Longleaf Partners Global Fund

Quarterly Summary Report

For the Quarter Ended
June 30, 2019

Longleaf Partners Funds

Summary - June 30, 2019

2Q19
Longleaf Partners Global Fund

(800) 445-9469 / longleafpartners.com

Longleaf Partners Funds

Long-Term / Concentrated / Engaged / Value

Founded in 1975, Southeastern Asset Management is an independent, global investment firm managing $13.0 billion. Partnership is core to all that we do, and Southeastern's employees and related entities are the largest investors across the Longleaf Partners Funds. Our 15-person global investment team are generalists, tasked with finding the best bottom-up opportunities across the globe.

The Fund seeks to own a concentrated portfolio of our best 18-22 ideas that meet our Business, People, Price investment criteria. We invest with a 3-5 year investment horizon and take advantage of short-term volatility to own high quality businesses, run by capable management teams, whose stock prices are trading temporarily at a discount. Our extensive, global network allows us to engage with our management partners to help drive long-term value creation.

Fund Profile

Investment Style	Global value
Ticker	LLGLX
Inception Date	December 27, 2012
Net Assets	$0.3billion
Expense Ratio (Gross / Net)	1.33% / 1.20%
Turnover (5 yr avg)	39%
Weighted Average Market Cap.	$63.7 billion

Holdings (18)

	Activity*	Weight
EXOR	+	8.2 %
CenturyLink	+	8.0
General Electric		6.7
Melco International	+	6.1
FedEx	+	5.9
CK Hutchison	+	5.8
Fairfax Financial		4.7
LafargeHolcim	+	4.6
CK Asset Holdings	+	4.5
CNX Resources	+	4.2
Allergan	-	3.5
Comcast		3.5
United Technologies	-	3.5
OCI		3.5
Alphabet	-	3.0
MinebeaMitsumi	+	2.8
CNH Industrial		2.7
Vestas Wind Systems	-	2.3
Cash		16.5
Total		100.0%

*Full eliminations include the following positions: Yum China.

The total expense ratio for the Longleaf Partners Global Fund is 1.33% (gross) and 1.20% (net). The Global Fund's expense ratio is subject to a fee waiver to the extent the Fund's normal annual operating expenses exceed 1.20% of average annual net assets.

Holdings are subject to change and discussion of holdings are not a recommendation to buy or sell any security. Holdings are subject to risk. Funds distributed by ALPS Distributors, Inc.

Sector Composition

Industrials	29.7 %
Communication Services	14.5
Financials	12.9
Materials	8.1
Consumer Discretionary	6.1
Real Estate	4.5
Energy	4.2
Health Care	3.5
Cash	16.5

Regional Composition

North America	43.0 %
Europe ex-UK	21.3
Asia ex-Japan	16.4
Japan	2.8
Cash	16.5

Performance Contribution

Top Contributors	Return	Portfolio contribution
EXOR	9%	0.72%
Allergan	15	0.64
General Electric	5	0.39

Top Detractors	Return	Portfolio contribution
CNX Resources	-33%	-1.57%
FedEx	-10	-0.57
CK Asset Holdings	-10	-0.44

Performance at 6/30/19

	Total Return		Average Annual Return					
	Qtr	YTD	One Year	Five Year	Ten Year	15 Year	20 Year	Since Inception
Global Fund	0.16%	12.80%	-5.11%	2.09%	na%	na%	na%	6.41%
MSCI World Index	4.00%	16.98%	6.33%	6.60%	na%	na%	na%	9.97%

Returns reflect reinvested capital gains and dividends but not the deduction of taxes an investor would pay on distributions or share redemptions. Performance data quoted represents past performance; past performance does not guarantee future results. The investment return may be worth more or less than their original cost. Current performance of the fund may be lower orhigher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting longleafpartners.com.

Before investing in any Longleaf Partners fund, you should carefully consider the Fund's investment objectives, risks, charges, and expenses. For a current Prospectus and Summary Prospectus, which contain this and other important information, visit longleafpartners.com. Please read the Prospectus and Summary Prospectus carefully before investing.

RISKS - The Fund is subject to stock market risk, meaning stocks in the Fund may fluctuate in response to developments at individual companies or due to general market and economic conditions. Also, because the Fund generally invests in 15 to 25 companies, share value could fluctuate more than if a greater number of securities were held. Investing in non-U.S. securities may entail risk due to non-US currencies and different accounting and financial standards. These risks may be higher when investing in emerging markets.

