

# HEARTLAND INTERNATIONAL VALUE FUND

September 30, 2017



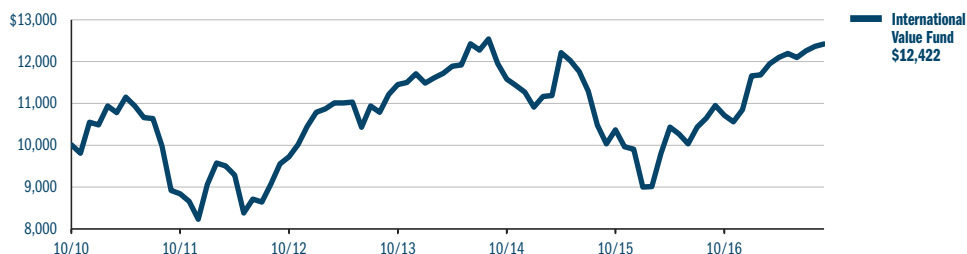
## PORTFOLIO MANAGEMENT TEAM AND INDUSTRY EXPERIENCE

Michael Jolin, CFA - 14 yrs  
Robert C. Sharpe - 34

The Fund seeks long-term capital appreciation by investing in small- and mid-cap international companies, with an emphasis on dividends

## GROWTH OF A HYPOTHETICAL \$10,000 INVESTMENT

(Investor Class, Since Inception: October 1, 2010)



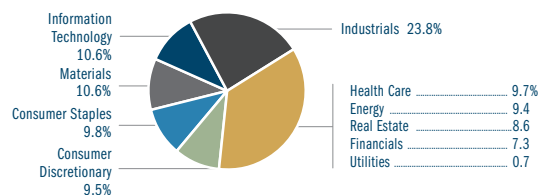
## COUNTRY ALLOCATION<sup>1</sup>

(% of Equity Investments)

Japan	20.4	Germany	3.1
United Kingdom	13.9	Netherlands	2.6
Canada	12.1	Slovenia	2.6
Hong Kong	8.2	Ireland	2.2
South Korea	7.5	Colombia	1.9
Taiwan	7.0	Italy	1.7
Austria	5.0	Brazil	1.6
Australia	3.9	New Zealand	1.5
France	3.4	Sweden	1.4

## SECTOR ALLOCATION

(% of Equity Investments)



## VALUATION ANALYSIS (Equity Securities Only, Weighted Median Unless Otherwise Noted)



## AVERAGE ANNUAL TOTAL RETURNS (Annualized for Multi-Year Periods)

As of September 30, 2017

	Since Inception	Five Years	Three Years	One Year	Year-To-Date	3Q 2017
International Value Fund Investor Class	3.15%	5.38%	1.29%	13.45%	14.47%	2.65%
International Value Fund Institutional Class	3.18	5.42	1.35	13.66	14.69	2.75
Russell Global <sup>®</sup> ex-US Small Cap Index	6.56	8.77	7.13	17.48	21.88	5.98

Performance data quoted for periods prior to 10/1/13 for the International Value Fund is that of the Predecessor Fund (the Heartland International Value Fund a series of the Trust for Professional Managers).

Index Source: FactSet Research Systems Inc. and Russell<sup>®</sup>.

The inception date for the International Value Fund is 10/1/2010 for the investor class and 5/1/2017 for the institutional class.

**In the prospectus dated 5/1/2017, the Total Annual Fund Operating Expenses after Fee Waiver and/or Expense Reimbursement for the investor and institutional classes of the International Value Fund are 1.25% and 0.99%, respectively. The Advisor has contractually agreed to waive its management fees and/or reimburse expenses of the Fund to ensure that Total Annual Fund Operating Expenses for the Fund do not exceed 1.25% of the Fund's average net assets for the investor class shares and 0.99% for the institutional class shares, through at least 5/1/2019, and subject thereafter to annual reapproval of the agreement by the Board of Directors. Without such waiver and/or reimbursements, the total annual fund operating expenses would be 1.89% for the investor class shares and 1.63% for the institutional class shares.**

Past performance does not guarantee future results. Performance represents past performance; current returns may be lower or higher. Performance for institutional class shares prior to their initial offering is based on the performance of investor class shares. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. All returns reflect reinvested dividends and capital gains distributions, but do not reflect the deduction of taxes that an investor would pay on distributions or redemptions. Subject to certain exceptions, shares of a Fund redeemed or exchanged within 90 days of purchase are subject to a 2% redemption fee. Performance does not reflect this fee, which if deducted would reduce an individual's return. To obtain performance through the most recent month end, call 800-432-7856 or visit heartlandadvisors.com.

