

## Longleaf Partners Funds — TAX INFORMATION

### 2006 SOURCES OF DISTRIBUTIONS

#### CAPITAL GAIN DISTRIBUTION

Record date: November 7, 2006

Paid: November 8, 2006

Long-term capital gain .....	
Short-term capital gain .....	
Total distribution .....	
Reinvest price .....	
Percentage of short-term capital gain treated as Qualified Dividends .....	

Partners #133	Small-Cap #134	International #136
\$2.5700	\$2.2500	\$1.3150
0.0725	0.0770	0.0338
2.6425	2.3270	1.3488
\$34.68	\$29.97	\$18.24
100.00%	0.00%	100.00%

#### NET INCOME DISTRIBUTION

Record date: December 26, 2006

Paid: December 27, 2006

Ordinary income .....	
Long-term capital gain* .....	
Total distribution .....	
Reinvest price .....	

\$0.144	\$0.519344	\$0.0146
–	.037656	–
0.144	0.557000	0.0146
\$35.11	\$30.43	\$18.94

\* A Real Estate Investment Trust (“REIT”) held by the Small-Cap Fund recharacterized the tax nature of income it paid in 2006. If you receive tax reporting from Longleaf’s transfer agent, PFPC, this amount will be included on your Form 1099-DIV with other long-term capital gains.

#### Percentage of ordinary income from:

Qualified Dividends .....	
Interest on Repurchase Agreements .....	
Interest on Exempt Federal Obligations .....	
Amount qualifying for calculation of the Dividends Received Deduction (corporate shareholders only) .....	
Interest on State/Municipal Obligations .....	

100.00%	56.96%	100.00%
–	8.56	–
–	11.92	–
100.00	43.83	100.00
None	None	None

#### COST BASIS INFORMATION

The Internal Revenue Service allows several methods to calculate capital gains and losses. With any method, you will need a record of all the activity in your account and the historical tax treatment of all distributions. If you have saved your year-end statements and tax forms, you should have the information you need to calculate your gain or loss.

You may request copies of your account history or prior year tax forms by calling extension 100 at the toll free number below. The tax treatment history of Longleaf distributions is also available on our website [www.longleafpartners.com](http://www.longleafpartners.com). Please allow ten business days to process your request.

#### FOREIGN TAX CREDITS:

The International Fund is passing through the tax credit it received for paying foreign taxes on dividends. An explanation of this credit and information to complete Form 1116 appear on the back of this form.

#### PLEASE SAVE THIS INFORMATION WITH YOUR TAX RECORDS

NOTE: Longleaf representatives are not able to offer tax advice. Please consult your tax advisor for further guidance. For questions about your account, call (800) 445-9469, option 0.