MSCI World Index is a broad-based, unmanaged equity market index designed to measure the equity market performance of 24 developed markets, including the United States. An index cannot be invested in directly.

July 9, 2019

Longleaf Partners Global Fund Commentary

2Q19

Longleaf Partners Global Fund gained 0.16% in the second quarter, adding to the Fund's strong absolute return in the first three months of 2019. The Fund's 12.80% year-to-date (YTD) gain far exceeded our absolute annual goal of inflation plus 10%. The MSCI World Index added 4.00% in the second quarter and gained 16.98% YTD. As the Fund's manager and largest shareholder group, we are focused on delivering solid returns over three-year periods rather than three months. We believe the last three years' absolute return of 12.63% is more representative of the long-term compounding the Fund could deliver.

U.S.-based companies drove most of the Index's rise in the quarter. Information Technology, where the Fund had no exposure, and Financials were its two leading sectors. Within the Fund's portfolio, most companies made gains in the quarter. Broadly speaking, Longleaf Global's European investments rose, while companies based in Hong Kong declined with worries about the trade war plus tighter credit in China, political friction and spiking interest rates. Meanwhile, U.S. holdings had mixed returns, with the primary performance detractors falling for unrelated, company-

---

Average Annual Total Returns (6/30/19): Longleaf Partners Global Fund: Since Inception (12/27/12): 6.41%, Ten Year: na, Five Year: 2.09%, One Year: -5.11%. MSCI World: Since 12/27/12: 9.97%, Ten Year: na, Five Year: 6.60%, One Year: 6.33%.

Returns reflect reinvested capital gains and dividends but not the deduction of taxes an investor would pay on distributions or share redemptions. Performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting longleafpartners.com.

As reported in the Prospectus dated May 1, 2019, the total expense ratio for the Longleaf Partners Global Fund is 1.33% (gross) and 1.20% (net). The expense ratio is subject to fee waiver to the extent normal annual operating expenses exceed 1.20% of average annual net assets.

specific reasons that we do not believe impact the long-term cases for owning these businesses.

When stocks are at extreme discounts, shareholder-oriented corporate managements go on offense, which can lead to unanticipated quick payoffs independent of broader stock market moves. We are engaged with our corporate partners who are pursuing catalysts for value recognition that we believe could be months, not years, away. One announcement can create a quick shift to positive price momentum. The Fund's positive performers in the quarter benefitted from management-led activity to close the gap between price and value.

- Allergan had been among the recent quarter's notable detractors, but days before quarter-end, the company announced that it had agreed to be acquired by AbbVie. The stock quickly rose over 25%, illustrating how unexpectedly payoffs can occur. The deal was structured to reduce risk while allowing for upside at the new company. Allergan CEO Brent Saunders had previously demonstrated a commitment to value recognition in 2016 with the opportune sale of the generics business to Teva and a negotiated sale of the company to Pfizer, which subsequently was scrapped when the U.S. changed its tax inversion policies. The AbbVie agreement illustrates the importance of a good partner serving shareholders.

- Comcast, which we bought last year when the company made a bid for Sky, subsequently highlighted CEO Brian Roberts' value per share discipline by not outbidding Disney for all of Fox. The deal drama died down, and Comcast has delivered solid results. More recently, Comcast boosted value by negotiating with Disney to monetize its one-third stake in Hulu.

- EXOR, under CEO John Elkann, has simplified the structure of its holdings and driven value recognition through previous transactions, such as combining Fiat Industrial and CNH, separating Ferrari and Fiat Chrysler, selling SGS and acquiring PartnerRe at a discount. In the second quarter, he announced an agreement to combine Renault with FCA and create the third largest auto company in the world. The deal was sidelined because of potential opposition from Renault's partner Nissan, as well as the French government, but an eventual merger remains a possibility.

- General Electric, the Fund's worst performer in 2018, reversed course after CEO Larry Culp, who had already shown his willingness to monetize assets at the right price, announced an attractive sale of GE's Biopharma segment to Danaher, completed the improved spinout of the transportation business (Wabtec) and reported two quarters of no surprises at GE Capital. While up from extreme lows, we believe the stock price remains deeply discounted. Additional transactions could be forthcoming, as Culp remains focused on opportunities to monetize assets at fair prices.

- LafargeHolcim has sold several emerging market operations in the last six months, including Malaysia, Indonesia and the Philippines, as CEO Jan Jenisch has focused the company on maximizing profits in geographies where it has a long-term advantage. We expect to see more sales in non-core regions, such as the Middle East or Africa, that could be stock catalysts.

