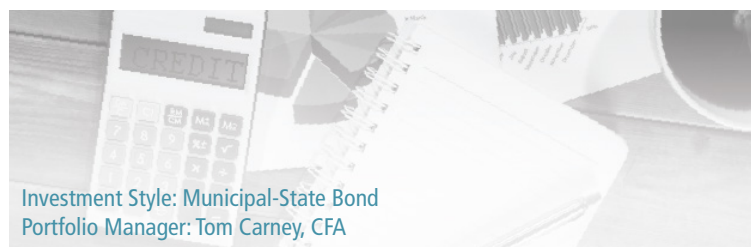


Nebraska Tax-Free Income Fund

3Q 2018 Quarterly Commentary



Investment Style: Municipal-State Bond
Portfolio Manager: Tom Carney, CFA

The Nebraska Tax-Free Income Fund returned -0.25% in the third calendar quarter compared to a -0.20% return for the Bloomberg Barclays 5-Year Municipal Bond Index, the Fund's primary benchmark. For the calendar year to date, the Fund returned -0.70% compared to +0.10% for the Fund's primary benchmark.

Overview

The U.S. economy is thriving so far in 2018, as improvements in various economic data points have been recorded with each passing month. The unemployment rate and its close cousin, the monthly average of jobless claims, measured at the lowest levels since 1969, during the quarter. Wage growth as reported by the Labor Department hit the highest level since 2009, as inflation pressures, while still reasonably tame, continue to percolate in the U.S. economy. Consumer confidence registered its highest reading since 2000. And small-business sentiment as measured by a survey by the National Federation of Independent Business came in during the quarter at the highest reading since the survey began in 1974.

Other major economies are not faring nearly as well. Europe's growth rate is waning, while emerging markets—last year's standout performer—are struggling in the face of high debt, currency weakness, costly oil and trade worries.

Worries about global trade relationships are steady headline fodder, but more than six months after the first proposed tariffs on certain metals imports, markets are still discounting the likelihood that current tensions—particularly between the White House and China—will devolve into a full-blown trade war. The longer this goes on, the greater the risk that either side or both overplay their hand, and that markets and the global economy will have to deal with the unhappy consequences.

U.S. Treasury bond yields took their cue from the strong domestic economic data and continued to march higher (prices lower) in the quarter. Shorter-term interest rates rose slightly more than longer-term rates, as market participants anticipate additional tightening measures by the Federal Reserve later this year and into 2019.

Municipal bonds underperformed their taxable government counterparts in the quarter as the yield relationship between tax-free municipal bonds and taxable alternatives increased modestly. High-quality 5-year municipal bonds, for example, ended the quarter with a yield representing approximately 75% of U.S. Treasuries, up from 73% at June 30.

The Federal Reserve raised short-term interest rates in late September, which was the third rate increase in 2018 and the eighth since the current tightening cycle began in late 2015. The Fed has said it will keep raising rates until it sees evidence that higher interest rates are hurting the U.S. economy. Short-term rates generally more closely follow the Fed's expected and actual monetary policy action.

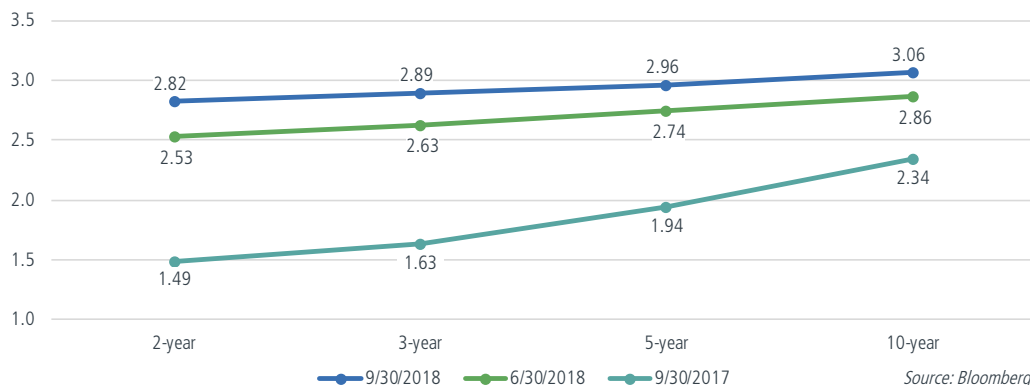
As a result, the difference between short- and longer-term bond yields continued to narrow in the quarter as the yield curve continued to "flatten." A flattening invariably occurs when the Fed embarks on a monetary-tightening campaign. An example of the yield curve flattening can be seen in the difference between 2-year and 10-year Treasury bond yields. Over the past 10 years, the difference between 2-year and 10-year Treasury bond yields has averaged more than 150 basis points. This is understandable considering investors typically want to be compensated for lending money over longer periods of time. This is called the "term premium" in industry parlance.

