Tweedy, Browne Value Funds SICAV

Investment Manager's Report

Slowing growth in China, the world's second largest economy, coupled with uncertainty surrounding the prospective normalization of interest rates in the United States sent tremors through global equity markets over the last several months. After a rather short lived and furious correction in late August and early September, global equity markets regained their footing and, as we write, have taken back much of the ground they lost as summer came to an end.

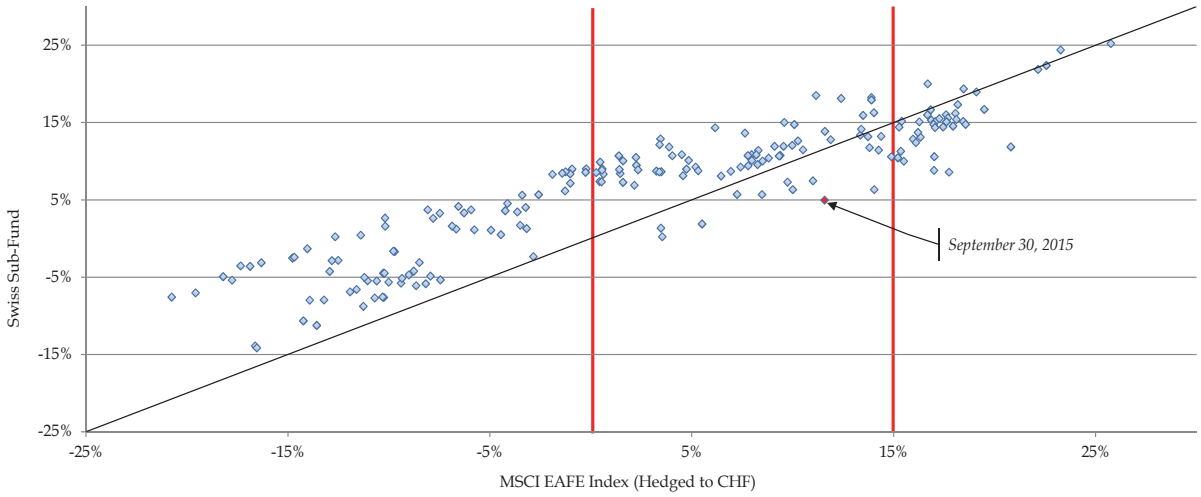
For value investors such as ourselves, it remained business as usual through this turbulence, although we would admit to a certain counterintuitive satisfaction as equity markets began their long overdue retreat. After six and a half years of relatively smooth sailing, setting aside a brief hiccup in 2011, it had become quite a challenging environment for value investors. Bargains had become increasingly scarce and many of our existing holdings were trading at or near our estimates of their intrinsic value — consequently, we were selling and trimming back a number of those positions. As a result, cash reserves had increased and our returns were somewhat diluted while the bull markets and their associated benchmark indices raged on. We were able to take some advantage of the markets' downside volatility in late summer. However, it did not last long enough, nor was it steep enough, for us to make significant headway in putting our cash reserves to work.

As we have explained in previous letters, equity return streams are lumpy by their nature. We can identify companies that we believe are undervalued at purchase, but have no control as to when (or if) that value gets recognized in public markets. That recognition often occurs with a great deal of randomness. Therefore, in all investment records, there is an element of both luck and skill. As we mentioned in last year's annual report, since a multitude of variables move stock prices around, particularly in the short run, it is virtually impossible to divine skill from luck without a large sample size, i.e., a long record. One thing we have in abundance at Tweedy, Browne, given our long history and pedigree, are long, successful investment records. With the exception of the Tweedy, Browne Value Fund (USD), which has been experiencing a particularly difficult patch relative to its benchmark index since mid-2014, the Sub-Funds of the Tweedy, Browne Value Funds SICAV have bested benchmark indices since their respective inceptions. However, those return streams have been lumpy, with multiple interim periods of underperformance like the one we are going through now. And yet this periodic underperformance has been part and parcel, in our case, of long-term, successful performance records.

As an example of this, we have included below a chart that we believe provides additional perspective on the Tweedy, Browne International Value Fund (CHF) (the "Swiss Sub-Fund") nearly-19 year investment record. It is in the form of a scatterplot, and examines three-year rolling returns since inception for the Swiss Sub-Fund as compared to the MSCI EAFE Index (Hedged to CHF) for different types of equity market environments. The chart illustrates that periods of relative outperformance for the Swiss Sub-Fund have tended to occur in "down" and more "normal" market environments, while periods of relative underperformance have tended to cluster in very "robust," more speculative market environments, like the one we have been in over the last three years.

Three-Year Rolling Returns

Out of 192 three-year measurement periods, the Swiss Sub-Fund has outperformed the MSCI EAFE Index (Hedged to CHF) * 141 times, or 73% of measured periods.