- MinebeaMitsumi has grown revenues over four-fold and earnings at over 35% per year in CEO Yoshihisa Kainuma's 10-year tenure. His success has been from a combination of smart acquisitions at deep discounts, solid operating results and opportunistic share repurchases. This year the company initiated a new buyback plan and completed the previously announced tender offer of U-Shin, which doubles Minebea's auto-related business.

- OCI announced the creation of a joint venture for its Middle East and North African nitrogen fertilizer assets. In previous years, CEO Nassef Sawaris redomiciled the company from Egypt to the Netherlands and negotiated a sale of the company that later was scrapped when the U.S. changed its tax inversion policies. This most recent transaction increases the appeal of the company's remaining nitrogen assets and methanol operations to prospective buyers.

Many of our other corporate partners have a history of driving value recognition and currently are pursuing prospective near-term actions that could drive stock payoffs.

We are engaged with management teams. Sometimes this means filing 13Ds to suggest board members and talk to interested parties. In other cases, we work privately to ask our management partners tough questions and improve outcomes. The following list illustrates some of the levers available to our partners.

- CenturyLink (CTL) has grown value through improved operations and fiber acquisitions, including Qwest prior to CTL's acquisition of Level 3 and Level 3's previous purchases of Global Crossing and tw telecom. CEO Jeff Storey announced a strategic review of the Consumer business in May. Given recent fiber transaction multiples at 2-3X CTL's current consolidated multiple, Storey's options range from separating the Fiber and Consumer businesses to selling some or all of the company's assets. We have a 13D filed to enable us to explore options with CTL and to suggest board members who would bring experienced perspectives on fiber's value to different potential acquirers.

- CK Asset and CK Hutchison, led by Chairman Victor Li, previously consolidated Cheung Kong and Hutchison Whampoa and separated the real estate assets into CK Asset. A similar opportunity exists to separate the infrastructure assets held across the two companies. Additionally, CK Asset can continue to sell its Hong Kong properties at premium prices, and several of CK Hutchison's segments, including the A.S. Watson's retail business, might receive higher multiples as pure-play entities.

- CNX Resources successfully separated its coal business from the natural gas company and has sold gas assets at good prices. CEO Nick Deluliis and the board, which includes three members suggested by Southeastern, can continue to sell some or all the company's gas reserves, as well as monetize its pipeline assets. Insider buying has been significant.

- FedEx, which Chairman Fred Smith built from scratch and transformed through acquisitions including Flying Tigers and RPS, should benefit as the company integrates its TNT acquisition in Europe. Earnings are troughing as this integration nears its end and the company's value and earnings shift more to its higher-multiple Ground and Freight divisions.

- Melco International's stock price swings with sentiment changes around the near-term Macau gaming outlook. CEO Lawrence Ho has masterfully used the negative sentiment to build Melco's value per share. Most recently, he purchased just under 20% of Australian casino company Crown and announced the sale of Melco International's Cyprus properties to operating company Melco Resorts to provide more capital to the parent for beneficial repurchases and other opportunities.

Our confidence in the Fund's future results has much to do with our belief in the ability of our corporate leaders to deliver self-help that generates rewarding payoffs. Any one or two catalysts mentioned above could have a meaningful impact on the Fund's return, as could announcements from other Fund investments that we did not highlight. We are heavily engaged with our corporate partners to pursue opportunities to build and gain recognition of value, and we anticipate productive activity at the Fund's holdings that could drive solid results in the second half of 2019 and beyond.

Contributors/Detractors

(Q2 Investment return; Q2 Fund contribution)

EXOR (9%, 0.72%), the European holding company of the Agnelli family, made gains as Chairman and CEO John Elkann continued to apply an admirable approach to capital allocation and portfolio management in the quarter. The company extensively explored consolidation in the auto industry through Fiat Chrysler, in this instance through a proposed combination with Renault. We believe there is substantial strategic logic and potential shareholder value in such a move. The French state and Nissan, Renault's Japanese partner, were not immediately in favor of a combination, though the rest of Renault's board voted to proceed. There still may be potential for a constructive deal, but if there is no deal with Renault, there are other opportunities to explore. We are confident that management and the family owner-partners will evaluate every value-creating angle.

