NEBRASKA TAX-FREE INCOME FUND

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

The Nebraska Tax-Free Income Fund returned -1.36% in the second quarter compared to a -0.42% return for the Bloomberg 5-Year Municipal Bond Index. Year-to-date, the Fund's total return was -5.26% compared to a -5.50% return for the index. While the year-to-date decline has been undesirable, we believe it has set the stage for more favorable forward returns. The Fund's increased yield-to-worst (YTW) highlights the improved forward return potential, with a YTW of June 30, 2022, of 2.6% compared to 0.8% on December 31, 2021. YTW has historically been a reasonable predictor of forward returns.

Overview

Further increases in U.S. Treasury bond yields pulled most other fixed income asset classes lower in price during the second quarter, including municipal bonds. In the overall performance derby, municipal bonds modestly outperformed Treasuries as yield ratios of municipal bonds relative to comparable U.S. Treasuries moved lower. The ratio of the 5-year AAA-rated municipal bond to the 5-year Treasury, for example, decreased from 82% on March 31, 2022, to 75% on June 30, 2022. This ratio, which registered a 20+ year low at year-end 2021 and is now modestly below the 10-year average, remains a reasonably useful tool in measuring the relative attractiveness of tax-free municipal bonds compared to U.S. Treasury bonds. For added perspective, the chart below provides a longer historical view (approximately 30 years) of the 5-year municipal-to-Treasury ratio. All else equal, the higher the ratio of municipal bond yields to U.S. Treasury yields, the more appealing municipal bonds become, given their tax-advantaged status.

FIXED INCOME INSIGHTS:
Clouds With Silver Linings

Stock and bond prices are falling, inflation has gone from bad to worse, and the Fed is raising rates at its fastest pace in years. While the fixed income marketplace remains challenging, there is a silver lining that should have fixed income investors feeling optimistic

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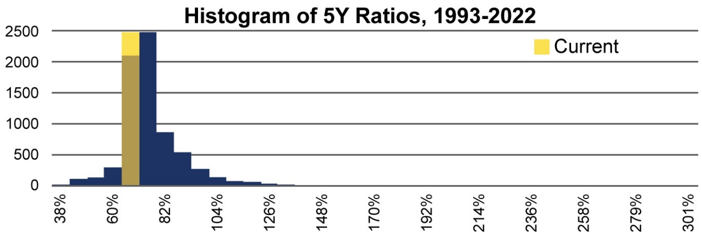

Source: Morgan Stanley Research, MMD

No Place to Hide From Red (Negative) Results

The table below highlights the broad declines (June 2022 and year-to-date results) across all areas of the municipal bond market — from investment-grade (IG) and high-yield to sectors like power, water/sewer, hospital, general obligation (GO), and more.

Muni Sectors	June 2022	Year 2022
Taxable	-0.6%	-12.6%
IG	-1.6%	-8.1%
Main	-1.8%	-8.4%
High Yield	-3.7%	-11.7%
Short	-0.1%	-2.2%
Power	-1.3%	-7.0%
Intermediate	-1.1%	-7.5%
GO	-1.6%	-8.1%
IG	-1.6%	-8.1%
Main	-1.8%	-8.4%
Water/Sewer	-1.8%	-8.9%
Education	-2.1%	-9.3%
Transportation	-1.9%	-9.5%
Hospital	-2.4%	-10.7%
Housing	-2.7%	-11.2%
Long	-4.0%	-14.0%

Source: S&P Dow Jones Muni Indices

The Positives

While the tone, so far, has been downbeat — there are constructive points to make. Namely:

- We believe potential forward returns have improved dramatically as highlighted by the Fund's improved yield-to-worst
- Municipal bond valuations relative to Treasuries are also much improved relative to year-end 2021
- Credit quality, particularly for investments within the Fund, remains healthy

Top Quarterly Contributors

- No segment generated positive results in the quarter

Top Quarterly Detractors

- School district general obligation bonds issued by Papillion-La Vista, Nebraska, School District; Saunders County, Nebraska, School District (Ashland-Greenwood); and Wayne County, Nebraska, School District
- Tax-supported lease revenue bonds issued by Omaha, Nebraska, Public Facilities Corporation; Papillion, Nebraska, Municipal Facilities Corporation; and Sarpy County, Nebraska, certificates of participation
- City general obligation bonds issued by Bellevue, Omaha, and Columbus, Nebraska
- Hospital revenue bonds issued by Douglas County, Nebraska, Health Facilities (Nebraska Medicine)
- General revenue bonds issued by Boys Town Village
- Combined utility revenue bonds issued by Grand Island, and Columbus, Nebraska
- County general obligation bonds issued by Bexar County, Texas, and Seward County, Nebraska
- Single-family housing revenue bonds issued by Nebraska Investment Finance Authority

Turning to portfolio metrics, the average effective duration of the Fund increased in the quarter to 4.0 years on June 30, 2022, from 3.6 years on March 31, 2022. Average effective maturity increased to 4.1 years from 3.6 years. Overall asset quality remains high, with approximately 93% rated A or better by one or more of the nationally recognized statistical rating organizations.

Following are additional details regarding the breakdown of our holdings. Our investments are broad, and they are all backed by a consistent philosophy: we strive to own only those investments we believe compensate us for the incremental credit risk. Our overall goal is to invest in a portfolio of bonds of varying maturities that we believe offer attractive risk-adjusted returns, taking into consideration the general level of interest rates and the credit quality of each investment.

