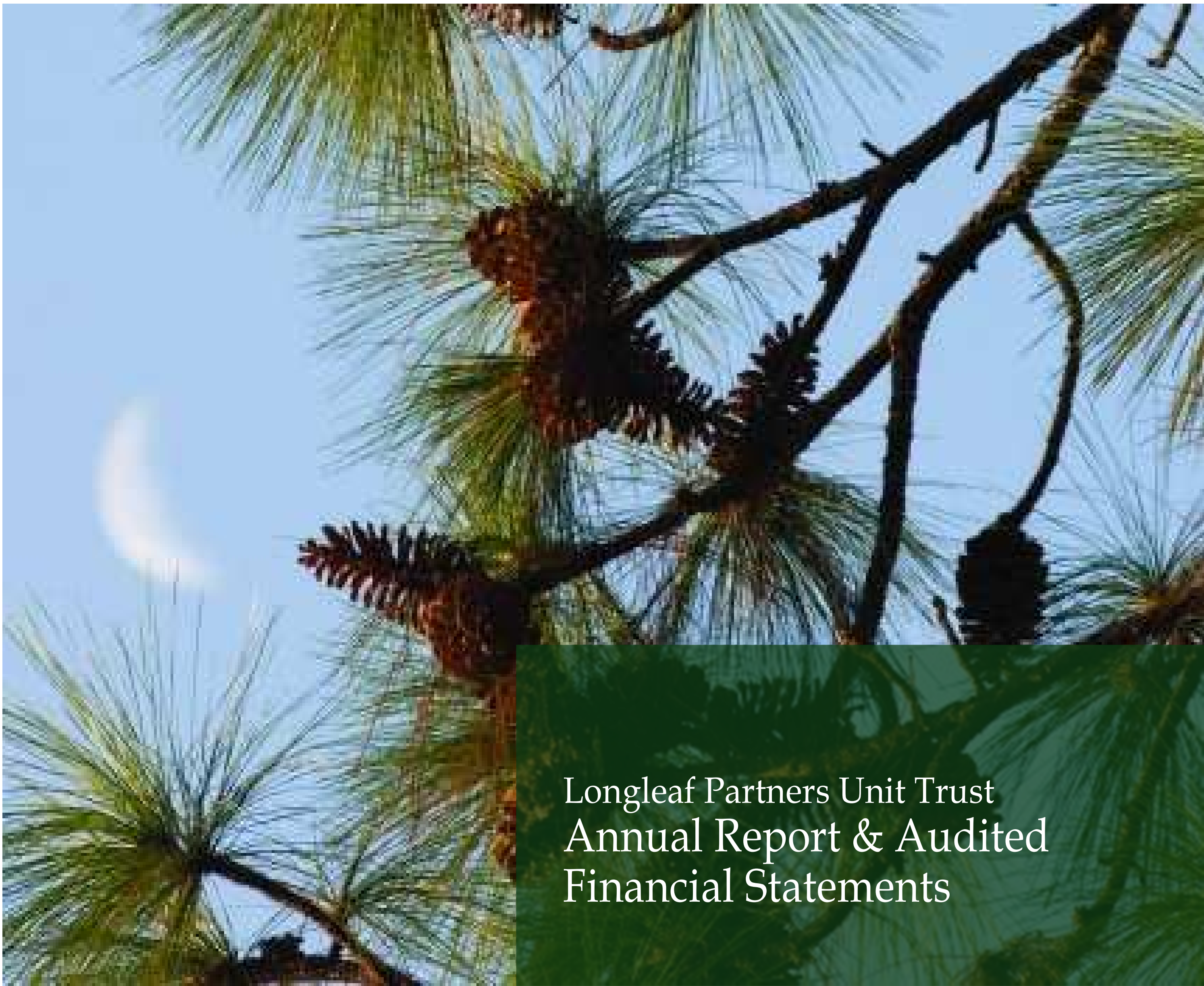


Longleaf Partners Unit Trust
Annual Report & Audited Financial Statements

For the year ended 31 December 2015

Longleaf
Partners Funds

Advised by
Southeastern
Asset Management, Inc.®

Contents

Longleaf Partners Funds
Advised by Southeastern Asset Management, Inc.®

Investment Manager's Report

Cumulative Returns at 31 December 2015

	Since Inception	Five Year	Three Year	One Year	4Q	Inception
Global Fund						
Class I - USD	**27.40 %**	**15.50 %**	**21.10 %**	**-10.28 %**	**6.34 %**	4 January 2010
MSCI World USD	58.29	44.17	31.77	-0.87	5.50	
Class I - Euro	**56.09**	**41.33**	**46.67**	**-0.34**	**9.28**	20 May 2010
MSCI World Euro	99.10	78.05	59.93	10.42	8.41	
Class I - GBP	**1.06**	**na**	**na**	**-5.28**	**9.13**	13 November 2013
MSCI World GBP	17.25	na	na	4.87	8.42	
U.S. Fund						
Class I - USD	**34.00**	**na**	**19.32**	**-12.65**	**6.35**	9 May 2012
S&P 500	63.16	na	52.59	1.38	7.04	
Asia Pacific Fund						
Class I - USD	**-4.00**	**na**	**na**	**-2.74**	**11.37**	2 December 2014
MSCI AC Asia Pacific	-3.33	na	na	-1.96	6.94	