In the third quarter, the difference between 2-year and 10-year Treasury bond yields hit its lowest point over the past 10 years, at less than 30 basis points. The yield curve has yet to "invert," where short-term yields exceed longer-term yields but is an important market occurrence to monitor since an inversion of the yield curve has often been a reliable signal for heightened recession risk.

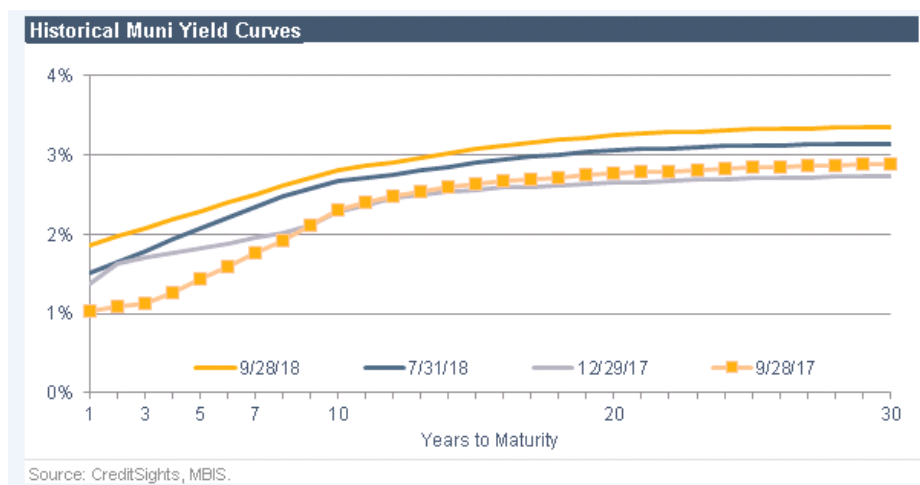
The economic data continues to give "all clear" or "smooth sailing" signals—and the Fed seems intent on continuing to raise short-term rates. The risk is that the economic evidence reveals itself too late, and the Fed ends up overshooting on rates. Overall, the yield curve is something we will be monitoring in the months and quarters ahead.

The chart on the following page provides an overview of select U.S. Treasury bond yields for the quarter and the past twelve months.

U.S. Treasury Yields (%)



The following chart, courtesy of global market research firm CreditSights, illustrates the municipal bond market yield curve over select intervals from the past twelve months. Since U.S. Treasury bonds act as a form of gravitational pull to all other fixed income sectors, it’s no surprise that the municipal market has also experienced an overall rising but flattening yield curve, where rate increases have most affected bonds with shorter maturities.



Fund Review

The Fund’s results closely followed the benchmark’s results in the quarter but lagged on a year-to-date basis principally due to the nearly one-quarter of Fund investments in 7-year and longer municipal bonds (not present in the benchmark index). The Fund’s greater concentration in bonds maturing in under five years (approximately two-thirds) has become less impacted from short-term rate increases as the Fed has moved further away from its zero interest-rate policy. As a reminder, our investment objective is not to mimic any index but to invest in a portfolio of bonds of varying maturities that we believe represent attractive risk- and tax-adjusted opportunities. Our primary benchmark, on the other hand, is a static index of 4- to 6-year bonds.