Down Market – 3-yr Avg. Return (Below 0%)	*Normal Market – 3-yr Avg. Return (0-15%)*	*Robust Market – 3-yr Avg. Return (Above 15%)*
Swiss Sub-Fund: -1.31%	Swiss Sub-Fund: 10.33%	Swiss Sub-Fund: 15.38%
MSCI EAFE (*Hedged to CHF*): -8.94%	MSCI EAFE (*Hedged to CHF*): 7.20%	MSCI EAFE (*Hedged to CHF*): 17.84%
Swiss Sub-Fund beat Index in 100% of periods	**Swiss Sub-Fund beat Index in 81% of periods**	**Swiss Sub-Fund beat Index in 8% of periods**

The above chart illustrates the monthly three-year rolling returns for the Swiss Sub-Fund, net of fees, since 1 November 1996, compared to the three-year rolling returns for its benchmark index. There were 192 three-year rolling monthly return periods between 1 November 1996 and 30 September 2015.

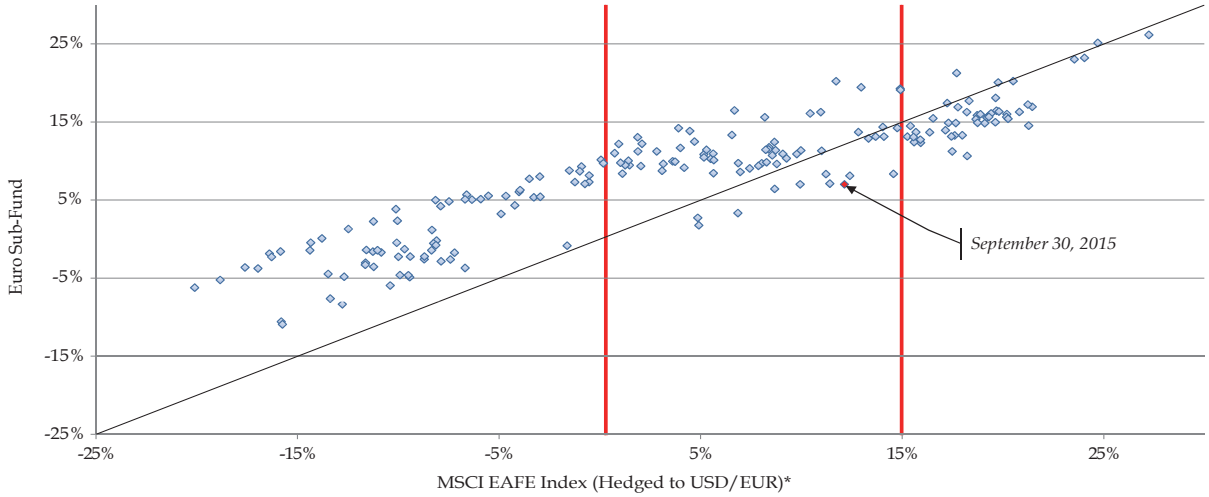
Chart description. The horizontal axis represents the three-year rolling returns of the benchmark index, while the vertical axis represents the three-year returns of the Sub-Fund. The diagonal axis is included to illustrate the outperformance or underperformance of the Sub-Fund versus the benchmark. Plot points above the diagonal axis are indicative of the Sub-Fund's relative outperformance, while plot points below the diagonal axis are indicative of relative Sub-Fund underperformance. Returns were plotted for three distinct equity market environments: a "down market," which is defined as any period where the three-year rolling return of the benchmark was less than 0%; a "normal market," which is defined as any period where the three-year rolling return of the benchmark was 0% to 15%; and a "robust market," which is defined as any period where the three-year rolling return for the benchmark was greater than 15%.

*The **MSCI EAFE Index** is an unmanaged capitalization-weighted index of companies representing the stock markets of Europe, Australasia and the Far East. The **MSCI EAFE Index (in CHF)** reflects the return of the MSCI EAFE Index for a Swiss Franc investor. The **MSCI EAFE Index (Hedged to CHF)** consists of the results of the MSCI EAFE Index, 100% hedged back into CHF, and accounts for interest rate differentials in forward currency exchange rates. Index results are inclusive of dividends and net of foreign withholding taxes.

The Swiss Sub-Fund's average annual total returns for the 1-, 5-, and 10-year periods ended September 30, 2015 were -7.81%, 5.88%, and 3.46%, respectively. The performance shown represents past performance and is not a guarantee of future results. Investment return and the 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 may be higher or lower than the performance quoted.

As the above chart demonstrates, the underperformance of our value driven strategy in the Swiss Sub-Fund over the last three years would appear to be quite normal and to be expected in the later stages of a bull market, when equity valuations become untethered from underlying estimated intrinsic values. In fact, if we were "winning big" in this environment, it would certainly seem out of step with the pattern of our historical returns, and would no doubt prompt some questions. Below we have also included the same three-year rolling charts for our three other Sub-Funds. We believe that they illustrate a similar pattern of returns.

Out of 192 three-year measurement periods, the Tweedy, Browne International Value Fund (Euro) (the "Euro Sub-Fund") has outperformed the MSCI EAFE Index (Hedged to USD/EUR) * 134 times, or 70% of measured periods.