Average Annual Returns at 31 December 2015

Global Fund	Since Inception	Five Year	Three Year	One Year
Class I - USD	**4.13 %**	**2.92 %**	**6.59 %**	**-10.28 %**
MSCI World USD	7.97	7.59	9.63	-0.87
Class I - Euro	**8.25**	**7.16**	**13.62**	**-0.34**
MSCI World Euro	13.05	12.23	16.94	10.42
Class I - GBP	**0.50**	**na**	**na**	**-5.28**
MSCI World GBP	7.76	na	na	4.87
U.S. Fund				
Class I - USD	**8.36**	**na**	6.06	**-12.65**
S&P 500	14.38	na	15.13	1.38
Asia Pacific Fund				
Class I - USD	**-3.71**	**na**	**na**	**-2.74**
MSCI AC Asia Pacific	-3.10	na	na	-1.96

Southeastern's successful 40-year approach of buying strong businesses led by good managements and selling at deep discounts to intrinsic worth has led to good long-term results[1]. We have had and will have interim periods, however, when we and our approach appear unable to deliver. 2015 was one of those years. The Longleaf Partners UCITS Funds' returns did not adequately reflect the good results at many of our companies, particularly some of our largest positions.

During the year, market disparities widened, favoring momentum investing over a value approach, very large stocks over mid-to-smaller market caps, and U.S. dollar-denominated businesses over those in weaker currencies, particularly emerging markets. In addition to these broad challenges, the handful of companies we owned in two specific areas—U.S. energy and gaming companies with significant exposure to Chinese visitors—faced enough pressure to mask otherwise successful investments. This small subset of holdings accounted for over 100% of all three Funds' negative returns and relative performance shortfalls for the year.

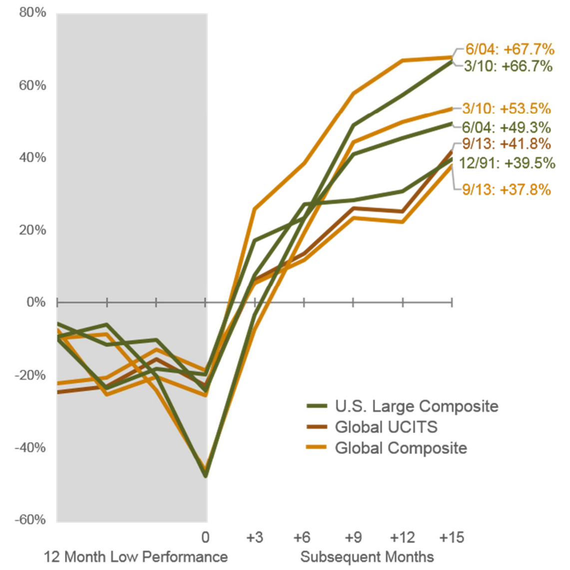
In the face of these headwinds, we followed our discipline of regularly re-evaluating our investments to position portfolios optimally. Across the U.S. and Global UCITS Funds, we sold several longstanding holdings that performed well over time and had reached our appraisals, including several U.S. holdings in the first two quarters and a European company later in the year. In the second half, we sold a few companies whose prospects for value growth dimmed. We also acquired new opportunities amid the increasingly bifurcated markets: some quickly helped our results while a few became more discounted. As market volatility increased in the last two quarters, we found new qualifiers in the industrial arena. More recently, in the distressed debt sell-off, we found a few interesting opportunities. In the Asia Pacific Fund, we took advantage of increased volatility, particularly in the second half amid a China panic, to add 13 new names to the portfolio. We sold 15 businesses that reached or neared our appraisals, three of which were Japanese businesses that quickly closed the value gap in the second half. The Funds' geographic weightings reflected that the overall opportunity set remained more compelling outside of the U.S., and Asia became relatively more attractive as a number of European stocks rose. The deep discounts in many emerging markets (EM) are reflected in our holdings' exposure to EM revenues with over 25% in the U.S. Fund, nearly 40% in both the Global and Asia Pacific Funds. The strength of the U.S. dollar (USD) relative to weaker currencies exacerbated returns for the USD share class of all three Funds, with negative impacts of over 3% in Global and Asia Pacific, and just over 1% in U.S.

We believe the Funds are well-positioned in three important ways and are eager to start 2016. First, many of our companies were positive performance contributors with good results in 2015 and should be able to continue to deliver solid value growth. A primary driver at many of our strongest compounders, including some of our largest positions, was the announcement or implementation of corporate transactions. This helped drive double-digit gains at a number of holdings. In fact, we owned two of the S&P 500's and MSCI World's top 10 contributors. Our strong compounders remain attractively discounted, and we believe that additional benefits from corporate transactions as well as strong business operations can drive continued value growth.

