Condensed Interim Report & Unaudited Financial Statements

For the six months ended
30 June 2019

Longleaf Partners
Unit Trust

Longleaf Partners Funds

Contents

Investment Manager's Report

Global Fund

Longleaf Partners Global UCITS Fund fell a slight -0.29% in the second quarter following the Fund's strong absolute return in the first three months of 2019. The Fund's 11.48% 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, we are focused on delivering solid returns over three-year periods rather than three months. We believe the last three years' double-digit absolute return is more representative of the long-term compounding the Fund can deliver.

Average Annual Total Returns 30 June 2019

	Inception Date	Since Inception	5 Year	3 Year	1 Year
Class I-USD	04/01/2010	5.94%	2.48%	10.40%	-5.36%
Class I-Euro	20/05/2010	7.97%	6.16%	9.34%	-2.78%
Class I-GBP	13/11/2013	8.57%	8.69%	12.04%	-1.60%

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, the majority of companies made gains in the quarter. In aggregate, Longleaf Global's European investments contributed positively, 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-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.

• CNH Industrial was created in the Fiat Industrial and CNH merger conducted by John Elkann, who is Chairman of controlling owner EXOR. The opportunity remains to further simplify the company by separating its valuable Agriculture business from the non-core Commercial Vehicles and Construction segments.

• 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.

• 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.

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.

• 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.

• 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.

• OCI, where CEO Nassef Sawiris previously separated the construction business, redomiciled 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, announced the creation of a joint venture for its Middle East and North African nitrogen fertilizer assets. This transaction increases the appeal of the company's remaining nitrogen assets and methanol operations to prospective buyers.

Our confidence in the Fund's future results has much to do with 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 can drive solid results in the second half of 2019 and beyond.

Contributors/Detractors

(Q2 Investment return; Q2 Fund contribution)

EXOR (9%, 0.71%), 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 (-32%, -1.56%), 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 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 DeIuliis 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 also added to several of the more discounted investments. While no new holdings entered the portfolio, 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.

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 13% cash to deploy in new qualifiers.

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 we know that 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.

Southeastern Asset Management, Inc.
July 2019

Schedule of Investments as at 30 June 2019
Global Fund

Security (Domicile)	Nominal Holdings	Fair Value US$	% of Net Assets
Transferable Securities (December 2018: 90.18%)			
Common Stock (December 2018: 90.18%)			
Air Freight & Logistics (December 2018: 4.70%)			
FedEx Corporation (United States)	67,319	11,053,107	6.08
Chemicals (December 2018: 3.29%)			
OCI N.V. (Netherlands)	293,677	8,061,316	4.43
Construction Materials (December 2018: 4.66%)			
LafargeHolcim Limited (France listed) (Switzerland)	58,572	2,859,900	1.57
LafargeHolcim Limited (Switzerland listed) (Switzerland)	109,273	5,336,042	2.94
		8,195,942	4.51
Diversified Financial Services (December 2018: 12.07%)			
CK Hutchison Holdings Limited (Hong Kong)	1,095,691	10,800,236	5.94
EXOR N.V. (Netherlands)	211,787	14,834,699	8.15
		25,634,935	14.09
Diversified Telecommunication Services (December 2018: 7.55%)			
CenturyLink Inc. (United States)	1,278,508	15,035,253	8.26
Energy - Alternate Sources (December 2018: 4.61%)			
Vestas Wind Systems A/S (Denmark)	52,095	4,499,877	2.47
Hotels, Restaurants & Leisure (December 2018: 10.39%)			
Melco International Development Limited (Hong Kong)	3,958,589	8,776,932	4.82
Industrial Conglomerates (December 2018: 10.20%)			
General Electric Company (United States)	1,328,049	13,944,514	7.66
United Technologies Corporation (United States)	49,138	6,397,768	3.52
		20,342,282	11.18
Insurance (December 2018: 4.55%)			
Fairfax Financial Holdings Limited (Canada)	17,639	8,638,171	4.75
Internet Software & Services (December 2018: 4.68%)			
Alphabet Inc. (United States)	5,562	6,012,021	3.30
Machinery (December 2018: 6.59%)			
CNH Industrial N.V. (Netherlands)	783,860	8,037,990	4.42
Minebea Mitsumi Inc. (Japan)	339,800	5,751,843	3.16
		13,789,833	7.58
Media (December 2018: 3.57%)			
Comcast Corporation (United States)	176,431	7,459,503	4.11
Oil, Gas & Consumable Fuels (December 2018: 5.05%)			
CNX Resources Corporation (United States)	937,029	6,849,682	3.77

Security (Domicile)	Nominal Holdings	Fair Value US$	% of Net Assets
Transferable Securities (continued) (December 2018: 90.18%)			
Common Stock (continued) (December 2018: 90.18%)			
Pharmaceuticals & Biotechnology (December 2018: 3.99%)			
Allergan Plc (Ireland)	38,614	6,465,142	3.55
Real Estate Management & Development (December 2018: 4.28%)			
CK Asset Holdings Limited (Hong Kong)	1,057,459	8,277,791	4.55
Total Common Stock		**159,091,787**	**87.45**
Total Transferable Securities (Cost $162,656,209)		**159,091,787**	**87.45**
Short Term Obligations (December 2018: 8.79%)			
State Street Repurchase Agreement State Street Bank, 0.50% due 01/07/2019 (Collateral: US$ 23,101,856 U.S. Treasury Note 2.125% due 31/03/2024) (United States)	22,647,000	22,647,000	12.45
Total Short Term Obligations		**22,647,000**	**12.45**
Portfolio Of Investments (December 2018: 98.97%)		**181,738,787**	**99.90**
Cash and Cash Equivalents (December 2018: 0.00%)		35,512	0.02
Other Debtors (December 2018: 1.03%)		144,816	0.08
Net Asset Value		**181,919,115**	**100.00**

Analysis of total assets	% of Total Current Assets
Transferable securities admitted to an official stock exchange listing or traded on a regular market	87.33
Short term obligations	12.43
Other current assets	0.24
Total Assets	**100.00**

Statement of Changes in Composition of Portfolio

Global Fund

	Acquisition Cost* US$
CenturyLink Inc.	5,815,445
FedEx Corporation	3,965,836
CK Hutchison Holdings Limited	3,784,657
CNX Resources Corporation	2,465,555
CK Asset Holdings Limited	1,342,676
OCI N.V.	1,233,353
Minebea Mitsumi Inc.	1,110,158
Melco International Development Limited	962,602
CNH Industrial N.V.	961,686
Fairfax Financial Holdings Limited	886,875
Allergan Plc	871,287
Alphabet Inc.	749,637
United Technologies Corporation	720,912
Vestas Wind Systems A/S	711,987
Comcast Corporation	648,612
Yum China Holdings Inc.	549,237
LafargeHolcim Limited	480,911

	Disposal Proceeds* US$
Yum China Holdings Inc.	11,560,583
Vestas Wind Systems A/S	4,256,464
Alphabet Inc.	2,427,938
Allergan Plc	2,079,478
United Technologies Corporation	1,088,055
LafargeHolcim Limited	730,067
Wabtec Corporation	529,568

*There were no other purchases or sales during the six months ended 30 June 2019.

Significant portfolio changes are defined as the aggregate purchases of a security exceeding one per cent of the total value of purchases for the period and aggregate sales of a security exceeding one per cent of the total value of sales for the period. At a minimum, the 20 largest purchases and 20 largest sales must be shown.

A list of all purchases and sales of the Fund during the six months ended 30 June 2019 can be obtained free of charge from the Swiss Representative.

Statement of Comprehensive Income
Global Fund

	Notes	For the six months ended 30 June 2019 US$	2018 US$
Income			
Dividend income		2,263,719	2,686,144
Interest income		59,892	19,151
Net gain/(loss) on investments at fair value through profit or loss	2	16,967,282	(1,919,552)
Net foreign exchange gain/(loss)	2	10,674	(16,189)
Other income		16,704	-
Total net income		19,318,271	769,554
Expenses			
Investment Management fees	8	(874,377)	(950,246)
Administration fees		(51,367)	(57,015)
Depositary fees		(35,632)	(54,078)
Audit fees		(8,637)	(9,067)
Other operating expenses		(77,626)	(66,272)
Total operating expenses		(1,047,639)	(1,136,678)
Income/(loss) for the financial period before interest and taxation		18,270,632	(367,124)
Finance cost			
Interest expense		(114)	(66)
Taxation			
Withholding tax	4	(463,635)	(484,614)
Income/(loss) for the financial period after interest and taxation		17,806,883	(851,804)
Increase/(decrease) in net assets attributable to holders of redeemable participating units resulting from operations		17,806,883	(851,804)

Gains and losses arose solely from continuing operations.
There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

The notes to the financial statements form an integral part of these financial statements.

Statement of Financial Position

Global Fund

	Notes	30 June 2019 US$	31 December 2018 US$
Current Assets			
Cash and Cash Equivalents		35,512	286
Dividends receivable		153,775	224,527
Receivable for investments sold		-	1,728,856
Receivable for fund units sold		238,798	1,413
Financial assets at fair value through profit or loss		181,738,787	151,041,213
Interest receivable		944	186
Other receivables		3,331	5,378
Total Current Assets		182,171,147	153,001,859
Current Liabilities			
Investment Management fees payable	8	(142,301)	(276,736)
Administration fees payable		(26,175)	(26,008)
Depositary fees payable		(23,207)	(32,776)
Audit fees payable		(4,978)	(16,470)
Other liabilities		(22,448)	(19,734)
Payable for fund units redeemed		(32,923)	(23,406)
Total Current Liabilities (excluding net assets attributable to redeemable participating unitholders)		(252,032)	(395,130)
Net assets attributable to holders of redeemable participating units		181,919,115	152,606,729

Details of the NAV per unit are set out in Note 3.

The notes to the financial statements form an integral part of these financial statements.