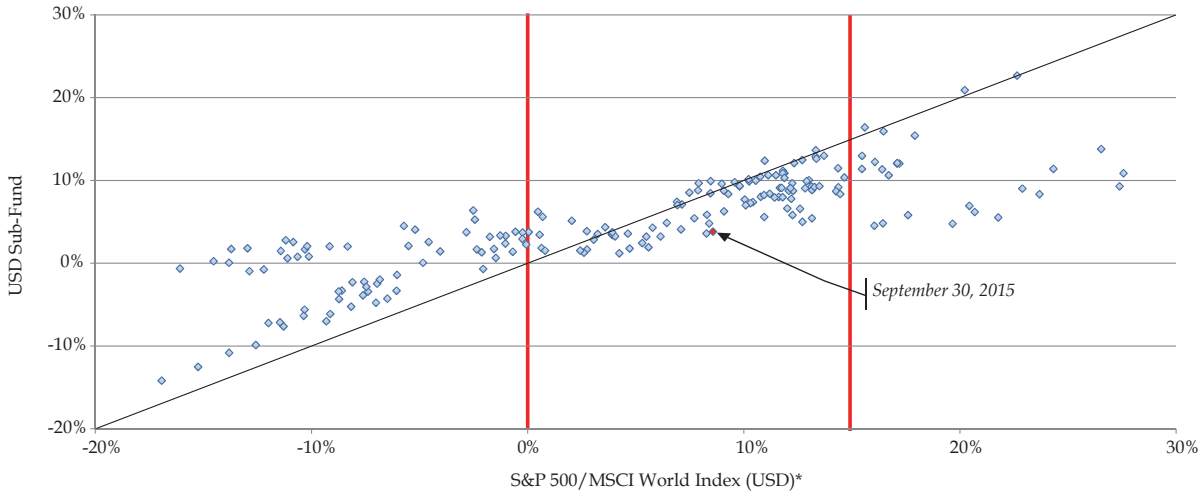
Down Market – 3-yr Avg. Return (Below 0%)	*Normal Market – 3-yr Avg. Return (0-15%)*	*Robust Market – 3-yr Avg. Return (Above 15%)*
Euro Sub-Fund: 0.36%	Euro Sub-Fund: 11.06%	Euro Sub-Fund: 16.09%
MSCI EAFE (*USD/EUR*): -8.94%	MSCI EAFE (*USD/EUR*): 7.16%	MSCI EAFE (*USD/EUR*): 18.90%
Euro Sub-Fund beat Index in 100% of periods	**Euro Sub-Fund beat Index in 81% of periods**	**Euro Sub-Fund beat Index in 8% of periods**

The above chart illustrates the monthly three-year rolling returns for the Euro Sub-Fund, net of fees, since 1 November 1996, compared to the three-year rolling returns for its benchmark index. There were 192 three-year rolling monthly return periods between 1 November 1996 and 30 September 2015. Please refer to the previous Swiss Sub-Fund chart notes for chart description.

*The blended MSCI EAFE Index (Hedged to USD/EUR) is a combination of the MSCI EAFE Index (hedged to USD) and the MSCI EAFE Index (Hedged to EUR) linked together by Tweedy, Browne, and represents the performance of the MSCI EAFE Index (hedged to USD) for the period 1 November 1996 to 16 May 2004, and the performance of the MSCI EAFE Index (Hedged to EUR) from 17 May 2004 and thereafter. From its inception through 16 May 2004, the Euro Sub-Fund was denominated in USD and its investments were hedged to USD. Therefore, the most relevant benchmark index for the period was the MSCI EAFE Index (hedged to USD). Effective 17 May 2004 and thereafter, the base currency of the Euro Sub-Fund was changed to EUR, and its investments are hedged to EUR. Therefore, the most relevant benchmark index for the period 17 May 2004 through the current date is the MSCI EAFE Index (hedged to EUR).

The Euro Sub-Fund's average annual total returns for the 1-, 5-, and 10-year periods ended September 30, 2015 were -3.58%, 7.83%, and 5.69%, respectively. The performance shown represents past performance and is not a guarantee of future results. Investment return and the 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 may be higher or lower than the performance quoted.

Out of 192 three-year measurement periods, the Tweedy, Browne Value Fund (USD) (the "USD Sub-Fund") has outperformed the S&P 500/MSCI World Index (USD) * 90 times, or 47% of measured periods.