Portfolio Allocation (% of Portfolio)		
Revenue		62.6
Power	14.6	
Hospital	9.7	
Lease	9.4	
General	6.8	
Water/Sewer	6.4	
Certificates of Participation	5.2	
Higher Education	4.7	
Airport/Transportation	3.2	
Housing	2.6	
General Obligation		27.9
School District	15.4	
County	6.5	
City/Subdivision	5.3	
State/Commonwealth	0.7	
Escrow/Pre-Refunded		6.0
Cash/Other		3.5

CREDIT QUALITY (% of Portfolio)	
AAA	6.2
AA	65.9
A	21.3
BBB	0.9
BB	0.0
B	0.0
CCC	0.0
Not Rated	2.8
Cash Equivalents/Other	3.0

RETURNS (%)

	TOTAL RETURNS QTR	TOTAL RETURNS YTD	AVERAGE ANNUAL TOTAL RETURNS 1-YR	3-YR	5-YR	10-YR	20-YR	30-YR	35-YR	Since Inception (10/1/1985)	Net Expense	Gross Expense
WNTFX	-1.36	-5.26	-5.09	-0.17	0.65	0.83	2.33	3.39	3.85	4.12	0.45	1.02
Bloomberg 5-Year Municipal Bond Index	-0.42	-5.50	-5.34	0.15	1.17	1.62	3.09	4.00	n/a	n/a	-	-

This material must be preceded or accompanied by a prospectusor summary prospectus.

Data is for the quarter ending 06/30/2022. The opinions expressed are those of Weitz Investment Management and are not meant as investment advice or to predict or project the future performance of any investment product. The opinions are current through 07/20/2022, are subject to change at any time based on market and other current conditions, and no forecasts can be guaranteed. This commentary is being provided as a general source of information and is not intended as a recommendation to purchase, sell, or hold any specific security or to engage in any investment strategy. Investment decisions should always be made based on an investor's specific objectives, financial needs, risk tolerance and time horizon.

Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Please visit weitzinvestments.com for the most recent month-end performance.

Investment results reflect applicable fees and expenses and assume all distributions are reinvested but do not reflect the deduction of taxes an investor would pay on distributions or share redemptions. Net and Gross Expense Ratios are as of the Fund's most recent prospectus. Certain Funds have entered into fee waiver and/or expense reimbursement arrangements with the Investment Advisor. In these cases, the Advisor has contractually agreed to waive a portion of the Advisor's fee and reimburse certain expenses (excluding taxes, interest, brokerage costs, acquired fund fees and expenses and extraordinary expenses) to limit the total annual fund operating expenses of the Class's average daily net assets through 07/31/2023.

The Gross Expense Ratio reflects the total annual operating expenses of the fund before any fee waivers or reimbursements. The Net Expense Ratio reflects the total annual operating expenses of the Fund after taking into account any such fee waiver and/or expense reimbursement. The net expense ratio represents what investors are ultimately charged to be invested in a mutual fund.

On 12/29/2006, the Nebraska Tax-Free Income Fund succeeded to substantially all of the assets of Weitz Income Partners Limited Partnership. The investment objectives, policies and restrictions of the Fund is 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, were 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. You cannot invest directly in an index. The **Bloomberg 5-Year Municipal Bond index** is a capitalization weighted bond index generally representative of major municipal bonds of all quality ratings with an average maturity of approximately five years.

Holdings are subject to change and may not be representative of the Fund's current or future investments.

Income from municipal securities is generally free from federal taxes and state taxes for residents of the issuing state. While the interest income is tax-free, capital gains, if any, will be subject to taxes. Income for some investors may be subject to the federal Alternative Minimum Tax (AMT).

Credit ratings are assigned to underlying securities utilizing ratings from a Nationally Recognized Statistical Rating Organization (NRSRO) such as Moody's and Fitch, or other rating agencies and applying the following hierarchy: security is determined to be Investment Grade if it has been rated at least BBB- by one credit rating agency; once determined to be Investment Grade (BBB- and above) or Non-Investment Grade (BB+ and below) where multiple ratings are available, the lowest rating is assigned. Mortgagerelated securities issued and guaranteed by government-sponsored agencies such as Fannie Mae and Freddie Mac are generally not rated by rating agencies. Securities that are not rated do not necessarily indicate low quality. Ratings are shown in the Fitch scale (e.g., AAA). Ratings and portfolio credit quality may change over time. The Fund itself has not been rated by a credit rating agency.

Definitions: Average effective duration provides a measure of a fund's interest-rate sensitivity. The longer a fund's duration, the more sensitive the fund is to shifts in interest rates. **Average effective maturity** is the weighted average of the maturities of a fund's underlying bonds. **Yield to worst (YTW)** is the lowest potential yield that can be received on a bond portfolio without the underlying issuers defaulting.

Consider these risks before investing: All investments involve risks, including possible loss of principal. These risks include market risks, such as political, regulatory, economic, social and health risks (including the risks presented by the spread of infectious diseases). In addition, 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.

Investors should consider carefully the investment objectives, risks, and charges and expenses of a fund before investing. This and other important information is contained in the prospectus and summary prospectus, which may be obtained at weitzinvestments.com or from a financial advisor. Please read the prospectus carefully before investing.

Weitz Securities, Inc. is the distributor of the Weitz Funds.