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Units

Global Fund

	Notes	For the six months ended 30 June 2019 US$	2018 US$
Net assets attributable to holders of redeemable participating units at beginning of the period		152,606,729	192,902,367
Proceeds from the issuance of redeemable participating units	3	28,366,619	7,718,942
Payments on redemptions of redeemable participating units	3	(16,861,116)	(17,574,136)
Net increase/(decrease) from unit transactions		11,505,503	(9,855,194)
Increase/(decrease) in net assets attributable to holders of redeemable participating units resulting from operations		17,806,883	(851,804)
Net assets attributable to holders of redeemable participating units at end of the period		181,919,115	182,195,369

The notes to the financial statements form an integral part of these financial statements.

Statement of Cash Flows

Global Fund

	For the six months ended 30 June	
	2019	**2018**
	US$	**US$**
Cash flows from operating activities		
Income/(Loss) for the financial period after interest and taxation	17,806,883	(851,804)
Adjustments to reconcile net increase/(decrease) in net assets resulting from operations to net cash (used in)/provided by operating activities:		
Net (gain)/loss on investments at fair value through profit or loss	(16,967,282)	1,919,553
Cash (outflow)/inflow due to purchases and sales of investments during the period	(12,001,436)	8,727,876
Decrease/(increase) in debtors	72,041	(77,953)
(Decrease)/increase in creditors	(152,615)	2,444
Net cash (used in)/provided by operating activities	(11,242,409)	9,720,116
Cash flows from financing activities		
Proceeds from the issuance of redeemable participating units	28,129,234	7,869,752
Payments on redemptions of redeemable participating units	(16,851,599)	(17,599,583)
Net cash provided by/(used in) financing activities	11,277,635	(9,729,831)
Increase/(Decrease) in cash and Cash Equivalents	35,226	(9,715)
Cash and Cash Equivalents at beginning of the period	286	10,148
Cash and Cash Equivalents at end of the period	35,512	433
Interest received	59,134	19,014
Interest paid	(114)	(66)
Dividends received	2,334,471	2,614,764

The notes to the financial statements form an integral part of these financial statements

Investment Manager's Report
Asia Pacific Fund

For the quarter ending June 2019, the Longleaf Asia Pacific UCITS Fund was down 3.62%, while the MSCI AC Asia Pacific Index was up 0.83%. In the first six months of 2019, the Fund was up 13.96%, outperforming the index by 3.41%.

Portfolio Returns at 30/06/19 – Net of Fees

	2Q19	YTD	1 Year	3 Year	Since Inception 2/12/2014
APAC UCITS (Class I USD)	-3.62%	13.96%	-5.06%	10.97%	6.45%
MSCI AC Asia Pacific Index	0.83%	10.55%	-1.08%	10.08%	5.48%
Relative Returns	-4.45%	+3.41%	-3.98%	+0.89%	+0.97%

Selected Indices	2Q19	YTD	1 Year	3 Year
Hang Seng Index*	-0.07%	12.76%	2.55%	15.08%
TOPIX Index (JPY)*	-2.42%	5.18%	-8.28%	9.98%
TOPIX Index (USD)*	0.19%	7.64%	-5.81%	8.36%
MSCI Emerging Markets*	0.61%	10.58%	1.21%	10.67%

*Source: Bloomberg; Periods longer than 1 year have been annualized

Market Commentary

This quarter, we saw significant volatility in Asia, caused by a spike in trade tensions between China and the United States in May, leading to further rounds of retaliatory economic sanctions and tariff increases. This caused significant volatility in Chinese equity markets and across Asia, when trade negotiations between the United States and China came to a stand-still, as China apparently walked away from a deal that was near closure. Given our overweight position in Greater China, we have experienced double digit changes in NAV in three of the past nine months, with minimal corresponding changes in the long-term intrinsic value of the businesses we own. All of the Fund's underperformance in the quarter can be attributed to our overweight positions in China and Hong Kong in a quarter when the MSCI China index was down 4%.

The U.S. threatened to raise import tariffs on the remaining $300 billion worth of Chinese goods that have so far been spared from increased tariffs. Furthermore, the Trump administration placed restrictions on Huawei and other Chinese tech firms, barring them from purchasing vital components and software from U.S. companies, creating significant repercussions on the global semiconductor supply chain. Semiconductors are one of China's top imports, and the industry depends heavily on U.S. technology and suppliers. When these developments were announced in May, the MSCI World index fell 5.7%, and the MSCI China index fell 13% in a single month. We also saw global risk-off moves causing volatility in Japan, as the strengthening Japanese yen saw a flight to safety rally, similar to that in U.S. treasuries, which resulted in a significant inversion of the U.S. yield curve.

During the last days of the quarter, we witnessed a relief rally, as the U.S. and China declared that they would re-commence trade negotiations and that U.S. companies would be able to sell some products to Huawei.

However, we suspect the U.S.-China tensions are far from over. Under a Trump administration, we can expect more trade-related volatility, whether in China, Mexico, Japan, Vietnam or potentially the European Union. The Chinese government and central bank have responded to the U.S. trade war by cutting interest rates and reserve requirements, reducing taxes, ramping up public spending and easing credit. China's stimulus measures, like the Fed's expected easing, probably means that the U.S.-China trade war will cause only limited damage to growth prospects in both countries. The Chinese government has many more tools to respond to macroeconomics shocks than the U.S. In addition to massive stimulus and currency depreciation, China's government can bail out private and public enterprises.

Additionally, the internet is becoming fragmented, as the U.S. and China increasingly create their own internet ecosystems protected by firewalls, their own online national champions, their own financial systems, and their own regulations. The new tech battle ground 5G, is potentially going to result in the creation of different systems of 5G development, as the U.S. withholds key technologies and components from Huawei – the Chinese 5G champion – as well as depriving them from markets in the West. The balkanization of the world economy will create volatility and new winners and losers. The U.S. multinational, which has been a large contributor to global growth in past decades may be severely affected by the new world order. We could continue to see new regions developing their own technology, supply chains, financial systems, reference bond and currency benchmarks, which could weaken the global position of the U.S. and create more interesting opportunities in Asia.

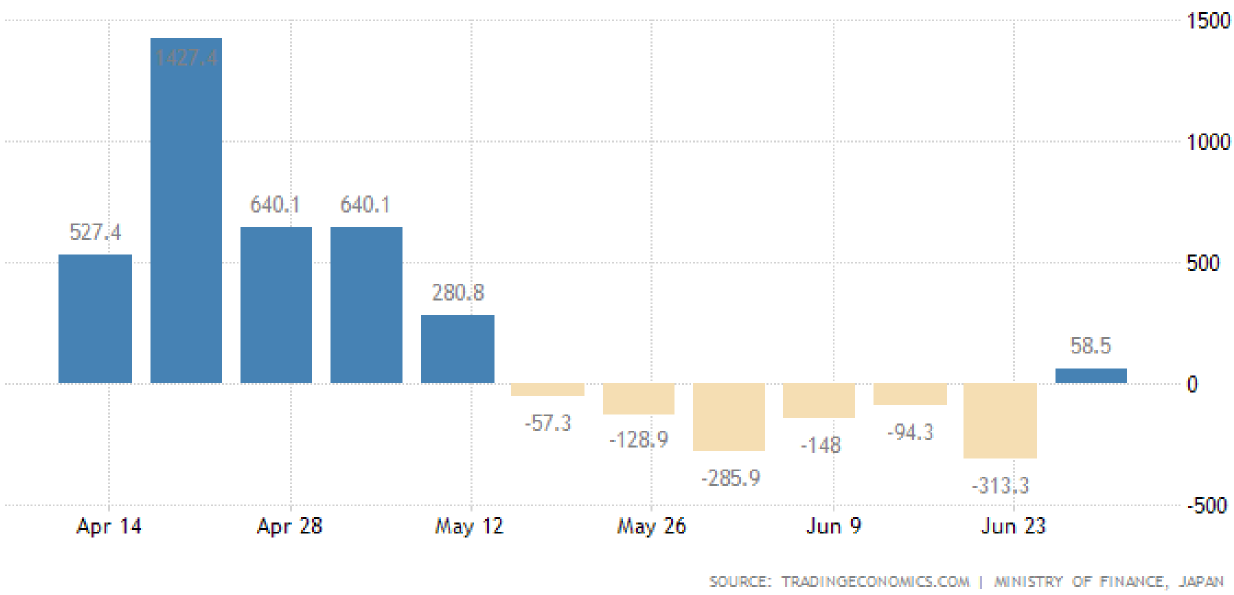
While we are bottom-up investors focused on individual companies, we do not ignore geo-political issues that can cause rifts in the macro environment where our companies operate. Conversely, we are seeing plenty of opportunity to take advantage of knee jerk reactions in the capital markets, where asset prices overshoot on the downside relative to the economic damage of macro events. This economic competition between the U.S. and China will result in significant volatility, as supply chains unravel, multinationals suffer, domestic champions emerge, regional capital markets develop, and reserve currencies and bond benchmarks change. For the long-term investor, who focuses on stock specific mispricing with very conservative assumptions, this provides opportunity to capitalize on investing in discounted assets.

Portfolio Discussion:

Last year, the Fund's largest opportunity was in Chinese consumer discretionary companies, whose stock prices were severely affected by fears of a slowdown caused by higher import tariffs, and the reduction of liquidity in the financial markets. We took advantage of the fear in the capital markets and allocated our capital from relative winners (Japanese and Australian companies) towards the new opportunities – primarily in Hong Kong and China – which set the stage for strong performance in the first quarter of the year.

As our Chinese consumer companies rebounded, we began to recycle our capital out of China into more attractive opportunities elsewhere. For example, we sold Yum China in the first quarter – a little more than six months after we bought it for the second time in its short three-year history as a public company - as the share price rebounded strongly from its lows last year. We trimmed a number of our Chinese consumer investments, including WH Group and Man Wah, until May, when trade war tensions increased, and prices fell to the point where it made less sense to reduce our allocation.

Foreign Stock Investment in Japan



Just like in a restaurant whose menu constantly changes to reflect the best seasonal options, our menu of opportunities has changed often in the past year, as new and more attractive opportunities arose as storm of volatility hit various sectors and countries. This year, 100% of our new purchases have been in Japan. Our pipeline of potential Japanese investments continues to grow, as foreign selling of Japanese equities continued in 2019 and accelerated during the 2nd quarter (chart above), creating new opportunities. Japanese exposure to weakening China demand, especially in the large semi-conductor supply chain, as well as the strengthening yen and a slowing domestic retail industry compounded by fears over the upcoming consumption tax hike in October, have created selling pressure on Japanese stocks and thus an opportunity for us to purchase discounted assets.