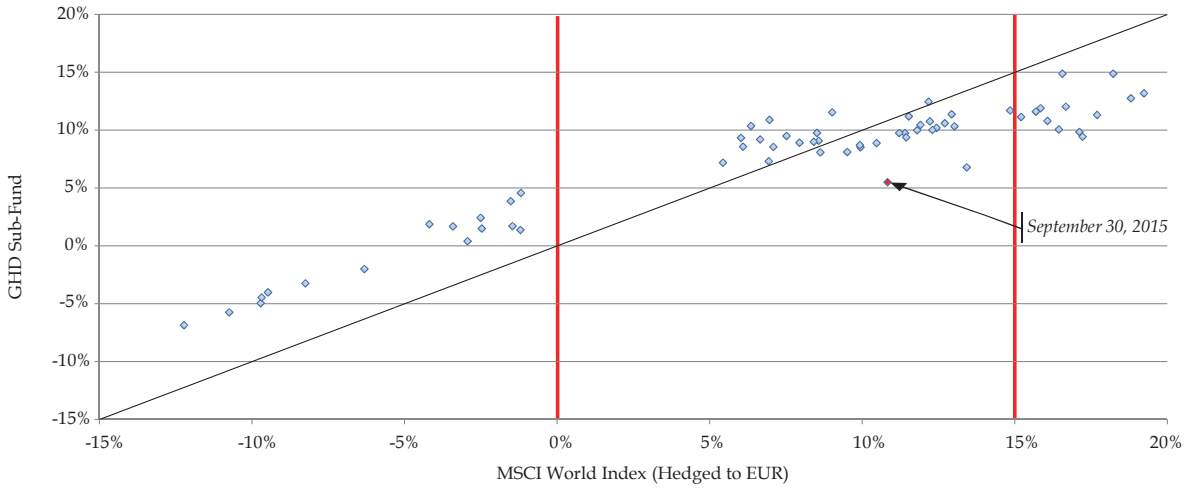
Down Market – 3-yr Avg. Return (Below 0%)	*Normal Market – 3-yr Avg. Return (0-15%)*	*Robust Market – 3-yr Avg. Return (Above 15%)*
USD Sub-Fund: -0.97%	USD Sub-Fund: 7.27%	USD Sub-Fund: 11.06%
S&P/MSCI World Index: -7.55%	S&P/MSCI World Index: 8.97%	S&P/MSCI World Index: 19.58%
USD Sub-Fund beat Index in 100% of periods	**USD Sub-Fund beat Index in 21% of periods**	**USD Sub-Fund beat Index in 12% of periods**

The above chart illustrates the monthly three-year rolling returns for the USD Sub-Fund, net of fees, since 1 November 1996, compared to the three-year rolling returns for its benchmark index. There were 192 three-year rolling monthly return periods between 1 November 1996 and 30 September 2015. Please refer to the previous Swiss Sub-Fund chart notes for chart description.

*The **S&P 500/MSCI World Index (USD)** is a combination of the S&P 500 and the MSCI World Index (USD) linked together by Tweedy, Browne, and represents the performance of the S&P 500 for the period 1 November 1996 - 30 November 2007, and the performance of the MSCI World Index (USD) from 1 December 2007 and thereafter. From its inception through 30 November 2007, the USD Sub-Fund was required by its prospectus to invest at least 80% of its net assets in U.S. stocks. Therefore, Tweedy, Browne believes the most relevant benchmark index for the period was the S&P 500. Effective 1 December 2007 and thereafter, pursuant to a change in the USD Sub-Fund's mandate, this 80% requirement was eliminated and the Sub-Fund was permitted to invest in stocks issued by companies both within the U.S. and outside the U.S. without any restriction. Therefore, Tweedy, Browne believes the most relevant benchmark index for the period 1 December 2007 through the current date is the MSCI World Index (USD).

The USD Sub-Fund's average annual total returns for the 1-, 5-, and 10-year periods ended September 30, 2015 were -12.34%, 5.32%, and 3.52%, respectively. The performance shown represents past performance and is not a guarantee of future results. Investment return and the 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 may be higher or lower than the performance quoted.

Out of 64 three-year measurement periods, the Tweedy, Browne Global High Dividend Value Fund (the "GHD Sub-Fund") has outperformed the MSCI World Index (Hedged to EUR) * 31 times, or 48% of measured periods.



Down Market – 3-yr Avg. Return (Below 0%)	*Normal Market – 3-yr Avg. Return (0-15%)*	*Robust Market – 3-yr Avg. Return (Above 15%)*
GHD Sub-Fund: -0.74% MSCI World: -5.46% **GHD Sub-Fund beat Index in 100% of periods**	GHD Sub-Fund: 9.49% MSCI World: 9.91% **GHD Sub-Fund beat Index in 43% of periods**	GHD Sub-Fund: 11.84% MSCI World: 16.95% **GHD Sub-Fund beat Index in 0% of periods**

The above chart illustrates the monthly three-year rolling returns for the GHD Sub-Fund, net of fees, since 1 June 2007, compared to the three-year rolling returns for its benchmark index. There were 64 three-year rolling monthly return periods between 1 June 2007 and 30 September 2015. Please refer to the previous Swiss Sub-Fund chart notes for chart description.

*The **MSCI World Index** is a free float-adjusted unmanaged market capitalization weighted index that is designed to measure the equity market performance of developed markets. The **MSCI World Index (in EUR)** reflects the return of the MSCI World Index for a euro investor. The **MSCI World Index (Hedged to EUR)** consists of the results of the MSCI World Index 100% hedged back into EUR, and accounts for interest rate differentials in forward currency exchange rates.

The GHD Sub-Fund's average annual total returns for the 1-year, 5-year, and since inception (1 June 2007) periods ended September 30, 2015 were -3.75%, 7.06%, and 2.29%, respectively. The performance shown represents past performance and is not a guarantee of future results. Investment return and the 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 may be higher or lower than the performance quoted.

