

# Partners III Opportunity Fund

For period ended December 31, 2018

## Fund Overview

Weitz Partners III Opportunity Fund ("Partners III") is a no-load, concentrated, long/short fund with the flexibility to invest in companies of all sizes. Partners III is designed to provide a margin of safety that may limit (but not eliminate) downside risk, and may optimize the potential for growth. Built to capitalize on opportunity as it arises, this fund may invest in put and call options and futures transactions, and has the flexibility to borrow money and sell short. Our net equity exposure varies over time based on our assessment of market conditions.

## Investment Strategy

Partners III is not your typical long/short fund. For the Fund's long positions, we search for companies that are in control of their own destiny, that generate more cash than they need to conduct their operations, and that have honest, intelligent management who treat shareholders as partners in their business. If a business satisfies these criteria, and its stock is available at a significant discount to our calculation of intrinsic value, we are interested.

Our short positions may be offensive shorts, pair or convergence trades, or broader hedges. By "offensive" shorts, we mean stand-alone positions in securities we expect to go down. By contrast, pair trades and other hedges use short positions in conjunction with long positions with the objective of earning positive returns on the combined set of positions. In most cases, we will hold short positions in a broad market index and add to our favorite long positions by a corresponding amount. The purpose of this strategy is to generate additional return without adding to our net investment exposure.

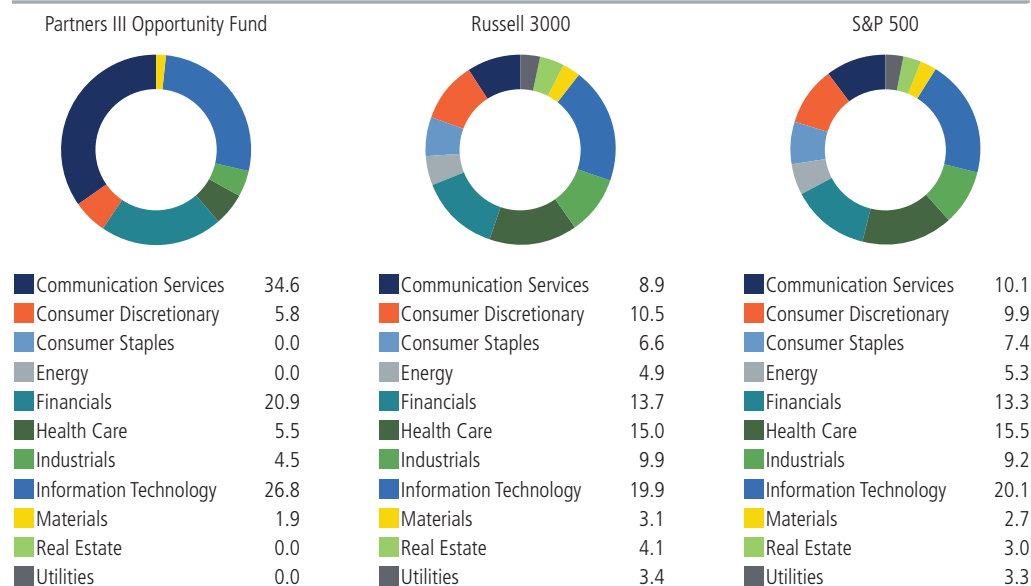
## Characteristics & Volatility Measures<sup>1</sup>

Fund vs. Russell 3000	3-year	5-year	10-year	Number of Companies (Long)	30
R-Squared	66.7	69.4	75.3	6-Month Turnover (9/30/18) (%)	16
Beta	0.73	0.72	0.81	Annual Turnover (3/31/18) (%)	31
Alpha	-4.14	-4.81	1.31	5-year Avg. Annual Turnover (3/31/18) (%)	33
Upside Capture Ratio	45.8	48.9	76.8		
Downside Capture Ratio	69.7	81.9	69.4		
Standard Deviation	10.0	9.6	13.0		
Sharpe Ratio	0.10	0.00	0.89		

Active Share 108.80%

Source: FactSet

## Industry Breakdown (% of Common Stock)



Sector weightings are rounded to the nearest tenth of a percent. The aggregate weights for the index may not equal 100%.

