AlphaOne™ Small Cap Opportunities Fund

Portfolio Commentary

1Q 2017

In Q1 2017, the Fund lost -2.87% while the Russell 2000 (R2) gained 2.47% (as of 3/31/17).

Since inception (March 31, 2011), the Fund is up a cumulative 81.15%, the R2 is up 78.71%.

The AlphaOne Small Cap Opportunities Fund's objective is to achieve higher returns than the R2 with less volatility through active management. Through the years, the team has applied a consistent core (value and growth) process that targets companies that demonstrate earnings and earnings growth, return on capital and management that exhibits an ownership mentality. Since inception, the Fund has managed to outperform its benchmark with below-average volatility compared to peers and to the Russell 2000 Index. The Fund typically holds 50-70 domestic common stock positions and a targeted holding period of 3-5 years.

AlphaOne Small Cap Opportunities Fund (3/31/17) Annualized Returns	AOMAX	Russell 2000® Index	AlphaOne Advantage
Trailing 1-Year	24.07%	26.22%	**-2.15%**
Trailing 3-Year	9.37%	7.22%	**2.15%**
Trailing 5-Year	12.73%	12.35%	**0.38%**
Inception-to-Date	10.41%	10.16%	**0.25%**
Inception-to-Date (Cumulative Return)	81.15%	78.71%	**2.45%**

The performance quoted herein represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost, and current performance may be higher or lower than the performance quoted. For performance data current to the most recent month end, please call 1-855-4-ALPHAONE. *Gross Expenses for Small Cap Opportunities Fund I Shares are 1.30%. Returns do not reflect the effect of a 2.00% redemption fee which is incurred on shares held less than 90 days. The expense ratio does not reflect the ability of the Adviser to recover all or a portion of prior waivers, which would result in higher expenses for the investors. This option is available contractually to the Adviser until April 1, 2018. Other share classes are available, which would have different results.*

We have all seen this movie, television show or play before - the eternal struggle between protagonist and antagonist to control the destiny of both our lead and supporting characters. A victory, though small, by one side pendulates towards the other just as the victor breathes in hallowed air, reinforcing the notion that one cannot rest on his laurels.

The stock market functions similarly to the classic battle suggested above. Investors swing between value and growth. They vacillate between large market cap stocks and small market cap stocks. Maybe they switch to foreign stocks from domestic. Either or any way, the stock market seldom delivers prolonged superiority to one style, one size, or one country for too long.

To wit, the Fund benefitted mightily during the last quarter of 2016 from exposure to domestically focused, high quality companies that could benefit from the potential changes expressed by the new administration. And yet, lo be those who felt secure in their exposure to certain portions of the market; for the turn of the year dealt them a hearty reminder that the market is a fickle creature.

During the first quarter of 2017, the darlings of small cap investors were not low leverage, nor smaller market cap, nor profitable companies. Rather, the obverse was true. The shares of companies with higher leverage, higher market cap, and/or higher returns on equity (owing to too much long term debt) felt the sunshine of investor's capital. As we recite in our quarterly letters, these types of companies we generally eschew as investments, because we believe that over time, superior absolute and risk-adjusted returns are delivered by investing in companies with low levels of long-term debt, who also demonstrate above-average and consistent profitability. Notwithstanding, our belief in and demonstration of this verity, our performance this past quarter for your portfolio was inadequate. Your portfolio lagged the Russell 2000 (R2) by -5.33% after outperforming the index by a little less than twice that amount in the prior quarter.

Returning performance or recapturing underperformance one quarter to the next is a constant in investing. Knowing what may have led to either outcome between quarters and over time is more important than just a momentary victory or defeat. We have articulated for years that your portfolio is created by stock pickers. Performance, historically, has been and continues to be, driven by stock selection. Yet, during shorter periods of time, the impact from style drift may have an undue influence on relative performance. During each of the last two quarters, the preponderance of performance was created by the stocks in your portfolio. To demonstrate the potential magnitude of incremental or decremental contribution from one stock to your portfolios quarterly result, we offer as an example Natural Gas Services (NGS). NGS is an oil field services company providing compression equipment for natural gas and on-shore oil extraction. During the fourth quarter NGS price rose 30.74% had an average 1.66% weight in the portfolio and added 50 basis points to performance. During the most recent quarter NGS price declined almost -20% had an average 1.66% weight and subtracted -34 basis points from performance. In other words, the price of NGS was higher from the beginning to the end of these two quarters, the portfolio weight was held constant, yet on a relative basis these shares were a net detractor to performance owing to a massive swing in style drift from reportable positive earnings to non-earners.

As stock pickers, we focus on investing in the shares of companies we believe have the management, balance sheet, and products/services to sustain earnings for several years. However, we are at the vagaries of investment styles (positive and/or negative assistance to your performance). We recognize these ephemeral exigencies as either an aid or impediment to short-term performance, but do not allow them to place undue influence in our stock selection. We aspire to locate, research, and invest your capital in the shares of companies that over a reasonable period should compound a return, both absolute and on a relative basis, above this funds benchmark (the R2).

We appreciate your support and confidence in our team and AlphaOne Capital Partners.

Sincerely,

Daniel Goldfarb, CFA
Senior Portfolio Manager

Christopher Crooks, CFA
Senior Portfolio Manager

Disclosures

Top 10 holdings as of 3/31/2017 are Supernus Pharmaceuticals, Inc.; Novanta, Inc.; Enterprise Financial Services Corp.; Cross Country Healthcare, Inc.; CRA International, Inc..; WFSF Financial Corp.; CalAmp Corp.; Renasant Corp.; GP Strategies Corp.; Inphi Corp. Top 10 holdings represent 22.21% of the portfolio. Holdings are subject to change. Current and future holdings are subject to risk.

Mutual fund investing involves risk including possible loss of principal. In addition to the normal risks associated with investing, investments in smaller companies typically exhibit higher volatility.

Information is obtained from sources deemed reliable, but there is no representation or warranty as to its accuracy, completeness or reliability. All information is current as of the date of this material and is subject to change without notice. Any view or opinions expressed may not reflect those of AOIS as a whole. This material represents an assessment of the market at a specific point in time and is not intended to be a forecast of future events or a guarantee of future results. Readers should not assume that any investments in securities, companies, sectors or markets identified and described were or will be profitable.

AlphaOne Funds are distributed by SEI Investments Distribution Co., which is not affiliated with AlphaOne Investment Services, LLC or any of its affiliates.

The Russell 2000® (R2) Index are a trademark/service mark of the Frank Russell Company. The Russell 2000® Index represents the smallest 2,000 companies within the Russell 3000® Index of the 3,000 largest U.S. companies.

Indices are unmanaged (R2); includes only U.S. companies; is market-value weighted; includes reinvestment of dividends; is shown for illustration only; does not reflex any management fees; and cannot be purchased directly by investors.

To determine if this Fund is an appropriate investment for you, carefully consider the Fund's investment objectives, risk factors, charges, and expenses before investing. This and other information can be found in the Fund's prospectus, which may be obtained by calling (855) 4-ALPHAONE. Read the prospectus carefully before investing or sending money.