While there are no guarantees, a study of our historical data suggests that this difficult slice of time will eventually pass, and we will once again have new opportunities. With the U.S. Federal Reserve's back against the wall in the U.S., and the Chinese economy continuing to grind down, we suspect we have not seen the end of unsettled markets, and if the recent volatility persists, as we suspect it will, we feel we are well positioned to take meaningful advantage. In times like these, we are once again reminded of Ben Graham's cautionary parable of "Mr. Market," the obliging, but moody fellow who turns up every day at the shareholder's door, offering to buy his shares at a price. Depending on his mood, that price could be absurdly high, perhaps about right, ridiculously low, or somewhere in between. As Warren Buffett has counseled:

> Mr. Market is there to serve you, not to guide you. It is his pocketbook, not his wisdom that you will find useful. If he shows up someday in a particularly foolish mood, you are free to ignore him or to take advantage of him, but it will be disastrous if you fall under his influence.

As your Fund manager, you can count on us to try to put Mr. Market's anxiety into perspective and behave rationally, so that we can capture for you some of the rewards that we believe will come in the future. We hope that, through our actions and words, we are able to do just that.

Stability of People and Process

We thought it might make sense, in addition to ruminating about our Sub-Funds and markets, to reflect upon the organization to which you have entrusted a portion of your hard-earned capital. We are rapidly approaching our 95th birthday as an investment organization grounded in a deeply rooted value oriented investment discipline that has proven its efficacy both empirically and in practice over the years. As we have said quite often, we remain deeply indebted to Messrs. Graham, Buffett, Munger and Schloss, our intellectual forebears, for having paved the way for multiple generations of Tweedy, Browne employees. We are now fortunate to have a third generation of Brownes working at our firm.

While new investment products in the money management industry have multiplied and investor time horizons have shortened, we have remained dedicated to Graham's simple but elegant proposition that there are in essence two prices for every share of stock: the price listed on the exchange on any given day, and the other price, the one that would accrue to investors if the entire company were purchased outright in an arms-length negotiated transaction between a knowledgeable buyer and seller. Graham referred to this price as the intrinsic value of the business, and to his way of thinking, the essence of investment was to try to exploit discrepancies between these two prices—in other words, to try to take advantage of mis-pricings in public equity markets. To this day, judgments around these two prices form the basis for everything that we do at Tweedy, Browne. Thank you, Ben.

Looking back, surviving intact for roughly 95 years is a rather remarkable feat for an investment organization, particularly in this day and age. We believe the key to this success has been our strict adherence to a highly efficacious investment approach and process, stewardship by successive generations of partners who have been willing to subsume their individual egos for the sake of the firm as a whole, and a healthy dollop of good luck. We have been incredibly fortunate in running our business, relying on a collaborative, team-oriented approach that we feel provides a better framework for investment decision-making than an approach based on any one individual's investment acumen. It has become clear to us over time that the diversity of perspective that this structure provides often leads to unique insights, deeper understanding, and occasional breakthroughs in research, all necessary for high quality investment decisions. It has also become clear that maintaining a balance of personalities and skill sets is essential in preserving the interpersonal harmony necessary for long and successful careers at our firm. We feel we have been successful at creating a culture that fosters cooperation for the good of the firm with the result being that each individual is better for it.

Our Investment Committee today is comprised of our four long-serving Managing Directors, Will Browne, Tom Shrager, John Spears, and Bob Wyckoff, and three of our analysts, Roger de Bree, Frank Hawrylak, and Jay Hill, each of whom joined our Investment Committee within the last two years after many years of service to our firm. The four Managing Directors have worked together at Tweedy continuously for between 24 and 41 years, while the analysts on the Investment Committee have been on board for between 12 and 29 years. No Managing Director or past partner of Tweedy, Browne has ever left the firm to take another job. All of the members of our Investment Committee have ownership stakes in the firm, and have a significant portion of their net worth invested alongside clients in the various investment products that the firm offers. While none of us at the Managing Director level have any immediate plans for retirement, our clients should be able to take comfort in the fact that, given the skill sets of our Investment Committee analysts, the transition to new leadership when the day comes should once again be seamless.

The long tenure and dedication of personnel at Tweedy, Browne extends across virtually all departments. For example, the remaining five analysts who do not currently serve on our Investment Committee have been employed at Tweedy, Browne for between six and 28 years. The average time in service at Tweedy of traders on our trading desk is 20 years, and the eight members of our Client Services team have been at the firm for an average of 13 years. Jason Minard, who heads our Client Services department, Glenn Finn, our Chief Operations Officer, and Pat Rogers, our Chief Legal Counsel, are each in their 17th year at the Firm; Jane Ciar, our Mutual Fund Coordinator, is in her 27th year; John Mullahey, the head of our computer department, is in his 28th year; and Mary Gaddist, our Librarian, is in her 36th year at Tweedy, Browne. We have also made it a practice that all department heads are responsible for grooming their potential successors, so that we have coverage in the event they get hit by the proverbial bus.