On the other hand, dramatic changes in corporate governance and increased focus on capital allocation have created a more expansive menu of Japanese opportunities for us. After almost a decade of “Abenomics”, we are beginning to see some real corporate governance improvements in select companies with improved focus on returns. In the past, we have insisted on having an owner-manager - like Masa Son at Softbank, Yoshihisa Kainuma at MinebeaMitsumi and Akio Toyoda at Toyota - at the helm to gain confidence in capital allocation in Japan. However, two out of our three new investments in Japan are companies led by employee-managers. In both cases, the boards are majority independent with demonstrated influence on capital allocation decisions and an increased focus on returns.

Hitachi’s decision to cancel the £16 billion Horizon nuclear project in the United Kingdom, which would have incurred billions of losses had they continued, had heavy board involvement and oversight. Hitachi’s board is highly qualified and majority independent—eight of the twelve board members. Most importantly, this board is not a rubber stamp board. They have real input and substantive oversight regarding strategy and capital allocation decisions. Of the eight outside directors, four are non-Japanese, and all committees are chaired by external directors.

Ebara’s corporate governance system has improved dramatically in the last few years. In 2015, Ebara transitioned from a traditional Japanese board structure to that of a company with three committees (nomination, compensation and audit), and the board moved from minority independent to half the board becoming independent. Earlier this year, the board size was reduced to 11, of which 7 are outside independent directors. Two executive officers have stepped down from the board and the new Chairman, Sakon Uda, is an independent director (ex-McKinsey consultant). These changes are reflected in Ebara’s capital allocation and shareholder return policy. In its 107-year history, Ebara announced its first ever buyback in November 2018 and increased dividends by 33%. Ebara has repurchased 4% of the company just in the last 4 months. Crossholdings have been trimmed, and the company’s cash rich balance sheet is being deployed for shareholder returns. We discuss Ebara in greater detail later in the letter.

In Japan, we are seeing record levels of share buybacks, higher returns on equity, more successful activist campaigns and higher private equity involvement in industry. It is helpful that the Japanese government has significantly more skin in the game now than ever before, and we believe that has put tremendous pressure on Japanese companies to produce higher returns on capital. In 2009, the Japanese Government Pension Investment Fund (GPIF) held only 11.4 trillion yen of Japanese equities. Last December, GPIF held 36 trillion yen of Japanese equities, more than tripling its allocation to Japanese equities in the last decade. As Japanese bond yields disappeared and went negative, the pressure on pension funds to deliver positive returns for their aging population has forced them to decrease their exposure to fixed income, while increasing their allocation to equities. Today, the Bank of Japan owns roughly 5% of the Japanese stock market. All this has created real pressure on Japanese corporates to provide higher returns on invested capital for the benefit of all shareholders.

2Q19	Contribution to Portfolio Return (%)	Total Return (%)
Top Five		
MinebeaMitsumi	+0.75	+14
Hitachi	+0.61	+14
Hyundai Mobis	+0.51	+13
First Pacific	+0.39	+11
L’Occitane	+0.35	+6
Bottom Five		
Baidu	-1.96	-28
MGM China	-1.29	-18
Man Wah	-0.69	-25
CK Asset	-0.53	-10
Bharti Infratel	-0.45	-10

YTD2019	Contribution to Portfolio Return (%)	Total Return (%)
Top Five		
SoftBank Group	+1.94	+44
WH Group	+1.72	+35
Midea Group	+1.21	+43
MinebeaMitsumi	+1.06	+18
YUM China*	+1.05	+30
Bottom Five		
Baidu	-1.64	-26
Ebara	-0.04	+2
Undisclosed	+0.01	0
CK Hutchison	+0.26	+6
MGM China	+0.29	+2

*Sold in 1Q19

TOP PERFORMERS:

MinebeaMitsumi (+14%, +0.75%), the Japanese manufacturer of precision equipment and components, was a top contributor for the quarter. This year is the tenth anniversary of Yoshihisa Kainuma's tenure as CEO. Over the last decade, he has compounded sales, operating profits, book value per share and EPS at an annual growth rate of 13%, 18%, 13% and 36%, respectively. This was achieved through a combination of organic growth, as well as 17 acquisitions, which were acquired cheaply and with negligible share dilution as a result of opportunistic share repurchases. MinebeaMitsumi acquired about 500 billion yen of revenues for only 58 billion yen in cash, and goodwill on their balance sheet is only 2% of equity, reflecting Kainuma's skill at acquiring companies, a competence that is rare in general, and particularly in Japan.

In May, Kainuma detailed his plan for the next ten years for MinebeaMitsumi to achieve 2.5 trillion yen in sales and 250 billion yen in operating profits, translating to 11% annual growth in sales and 13% growth in profits, through a combination of organic growth and M&A. For the next 3 years, 50% of the cumulative FCF will be allocated to share buybacks and dividends.

This year, MinebeaMitsumi's smartphone component and game device business will have a seasonally weak first half compared to the second half. In addition, ball bearings are seeing some weakness in data centers and fan motors. However, MinebeaMitsumi's competitive advantage remains strong, and the company is building up an optimal level of inventory to reduce expensive airfreight costs caused by rush demand from customers.

Hitachi Limited (+14%, +0.61%), a Japanese industrial conglomerate, was a contributor in the quarter. For the fiscal year ended March 2019, Hitachi reported adjusted operating profit of 754.9 billion yen, which was slightly above the guidance of 750.0 billion yen, despite booking 30 billion additional reserves on overseas EPC (engineering, procurement and construction) projects. Hitachi announced its 2021 mid-term management plan in May, targeting at least 10% adjusted operating profit margins and a 3-year aggregate operating cash flow of 2.5 trillion yen, with more than 60% of sales from overseas and at least 10% return on invested capital (ROIC). This was the first time that Hitachi have included ROIC targets.

Hitachi also plans to invest 2-2.5 trillion yen over the next three years for growth. Recently, Hitachi announced that Hitachi Automotive Systems is acquiring Chassis Brakes, the sixth largest global brake maker for 80 billion yen. The headline multiple of 8x EBITDA does not look cheap, but the transaction should help Hitachi advance technological development and provide access to a new customer base. We believe there is ample upside with the company's focus on profitability in its core businesses, ability to generate free cash flow that will provide room for better shareholder returns and smart capital allocation and portfolio management through M&A and divestiture of businesses not earning a sufficient return on capital.

Hyundai Mobis (+13%, +0.51%), auto parts maker and after-market parts provider for Hyundai Motor and Kia Motors, was a contributor in the quarter. Module and Parts revenue was up +7.4% YOY in the first quarter with solid growth coming from Electrification (+89.3% YOY) and core Parts (+22.8% YOY), despite Module sales posting negative growth of -3.1% due to the temporary shutdown of their Ohio factory. Module and Parts operating profit was still soft with continuing loss in China and margin drag from electrification. Their after-sales business was resilient with +3.7% YOY revenue growth and 25.1% operating profit margin, helped by favorable currency trends. Expectations are rising that the Hyundai Motor Group will resume restructuring its corporate structure. Given the opposition from shareholders on the previous restructuring plan, the revised one is likely to be more favorable to Mobis shareholders that could help unlock value. Though the stock has outperformed the market in the quarter, we believe the high quality after-sales business and Mobis's net cash and interests in various listed entities are still insufficiently reflected in the share price. The company announced that it would cancel 2 million shares, and execute a third of a 1 trillion Korean won share buyback plan in second half of 2019, in addition to initiating a quarterly dividend.

First Pacific (+11%, +0.39%) is the Hong Kong-listed investment holding company with its primary operations in the Philippines and Indonesia. Although the stock has outperformed the market, First Pacific is still one of the most discounted conglomerates listed in Hong Kong. During the quarter, First Pacific announced many positive corporate governance actions. The company announced the formation of a Finance Committee to be comprised of four independent non-executive directors and CEO Manny Pangilinan. Margaret Leung, an independent non-executive director, who we have met, will be the chairperson. In our view, the Finance Committee should meaningfully improve capital allocation decisions and address the over-leveraged balance sheet.

Much of the discount to NAV exists because of too much leverage and historically poor capital allocation decisions, which we identified early on as areas that could be improved to close the gap between price and our intrinsic value. The company also restructured the Corporate Governance committee to include only independent, non-executive directors. Furthermore, CEO Pangilinan's exit from the Remuneration Committee results in the committee being comprised of only non-executive directors, of whom the majority continues to be independent. First Pacific announced that they will search for additional new independent non-executive directors, which, in our opinion, should provide a fresh pair of eyes that can improve overall decision making. We are encouraged by First Pacific's efforts in improving corporate governance and capital allocation, and we believe there is meaningful opportunity within its core assets, as well as in its efforts on reducing the net asset value discount.

L'Occitane International (+6%, +0.35%), the natural and organic based cosmetics company, was a contributor for the quarter. L'Occitane reported a respectable 1.8% same store sales growth in FY19 (ended March 2019) and more importantly, the underlying operating margin increased 80 basis points to 11.5%. Operating profit margin is expected to improve further in the current fiscal year. Our investment case in L'Occitane anchors on the company's ability to convert more of its gross margin dollars (GP margin of 83%) into higher operating profits. We are pleased to see management's focus on improving profitability by their disciplined marketing and advertising spend, and by eliminating excess costs.

This was a transformational year for L'Occitane as it made a sizable and seemingly expensive acquisition of Elemis, paying 22.5X trailing EBITDA. But, this is a high growth and high margin business, and it was funded by existing cash and very cheap debt, making the deal earnings accretive from the first year. Just 2% of Elemis sales come from Asia today, a region where L'Occitane has historically excelled. Asian expansion of the Elemis brand under L'Occitane ownership could deliver meaningful revenue synergies. We recently met Elemis CEO Sean Harrington and Managing Director Oriele Frank in London and understand why L'Occitane is excited about this UK-based skin care company. Sean has relocated to Hong Kong to launch Elemis in Asia, and we look forward to Elemis launching on Chinese online marketplaces and other Asian markets in the near future, with support from L'Occitane.

