

# BALANCED FUND

## Core conservative allocation

The fund combines our equity and fixed income expertise within a single portfolio.

We build the portfolio one security at a time using a defined asset allocation and concentrating in our best equity ideas.

## Value driven, private-buyer mindset

The value of a business is a function of the cash flows it will generate over time.

We think about and value a business like a private buyer and look to buy shares at a discount to our calculation of intrinsic value.

## Higher-quality fixed income focus

Credit investing is asymmetric in nature.

We focus on downside risk management and portfolio income generated per unit of risk.

PORTFOLIO ASSET ALLOCATION (% of net assets)		
	Fund	Morningstar Mod Conservative Target Risk Index†
Asset-Backed Securities	4.5	0.4
Corporate Bonds	9.5	13.3
Corporate Convertible Bonds	0.0	0.2
Equities	41.0	40.4
Mortgage-Backed Securities	4.5	17.9
U.S. Treasury Notes, Cash/Other	40.5	27.8
PORTFOLIO CHARACTERISTICS		
	Fund	
30-day SEC Yield (Investor Class)	0.72%	
30-day SEC Yield (Institutional Class)	0.87%	
Number of Companies (Equity)	25	
Number of Fixed Income Issuers	32	
Annual Turnover (3/31/19)	33%	
5-year Avg. Annual Turnover (3/31/19)	34%	

FIXED INCOME CHARACTERISTICS	
	Fund
Average Effective Maturity	1.6 years
Average Effective Duration	1.5 years
Yield to Maturity	1.8%
Yield to Worst	1.8%
CREDIT QUALITY (% of Fixed Income Portfolio)	
	Fund
U.S. Treasury	60.2
U.S. Government Agency MBS	4.2
AAA	7.4
AA	2.2
A	7.8
BBB	10.0
BB	0.0
B	0.0
CCC	0.0
Not Rated	0.0
Cash Equivalents/Other	8.2

TOP 10 STOCK HOLDINGS (% of net assets)	
Berkshire Hathaway Inc.-Class B	2.7
Thermo Fisher Scientific Inc.	2.3
Charter Communications, Inc.-Class A	2.0
Visa Inc.-Class A	2.0
Linde plc	1.9
Mastercard Inc.-Class A	1.9
Microsoft Corp.	1.9
Alphabet, Inc.-Class C	1.9
JPMorgan Chase & Co.	1.8
Laboratory Corp. of America Holdings	1.8
<b>TOTAL</b>	<b>20.2</b>
SECTOR BREAKDOWN (% of common stock)	
Communication Services	12.9
Consumer Discretionary	0.0
Consumer Staples	3.6
Energy	0.0
Financials	25.5
Health Care	13.7
Industrials	0.0
Information Technology	30.0
Materials	14.3
Real Estate	0.0
Utilities	0.0
CAPITALIZATION (% of common stock)	
More than \$50 Billion	68.8
\$10-\$50 Billion	21.8
\$2.5-\$10 Billion	5.9
Less than \$2.5 Billion	3.5
<b>Weighted Average Market Cap</b>	<b>\$241.0 Billion</b>

## Overall Morningstar Rating™

Institutional Class



Investor Class



Out of 506 Allocation--30% to 50% Equity funds as of 12/31/19 based on risk adjusted returns.

## Fund Overview

The investment objectives of the Balanced Fund are long-term capital appreciation, capital preservation and current income.

## Investment Style

Conservative Allocation

## Inception Date

October 1, 2003

## Net Assets

\$143.6 Million

## Dividends/Capital Gains

Paid Semi-Annually (June & December)

## Fund Facts

### INVESTOR CLASS

Ticker:	WBALX
Investment Minimum:	\$2,500
CUSIP:	94904P104
Fund Expense Ratio*:	1.30% (gross) 0.85% (net)

### INSTITUTIONAL CLASS

Ticker:	WBAIX
Investment Minimum:	\$1,000,000
CUSIP:	94904P815
Fund Expense Ratio*:	0.97% (gross) 0.70% (net)

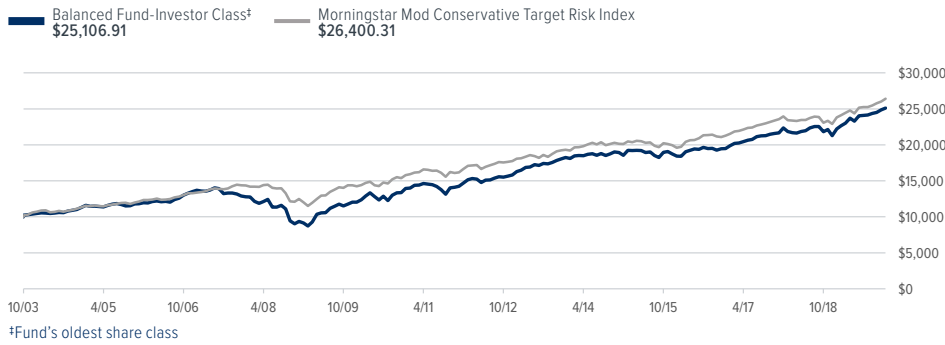
## Portfolio Manager



Brad Hinton, CFA  
Since 10/1/03

# BALANCED FUND

## GROWTH OF \$10,000



## RETURNS (%)

	ANNUALIZED							Since Inception (10/1/03)
	YTD	Quarter	1-year	3-year	5-year	7-year	10-year	
WBALX Investor Class	17.94	3.07	17.94	8.79	5.79	6.83	7.61	5.82
WBAIX Institutional Class	17.98	3.11	17.98	8.80	5.80	6.83	7.62	5.83
Morningstar Mod Conservative Target Risk Index	15.25	3.65	15.25	7.47	5.55	5.83	6.26	6.16