So while the near-term environment has been challenging for value investors such as ourselves, the longer-term results of the Tweedy, Browne Value Funds SICAV continue to be strong. The management team that produced these long-term records is largely the same management team that is in place today. The investment approach and process have not changed, and we continue to hammer away at our business, day in and day out.

Performance Results

Presented below are the investment results of Tweedy, Browne Value Funds SICAV (the "Fund") for the twelve months ended September 30, 2015 with comparisons to the indices we consider relevant. In this report, we have presented the Investment Manager's Report for the four Sub-Funds in one letter, which reflects the performance details and our views on the performance, as well as the financial statements for each Sub-Fund.*

Tweedy, Browne Value Fund (USD)

Annualized Results* ending September 30, 2015

	Tweedy, Browne Value Fund (USD)	*MSCI World (in USD)*	*S&P 500 Index*
6 Months	-8.72%	-8.16%	-6.18%
1 Year	-12.34	-5.09	-0.61
3 Years	3.83	8.58	12.40
5 Years	5.32	8.29	13.34
10 Years	3.52	4.73	6.80
Since Inception (10/31/96)	5.33	5.56	7.41

* *Performance returns are annualized and time weighted. The value of the shares and the return they generate can go down, as well as up. They are affected by market volatility and by fluctuations in exchange rates. Past performance is no indication of future results. The calculation of the Tweedy, Browne Value Fund (USD) performance complies with the "Guidelines on the Calculation and publication of Fund performance data," which were published for the Swiss Funds Association (SFA) on May 16, 2008.* ***Performance calculations are presented for Investor Shares****.*

Tweedy, Browne International Value Fund (Euro)

Annualized Results* ending September 30, 2015

	Tweedy, Browne International Value Fund (Euro)†	*MSCI EAFE (Hedged to USD/EUR)*	*MSCI EAFE (in USD/EUR)*
6 Months	-9.57%	-10.75%	-13.10%
1 Year	-3.58	0.46	3.37
3 Years	7.01	12.14	10.75
5 Years	7.83	7.23	8.25
10 Years	5.69	2.97	3.76
Since Inception (10/31/96)	8.48	4.59	4.64

* *Performance returns are annualized and time weighted. The value of the shares and the return they generate can go down, as well as up. They are affected by market volatility and by fluctuations in exchange rates. Past performance is no indication of future results. The calculation of the Tweedy, Browne International Value Fund (Euro) performance complies with the "Guidelines on the Calculation and publication of Fund performance data," which were published for the Swiss Funds Association (SFA) on May 16, 2008.* ***Performance calculations are presented for Investor Shares****.*

† *Prior to May 17, 2004 the Sub-Fund was denominated in USD and its investments were hedged to USD. Effective May 17, 2004, the base currency of the Sub-Fund was changed to EUR and its investments were hedged to EUR. Calendar year 2004 performance and annualized 15-year and since inception performance figures are based on percentage increase in USD value of shares to 17 May 2004, and percentage increase in EUR value of shares thereafter. Accordingly, such performance figures do not represent the percentage increase in the USD or EUR value of shares in the sub-fund over the whole of the indicated periods.*

The blended MSCI EAFE Index (hedged to USD/EUR) represents the performance of the MSCI EAFE Index (hedged to USD) for the period through 16 May 2004 and the performance of the MSCI EAFE Index (hedged to EUR) for the period from 17 May 2004 forward, linked together by Tweedy, Browne. The blended MSCI EAFE Index (in USD/EUR) represents the performance of the MSCI EAFE Index (in USD) for the period through 16 May 2004 and the performance of the MSCI EAFE Index (in EUR) for the period from 17 May 2004 forward, linked together by Tweedy, Browne. (See note above.)

The MSCI EAFE Index is an unmanaged capitalization-weighted index of companies representing the stock markets of Europe, Australasia and the Far East. The MSCI EAFE Index (in USD) reflects the return of the MSCI EAFE Index for a U.S. dollar investor (from inception through 16 May 2004) and the return of the MSCI EAFE Index for a Euro investor from 17 May 2004 through the current date. The MSCI EAFE Index (Hedged to USD/EUR) consists of the results of the MSCI EAFE Index 100% hedged back into USD (from inception to 16 May 2004) and 100% hedged into EUR (from 17 May 2004 through the current date) and accounts for interest rate differentials in forward currency exchange rates. Index results are inclusive of dividends and net of foreign withholding taxes.

