (a)	1,712,650
	<u>3,807,623</u>	<b>IT Services – 1.49%</b>	
<b>Beverages – 2.39%</b>		9,265 Fidelity National Information Services, Inc.	865,258
17,020 Molson Coors Brewing Co.	1,389,513	<b>Machinery – 2.09%</b>	
<b>Biotechnology – 3.03%</b>		27,500 ITT, Inc.	1,217,425
11,483 Shire PLC – ADR	1,758,507	<b>Media – 1.22%</b>	
<b>Chemicals – 0.97%</b>		11,370 Nexstar Media Group, Inc.	708,351
8,115 DowDuPont, Inc. (a)	561,801	<b>Metals &amp; Mining – 2.21%</b>	
<b>Commercial Banks – 7.31%</b>		12,460 Kaiser Aluminum Corp.	1,285,124
8,170 BOK Financial Corp.	727,784	<b>Multi-Utilities – 3.90%</b>	
33,430 Hanmi Financial Corp.	1,034,658	88,595 NRG Energy, Inc.	2,267,146
36,970 Hilltop Holdings, Inc.	961,220	<b>Oil, Gas &amp; Consumable Fuels – 7.47%</b>	
20,450 UMB Financial Corp.	1,523,321	33,000 Delek US Holdings, Inc.	882,090
	<u>4,246,983</u>	13,945 Energen Corp. (a)	762,513
<b>Construction &amp; Engineering – 2.19%</b>		27,900 EOG Resources, Inc.	2,699,046
71,285 KBR, Inc.	1,274,576		<u>4,343,649</u>
<b>Consumer Finance – 2.00%</b>		<b>Pharmaceuticals – 2.47%</b>	
18,070 Discover Financial Services	1,165,154	22,549 Zoetis, Inc.	1,437,724
<b>Diversified Financial Services – 7.68%</b>		<b>Real Estate Investment Trusts (REITs) – 5.72%</b>	
53,950 Air Lease Corp.	2,299,349	53,990 Equity Commonwealth (a)	1,641,296
54,250 Voya Financial, Inc.	2,164,033	36,600 Seritage Growth Properties	1,686,162
	<u>4,463,382</u>		<u>3,327,458</u>
<b>Electrical Equipment – 1.82%</b>		<b>Real Estate Management &amp; Development – 6.07%</b>	
23,020 Generac Holdings, Inc. (a)	1,057,309	81,150 Kennedy-Wilson Holdings, Inc.	1,505,332
<b>Energy Equipment &amp; Services – 2.69%</b>		17,130 The Howard Hughes Corp. (a)	2,020,141
34,025 Halliburton Co.	1,566,171		<u>3,525,473</u>
<b>Food Products – 2.44%</b>			
34,825 Mondelez International, Inc.	1,415,985		
<b>Health Care Equipment &amp; Supplies – 6.38%</b>			
42,230 Abbott Laboratories	2,253,393		
56,304 Wright Medical Group N.V. (a)	1,456,584		
	<u>3,709,977</u>		

The accompanying notes are an integral part of these financial statements.

**KEELEY All Cap Value Fund**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**September 30, 2017**

<u>Shares</u>	<u>Value</u>
<b>Semiconductors &amp; Semiconductor Equipment – 6.30%</b>	
46,880 Intel Corp.	\$ 1,785,190
48,280 Versum Materials, Inc.	1,874,230
	<u>3,659,420</u>
<b>Total Common Stocks</b>	
(Cost \$45,487,346)	<u>\$57,252,777</u>
<b>SHORT TERM INVESTMENTS – 1.60%</b>	
<b>Money Market Funds – 1.60%</b>	
930,651 Fidelity® Investments Money Market Government Portfolio Class I, 0.91% (b)	\$ 930,651
<b>Total Short Term Investments</b>	
(Cost \$930,651)	<u>\$ 930,651</u>
<b>Total Investments – 100.10%</b>	
(Cost \$46,417,997)	\$58,183,428
Liabilities in Excess of Other Assets – (0.10)%	<u>(57,506)</u>
<b>TOTAL NET ASSETS – 100.00%</b>	<u><u>\$58,125,922</u></u>

Percentages are stated as a percent of net assets.

ADR – American Depositary Receipt

- (a) Non Income Producing.
- (b) Represents annualized seven-day yield as of the close of the reporting period.

The industry classifications listed above are in accordance with Global Industry Classification Standards (GICS®), which was developed by and/or is the exclusive property of MSCI, Inc. and Standard & Poor Financial Services LLC (“S&P”).

The accompanying notes are an integral part of these financial statements.

**KEELEY Funds, Inc.**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**September 30, 2017**

	<u>Small Cap Value Fund</u>
<b>ASSETS:</b>	
Investments, at value <sup>(1)</sup>	\$832,381,495
Receivable for investments sold	1,879,859
Receivable for shares issued	135,129
Dividends and interest receivable	1,086,515
Prepaid expenses and other assets	<u>28,688</u>
Total Assets	<u>835,511,686</u>
<b>LIABILITIES:</b>	
Payable for investments purchased	396,601
Payable for shares redeemed	1,418,342
Payable to Adviser	723,903
Payable to Directors	35,464
Payable to Custodian	8,452
Distribution payable	—
Accrued 12b-1 fees - Class A	46,577
Other accrued expenses	<u>705,804</u>
Total Liabilities	<u>3,335,143</u>
<b>NET ASSETS</b>	<u><u>\$832,176,543</u></u>
<b>NET ASSETS CONSIST OF:</b>	
Capital stock	\$534,722,822
Accumulated undistributed net investment income/(loss)	1,861,196
Accumulated undistributed net realized gain/(loss) on investments	67,618,155
Net unrealized appreciation/(depreciation) on Investments	<u>227,974,370</u>
<b>NET ASSETS</b>	<u><u>\$832,176,543</u></u>
<b>CAPITAL STOCK, \$0.0001 par value</b>	
<b>Class A Shares</b>	
Authorized	500,000,000
Issued and outstanding	14,609,002
<b>NET ASSETS</b>	\$503,761,923
<b>NET ASSET VALUE</b>	<u>\$ 34.48</u>
<b>MAXIMUM OFFERING PRICE PER SHARE <sup>(2)</sup></b>	<u><u>\$ 36.11</u></u>
<b>Class I Shares</b>	
Authorized	100,000,000
Issued and outstanding	9,400,392
<b>NET ASSETS</b>	\$328,414,620
<b>NET ASSET VALUE</b>	<u>\$ 34.94</u>
<sup>(1)</sup> Cost of Investments.	\$604,407,125
<sup>(2)</sup> Includes a sales load of 4.50% (see Note 7 of the Notes to the Financial Statements).	

The accompanying notes are an integral part of these financial statements.

**KEELEY Funds, Inc.**  
**STATEMENT OF ASSETS AND LIABILITIES (Continued)**  
**September 30, 2017**

<u>Small Cap Dividend Value Fund</u>	<u>Small-Mid Cap Value Fund</u>	<u>Mid Cap Dividend Value Fund</u>	<u>All Cap Value Fund</u>
\$ 97,218,111	\$135,188,182	\$116,808,507	\$ 58,183,428
1,127,084	—	1,614,575	—
1,936	12,077	256,770	—
193,611	145,973	234,371	51,808
7,802	20,847	26,232	12,451
<u>98,548,544</u>	<u>135,367,079</u>	<u>118,940,455</u>	<u>58,247,687</u>
—	—	1,109,916	—
241,995	64,144	44,318	13,161
69,081	112,202	80,130	44,166
4,008	5,378	4,654	2,343
1,432	2,043	1,338	981
2,173	—	2,387	—
1,591	4,036	4,060	2,013
67,539	92,658	59,258	59,101
<u>387,819</u>	<u>280,461</u>	<u>1,306,061</u>	<u>121,765</u>
<u>\$ 98,160,725</u>	<u>\$135,086,618</u>	<u>\$117,634,394</u>	<u>\$ 58,125,922</u>
\$ 65,406,260	\$ 77,241,949	\$102,823,488	\$ 44,691,726
(8,850)	807,425	(43,815)	(84,084)
5,210,570	10,356,153	(90,674)	1,752,849
27,552,745	46,681,091	14,945,395	11,765,431
<u>\$ 98,160,725</u>	<u>\$135,086,618</u>	<u>\$117,634,394</u>	<u>\$ 58,125,922</u>
100,000,000	100,000,000	100,000,000	100,000,000
1,165,602	2,916,405	882,186	940,432
\$ 22,459,842	\$ 43,500,500	\$ 19,272,831	\$ 15,846,330
\$ 19.27	\$ 14.92	\$ 21.85	\$ 16.85
<u>\$ 20.18</u>	<u>\$ 15.62</u>	<u>\$ 22.88</u>	<u>\$ 17.64</u>
100,000,000	100,000,000	100,000,000	100,000,000
3,923,072	6,023,953	4,502,762	2,487,186
\$ 75,700,883	\$ 91,586,118	\$ 98,361,563	\$ 42,279,592
\$ 19.30	\$ 15.20	\$ 21.84	\$ 17.00
<u>\$ 69,665,366</u>	<u>\$ 88,507,091</u>	<u>\$101,863,112</u>	<u>\$ 46,417,997</u>

The accompanying notes are an integral part of these financial statements.

**KEELEY Funds, Inc.**  
**STATEMENT OF OPERATIONS**  
**September 30, 2017**

	<b>Small Cap Value Fund</b>
<b>INVESTMENT INCOME:</b>	
Dividend income	\$ 14,369,558
Less: Foreign withholding tax	(45,916)
Interest income	114,045
Securities lending income, net	35,751
Total Investment Income	<u>14,473,438</u>
<b>EXPENSES:</b>	
Investment advisory fees	9,395,968
12b-1 fees - Class A	1,435,609
Shareholder servicing fees	470,543
Transfer agent fees and expenses	210,720
Federal and state registration fees	51,602
Audit expense	63,960
Fund accounting and administration fees	269,518
Directors' fees	188,176
Custody fees	55,515
Reports to shareholders	129,222
Interest expense	693
Other	298,772
Total expenses before reimbursement	12,570,298
Reimbursement of expenses by Adviser	(327,855)
<b>NET EXPENSES</b>	<u>12,242,443</u>
<b>NET INVESTMENT INCOME/(LOSS)</b>	<u>2,230,995</u>
<b>REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS:</b>	
Net realized gain/(loss) on investment from sales of investments	94,396,747
Change in net unrealized appreciation/(depreciation) on investments	19,701,672
Net Gain/(Loss) on investments	<u>114,098,419</u>
<b>NET INCREASE/(DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS</b>	<u><u>\$116,329,414</u></u>

The accompanying notes are an integral part of these financial statements.

**KEELEY Funds, Inc.**  
**STATEMENT OF OPERATIONS (Continued)**  
**September 30, 2017**

Small Cap Dividend Value Fund	Small-Mid Cap Value Fund	Mid Cap Dividend Value Fund	All Cap Value Fund
\$ 2,709,073	\$ 2,557,412	\$ 2,161,796	\$ 896,313
—	—	(2,955)	—
20,786	18,090	20,876	8,820
—	—	—	—
<u>2,729,859</u>	<u>2,575,502</u>	<u>2,179,717</u>	<u>905,133</u>
1,019,059	1,380,682	1,062,848	612,931
60,495	110,995	49,526	44,568
50,953	69,034	53,142	30,646
24,657	31,461	26,226	14,490
35,631	35,996	39,542	31,643
28,824	30,097	28,272	28,759
33,629	41,958	35,213	19,288
22,720	27,863	26,109	11,896
8,248	11,407	7,646	4,196
13,136	18,634	12,564	4,513
19	613	—	548
29,425	39,325	27,704	19,014
1,326,796	1,798,065	1,368,792	822,492
(202,835)	(106,069)	(211,650)	(75,572)
<u>1,123,961</u>	<u>1,691,996</u>	<u>1,157,142</u>	<u>746,920</u>
1,605,898	883,506	1,022,575	158,213
6,780,310	15,469,502	17,273,831	4,909,782
9,543,867	9,079,331	(2,408,095)	2,127,221
<u>16,324,177</u>	<u>24,548,833</u>	<u>14,865,736</u>	<u>7,037,003</u>
<u>\$17,930,075</u>	<u>\$25,432,339</u>	<u>\$15,888,311</u>	<u>\$7,195,216</u>

The accompanying notes are an integral part of these financial statements.

