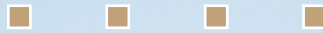


DECEMBER 31, 2019



Small Cap Fund

FOURTH QUARTER RESULTS

MAIRS & POWER

— Focused Long-term Investing —

Market Overview | Fourth Quarter 2019

2019 was a year for the record books! On the heels of the worst December since the Great Depression, U.S. markets started 2019 with the best January performance in three decades and finished at record highs, posting returns that were among the best in the past 50 years.

Looking at its performance over the past three years illustrates the market's incredible ability to predict market fundamentals. In 2017, with the new Trump administration and a Republican controlled Congress enacting large tax cuts, investors anticipated tax-fueled earnings growth driving the market up 22% that year. Sure enough, in 2018 S&P 500 earnings were up 24%, driven by tax cuts and a strong economy. In 2018 however, despite strong earnings growth, the market was down 4% on the expectation that in 2019 companies would face tough comparisons as the tax induced earnings tail wind faded. Sure enough, 2019 earnings were down slightly through the first three quarters. But in 2019, despite no earnings growth, investors drove the market to record highs and one of the strongest finishes in recent memory in anticipation of a return to better growth in 2020.

For the fourth quarter and full year, the S&P 500 Total Return (TR) was 9.07%, and 31.49% respectively, the Dow Jones Industrial (TR) was 6.67% and 25.34%, and the Bloomberg Barclay's U.S. Government/Credit Bond Index was -0.01% and 9.71% respectively.

Past performance is not a guarantee of future results.

Dow Jones Industrial Average TR Index is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the NASDAQ. **Bloomberg Barclay's U.S. Government/Credit Bond Index** is a broad-based flagship benchmark that measures the non-securitized component of the U.S. Aggregate Index. It includes investment-grade, U.S. dollar-denominated, fixed-rate Treasuries, government-related and corporate securities. **S&P 500 TR Index** is an unmanaged index of 500 common stocks generally considered representative of the U.S. stock market. It tracks both the capital gains of a group of stocks over time and assumes that any cash distributions, such as dividends, are reinvested back into the index. It is not possible to invest directly in an index. **Dividend Yield** is the ratio of a company's annual dividend compared to its share price. **Price-to-cash flow ratio** is a stock valuation indicator that measures the value of a stock's price relative to its operating cash flow per share. **Price-to-earnings ratio** is the ratio for valuing a company that measures its current share price relative to its per-share earnings.

Future Outlook

The mood among investors is certainly confident, or should we say less worried.

For most of 2019, short term rates exceeded long term rates (an inverted treasury yield curve), creating fears of a recession. But in the fourth quarter, as the yield on longer maturity bonds moved up and the Fed (Federal Reserve) cut short term rates, we saw a return to a more familiar, positively sloped treasury yield curve, reducing investor anxiety. At the same time, several economic indicators began to improve. The Institute for Supply Management's (ISM) Index for the service sector, which represents two-thirds of the U.S. economy, is signaling continued expansion. Measures of consumer confidence remain high, job growth remains strong and confidence among homebuilders recently hit a 20-year high. An easing of trade tensions and fewer tariff barriers as the Phase One deal with China promises, could further support the earnings growth the market is counting on.

Not every sign is positive, however. A measure of large company CEO confidence hit its lowest level since Q1 of 2009, before recovering some recently. A similar survey of small and mid-sized company CEO confidence reported hitting an 8-year low. The ISM Manufacturing Index took an encouraging slight uptick late in the quarter, but remains stuck below 50%, indicating little growth in the manufacturing sector. Total vehicle sales (autos and light trucks) have remained flat since 2015. Valuations such as dividend yield, price-to-cash flow (PCF), and price-to-earnings (PE) remain above historic averages, making stocks overall somewhat expensive and putting a premium on stock selection.

One additional word of caution is in order. Given the strong finish to 2019, the market may be pricing in earnings growth for 2020 even higher than the consensus of 8%, making the stock market vulnerable to disappointment or negative economic surprises.

Inverted Treasury Yield Curve represents a situation in which long-term debt instruments have lower yields than short-term debt instruments of the same credit quality.

ISM Manufacturing Index measures manufacturing output nationwide.

Consumer Confidence Index measures the degree of optimism on the state of the U.S. economy through savings and spending activities.