Second, we believe in the strong probability of sizable gains, as has been the case after other big declines in our history. Following large downturns, the payoff patterns can be quick and sizeable, and often can occur when few believe that results can turn. While recognizing a bottom is only possible in hindsight, it is worth showing that following the US large cap, and Global mandates worst 12-month return periods at quarter ends across each mandate, future payoffs have been dramatic, with a minimum return of 38% over the subsequent 15 months. We think relative performance

Cumulative Returns Following Worst Absolute Return Periods

Returns pre and post 12-month quarter-end lows



The performance of the Global UCITS shown is the USD class. Performance shown is cumulative and net of fees. From each mandate, the three worst periods with the largest absolute negative 1-year returns at quarter end were chosen. If there were multiple or consecutive periods (or clusters) of rolling 1-year negative returns, the lowest return was chosen. As the Global UCITS had only one period with sufficient history and the US UCITS has no sufficient history, we have included the returns of the Southeastern Global Composite and US Composite to provide historical background. The returns of the Composites are not those of the UCITS Funds and should not be viewed as representative of the past or future performance of the UCITS Funds. Please see attached for further information on the Composites. Past performance does not guarantee future results and current circumstances may not be comparable.

can shift even more dramatically than in the past because of the emergence of so many momentum-driven investment strategies. More money chasing good returns has pushed high prices even higher, as these funds have bought more of the same stocks and helped create a narrow market. When the tide turns and money flows out, prices of those dominant winners should fall quickly.

Our concentration means our return patterns look dramatically different than the broader indices, usually driven by a few holdings. Historically, many of our most

[1]The first Longleaf UCITS Fund was launched in 2010.

tortured individual stocks had hockey stick shaped rallies after most investors had given up on them, and we think the same will be true again. Given how far energy and Asian gaming stocks have fallen, we believe our related securities are good candidates for a rapid reversal. In fact, Wynn and Melco International rose 31% and 23%, respectively, in the fourth quarter as Macau's mass revenues seemed to stabilize, new properties started opening, and new infrastructure moved closer to coming on line. Likewise, at the end of the year we saw a small glimpse of how rapidly the energy psychology can change, as gas rallied 33% in the last two weeks following a decline in mid-December to its lowest level since March 1999 when a warm winter start exacerbated U.S. natural gas supplies. As shown in the following chart, price fell below $2/mcf (thousand cubic feet of natural gas) but quickly rallied as it has most other times gas has dipped that low in the last 20 years. Many assume commodity prices will remain this low for at least the next three years, leading to negative cash flow and rendering non-producing assets worthless at Chesapeake and CONSOL, our two primary exploration and production (E&P) investments. In commodity-based businesses, prices reflect supply and demand dynamics. Gas below $2.50 should reduce supply as drilling becomes uneconomic for most producers. We don't know when supply and demand will rebalance and adjust prices, and thus far, our energy assumptions have been wrong. Patience is critical because both energy prices, along with the stocks of Chesapeake Energy and CONSOL Energy, can turn rapidly. While we wait, our management partners are pursuing additional cost reductions, capital flexibility, and asset sales. Industry transactions over the last six months indicate that strategic, long-term buyers are paying fair prices for non-producing assets even as the short-term commodity price is deeply depressed.

Natural Gas Price History

1/1/1996 to 12/31/2015

Source: Factset

Third, we are not dependent on a bounce in energy or a turn in Asian casino revenues to make good returns over the next few years, even though we believe our related holdings are so bottomed out—at P/Vs less than 40% for our E&P companies and 50% for our Macau casino operators—that they can make a meaningful positive impact in 2016. Our future returns are primarily dependent on the unrelated 75–90% of our investments, many of which performed well in 2015 and trade below a 70% P/V on average. Our confidence in strong prospective returns remains grounded in the reasons that helped drive these results and which we discussed during the year:

- The quality of the vast majority of our businesses indicates that values should grow at strong rates. We own many businesses generating growing free cash flow with competitive advantages via market leadership, pricing power, low cost, and scale.
- Our management partners are pursuing productive ways to build values beyond organic cash flow and to gain value recognition via transactions, restructurings, and share repurchases at discounted levels.
- A large majority of our Asian management partners are owner operators who are buying shares personally amid broad market declines.
- Our team is engaged with many of our management partners to promote the most beneficial outcomes for long-term shareholders.
- Our companies are deeply discounted with our portfolios trading at P/Vs in the 60s%. Free cash flow yields are compelling.
- Although not necessarily indicative of future results, our similarly large underperformance in the late 1990s was impacted by many of the same factors we see today, especially in the U.S. Coming out of that period, our relative returns were among the strongest in our history.

Much went right at our businesses in 2015, in spite of our final return. When faced with challenged performance, we must be willing to identify, learn from, and exit the mistakes we will inevitably make, but also willing to be patient and hold businesses which look like mistakes but have prospective value growth and payoff potential that make them opportunities. Giving up when things look most certain to fail usually means missing the payoff. We are fortunate and appreciative that we are able to maintain our patience and discipline through challenging periods because of Southeastern's independence, strong financials, passionate investment team, large employee investment in the Longleaf Funds, and most importantly, long-term, like-minded clients. In 2016, we are optimistic about our potential to deliver strong absolute and relative results. We feel the characteristics of our current investments indicate that our payoff patterns could be quite rewarding from this point forward.

Southeastern Asset Management, Inc.
26 January 2016

Statement of Manager's Responsibilities

Longleaf Management Company (Ireland) Limited (the "Manager"), is responsible for preparing the annual report and the financial statements for each financial period in accordance with applicable International Financial Reporting Standards ("IFRS"). The Directors of the Manager are required to prepare financial statements which give a true and fair view.