**KEELEY Funds, Inc.**  
**STATEMENTS OF CHANGES IN NET ASSETS**

	<b>Small Cap Value Fund</b>	
	<b>Year Ended September 30, 2017</b>	<b>Year Ended September 30, 2016</b>
<b>OPERATIONS:</b>		
Net investment income/(loss)	\$ 2,230,995	\$ 6,305,548
Net realized gain/(loss) on investments	94,396,747	49,524,736
Change in net unrealized appreciation/(depreciation) on investments	19,701,672	52,602,591
Net increase/(decrease) in net assets resulting from operations	116,329,414	108,432,875
<b>DISTRIBUTIONS:</b>		
Net investment income - Class A	(2,955,616)	—
Net investment income - Class I	(2,706,813)	(1,205,223)
Net realized gains - Class A	(31,315,624)	(112,623,922)
Net realized gains - Class I	(19,784,540)	(73,440,477)
Total Distributions	(56,762,593)	(187,269,622)
<b>CAPITAL STOCK TRANSACTIONS</b>		
<b>Class A Shares</b>		
Proceeds from shares issued	21,797,628	41,557,328
Proceeds from distributions reinvested	32,184,752	103,794,891
Cost of shares redeemed	(233,744,340)	(463,508,360)
Net increase/(decrease) from capital stock transactions	(179,761,960)	(318,156,141)
<b>Class I Shares</b>		
Proceeds from shares issued	63,182,296	101,481,110
Proceeds from distributions reinvested	21,166,318	62,550,132
Cost of shares redeemed	(205,851,594)	(320,542,201)
Net increase/(decrease) from capital stock transactions	(121,502,980)	(156,510,959)
<b>TOTAL INCREASE/(DECREASE) IN NET ASSETS</b>	<b>(241,698,119)</b>	<b>(553,503,847)</b>
<b>NET ASSETS:</b>		
Beginning of period	1,073,874,662	1,627,378,509
End of period	<b>\$ 832,176,543</b>	<b>\$1,073,874,662</b>
Accumulated undistributed net investment income/(loss)	<b>\$ 1,861,196</b>	<b>\$ 5,345,174</b>
<b>CAPITAL SHARE TRANSACTIONS:</b>		
<b>Class A Shares</b>		
Shares sold	653,583	1,347,001
Issued to shareholder in reinvestment of dividends	953,930	3,466,763
Shares redeemed	(7,065,735)	(14,825,142)
Net increase/(decrease) from capital stock transactions	(5,458,222)	(10,011,378)
<b>Class I Shares</b>		
Shares sold	1,894,913	3,190,466
Issued to shareholder in reinvestment of dividends	619,410	2,062,807
Shares redeemed	(6,148,771)	(10,344,561)
Net increase/(decrease) from capital stock transactions	(3,634,448)	(5,091,288)

The accompanying notes are an integral part of these financial statements.



**KEELEY Funds, Inc.**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

Small Cap Dividend Value Fund		Small-Mid Cap Value Fund	
Year Ended September 30, 2017	Year Ended September 30, 2016	Year Ended September 30, 2017	Year Ended September 30, 2016
\$ 1,605,898	\$ 2,154,863	\$ 883,506	\$ 645,398
6,780,310	2,063,701	15,469,502	10,802,421
<u>9,543,867</u>	<u>11,868,254</u>	<u>9,079,331</u>	<u>2,757,283</u>
<u>17,930,075</u>	<u>16,086,818</u>	<u>25,432,339</u>	<u>14,205,102</u>
(317,901)	(550,765)	(54,360)	(96,060)
(1,224,516)	(1,887,007)	(369,301)	(787,228)
(435,309)	(1,343,068)	(3,540,916)	(2,254,097)
(1,348,778)	(3,532,892)	(7,770,660)	(4,998,002)
<u>(3,326,504)</u>	<u>(7,313,732)</u>	<u>(11,735,237)</u>	<u>(8,135,387)</u>
1,761,046	3,403,113	4,321,310	7,262,222
715,052	1,749,679	3,478,365	2,241,120
<u>(8,191,633)</u>	<u>(22,056,244)</u>	<u>(14,332,263)</u>	<u>(53,733,931)</u>
<u>(5,715,535)</u>	<u>(16,903,452)</u>	<u>(6,532,588)</u>	<u>(44,230,589)</u>
10,828,054	21,418,049	11,796,800	31,176,485
2,570,318	3,764,215	8,052,991	4,794,158
<u>(24,556,170)</u>	<u>(42,609,038)</u>	<u>(42,136,173)</u>	<u>(77,178,868)</u>
<u>(11,157,798)</u>	<u>(17,426,774)</u>	<u>(22,286,382)</u>	<u>(41,208,225)</u>
<u>(2,269,762)</u>	<u>(25,557,140)</u>	<u>(15,121,868)</u>	<u>(79,369,099)</u>
100,430,487	125,987,627	150,208,486	229,577,585
<u>\$ 98,160,725</u>	<u>\$100,430,487</u>	<u>\$135,086,618</u>	<u>\$150,208,486</u>
<u>\$ (8,850)</u>	<u>\$ (12,181)</u>	<u>\$ 807,425</u>	<u>\$ 361,297</u>
96,644	217,578	314,211	586,065
38,353	114,646	258,588	184,461
<u>(449,732)</u>	<u>(1,428,260)</u>	<u>(1,036,156)</u>	<u>(4,288,404)</u>
<u>(314,735)</u>	<u>(1,096,036)</u>	<u>(463,357)</u>	<u>(3,517,878)</u>
592,904	1,384,770	832,521	2,413,139
137,550	245,982	586,856	387,464
<u>(1,359,552)</u>	<u>(2,776,839)</u>	<u>(3,021,205)</u>	<u>(6,338,313)</u>
<u>(629,098)</u>	<u>(1,146,087)</u>	<u>(1,601,828)</u>	<u>(3,537,710)</u>

The accompanying notes are an integral part of these financial statements.

**KEELEY Funds, Inc.**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

	<b>Mid Cap Dividend Value Fund</b>	
	<b>Year Ended September 30, 2017</b>	<b>Year Ended September 30, 2016</b>
<b>OPERATIONS:</b>		
Net investment income/(loss)	\$ 1,022,575	\$ 894,801
Net realized gain/(loss) on investments	17,273,831	(3,116,313)
Change in net unrealized appreciation/(depreciation) on investments	(2,408,095)	18,454,833
Net increase/(decrease) in net assets resulting from operations	15,888,311	16,233,321
<b>DISTRIBUTIONS:</b>		
Net investment income - Class A	(148,559)	(140,724)
Net investment income - Class I	(857,199)	(695,106)
Net realized gains - Class A	—	(233,092)
Net realized gains - Class I	—	(1,248,086)
Return of Capital - Class A	—	(33,462)
Return of Capital - Class I	—	(121,479)
Total Distributions	(1,005,758)	(2,471,949)
<b>CAPITAL STOCK TRANSACTIONS</b>		
<b>Class A Shares</b>		
Proceeds from shares issued	5,897,384	5,574,055
Proceeds from shares issued in connection with acquisition <sup>(1)</sup>	—	14,081,943
Proceeds from distributions reinvested	135,264	373,621
Cost of shares redeemed	(10,233,860)	(14,171,805)
Net increase/(decrease) from capital stock transactions	(4,201,212)	5,857,814
<b>Class I Shares</b>		
Proceeds from shares issued	21,864,405	17,038,203
Proceeds from shares issued in connection with acquisition <sup>(1)</sup>	—	28,220,546
Proceeds from distributions reinvested	850,703	1,408,373
Cost of shares redeemed	(5,713,503)	(11,416,649)
Net increase/(decrease) from capital stock transactions	17,001,605	35,250,473
<b>TOTAL INCREASE/(DECREASE) IN NET ASSETS</b>	<b>27,682,946</b>	<b>54,869,659</b>
<b>NET ASSETS:</b>		
Beginning of period	89,951,448	35,081,789
End of period	<b>\$117,634,394</b>	<b>\$ 89,951,448</b>
Accumulated undistributed net investment income/(loss)	<b>\$ (43,815)</b>	<b>\$ (2,931)</b>
<b>CAPITAL SHARE TRANSACTIONS:</b>		
<b>Class A Shares</b>		
Shares sold	290,070	317,544
Shares sold in connection with acquisition <sup>(1)</sup>	—	929,592
Issued to shareholder in reinvestment of dividends	6,541	21,844
Shares redeemed	(509,015)	(826,403)
Net increase/(decrease) from capital stock transactions	(212,404)	442,577
<b>Class I Shares</b>		
Shares sold	1,066,168	988,940
Shares sold in connection with acquisition <sup>(1)</sup>	—	1,863,147
Issued to shareholder in reinvestment of dividends	40,965	81,014
Shares redeemed	(275,773)	(670,426)
Net increase/(decrease) from capital stock transactions	831,360	2,262,675

<sup>(1)</sup> On January 27, 2016 the Keeley Mid Cap Value Fund merged into KMDVF.

The accompanying notes are an integral part of these financial statements.

**KEELEY Funds, Inc.**  
**STATEMENTS OF CHANGES IN NET ASSETS (Continued)**

All Cap Value Fund	
Year Ended September 30, 2017	Year Ended September 30, 2016
\$ 158,213	\$ 248,968
4,909,782	3,123,461
2,127,221	4,119,838
7,195,216	7,492,267
(77,072)	(131,786)
(316,386)	(775,728)
(795,513)	(3,753,132)
(1,952,876)	(9,575,587)
—	—
—	—
(3,141,847)	(14,236,233)
1,293,835	324,434
—	—
844,570	3,597,812
(5,850,015)	(37,086,752)
(3,711,610)	(33,164,506)
2,241,719	31,308,154
—	—
2,268,947	4,710,701
(9,874,011)	(31,842,286)
(5,363,345)	4,176,569
(5,021,586)	(35,731,903)
63,147,508	98,879,411
\$58,125,922	\$ 63,147,508
\$ (84,084)	\$ 151,161
78,287	20,836
—	—
52,514	247,272
(365,089)	(2,268,923)
(234,288)	(2,000,815)
139,307	1,862,169
—	—
139,812	319,967
(602,947)	(2,185,420)
(323,828)	(3,284)

The accompanying notes are an integral part of these financial statements.