Top Quarterly Contributors

- General-purpose bonds issued by the city of Omaha.
- Higher education bonds issued by Angelina County Texas Junior Community College District and Cook, Kane, Lake & McHenry Counties, Illinois Community College District.
- Hospital bonds issued by Douglas County Nebraska Hospital Authority revenue bonds issued for Methodist Hospital and Madonna Rehabilitation Hospital.

Top Quarterly Detractors

- Primary and secondary education general-obligation bonds issued by Papillion-La Vista School District.
- The electricity and public power revenue bonds issued by Dawson Nebraska Public District and Nebraska Public Power District.

Investment activity was light in the quarter, as we identified few qualifying investments. Key portfolio metrics for the Fund, average effective duration and average effective maturity, were unchanged in the quarter at 3.8 and 4.2 years, respectively. This compares to the Fund's benchmark that had an average effective duration 4.0 years and average effective maturity of 4.9 year at quarter end.

Overall credit quality of the Fund remains high, with approximately 89% rated A or better by nationally recognized statistical rating organizations, credit rating agencies recognized by the U.S. Securities and Exchange Commission.

As we have discussed in prior quarters, overall interest rates remain low by historical standards. However, we have been encouraged by the Fed's progress to "normalize" interest rates, through the third quarter of 2018, by gradually moving away from the zero interest-rate policy that lasted for so many years. Bond investors' returns over time principally adhere to the coupon, or income returns. And with short-term rates finally some distance above zero, the prospects for income returns from shorter-term investments is becoming a reality. This development has and will expand the opportunity set for the Fund to invest capital on your and our behalf. One of those developments within the Fund has been the increase in duration to 3.8 years at the end of the third quarter, a more neutral level, from a lifetime portfolio low (low- to mid- 2-year range) that persisted for several years (2014 to 2016) during the zero interest-rate environment.

Our overall goal is to invest in a portfolio of bonds of varying maturities that we believe represents attractive risk- and tax-adjusted returns, taking into consideration the general level of interest rates and the credit quality of each investment. Our investments may be wide-ranging, but our analysis is the same. We strive to own only those investments we believe compensate us for the incremental credit risk we assume. Please see the following pages (or visit our website) for additional details regarding the breakdown of our investment holdings by state, sector and rating. While the vast majority of our Fund investments are Nebraska based, we select investments from a universe of over 55,000 issuers in the nearly \$3 trillion municipal bond market.

We look forward to reporting to you on our progress in the quarters ahead and thank you for your patience and continued support.

The Fund seeks income that is exempt from federal and Nebraska personal income taxes, but income from the Fund may be subject to federal alternative minimum tax and capital gains taxes.

Performance data represents past performance, which does not guarantee future results. *The investment return and the principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance may be higher or lower than the performance data quoted. Performance data current to the most recent month end may be obtained at weitzinvestments.com.*

Average annual total returns for the Fund's one-, five- and ten-year periods ended September 30, 2018, were -0.88%, 0.86% and 2.31%, respectively. Returns assume reinvestment of dividends and redemption at the end of each period, and reflect the deduction of annual operating expenses, which as stated in the most recent Prospectus are 0.85% of the Fund's net assets. Returns also include fee waivers and/or expense reimbursements, if any; total returns would have been lower had there been no waivers or reimbursements.

Average annual total returns for the Bloomberg Barclays 5-Year Municipal Bond Index for the one-, five- and ten-year periods ended September 30, 2018, were -0.60%, 1.85% and 3.37%. Index performance is hypothetical and is shown for illustrative purposes only. Comparative returns are the average returns for the reflected index. The Bloomberg Barclays 5-Year Municipal Bond Index is a capitalization weighted bond index created by Bloomberg Barclays intended to be representative of major municipal bonds of all quality ratings with an average maturity of approximately five years.