## Long/Short Information

12/31/05-12/31/18 (% of Net Assets)	Value at 12/31/18	Low	High
Effective Long	70	17	98
Effective Short	10	81	33
Effective Net	54	19	90
Cash/Cash Equivalents+Short Proceeds	10	63	46
Top 10 Long Holdings	38	63	65

Effective Long means the sum of the portfolio's long positions (such as common stocks, or derivatives where the price increases when an index or position rises). Effective Short means the sum of the portfolio's short positions (such as, derivatives where the price increases when an index or position falls). Effective Net means Effective Long, minus Effective Short.

Fund Facts	Investor Class	Institutional Class
Ticker	WPOIX	WPOPX
Investment Minimum	\$2,500	\$1,000,000
CUSIP	94904P872	94904P708
Fund Expense Ratio (%) 6 mos. ended 9/30/18	2.17 Includes 0.44% dividend expense on securities sold short.	1.61 Includes 0.45% dividend expense on securities sold short.
Portfolio Manager	Wally Weitz, CFA	
Investment Style	Multi-Cap Alternative	
Inception Date <sup>2</sup>	June 1, 1983	
Net Assets	\$549.0 Million	
Dividends/Capital Gains	Paid Semi-Annually (June & December)	

Top 10 Stock Holdings	Net Assets (%)
Berkshire Hathaway Inc.-Class B	14.9
Liberty Broadband Corp.-Series A & C	10.0
Liberty Global plc-Class C	6.2
Mastercard Inc.-Class A	5.5
Intelligent Systems Corp.	5.3
Alphabet, Inc.-Class C	5.1
Visa Inc.-Class A	4.8
Liberty SiriusXM Group-Series A & C	4.0
Facebook, Inc.-Class A	3.6
Laboratory Corp. of America Holdings	3.5
<b>Net Assets in Top 10 (%)</b>	<b>62.9</b>

Capitalization	Common Stock (%)
>\$50 Billion	41.0
\$10-\$50 Billion	36.9
\$2.5-\$10 Billion	8.1
<\$2.5 Billion	14.0
<b>Weighted Average Market Cap (B)</b>	<b>\$170.6</b>

For more information

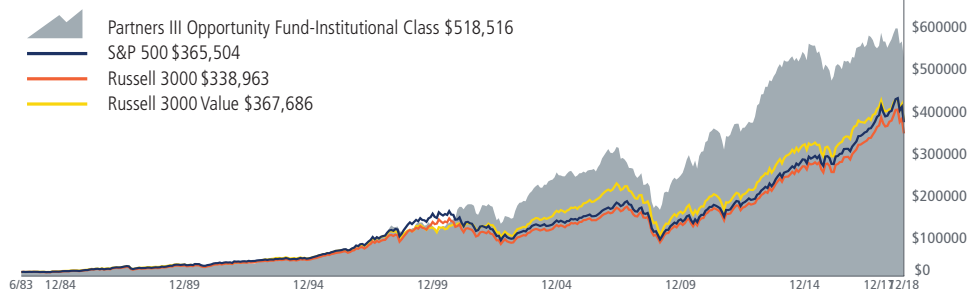
## Returns (%)

## ANNUALIZED

	Since Inception	30-year	20-year	10-year	5-year	3-year	1-year	Quarter
WPOPX-Institutional Class	11.73	11.21	8.16	11.91	0.60	2.03	-5.21	-11.80
WPOIX-Investor Class	11.63	11.11	8.00	11.59	0.15	1.49	-5.80	-11.98
S&P 500	10.63	9.95	5.62	13.12	8.49	9.26	-4.38	-13.52
Russell 3000	10.40	9.98	5.96	13.18	7.91	8.97	-5.24	-14.30
Russell 3000 Value	10.65	9.78	6.30	11.12	5.77	7.01	-8.58	-12.24