## HEARTLAND INTERNATIONAL VALUE FUND

	Investor Class	Institutional Class
Ticker	HINVX	HNNVX
CUSIP	422352823	422352781
NAV	\$10.44	\$10.46
Initial Investment	1,000	500,000
Subsequent Investment	100	100
IRA Initial Investment	500	500,000

## PORTFOLIO STATISTICS

Number of Holdings*	47
Net Assets	\$28 mil.
Median Market Cap	977 mil.
Weighted Average Market Cap	1.5 bil.
Holdings in Dividend Paying Companies	91.5%

## CAPITALIZATION BREAKDOWN

(% of Equity Investments)

> \$15 bil.	0.0
\$2 bil. - \$15 bil.	23.3
\$300 mil. - \$2 bil.	60.3
< \$300 mil.	16.4

The above breakdown does not include short-term investments.

## TOP HOLDINGS\* (% of Net Assets)

Incitec Pivot Limited	3.71
Keck Seng Investments Limited	3.67
Bank of Kyoto, Ltd.	3.60
WACOM Co Ltd	3.30
Semperit AG Holding	3.05
Total Energy Services Inc.	3.02
Chemring Group PLC	2.90
Chicony Electronics CO., Ltd.	2.86
Stock Spirits Group PLC	2.85
ING Life Insurance Co. Korea Ltd.	2.50

\*Portfolio holdings exclude cash equivalents. Current and future holdings are subject to change and risk. For a complete list of the Fund's portfolio securities visit heartlandadvisors.com.



HEARTLAND FUNDS  
AMERICA'S VALUE INVESTOR<sup>®</sup>

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789 North Water Street, Milwaukee, WI 53202

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# HEARTLAND INTERNATIONAL VALUE FUND

September 30, 2017

Do you have questions?  
Call us at 800-432-7856

## INVESTMENT STRATEGY/DISTINGUISHING CHARACTERISTIC

The International Value Fund seeks long-term capital appreciation by investing in small- and mid-cap international companies, with an emphasis on dividends. The Fund utilizes Heartland's disciplined and time-tested 10 Principles of Value Investing™, designed to capture upside potential while minimizing downside risk.

## HEARTLAND'S 10 PRINCIPLES OF VALUE INVESTING™



## SMALL-CAP INTERNATIONAL VALUE EQUITIES OFFER THE POTENTIAL FOR ENHANCED DIVERSIFICATION

	Large Domestic	Large International	Small International
Large Domestic	1.00		
Large International	0.85	1.00	
Small International	0.73	0.93	1.00

Source: FactSet Research Systems Inc., Standard & Poor's and Russell®, 7/31/1996-12/31/2016

Large-cap domestic stocks are represented by the S&P 500 Index. Large-cap international stocks are represented by the Russell Global® ex-US Large Cap Index. Small-cap international stocks are represented by the Russell Global® ex-US Small Cap Index.

## FIVE YEAR RISK STATISTICS (Investor Class)

	Annualized Alpha vs. Market	Annualized Standard Deviation (%)	Beta vs. Market	Information Ratio vs. Market	Sharpe Ratio	Active Share	R-Squared (%)
International Value Fund	-2.58	11.93	0.95	-0.58	0.44	99.64	76.20
Russell Global® ex-US Small Cap Index	n/a	10.97	1.00	n/a	0.78	n/a	100.00

Source: FactSet Research Systems Inc. and Russell®. Market is defined as the Russell Global® ex-U.S. Small Cap Index. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

<sup>1</sup>Foreign country classifications are generally determined by referencing country of domicile sourced from FactSet Research Systems Inc.

Certain security valuations and forward estimates are based on Heartland Advisors' calculations. Any forecasts may not prove to be true. Economic predictions are based on estimates and are subject to change.