Mairs & Power Investment Committee Meeting

Performance Review

The Mairs & Power Small Cap Fund posted solid returns for the year as did the overall market. Even though absolute returns were very good, the Fund underperformed both its peer group and index for the fourth quarter and full year. The Fund returned 7.97% compared to 8.21% for the S&P Small Cap 600 Total Return (TR) Index and 8.02% for the Morningstar Small Blend Category of peer funds for the fourth quarter. For the full year, the Fund was up 21.13% versus 22.78% for the index and 23.51% for the peer group of funds.

Performance data quoted represents past performance and 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 lower or higher than the performance quoted. For the most recent month-end performance figures, please call Shareholder Services at (800) 304-7404. Expense Ratio 1.04%.

Stock selection drove relative underperformance for both the quarter and the year. Sector selection had a slightly positive impact on relative performance with the Fund's underweight position in the poorly performing Energy sector along with an overweight position in the Industrial sector as primary contributors. Energy was the worst performing sector in the S&P 600 Index for the year.

The Fund holds a number of companies that posted tremendous stock performance during the year. Generac Holdings (GNRC) was up over 100% as their back-up power generator became must-have products during the year. Record setting hurricanes and widespread blackouts imposed by the California utility Pacific Gas & Electric (PCG) in an attempt to prevent wildfires both drove strong growth in demand that has excited investors. In addition, the company has made some smart acquisitions, tucking in small tech firms to expand beyond its traditional internal combustion engine generators to offer battery powered generators as well. Oshkosh Corp. (OSK) also posted great performance as the stock recovered from a decline in 2018. The Wisconsin-based truck manufacturer had been negatively affected by the China tariffs that were put in place in 2018 but the experienced management team was able, once again, to navigate through the challenges to their business and not really miss a beat.

Underperformance was driven by cyclical pressures at just a few companies we hold. Two of the biggest detractors from performance for the year were Marcus Corp. (MCS) and United Fire Group (UFCS).

Marcus, based in Milwaukee, is an entertainment company whose re-imagination of the theater business has really caught on with customers. Stadium seating, on-line ticketing and restaurant style food and beverage offerings have made Marcus a favorite destination for people looking for a night of entertainment. Marcus's stock has pulled back after a great box office year (and stock performance) in 2018. The 2019 slate of movies was not as strong a box office draw. In addition, some investors have expressed concerns that Disney's (DIS) new streaming service, plus their strong pricing power, will hurt theater revenues. We think these concerns are overblown. Theaters will have 180 days to exhibit new titles before

Disney streams them. This recognizes the value theaters bring to distributors in monetizing viewer eyeballs. Marcus continues to bring innovation to the theater experience as well as their hotel holdings, starting up the art themed Saint Kates in Milwaukee this year. We continue to hold Marcus.

United Fire Group is a relatively small fire and casualty insurer based in Iowa. While the company has been a steady performer in the insurance industry, they do experience volatility based on both catastrophes and underwriting performance. This year underwriting was tougher for them in the commercial auto space as the number of accidents was higher than expected and the severity (as measured by payout dollars) of the accidents was worse than projected. Many other insurers have also experienced a disappointing underwriting performance and attribute this to an increase in distracted driving along with an increase in the value of the automobiles on the road. United has taken pricing actions that we believe should restore their business to a more normal and healthy profit level but this will take a bit of time to work through. We believe they will be successful in these actions and continue to hold the stock.



In summary, 2019 was a solid year for stocks and for the Fund. We believe a number of the issues impacting our holdings are short-term in nature and will be cycled through fairly quickly. We have stuck with most of our holdings and in many cases added to positions on what we feel have been good opportunities to take advantage of short-term volatility. Only time will tell if our assessments are correct, but as we look to 2020, the one thing we feel strongly about is that there will be volatility in our companies' end markets, and we need strong hands at the wheel of the companies we own. We believe we have that. From a valuation perspective, small cap stocks are trading at a 7% discount to large (S&P 600 vs S&P 500). This is the cheapest small cap stocks have been on that measure in 15-plus years. So, we view this as a very interesting time to be looking at small cap. As always, we will continue to strive to invest in companies that have had strong competitive positions in their industries potentially allowing them to outperform over the long term.