BOTTOM PERFORMERS:

Baidu (-28%, -1.96%), the dominant online search business in China, was the largest detractor in the quarter and the first half. Baidu reported first quarter results in line with initial guidance, and Baidu's Core revenue grew 16% year-over-year (YOY). However, guidance for the second quarter was well below our expectation, driven mainly by macro weakness impacting advertisers' budgets and online advertising inventory increased across the industry, creating price pressure. In addition to these industry-wide headwinds, Baidu is migrating all the medical ad landing pages from third party sites onto Baidu's own servers. This initiative will further improve advertising quality and Baidu's control over the content, but it will have a negative impact on ad sales in the short term. The share price declined sharply post first quarter results.

We remain confident in Baidu longer-term and believe the stock market has overreacted to its short-term challenges. The slowdown in ad sales is not specific to Baidu. Online players like Tencent, Weibo and the largest offline advertising company, Focus Media, have all seen a deceleration in ad revenues. While ad sales growth is not satisfactory at the moment, user traffic growth at Baidu has been strong and healthy, which provides the basis for future monetization. In March, Baidu App's daily active users (DAUs) grew 28% YOY, and Baidu Smart Mini Program's monthly active users (MAUs) saw 23% sequential growth. There was some concern that growth would fall off post the Chinese New Year promotion, but the latest data indicates otherwise. Encouragingly, in June, Baidu App DAUs increased 27% YOY, and Smart Mini Program MAUs increased 49% quarter-over-quarter.

At the current share price, Baidu Core advertising is trading at less than 1 times sales and 3 times 2018 free cash flow. In addition, Baidu is making steady progress in AI initiatives, which are not reflected in the current market valuation. For example, Baidu's voice-activated smart speaker became number one in China and number three globally measured by shipments in the first quarter of 2019. Also, Baidu's Apollo autonomous driving effort registered nearly 140,000 kilometers in Beijing last year, representing about 91 percent of total self-driving distances traveled by the eight licensed transportation companies in the city. The current trade tension between China and the U.S. doesn't impact Baidu directly, as almost all of its sales are domestic. However, it does significantly reduce Google's ability to re-establish a meaningful presence in China, strengthening Baidu's already dominant position in the Chinese search market.

We support Baidu's decision to launch an additional $1 billion (USD) share buyback program, on top of the existing remaining $500 million program to take advantage of the current low share price. Paying low-single-digit FCF for a strong cash generative and hard-to-replace asset should provide attractive returns over time, and we have added to our investment in Baidu.

During the 2019 Baidu Create Conference in July, someone walked onto the stage and poured a bottle of water on CEO Robin Li while he was speaking. We feel sorry for Robin, but it reminded us of the incident in 1998 when Bill Gates had a pie thrown in his face. Microsoft's share price went up almost three-fold in the following two years. We believe and hope that this incident also marks a low in Baidu's share price.

MGM China (-18%, -1.29%), one of the six Macau gaming concessionaires, was a detractor for the quarter. The company reported better than expected Q1 results with industry leading EBITDA growth of 27% YOY. MGM China gained market share in both mass and VIP segments, as its newly opened Cotai resort continued to ramp up. Yet, MGM's shares were down, along with all its peers, as trade tensions between the U.S. and China resurfaced during the quarter, and industry gross gaming revenue (GGR) for Q2 2019 was down around 0.5% YOY against a tough comparable of 17% growth in Q2 2019. Mass gaming grew by over 10% in Q2, while VIP continued to decline at a mid-teens rate. Arguably, the pace of MGM's Cotai ramp up has been slower than we expected, but now with VIP junket rooms and 20 out of 27 mansions (catering to premium mass and VIP customers) open, we expect the company to continue gaining market share and delivering best in class luck-adjusted EBITDA growth this year.

Man Wah (-25%, -0.69%), the leading recliner and sofa manufacturer in China, was a detractor for the quarter after being a strong contributor in the first quarter. The trade conflict escalation between the U.S. and China in the quarter is hurting sentiment towards exporters like Man Wah. However, Man Wah is well ahead of its peers in establishing production capacity outside of China. As of June, its plant in Southeast Asia is already contributing about 40% of total Man Wah's exports to the U.S. and by mid-next year, Man Wah could transfer all of its U.S. export business away from China. The more important branded domestic business, which contributes more than 60% of its profits, is progressing on track with management expectations, and the competitive landscape is turning healthier compared to last year. Overall, the total company's sofa volumes continue to increase year after year. In 2018, Man Wah became the world's number one motion furniture company by selling over one million sofas.

CK Asset (-10%, -0.53%), the Hong Kong-based real estate and infrastructure company, was a detractor in the quarter. Contrary to widespread expectation that trade wars and protests in Hong Kong would have a negative impact on local property market, the Hong Kong primary residential market has seen the highest transaction volume in the first half of 2019, compared to the same period over the past 5 years. Given that land acquisition prices remain relatively high, CK Asset continues to look for global opportunities with the aim to replace real estate development profits with recurring income. We appreciate CK Asset's strict capital allocation discipline in project selection and financial strength. We are confident that Managing Director Victor Li will be able to compound value for shareholders over time.

Bharti Infratel (-10%, -0.45%), the dominant telecom tower operator in India, was a detractor for the quarter. The company reported weaker than expected results. After two quarters of stable tenancies on its towers, Infratel reported a net churn in collocations for the last quarter. This was due to incremental exits from Vodafone-Idea as they continue to rationalize their network footprint and exit some marginal markets, post-merger. We believe that we are in the final stages of tenancy decline and expect growth to return, possibly within the next two quarters. In the meantime, the merger process with Indus towers is proceeding as expected. We are awaiting approval from the Department of Telecommunications as the last step. Post-merger, we expect Infratel to execute value accretive repurchases of its own shares and to increase dividends per share.

Portfolio Changes

In the past six months, we initiated an investment in Ebara, Hitachi, and in a Japanese retailer, which remains undisclosed.

Ebara is a Japan-based industrial manufacturer operating in three segments:
• Fluid Machinery and Systems (FMS): Key products include standard pumps, custom-made pumps and large-scale compressors. Ebara has around 35-40% market share in Japan in pumps for buildings and public infrastructure (around 7% share globally). Ebara's Elliott branded compressor business has number one market share (around 20%) globally in downstream oil & gas applications (refining, petrochemicals, LNG).

• Precision Machinery (PM): Ebara supplies chemical-mechanical planarization (CMP) systems to make silicon wafers perfectly flat and dry vacuum pumps and components to semiconductor manufacturers. CMP is a duopoly market with Ebara having 30% market share behind market leader Applied Materials.

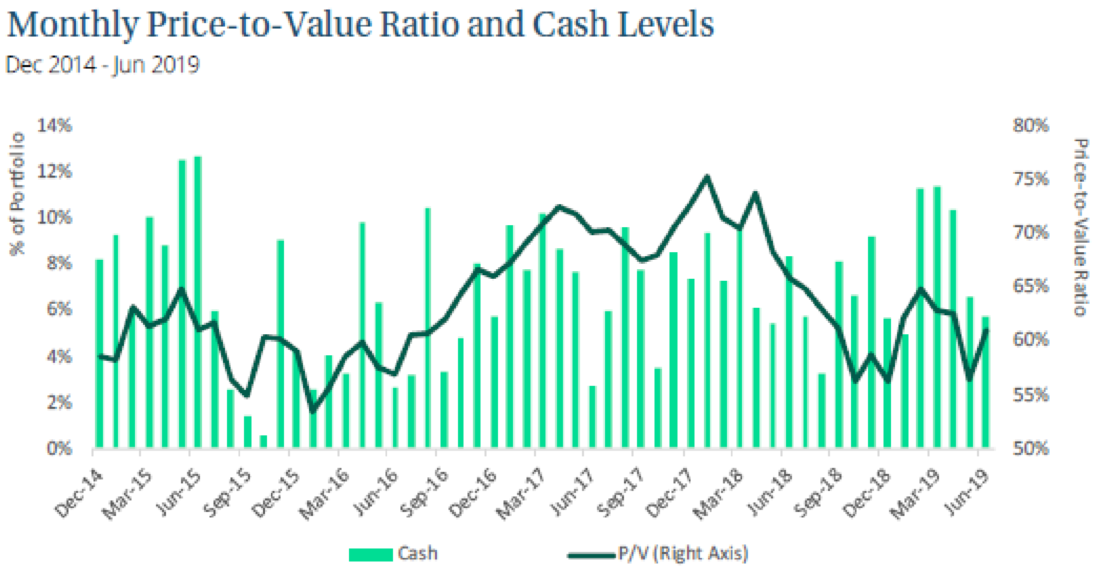
• Environmental Engineering: Ebara handles design, construction, maintenance and operations of waste incineration plants and other waste treatment facilities in Japan. Over 75% of operating profit derives from operations and maintenance revenue stream.

Ebara margins are currently at trough levels. The FMS segment reported 2.8% operating income margins in 2018, well below the company's medium-term target of 8.5%. 2018 margins were impacted by a downturn in the oil and gas market, aggressive pricing by some competitors and other one-off factors. Management is focused on reducing fixed costs and increasing the ratio of service and support revenues, which generate much higher margins than sale of new products. Another reason for cheapness is the outlook for the PM segment, which is exposed to the semiconductor capex cycle. As discussed above, the U.S.-China trade war and restrictions on Huawei have hurt investor sentiment around suppliers to the semiconductor industry.

Ebara trades at almost half the EBITDA multiples (on trough margins) of its peers (Sulzer, Xylem and Flowserve for FMS segment, and Applied Materials and Pfeiffer Vacuum for the PM segment). This level of discount is unwarranted, especially given the strength of Ebara's balance sheet (over 20% of market capitalization is in cash and financial investments) and the company's newfound focus on improving ROE and shareholder returns (as discussed earlier in this letter).

Outlook

Volatility continues to offer us the opportunity to buy high quality businesses at discounted prices. Our on-deck list is robust, and we are almost fully invested. Some markets that have historically been too expensive for us (emerging Asia) are starting to drift towards our desired price range. Our Price-to-Value ratio ended the quarter at 61% and the cash level was 5.7%.