Tweedy, Browne International Value Fund (CHF)

Annualized Results ending September 30, 2015*	*Tweedy, Browne International Value Fund (CHF)*	*MSCI EAFE (Hedged to CHF)*	*MSCI EAFE (in CHF)*
6 Months	-9.09%	-11.31%	-9.14%
1 Year	-7.81	-0.75	-6.59
3 Years	4.96	11.58	7.01
5 Years	5.88	6.57	3.98
10 Years	3.46	2.29	0.34
Since Inception (10/31/96)	6.68	3.31	2.78

* *Performance returns are annualized and time weighted. The value of the shares and the return they generate can go down, as well as up. They are affected by market volatility and by fluctuations in exchange rates. Past performance is no indication of future results. The calculation of the Tweedy, Browne International Value Fund (CHF) performance complies with the "Guidelines on the Calculation and publication of Fund performance data," which were published for the Swiss Funds Association (SFA) on May 16, 2008.* ***Performance calculations are presented for Investor Shares****.*

Tweedy, Browne Global High Dividend Value Fund

Annualized Results ending September 30, 2015*	*Tweedy, Browne Global High Dividend Value Fund*	*MSCI World (Hedged to EUR)*	*MSCI World (in EUR)*
6 Months	-11.57%	-8.45%	-11.64%
1 Year	-3.75	-1.23	7.41
3 Years	5.49	11.33	13.84
5 Years	7.06	9.44	12.73
Since Inception (6/1/07)	2.29	1.59	4.18

* *Performance returns are annualized and time weighted. The value of the shares and the return they generate can go down, as well as up. They are affected by market volatility and by fluctuations in exchange rates. Past performance is no indication of future results. The calculation of the Tweedy, Browne Global High Dividend Value Fund performance results complies with the "Guidelines on the Calculation and Publication of Fund Performance Data," which were published for the Swiss Funds Association (SFA) on 27 May 16, 2008.* ***Performance calculations are presented for Investor Shares****.*

Our Sub-Fund Portfolios

Please note that individual companies discussed herein represent holdings in our Sub-Funds, but are not necessarily held in all four of our Sub-Funds.

While we welcomed the volatility of the last several months for the opportunities it often brings, our Sub-Funds did lose some ground on an absolute basis. While companies around the globe were negatively impacted by the markets' decline, we gave up the most ground in our oil & gas and bank holdings. Oil prices were highly volatile this past year, and uncertainty surrounding China's economy have cast a pall over commodities, Asian and emerging-market-related companies. Energy-related holdings such as Halliburton and oil & gas production companies such as Devon Energy, Total, and Royal Dutch were up and down as oil prices vacillated between $48 and $96 per barrel. We continue to believe that, given industry demand and cost considerations, oil prices are likely to move higher over the longer term, and, if that indeed bears out, we are well positioned in what we feel is a diversified and undervalued group of companies in the sector. We also have little doubt that our companies have the financial resources to weather this period of lower energy prices.

Prior to the recent correction, the only place where you could uncover fear in the markets was in emerging market countries and in commodity-related businesses, and that pretty much remains the case. We certainly witnessed this over the last year in our Asian-related bank holdings. As you know from past letters, we have had long and successful investments in two Singapore banks, DBS Group and United Overseas Bank, both of which in our view are high quality, conservatively financed, and well-managed banking institutions that have significant growth prospects and currently pay us very attractive, 4% plus annual dividend yields. We have also made an investment (in multiple lot purchases over the last two years) in Standard Chartered Bank, a UK-headquartered but largely emerging-market-dependent bank that again in our view was conservatively financed by deposits well in excess

of loans, and has, in our opinion, one of the best banking networks across Asia, the Middle East, Africa and other emerging markets. Unlike our other Asian bank holdings, Standard Chartered has incurred above average loan losses and recently replaced senior management and undertaken multiple steps to address what we consider to be "fixable" problems. While this process may, and usually does, take longer than expected, we are optimistic that the bank will be able to get through this difficult period, and ultimately emerge stronger and more profitable. As you can imagine, given the uncertainty around China's future growth (as evidenced by the recent devaluation of the yuan), these bank investments have not been getting the votes from "Mr. Market" over the near term; however, over the longer term, China and other parts of Asia should, in our opinion, continue to grow at rates in excess of the growth rates found in most of the Western world, and we believe these banks should remain significant beneficiaries of that growth.

With markets in a state of flux, it was some of the more defensive components of our Fund portfolios that held up the best over the year ended September 30, 2015. This includes food companies such as Nestlé, beverage companies such as Heineken, and tobacco holdings such as Imperial Tobacco, Philip Morris and British American Tobacco. We also had strong results in our more recent investments in: Korean auto company, Kia; media holding, Axel Springer; Safran, the French civil jet engine manufacturer; and in Google.

With price volatility on the rise, portfolio activity across our Sub-Funds also perked up, allowing us to work down the cash reserve positions somewhat in our Sub-Fund portfolios. We established new positions in two Korean automobile companies, Hyundai Motor and Kia, and added to our position in the company that supplies them with parts and maintenance, Hyundai Mobis. At purchase, Hyundai Motor, Kia, and Hyundai Mobis were all trading at discounts to book value and mid-single digit price/earnings ratios. The reputations of these companies in terms of product quality and customer satisfaction have risen dramatically over the last decade, but a strong Korean won and concerns about Chinese demand in the near term gave us a pricing opportunity during the summer.