## KEELEY Small Cap Value Fund FINANCIAL HIGHLIGHTS

	Year Ended September 30,				
	2017	2016	2015	2014	2013
<b>CLASS A <sup>(1)</sup></b>					
<b>Net asset value, beginning of period</b>	\$ 32.29	\$ 33.63	\$ 36.25	\$ 35.62	\$ 27.01
<b>Income from investment operations:</b>					
Net investment income/(loss) <sup>(2)</sup>	0.05	0.12	0.01	(0.02)	0.16
Net realized and unrealized gain/(loss) on investments	3.98	2.93	(2.55)	0.77	8.51
<b>Total from investment operations</b>	4.03	3.05	(2.54)	0.75	8.67
<b>Less distributions:</b>					
Net investment income	(0.15)	—	—	(0.12)	(0.06)
Net realized gains	(1.69)	(4.39)	(0.08)	—	—
<b>Net asset value, end of period</b>	\$ 34.48	\$ 32.29	\$ 33.63	\$ 36.25	\$ 35.62
<b>Total return <sup>(3)</sup></b>	12.65%	10.09%	(7.02)%	2.10%	32.17%
<b>Supplemental data and ratios:</b>					
Net assets, end of period (in 000's)	\$503,762	\$647,939	\$1,011,544	\$1,552,587	\$2,036,972
Ratio of expenses to average net assets <sup>(4)</sup>	1.40%	1.40%	1.36%	1.35%	1.36%
Ratio of net investment income/(loss) to average net assets	0.14%	0.40%	0.04%	(0.06)%	0.52%
<b>Prior to Reimbursement:</b>					
Ratio of expenses to average net assets <sup>(4)</sup>	1.43%	1.42%	1.36%	1.35%	1.36%
Ratio of net investment income/(loss) to average net assets	0.11%	0.38%	0.04%	(0.06)%	0.52%
Portfolio turnover rate	28.21%	35.56%	24.70%	42.72%	51.12%
<b>CLASS I <sup>(1)</sup></b>					
<b>Net asset value, beginning of period</b>	\$ 32.68	\$ 33.97	\$ 36.61	\$ 35.94	\$ 27.28
<b>Income from investment operations:</b>					
Net investment income <sup>(2)</sup>	0.13	0.20	0.11	0.07	0.24
Net realized and unrealized gain/(loss) on investments	4.04	2.97	(2.58)	0.79	8.58
<b>Total from investment operations</b>	4.17	3.17	(2.47)	0.86	8.82
<b>Less distributions:</b>					
Net investment income	(0.22)	(0.07)	(0.09)	(0.19)	(0.16)
Net realized gains	(1.69)	(4.39)	(0.08)	—	—
<b>Net asset value, end of period</b>	\$ 34.94	\$ 32.68	\$ 33.97	\$ 36.61	\$ 35.94
<b>Total return <sup>(3)</sup></b>	12.95%	10.39%	(6.80)%	2.36%	32.49%
<b>Supplemental data and ratios:</b>					
Net assets, end of period (in 000's)	\$328,415	\$425,935	\$ 615,835	\$ 971,154	\$ 939,482
Ratio of expenses to average net assets <sup>(4)</sup>	1.15%	1.15%	1.11%	1.10%	1.11%
Ratio of net investment income to average net assets	0.39%	0.65%	0.29%	0.19%	0.77%
<b>Prior to Reimbursement:</b>					
Ratio of expenses to average net assets <sup>(4)</sup>	1.18%	1.17%	1.11%	1.10%	1.11%
Ratio of net investment income to average net assets	0.36%	0.63%	0.29%	0.19%	0.77%
Portfolio turnover rate	28.21%	35.56%	24.70%	42.72%	51.12%

(1) Per share data is for a share outstanding throughout the period.

(2) Net investment income/(loss) per share has been calculated based on average shares outstanding during the period.

(3) The total return calculation does not reflect the sales load imposed on the purchase of shares (see Note 7 of the Notes to the Financial Statements).

(4) The ratio of expenses to average net assets includes interest expense and deferred compensation expense which was 0.01%, 0.01%, 0.00%, 0.01%, and 0.00%, respectively. (see Note 3 of the Notes to the Financial Statements).

The accompanying notes are an integral part of these financial statements.

**KEELEY Small Cap Dividend Value Fund**  
**FINANCIAL HIGHLIGHTS**

	Year Ended September 30,				
	2017	2016	2015	2014	2013
<b>CLASS A <sup>(1)</sup></b>					
<b>Net asset value, beginning of period</b>	\$ 16.63	\$ 15.21	\$ 16.79	\$ 16.73	\$ 14.21
<b>Income from investment operations:</b>					
Net investment income <sup>(2)</sup>	0.25	0.28	0.24	0.17	0.23
Net realized and unrealized gain/(loss) on investments	2.94	2.11	(0.65)	0.68	2.96
<b>Total from investment operations</b>	<u>3.19</u>	<u>2.39</u>	<u>(0.41)</u>	<u>0.85</u>	<u>3.19</u>
<b>Less distributions:</b>					
Net investment income	(0.24)	(0.33)	(0.26)	(0.22)	(0.28)
Net realized gains	(0.31)	(0.64)	(0.91)	(0.57)	(0.39)
<b>Net asset value, end of period</b>	<u>\$ 19.27</u>	<u>\$ 16.63</u>	<u>\$ 15.21</u>	<u>\$ 16.79</u>	<u>\$ 16.73</u>
<b>Total return <sup>(3)</sup></b>	19.30%	16.40%	(2.93)%	4.90%	23.20%
<b>Supplemental data and ratios:</b>					
Net assets, end of period (in 000's)	\$22,460	\$24,620	\$39,190	\$59,360	\$83,061
Ratio of expenses to average net assets <sup>(4)</sup>	1.29%	1.30%	1.31%	1.39%	1.39%
Ratio of net investment income to average net assets	1.39%	1.81%	1.41%	0.96%	1.48%
<b>Prior to Reimbursement:</b>					
Ratio of expenses to average net assets <sup>(4)</sup>	1.49%	1.49%	1.46%	1.43%	1.48%
Ratio of net investment income to average net assets	1.19%	1.62%	1.26%	0.92%	1.39%
Portfolio turnover rate	22.22%	26.58%	26.59%	38.81%	27.19%
<b>CLASS I <sup>(1)</sup></b>					
<b>Net asset value, beginning of period</b>	\$ 16.65	\$ 15.23	\$ 16.81	\$ 16.75	\$ 14.22
<b>Income from investment operations:</b>					
Net investment income <sup>(2)</sup>	0.30	0.32	0.28	0.21	0.27
Net realized and unrealized gain/(loss) on investments	2.95	2.11	(0.65)	0.69	2.97
<b>Total from investment operations</b>	<u>3.25</u>	<u>2.43</u>	<u>(0.37)</u>	<u>0.90</u>	<u>3.24</u>
<b>Less distributions:</b>					
Net investment income	(0.29)	(0.37)	(0.30)	(0.27)	(0.32)
Net realized gains	(0.31)	(0.64)	(0.91)	(0.57)	(0.39)
<b>Net asset value, end of period</b>	<u>\$ 19.30</u>	<u>\$ 16.65</u>	<u>\$ 15.23</u>	<u>\$ 16.81</u>	<u>\$ 16.75</u>
<b>Total return <sup>(3)</sup></b>	19.64%	16.68%	(2.68)%	5.17%	23.53%
<b>Supplemental data and ratios:</b>					
Net assets, end of period (in 000's)	\$75,701	\$75,811	\$86,798	\$92,769	\$69,324
Ratio of expenses to average net assets <sup>(4)</sup>	1.04%	1.05%	1.06%	1.14%	1.14%
Ratio of net investment income to average net assets	1.64%	2.06%	1.66%	1.21%	1.73%
<b>Prior to Reimbursement:</b>					
Ratio of expenses to average net assets <sup>(4)</sup>	1.24%	1.24%	1.21%	1.18%	1.23%
Ratio of net investment income to average net assets	1.44%	1.87%	1.51%	1.17%	1.64%
Portfolio turnover rate	22.22%	26.58%	26.59%	38.81%	27.19%

<sup>(1)</sup> Per share data is for a share outstanding throughout the period.

<sup>(2)</sup> Net investment income per share has been calculated based on average shares outstanding during the period.

<sup>(3)</sup> The total return calculation does not reflect the sales load imposed on the purchase of shares (see Note 7 of the Notes to the Financial Statements).

<sup>(4)</sup> The ratio of expenses to average net assets includes interest expense and deferred compensation expense which was 0.00%, 0.01%, 0.00%, 0.00%, and 0.00%, respectively. (see Note 3 of the Notes to the Financial Statements).

The accompanying notes are an integral part of these financial statements.

## KEELEY Small-Mid Cap Value Fund FINANCIAL HIGHLIGHTS

	Year Ended September 30,				
	2017	2016	2015	2014	2013
<b>CLASS A <sup>(1)</sup></b>					
<b>Net asset value, beginning of period</b>	\$ 13.48	\$ 12.57	\$ 15.22	\$ 16.21	\$ 12.12
<b>Income from investment operations:</b>					
Net investment income <sup>(2)</sup>	0.07	0.02	0.01	0.04	0.08
Net realized and unrealized gain/(loss) on investments	2.52	1.35	(1.05)	0.97	4.18
<b>Total from investment operations</b>	2.59	1.37	(1.04)	1.01	4.26
<b>Less distributions:</b>					
Net investment income	(0.02)	(0.02)	(0.03)	(0.02)	(0.03)
Net realized gains	(1.13)	(0.44)	(1.58)	(1.98)	(0.14)
<b>Net asset value, end of period</b>	\$ 14.92	\$ 13.48	\$ 12.57	\$ 15.22	\$ 16.21
<b>Total return <sup>(3)</sup></b>	20.15%	11.28%	(7.42)%	5.88%	35.49%
<b>Supplemental data and ratios:</b>					
Net assets, end of period (in 000's)	\$43,501	\$ 45,570	\$ 86,689	\$110,862	\$106,054
Ratio of expenses to average net assets <sup>(4)</sup>	1.39%	1.40%	1.39%	1.39%	1.39%
Ratio of net investment income to average net assets	0.47%	0.19%	0.04%	0.23%	0.58%
<b>Prior to Reimbursement:</b>					
Ratio of expenses to average net assets <sup>(4)</sup>	1.47%	1.47%	1.43%	1.42%	1.43%
Ratio of net investment income to average net assets	0.39%	0.12%	0.00%	0.20%	0.54%
Portfolio turnover rate	19.79%	36.78%	20.43%	43.10%	68.27%
<b>CLASS I <sup>(1)</sup></b>					
<b>Net asset value, beginning of period</b>	\$ 13.72	\$ 12.80	\$ 15.46	\$ 16.43	\$ 12.25
<b>Income from investment operations:</b>					
Net investment income <sup>(2)</sup>	0.10	0.06	0.04	0.08	0.12
Net realized and unrealized gain/(loss) on investments	2.56	1.37	(1.06)	0.98	4.24
<b>Total from investment operations</b>	2.66	1.43	(1.02)	1.06	4.36
<b>Less distributions:</b>					
Net investment income	(0.05)	(0.07)	(0.06)	(0.05)	(0.04)
Net realized gains	(1.13)	(0.44)	(1.58)	(1.98)	(0.14)
<b>Net asset value, end of period</b>	\$ 15.20	\$ 13.72	\$ 12.80	\$ 15.46	\$ 16.43
<b>Total return <sup>(3)</sup></b>	20.38%	11.59%	(7.18)%	6.11%	35.93%
<b>Supplemental data and ratios:</b>					
Net assets, end of period (in 000's)	\$91,586	\$104,638	\$142,888	\$186,039	\$144,647
Ratio of expenses to average net assets <sup>(4)</sup>	1.14%	1.15%	1.14%	1.14%	1.14%
Ratio of net investment income to average net assets	0.72%	0.44%	0.29%	0.48%	0.83%
<b>Prior to Reimbursement:</b>					
Ratio of expenses to average net assets <sup>(4)</sup>	1.22%	1.22%	1.18%	1.17%	1.18%
Ratio of net investment income to average net assets	0.64%	0.37%	0.25%	0.45%	0.79%
Portfolio turnover rate	19.79%	36.78%	20.43%	43.10%	68.27%

<sup>(1)</sup> Per share data is for a share outstanding throughout the period.

<sup>(2)</sup> Net investment income per share has been calculated based on average shares outstanding during the period.

<sup>(3)</sup> The total return calculation does not reflect the sales load imposed on the purchase of shares (see Note 7 of the Notes to the Financial Statements).