In preparing these financial statements the Manager is required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify these standards, and note the effect and reasons for any material departure from these standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Manager is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable it to ensure that the financial statements are prepared in accordance with International Financial Reporting Standards and comply with the provisions of the Trust Deed and with Irish statute comprising the Unit Trust Act, 1990 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended and Central Bank (Supervision And Enforcement) Act 2013 (Section 48(1)) (Undertakings For Collective Investment In Transferable Securities) Regulations 2015 (collectively the "UCITS Regulations").

The Manager has delegated responsibility for administration of the Trust's affairs to State Street Fund Services (Ireland) Limited (the "Administrator") for the purpose of maintaining adequate according records. Accordingly, the according records are kept at State Street Fund Services (Ireland) Limited, 78 Sir John Rogerson's Quay, Dublin 2, Ireland. The assets of the Trust are entrusted to State Street Custodial Services (Ireland) Limited ("the Depositary") for safekeeping in accordance with the Trust Deed.

The Manager is also responsible with respect to its duties under the UCITS Regulations to take reasonable steps for the prevention and detection of fraud, and other irregularities. The Manager has appointed Southeastern Asset Management, Inc. as Investment Manager (the "Investment Manager") and we note that the Administrator and the Depositary are independent of the Investment Manager. In addition, we note that both the Administrator and Depositary are regulated by the Central Bank of Ireland and that the Investment Manager is regulated by the SEC. The Investment Manager is responsible for investment decision making. This segregation of duties is intended to mitigate the risk of fraud.

Dealings with Connected Parties

Regulation 41 of the UCITS Regulations "Restrictions of transactions with connected persons" states that "A responsible person shall ensure that any transaction between a UCITS and connected persons 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 of the Manager, 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 41(1) are applied to all transactions with a connected party; and all transactions with connected parties that were entered into during the period to which the report relates complied with the obligations that are prescribed by Regulation 41(1).

On behalf of the Manager

Eimear Cowhey

Mike Kirby

19 April 2016

Depositary's Report to the Unitholders of Longleaf Partners Unit Trust (the "Trust")

Report of the Depositary to the Unitholders

We have enquired into the conduct of the Manager in respect of the Trust for the year ended 31 December 2015, in our capacity as Depositary to the Trust.

This report including the opinion has been prepared for and solely for the unitholders in the Trust as a body, in accordance with Part 5 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, ('the UCITS Regulations'), and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Depositary

Our duties and responsibilities are outlined in the Part 5 of the UCITS Regulations. One of those duties is to enquire into the conduct of the Trust in each annual accounting period and report thereon to the unitholders.

Our report shall state whether, in our opinion, the Trust has been managed in that period in accordance with the provisions of the Trust's Trust Deed and the UCITS Regulations. It is the overall responsibility of the Manager to comply with these provisions. If the Manager has not so complied, we as Depositary must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Part 5 of the UCITS Regulations and to ensure that, in all material respects, the Trust has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of the Trust Deed and the appropriate regulations and (ii) otherwise in accordance with the Trust's constitutional documentation and the appropriate regulations.

Opinion

In our opinion, the Trust has been managed during the year, in all material respects:

- in accordance with the limitations imposed on the investment and borrowing powers of the Manager and the Depositary by the Trust Deed, by the UCITS Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 ('the Central Bank UCITS Regulations'); and

- otherwise in accordance with the provisions of the Trust Deed, the UCITS Regulations and the Central Bank UCITS Regulations.

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

19 April 2016

Independent auditors' report to the unitholders of the Funds of Longleaf Partners Unit Trust

Report on the financial statements

Our opinion

In our opinion, Longleaf Partners Unit Trust's financial statements (the "financial statements"):

- give a true and fair view of the Funds' assets, liabilities and financial position as at 31 December 2015 and of their results and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

What we have audited

The financial statements comprise:

- the statement of financial position as at 31 December 2015;
- the statement of comprehensive income for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in net assets attributable to participating unitholders and statement of changes in equity for the year then ended;
- the schedule of investments as at 31 December 2015; and
- the notes to the financial statements for each of its Funds which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and IFRSs as adopted by the European Union.

In applying the financial reporting framework, the manager has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, the manager has made assumptions and considered future events.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the manager

As explained more fully in the Statement of Manager's Responsibilities set out on page 4, the manager is responsible for the preparation of the financial statements giving a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the unitholders of each of the Funds as a body and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Responsibilities for the financial statements and the audit

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Funds circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the manager; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the manager's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Dublin
Ireland

19 April 2016

Longleaf Partners Global UCITS Fund
Investment Manager's Report (Unaudited)

Longleaf Partners Global UCITS Fund's 6.34% return in the fourth quarter brought the 2015 return to -10.28 %. The Fund outperformed the MSCI World Index's return of 5.50% in the quarter but fell below the index's - 0.87 % return for the year.