CNX (-33%, -1.57%), the Appalachian natural gas company, was the Fund's largest detractor after reporting an increase in capital expenditures and missing sell-side quarterly earnings before interest, taxes, depreciation, and amortization (EBITDA) expectations by 10%. Lower natural gas prices and a few one-off factors were the primary reasons for the EBITDA miss. The capital expenditure change reflected a timing shift rather than a cost increase - CNX will invest more this year to begin production at three new wells but spend less in 2020 than previously planned. The business is on track to generate $500 million of free cash flow (FCF) in 2020, while the market value of the company is below $1.5 billion. Our appraisal of CNX moderately increased on solid results from CNX Midstream and the decision of the board and CEO Nick Deluliis to repurchase the extremely discounted shares at an 8% annualized pace. Multiple directors also bought the stock personally.

Portfolio Activity

The Fund's holdings remained below our appraisal values, but we trimmed some of the stronger performers during the quarter to manage position sizes. We exited Yum China (YUMC), the operator of KFC and Pizza Hut restaurants in China, for the second time in the three years since its separation from YUM! Brands in the U.S. Under the leadership of CEO Joey Wat and CFO Jacky Lo, KFC grew same store sales, as did Pizza Hut for the first time since 2018. The company also opened new stores faster than anticipated. Management returned capital to shareholders through buybacks and dividends. The gap between the share price and our appraisal quickly closed, and the investment gained over 40% during our holding period of seven months.

Outlook

Corporate fundamentals performed better than the Fund's price, and consensus earnings across the holdings grew. The price to value ratio (P/V) finished the quarter in the low-60s%, a discount well-below the long-term average. The portfolio has 17% cash to deploy in new qualifiers. As the market sold off in May and with broader macro pressure outside the U.S., our research team built a more robust on-deck list of prospective opportunities.

The price pressure in the Fund primarily came from a combination of short-term CNX-specific issues and broader macro concerns over trade wars, global economic growth and geopolitical uncertainties. We believe outperformance can come from management-driven activity at individual holdings. The patterns for how stocks reach intrinsic worth are unpredictable, but appreciation can happen quickly, as Allergan recently demonstrated. One of Southeastern's competitive advantages is taking a multi-year perspective to stock ownership, as prices ultimately should migrate to growing values. In the near-term, we are highly engaged with CEOs and boards who are exploring transactions that could be catalysts for their stocks to more fully reflect intrinsic worth. Given the portfolio's discount, positive business fundamentals and corporate partners pursuing catalysts, we believe significant payoffs could occur in 2019 and beyond.

See following page for important disclosures.

Before investing in any Longleaf Partners Fund, you should carefully consider the Fund's investment objectives, risks, charges, and expenses. For a current Prospectus and Summary Prospectus, which contain this and other important information, visit longleafpartners.com. Please read the Prospectus and Summary Prospectus carefully before investing.

RISKS

The Longleaf Partners Global Fund is subject to stock market risk, meaning stocks in the Fund may fluctuate in response to developments at individual companies or due to general market and economic conditions. Also, because the Fund generally invests in 15 to 25 companies, share value could fluctuate more than if a greater number of securities were held. Investing in non-U.S. securities may entail risk due to non-US economic and political developments, exposure to non-US currencies, and different accounting and financial standards. These risks may be higher when investing in emerging markets.

MSCI World Index is a broad-based, unmanaged equity market index designed to measure the equity market performance of 24 developed markets, including the United States. An index cannot be invested in directly.

P/V ("price to value") is a calculation that compares the prices of the stocks in a portfolio to Southeastern's appraisal of their intrinsic values. The ratio represents a single data point about a Fund and should not be construed as something more. P/V does not guarantee future results, and we caution investors not to give this calculation undue weight.

A 13D filing is generally required for any beneficial owner of more than 5% of any class of registered equity securities, and who are not able to claim an exemption for more limited filings due to an intent to change or influence control of the issuer.

Free Cash Flow (FCF) is a measure of a company's ability to generate the cash flow necessary to maintain operations. Generally, it is calculated as operating cash flow minus capital expenditures.

As of June 30, 2019, the top ten holdings for the Longleaf Partners Global Fund: EXOR, 8.2%; CenturyLink, 8.0%; GE, 6.7%; Melco, 6.1%; FedEx, 5.9%; CK Hutchison, 5.8%; Fairfax Financial, 4.7%; LafargeHolcim, 4.6%; CK Asset, 4.5%; CNX Resources, 4.2%. Fund holdings are subject to change and holding discussions are not recommendations to buy or sell any security. Current and future holdings are subject to risk.

Funds distributed by ALPS Distributors, Inc.

LLP000915
Expires 10/31/2019