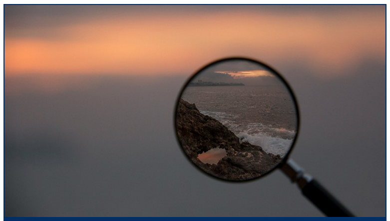
1Q 2023

PARTNERS III OPPORTUNITY FUND

Portfolio Managers: Wally Weitz, CFA & Drew Weitz
Investment Style: Long-Short Equity

The Partners III Opportunity Fund's Institutional Class returned +3.06% in the first quarter of 2023 compared to +7.18% for the Russell 3000. For the fiscal year ended March 31, 2023, the Fund's Institutional Class returned -15.80% compared to -8.58% for the Russell 3000.

The March failure of Silicon Valley Bank and two additional financial institutions touched off a wave of concern across financial markets. Swift action by the Federal Reserve, Federal Deposit Insurance Corporation (FDIC), and Treasury Department guaranteed that depositors of those institutions would not lose money, but confidence was and remains shaken in all but the largest financial institutions. These challenges introduce yet another variable to the Fed's inflation-fighting formula; as banks repair their balance sheets, financial conditions will further tighten. Fearful of recession and having endured last year's market declines, Wall Street has become even more adamant that the Fed should not only pause rate hikes now but move to cut them later this year. This widely held market consensus is squarely at odds with the Fed's stated intentions, setting up a showdown for the foreseeable future. Regardless of who is right or wrong, what ultimately matters is how the businesses we own operate and adapt.



VALUE MATTERS:

Staying Focused Through Changing Times

The Fed's ongoing mission to tame inflation, along with high-profile bank failures, have increased fears of a potential recession. But even during tough economic times, investors who remain focused on the long-term may be able to take advantage of new opportunities.

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The portfolio holdings most directly impacted by the bank failures of the first quarter were Charles Schwab and Fidelity National Information Services (FIS), both top detractors for the quarter. Schwab is likely best known for its leading market trading platform, but over the years its consumer banking operations have grown into the tenth largest bank in the U.S. We believe both the trading and banking franchises remain strong, however, the current interest rate environment (particularly the availability of highly attractive yields in money market funds versus traditional deposits) has diminished the earnings power of the bank, at least in the short term. Given this uncertainty, we elected to move to the sidelines for now and free up capital for higher-conviction investment alternatives. Banking software provider FIS's shares were also collateral damage as investors looked to shed any exposure to the small and regional banks that FIS serves. This, after several quarters of underwhelming operating results, lands FIS as our top detractor for the fiscal year period as well. Our FIS experience has been disappointing to be sure. But having re-underwritten our investment thesis and lowered our business value estimate, we believe investors have exacted too steep a penalty on FIS shares. From this lowered price, we are optimistic that new management can reestablish credibility with investors and unlock value through the planned separation of the banking software and merchant services businesses.

Beyond our financial holdings, Liberty SiriusXM's quarterly declines were significant enough to land it on our quarterly detractors list. The company also joins Liberty Broadband on the detractors list for the fiscal year. Liberty Chairman John Malone and CEO Greg Maffei have a long, successful track record of pairing businesses with predictable and growing cash flow streams with prudent use of debt to enhance equity returns via share buybacks. SiriusXM and Charter Communications, the two primary operating entities of the Liberty holding companies, are two such examples. Lately, necessary operating investments (new satellites and streaming technology for Sirius, fiber-competitive speed upgrades and network expansions at Charter) have reduced the amount of capital available for repurchases. Investment cycles are not unusual, and both businesses will be better positioned afterward. We believe the long-term equity return potential remains intact. In the short term, we believe Liberty SiriusXM will also benefit from management's decision to separate Liberty SiriusXM into two distinct tracking stocks to individually highlight the value of its ownership stakes of SiriusXM and Live Nation — currently both attributed to Liberty SiriusXM shares. This move will facilitate greater transparency for shareholders and potentially help reduce the shares' discount to the market value of their underlying assets.