Portfolio composition is subject to change at any time. Current and future portfolio holdings are subject to risk.

Investors should consider carefully the investment objectives, risks, and charges and expenses of the Fund before investing. The Fund's Prospectus contains this and other information about the Fund and should be read carefully before investing. The Prospectus is available from Weitz Investment Management, Inc. Weitz Securities, Inc. is the distributor of the Weitz Funds.

NEBRASKA TAX-FREE INCOME FUND

Schedule of Investments

September 30, 2018

Municipal Bonds - 99.6%

	% of Net Assets	\$ Principal Amount	\$ Value
California	0.4		
San Diego County Regional Airport Authority, Subordinate Airport Revenue, Series 2017B, AMT, 5.0%, 7/01/25		200,000	228,458
Colorado	0.2		
Colorado Bridge Enterprise, Senior Revenue, Central 70 Project, Series 2017, AMT, 4.0%, 12/31/23		100,000	105,415
District of Columbia	1.1		
Metropolitan Washington Airports Authority, Aviation System Revenue, Refunding, Series 2017A, AMT, 5.0%, 10/01/27		500,000	576,635
Florida	2.9		
Greater Orlando Aviation Authority, Priority Subordinated Airport Facilities Revenue, Series 2017A, AMT, 5.0%, 10/01/25		500,000	566,740
Miami, Dade County, Aviation Revenue, Series 2010A, 4.25%, 10/01/18		1,000,000	1,000,000
			1,566,740
Illinois	0.2		
Cook, Kane, Lake and McHenry Counties and State of Illinois, General Obligation, Community College District No. 512, Series 2009A, 5.0%, 12/01/23, Pre-Refunded 12/01/18 @ 100		100,000	100,523
Nebraska	91.2		
Blair, Water System Revenue, Series 2016, AMT, 2.2%, 12/15/22		175,000	170,182
2.45%, 12/15/23		125,000	120,886
2.65%, 12/15/24		100,000	95,133
2.85%, 12/15/25		100,000	95,214
3.0%, 12/15/26		100,000	94,539
3.1%, 12/15/27		100,000	93,786
3.2%, 12/15/28		100,000	93,508
3.35%, 12/15/29		100,000	92,716
3.5%, 12/15/30		100,000	92,551
Buffalo County, General Obligation, Kearney Public Schools District 0007, Series 2016			
2.0%, 12/15/18		305,000	305,085
3.0%, 12/15/24		250,000	256,700
Cass County, General Obligation, Refunding, Weeping Water Public School District 0022, Series 2017			
2.05%, 12/15/25		375,000	346,095
2.2%, 12/15/26		250,000	231,402
Chadron, Sales Tax and General Obligation, Aquatic Center, Series 2016, 1.6%, 7/15/22		400,000	382,192
Columbus, Combined Revenue, Refunding, Series 2016, AGM Insured			
4.0%, 12/15/26		100,000	109,582
4.0%, 12/15/27		100,000	108,967
Cornhusker Public Power District, Electric System Revenue, Refunding, Series 2014, 2.25%, 7/01/22		260,000	260,117