Allen D. Steinkopf, CFA, CIC

Lead Manager

above left

Andrew R. Adams, CFA, CIC

Co-Manager

above right

Mairs & Power Small Cap Fund Top & Bottom Performers

TOP RELATIVE PERFORMERS

Fourth Quarter (%) 9/30/2019—12/31/2019		Year-to-Date (%) 12/31/2018—12/31/2019	
Generac Holdings Inc.	20.19	Generac Holdings Inc	79.61
Oshkosh Corp.	17.07	Catalent Inc.	57.78
Premier Inc. Class A	22.77	Inspire Medical Systems, Inc.	52.86
Catalent Inc	9.92	Oshkosh Corp.	33.80
Inspire Medical Systems, Inc.	13.40	Bio-Techne Corp.	29.89

WEAK RELATIVE PERFORMERS

Fourth Quarter (%) 9/30/2019—12/31/2019		Year-to-Date (%) 12/31/2018—12/31/2019	
Apogee Enterprises, Inc.	-24.47	Marcus Corp.	-40.88
CoreSite Realty Corp.	-15.19	Tile Shop Holdings, Inc.	-95.15
Marcus Corp.	-21.93	United Fire Group, Inc.	-41.66
Casey's General Stores, Inc.	-9.37	Carrizo Oil & Gas, Inc.	-53.43
United Fire Group, Inc.	-14.43	NVE Corp..	-36.75

Performance shown is relative to the S&P SmallCap 600 TR Index as of December 31, 2019. Relative return is the difference between the absolute return and the performance of the market, in which the position is held. Relative contribution is used for ranking, which considers average daily weightings for each holding. Past performance does not guarantee future results.

The Fund's investment objective, risks, charges and expenses must be considered carefully before investing. The summary prospectus or full prospectus contains this and other important information about the Fund and they may be obtained by calling Shareholder Services at (800) 304-7404 or by visiting www.mairsandpower.com. Read the summary prospectus or full prospectus carefully before investing.

The stocks mentioned herein represent the following percentages of the total net assets of the Mairs & Power Small Cap Fund as of December 31, 2019: Apogee Enterprises 2.46%, Bio-Techne Corp 3.31%, Carrizo Oil & Gas 0.00%, Catalent Inc. 3.45%, Casey's General Store 2.52%, Generac Holdings 3.19%, Inspire Medical Systems 2.61%, Marcus Corp. 1.85%, NVE Corp. 1.77%, Oshkosh Corp 3.53%, Premier Inc 2.25%, Tile Shop Holdings 0.00%, United Fire Group 1.69, Walt Disney Co. 0.00%.

All holdings in the portfolio are subject to change without notice and may or may not represent current or future portfolio composition. The mention of specific securities is not intended as a recommendation or an offer of a particular security, nor is it intended to be a solicitation for the purchase or sale of any security.

Average Annualized Returns (%) as of 12/31/2019

Fund/Index	1 YR	3 YR	5 YR	SINCE INC
Mairs & Power Small Cap Fund¹	21.13	6.67	8.05	14.84
S&P Small Cap 600 TR Index ²	22.78	8.36	9.56	14.07
Morningstar Small Blend ³	23.51	6.60	6.70	—
Expense Ratio 1.04%				Inception 8/11/2011

Performance data quoted represents past performance and 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. Current performance of the Fund may be lower or higher than the performance quoted. For most recent month-end performance figures call Shareholder Services at (800) 304-7404.

¹ Performance information shown includes the reinvestment of dividend and capital gain distributions, but does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

² S&P Small Cap 600 TR Index is an index of small-company stocks managed by Standard and Poor's that covers a broad range of small cap stocks in the U.S. The index is weighted according to market capitalization and covers 3-4% of the total market for equities in the U.S. It tracks both the capital gains of a group of stocks over time and assumes that any cash distributions, such as dividends, are reinvested back in the index.

³ Morningstar Small Blend Category, as defined by Morningstar are stocks in the bottom 10% of the capitalization of the U.S. equity market are defined as small cap. The blend style is assigned to portfolios where neither growth nor value characteristics predominate.

One cannot invest in an index.

Risks: All investments have risks. Mairs & Power Small Cap Fund is designed for long-term investors.

Equity investments are subject to market fluctuations and the Fund's share price can fall because of weakness in the broad market, a particular industry or specific holdings. Investments in small and mid-cap companies generally are more volatile. International investing risks include among others political, social or economic instability, difficulty in predicting international trade patterns, taxation, and foreign trading practices and greater fluctuations in price than U.S. corporations. The Fund may invest in initial public offerings by small cap companies, which can involve greater risks than investments in companies which are already publicly traded.

This commentary includes forward-looking statements such as economic predictions and portfolio manager opinions. The statements are subject to change at any time based on market and other conditions. No predictions, forecasts, outlooks, expectations or beliefs are guaranteed.

ALPS Distributors, Inc. is the Distributor for Mairs & Power Funds.

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