Sector and Industry classifications as determined by Heartland Advisors may reference data from sources such as FactSet Research Systems Inc. or the Global Industry Classification Codes (GICS) developed by Standard & Poor's and Morgan Stanley Capital International. Sector weights are a percent of equity investments and subject to change.

Heartland Advisors defines market cap ranges by the following indices: micro-cap by the Russell Microcap®, small-cap by the Russell 2000®, mid-cap by the Russell Midcap®, large-cap by the Russell Top 200®.

Data Sourced from FactSet: Copyright 2017 FactSet Research Systems Inc., FactSet Fundamentals. All rights reserved.

**An investor should consider the Fund's investment objectives, risks, and charges and expenses carefully before investing or sending money. This and other important information can be found in the Fund's prospectus. To obtain a prospectus, please call 800-432-7856 or visit heartlandadvisors.com. Please read the prospectus carefully before investing.**

CFA is a trademark owned by the CFA Institute. The members of the portfolio management team are registered representatives of ALPS Distributors, Inc.

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## DEFINITIONS

**Active Share** is the percentage of a portfolio that differs from a benchmark index.

**Alpha** is an annual measure of a portfolio's return in excess of the market return, both adjusted for risk. It is a measure of the manager's contribution to performance due to security selection. A positive annual Alpha indicates that the portfolio outperformed the market on a risk-adjusted basis, and a negative annual Alpha indicates the portfolio did worse than the market.

**Beta** is a measure of the sensitivity of a portfolio's rates of return against those of the market. A Beta less than 1.00 indicates volatility less than that of the market.

**Correlation** is a statistical measure of how two securities move in relation to one another. A measure of 1 means the securities are highly correlated and move in conjunction. A measure of 0 means the securities are not at all correlated and do not move in conjunction.

**Information Ratio** of a manager series vs. a benchmark series is the quotient of the annualized excess return and the annualized standard deviation of excess return. The Information Ratio measures the consistency with which a manager beats a benchmark.

**Price/Book Value Ratio** is calculated by dividing the market price of its stock by the company's per-share book value.

**Price/Cash Flow Ratio** represents the amount an investor is willing to pay for a dollar generated from a particular company's operations. It shows the ability of a business to generate cash and acts as a gauge of liquidity and solvency.

**Price/Earnings Ratio** of a stock is calculated by dividing the current price of the stock by its trailing 12 months' earnings per share.

**R-Squared** is a statistical measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index.

**Real Estate Investment Trust (REIT)** is a security that sells like a stock on the major exchanges and invests in real estate directly, either through properties or mortgages.

**Sharpe Ratio** is the average return, less the risk-free return, divided by the standard deviation of return. The ratio measures the relationship of reward to risk in an investment strategy.

**Standard Deviation** is a measure of volatility of returns and is computed as the square root of the average squared deviation of the returns from the mean value of the return.

**Total Debt/Total Capitalization Ratio** of a stock is calculated by dividing the short- and long-term debt obligations of the company by its total capital, which is represented by the company's debt and shareholders' equity, which includes common stock, preferred stock, minority interest and net debt.

**Russell Global® ex-US Large Cap Index** measures the large-cap segment of the global equity universe as defined by Russell's leading style methodology, excluding companies assigned to the U.S.

**Russell Global® ex-US Small Cap Index** measures the small-cap segment of the global equity universe as defined by Russell, excluding companies assigned to the U.S.

**S&P 500 Index** is an index of 500 U.S. stocks chosen for market size, liquidity and industry group representation and is a widely used U.S. equity benchmark.

All indices mentioned are unmanaged. It is not possible to invest directly in an index.

## INVESTMENT CONSIDERATIONS

The International Value Fund invests primarily in small foreign companies selected on a value basis. Such securities generally are more volatile and less liquid than those of larger companies. Foreign securities have additional risk, including but not limited to, exchange rate changes, political and economic upheaval, and relatively low market liquidity. These risks are magnified in emerging markets. Value investments are subject to the risk that their intrinsic values may not be recognized by the broad market.

## INVESTMENT OBJECTIVE

The International Value Fund seeks long-term capital appreciation with modest current income.