	\$ Principal Amount	\$ Value
Dawson Public Power District, Electric System Revenue, Refunding, Series 2016A		
2.0%, 6/15/26	170,000	157,967
2.1%, 6/15/27	105,000	95,306
Series 2016B		
2.5%, 6/15/28	135,000	125,677
3.0%, 6/15/29	245,000	237,616
3.0%, 6/15/30	355,000	340,835
Douglas County, Educational Facility Revenue, Refunding, Creighton University Project, Series 2010A, 5.6%, 7/01/25, Pre-Refunded 7/01/20 @ 100	400,000	423,952
Douglas County, General Obligation, Omaha Public School District 0001		
Series 2015, 5.0%, 12/15/28	1,000,000	1,137,240
Series 2016, 5.0%, 12/15/29	350,000	406,346
Refunding, Elkhorn Public School District 0010, Series 2016B, 3.0%, 12/15/18	100,000	100,229
Westside Community School District 0066, Series 2015, 2.5%, 12/01/22	250,000	251,080
Douglas County, Hospital Authority #2, Revenue, Madonna Rehabilitation Hospital Project, Series 2014, 5.0%, 5/15/26	500,000	545,130
Nebraska Medicine, Series 2016, 4.0%, 5/15/32 ^(d)	700,000	726,530
Douglas County, Hospital Authority #3, Revenue, Refunding, Nebraska Methodist Health System		
Series 2008, 5.5%, 11/01/18, Escrowed to Maturity ^(b)	155,000	155,448
Series 2015		
4.0%, 11/01/18	250,000	250,345
4.0%, 11/01/19	110,000	111,900
5.0%, 11/01/20	100,000	105,390
5.0%, 11/01/21	100,000	107,643
5.0%, 11/01/22	250,000	274,200
Fremont, Combined Utility Revenue, Series 2014B, 3.0%, 7/15/21	370,000	377,344
Hamilton County, General Obligation, Hampton Public School District 0091, Series 2016, 1.0%, 12/15/19	300,000	295,572
Lincoln-Lancaster County, Public Building Commission, Lease Revenue, Refunding, Series 2015, 3.0%, 12/01/19	750,000	759,180
Series 2016, 3.0%, 12/01/25	500,000	515,630
Lincoln, Airport Authority, Revenue, 2014 Series C		
2.0%, 7/01/19	190,000	190,180
2.0%, 7/01/21	195,000	194,479

	\$ Principal Amount	\$ Value
Lincoln, Educational Facilities, Revenue, Refunding, Nebraska Wesleyan University Project, Series 2012		
2.25%, 4/01/19	645,000	645,348
2.5%, 4/01/21	925,000	928,570
Lincoln, Electric System Revenue, Refunding, Series 2012		
5.0%, 9/01/21	1,000,000	1,081,540
5.0%, 9/01/28	1,000,000	1,096,160
Series 2016, 3.0%, 9/01/28	1,000,000	995,730
Lincoln, General Obligation, Highway Allocation Fund, Refunding, Series 2016		
5.0%, 5/15/22	100,000	110,201
5.0%, 5/15/23	135,000	151,894
Lincoln, General Obligation, West Haymarket Joint Public Agency, Series 2011, 5.0%, 12/15/26	300,000	325,830
Loup River Public Power District, Electric System Revenue, Refunding, Series 2016		
5.0%, 12/01/18	500,000	502,575
5.0%, 12/01/19	500,000	517,450
Madison County, Hospital Authority #1, Revenue, Faith Regional Health Services Project, Series 2018		
3.0%, 7/01/19	100,000	100,314
Refunding, Faith Regional Health Services Project, Series 2017A		
5.0%, 7/01/21	475,000	502,944
5.0%, 7/01/23	250,000	271,612
Metropolitan Utilities District of Omaha, Gas System Revenue, Series 2018, 4.0%, 12/01/27	450,000	482,206
Municipal Energy Agency of Nebraska, Power Supply System Revenue, Refunding,		
2009 Series A, BHAC Insured,		
5.0%, 4/01/20, Pre-Refunded 4/01/19 @ 100	500,000	507,735
2012 Series A, 5.0%, 4/01/29	300,000	325,071
2016 Series A		
5.0%, 4/01/21	250,000	266,793
5.0%, 4/01/27	350,000	403,204
Nebraska, Certificates of Participation, Series 2015C		
1.45%, 9/15/19	360,000	356,422
1.7%, 9/15/20	200,000	198,068
Series 2016A, 2.0%, 2/15/19	750,000	750,293
Series 2017B, 1.35%, 7/15/20	785,000	767,761
Series 2018A, 2.1%, 7/15/21	860,000	857,214
Nebraska Investment Financial Authority, Single Family Housing Revenue, 2016 Series C, 1.85%, 3/01/23	100,000	97,381
Nebraska Public Power District, Revenue, 2012 Series A		
4.0%, 1/01/21	500,000	520,845
5.0%, 1/01/21	500,000	531,765
2012 Series B, 3.0%, 1/01/24	1,000,000	1,019,200
2015 Series A-2, 5.0%, 1/01/24	250,000	270,995
2016 Series C		
4.0%, 1/01/19	880,000	884,611
5.0%, 1/01/35	480,000	535,795