Your fund managers have personally put more capital into the Fund to take advantage of the attractive margin of safety and positive outlook for the businesses we own. A number of our management partners at our portfolio companies are also taking advantage of the deeply discounted asset environment to opportunistically repurchase shares, acquire listed subsidiaries, and acquire other companies.

Southeastern Asset Management, Inc.
July 2019

Schedule of Investments as at 30 June 2019

Asia Pacific Fund

Security (Domicile)	Nominal Holdings	Fair Value US$	% of Net Assets
Transferable Securities (December 2018: 94.47%)			
Common Stock (December 2018: 94.47%)			
Auto Components (December 2018: 4.28%)			
Hyundai Mobis Company Limited (South Korea)	25,053	5,109,757	4.77
Auto Manufacturers (December 2018: 4.70%)			
Toyota Motor Corporation (Japan)	72,600	4,503,537	4.21
Cosmetics & Personal Care (December 2018: 4.99%)			
L'Occitane International S.A. (Luxembourg)	2,685,750	5,308,445	4.96
Diversified Financial Services (December 2018: 4.47%)			
CK Hutchison Holdings Limited (Hong Kong)	507,500	5,002,432	4.67
Diversified Telecommunication Services (December 2018: 7.93%)			
Bharti Infratel Limited (India)	1,251,833	4,843,026	4.52
Vocus Group Limited (Australia)	530,343	1,217,510	1.14
		6,060,536	5.66
Food Products (December 2018: 8.12%)			
First Pacific Company Limited (Hong Kong)	12,010,000	4,873,676	4.55
WH Group Limited (Hong Kong)	2,155,000	2,184,877	2.04
		7,058,553	6.59
Home Furnishings (December 2018: 2.92%)			
Midea Group Company Limited (China)	479,438	3,620,060	3.38
Hotels, Restaurants & Leisure (December 2018: 17.46%)			
Melco International Development Limited (Hong Kong)	3,233,000	7,168,166	6.70
MGM China Holdings Limited (Hong Kong)	3,969,200	6,747,696	6.30
		13,915,862	13.00
Household Durables (December 2018: 3.80%)			
Man Wah Holdings Limited (Hong Kong)	6,125,200	2,697,324	2.52
Internet Software & Services (December 2018: 12.57%)			
Baidu Inc. ADR (China)	53,575	6,287,562	5.88
SpeedCast International Limited (Australia)	1,902,630	4,648,380	4.34
		10,935,942	10.22
Machinery (December 2018: 6.75%)			
Ebara Corporation (Japan)	160,400	4,350,133	4.06
Hitachi Limited (Japan)	139,300	5,102,219	4.77
Minebea Mitsumi Inc. (Japan)	437,100	7,398,854	6.91
		16,851,206	15.74
Real Estate Management & Development (December 2018: 11.67%)			
CK Asset Holdings Limited (Hong Kong)	804,000	6,293,713	5.88
New World Development Company Limited (Hong Kong)	3,189,334	4,989,140	4.66
		11,282,853	10.54

Security (Domicile)	Nominal Holdings	Fair Value US$	% of Net Assets
Transferable Securities (December 2018: 94.47%) (continued)			
Common Stock (December 2018: 94.47%) (continued)			
Retail (December 2018: Nil)			
Seria Company Limited (Japan)	92,900	2,144,675	2.00
Telecommunication (December 2018: 4.81%)			
SoftBank Group Corporation (Japan)	135,600	6,496,072	6.07
Total Common Stock		**100,987,254**	**94.33**
Total Transferable Securities (Cost $103,335,739)		**100,987,254**	**94.33**
Short Term Obligations (December 2018: 5.65%)			
State Street Repurchase Agreement State Street Bank, 0.50% due 01/07/2019 (Collateral US$ 6,103,630 U.S. Treasury Note 2.125% due 31/03/2024) (United States)	5,979,000	5,979,000	5.58
Total Short Term Obligations		**5,979,000**	**5.58**
Portfolio Of Investments (December 2018: 100.12%)		**106,966,254**	**99.91**
Cash and Cash Equivalents (December 2018: 0.00%)		47,049	0.04
Other Debtors (December 2018: (0.12)%)		49,081	0.05
Net Asset Value		**107,062,384**	**100.00**

Analysis of total assets	**% of Total Current Assets**
Transferable securities admitted to an official stock exchange listing or traded on a regular market	94.21
Short term obligations	5.58
Other current assets	0.21
Total Assets	**100.00**

Statement of Changes in Composition of Portfolio

Asia Pacific Fund

	Acquisition Cost* US$
Ebara Corporation	4,401,011
Hitachi Limited	4,335,021
Baidu Inc. ADR	2,975,801
Seria Company Limited	2,123,694
First Pacific Company Limited	1,776,974
Bharti Infratel Limited	1,630,291
Melco International Development Limited	1,486,660
CK Hutchison Holdings Limited	1,192,010
MGM China Holdings Limited	1,092,893
SpeedCast International Limited	968,420
L'Occitane International S.A.	848,121
Hyundai Mobis Company Limited	461,461
Midea Group Company Limited	377,020
CK Asset Holdings Limited	351,052
New World Development Company Limited	345,784
WH Group Limited	315,988
Minebea Mitsumi Inc.	289,441
SoftBank Group Corporation	279,489
Man Wah Holdings Limited	252,817

	Disposal Proceeds* US$
Yum China Holdings Inc.	4,723,365
WH Group Limited	4,269,500
Vipshop Holdings Limited ADR	3,096,583
Vocus Group Limited	1,793,439
Man Wah Holdings Limited	1,768,047
Bharti Infratel Limited	1,539,048
MGM China Holdings Limited	1,268,812
SpeedCast International Limited	929,199
CK Asset Holdings Limited	873,293
Midea Group Company Limited	490,877
L'Occitane International S.A.	449,742
New World Development Company Limited	337,178
CK Hutchison Holdings Limited	267,141
Melco International Development Limited	110,525

*There were no other purchases and sales during the six months ended 30 June 2019.

Significant portfolio changes are defined as the aggregate purchases of a security exceeding one per cent of the total value of purchases for the period and aggregate sales of a security exceeding one per cent of the total value of sales for the period. At a minimum, the 20 largest purchases and 20 largest sales must be shown.

A list of all purchases and sales of the Fund during the six months ended 30 June 2019 can be obtained free of charge from the Swiss Representative.

Statement of Comprehensive Income

Asia Pacific Fund

		For the six months ended 30 June	
		2019	**2018**
	Notes	**US$**	**US$**
Income			
Dividend income		1,177,095	655,380
Interest income		21,538	4,208
Net gain/(loss) on investments at fair value through profit or loss	2	11,963,480	(5,079,643)
Net foreign exchange (loss)	2	(10,926)	(18,624)
Total net income/(loss)		13,151,187	(4,438,679)
Expenses			
Investment Management fees	8	(592,199)	(376,162)
Administration fees		(33,240)	(19,626)
Depositary fees		(63,359)	(28,361)
Audit fees		(7,774)	(8,159)
Other operating expenses		(64,986)	(41,610)
Total net expenses		(761,558)	(473,918)
Income/(loss) for the financial period before interest and taxation		12,389,629	(4,912,597)
Finance cost			
Interest expense		-	(33)
Taxation			
Withholding tax	4	(90,788)	(63,887)
Income/(loss) for the financial period after interest and taxation		12,298,841	(4,976,517)
Increase/(decrease) in net assets attributable to holders of redeemable participating units resulting from operations		12,298,841	(4,976,517)

Gains and losses arose solely from continuing operations.
There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

The notes to the financial statements form an integral part of these financial statements.

Statement of Financial Positions

Asia Pacific Fund

	Notes	30 June 2019 US$	31 December 2018 US$
Current Assets			
Cash and Cash Equivalents		47,049	575
Dividends receivable		178,137	86,297
Interest receivable		249	71
Financial assets at fair value through profit or loss		106,966,254	90,441,971
Other receivables		219	22,426
Total Current Assets		107,191,908	90,551,340
Current Liabilities			
Investment Management fees payable	8	(90,383)	(177,446)
Administration fees payable		(15,180)	(11,882)
Depositary fees payable		(6,297)	(5,372)
Audit fees payable		(2,805)	(15,160)
Other liabilities		(14,859)	(11,977)
Total Current Liabilities (excluding net assets attributable to redeemable participating unitholders)		(129,524)	(221,837)
Net assets attributable to holders of redeemable participating units		107,062,384	90,329,503

Details of the NAV per unit are set out in Note 3.

The notes to the financial statements form an integral part of these financial statements.

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Units

Asia Pacific Fund

	Notes	For the six months ended 30 June 2019 US$	2018 US$
Net assets attributable to holders of redeemable participating units at beginning of the period		90,329,503	52,967,534
Proceeds from the issuance of redeemable participating units	3	9,624,181	27,532,620
Payments on redemptions of redeemable participating units	3	(5,190,141)	(990,297)
Net increase from unit transactions		4,434,040	26,542,323
Increase/(decrease) in net assets attributable to holders of redeemable participating units resulting from operations		12,298,841	(4,976,517)
Net assets attributable to holders of redeemable participating units at end of the period		107,062,384	74,533,340

The notes to the financial statements form an integral part of these financial statements.

Statement of Cash Flows
Asia Pacific Fund

	For the six months ended 30 June	
	2019	**2018**
	US$	**US$**
Cash flows from operating activities		
Income/(loss) for the financial period after interest and taxation	12,298,841	(4,976,517)
Adjustments to reconcile net increase/(decrease) in net assets resulting from operations to net cash (used in)/provided by operating activities:		
Net (gain)/loss on investments at fair value through profit or loss	(11,963,480)	5,079,643
Cash (outflow) due to purchases and sales of investments during the period	(4,560,803)	(26,585,613)
(Increase) in debtors	(69,811)	(67,627)
(Decrease)/increase in creditors	(92,313)	15,350
Net cash (used in) operating activities	(4,387,566)	(26,534,764)
Cash flows from financing activities		
Proceeds from the issuance of redeemable participating units	9,624,181	27,022,620
Payments on redemptions of redeemable participating units	(5,190,141)	(544,960)
Net cash provided by financing activities	4,434,040	26,477,660
Increase/(decrease) in cash and Cash Equivalents	46,474	(57,104)
Cash and Cash Equivalents at beginning of the period	575	72,892
Cash and Cash Equivalents at end of the period	47,049	15,788
Interest paid	-	(33)
Dividends received	1,085,255	592,622
Interest received	21,360	4,123

The notes to the financial statements form an integral part of these financial statements.