<sup>(4)</sup> The ratio of expenses to average net assets includes interest expense and deferred compensation expense which was 0.00%, 0.01%, 0.00%, 0.00%, and 0.00%, respectively. (see Note 3 of the Notes to the Financial Statements).

The accompanying notes are an integral part of these financial statements.

## KEELEY Mid Cap Dividend Value Fund FINANCIAL HIGHLIGHTS

	Year Ended September 30,				
	2017	2016	2015	2014	2013
<b>CLASS A <sup>(1)</sup></b>					
<b>Net asset value, beginning of period</b>	\$ 18.88	\$ 17.03	\$ 17.59	\$ 15.55	\$ 12.60
<b>Income from investment operations:</b>					
Net investment income <sup>(2)</sup>	0.15	0.19	0.13	0.17	0.19
Net realized and unrealized gain/(loss) on investments	2.97	2.57	(0.17)	2.21	2.98
<b>Total from investment operations</b>	<u>3.12</u>	<u>2.76</u>	<u>(0.04)</u>	<u>2.38</u>	<u>3.17</u>
<b>Less distributions:</b>					
Net investment income	(0.15)	(0.16)	(0.14)	(0.19)	(0.22)
Net realized gains	—	(0.71)	(0.38)	(0.15)	—
Return of capital	—	(0.04)	—	—	—
<b>Net asset value, end of period</b>	<u>\$ 21.85</u>	<u>\$ 18.88</u>	<u>\$ 17.03</u>	<u>\$ 17.59</u>	<u>\$ 15.55</u>
<b>Total return <sup>(3)</sup></b>	16.57%	16.90%	(0.33)%	15.37%	25.41%
<b>Supplemental data and ratios:</b>					
Net assets, end of period (in 000's)	\$19,273	\$20,661	\$11,105	\$11,243	\$ 9,327
Ratio of expenses to average net assets <sup>(4)</sup>	1.29%	1.29%	1.30%	1.39%	1.39%
Ratio of net investment income to average net assets	0.76%	1.10%	0.70%	0.99%	1.31%
<b>Prior to Reimbursement:</b>					
Ratio of expenses to average net assets <sup>(4)</sup>	1.49%	1.52%	1.61%	1.59%	1.87%
Ratio of net investment income to average net assets	0.56%	0.87%	0.39%	0.79%	0.83%
Portfolio turnover rate	42.77%	49.27%	20.33%	13.32%	36.12%
<b>CLASS I <sup>(1)</sup></b>					
<b>Net asset value, beginning of period</b>	\$ 18.87	\$ 17.03	\$ 17.59	\$ 15.55	\$ 12.60
<b>Income from investment operations:</b>					
Net investment income <sup>(2)</sup>	0.21	0.24	0.18	0.21	0.23
Net realized and unrealized gain/(loss) on investments	2.96	2.56	(0.17)	2.21	2.98
<b>Total from investment operations</b>	<u>3.17</u>	<u>2.80</u>	<u>0.01</u>	<u>2.42</u>	<u>3.21</u>
<b>Less distributions:</b>					
Net investment income	(0.20)	(0.21)	(0.19)	(0.23)	(0.26)
Net realized gains	—	(0.71)	(0.38)	(0.15)	—
Return of capital	—	(0.04)	—	—	—
<b>Net asset value, end of period</b>	<u>\$ 21.84</u>	<u>\$ 18.87</u>	<u>\$ 17.03</u>	<u>\$ 17.59</u>	<u>\$ 15.55</u>
<b>Total return <sup>(3)</sup></b>	16.86%	17.18%	(0.08)%	15.65%	25.71%
<b>Supplemental data and ratios:</b>					
Net assets, end of period (in 000's)	\$98,361	\$69,290	\$23,977	\$19,511	\$15,838
Ratio of expenses to average net assets <sup>(4)</sup>	1.04%	1.04%	1.05%	1.14%	1.14%
Ratio of net investment income to average net assets	1.01%	1.35%	0.95%	1.24%	1.56%
<b>Prior to Reimbursement:</b>					
Ratio of expenses to average net assets <sup>(4)</sup>	1.24%	1.27%	1.36%	1.34%	1.62%
Ratio of net investment income to average net assets	0.81%	1.12%	0.64%	1.04%	1.08%
Portfolio turnover rate	42.77%	49.27%	20.33%	13.32%	36.12%

(1) Per share data is for a share outstanding throughout the period.

(2) Net investment income per share has been calculated based on average shares outstanding during the period.

(3) The total return calculation does not reflect the sales load imposed on the purchase of shares (see Note 7 of the Notes to the Financial Statements).

(4) The ratio of expenses to average net assets includes interest and deferred compensation expense which was 0.00%, 0.00%, 0.00%, 0.00%, and 0.00%, respectively. (see Note 3 of the Notes to the Financial Statements).

The accompanying notes are an integral part of these financial statements.

## KEELEY All Cap Value Fund FINANCIAL HIGHLIGHTS

	Year Ended September 30,				
	2017	2016	2015	2014	2013
<b>CLASS A <sup>(1)</sup></b>					
<b>Net asset value, beginning of period</b>	\$ 15.75	\$ 16.43	\$ 18.27	\$ 16.40	\$ 12.77
<b>Income from investment operations:</b>					
Net investment income <sup>(2)</sup>	0.01	0.02	0.11	0.02	0.05
Net realized and unrealized gain/(loss) on investments	1.86	1.76	(1.93)	1.87	3.62
<b>Total from investment operations</b>	<u>1.87</u>	<u>1.78</u>	<u>(1.82)</u>	<u>1.89</u>	<u>3.67</u>
<b>Less distributions:</b>					
Net investment income	(0.07)	(0.08)	(0.02)	(0.02)	(0.04)
Net realized gains	(0.70)	(2.38)	—	—	—
<b>Net asset value, end of period</b>	<u>\$ 16.85</u>	<u>\$ 15.75</u>	<u>\$ 16.43</u>	<u>\$ 18.27</u>	<u>\$ 16.40</u>
<b>Total return <sup>(3)</sup></b>	12.08%	12.21%	(9.96)%	11.52%	28.79%
<b>Supplemental data and ratios:</b>					
Net assets, end of period (in 000's)	\$15,846	\$18,501	\$52,171	\$68,091	\$65,187
Ratio of expenses to average net assets <sup>(4)</sup>	1.40%	1.41%	1.39%	1.39%	1.39%
Ratio of net investment income to average net assets	0.08%	0.15%	0.60%	0.10%	0.34%
<b>Prior to Reimbursement:</b>					
Ratio of expenses to average net assets <sup>(4)</sup>	1.52%	1.52%	1.46%	1.43%	1.46%
Ratio of net investment income/(loss) to average net assets	(0.04)%	0.04%	0.53%	0.06%	0.27%
Portfolio turnover rate	84.20%	75.28%	55.91%	35.16%	46.16%
<b>CLASS I <sup>(1)</sup></b>					
<b>Net asset value, beginning of period</b>	\$ 15.88	\$ 16.60	\$ 18.45	\$ 16.55	\$ 12.89
<b>Income from investment operations:</b>					
Net investment income <sup>(2)</sup>	0.05	0.06	0.16	0.07	0.09
Net realized and unrealized gain/(loss) on investments	1.88	1.77	(1.94)	1.88	3.65
<b>Total from investment operations</b>	<u>1.93</u>	<u>1.83</u>	<u>(1.78)</u>	<u>1.95</u>	<u>3.74</u>
<b>Less distributions:</b>					
Net investment income	(0.11)	(0.17)	(0.07)	(0.05)	(0.08)
Net realized gains	(0.70)	(2.38)	—	—	—
<b>Net asset value, end of period</b>	<u>\$ 17.00</u>	<u>\$ 15.88</u>	<u>\$ 16.60</u>	<u>\$ 18.45</u>	<u>\$ 16.55</u>
<b>Total return <sup>(3)</sup></b>	12.40%	12.45%	(9.70)%	11.78%	29.13%
<b>Supplemental data and ratios:</b>					
Net assets, end of period (in 000's)	\$42,280	\$44,647	\$46,708	\$58,867	\$46,754
Ratio of expenses to average net assets <sup>(4)</sup>	1.15%	1.16%	1.14%	1.14%	1.14%
Ratio of net investment income to average net assets	0.33%	0.41%	0.85%	0.35%	0.59%
<b>Prior to Reimbursement:</b>					
Ratio of expenses to average net assets <sup>(4)</sup>	1.27%	1.27%	1.21%	1.18%	1.21%
Ratio of net investment income to average net assets	0.21%	0.30%	0.78%	0.31%	0.52%
Portfolio turnover rate	84.20%	75.28%	55.91%	35.16%	46.16%

<sup>(1)</sup> Per share data is for a share outstanding throughout the period.

<sup>(2)</sup> Net investment income per share has been calculated based on average shares outstanding during the period.

<sup>(3)</sup> The total return calculation does not reflect the sales load imposed on the purchase of shares (see Note 7 of the Notes to the Financial Statements).

<sup>(4)</sup> The ratio of expenses to average net assets includes interest expense and deferred compensation expense which was 0.01%, 0.02%, 0.00%, 0.00%, and 0.00%, respectively. (see Note 3 of the Notes to the Financial Statements).

The accompanying notes are an integral part of these financial statements.



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**KEELEY Funds, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2017**

**1. ORGANIZATION**

KEELEY Funds, Inc. (the "Corporation") was organized on April 7, 2005 as a Maryland corporation and is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as a diversified, open-ended investment company. As of September 30, 2017 the Corporation consists of five series, KEELEY Small Cap Value Fund ("KSCVF"), KEELEY Small Cap Dividend Value Fund ("KSDVF"), KEELEY Small-Mid Cap Value Fund ("KSMVF"), KEELEY Mid Cap Dividend Value Fund ("KMDVF"), and KEELEY All Cap Value Fund ("KACVF") (each, a "Fund," and collectively, the "Funds"), each with two classes of shares: Class A and Class I. As noted in the Funds' prospectus, Class I is an institutional class and does not charge a sales load or a 12b-1 fee to its shareholders. The KEELEY Small Cap Value Fund, Inc., predecessor to KSCVF, commenced operations on October 1, 1993. As part of a plan of reorganization, on December 31, 2007, KEELEY Small Cap Value Fund, Inc. merged into KSCVF, a newly-created series within the Corporation. KSDVF, KSMVF, KMDVF and KACVF commenced operations on December 1, 2009, August 15, 2007, October 3, 2011 and June 14, 2006 respectively. One series of the Corporation, KEELEY Mid Cap Value Fund merged into KMDVF on January 27, 2016.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of significant accounting policies consistently followed by the Corporation in the preparation of its financial statements. These policies are in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The presentation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

a) Investment Valuation – Securities which are traded on a recognized stock exchange are valued at the last sale price each day on the securities exchange on which such securities are primarily traded or at the last sale price on a national securities exchange. Exchange-traded securities for which there were no transactions are valued at the current bid prices. Securities traded on only over-the-counter markets (1) are valued at the NASDAQ Official Closing Price ("NOCP"), as determined by NASDAQ, or (2) lacking an NOCP, the last current reported sale price as of the time of valuation on NASDAQ, or (3) lacking any current reported sales price as of the time of valuation on NASDAQ, at the mean between the most recent bid and asked quotations. Securities issued by a foreign issuer that are not traded on a securities exchange in the United States or in the over-the-counter market and quoted on

**KEELEY Funds, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**September 30, 2017**

the NASDAQ National Market System are valued at the last quoted sale price as of the close of the regular trading hours of the principal exchange or the over-the-counter market on which the security is traded on the day valuation is made. Foreign securities that were not traded on the valuation date are valued at the last reported bid price. Debt securities and other fixed income securities (other than short-term obligations) held by the Funds are valued by an independent pricing service that uses various valuation methodologies such as matrix pricing and other analytical pricing models, as well as market transactions and dealer quotations. Short-term securities with remaining maturities of 61 days or more are valued at current market quotations as provided by an independent pricing service on the day of valuation. Securities maturing in 60 days or less and securities that are not eligible for vendor pricing (including repurchase agreements and demand notes) are valued at “amortized cost” on the day of valuation, which approximates fair value. Investments in open-ended registered investment companies that do not trade on an exchange are valued at the end of day NAV per share.