## SUMMARY OF RETURNS (%)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
WBALX Investor Class	17.98	-1.78	11.15	4.07	-1.11	3.79	15.46	10.91	2.27	15.66	28.77
Morningstar Mod Conservative Target Risk Index	15.25	-2.87	10.86	6.66	-1.03	4.30	8.83	9.66	2.60	9.65	15.31
Relative Results	2.73	1.09	0.29	-2.59	-0.08	-0.51	6.63	1.25	-0.33	6.01	13.46

	2008	2007	2006	2005	2004	2003 (10/1/03)
WBALX Investor Class	-26.82	-5.26	14.33	1.73	11.84	3.78
Morningstar Mod Conservative Target Risk Index	-13.06	8.01	9.72	4.93	8.95	5.94
Relative Results	-13.76	-13.27	4.61	-3.20	2.89	-2.16

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 assume all distributions are reinvested and reflect applicable fees and expenses. 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 07/31/2020.

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, if any; total returns would have been lower had there been no waivers or reimbursements.

Performance quoted for Institutional Class shares before their inception (03/29/2019) is derived from the historical performance of the Investor Class shares and has not been adjusted for the expenses of the Institutional 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 Morningstar Moderately Conservative Target Risk Index is an asset allocation index comprised of constituent Morningstar indices and reflects global equity market exposure of 40% based on an asset allocation methodology derived by Ibbotson Associates, a Morningstar company.

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

The Fund receives credit quality ratings on portfolio securities when available from credit rating agencies. The Fund itself has not been rated by a credit rating agency. Ratings and portfolio credit quality may change over time. A security is "investment grade" when it has received a credit quality rating of at least BBB. If a security has received different ratings from more than one rating agency, then the highest rating is used. Mortgage related securities issued and guaranteed by government sponsored agencies such as Fannie Mae and Freddie Mac are generally not rated by rating agencies. Securities which are not rated do not necessarily indicate low quality. Fannie Mae's and Freddie Mac's senior long-term debt are currently rating Aaa and AAA by Moody's and Fitch, respectively.

**Definitions:** Investment Grade Bonds are those securities rated at least BBB- by one or more credit ratings agencies. Non-Investment Grade Bonds are those securities (commonly referred to as "high yield" or "junk" bonds) rated below BBB- by two or more credit ratings agencies. **Yield to Maturity (YTM)** is the total return anticipated on a bond portfolio if the bonds are held to maturity. **Yield to Worst (YTW)** is the lowest potential yield that can be received on a bond portfolio without the issuers actually defaulting. **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 a measure of maturity that takes into account the possibility that a bond might be called back by the issuer. **R-Squared** is a measure that represents the percentage of a portfolio's movements that can be explained by movements in a benchmark. **Alpha** measures the difference between a fund's actual returns and its expected performance, given its level of risk as measured by beta. **Beta** measures volatility in relation to the fund's benchmark. **Standard Deviation** measures the degree to which a fund's performance has varied from its average performance over a particular time period. The greater the standard deviation, the greater a fund's volatility. **Sharpe Ratio** is a risk-adjusted performance statistic that measures reward per unit of risk. The higher the Sharpe Ratio, the better a fund's risk adjusted performance. **Information Ratio** is a portfolio's excess return (over its benchmark), divided by the amount of excess risk taken relative to the benchmark. **Upside Capture**

## CHARACTERISTICS & VOLATILITY MEASURES

Fund 10-years through December 31, 2019		
	Fund	Morningstar Mod Conservative Target Risk Index
R-Squared	77.8	100.0
Beta	1.2	1.0
Alpha	0.4	0.0
Standard Deviation	7.0	5.3
Sharpe Ratio	1.0	1.1
Information Ratio	0.4	N/A
Upside Capture	116.2	100.0
Downside Capture	109.5	100.0

Source: Morningstar Direct

**Ratio** measures performance in up markets relative to the benchmark. **Downside Capture Ratio** measures performance in down markets relative to the benchmark.

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The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Balanced Fund was rated against the following numbers of Allocation-30% to 50% Equity funds over the following time periods: 506 funds in the last three years, 419 funds in the last five years, and 270 funds in the last 10 years.

The Morningstar Rating™ for the Balanced Fund's Institutional Class shares is based on Morningstar's Extended Performance Rating. This means that a fund with a share class that does not have a 1, 3-, 5-, or 10-year performance history may receive a hypothetical Morningstar Rating based on the oldest surviving share class of the fund. First, Morningstar computes the fund's new return stream by appending an adjusted return history of the oldest share class. Next, the Extended Performance Rating is determined by comparing the adjusted-historical returns to the current open-end mutual fund universe to identify placement in the bell curve used to assign the Morningstar Rating. Morningstar Ratings that are based on extended performance returns appear as hollow stars.

**Consider these risks before investing:** All investments involve risks, including possible loss of principal. 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. When interest rates rise, bond prices generally fall, and the Fund's share price can fall. The Fund may purchase lower rated and unrated fixed-income securities, which involve an increased possibility that the issuers of these may not be able to make payments of interest and principal. 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.