Notes to the Financial Statements

1. Significant Accounting Policies

Organisation
Longleaf Partners Unit Trust is organised as an open-ended umbrella unit trust under a Deed of Trust dated 24 October 2011, as amended and restated on 24 November 2014 established pursuant to the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulation 2019 (the "UCITS Regulations"). The primary investment objective of the Trust is to deliver long term capital growth over time through the identification of and investment in undervalued companies located around the world.

The Trust had obtained the approval of the Central Bank of Ireland (the "Central Bank") for the establishment of three funds, namely, the Longleaf Partners Global UCITS Fund ("Global Fund"), the Longleaf Partners U.S. UCITS Fund ("U.S. Fund") and Longleaf Partners Asia Pacific UCITS Fund ("Asia Pacific Fund") (each a "Fund", together the "Funds"). Longleaf Partners U.S. UCITS Fund fully redeemed on 27 March 2018 and a separate set of audited financial statements was prepared for this Fund for the extended period from 1 January 2017 to 27 March 2018. The Central Bank's approval for this Fund was withdrawn on 28 February 2019.

a) Basis of Preparation
These condensed unaudited interim financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit or loss that have been measured at fair value.

The condensed unaudited interim financial statements are presented in U.S. Dollars, the functional currency of the Trust. All subscriptions received are denominated in the currency of the respective share class and converted to U.S. Dollars and any potential redemptions or distribution payments in the future would need to be paid out in the respective currency of each share class.

Longleaf Partners U.S. UCITS Fund fully redeemed on 27 March 2018 and a separate set of audited financial statements was prepared for this Fund for the extended period from 1 January 2017 to 27 March 2018. These financial statements for the Longleaf Partners Global UCITS Fund and the Longleaf Partners Asia Pacific UCITS Fund (the "Funds") are prepared on a going concern basis.

b) Statement of Compliance
The condensed unaudited interim financial statements have been prepared in accordance with International Accounting Standard 34, 'Interim financial reporting' ("IAS 34") issued by the Financial Reporting Council, and the UCITS Regulations.

These condensed unaudited interim financial statements do not contain all of the information and disclosures required in the full annual audited financial statements and should be read in conjunction with the financial statements of the Trust for the year ended 31 December 2018, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union ("EU"). The accounting policies and methods of computation applied by the Trust in these condensed unaudited interim financial statements are the same as those applied by the Trust in its financial statements for the year ended 31 December 2018, as described in those annual financial statements.

New standards, amendments and interpretations issued and effective for the financial period beginning 1 January 2019

IFRIC 23 "Uncertainty over Income Tax Treatments" was issued in June 2017 and became effective for periods beginning on or after 1 January 2019. It clarifies the accounting for uncertainties in income taxes which is applied to the determination of taxable profits (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments in accordance with IAS 12. It clarifies that the Trust should consider whether tax treatments should be considered independently or collectively, whether the relevant tax authority will or will not accept each tax treatment and, the requirement to reassess its judgements and estimates if facts and circumstances change.

The application of IFRIC 23 has not had a significant effect on the Trust's financial position, performance or disclosures in its financial statements.

IFRS 16 “Leases” was issued in January 2016 and became effective for periods beginning on or after 1 January 2019. The application of IFRS 16 has not had a significant impact on the Trust’s financial position, performance or disclosures in its financial statements.

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2019 and not early adopted

IFRS 17 “Insurance Contracts” was issued in May 2017 and will become effective for accounting periods beginning on or after 1 January 2021. It applies to: insurance contracts, including reinsurance contracts, issued by an entity; reinsurance contracts held by an entity; and investment contracts with discretionary participation features issued by an entity that issues insurance contracts. An insurance contract is defined as ‘a contract under which one party (the issuer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder’. The new standard is not expected to have a significant impact on the Trust’s financial position, performance or disclosures in its financial statements.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Trust.

2. Composition of Net Gain/(Loss) on Investments at Fair Value Through Profit or Loss and Other Gains

Global Fund	**2019 US$**	**2018 US$**
Realized gain on investments sold	4,782,575	6,446,220
Total change in unrealized gain/(loss) on investments	12,184,707	(8,365,772)
Net gain/(loss) on investments at fair value through profit or loss	16,967,282	(1,919,552)
Net foreign exchange gain/(loss)	10,674	(16,189)

Asia Pacific Fund	**2019 US$**	**2018 US$**
Realized gain on investments sold	1,450,187	2,739,542
Total change in unrealized gain/(loss) on investments	10,513,293	(7,819,185)
Net gain/(loss) on investments at fair value through profit or loss	11,963,480	(5,079,643)
Net foreign exchange (loss)	(10,926)	(18,624)

3. Number of Units in Issue and Net Assets Attributable to Redeemable Participating Unitholders

Each of the units entitles the holder to participate equally on a pro-rata basis in the profits and dividends of the relevant Fund attributable to such units and to attend and vote at meetings of the Trust represented by those units. No class of units confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other class of units or any voting rights in relation to matters relating solely to any other class of units.

Each unit represents an undivided beneficial interest in the relevant Fund of the Trust. The units are not debt obligations or guaranteed by the Depositary or the Manager. The return on an investment in the Fund will depend solely upon the investment performance of the assets in the Fund and the increase or decrease in the net asset value of the units. The amount payable to a unitholder in respect of each unit upon liquidation of the Trust will equal the net asset value per unit.

The Net assets attributable to Holders of Redeemable Participating Units represents a liability on the Statement of Financial Position, carried at the redemption amount that would be payable at the Statement of Financial Position date if the unitholder exercised the right to redeem its units to the relevant Fund.

The Trust Deed entitles the Manager to charge redeeming unitholders in the relevant Fund a redemption fee of up to 3% of the relevant redemption proceeds. The Manager does not currently intend to impose a redemption fee. Should it impose such a fee, the Manager will provide prior notice to each unitholder in the relevant Fund.

A summary of unitholder activity is detailed below:

Global Fund	**For the six months ended 30 June 2019**		
	Class I U.S. Dollar	Class I Euro	Class I British Pound
Units in issue at the beginning of period	8,797,129	232,269	815,658
Units issued	1,574,023	51,897	37,418
Units redeemed	(547,967)	(8,483)	(425,926)
Units in issue at the end of period	9,823,185	275,683	427,150
Net Asset Value	US$169,874,652	€4,140,103	£5,777,199
Number of Units in Issue	9,823,185	275,683	427,150
Net Asset Value per Unit	US$17.29	€15.02	£13.53

Global Fund	**For the year ended 31 December 2018**		
	Class I U.S. Dollar	Class I Euro	Class I British Pound
Units in issue at the beginning of year	9,099,242	522,000	892,312
Units issued	846,926	82,054	62,946
Units redeemed	(1,149,039)	(371,785)	(139,600)
Units in issue at the end of year	8,797,129	232,269	815,658
Net Asset Value	US$136,480,539	€3,105,762	£9,860,164
Number of Units in Issue	8,797,129	232,269	815,658
Net Asset Value per Unit	US$15.51	€13.37	£12.09

Global Fund	**For the six months ended 30 June 2018**		
	Class I U.S. Dollar	Class I Euro	Class I British Pound
Units in issue at the beginning of period	9,099,242	522,000	892,312
Units issued	371,499	3,434	41,430
Units redeemed	(551,593)	(371,786)	(26,124)
Units in issue at the end of period	8,919,148	153,648	907,618
Net Asset Value	US$162,954,162	€2,373,672	£12,479,050
Number of Units in Issue	8,919,148	153,648	907,618
Net Asset Value per Unit	US$18.27	€15.45	£13.75

Asia Pacific Fund	**For the six months ended 30 June 2019**	
	Class I U.S. Dollar	Class I British Pound
Units in issue at the beginning of period	6,456,381	1,285,216
Units issued	596,469	108,899
Units redeemed	(343,596)	(53,734)
Units in issue at the end of period	6,709,254	1,340,381
Net Asset Value	US$89,310,598	£13,978,342
Number of Units in Issue	6,709,254	1,340,381
Net Asset Value per Unit	US$13.31	£10.43

Asia Pacific Fund	**For the year ended 31 December 2018**	
	Class I U.S. Dollar	Class I British Pound
Units in issue at the beginning of year	3,441,160	120,809
Units issued	3,279,541	1,182,907
Units redeemed	(264,320)	(18,500)
Units in issue at the end of year	6,456,381	1,285,216
Net Asset Value	US$75,397,228	£11,715,266
Number of Units in Issue	6,456,381	1,285,216
Net Asset Value per Unit	US$11.68	£9.12

Asia Pacific Fund	**For the six months ended 30 June 2018**	
	Class I U.S. Dollar	Class I British Pound
Units in issue at the beginning of period	3,441,160	120,809
Units issued	836,468	990,838
Units redeemed	(69,003)	-
Units in issue at the end of period	4,208,625	1,111,647
Net Asset Value	US$59,023,591	£11,752,032
Number of Units in Issue	4,208,625	1,111,647
Net Asset Value per Unit	US$14.02	£10.57

Significant shareholders

The following table details the number of shareholders with significant holdings of at least 20 per cent of the relevant sub-fund and the percentage of that holding as at 30 June 2019 and 31 December 2018.

Fund	Number of significant shareholders 30 Jun 2019	Total Holdings as at 30 Jun 2019	Total Shareholding as a % of the sub-fund as at 30 Jun 2019	Number of significant shareholders 31 Dec 2018	Total Holdings as at 31 Dec 2018	Total Shareholding as a % of the sub-fund as at 31 Dec 2018
Global Fund	2	5,953,754	56.56	1	2,666,744	26.97
Asia Pacific Fund	2	3,756,361	46.66	2	3,756,361	48.52

Note 8 provides further detail of the significant shareholders of the Asia Pacific Fund included in the table above.

