

# Longleaf Partners Funds

## Tax Information — 2011 Sources of Distributions

### Capital Gain Distribution

Record Date: November 7, 2011 Paid: November 8, 2011	Partners #133	Small-Cap #134	International #136
Long-Term Capital Gain	\$ 0.69	\$ 1.77	\$ 0.12
Reinvest Price	27.28	25.47	13.02

### Net Income Distribution

Record Date: December 28, 2011 Paid: December 29, 2011	Partners #133	Small-Cap #134	International #136
Ordinary Income	\$ 0.128	\$0.004708623	\$ 0.272354181
Long-Term Capital Gain	—	0.005291377	—
Foreign Taxes Paid*	—	—	(0.057354181)
Total Distribution	0.128	0.010000000	0.215000000
Reinvest Price	26.77	25.31	11.88

### Percentage of Ordinary Income from:

Qualified Dividends	100.00%	100.00%	100.00%
Amount Qualifying for Calculation of the Dividends			
Received Deduction (corporate shareholders only)	100.00	100.00	4.69
Interest on Repurchase Agreements	na	na	na
Interest on Exempt Federal Obligations	na	na	na
Interest on State/Municipal Obligations	na	na	na

\* See reverse for additional information.

### 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 the toll free number on the reverse of this statement. The tax treatment history of Longleaf distributions is also available on our website [southeasternasset.com](http://southeasternasset.com). Please allow ten business days to process your request.

If you receive tax reporting from Longleaf's transfer agent, BNY Mellon, they will provide a cost basis statement using the average cost basis, single-category method. **You are not required to use the amount provided.** The Internal Revenue Service allows other methods to calculate cost basis that may be more beneficial to you.

**NEW FOR 2012:** IRS regulations require us to report cost basis and holding period information on gross proceeds from sales of Fund shares acquired after January 1, 2012. You may choose the method by which we calculate your lot depletion. If you do not designate a cost basis method, the Funds' default method of FIFO (First In, First Out) will be applied to your redemptions. To establish or change your cost basis method, please complete and submit the enclosed Cost Basis Election Form.

**Arriving at the proper cost basis of your shares can be complex. We strongly recommend that you speak with a professional tax advisor if you have any questions regarding your cost basis. Longleaf representatives are not able to offer tax advice.**

**Foreign Taxes Paid**

As a shareholder of the Longleaf Partners International Fund who received dividends, you have a choice to either use the foreign taxes paid as a foreign tax credit or an itemized deduction.

Although it will generally be more advantageous to claim a credit for the foreign taxes paid, the ability to claim a credit depends on your individual tax situation. We suggest that you consult your tax advisor to determine your best course of action.

To compute the allowable credit, individual shareholders may be required to complete IRS Form 1116 and attach it to their Forms 1040. Corporate shareholders should complete Form 1118.

The worksheet below may be used to calculate the information needed for either the deduction or credit:

	Foreign Taxes Paid		Foreign Source Income	
Your Shares of Longleaf Partners International Fund at 12/28/11	X 0.057354181		X 0.268973506	
	<input type="text"/>		<input type="text"/>	
Allocated by Country	%	\$	%	\$
Canada	8.93		7.97	
France	42.27		16.62	
Germany	3.85		3.44	
Hong Kong	0.00		4.79	
Ireland	0.00		7.76	
Japan	9.73		18.63	
Malaysia	0.00		0.10	
Spain	35.22		31.46	
United Kingdom	0.00		9.23	
Total	100.0		100.00	

If you receive tax reporting directly from Longleaf’s transfer agent, BNY Mellon, the amount of foreign taxes paid will appear in Box 6 of Form 1099-DIV.

**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.