Securities for which quotations are not readily available are valued by the Funds’ investment adviser, Keeley-Teton Advisors, LLC (the “Adviser”), at their respective fair values as determined in good faith pursuant to procedures adopted by the Corporation’s Board of Directors. For each investment that is fair valued, the Adviser takes into consideration, to the extent applicable, various factors, including, but not limited to, the financial condition of the company, comparable companies in the public market, the nature and duration of the cause for a quotation not being readily available and other relevant factors. Securities fair valued by the Adviser are indicated in the Schedules of Investments and are categorized as Level 2 or Level 3 of the fair value hierarchy depending on the observability of the inputs. KSCVF fair valued Media General, Inc. using methods approved by the Corporation’s Board of Directors as of September 30, 2017. No other securities were fair valued by the Funds as of September 30, 2017.

The Funds have performed an analysis of all existing investments to determine the significance and character of all inputs to their fair value determination. Various inputs are used in determining the value of each Fund’s investments. These inputs are summarized in the following three broad categories:

- Level 1 – Quoted unadjusted prices for identical instruments in active markets to which the Funds have access at the date of measurement.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets. Level 2 inputs

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are those in markets for which there are few transactions, the prices are not current, little public information exists or instances where prices vary substantially over time or among brokered market makers.

- Level 3 – Model derived valuations in which one or more significant inputs or significant value drivers are unobservable. Unobservable inputs are those inputs that reflect the Funds' own assumptions that market participants would use to price the asset or liability based on the best available information.

<b>Keeley Small Cap Value Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common Stocks*	\$813,729,054	\$ —	\$ 25,553**	\$813,754,607
Short Term Investments	18,626,888	—	—	18,626,888
Total Investments in Securities	<u>\$832,355,942</u>	<u>\$ —</u>	<u>\$ 25,553</u>	<u>\$832,381,495</u>

<b>Keeley Small Cap Dividend Value Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common Stocks*	\$ 93,955,583	\$ —	\$ —	\$ 93,955,583
Short Term Investments	3,262,528	—	—	3,262,528
Total Investments in Securities	<u>\$ 97,218,111</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 97,218,111</u>

<b>Keeley Small-Mid Cap Value Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common Stocks*	\$130,303,714	\$ —	\$ —	\$130,303,714
Short Term Investments	4,884,468	—	—	4,884,468
Total Investments in Securities	<u>\$135,188,182</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$135,188,182</u>

<b>Keeley Mid Cap Dividend Value Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common Stocks*	\$114,331,849	\$ —	\$ —	\$114,331,849
Short-Term Investments	2,476,658	—	—	2,476,658
Total Investments in Securities	<u>\$116,808,507</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$116,808,507</u>

<b>Keeley All Cap Value Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common Stocks*	\$ 57,252,777	\$ —	\$ —	\$ 57,252,777
Short-Term Investments	930,651	—	—	930,651
Total Investments in Securities	<u>\$ 58,183,428</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 58,183,428</u>

\* See the Schedule of Investments for the investments detailed by industry classification.

\*\* Media General, Inc. – Included in KSCVF's Media industry classification in Schedule of Investments.

Transfers between levels are identified at the end of the reporting period. There were no transfers between Levels 1, 2 and 3 at the end of the period September 30, 2017 for the Funds.

At the start and close of the reporting period, Level 3 investments in securities represented 0.00% of KSCVF's net assets and were not considered a significant portion of the fund's portfolio.

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b) Federal Income and Excise Taxes – It is the Funds’ policy to meet the requirements of Subtitle A, Chapter 1, Subchapter M of the Internal Revenue Code, as amended, applicable to regulated investment companies and to distribute all investment company net taxable income and net capital gains to shareholders in a manner which results in no tax cost to the Funds. Therefore, no federal income or excise tax provision is required.

There is no tax liability resulting from unrecognized tax benefits relating to uncertain tax positions taken or expected to be taken on the tax return for the fiscal year ended September 30, 2017, or for any other tax years which are open for exam. As of September 30, 2017, open tax years include the tax years ended 2014 through 2017. The Funds also are not aware of any tax position for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. During the period, the Funds did not incur any tax interest or penalties. As of September 30, 2017, no examinations were in progress.

c) Distributions to Shareholders – Dividends from net investment income, if any, will be declared and paid annually for KSCVF, KSMVF and KACVF. Dividends from net investment income, if any, will be declared and paid quarterly for KSDVF and KMDVF. Distributions of net realized gains, if any, will be declared and paid at least annually for all Funds. Distributions to shareholders are recorded on the ex-dividend date. For 2017, KSCVF, KSDVF, KSMVF and KACVF utilized earnings and profits distributions to shareholders on redemption of shares as part of the dividends paid deduction for income tax purposes. A Fund may make reclassifications periodically among certain of its capital accounts as a result of the characterization of certain income and realized gains determined annually in accordance with federal tax regulations that may differ from U.S. GAAP. These reclassifications between capital accounts were made for only those differences that are permanent in nature such as net operating losses, non-deductible costs, equalization and dividend reclasses as follows:

<u>Fund</u>	<u>Undistributed Net Investment Income/(Loss)</u>	<u>Accumulated Net Realized Gain/(Loss)</u>	<u>Paid in Capital</u>
KSCVF	\$(52,544)	\$(19,145,475)	\$19,198,019
KSDVF	(60,150)	(827,572)	887,722
KSMVF	(13,717)	(1,334,846)	1,348,563
KMDVF	(1,280)	70,610	(69,330)
KACVF	—	(443,985)	443,985

d) Other – Investment transactions are recorded on trade date for financial reporting purposes. The Funds determine the gain or loss realized from investment transactions by comparing the identified original cost of the security lot sold with the net sale proceeds. Dividend income less foreign tax withheld, if

**KEELEY Funds, Inc.**  
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any, is recognized on the ex-dividend date and interest income is recognized on an accrual basis, including amortization/accretion of premiums or discounts using the effective interest method. Non-cash dividends, if any, are recorded at the fair value of the securities received.

Net investment income, other than class specific expenses, and realized and unrealized gains and losses are allocated daily to each class of shares based upon the relative net asset value of outstanding shares of each class of shares at the beginning of the day (after adjusting for the current capital shares activity of the respective class).

Expenses common to all portfolios are allocated among the Funds based upon their relative net assets values or other appropriate allocation methods.

e) Guarantees and Indemnifications – In the normal course of business, the Corporation may enter into a contract with service providers that contains general indemnification clauses. The Corporation’s maximum exposure under these arrangements is unknown as this would involve future claims against the Corporation that have not yet occurred. Based on experience, the Corporation expects the risk of loss to be remote.

f) Securities Lending – During the period ended September 30, 2017, the Funds were able to lend their portfolio securities to banks, brokers and dealers. This activity was subject to an agreement where U.S. Bank, N.A. acted as the Funds’ agent. When loaning securities, the Fund retained the benefits of owning the securities, including the economic equivalent of dividends or interest generated by the security.

Pursuant to this agreement, income earned from the securities lending program was paid to the Fund, net of any fees paid to U.S. Bank N.A. and is recognized as “Securities Lending Income, net” on the Statement of Operations.

The Funds terminated the agreement with U.S. Bank, N.A. effective May 26, 2017 and as a result did not have any securities on loan as of September 30, 2017. KSDVF, KSMVF, KMDVF and KACVF did not have any securities on loan during the period ended September 30, 2017.

**3. INVESTMENT ADVISORY AGREEMENT**

From October 1, 2016 to February 28, 2017, the Corporation, on behalf of each Fund, was a party to an investment advisory agreement (the “Prior Agreement”) with Keeley Asset Management Corp. (the “Prior Adviser”), with whom certain non-compensated officers and directors of the Corporation were affiliated, to furnish investment advisory services to the Funds. Under the terms of the Prior Agreement, KSCVF paid the Prior Adviser a monthly fee at the annual rate of 1.00% of the Fund’s first \$1 billion of average daily net assets,

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0.90% for net assets greater than \$1 billion but less than \$4 billion, 0.80% for net assets greater than \$4 billion but less than \$6 billion and 0.70% in excess of \$6 billion of the Fund's average daily net assets; and KSDVF, KMDVF, KSMVF and KACVF each paid the Prior Adviser a monthly fee at the annual rate of 1.00% of the Fund's first \$350 million of average daily net assets, 0.90% for net assets greater than \$350 million but less than \$700 million and 0.80% in excess of \$700 million of the Fund's average daily net assets.

The Prior Adviser had contractually agreed to waive a portion of its fees and/or reimburse expenses with respect to each Fund until January 31, 2018 (the "Prior Expense Cap Agreement"), such that total expenses, exclusive of taxes, interest charges, dividend expenses incurred on securities that the Fund sold short, litigation expenses, other extraordinary expenses, deferred compensation expense, and brokerage commissions and other charges related to the purchase and sale of the Fund's securities did not exceed the following amounts of average daily net assets of the respective Fund:

<u>Fund</u>	<u>Class A</u>	<u>Class I</u>
KSCVF	1.39%	1.14%
KSDVF	1.29%	1.04%
KSMVF	1.39%	1.14%
KMDVF	1.29%	1.04%
KACVF	1.39%	1.14%

Any reimbursements or fee waivers made by the Prior Adviser to a Fund were subject to repayment by the Fund, to the extent that the Fund was able to make the repayment within its Prior Expense Cap Agreement. Under the Prior Expense Cap Agreement, such recoupments had to be made within three years following the fiscal year in which the Adviser reduced its compensation and/or assumed expenses for the applicable Fund. The Prior Adviser did not recoup any fees previously waived or reimbursed under the Prior Expense Cap Agreement for the period from October 1, 2016 to February 28, 2017 and will not recoup any such fees under the Prior Expense Cap Agreement going forward.

A special meeting of the shareholders of the Funds was held on February 15, 2017 where a new investment advisory agreement (the "Agreement"), with the same terms as the Prior Agreement, was approved by a shareholder vote. Effective March 1, 2017, the Corporation on behalf of each Fund, was a party to the Agreement with the Adviser, with whom certain officers and directors of the Corporation are affiliated, to furnish investment advisory services to the Funds. Under the terms of the Agreement, KSCVF paid the Adviser a monthly fee at the annual rate of 1.00% of the Fund's first \$1 billion of average daily net assets, 0.90% for net assets greater than \$1 billion but less than \$4 billion, 0.80% for net assets greater than \$4 billion but less than \$6 billion and 0.70% in excess of \$6 billion of the Fund's average

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daily net assets; and KSDVF, KMDVF, KSMVF and KACVF each paid the Adviser a monthly fee at the annual rate of 1.00% of the Fund's first \$350 million of average daily net assets, 0.90% for net assets greater than \$350 million but less than \$700 million and 0.80% in excess of \$700 million of the Fund's average daily net assets.