4. Taxation

Under current law and practice, the Trust qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to unitholders, any encashment, redemption, cancellation or transfer of units and the holding of units at the end of each eight year period beginning with the acquisition of such units.

No Irish tax will arise on the Trust in respect of chargeable events in respect of:

a) a unitholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Trust or the Trust has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations; and

b) certain exempted Irish tax resident unitholders who have provided the Trust with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the relevant Fund in the Trust may be subject to taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Fund or its unitholders.

5. Financial Instruments

The Trust's financial risk management objectives and policies are consistent with those disclosed in the Trust's annual audited financial statements as at 31 December 2018.

Fair Valuation Hierarchy

IFRS 13 requires the Trust to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted market price in an active market for an identical instrument that the entity can access at the measurement point.
- Level 2 - Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3 - Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant impact on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement.

Equities are classified as Level 1.

Repurchase Agreements are classified as Level 2.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The financial assets and liabilities at 30 June 2019 and 31 December 2018 are classified as follows:

Global Fund	**at 30 June 2019 US$**			
	Level 1	Level 2	Level 3	Total
Transferable securities	159,091,787	-	-	159,091,787
Short Term Obligations	-	22,647,000	-	22,647,000
	159,091,787	22,647,000	-	181,738,787

	at 31 December 2018 US$			
	Level 1	Level 2	Level 3	Total
Transferable securities	137,624,213	-	-	137,624,213
Short Term Obligations	-	13,417,000	-	13,417,000
	137,624,213	13,417,000		151,041,213

Asia Pacific Fund	**at 30 June 2019 US$**			
	Level 1	Level 2	Level 3	Total
Transferable securities	100,987,254	-	-	100,987,254
Short Term Obligations	-	5,979,000	-	5,979,000
	100,987,254	5,979,000	-	106,966,254

	at 31 December 2018 US$			
	Level 1	Level 2	Level 3	Total
Transferable securities	85,332,971	-	-	85,332,971
Short Term Obligations	-	5,109,000	-	5,109,000
	85,332,971	5,109,000		90,441,971

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the period and are deemed to have occurred when the pricing source or methodology used to price an investment has changed which triggers a change in level as defined under IFRS 13. There were no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy during the period ended 30 June 2019 and year ended 31 December 2018.

For each class of assets and liabilities not measured at fair value in the Statement of Financial Position but for which fair value is disclosed, IFRS13 requires the Trust to disclose the level within the fair value hierarchy which the fair value measurement would be categorised and a description of the valuation technique and inputs used in the technique.

The assets and liabilities not carried at fair value but for which fair value is disclosed at 30 June 2019 and 31 December 2018 are classified as follows:

Global Fund

	At 30 June 2019			
Assets	Level 1	Level 2	Level 3	Total US$
Cash and Cash Equivalents	35,512	-	-	35,512
Other Assets	-	396,848	-	396,848
Total	35,512	396,848	-	432,360
Liabilities				
Other Liabilities	-	(252,032)	-	(252,032)
Net assets attributable to holders of redeemable participating units	-	(181,919,115)	-	(181,919,115)
Total	-	(182,171,147)	-	(182,171,147)

Global Fund

	At 31 December 2018			
Assets	Level 1	Level 2	Level 3	Total US$
Cash and Cash Equivalents	286	-	-	286
Other Assets	-	1,960,360	-	1,960,360
Total	286	1,960,360	-	1,960,646
Liabilities				
Other Liabilities	-	(395,130)	-	(395,130)
Net assets attributable to holders of redeemable participating units	-	(152,606,729)	-	(152,606,729)
Total	-	(153,001,859)	-	(153,001,859)

Asia Pacific Fund

	At 30 June 2019			
Assets	Level 1	Level 2	Level 3	Total US$
Cash and Cash Equivalents	47,049	-	-	47,049
Other Assets	-	178,605	-	178,605
Total	47,049	178,605	-	225,654
Liabilities				
Other Liabilities	-	(129,524)	-	(129,524)
Net assets attributable to holders of redeemable participating units	-	(107,062,384)	-	(107,062,384)
Total	-	(107,191,908)	-	(107,191,908)

Asia Pacific Fund

	At 31 December 2018			
Assets	Level 1	Level 2	Level 3	Total US$
Cash and Cash Equivalents	575	-	-	575
Other Assets	-	108,794	-	108,794
Total	575	108,794	-	109,369
Liabilities				
Other Liabilities	-	(221,837)	-	(221,837)
Net assets attributable to holders of redeemable participating units	-	(90,329,503)	-	(90,329,503)
Total	-	(90,551,340)	-	(90,551,340)

Global Exposure

The Investment Manager uses the commitment approach to evaluate the global exposure of the Funds.

6. Exchange Rates

Where applicable the Administrator translated foreign currency amounts, market value of investments and other assets and liabilities into U.S. Dollars at the period end rates for each US$:

	30 June 2019	31 December 2018	30 June 2018
Australian Dollar	1.424400	1.419749	1.351260
Brazilian Real	-	-	3.875750
British Pound	0.787433	0.784560	0.757719
China Yuan Renminbi	6.868300	6.865700	-
Danish Krone	6.564150	6.516500	6.379950
Euro	0.879430	0.872791	0.856311
Hong Kong Dollar	7.811700	7.830500	7.845600
Indian Rupee	69.027500	69.815000	68.515000
Japanese Yen	107.815000	109.605000	110.715000
Korean Won	1,154.650000	1,115.800000	1114.500000
Malaysian Ringgit	-	-	4.039500
Swiss Franc	0.976200	0.982900	0.990300

7. Efficient Portfolio Management

To the extent that the Trust may use techniques and instruments for efficient portfolio management, the Manager, on behalf of the Trust, would comply with the conditions and limits laid down from time to time by the Central Bank under the UCITS Regulations and as set out in Appendix II of the Trust's Prospectus. Transactions entered into for efficient portfolio management purposes would be entered into to enhance investment returns or for one or more of the following specified aims: the reduction of risk; the reduction of cost or the generation of additional capital or income for the Trust with a level of risk that is consistent with the risk profile of the Trust and the risk diversification rules set out in the UCITS Regulations.

As at 30 June 2019 and 31 December 2018, the Funds did not hold any derivative positions.

As at 30 June 2019 and 31 December 2018, the Funds held Repurchase Agreements as detailed in the Schedules of Investments. No material revenues arose and no direct or indirect costs were incurred for the Repurchase Agreements for the period ended 30 June 2019 and year ended 31 December 2018.

8. Related Party Transactions

In accordance with IAS 24, "Related Party disclosures", the following are the related parties and related party transactions during the period.

Transactions with entities with significant influence:

Southeastern Asset Management, Inc. serves in an appointed role as the Investment Manager, and is paid an investment management fee for its services. For the Global Fund, the Investment Manager earned a fee of US$874,377 (June 2018: US$950,246) of which US$142,301 (December 2018: US$276,736) was outstanding at the period/year end. For the Asia Pacific Fund the Investment Manager earned a fee of US$592,199 (June 2018: US$376,162) of which US$90,383 (December 2018: US$177,446) was outstanding at the period/year end.

There was no management fee-reimbursement applied to the Global Fund or to the Asia Pacific Fund in the period ended 30 June 2019 (June 2018: US$Nil).

The Investment Manager has been appointed by the board members of the Manager, which is a wholly owned subsidiary of the Investment Manager. The Manager does not receive a fee out of the assets of the Funds. The Manager is reimbursed for all of its expenses incurred in the normal course of business plus a 10% markup by the Investment Manager.

Directors of the Manager, Isaac Byrd and Steve McBride are employees of Southeastern Asset Management, Inc. and there are two Irish directors, Eimear Cowhey and Michael Kirby.

Gwin Myerberg,who resigned as a Director of the Manager on 15 March 2019, is an employee of Southeastern Asset Management, Inc.

Transactions with other related parties:
The Pyramid Peak Foundation (the "Foundation") provided the Asia Pacific Fund's initial seed capital. Because some of the members of the Foundation's governing board are also owners of the Investment Manager, the Asia Pacific Fund and Pyramid Peak Foundation are considered related parties. The Pyramid Peak Foundation's holding in the Asia Pacific Fund constitutes approximately 26% (December 2018: 27%) of the Asia Pacific Fund's assets, and are therefore noted as significant unitholders in Note 3.

In addition, employees of the Investment Manager owned approximately 1.6% (December 2018: 1.9%) and 33.0% (December 2018: 33.7%) of the Global and Asia Pacific Funds at 30 June 2019 respectively.

KB Associates ("KBA") have been engaged by the Manager to provide UCITS and Compliance Services. Michael Kirby is a Director and principal of KBA and also a Director of the Manager to the Trust. KBA fees are disbursed through the Manager.

9. Dealing with Connected Parties

Regulation 43 of the UCITS Regulations "Restrictions of transactions with connected persons" states that "A responsible person shall ensure that any transaction between a UCITS and a connected person conducted a) at arm's length; and b) in the best interest of the unit-holders of the UCITS".

As required under UCITS Regulation 78.4, the Directors, as responsible persons are satisfied that there are in place arrangements, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 43(1) are applied to all transactions with a connected party; and all transactions with a connected parties that were entered into during the period to which the report relates complied with the obligations that are prescribed by Regulation 43(1).

10. Soft Commission Arrangements

There were no soft commission arrangements entered into by the Investment Manager, on behalf of the Trust, during the period ended 30 June 2019 or the year ended 31 December 2018.

11. Contingent Liability

There are no contingent liabilities at 30 June 2019 or 31 December 2018.

12. Committed Deals

There are no commitments at 30 June 2019 or 31 December 2018.

13. Distribution policy

The Manager is empowered to declare and pay dividends on any class of units in the Trust. The Manager did not declare any dividends during the period ended 30 June 2019 and year ended 31 December 2018.

14. Significant Events During the Period

The Central Bank's approval for the Longleaf Partners U.S. UCITS Fund was withdrawn on 28 February 2019.

Gwin Myerberg resigned as Chairperson and Director of the Manager and Isaac Byrd was appointed Director of the Manager, both effective 15 March 2019.

Eimear Cowhey was appointed Chairperson of the Manager effective 15 March 2019.

