



October 6, 2011

Dear Fellow Shareholder of The Oberweis Funds:

Amid fears of a financial crisis in Europe, a slowing global economy, and continued political gridlock in Washington, equities around the world posted significant losses for the quarter. U.S. small-cap growth stocks, as measured by the Russell 2000 Growth Index, declined 22.25% in the third quarter. International small-cap growth stocks, as measured by the MSCI World Ex-US Small-Cap Growth Index, returned -18.16%. Smaller Chinese growth stocks, as measured by MSCI China Small-Cap Growth Index, returned -32.57%.

The Oberweis Funds focus on companies with particularly high rates of revenue and earnings growth. After strong returns for such stocks during 2009-2010, high-growth companies were particularly punished in the third quarter. The Micro-Cap Fund returned -25.47%, Emerging Growth -28.09%, Small-Cap Opportunities -20.11%, China Opportunities -33.81%, International Opportunities -23.71%, and Asia Opportunities -19.60%. Obviously, we are not happy about this quarter's returns.

As much as anything, investors are weathering a crisis in leadership, both domestically and abroad. In the U.S., it is painfully clear among Republicans and Democrats that motivation to hurt the other political party ahead of the 2012 election has eclipsed the desire to do what is best for America's future. The lack of cooperation contributed to S&P's decision to strip the U.S. of its coveted AAA credit rating in August. Still, Congress remains unwilling to transcend philosophical differences and agree on the necessary policies required to stimulate job creation and promote economic growth.

In Europe, Greece remains the headline, yet Greece's debt issues merely highlight the larger structural problems of a union comprised of members with differing languages, cultures, histories of conflict, contrasting economic positions, and varying self-interests. Existing European macro problems appear manageable, but they are currently not being addressed, perhaps because of the moral hazard associated with rewarding bad behavior. Rich countries like Germany seem unwilling to pay for the mistakes of their poorer neighbors, even though the absence of action has adverse consequences on rich and poor members alike.

While Europe has dominated the headlines, China's stock market slump has been most acute. Lower consumer confidence in Europe and America has reduced demand for Asian exports. In China, slower export growth and a government-mandated contraction of credit fueled fears of the proverbial "hard landing" and drove Chinese equities down 32% during the quarter, as measured by the MSCI China Index. Based on the reports of our portfolio companies in China, we believe such fears are exaggerated and believe Chinese equities appear well-positioned for a rebound.

For U.S. small-cap growth stocks, as measured by the Russell 2000 Growth Index, this quarter's decline was the fourth worst in the history of the index, with only 3Q1998 (the

Asian currency crisis), 3Q2001 (during the Internet bust), and 4Q2008 (the subprime mortgage crisis) being worse. As challenging as those periods were, each turned out to be an exceptionally attractive time to buy high growth small-cap stocks. In the first two cases, the Russell 2000 Growth Index subsequently rallied 24% and 26%, respectively, in the following quarter. After 4Q2008, the index continued to fall another 10% in 1Q2009, but then jumped 62% in the following 12 months. Of course, past performance may not be indicative of future results and there can be no guarantee of future returns.

Our research indicates these unusual moments – when fear is high and valuations are low -- often end up being among the best times to buy high growth small-caps. When fear grips the market, the fastest growing small-caps can experience drops that overstate the true effect of the worrisome macro event on the fundamentals of the underlying business. In the long-term, corporate earnings determine stock prices. In the short term, however, valuations can be materially influenced by investor risk appetite. We believe that investors who acquire shares of companies with favorable earnings prospects and low valuations (due to above-average investor fear and risk aversion) have the potential to earn above-average returns over time. We believe the number of such opportunities available in the market is currently considerably larger than normal.

Valuations of the funds as reflected by price/earnings ratios (P/E's) have dropped to levels rarely seen in the past. The average forward P/E as of 9/30/2011 was 12.6 times for Micro-Cap (versus 15.9 times last quarter), 16.3 times for Emerging Growth (versus 21.4 times last quarter), and 17.8 times for Small-Cap Opportunities (versus 19.3 times last quarter). The average forward P/E was 12.3 times for China Opportunities (versus 16.6 times last quarter), 14.8 times for Asia Opportunities (versus 20.5 times last quarter) and 10.7 times for International Opportunities (versus 12.9 times last quarter).

As of 9/30/11, the weighted average market capitalization was \$338 million for Micro-Cap, \$1.1 billion for Emerging Growth, \$1.3 billion for Small-Cap Opportunities, \$2.1 billion for China Opportunities, \$3.5 billion for Asia Opportunities, and \$1.7 billion for International Opportunities.