Fund inception: 6/1/1983

## Growth of \$10,000



## Summary of Returns (%)

	1983 (6/1/83)	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
WPOPX-Institutional Class	8.60	11.20	38.55	8.45	-1.38	19.48	19.36	-5.47	23.19	13.53	32.29
Russell 3000	2.10	3.39	32.15	16.72	1.92	17.83	29.31	-5.11	33.68	9.59	10.88
Relative Results <sup>1</sup>	6.50	7.81	6.40	-8.27	-3.30	1.65	-9.95	-0.36	-10.49	3.94	21.41
	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
WPOPX-Institutional Class	-11.13	43.33	25.02	37.07	10.88	10.56	32.40	6.63	-16.12	42.64	22.11
Russell 3000	0.19	36.80	21.82	31.78	24.14	20.90	-7.46	-11.46	-21.54	31.06	11.95
Relative Results	-11.32	6.53	3.20	5.29	-13.26	-10.34	39.86	18.09	5.42	11.58	10.16
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
WPOPX-Institutional Class	-0.69	20.39	-12.86	-34.45	42.05	33.03	5.56	12.91	32.81	4.54	-7.23
Russell 3000	6.12	15.72	5.14	-37.31	28.34	16.93	1.03	16.42	33.55	12.56	0.48
Relative Results	-6.81	4.67	-18.00	2.86	13.71	16.10	4.53	-3.51	-0.74	-8.02	-7.71
	2016	2017	2018 (12/31/18)								
WPOPX-Institutional Class	6.28	5.45	-5.21								
Russell 3000	12.74	21.13	-5.24								
Relative Results	-6.46	-15.68	0.03								

**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](http://weitzinvestments.com).

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 1.63% and 2.14% of the Fund's Institutional and Investor Class net assets, respectively. Returns also include fee waivers and/or expense reimbursements, if any; total returns would have been lower had there been no waivers or reimbursements.

Investor Class shares became available for sale on August 1, 2011. For performance prior to that date, returns include the actual performance of the Fund's Institutional Class (and use the actual expenses of the Fund's Institutional Class), without adjustment. For any such period of time, the performance of the Fund's Investor Class would have been similar to the performance of the Fund's Institutional Class, because the shares of both classes are invested in the same portfolio of securities, but the classes bear different expenses.

<sup>2</sup>On the last business day of 2005, the Fund succeeded to substantially all of the assets of Weitz Partners III Limited Partnership, (the "Partnership"). The investment objectives, policies and restrictions of the Fund are materially equivalent to those of the Partnership, and the Partnership was managed at all times with full investment authority by the Investment Adviser. The performance information includes performance for the Partnership. The Partnership was not registered under the Investment Company Act of 1940 and, therefore, was not subject to certain investment or other restrictions or requirements imposed by the 1940 Act or the Internal Revenue Code. If the Partnership had been registered under the 1940 Act, the Partnership's performance might have been adversely affected.

Index performance is hypothetical and is shown for illustrative purposes only. Comparative returns are the average returns for the applicable period of the reflected indices. The S&P 500<sup>®</sup> is an unmanaged index consisting of 500 companies generally representative of the market for the stocks of large-size U.S. companies. The Russell 3000<sup>®</sup> Index measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market. The Russell 3000<sup>®</sup> Value Index measures the performance of the broad value segment of the U.S. equity value universe. It includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indices. Russell<sup>®</sup> is the trademark of Russell Investment Group.

## Investment Risks

An investment in the Fund involves certain risks, such as: the Fund may invest in undervalued securities, which by definition are out of favor with investors, and there is no way to predict when, if ever, such securities may return to favor. Because the Fund may have a more concentrated portfolio than certain other mutual funds, the performance of each holding in the Fund has a greater impact upon the overall portfolio, which increases risk. See the Fund's Prospectus for a further discussion of risks related to the Fund.

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

**Definitions:** **R-Squared:** portfolio's movements that can be explained by movements in its benchmark. **Beta:** measure of systematic risk with respect to a benchmark. **Alpha:** difference between a portfolio's actual returns and its expected performance, given its level of risk measured by beta. **Upside Capture Ratio:** manager's performance in up markets relative to the benchmark. **Downside Capture Ratio:** manager's performance in down markets relative to the benchmark. **Standard Deviation:** measure of how widely the returns varied over a certain period of time from the average. **Sharpe Ratio:** measure to determine reward per unit of risk. **Active Share:** measures the Fund's weighted stock holdings against a benchmark's weighted stock holdings. **Relative Results:** difference between the Fund's performance and the performance of the reflected benchmark.

**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.**