	\$ Principal Amount	\$ Value
Nebraska State Colleges, Facilities Corp., Deferred Maintenance Revenue, Refunding, Series 2016, AGM Insured, 4.0%, 7/15/28	750,000	796,883
Nebraska State Colleges, Student Fees and Facilities Revenue, Wayne State College Project, Series 2016, 3.0%, 7/01/19	120,000	120,812
North Platte, Sewer System Revenue, Refunding, Series 2015, 3.0%, 6/15/24	250,000	251,570
Omaha-Douglas County, General Obligation, Public Building Commission, Series 2014, 5.0%, 5/01/26	725,000	790,076
Omaha, General Obligation, Refunding, Series 2008		
5.0%, 6/01/20	255,000	255,640
5.25%, 10/15/19, Pre-Refunded 10/15/18 @ 100	250,000	250,320
Series 2012B, 3.0%, 11/15/24	400,000	410,464
Various Purpose and Refunding, Series 2016A		
4.0%, 4/15/22	815,000	866,638
4.0%, 4/15/23	185,000	199,134
Omaha, Public Facilities Corp., Lease Revenue, Omaha Baseball Stadium Project Refunding, Series 2016A, 4.0%, 6/01/28	1,335,000	1,423,871
Series 2009		
4.125%, 6/01/25, Pre-Refunded 6/01/19 @ 100	250,000	253,598
5.0%, 6/01/23, Pre-Refunded 6/01/19 @ 100	770,000	785,500
Series 2010, 4.125%, 6/01/29 ^(b)	650,000	665,275
Omaha Public Power District, Electric System Revenue		
2012 Series A, 5.0%, 2/01/24, Pre-Refunded 2/01/22 @ 100	2,000,000	2,187,600
2015 Series A, 2.85%, 2/01/27	500,000	499,990
Separate Electric System Revenue		
2015 Series A, 5.0%, 2/01/19	500,000	504,950
Omaha, Sanitary Sewerage System Revenue, Refunding, Series 2016		
5.0%, 4/01/26	250,000	290,448
4.0%, 4/01/31	350,000	367,343
Series 2014, 5.0%, 11/15/22	200,000	221,518
Papillion, General Obligation, Tax Supported Recreational Facilities, Series 2017, 3.0%, 9/15/24	420,000	427,778
Papillion-La Vista, General Obligation, Sarpy County School District #27, Refunding, Series 2017A		
2.05%, 12/01/24	150,000	144,831
2.2%, 12/01/25	150,000	145,118
2.3%, 12/01/26	275,000	263,467
Series 2009, 5.0%, 12/01/28, Pre-Refunded 12/01/18 @ 100	500,000	502,615
Papio-Missouri River Natural Resources District, General Obligation, Flood Protection and Water Quality Enhancement, Refunding, Series 2017, 5.0%, 12/15/26	185,000	201,663
Series 2015		
2.0%, 12/15/20	100,000	99,614
2.25%, 12/15/21	100,000	99,386
4.0%, 12/15/24	100,000	102,736
4.0%, 12/15/25	100,000	102,685

