

DECEMBER 31, 2011

HEARTLAND VALUE FUND

PORTFOLIO MANAGEMENT TEAM

Will Nasgovitz
Brad Evans, CFA
Bill Nasgovitz

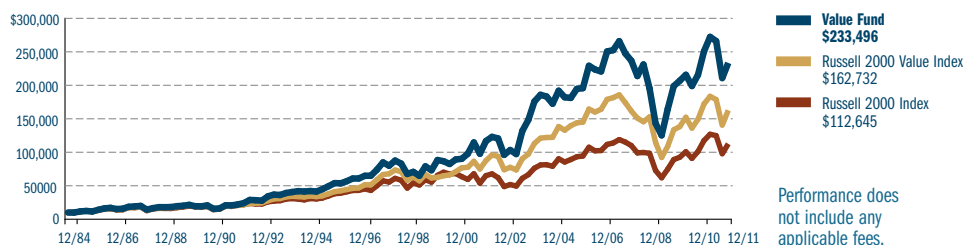


*"We believe value investing
is the most intelligent way
to build your net worth."*

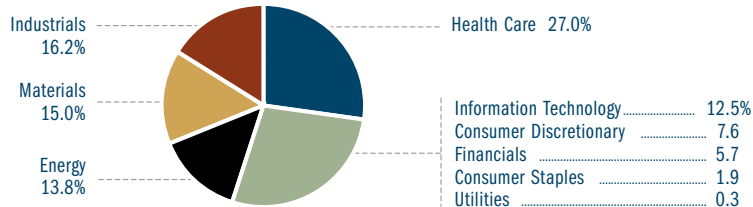
**Seeks long-term capital appreciation by
investing in small and micro-cap companies**

GROWTH OF A HYPOTHETICAL \$10,000 INVESTMENT

(Investor Class, Since Inception: December 28, 1984)



SECTOR ALLOCATION



Sector classifications are generally determined by referencing the Global Industry Classification Standard (GICS) Codes developed by Standard & Poor's and Morgan Stanley Capital International. Sector allocations are a percent of equity investments and subject to change.

WEIGHTED MEDIAN VALUATION ANALYSIS



AVERAGE ANNUAL TOTAL NET RETURNS AS OF DECEMBER 31, 2011

	Inception Date	Since Inception	Twenty-Five Years	Ten Years	Five Years	Three Years	One Year	Quarter-To-Date*
Heartland Investor Class	12-28-84	12.37%	11.42%	7.17%	-1.40%	17.71%	-6.92%	10.87%
Heartland Institutional Class	05-01-08	12.41	11.46	7.27	-1.23	17.97	-6.73	10.91
Russell 2000 Value Index	—	10.85	10.22	6.40	-1.87	12.36	-5.50	15.97
Russell 2000 Index	—	9.35	8.68	5.62	0.15	15.63	-4.18	15.47

Index Source: FactSet Research Systems, Inc.

*Not Annualized

In the prospectus dated 5/1/11, the gross expense ratios for the Investor and Institutional Classes are 1.14% and 0.95%, respectively. The Advisor has voluntarily agreed to waive fees and/or reimburse expenses with respect to the Institutional Class, to the extent necessary to maintain the Institutional Class' "Net Annual Operating Expenses" at a ratio of 0.99% of average daily net assets. This voluntary waiver/reimbursement may be discontinued at any time. Without such waivers and/or reimbursements, total returns may have been lower.

Past performance does not guarantee future results. Performance information for the Institutional Class prior to 5/1/08 is based on the performance of the Investor Class. Performance represents past performance; current returns may be lower or higher. 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. To obtain performance through the most recent month end, call 800-432-7856, or visit www.heartlandfunds.com. Subject to certain exceptions, shares of a Fund redeemed or exchanged within 10 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.

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HEARTLAND VALUE FUND

	Investor Class	Institutional Class
Ticker	HRTVX	HNTVX
CUSIP	422359109	422352831
NAV	\$38.31	\$38.67
Initial Investment	1,000	500,000
Subsequent Investment	100	100
IRA Initial Investment	500	500,000

PORTFOLIO STATISTICS

Number of Holdings*	135
Net Assets	\$1,136 mil.
Median Market Cap	211 mil.
Weighted Average Market Cap	763 mil.

*Excludes cash equivalents and options.

CAPITALIZATION BREAKDOWN (% of equity investments)

Large-Cap Companies (> \$10 bil.)	0.0%
Mid-Cap Companies (\$2 – \$10 bil.)	13.6
Small-Cap Companies (\$300 mil. – \$2 bil.)	45.1
Micro-Cap Companies (< \$300 mil.)	41.3

The above breakdown does not include short-term investments.