Thank you once again for investing with us in The Oberweis Funds. We recognize the importance of your investment and we particularly appreciate your confidence during these turbulent times in the market.

Sincerely,



James W. Oberweis, CFA
President & Portfolio Manager

The top five holdings for each fund as of September 30, 2011 were as follows:

Micro-Cap Fund (OBMCX)			Emerging Growth Fund (OBEGX)		
1.	Acacia Research Technology	5.8%	1.	SXC Health Solutions	5.1%
2.	Amerigon	5.1%	2.	Acacia Research Technology	4.9%
3.	Twin Disc	3.8%	3.	IMAX	3.9%
4.	Body Central	3.5%	4.	IPG Photonics	3.4%
5.	Hi-Tech Pharm	3.2%	5.	Francesca's Holdings	3.2%

Small-Cap Opportunities Fund (OBSOX)			China Opportunities Fund (OBCHX)		
1.	Acacia Research Technology	6.5%	1.	Spreadtrum Communications, Inc	4.20%
2.	Vera Bradley	5.7%	2.	AAC Technologies Holdings	3.06%
3.	Crocs	3.9%	3.	China Zhengtong Auto Services	2.80%
4.	Perry Ellis International	3.3%	4.	China Resources Gas Group	2.64%
5.	Select Comfort	2.4%	5.	Zhaojin Mining Industry Co Ltd	2.60%

International Opportunities Fund (OBIOX)			Asia Opportunities Fund (OBAOX)		
1.	Anritsu Corp	5.46%	1.	Gree Inc	3.78%
2.	Valor Co Ltd	4.07%	2.	China Zhengtong Auto Services	3.17%
3.	Net One Systems Co Ltd	3.80%	3.	Ship Healthcare Holdings Co Ltd	2.68%
4.	Duerr AG	3.59%	4.	Perseus Mining Ltd	2.27%
5.	Crooz Inc	3.53%	5.	Mitra Adiperkasa TBK PT	2.25%

**Average Annual Total Returns
as of 09/30/11**

Fund	OBEGX	OBMCX	OBSOX	OBCHX	OBIOX	OBAOX
Inception Date	01/07/87	01/01/96	09/15/96	10/01/05	02/01/07	02/01/08
One Year	-9.59%	-8.51%	3.28%	-37.28%	-9.10%	-15.51%
Three Years	1.70%	-0.19%	4.24%	6.24%	1.14%	4.92%
Five Years	-4.49%	-4.26%	-0.16%	2.59%	n/a	n/a
Ten Years	2.56%	6.22%	2.64%	n/a	n/a	n/a
Life of Fund*	7.46%	6.71%	3.89%	9.89%	-1.10%	-8.24%
Expense Ratio**	1.47%	1.85%	2.00%	2.07%	1.60%	2.49%

*Life of Fund returns are from commencement of operations on 10/1/05 for the China Opportunities Fund, 02/01/07 for the International Opportunities Fund, and 02/01/09 for the Asia Opportunities Fund.

** Expense ratio is the total net annualized fund operating expense ratio as of 06/30/11. The expense ratio gross of any fee waivers or expense reimbursement was 1.47%, 1.85%, 2.25%, 2.07%, and 3.72% for the Emerging Growth, Micro-Cap, Small-Cap Opportunities, China Opportunities, and Asia Opportunities Fund's, respectively. Effective May 1, 2011, the International Opportunities Fund's maximum annual expense ratio was reduced to 1.60%. This revised expense reimbursement arrangement will continue in force until at least April 30, 2012. The net expense ratio for OBIOX for the six months ending June 30, 2011 was 2.19%, which reflects a blend of both the old and new expense reimbursement arrangements. The expense ratio gross of any fee waivers or expense reimbursement was 2.77%.

Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate, so that you may have gain or loss when shares are sold. Current performance may be higher or lower than quoted. Visit us online at oberweisfunds.com for most recent month-end performance. Foreign investments involve greater risks than U.S investments, including political and economic risks and the risk of currency fluctuations. Holdings in the Funds are subject to change. Before investing, consider the fund's investment objectives, risks, charges, and expenses. To obtain a copy of the prospectus please visit our website at oberweisfunds.com or call 800-323-6166. Read it carefully. The Oberweis Funds are distributed by Oberweis Securities, Inc. Member: FINRA & SIPC.