

# 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	5.3	0.4
Common Stock	40.7	40.1
Corporate Bonds	7.6	15.5
Corporate Convertible Bonds	0.0	0.3
Mortgage-Backed Securities	5.6	16.2
U.S. Treasury Notes	31.4	16.3
Cash/Other	9.4	11.2

PORTFOLIO & FIXED INCOME CHARACTERISTICS	
Average Effective Maturity	1.4 years
Average Effective Duration	1.3 years
Yield to Maturity	0.7%
Yield to Worst	0.7%
Number of Companies (Equity)	28
Number of Fixed Income Issuers	39
Annual Turnover**	32%
5-year Avg. Annual Turnover**	33%

\*\*as of most recent Annual Report

CREDIT QUALITY (% of Fixed Income Portfolio)	
U.S. Treasury	53.2
U.S. Government Agency MBS	5.5
AAA	8.8
AA	2.7
A	8.3
BBB	6.0
BB	0.0
B	0.0
CCC	0.0
Not Rated	0.0
Cash Equivalents/Other	15.5

TOP 10 STOCK HOLDINGS (% of net assets)	
Thermo Fisher Scientific Inc.	2.3
Microsoft Corp.	2.3
Berkshire Hathaway Inc.-Class B	2.0
Alphabet, Inc.-Class C	2.0
Visa Inc.-Class A	1.8
Aon plc-Class A	1.8
Mastercard Inc.-Class A	1.7
Danaher Corp.	1.7
Vulcan Materials Co.	1.7
Charter Communications, Inc.-Class A	1.6
<b>TOTAL</b>	<b>18.9</b>

SECTOR ALLOCATION (% of common stock)	
Communication Services	11.6
Consumer Discretionary	0.0
Consumer Staples	2.9
Energy	0.0
Financials	24.0
Health Care	13.6
Industrials	7.8
Information Technology	30.1
Materials	10.0
Real Estate	0.0
Utilities	0.0

CAPITALIZATION (% of common stock)	
More than \$50 Billion	64.6
\$25-\$50 Billion	11.8
\$10-\$25 Billion	18.8
\$2.5-\$10 Billion	3.4
Less than \$2.5 Billion	1.4
<b>Weighted Average Market Cap</b>	<b>\$248.5 Billion</b>

MORNINGSTAR STOCK STYLEBOX (as of 03/31/20)			
	Value	Blend	Growth
Large	13	37	26
Medium	4	3	16
Small	1	0	0

Weight %

- 50+
- 25-49
- 10-24
- 0-9

The Morningstar Stock Style Box plots a fund's portfolio holdings on the Morningstar style box grid thereby providing a more complete picture of how a fund's holdings are distributed across the equity style box. Weitz portfolio managers select fund holdings with the sole purpose of accomplishing a fund's stated objective rather than adhering to a specific Morningstar style box classification.

## Overall Morningstar Rating™

Institutional Class



Investor Class



Out of 511 Allocation--30% to 50% Equity funds as of 06/30/20 based on risk adjusted returns.

## Fund Overview

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

## Portfolio Manager

Brad Hinton, CFA (since 10/01/03)

## Inception Date

October 1, 2003

## Net Assets

\$157.5 Million

## Dividends/Capital Gains

Paid Semi-Annually (June & December)

## Fund Facts

### INVESTOR CLASS

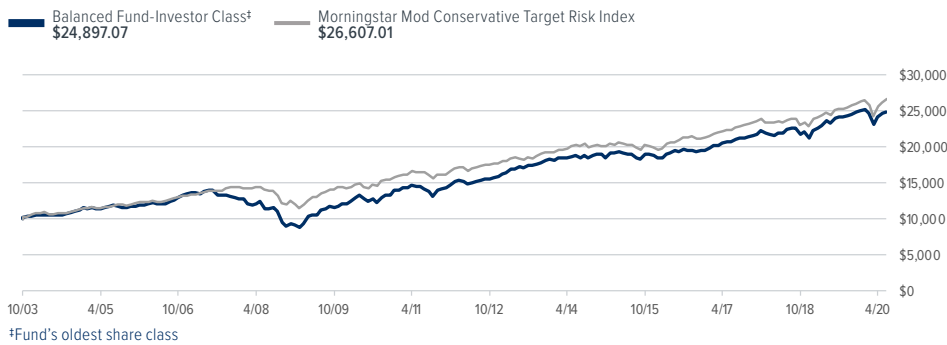
Ticker:	WBALX
CUSIP:	94904P104
Fund Expense Ratio*:	1.14% (gross) 0.85% (net)

### INSTITUTIONAL CLASS

Ticker:	WBAIX
CUSIP:	94904P815
Fund Expense Ratio*:	0.95% (gross) 0.70% (net)

# 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	-0.84	7.73	3.57	6.24	5.62	5.48	7.26	5.59	
WBAIX Institutional Class	-0.74	7.76	3.70	6.29	5.64	5.50	7.27	5.60	
Morningstar Mod Conservative Target Risk Index	0.78	9.74	5.74	5.89	5.58	5.59	6.43	6.01	

## CALENDAR YEAR RETURNS (%)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
WBALX Investor Class	17.94	-1.78	11.15	4.07	-1.11	3.79	15.46	10.91	2.27	15.66
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
Relative Results	2.69	1.09	0.29	-2.59	-0.08	-0.51	6.63	1.25	-0.33	6.01

For historical returns since the Fund's inception please visit [weitzinvestments.com](http://weitzinvestments.com).

All data is as of 06/30/2020 unless otherwise indicated. 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](http://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. 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 07/31/2021.

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. **30-Day SEC Yield** represents net investment income earned by a fund over a 30-day period, expressed as an annual percentage rate based on the fund's share price at the end of the 30-day period. Subsidized yield reflects fee waivers and/or expense reimbursements during the period. Without such fee waivers and/or expense reimbursements, if any, yields would have been lower. Unsubsidized yield does not adjust for any fee waivers and/or expense reimbursements in effect. **Distribution Yield** is the measurement of cash flow paid by a fund over a year. This rate does not represent the total return of a fund. Distributions may include income, short-term capital gains and long-term capital gains. The distribution yield is calculated by dividing the sum of all distributions paid by the fund over the trailing 12 months by the fund's NAV as of the date of the period presented. This calculation is based on distributions made in the past and is therefore not reflective of the fund's current portfolio. **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.

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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: 511 funds in the last three years, 427 funds in the last five years, and 277 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 funds' 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. Market risk includes political, regulatory, economic, social and health risks (including the risks presented by the spread of infectious diseases). 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](http://weitzinvestments.com) or from a financial advisor. Please read the prospectus carefully before investing.

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

## YIELDS

30-day SEC Yield (Investor Class)	
Subsidized	0.03%
Unsubsidized	-0.35%
30-day SEC Yield (Institutional Class)	
Subsidized	0.18%
Unsubsidized	-0.12%
Distribution Yield (Investor Class)	
Distribution Yield (Investor Class)	2.08%
Distribution Yield (Institutional Class)	
Distribution Yield (Institutional Class)	2.21%

## VOLATILITY MEASURES (10 Year)

	Fund	Morningstar Mod Conservative Target Risk Index
R-Squared	80.8	100.0
Beta	1.1	1.0
Alpha	0.3	0.0
Standard Deviation	7.0	5.8

Source: Morningstar Direct