Cumulative Returns at 31 December 2015

	Since Inception	Five Year	Three Year	One Year	4Q	Inception
Global Fund						
Class I - USD	**27.40 %**	**15.50 %**	**21.10 %**	**-10.28 %**	**6.34 %**	4 January 2010
MSCI World USD	58.29	44.17	31.77	-0.87	5.50	
Class I - Euro	**56.09**	**41.33**	**46.67**	**-0.34**	**9.28**	20 May 2010
MSCI World Euro	99.10	78.05	59.93	10.42	8.41	
Class I - GBP	**1.06**	**na**	**na**	**-5.28**	**9.13**	13 November 2013
MSCI World GBP	17.25	na	na	4.87	8.42	

Average Annual Returns at 31 December 2015

Global Fund	Since Inception	Five Year	Three Year	One Year
Class I - USD	**4.13 %**	**2.92 %**	**6.59 %**	**-10.28 %**
MSCI World USD	7.97	7.59	9.63	-0.87
Class I - Euro	**8.25**	**7.16**	**13.62**	**-0.34**
MSCI World Euro	13.05	12.23	16.94	10.42
Class I - GBP	**0.50**	**na**	**na**	**-5.28**
MSCI World GBP	7.76	na	na	4.87

Our energy companies dampened the Fund's otherwise strong absolute and relative performance in the fourth quarter and drove the vast majority of negative returns and relative underperformance for the year. Although our energy price assumptions have been wrong, we believe that Chesapeake Energy and CONSOL Energy could rapidly rebound with major asset sales and when oil and gas prices correct as supply and demand eventually rebalance. At both companies, our management partners are taking action by cutting costs, increasing financial flexibility, and selling assets to ensure the companies can withstand the difficult commodity environment. The other primary factor negatively impacting performance was our exposure to Asian gaming companies, which accounted for the remaining negative absolute and relative performance impact for the year. Melco International was a top detractor for the year, despite a 20+% rebound across our Macau gaming companies in the fourth quarter. Declines at Malaysian-based gaming company Genting Berhad were amplified by the ringgit's weakness.

Currency translation of our non-U.S. denominated companies in the U.S. dollar (USD) share class cost over 3% to the Fund's performance for the year. Both our energy and Asian gaming companies trade at substantial discounts to our appraisal that we believe offer greater potential upside than the index and could turn quickly. However, their 2015 negative performance masked the positive progress across the majority of our businesses.

After being a top contributor in the fourth quarter and adding 24%, Level 3 Communications gained 10% for the full year. Over the course of 2015, operating metrics continued to improve. During the fourth quarter, company segment Core Network Services' (CNS) organic revenue grew 6% year-over-year. Within CNS, Enterprise revenue grew 8%. This revenue growth, combined with the synergies created by the merger with tw telecom, resulted in margin expansion. The high contribution margins, which are currently over 60%, have been one of the focal points of our Level 3 investment case and are one of the primary drivers of high growth in both EBITDA (earnings before interest, taxes, depreciation and amortization and FCF (free cash flow). In 2016, we believe the company will generate approximately $5.00/share of FCF before discretionary growth capital expenditures, which translates to approximately 10x FCF on current price. The company's success-based growth capex is tied to new, high margin, revenue-producing contracts. Given management's excellent execution, we expect leverage ratios to continue to improve from their current 4x debt/EBITDA levels into the 3x's.

German-based global sportswear and equipment brand adidas returned 22% in the quarter and 43% for the full year after announcing another strong quarter of double-digit organic growth for its core adidas brand. The brand's strong positions in Europe, China, and Latin America drove growth. The company expects 2016 operating income margins to meet or exceed 2015 levels and overall sales to increase at high, single-digit rates in the next year. Despite the stock's strong performance, we believe adidas remains discounted due to strong value growth and has significant additional upside. As discussed in previous quarters, we have had constructive engagement with management and the supervisory board and have seen many positive developments. In addition to authorizing a 10% share repurchase program, the company made managerial changes in the U.S. business, sold its non-core Rockport brand at a price above our appraisal value, and announced it is exploring strategic options for its golfing brands and hockey division.

Mentioned above, Macau casino and hotel operator Melco gained 23% in the fourth quarter but remained among the Fund's largest detractors for the year, down 31%. The stock benefited from improved sentiment regarding Macau during the quarter among indications that the higher margin mass market is stabilizing. In addition to relaxation of transit visa, the Macau government softened its stance on the smoking ban on the gaming floors. While Beijing will continue its anti-corruption campaign (which has hurt VIP business in Macau), the mass-focused infrastructure spending (high speed trains, ferry terminal, bridge from the HK airport, light rail) continues unabated. More than 90% of Melco Crown's EBITDA comes from mass business, where margins are 4X that of VIP business. Melco Crown opened its new mass-focused casino Studio City in late October, which helped increase market share in the all-important mass segment. This $3.2 billion project (relative to Melco's market cap of $9 billion) has just started generating cash flow. We expect Studio City to receive an additional 50 table allocation in early 2016 in addition to its initial 200 table allocation. With a strong balance sheet, increasing EBITDA, and declining capex profile, the company is well positioned to buy back shares or buy out minority owners of Studio City. Melco International CEO, Lawrence Ho, bought about $25 million worth of shares in the fourth quarter.

Another top contributor, Alphabet (formerly named Google) gained 49% for the year on the back of a 25% rise in the fourth quarter. The company reported strong revenue growth year-over-year across the U.S., U.K., and the rest of the world. The bear case that the move to mobile search would be detrimental to revenues and market share seemed to fade. Mobile queries now outnumber desktop queries in important countries, and mobile revenue per click is improving. Alphabet segment YouTube's growth remained strong, and the company announced a new pay tier named Red. Disclosure should improve with new segment reporting in January. During the fourth quarter, a new share buyback program was authorized, further affirming the company's attention to capital allocation.