	\$ Principal Amount	\$ Value
Public Power Generation Agency, Revenue, Refunding, Whelan Energy Center Unit 2, 2015 Series A, 5.0%, 1/01/28	200,000	223,106
Sarpy County, General Obligation, Bellevue Public School District 0001, Series 2017 5.0%, 12/15/27 5.0%, 12/15/29	250,000 550,000	293,168 642,681
Sarpy County, Certificates of Participation, Series 2016, 1.75%, 6/15/26	500,000	456,350
Sarpy County, Recovery Zone Facility Certificates of Participation, Series 2010 2.35%, 12/15/18 2.6%, 12/15/19	155,000 135,000	155,152 135,988
South Sioux City, Combined Electric, Water and Sewer Revenue, Refunding, Series 2014A 1.9%, 6/01/20 2.25%, 6/01/21	280,000 250,000	279,815 250,520
Southeast Community College Area (Nebraska), Certificates of Participation, Series 2018, 3.0%, 12/15/22	400,000	410,824
Thayer County, General Obligation Hospital, Refunding, Series 2017, 1.3%, 9/01/20	400,000	389,396
University of Nebraska, Facilities Corp., Lease Rental Revenue, NCTA Education Center/Student Housing Project, Series 2011, 3.75% 6/15/19 Revenue, Refunding, Health Center and College of Nursing Projects, Series 2016, 5.0%, 7/15/29 Revenue, UNMC Global Center Project, Series 2017, 5.0%, 12/15/18	285,000 380,000 1,000,000	288,637 440,120 1,006,330
University of Nebraska, University Revenue, Kearney Student Housing Project, Series 2017 3.0%, 7/01/25 2.5%, 7/01/26 3.0%, 7/01/27 Lincoln Student Fees and Facilities Refunding, Series 2012, 5.0%, 7/01/23 Series 2015A, 2.0%, 7/01/19 Refunding, Omaha Student Housing Project, Series 2017A, 5.0%, 5/15/30 Series 2017B, 5.0%, 5/15/30	100,000 210,000 100,000 750,000 600,000 100,000 725,000	102,085 204,431 100,457 824,828 600,084 116,632 845,582
Upper Republican Natural Resources District, Limited Obligation Occupation Tax, River Flow Enhancement, Refunding, Series 2017B, AGM Insured 4.0%, 12/15/25 4.0%, 12/15/27	245,000 395,000	258,098 413,865
Village of Boys Town, Revenue, Refunding, Boys Town Project, Series 2017, 3.0%, 9/01/28	700,000	697,606
Washington County, General Obligation, Refunding, Blair Community School District 0001, Series 2015, 2.5%, 12/15/24	305,000	304,994
		49,511,673

	% of Net Assets	\$ Principal Amount or Shares	\$ Value
Texas	3.2		
Angelina County Junior College District, Limited Tax General Obligation, Series 2009, AGM Insured, 4.25%, 2/15/23		250,000	252,203
Austin, Airport System Revenue, Series 2017B, AMT, 5.0%, 11/15/26		250,000	285,400
El Paso International Airport, Revenue, Series 2018, AMT, 5.0%, 8/15/20		500,000	525,395
Harris County, Tax and Subordinate Lien Revenue, Refunding, Series 2009C, 5.0%, 8/15/23		110,000	112,905
Houston, General Obligation, Public Improvement, Refunding, Series 2014A, 5.0%, 3/01/26		500,000	559,420
			1,735,323
Washington	0.4		
Port of Seattle, Intermediate Lien Revenue, Series 2017C, AMT, 5.0%, 5/01/26		200,000	227,956
Total Municipal Bonds (Cost \$54,914,836)			54,052,723

Cash Equivalents - 0.4%

State Street Institutional U.S. Government Money		
Market Fund - Premier Class 1.97% ^(a)	236,754	236,754
Total Cash Equivalents (Cost \$236,754)		236,754
Total Investments in Securities (Cost \$55,151,590)		54,289,477
Other Liabilities in Excess of Other Assets - (0.0%)		(10,875)
Net Assets - 100%		54,278,602
Net Asset Value Per Share		9.70

(a) Rate presented represents the annualized 7-day yield at September 30, 2018.

(b) Annual sinking fund

(c) Security designated to cover an unsettled bond purchase.

This schedule of portfolio holdings is unaudited and is presented for informational purposes only. Portfolio holdings are subject to change at any time and references to specific securities are not recommendations to purchase or sell any particular security. Current and future portfolio holdings are subject to risk.