There were no other significant events during the period ended 30 June 2019.

15. Significant Events Since the Period End

There were no significant events since the period ended 30 June 2019.

16. Approval of the Financial Statements

The Board of Directors of the Manager approved these financial statements on 19 August 2019.

Background to Longleaf Partners Unit Trust

The Trust is an umbrella open-ended unit trust established in Ireland as an Undertaking for Collective Investment in Transferable Securities pursuant to the UCITS Regulations. The Trust was constituted on 23 December 2009 as an open-ended umbrella structure unit trust.

The Trust is organized in the form of an umbrella fund and due to the nature of Trust law, has segregated liability between Funds. The Prospectus provides that there may be more than one class of Units allocated to each Fund. The Trust had obtained the approval of the Central Bank for the establishment of three Funds, namely, the Longleaf Partners Global UCITS Fund ("Global Fund"), the Longleaf Partners U.S. UCITS Fund ("U.S. Fund") and Longleaf Partners Asia Pacific UCITS Fund ("Asia Pacific Fund") (each a "Fund", together the "Funds"). Longleaf Partners U.S. UCITS Fund fully redeemed on 27 March 2018 and the Central Bank's approval for the Longleaf Partners U.S. UCITS Fund was withdrawn on 28 February 2019. Additional Funds may be established by the Trust with the prior approval of the Central Bank. The Global Fund commenced operations on 4 January 2010. The U.S. Fund commenced operations on 9 May 2012. The Asia Pacific Fund commenced operations on 2 December 2014.

At 30 June 2019, the Class I U.S. Dollar, the Class I GBP and the Class I Euro shares of the Global Fund and the Class I U.S. Dollar and the Class I GBP shares of the Asia Pacific Fund were active.

Further classes of units may be issued on advance notification to, and in accordance with the requirements of the Central Bank.

The investment objective and policy of the Funds is summarized below. For a complete description of the objectives and policies of the Funds, an investor should read the Prospectus.

Investment Objective and Policy

Global Fund

The Global Fund seeks to provide long-term capital growth.

The Fund seeks to achieve its investment objective by purchasing securities of certain companies traded, domiciled or operating in global developed countries which the Investment Manager deems eligible.

The Fund will generally be invested in equity securities of eligible companies. In addition, investments may include collective investment schemes which should give returns in line with the target returns of the Fund. No more than 10% of the Fund's net assets will be invested in collective investment schemes. If investments meeting the Fund's criteria are not available, the Fund may invest the Fund's assets temporarily in obligations of the U.S. government and its agencies, such as treasury bills or treasury bonds or in money market instruments such as commercial papers and certificates of deposit.

No more than 30% of the Fund's net assets will be invested in countries which the Investment Manager considers to be emerging markets.

In addition, and to the extent only that the Investment Manager deems consistent with the investment policies of the Fund, the Fund may utilize financial derivative instruments to enhance investment returns or for the purposes of efficient portfolio management. A Risk Management Process document is on file with the Central Bank in relation to the use of such instruments.

Minimum Subscription Amount/Minimum Holding

The minimum subscription amount and minimum holding of each Unit Class is as follows:

Classes	Minimum initial application	Minimum Holding
Class I U.S. Dollar Shares	US$1,000,000	US$100,000
Class I Euro Shares	EUR equivalent of US$1,000,000	EUR equivalent of US$100,000
Class I GBP Shares	GBP equivalent of US$1,000,000	GBP equivalent of US$100,000
Class A U.S. Dollar Shares	US$500,000	US$100,000
Class A Euro Shares	EUR equivalent of US$500,000	EUR equivalent of US$100,000
Class A Swiss Franc Share	CHF equivalent of US$500,000	CHF equivalent of US$100,000

Asia Pacific Fund
The investment objective of Longleaf Partners Asia Pacific UCITS Fund is to deliver long-term capital growth.

The Fund seeks to achieve its investment objective primarily by purchasing equity and debt securities of certain companies located in any country or market, including both developed, and emerging markets, in Asia or the Pacific region, including Australia and New Zealand (the "Asia Pacific Region") which the Investment Manager deems eligible.

The Fund will generally be investing in equity securities of eligible companies. In addition, investments may include collective investment schemes which should give returns in line with the target returns of the Fund. No more than 10% of the Fund's net assets will be invested in collective investment schemes. If investments meeting the Fund's criteria are not available, the Fund may invest the Fund's assets temporarily in obligations of the U.S. government and its agencies, such as treasury bills or treasury bonds or in money market instruments such as commercial paper and certificates of deposit.

In addition, and to the extent only that the Investment Manager deems consistent with the investment policies of the Fund, the Fund may utilize financial derivative instruments to enhance investment returns or for the purposes of efficient portfolio management. A Risk Management Process document is on file with the Central Bank in relation to the use of such instruments.

Minimum Subscription Amount/Minimum Holding
The minimum subscription amount of each Unit Class is as follows:

Classes	Minimum initial application	Minimum Holding
Class I U.S. Dollar Shares	US$1,000,000	US$100,000
Class I GBP Shares	GBP equivalent of US$1,000,000	GBP equivalent of US$100,000

Calculation of Net Asset Value
The Administrator shall determine the net asset value per unit of each class of the Funds on each dealing day (i.e. each day on which the relevant trading markets in Dublin and New York are open for normal business or as the Directors determine ("Business Day")) on the basis set forth below and in accordance with the Trust Deed.

The net asset value per unit of the Funds is determined by dividing the net asset value of the relevant class of units in the Funds by the total number of units outstanding in the relevant class of units of the Funds in issue.

The net asset value of the relevant Fund will be equal to all its assets less all of its liabilities as at the valuation point on each Business Day plus any interest accrued on underlying assets between the valuation point and the time of calculation of the net asset value on the dealing day.

Directory

Manager
Longleaf Management Company (Ireland) Limited
Third Floor
3 George's Dock
IFSC
Dublin D01X5X0
Ireland

Directors of the Manager
Isaac Byrd (American)* (appointed 15 March 2019)
Eimear Cowhey (Chairperson) (Irish)*†
Michael Kirby (Irish)*
Steve McBride (American)*
Gwin Myerberg (American)* (resigned 15 March 2019)

Investment Manager
Southeastern Asset Management, Inc.
6410 Poplar Avenue
Suite 900
Memphis, TN 38119
United States of America

Administrator, Registrar and Transfer Agent
State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Depositary
State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Legal Advisers as to Irish law
Dechert
3 George's Dock
IFSC
Dublin D01X5X0
Ireland

Company Secretary
Dechert Secretarial Limited
3 George's Dock
IFSC
Dublin D01X5X0
Ireland

Swiss Representative and Distributor
ARM Swiss Representatives SA
Route de Cité-Ouest 2
1196 Gland
Switzerland

Swiss Paying Agent
NPB Neue Private Bank AG
Limmatquai 1
PO Box 8024 Zurich
Switzerland

Independent Auditors
PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

*Denotes non-executive Directors.
†Denotes Independent Director.

Information for Investors in Switzerland

1. **Representative in Switzerland**
   ARM Swiss Representatives SA., Route de Cité-Ouest 2, 1196 Gland, Switzerland is the representative in Switzerland for the Units distributed in Switzerland.

2. **Paying Agent in Switzerland**
   NPB Neue Private Bank AG., Limmatquai 1, PO Box 8024 Zurich, Switzerland is the paying agent in Switzerland for the Units distributed in Switzerland.

3. **Place where the relevant documents may be obtained**
   The Prospectus, the Key Investor Information Document (KIID), the trust deed as well as the annual, semi-annual reports and a full listing of purchases and sales may be obtained free of charge from the representative in Switzerland.

4. **Publications**
   Publications in respect of the Trust and the Funds must be made in Switzerland.

5. **Performance Data**
   Details of the net asset value per unit are reported in Note 3 of the financial statements. The Investment Manager's report also contains the cumulative returns for the period.

6. **Total Expense Ratios**
   The Total Expense Ratios ("TER") are calculated according to the specifications of the "Guidelines on the calculation and disclosure of the TER and PTR" issued by the Swiss Funds & Asset Management Association, SFAMA.

   The average Total Expense Ratio table shows the actual operational expenses incurred by the Funds from 1 January 2019 to 30 June 2019 expressed as an annualised percentage of the average net asset value (NAV) of that Fund.

	Global Fund	Asia Pacific Fund
Total Expense Ratio		
Class I U.S. Dollar Shares	1.20	1.48
Class I Euro Shares	1.20	-
Class I GBP Shares	1.20	1.48

Appendix 1 – Securities Financing Transactions Regulation

Article 13 of Regulation (EU) 2015/2365 on transparency of securities financing transactions (SFTs) and of reuse and amending Regulation (EU) No 648/2012, requires UCITS investment companies to provide the following information in their annual and semi-annual reports published after 13 January 2017, on the use made of SFTs. The SFT's held by the Funds at 30 June 2019 consisted of repurchase agreements as detailed hereunder:

Global Fund

Market value	US$ 22,647,000
% of Net Assets	12.45%
Counterparty Name	State Street Bank
Counterparty Country of Establishment	U.S.A
Maturity Date	01/07/2019
Settlement	Bilateral
Collateral Description	Collateral: U.S. Treasury Note 2.125% due 31/03/2024 Total collateral value is: US$ 23,101,856.

Asia Pacific Fund

Market value	US$ 5,979,000
% of Net Assets	5.58%
Counterparty Name	State Street Bank
Counterparty Country of Establishment	U.S.A
Maturity Date	01/07/2019
Settlement	Bilateral
Collateral Description	Collateral: U.S. Treasury Note 2.125% due 31/03/2024 Total collateral value is US$6,103,630.

Safekeeping of Collateral
The Funds' repurchase agreements are secured by collateral. State Street Corporation is responsible for the safekeeping of collateral received. The Funds did not reuse collateral received in relation to repurchase agreements. The Funds did not pledge collateral in relation to repurchase agreements.

Income and Costs
The interest income arising from the repurchase agreements earned by the Funds during the period ended 30 June 2019 is US$81,427 and this represents 100% of the overall returns generated by the repurchase agreements. Transaction costs are embedded in the price of the instruments and are not separately disclosed.