CK Hutchison, a conglomerate comprised of the non-real estate businesses from the June merger between Cheung Kong and its subsidiary, Hutchison Whampoa, returned 23% during 2015 when combined with Cheung Kong Property. The corporate transaction helped remove holding company discounts and clarify business line exposures by splitting the property business (Cheung Kong Property Holdings) from the non-property business (CK Hutchison Holdings). The transaction is likely to be viewed as a seminal event leading to improved governance and structure for other complex conglomerates in Asia. Chairman Li Ka-shing and his son, Victor Li, have demonstrated a track record of building businesses, compounding NAV at double-digit rates, and buying and selling assets at compelling values.

Also contributing to performance, Italian holding company EXOR appreciated 5% in the quarter, taking full year returns to 11%. Over the course of the year, Chairman and CEO John Elkann, together with Fiat Chrysler Auto (FCA) CEO Sergio Marchionne, took numerous steps to drive value growth. The company sold or spun assets at a strong price, including an $893 million initial public offering (IPO) of Ferrari—well above expected value, the sale of Cushman and Wakefield to DTX for $2 billion—a more than 30% premium to our carrying value for the business, and the recently announced sale of its 17% stake in Banijay for €60.1 million—a €25 million premium to book value. Management reinvested proceeds into high quality assets at a fair price. In the second half, EXOR announced the acquisition of Bermuda reinsurer PartnerRe to be completed in the first quarter of 2016 and increased its long-held stake in *The Economist*. At FCA, Sergio Marchionne publicly called for auto industry consolidation, potentially positioning EXOR for discussions to merge FCA with another key player.

One of the energy-related holdings mentioned earlier, Chesapeake Energy, the second largest producer of natural gas in the U.S., declined 39% in the quarter and 77% for the year, making it the largest detractor of performance in both periods. Fears related to further declines in energy prices drove the stock lower, despite CEO Doug Lawler's progress in areas he could control. After reaffirming the company's untapped $4 billion revolving credit facility and renegotiating a deal with Williams (pipeline operator), in the fourth quarter Chesapeake turned to restructuring its debt. Chesapeake offered to exchange various unsecured debt securities at a discount to par for secured debt with a later maturity. Pushing out due dates coupled with reducing overall debt outstanding should help the company weather a sustained low energy price environment.

Over the year we adjusted our appraisal of Chesapeake to account for the tumble in oil and natural gas prices. Even with the depressed energy prices of today and little growth in that price as indicated by the futures strip pricing, the company's non-producing assets have value that is not reflected at all in the stock price. Asset sale transactions in basins where Chesapeake operates helped validate our appraisal. We expect the company will continue to reduce costs while also seeking asset sales at fair prices. We are mindful of the risks associated with commodity companies. Because our appraisal was in decline, we refrained from adding to our position for most of 2015. Once the debt restructuring was announced, we added to higher parts of the company's capital structure that became particularly discounted.

During the quarter, Brad Martin assumed the role of non-executive Chairman of the Board from Archie Dunham, who became Chairman Emeritus. Martin has been a productive partner for Southeastern in other successful investments including Saks, Dillard's and FedEx. We are confident that management, coupled with the board, can navigate the company through what has been and continues to be a severely challenging energy price environment.

CONSOL Energy, the Appalachian coal and natural gas company, was also down, returning -76% in 2015 after falling 19% in the fourth quarter as the company missed operating cash flow (OCF) estimates amidst declining coal and gas prices. Management is adjusting to lower commodity prices and adopted significant cost controls under zero-based budgeting while still growing natural gas production. We filed a 13-D during the third quarter to discuss with third parties as well as management and the board a potential monetization or separation of the valuable Marcellus and Utica gas assets. This has been a constructive process since filing, and we appraise these assets at worth demonstrably more than CONSOL's total equity capitalization. CONSOL's exploration and production (E&P) business is unique, with low cost reserves given the company's fee ownership of many acres. CONSOL announced in the fourth quarter that its thermal coal business, which enjoys a low cost position, had contracted for 93% of production for 2016 at a confirmed price of $50-55 per ton, providing near-term downside coal business risk mitigation. Multiple directors recently purchased shares.

Genting Berhad was one of the largest detractors for the year, returning -62%. Malaysia macro/FX was a big headwind, and the company's development of its sizable oil and gas assets is likely to be delayed given the weakness in energy prices. The company's Singapore duopoly casino, publicly listed Genting Singapore, is led by CEO Hee Teck Tan and was down after reporting four quarters of unusually poor hold (2.0%–2.5%) in its gaming business, as well as some equity investment write-downs. Since opening the casino, the cumulative win rate at Genting Singapore has been close to the theoretical average of 2.85%, and we believe win rates should normalize over time. In the quarter we added Genting Singapore in addition to our Genting Berhad position. The stock's deep discount was largely due to a slowdown in Chinese VIP visitors as a result of the Chinese anti-corruption campaign. Genting's core mass market business has been steady and more than justifies our appraisal. The duopoly position in the stable Singapore jurisdiction represents a significant sustainable competitive advantage. The simple P/E multiple misses the sizable cash and investment portfolio on the balance sheet and minimal maintenance capex requirement (capex is much lower than depreciation). The company engaged in a value-accretive share buyback in recent months.