The Adviser contractually agreed to waive a portion of its fees and/or reimburse expenses with respect to each Fund until January 31, 2019 (the "Expense Cap Agreement"), such that total expenses, exclusive of taxes, interest charges, dividend expenses incurred on securities that the Fund sells short, litigation expenses, other extraordinary expenses, deferred compensation expense, and brokerage commissions and other charges relating to the purchase and sale of the Fund's securities will not exceed the following amounts of average daily net assets of the respective Fund:

<u>Fund</u>	<u>Class A</u>	<u>Class I</u>
KSCVF	1.39%	1.14%
KSDVF	1.29%	1.04%
KSMVF	1.39%	1.14%
KMDVF	1.29%	1.04%
KACVF	1.39%	1.14%

Any reimbursements or fee waivers made by the Adviser to a Fund are subject to repayment by the Fund, to the extent that the Fund is able to make the repayment within its Expense Cap Agreement. However, the repayment of previously waived expenses is limited to amounts that do not cause the aggregate operating expenses of the Fund to exceed the current expense cap or the expense cap in place at the time the waiver was generated. The Adviser did not recoup any fees previously waived or reimbursed under the Expense Cap Agreement for the period from March 1, 2017 to September 30, 2017. The table below indicates the amount of fees available for recoupment by the Adviser in future periods:

<u>Fund</u>	<u>Recovery Expiring on:</u>		
	<u>9/30/18</u>	<u>9/30/19</u>	<u>9/30/20</u>
KSCVF	N/A	N/A	\$130,866
KSDVF	N/A	N/A	115,221
KSMVF	N/A	N/A	50,863
KMDVF	N/A	N/A	118,898
KACVF	N/A	N/A	43,969

**4. DISTRIBUTION AND SHAREHOLDER SERVICING PLANS**

From October 1, 2016 to February 28, 2017, the Corporation operated under a previously adopted Distribution Plan (the "Prior Plan") pursuant to Rule 12b-1 under the 1940 Act for the Funds' Class A shares. The Prior Plan was designed to reimburse Keeley Investment Corp. (the "Prior Distributor"), with whom certain officers and directors of the Corporation were affiliated, for



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certain promotional and other sales related costs and to permit the Corporation to compensate other dealers of its shares. Each Fund paid the Prior Distributor and each dealer a monthly fee at the annual rate of 0.25% of the average daily net assets of Fund shares beneficially owned by the Prior Distributor's and each dealer's existing brokerage clients. The Prior Plan could be continued in effect from year to year if such continuance was approved annually by the Board of Directors of the Corporation, including the vote of a majority of the Independent Directors.

A special meeting of the shareholders of the Funds was held on February 15, 2017 where a new Distribution Plan (the "Plan"), pursuant to Rule 12b-1 under the 1940 Act, was approved by a Class A shareholder vote, and the Corporation began operating under the Plan on March 1, 2017. The Plan is designed to finance or assist in the financing of any activity primarily intended to result in the sale of Class A shares by G.distributors, LLC (the "Distributor"), with whom certain officers and directors of the Corporation are affiliated, and to permit the Corporation to compensate the Distributor and other dealers of its shares. Each Fund paid the Distributor and each dealer a monthly fee at the annual rate of 0.25% of the average daily net assets of Fund shares beneficially owned by the Distributor's and each dealer's existing brokerage clients. The Plan can be continued in effect from year to year if such continuance is approved annually by the Board of Directors of the Corporation, including the vote of a majority of the Independent Directors.

For the period from October 1, 2016 to September 30, 2017, KSCVF – Class A expensed \$1,435,609 in distribution fees, of which \$12,288 was paid to the Prior Distributor and \$11,893 was paid to the Distributor; KSDVF – Class A expensed \$60,495 in distribution fees, of which \$100 was paid to the Prior Distributor and \$106 was paid to the Distributor; KSMVF – Class A expensed \$110,995 in distribution fees, of which \$827 was paid to the Prior Distributor and \$963 was paid to the Distributor; KMDVF – Class A expensed \$49,526 in distribution fees, of which \$417 was paid to the Prior Distributor and \$421 was paid to the Distributor; and KACVF – Class A expensed \$44,568 in distribution fees, of which \$152 was paid to the Prior Distributor and \$167 was paid to the Distributor. The distribution fees paid to the Prior Distributor and the Distributor are unaudited.

The Corporation has adopted a Shareholder Servicing Agreement for all of its Funds and their Classes. From October 1, 2016 to February 28, 2017, the Corporation retained the Prior Distributor to serve as the shareholder servicing agent for the Funds pursuant to the Shareholder Servicing Agreement. Effective March 1, 2017, the Corporation retained the Adviser to serve as the shareholder servicing agent for the Funds pursuant to the Shareholder Servicing Agreement. Under the Shareholder Servicing Agreement, the

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Corporation paid the Prior Distributor and the Adviser a monthly fee calculated at an annual rate of 0.05% of each Fund's average daily net assets for providing support services to investors who beneficially own shares of a Fund. The Shareholder Servicing Agreement may be continued in effect from year to year if such continuance is approved annually by the Board of Directors of the Corporation, including the vote of a majority of the Independent Directors. For the period from October 1, 2016 to February 28, 2017, the Prior Distributor received \$213,777, \$21,901, \$29,953, \$20,212, and \$13,413 from KSCVF, KSDVF, KSMVF, KMDVF and KACVF, respectively, and for the period from March 1, 2017 to September 30, 2017 the Adviser received \$256,766, \$29,052, \$39,081, \$32,930, and \$17,233 from KSCVF, KSDVF, KSMVF, KMDVF and KACVF, respectively.

**5. INVESTMENT TRANSACTIONS**

The aggregate cost of purchases and proceeds from sales of securities, excluding short-term investments, for the year ended September 30, 2017 were as follows:

<b>Fund</b>	<b>Investment Securities</b>	
	<b>Purchases</b>	<b>Sales</b>
KSCVF	\$259,034,477	\$577,425,757
KSDVF	21,833,984	42,947,309
KSMVF	26,684,721	64,570,407
KMDVF	57,898,802	43,908,307
KACVF	50,314,082	60,838,911

The Funds did not engage in any transactions in U.S. Government Securities during the year ended September 30, 2017.

**6. FEDERAL INCOME TAX INFORMATION**

At September 30, 2017, gross unrealized appreciation and depreciation of investments, based on cost for federal income tax purposes, were as follows:

	<b>KSCVF</b>	<b>KSDVF</b>	<b>KSMVF</b>	<b>KMDVF</b>	<b>KACVF</b>
Tax Cost of Investments	\$610,196,186	\$69,749,517	\$89,794,149	\$102,010,207	\$46,846,415
Gross Unrealized Appreciation	\$246,906,012	\$28,925,692	\$49,392,234	\$ 18,479,868	\$12,850,249
Gross Unrealized Depreciation	(24,720,703)	(1,457,098)	(3,998,201)	(3,681,568)	(1,513,236)
Net Unrealized Appreciation/ (Depreciation) on Investments	\$222,185,309	\$27,468,594	\$45,394,033	\$ 14,798,300	\$11,337,013

The difference between cost amounts for financial statement and federal income tax purposes is due primarily to timing differences resulting from wash sale transactions during the year and due to the securities that were originally transferred in-kind for KSDVF.

**KEELEY Funds, Inc.**  
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At September 30, 2017, KSCVF, KSDVF, KSMVF, KMDVF and KACVF had net Post-October realized capital losses of \$0, \$0, \$0, \$0, and \$0 respectively, and late year ordinary losses of \$0, \$0, \$0, \$0, and \$76,296 respectively, from transactions between November 1, 2016 and September 30, 2017.

At September 30, 2017, the accumulated capital loss carryforwards for federal income tax purposes were:

Fund	Capital losses expiring:			
	2018	2019	Indefinite ST	Indefinite LT
KSCVF	—	—	—	—
KSDVF	—	—	—	—
KSMVF	—	—	—	—
KMDVF	—	—	—	—
KACVF	—	—	—	—

To the extent that a Fund may realize future net capital gains, those gains will be offset by any of their unused respective capital loss carryforwards. Under the Regulated Investment Company Modernization Act of 2010, capital losses incurred during fiscal years after 2010 are carried forward indefinitely and retain the character of the original loss. In addition, such losses must be utilized prior to the losses incurred in the years preceding enactment.

The tax character of distributions paid during the fiscal years ended September 30, 2017 and 2016 were as follows:

Fund	Ordinary Income		Long-term Capital Gains		Return of Capital	
	2017	2016	2017	2016	2017	2016
KSCVF	\$5,662,429	\$1,204,971	\$51,100,164	\$186,064,651	\$ —	—
KSDVF	\$1,542,417	\$2,143,473	\$ 1,784,087	\$ 5,170,259	\$ —	—
KSMVF	\$ 632,879	\$ 883,288	\$11,102,358	\$ 7,252,099	\$ —	—
KMDVF	\$1,005,758	\$ 862,794	\$ —	\$ 1,454,214	\$ —	\$154,941
KACVF	\$ 557,051	\$ 907,514	\$ 2,584,796	\$ 13,328,719	\$ —	—

As of September 30, 2017, the components of accumulated earnings on a tax basis were as follows:

	KSCVF	KSDVF	KSMVF	KMDVF	KACVF
Accumulated Capital and Other Gains/ (Losses)	\$ (187,697)	\$ (8,850)	\$ (17,598)	\$ (2,665)	\$ (84,084)
Undistributed Ordinary Income	2,048,893	16,967	3,255,724	15,271	623,911
Undistributed Long-Term Gain	73,407,216	5,277,754	9,212,510	—	1,557,356
Unrealized Appreciation/ (Depreciation) on Investments	\$222,185,309	\$27,468,594	\$45,394,033	\$14,798,300	\$11,337,013
Total Accumulated Gains/ (Losses)	\$297,453,721	\$32,754,465	\$57,844,669	\$14,810,906	\$13,434,196

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**7. OFFERING PRICE PER SHARE**

The public offering price for Class A shares is the net asset value plus a sales charge, which varies in accordance with the amount of the purchase up to a maximum of 4.50%. The public offering price for Class I shares is the net asset value.

From October 1, 2016 to February 28, 2017, the Prior Distributor retained the entire sales charge when it made sales directly to the public. Otherwise, when sales were made through dealers, the Prior Distributor received a portion of the related sales charge. For the period from October 1, 2016 to February 28, 2017, the Prior Distributor earned \$7,676, \$1,034, \$12,535, \$2,810 and \$258 (unaudited) of the sales charges on behalf of KSCVF, KSDVF, KSMVF, KMDVF and KACVF, respectively.

Effective March 1, 2017, the Distributor retains the entire sales charge when it makes sales directly to the public. Otherwise, when sales are made through dealers, the Distributor receives a portion of the related sales charge. For the period from March 1, 2017 to September 30, 2017, the Distributor earned \$7,536, \$1,445, \$1,877, \$7,486, and \$316 (unaudited) of the sales charges on behalf of KSCVF, KSDVF, KSMVF, KMDVF and KACVF, respectively.

Sales charges are not an expense of the Funds and are not reflected in the financial statements of the Funds.

**8. LINE OF CREDIT ARRANGEMENTS**

The Corporation is a party to a \$150 million unsecured umbrella line of credit agreement with U.S. Bank, N.A., expiring February 25, 2018. The Funds may borrow up to the lesser of (a) \$150 million in aggregate or (b) 10% of the net assets of the borrowing Fund. Interest is charged on borrowings at the prevailing Prime Rate. The Funds have borrowed under this agreement from time to time to increase the efficiency of cash flow management. For the period from October 1, 2016 to September 30, 2017, KSCVF, KSDVF, KSMVF, KMDVF and KACVF had average daily borrowings of \$35,378, \$477, \$18,529, \$0, and \$13,693 respectively, with an average borrowing rate of 3.83%. For the period from October 1, 2016 to September 30, 2017, KSCVF, KSDVF, KSMVF, KMDVF and KACVF had a maximum daily borrowing of \$3,143,000, \$174,000, \$3,435,000, \$0, and \$1,669,000 respectively. The Funds had no outstanding borrowings at September 30, 2017.