Although the first quarter saw some respite from 2022's declines, the Fund's short positions against market indices remained the top contributors to fiscal year performance. Meta Platforms' "Year of Efficiency" (an initiative to restructure and improve financial performance) delivered a dramatic turnaround in its share price, recouping nearly all the losses from 2022. Delivering improved profitability in the near term is crucial, but we are encouraged for the long term by improving engagement trends and improved capabilities for advertisers in the aftermath of Apple's iOS changes that damaged some of Meta's ad targeting capabilities. Technology companies broadly delivered outsized gains in the quarter, including our holdings of Google parent Alphabet, Amazon.com, and Microsoft, each a top contributor to first quarter results. Notably, Microsoft's timely addition to the portfolio during the fourth quarter was sufficient to drive a top result for the fiscal year.

We were net sellers during the first quarter. Schwab was the only holding to exit, and there were no new companies added to the portfolio. During the quarter, we covered the rest of our small short position in the shares of SiriusXM at a profit, while our short holdings of S&P 500 Index ETF remained unchanged. At quarter end, our gross long position declined to 92% from 98% of gross assets at the end of 2022, while our short position remained unchanged at 4% of gross assets. The Fund's effective net long position declined from 94% to 88%.

Top Relative Contributors and Detractors

TOP CONTRIBUTORS (%)

	Return	Average Weight	Contribution	% of Net Assets
Meta Platforms, Inc.	76.89	5.74	3.28	5.6
Alphabet, Inc.	17.21	6.37	1.08	7.1
Amazon.com, Inc.	22.96	4.54	0.96	5.0
Microsoft Corp.	20.78	2.98	0.64	3.8
Texas Instruments, Inc.	13.36	3.13	0.43	3.4

TOP DETRACTORS (%)

	Return	Average Weight	Contribution	% of Net Assets
CHARLES SCHWAB ORD	-34.80	3.11	-1.41	0.0
Liberty Media Corp-Liberty SiriusXM	-28.49	4.38	-1.38	4.2
Fidelity National Information Services, Inc.	-19.21	4.46	-0.84	3.4
Perimeter Solutions	-11.60	3.07	-0.36	0.0
CoStar Group, Inc.	-10.99	3.03	-0.33	3.0

Data is for the quarter ending 03/31/2023. Holdings are subject to change and may not be representative of the Fund's current or future investments. Contributions to performance are based on actual daily holdings. Returns shown are the actual returns for the specified period of the security. Additional securities referenced herein as a percent of the Fund's net assets as of 03/31/2023: Apple, Inc., 0.0%; Charter Communications, Inc., 0.0%; Live Nation Entertainment, Inc., 0.0%; Sirius XM Holdings, Inc., 0.0%; SPDR S&P 500 ETF Trust†, -4.0%; SVB Financial Group, 0.0%.

†Denotes short position

RETURNS (%)

	TOTAL RETURNS		AVERAGE ANNUAL TOTAL RETURNS									
	QTR	YTD	1-YR	3-YR	5-YR	10-YR	20-YR	30-YR	35-YR	Since Inception (6/1/1983)	Net Expense	Gross Expense
WPOPX Institutional Class	3.06	3.06	-15.80	5.47	4.22	4.73	8.33	10.22	10.69	11.18	1.43	1.43
WPOIX Investor Class	2.83	2.83	-16.31	4.87	3.62	4.23	8.04	10.03	10.52	11.04	1.86	1.86
Russell 3000 Index	7.18	7.18	-8.58	18.48	10.44	11.73	10.43	9.67	10.47	10.74	-	-
S&P 500 Index	7.50	7.50	-7.73	18.60	11.18	12.23	10.36	9.75	10.55	11.02	-	-

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 04/20/2023, 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.

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 12/30/2005, Partners III Opportunity Fund succeeded to substantially all of the assets of Weitz Partners III 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.

Performance quoted for Investor Class shares before their inception (08/01/2011) is derived from the historical performance of the Institutional Class shares and has not been adjusted for the expenses of the Investor Class shares, had they, returns would have been different.

Index performance is hypothetical and is shown for illustrative purposes only. You cannot invest directly in an index. The **Russell 3000** measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market. The **S&P 500** is an unmanaged index consisting of 500 companies generally representative of the market for the stocks of large-size U.S. companies.

Definitions: Effective net is the **effective long** (the sum of the portfolio's long positions, such as common stocks, or derivatives where the price increases when an index or position rises) minus the **effective short** (the sum of the portfolio's short positions, such as derivatives where the price increases when an index or position falls).

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.