TOP HOLDINGS – % OF NET ASSETS

AuRico Gold, Inc.	4.4%
Newpark Resources, Inc.	4.0
Analogic Corp.	3.7
Unit Corp.	3.2
Omnicare, Inc.	3.2
American Vanguard Corp.	2.4
Golden Star Resources, Ltd.	2.3
Accuray, Inc.	1.9
Computer Task Group, Inc.	1.9
The Ensign Group, Inc.	1.7

The portfolio holdings are as of 12/31/11 and are subject to change and excludes cash equivalents. For a complete list of the Fund's portfolio securities visit www.heartlandfunds.com.



HEARTLAND FUNDS
AMERICA'S VALUE INVESTOR®

INVESTMENT STRATEGY/DISTINGUISHING CHARACTERISTIC

The small and micro-cap segment of the stock market is robust with thousands of publicly traded issues, many of which lack traditional Wall Street research coverage. Thus, we believe this market is often inefficient, mispricing businesses and offering opportunities for fundamental research-minded investors such as Heartland. The Fund utilizes our disciplined and time-tested 10 Principles of Value Investing™ to identify companies with the potential for appreciation and a potential margin of safety to limit downside risk.

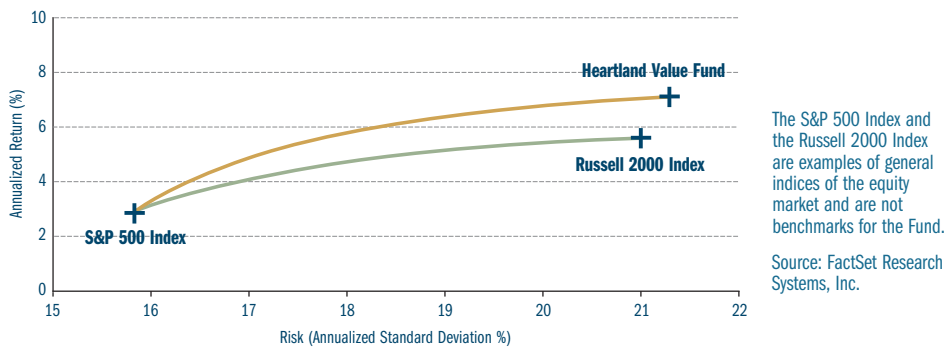
HEARTLAND'S 10 PRINCIPLES OF VALUE INVESTING™

<p>Low Price in Relation to Earnings Low Price in Relation to Cash Flow Low Price in Relation to Book Value Value of the Company Financial Soundness</p>	<p>Together, these Principles drive all buy and sell decisions</p>	<p>Catalyst for Recognition Capable Management and Insider Ownership Sound Business Strategy Positive Earnings Dynamics Positive Technical Analysis</p>
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TEN YEAR EFFICIENT FRONTIER

(Investor Class)

This chart illustrates the Fund's historical performance against two market indices, demonstrating how active management can contribute additional returns to a portfolio.

**FIVE YEAR RISK STATISTICS**

(Investor Class)

	Annual Alpha vs. Market	Annualized Standard Deviation	Beta vs. Market	R-Squared	Information Ratio vs. Market	Sharpe Ratio
Value Fund	0.53	24.19	0.87	0.79	0.04	-0.11
Russell 2000 Value Index	0.00	24.67	1.00	1.00	0.00	-0.13
Russell 2000 Index	1.99	24.27	0.97	0.98	0.52	-0.05

Source: FactSet Research Systems, Inc.

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 1-800-432-7856 or visit www.heartlandfunds.com. Please read the prospectus carefully before investing.

DEFINITIONS

When calculating these measurements for the Fund, we have substituted the Fund's benchmark index as the "market return."

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

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

Debt/Capital Ratio represents the portfolio's long-term debt as a proportion of the capital available in the form of long-term debt, preferred stock and common stockholder's equity.

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.

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.

Market is defined as the Russell 2000 Value Index.

R-Squared is a measure that indicates the extent to which fluctuations in portfolio returns are correlated with those of the general market. An R-Squared of 0.75 indicates that 75% of the fluctuation in a portfolio's return is explained by the fluctuation of the market.

Risk (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.

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.

Russell 2000 Index includes the 2000 firms from the Russell 3000 Index with the smallest market capitalizations.

Russell 2000 Value Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

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 Value Fund invests primarily in small companies selected on a value basis. Such securities generally are more volatile and less liquid than those of larger companies and there is risk that their intrinsic values may not be recognized by the broad market.

INVESTMENT GOAL

The Value Fund seeks long-term capital appreciation by investing in small companies.