We bought Wynn Resorts, the luxury gaming and hotel company with prime real estate in Las Vegas, Boston, and Macau. The stock became deeply discounted as China's anti-corruption campaign pressured revenues in Macau where Wynn is among six current operators and is scheduled to open the Wynn Palace in Cotai in June 2016. CEO Steve Wynn demonstrated his commitment and confidence in the business, purchasing over one million shares in early December and bringing his stake in the company to nearly 11%. Year-over-year comparable gross gaming revenues should improve in 2016, and Wynn cash flow will be bolstered with the Cotai property coming online. Longer term, we believe the company can generate impressive returns. Macau revenues from mass and premium mass visitors should grow with added non-gaming attractions, needed hotel room supply, and infrastructure improvements that bolster arrivals. Additionally, the Wynn Everett is in early site preparation with a strategic location just outside of Boston, but its value is not reflected in the stock price because it is several years from opening.

Another fourth quarter addition was United Technologies Corporation. The company provides high-technology systems and services to the aerospace and building industries. Its most valuable group is the Climate, Controls & Security segment that contains the Carrier HVAC brand and the Chubb/Kidde fire control/security brands which have number one or two share in their respective arenas. The UTC Aerospace Systems business is also the number one provider, with the Goodrich and Hamilton Sundstrand brands leading the way. The Pratt & Whitney jet engine business is strong but facing short-term margin pressures. Otis elevators is the top worldwide elevator brand and should benefit as more people across the globe migrate to cities, even as more aggressive competitors gain share in China. United Technologies has strong recurring revenues through its service businesses. New CEO Greg Hayes is cutting costs and buying back discounted shares, and he astutely divested the Sikorsky helicopter business. We also purchased National Oilwell Varco, the leading global provider of equipment used in offshore and land drilling. Fear of a prolonged downturn in deep water rig orders is more than accounted for in the current price and is giving us an opportunity to invest in a high-quality franchise during a cyclical trough. The company has a dominant market position due to its scale, trusted brands, and large installed base of equipment. Shareholders receive a 5% dividend yield while waiting for the rig building cycle to resume. CEO Clay Williams is a strong capital allocator who should continue to build value through share repurchases, cost cutting, and distressed acquisitions. We purchased CNH Industrial, the world's second largest agriculture machinery manufacturer (Case and New Holland) behind Deere, a global duopoly. The company is also in the top 5 of commercial trucks in Europe and Latin America through its Iveco brand. Weakness in the U.S. agriculture cycle depressed the stock, but the company is aggressively cutting costs and is poised to narrow the margin gap and, we believe high valuation gap to Deere. In addition, Iveco and Construction segments currently under-earn their potential and have significant room to improve margins. The Agnelli family owns 30% of CNHI via EXOR which we also own and is run by John Elkann. Chairman Sergio Marchionne has proven his ability to move quickly to grow intrinsic value per share.

During the year we sold six successful holdings that approached our appraisals and one company where we anticipated diminished value growth due to industry dynamics and management's capital allocation plans. In the fourth quarter, we sold Loews, McDonald's, and Vivendi. Loews, the holding company owned and managed by the Tisch family, remained undervalued, but we found more attractive opportunities in companies that can build value per share in the current environment. When we initially purchased McDonald's, the world's largest quick service restaurant brand, we believed management could overcome short-term obstacles and turn around same-store sales in certain struggling markets. Additionally, we saw optionality in the value of the company's real estate assets. Over the course of our investment, McDonald's hired a new CEO, Steve Easterbrook, a move welcomed by investors. His plan to revive the business both operationally and structurally helped drive the stock price. Although management and the board decided not to monetize the real estate assets, the stock price reached our appraised value in an unexpectedly short period. Over the year that we owned the stock, it gained 24% and was among the strongest contributors to performance during 2015. We also sold French media company Vivendi. On a local-currency basis, the stock appreciated 26% during our holding period, but currency translation dampened the U.S. dollar return.

Although 2015 performance was disappointing, we believe the Global UCITS Fund is well positioned for a potential strong rebound in performance. The Fund's price-to-value (P/V) ratio is below the long-term average in the mid-60s%. The year's four largest detractors are highly discounted, selling for less than 57% of our appraisals, and the four largest positions, which were among top contributors for the year, remain discounted with solid value growth prospects. In addition to these discounts, the high quality of our businesses and the caliber of our management partners, who are pursuing all available avenues to drive value recognition, make us confident in future results. The Federal Reserve raised interest rates for the first time in more than nine years in December. We believe the portfolio can benefit from a rising rate environment since the large majority of our businesses have strong balance sheets, many with net cash, and most companies have pricing power or gross profit royalties on revenues. Higher interest rates will not lower our net present value (NPV) valuations because we have maintained an 8–9% discount rate. Additionally, the Fund does not own the segments of the market that have been driven by yield chasing and could shift rapidly with higher rates. As the largest investors in the Fund, we appreciate your continued partnership, and we are confident that the Fund is well positioned to reward your patience and ours with strong future performance.