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
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9. OWNERSHIP BY AFFILIATED PARTIES

As of September 30, 2017, affiliates of the Funds beneficially owned shares of the following Funds as set forth below:

	<u>KSCVF</u>	<u>KSDVF</u>	<u>KSMVF</u>	<u>KMDVF</u>	<u>KACVF</u>
	<u>CLASS I</u>	<u>CLASS I</u>	<u>CLASS I</u>	<u>CLASS I</u>	<u>CLASS I</u>
Shares	616,929	1,874,381	1,466,116	1,772,950	1,766,151
Percent of total outstanding shares	6.56%	47.78%	24.34%	39.37%	71.01%

10. DEFERRED COMPENSATION PLAN

A deferred compensation plan (the "Plan") is available to the Independent Directors on a voluntary basis. Deferred amounts remain in the Funds until distributed in accordance with the provisions of the Plan. The value of a participating Director's deferral account is based on the theoretical investments of deferred amounts, on the normal payment dates, in all the Funds available from the Corporation as designated by the participating Directors. Changes in the value of participants' deferral accounts are allocated pro rata among all Funds based on average net assets and are included in Directors' fees on the Statement of Operations. The portions of the accrued obligations allocated to the Funds under the Plan are included in other accrued expenses on the Statement of Assets and Liabilities.

## Report of Independent Registered Public Accounting Firm

To the Board of Directors of KEELEY Funds, Inc. and Shareholders of KEELEY Small Cap Value Fund, KEELEY Small Cap Dividend Value Fund, KEELEY Small-Mid Cap Value Fund, KEELEY Mid Cap Dividend Value Fund and KEELEY All Cap Value Fund

In our opinion, the accompanying statements of assets and liabilities, including the schedules of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of the KEELEY Small Cap Value Fund, KEELEY Small Cap Dividend Value Fund, KEELEY Small-Mid Cap Value Fund, KEELEY Mid Cap Dividend Value Fund and KEELEY All Cap Value Fund, (constituting KEELEY Funds, Inc., hereinafter collectively referred to as the "Funds") as of September 30, 2017, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities as of September 30, 2017 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Chicago, IL  
November 21, 2017

**KEELEY Funds, Inc.**  
**RESULTS OF THE SPECIAL MEETING OF SHAREHOLDERS**

**February 15, 2017 Meeting**

A special meeting of the shareholders of the Funds was held on February 15, 2017. The matters voted on by the shareholders of the Funds and results of the votes at the shareholder meeting were as follows:

**Proposal 1:**

To approve a new investment advisory agreement between the Corporation, on behalf of each Fund, and the Adviser.

	<u>Fund</u>	<u>Shares Voted</u>	<u>% of Shares Voted</u>	<u>% of Outstanding Shares Voted</u>
For	KSCVF	12,424,760	95.6%	71.8%
Against	KSCVF	226,850	1.8%	1.3%
Abstain	KSCVF	341,040	2.6%	2.0%
For	KSDVF	3,963,131	98.3%	86.0%
Against	KSDVF	29,280	0.7%	0.6%
Abstain	KSDVF	40,064	1.0%	0.9%
For	KSMVF	5,318,083	97.2%	80.5%
Against	KSMVF	73,319	1.3%	1.1%
Abstain	KSMVF	82,469	1.5%	1.3%
For	KMDVF	4,094,905	99.2%	93.3%
Against	KMDVF	17,976	0.4%	0.4%
Abstain	KMDVF	17,399	0.4%	0.4%
For	KACVF	2,924,261	99.1%	94.3%
Against	KACVF	14,761	0.5%	0.5%
Abstain	KACVF	11,482	0.4%	0.4%

**Proposal passed**

**Proposal 2:**

To approve a new plan of distribution, pursuant to Rule 12b-1 under the Investment Company Act of 1940, for Class A Shares of each Fund.

	<u>Fund</u>	<u>Shares Voted</u>	<u>% of Shares Voted</u>	<u>% of Outstanding Shares Voted</u>
For	KSCVF	6,916,584	91.5%	67.7%
Against	KSCVF	232,584	3.1%	2.3%
Abstain	KSCVF	411,577	5.4%	4.0%
For	KSDVF	610,850	91.5%	77.8%
Against	KSDVF	28,366	4.2%	3.6%
Abstain	KSDVF	28,589	4.3%	3.6%
For	KSMVF	1,362,839	95.1%	76.7%
Against	KSMVF	32,242	2.2%	1.8%
Abstain	KSMVF	38,903	2.7%	2.2%
For	KMDVF	439,089	93.3%	68.0%
Against	KMDVF	15,111	3.2%	2.3%
Abstain	KMDVF	16,431	3.5%	2.5%

**KEELEY Funds, Inc.**  
**RESULTS OF THE SPECIAL MEETING OF SHAREHOLDERS (Continued)**

	<u>Fund</u>	<u>Shares Voted</u>	<u>% of Shares Voted</u>	<u>% of Outstanding Shares Voted</u>
For	KACVF	458,967	94.1%	73.5%
Against	KACVF	15,973	3.3%	2.6%
Abstain	KACVF	12,474	2.6%	2.0%

**Proposal passed**

**Proposal 3:**

To elect director nominees to the Board of Directors of the Corporation.

	<u>Fund</u>	<u>Shares Voted</u>	<u>% of Shares Voted</u>	<u>% of Outstanding Shares Voted</u>
Laura D. Alter – For	KSCVF	16,335,709	94.4%	94.4%
Laura D. Alter – Abstain	KSCVF	973,448	5.6%	5.6%
Anthony S. Colavita – For	KSCVF	16,326,699	94.3%	94.3%
Anthony S. Colavita – Abstain	KSCVF	982,458	5.7%	5.7%
James P. Conn – For	KSCVF	16,292,473	94.1%	94.1%
James P. Conn – Abstain	KSCVF	1,016,684	5.9%	5.9%
Nicholas F. Gallucio – For	KSCVF	16,328,698	94.3%	94.3%
Nicholas F. Gallucio – Abstain	KSCVF	980,459	5.7%	5.7%
Kevin M. Keeley – For	KSCVF	16,331,861	94.4%	94.3%
Kevin M. Keeley – Abstain	KSCVF	977,297	5.6%	5.7%
Jerome J. Klingenger – For	KSCVF	16,323,084	94.3%	94.3%
Jerome J. Klingenger – Abstain	KSCVF	986,073	5.7%	5.7%
Sean Lowry – For	KSCVF	16,318,344	94.3%	94.3%
Sean Lowry – Abstain	KSCVF	990,813	5.7%	5.7%
Michael J. Melarkey – For	KSCVF	16,321,859	94.3%	94.3%
Michael J. Melarkey – Abstain	KSCVF	987,299	5.7%	5.7%
Kuni Nakamura – For	KSCVF	16,334,138	94.4%	94.4%
Kuni Nakamura – Abstain	KSCVF	975,019	5.6%	5.6%
Laura D. Alter – For	KSDVF	4,552,743	98.8%	98.8%
Laura D. Alter – Abstain	KSDVF	55,860	1.2%	1.2%
Anthony S. Colavita – For	KSDVF	4,560,496	99.0%	99.0%
Anthony S. Colavita – Abstain	KSDVF	48,107	1.0%	1.0%
James P. Conn – For	KSDVF	4,533,013	98.4%	98.4%
James P. Conn – Abstain	KSDVF	75,590	1.6%	1.6%
Nicholas F. Gallucio – For	KSDVF	4,559,718	98.9%	98.9%
Nicholas F. Gallucio – Abstain	KSDVF	48,885	1.1%	1.1%
Kevin M. Keeley – For	KSDVF	4,559,559	98.9%	98.9%
Kevin M. Keeley – Abstain	KSDVF	49,044	1.1%	1.1%
Jerome J. Klingenger – For	KSDVF	4,564,204	99.0%	99.0%
Jerome J. Klingenger – Abstain	KSDVF	44,399	1.0%	1.0%
Sean Lowry – For	KSDVF	4,560,933	99.0%	99.0%
Sean Lowry – Abstain	KSDVF	47,670	1.0%	1.0%
Michael J. Melarkey – For	KSDVF	4,553,768	98.8%	98.8%
Michael J. Melarkey – Abstain	KSDVF	54,835	1.2%	1.2%



**KEELEY Funds, Inc.**  
**RESULTS OF THE SPECIAL MEETING OF SHAREHOLDERS (Continued)**

	<u>Fund</u>	<u>Shares Voted</u>	<u>% of Shares Voted</u>	<u>% of Outstanding Shares Voted</u>
Kuni Nakamura – For	KSDVF	4,549,913	98.7%	98.7%
Kuni Nakamura – Abstain	KSDVF	58,690	1.3%	1.3%
Laura D. Alter – For	KSMVF	6,463,532	97.9%	97.9%
Laura D. Alter – Abstain	KSMVF	141,151	2.1%	2.1%
Anthony S. Colavita – For	KSMVF	6,451,824	97.7%	97.7%
Anthony S. Colavita – Abstain	KSMVF	152,859	2.3%	2.3%
James P. Conn – For	KSMVF	6,397,472	96.9%	96.9%
James P. Conn – Abstain	KSMVF	207,211	3.1%	3.1%
Nicholas F. Gallucio – For	KSMVF	6,453,182	97.7%	97.7%
Nicholas F. Gallucio – Abstain	KSMVF	151,501	2.3%	2.3%
Kevin M. Keeley – For	KSMVF	6,450,024	97.7%	97.7%
Kevin M. Keeley – Abstain	KSMVF	154,659	2.3%	2.3%
Jerome J. Klingenberg – For	KSMVF	6,453,182	97.7%	97.7%
Jerome J. Klingenberg – Abstain	KSMVF	151,501	2.3%	2.3%
Sean Lowry – For	KSMVF	6,452,349	97.7%	97.7%
Sean Lowry – Abstain	KSMVF	152,334	2.3%	2.3%
Michael J. Melarkey – For	KSMVF	6,440,954	97.5%	97.5%
Michael J. Melarkey – Abstain	KSMVF	163,729	2.5%	2.5%
Kuni Nakamura – For	KSMVF	6,458,980	97.8%	97.8%
Kuni Nakamura – Abstain	KSMVF	145,703	2.2%	2.2%
Laura D. Alter – For	KMDVF	4,380,598	99.9%	99.9%
Laura D. Alter – Abstain	KMDVF	6,487	0.1%	0.1%
Anthony S. Colavita – For	KMDVF	4,380,598	99.9%	99.9%
Anthony S. Colavita – Abstain	KMDVF	6,487	0.1%	0.1%
James P. Conn – For	KMDVF	4,380,598	99.9%	99.9%
James P. Conn – Abstain	KMDVF	6,487	0.1%	0.1%
Nicholas F. Gallucio – For	KMDVF	4,380,290	99.8%	99.9%
Nicholas F. Gallucio – Abstain	KMDVF	6,795	0.2%	0.1%
Kevin M. Keeley – For	KMDVF	4,381,572	99.9%	99.9%
Kevin M. Keeley – Abstain	KMDVF	5,512	0.1%	0.1%
Jerome J. Klingenberg – For	KMDVF	4,381,880	99.9%	99.9%
Jerome J. Klingenberg – Abstain	KMDVF	5,204	0.1%	0.1%
Sean Lowry – For	KMDVF	4,381,880	99.9%	99.9%
Sean Lowry – Abstain	KMDVF	5,204	0.1%	0.1%
Michael J. Melarkey – For	KMDVF	4,380,290	99.8%	99.9%
Michael J. Melarkey – Abstain	KMDVF	6,795	0.2%	0.1%
Kuni Nakamura – For	KMDVF	4,380,290	99.8%	99.9%
Kuni Nakamura – Abstain	KMDVF	6,795	0.2%	0.1%
Laura D. Alter – For	KACVF	3,067,544	98.9%	98.9%
Laura D. Alter – Abstain	KACVF	34,173	1.1%	1.1%
Anthony S. Colavita – For	KACVF	3,063,234	98.8%	98.8%
Anthony S. Colavita – Abstain	KACVF	38,483	1.2%	1.2%
James P. Conn – For	KACVF	3,064,989	98.8%	98.8%
James P. Conn – Abstain	KACVF	36,728	1.2%	1.2%
Nicholas F. Gallucio – For	KACVF	3,063,234	98.8%	98.8%
Nicholas F. Gallucio – Abstain	KACVF	38,483	1.2%	1.2%
Kevin M. Keeley – For	KACVF	3,065,789	98.8%	98.8%
Kevin M. Keeley – Abstain	KACVF	35,928	1.2%	1.2%