We also established a position in MRC Global, a US-based but global producer of pipes, valves, and fittings largely for the oil and gas industry; Ebara, a medium-capitalization Japanese manufacturer of pumps, compressors, and incinerators; and IBM. All three of these companies at purchase were trading at significant discounts from our conservative estimates of their respective intrinsic values. In addition, we believe they are financially strong and have attractive prospects for future growth in intrinsic value. Moreover, in the case of IBM, it currently pays us an attractive dividend yield as we wait for value recognition in the market. On the sell side of our Sub-Funds, we did some modest tax loss selling in September, and trimmed a number of positions across all four Sub-Funds that were trading at, or marginally above, our estimates of their intrinsic value.

As we write, all four of our Sub-Fund portfolios remain highly diversified by issue, industry, and country; are composed of securities that, overall, trade at what we believe are reasonable valuations and that currently pay attractive dividend yields on average; and carry meaningful, but declining levels of cash reserves. Should global equity markets continue their advance, our Sub-Funds should participate; however, should we revisit the instability of August and early September, we believe we are well positioned to take meaningful advantage.

Looking Forward

Just five years from now, we will celebrate our 100th year of operation as an investment organization. This will be quite a landmark for our Firm, and as mentioned earlier, a rare occurrence in our industry. We have worked hard over the years to develop what is in essence a "recurring golf swing" in the investment business—one that we hope will allow for some consistency of results over the longer term. We believe our long performance history demonstrates some success in that regard for the Fund, but we remain humbled by the day-to-day vagaries of our capital markets, and how little control we ultimately have over our investment fortunes in the short run. The stocks we own don't know that we own them, and therefore do not behave in ways that are always consistent with our near term interests. We can ferret out pockets of what we believe to be undervaluation in our markets and individual securities that offer clues to future investment opportunity, but we have no assurance as to when, or if, that value will be recognized by other market participants, or by an acquirer.

What we do know is that Graham's "big idea" has empirically and practically worked over the long term, and we have done our best to hone an investment organization that can execute on Graham's promise. One of our Managing Directors read a book this past summer called ***The Boys in the Boat***, which is about the University of Washington crew team and their epic quest for Olympic Gold in the 2,000 meter, eight-oared crew race at the 1936 Berlin Olympics. It is a wonderful emotional and historic account of how eight young men, mostly from extraordinary hardscrabble backgrounds, came together for a remarkable and unexpected achievement. We were particularly struck by the author's description of the benefits associated with a diverse crew, and what it took for

them to find their "swing" on the water. We couldn't help but think about our many years at Tweedy, Browne and the crews that have made Tweedy what it is today:

> *Crew races are not won by clones. They are won by crews, and great crews are carefully balanced blends of both physical abilities and personality types. In physical terms, for instance, one rower's arms might be longer than another's, but the latter might have a stronger back than the former. Neither is necessarily a better or more valuable oarsman than the other; both the long arms and the strong back are assets to the boat. But if they are to row well together, each of these oarsmen must adjust to the needs and capabilities of the other. Each must be prepared to compromise something in the way of optimizing his stroke for the overall benefit of the boat—the shorter-armed man reaching a little farther, the longer-armed man foreshortening his reach just a bit—so that both men's oars remain parallel and both blades enter and exit the water at precisely the same moment...*
>
> *... Good crews are good blends of personalities: someone to lead the charge; someone to hold something in reserve; someone to pick a fight; someone to make peace; someone to think things through; someone to charge ahead without thinking. Somehow all this must mesh. That's the steepest challenge. Even after the right mixture is found, each man or woman in the boat must recognize his or her place in the fabric of the crew, accept it, and accept the others as they are. It is an exquisite thing when it all comes together in just the right way. The intense bonding and the sense of exhilaration that results from it are what many oarsmen row for, far more than for trophies or accolades. But it takes young men or women of extraordinary character as well as extraordinary physical ability to pull it off.*
>
> - ***The Boys in the Boat*** by Daniel James Brown

Thank you for investing with us, and for your continued confidence.

Sincerely,

William H. Browne
Thomas H. Shrager
John D. Spears
Robert Q. Wyckoff, Jr.
Managing Directors, Tweedy, Browne Company LLC

November 2015

Footnotes:

Current and future portfolio holdings are subject to risk. Investing in foreign securities involves additional risks which include currency fluctuations; political uncertainty; different accounting and financial standards; different regulatory environments; and different market and economic factors in various countries. In addition, the securities of small, less well known companies may be more volatile than those of larger companies. Value investing involves the risk that the market will not recognize a security's intrinsic value for a long time, or that a security thought to be undervalued may actually be appropriately priced when purchased. Please refer to the Fund's prospectus for a description of risk factors associated with investments in securities which may be held by the Sub-Funds.

Although the practice of hedging against currency exchange rate changes utilized by the Tweedy, Browne International Value Fund (Euro), Tweedy, Browne International Value Fund (CHF) and Tweedy, Browne Global High Dividend Value Fund reduces the risk of loss from exchange rate movements, it also reduces the ability of the Sub-Funds to gain from favorable exchange rate movements when the currency to which the Sub-Fund is being hedged declines against the currencies in which the Sub-Funds' investments are denominated and in some interest rate environments may impose out-of-pocket costs on the Sub-Funds.