**KEELEY Funds, Inc.**  
**RESULTS OF THE SPECIAL MEETING OF SHAREHOLDERS (Continued)**

	<u>Fund</u>	<u>Shares Voted</u>	<u>% of Shares Voted</u>	<u>% of Outstanding Shares Voted</u>
Jerome J. Klingenberger – For	KACVF	3,067,544	98.9%	98.9%
Jerome J. Klingenberger – Abstain	KACVF	34,173	1.1%	1.1%
Sean Lowry – For	KACVF	3,067,544	98.9%	98.9%
Sean Lowry – Abstain	KACVF	34,173	1.1%	1.1%
Michael J. Melarkey – For	KACVF	3,064,989	98.8%	98.8%
Michael J. Melarkey – Abstain	KACVF	36,728	1.2%	1.2%
Kuni Nakamura – For	KACVF	3,064,989	98.8%	98.8%
Kuni Nakamura – Abstain	KACVF	36,728	1.2%	1.2%

**Proposal passed**

## KEELEY Funds Directors and Officers

### Independent Directors\*

Name and Year of Birth	Position(s) Held with each Fund	Term of Office <sup>(4)</sup> and Length of Time Served	Principal Occupation(s) During at Least the Past Five Years	Number of Portfolios Overseen Within Fund Complex	Other Directorships Held Outside Fund Complex
Laura D. Alter 1960	Director	Since 2014	Retired since 2010; previously, Managing Director and, Senior Partner of Fixed Income, Harris Investments (1994-2010); Fund Manager for Harris Insight family of funds (1994-2010)	5	None
Anthony S. Colavita <sup>(1)</sup> 1961	Director	Since 2017	Attorney, Anthony S. Colavita, P.C. (1988-present).	9	None
James P. Conn 1938	Director	Since 2017	Former Managing Director and Chief Investment Officer of Financial Security Assurance Holdings, Ltd. (1992-1998)	27	None
Jerome J. Klingenberger 1955	Director	Since 1999	Executive Vice President and Chief Financial Officer (since 2006) of Grayhill, Inc. (human interface solutions)	5	None
Sean Lowry 1953	Director	Since 1999	Retired since 2015; formerly, Executive Vice President, Pacor Mortgage Corp. (1992-2015)	5	None
Michael J. Melarkey 1949	Director	Since 2017	Owner in Pioneer Crossing Casino Group; Of Counsel in the law firm of McDonald Carano Wilson LLP; previously partner in the law firm of Avansino, Melarkey, Knobel, Mulligan & McKenzie (1980-2015)	14	Southwest Gas Corporation (natural gas utility)
Kuni Nakamura 1968	Director	Since 2017	President (since 1990) of Advanced Polymer, Inc. (chemical manufacturing company); President of KEN Enterprises, Inc. (real estate)	24	None

## KEELEY Funds Directors and Officers (Continued)

### Interested Directors and Officers

Name and Year of Birth	Position(s) Held with each Fund	Term of Office <sup>(4)</sup> and Length of Time Served	Principal Occupation(s) During at Least the Past Five Years	Number of Portfolios Overseen Within Fund Complex	Other Directorships Held Outside Fund Complex
Nicholas Galluccio <sup>(2)</sup> 1950	Co-Chairman and Director	Co-Chairman and Director since 2017	President and Chief Executive Officer of Teton Advisors, Inc. (since 2008); Group Managing Director U.S. Equities (2004-2008), Managing Director U.S. Equities (1994-2004), Senior Vice President (1990-1994) and Vice President (1982-1990) of Trust Company of the West (TCW).	5	Board of Regents of the University of Hartford; Executive Advisory Board of the Columbia Business School Program for Financial Studies
Kevin M. Keeley <sup>(3)</sup> 1967	Co-Chairman, Director and President	Co-Chairman and Director since 2017; President since 2015	Executive Chairman of Keeley-Teton Advisors, LLC (since 2017); President (2015-2017) and Executive Vice President (2010-2015) of Joley Corp.; President (2015-2017) and Executive Vice President (2010-2015) of Keeley Holdings, Inc.; President of Keeley Asset Management Corp. (2015-2017); Senior Vice President of Keeley Asset Management Corp. and Keeley Investment Corp. (2010-2015).	5	Director, Keeley Family Foundation

## KEELEY Funds Directors and Officers (Continued)

### Officers

Name and Year of Birth	Position(s) Held with each Fund	Term of Office <sup>(4)</sup> and Length of Time Served	Principal Occupation(s) During the Past Five Years
Kevin Chin 1965	Vice President	Since 2015	Chief Investment Officer and Portfolio Manager of Keeley-Teton Advisors, LLC (since 2017); Chief Investment Officer of Keeley Asset Management Corp. (2015-2017); Senior Vice President, Portfolio Manager of Keeley Asset Management Corp. (2013-2017); previously, Senior Vice President, Portfolio Manager of Cramer Rosenthal McGlynn (1989-2012).
Robert Kurinsky 1972	Treasurer, Secretary and Chief Legal Officer	Treasurer since 2007; Secretary since 2006; Chief Legal Officer since 2008	President and Chief Operating Officer of Keeley-Teton Advisors, LLC (since 2017); Treasurer and Secretary of Joley Corp.; Treasurer and Secretary of Keeley Holdings, Inc.; Secretary, Treasurer, Chief Financial Officer and General Counsel of Keeley Asset Management Corp.; Secretary, Treasurer, Chief Financial Officer and General Counsel of Keeley Investment Corp.
Deanna Marotz 1965	Chief Compliance Officer	Since 2015	Chief Compliance Officer of Keeley-Teton Advisors, LLC and Teton Advisors, Inc. (since 2017); Chief Compliance Officer of Keeley Asset Management Corp. (2015-2017); Chief Compliance Officer of Invesco PowerShares Capital Management LLC (2008-2015).
David M. Goldman 1973	Assistant Secretary	Since 2017	Secretary of Keeley-Teton Advisors, LLC (since 2017); Vice President, Corporate Development and General Counsel of Gabelli Funds, LLC (since 2011); Chief Compliance Officer and General Counsel of Teton Advisors, Inc. (2011-2017).

\* The business address of the Directors and officers listed above is the address of the Company: 111 West Jackson Boulevard, Suite 810, Chicago, Illinois 60604.

- (1) Mr. Colavita's father, Anthony J. Colavita, serves as a director of several funds which are part of the Fund Complex.
- (2) Nicholas Galluccio is considered an interested person of the Company because of his position as President and Chief Executive Officer of Teton.
- (3) Kevin M, Keeley is considered an interested person of the Company because of his position as Executive Chairman of Keeley-Teton.
- (4) Each Director serves an indefinite term until the election of a successor. Each officer serves an indefinite term, renewed annually, until the election of a successor.

## PRIVACY STATEMENT

Protecting your personal information is an important priority for us. The Funds' privacy policy is designed to support this objective. We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or on other forms; correspondence or conversations, such as your name, address, social security number, assets, income and date of birth.
- Information about your transactions with us, our affiliates or others, such as your account numbers and balances, transaction history, parties to transactions, cost basis information and other financial information.

The Funds restrict access to your nonpublic information by maintaining physical, electronic and procedural safeguards.

The Funds do not disclose any nonpublic information about their current or former consumers or customers to nonaffiliated third parties, except as permitted by law.

G. distributors, LLC is the Distributor and Keeley-Teton Advisors, LLC is the Investment Adviser for the Keeley Funds. We may share your nonpublic information with affiliates who require such information to provide products or services to you. You may request that we not share your nonpublic information with our affiliates for use by them in marketing products or services to you by calling us toll-free at 1-888-933-5391. We will honor your choice until you tell us otherwise. If you have a joint account, your instruction will be applied to all account holders on that account.

## **Proxy Voting Policies and Procedure**

You may obtain a description of KEELEY Funds' proxy voting policies and procedures that the Funds use to determine how to vote proxies related to portfolio securities, without charge, upon request by calling 1-888-933-5391. This information also is included in KEELEY Funds' statement of additional information ("SAI"), which is available on the Funds' website at [www.keeleyfunds.com](http://www.keeleyfunds.com) and the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov).

Information relating to how each KEELEY Fund voted proxies relating to portfolio securities held during the 12-month period ended June 30, 2017 is available on the Funds' website at [www.keeleyfunds.com](http://www.keeleyfunds.com) and the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov).

## **Information About Portfolio Securities**

The Corporation filed a complete schedule of portfolio holdings with the Securities and Exchange Commission for the quarters ending December 31, 2016 and June 30, 2017 (the first and third quarters of the Funds' fiscal year) on Form N-Q. The Corporation's Forms N-Q are available on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov). You also may review and copy those documents by visiting the Securities and Exchange Commission's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling the Securities and Exchange Commission at 800.SEC.0330.

## **Household Delivery of Shareholder Documents**

To reduce expenses, the Funds may mail only one copy of the Funds' prospectus, SAI and each annual and semi-annual report to those addresses shared by two or more accounts. If you wish to receive individual copies of these documents, please call the Funds at 888.933.5391 or contact your financial institution. You will begin receiving individual copies thirty days after receiving your request.

## **Electronic Delivery of Shareholder Documents**

You may choose to receive the KEELEY Funds' prospectus and annual and semi-annual reports electronically. To sign up for electronic delivery, visit [www.icsdelivery.com](http://www.icsdelivery.com) and select the first letter of your brokerage firm's name. Then, select your brokerage institution from the list that follows, fill out the appropriate information and provide an e-mail address where you would like your information sent. If your brokerage firm is not listed, electronic delivery may not be available. Please contact your brokerage firm or financial adviser.

## **Tax Notice**

The percentages of dividend income distributed for the year ended September 30, 2017, which is designated as qualified dividend income under the Jobs and Growth Tax Relief Reconciliation Act of 2003, are 100%, 100%, 82%, 100% and 88% for KSCVF, KSDVF, KSMVF, KMDVF and KACVF, respectively. Of the dividends, 100%, 100%, 81%, 100% and 66% paid by KSCVF, KSDVF, KSMVF, KMDVF and KACVF, respectively, qualify for the corporate dividends received deduction.

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*Investment Adviser*



**KEELEY**  
*Teton Advisors*

**KEELEY-TETON ADVISORS, LLC**  
Chicago, Illinois

*Distributor*  
**G. DISTRIBUTORS, LLC**  
Rye, New York  
800-422-2274

*Custodian*  
**U.S. BANK, N.A.**  
Milwaukee, Wisconsin  
888-933-5391

*Transfer Agent and Dividend Disbursing Agent*  
**U.S. BANCORP FUND SERVICES, LLC**  
Milwaukee, Wisconsin  
888-933-5391

*Independent Registered Public Accounting Firm*  
**PRICEWATERHOUSECOOPERS LLP**  
Chicago, Illinois

*Counsel*  
**Paul Hastings LLP**  
New York, New York

Performance information quoted represents past performance and does not guarantee future results. The investment return and principal value of shares will fluctuate so that an investor's shares, when redeemed, may be worth more or less than its original cost. This material may only be used when preceded or accompanied by each Fund's prospectus.

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*Funds*

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