Southeastern Asset Management, Inc.
26 January 2016

Longleaf Partners Global UCITS Fund
Schedule of Investments as at 31 December 2015

Security (Domicile)	Nominal Holdings	Fair Value US$	% of Net Assets
Transferable Securities (December 2014: 96.00%)			
Common Stock (December 2014: 94.63%)			
Air Freight & Logistics (December 2014: 4.13%)			
FedEx Corporation (United States)	72,370	10,782,406	4.48
Chemicals (December 2014: 4.73%)			
OCI N.V. (Netherlands)	510,585	12,651,222	5.26
Construction & Engineering (December 2014: 2.51%)			
Construction Materials (December 2014: 4.27%)			
LafargeHolcim Limited (Switzerland)	206,530	10,486,138	4.36
Diversified Financial Services (December 2014: 4.77%)			
CK Hutchison Holdings Limited (Hong Kong)	874,500	11,802,853	4.91
EXOR S.p.A. (Italy)	254,245	11,629,496	4.83
		23,432,349	9.74
Diversified Telecommunication Services (December 2014: 9.38%)			
Level 3 Communications Inc. (United States)	443,870	24,128,773	10.03
Food Products (December 2014: 3.22%)			
Hotels, Restaurants & Leisure (December 2014: 11.57%)			
Genting Berhad (Malaysia)	571,100	976,330	0.41
Melco International Development Limited (Hong Kong)	11,424,000	17,158,000	7.13
Wynn Resorts Limited (United States)	168,100	11,630,839	4.84
		29,765,169	12.38
Industrial Conglomerates (December 2014: 4.53%)			
Koninklijke Philips N.V. (Netherlands)	434,360	11,121,278	4.62
United Technologies Corporation (United States)	104,500	10,039,315	4.18
		21,160,593	8.80
Insurance (December 2014: 10.94%)			
Everest Re Group Limited (Bermuda)	42,453	7,772,720	3.23
Internet Software & Services (December 2014: Nil)			
Alphabet Inc. Class C (United States)	15,360	11,656,397	4.85
Machinery (December 2014: Nil)			
CNH Industrial N.V. (Netherlands)	828,100	5,705,604	2.37
Media (December 2014: 4.48%)			
Metals & Mining (2014: Nil)			
Manabi S.A. (Brazil)	11,964	527,731	0.22
Oil, Gas & Consumable Fuels (December 2014: 9.57%)			
Chesapeake Energy Corporation (United States)	1,031,231	4,640,539	1.93
CONSOL Energy Inc. (United States)	546,869	4,320,265	1.80
National Oilwell Varco Inc. (United States)	261,146	8,745,780	3.64
		17,706,584	7.37

Longleaf Partners Global UCITS Fund
Schedule of Investments as at 31 December 2015

Security (Domicile)	Nominal Holdings	Fair Value US$	% of Net Assets
Transferable Securities (December 2014: 96.00%) (continued)			
Common Stock (December 2014: 94.63%) (continued)			
Real Estate Management & Development (December 2014: 11.83%)			
Cheung Kong Property Holdings Limited (Hong Kong)	1,399,500	9,101,206	3.78
Hopewell Holdings Limited (Hong Kong)	2,811,000	10,101,399	4.20
K. Wah International Holdings Limited (Hong Kong)	26,459,646	11,403,180	4.74
		30,605,785	12.72
Textiles, Apparel and Luxury Goods (December 2014: 8.70%)			
Adidas AG (Germany)	185,221	18,097,884	7.52
Total Common Stock		**224,479,355**	**93.33**
Preferred Stock (December 2014: 0.39%)			
Metals & Mining (December 2014: 0.39%)			
Oil, Gas & Consumable Fuels (December 2014: Nil)			
Chesapeake Energy Corporation Class A Preferred (United States)	12,380	2,414,100	1.00
Chesapeake Energy Corporation Preferred (United States)	8,120	1,542,800	0.64
Total Preferred Stock		**3,956,900**	**1.64**
Warrants (December 2014: 0.98%)			
Hotels, Restaurants & Leisure (December 2014: 0.98%)			
Genting Berhad (Malaysia)	8,060,125	1,595,693	0.66
Total Warrants		**1,595,693**	**0.66**
Total Transferable Securities (Cost $259,457,268)		**230,031,948**	**95.63**
	Principal Amount		
Short Term Obligations (December 2014: 4.03%)			
State Street Repurchase Agreement State Street Bank, 0.01% due 04/01/2016, Repurchase price US$10,608,000 (Collateral: US$10,822,658 U.S. Treasury Note 2.375% due 31/12/2020) (United States)	10,608,000	10,608,000	4.41
Portfolio Of Investments (December 2014: 100.03%)		**240,639,948**	**100.04**
Cash and Cash Equivalents (December 2014: Nil)		594	0.00
Other Creditors (December 2014: (0.03)%)		(94,719)	(0.04)
Net Asset Value		**240,545,823**	**100.00**

Longleaf Partners Global UCITS Fund
Schedule of Investments as at 31 December 2015

Analysis of Total Assets (Unaudited)	**% of Total Current Assets**
Transferable securities admitted to official stock exchange listing	93.64
Transferable securities dealt in on another regulated market	1.64
Other transferable securities of the type referred to in Regulation 68(1)(a), (b) and (c)	0.22
Short term obligations	4.41
Other current assets	0.09
Total Assets	100.00

The accompanying notes form an integral part of these financial statements.

Longleaf Partners Global UCITS Fund
Statement of Changes in Composition of Portfolio (Unaudited)

	Acquisition Cost* **US$**
Alphabet Inc. Class C	21,583,651
Wynn Resorts Limited	10,741,988
National Oilwell Varco Inc.	9,630,626
United Technologies Corporation	9,614,509
K. Wah International Holdings Limited	6,871,427
CNH Industrial N.V.	5,778,704
CONSOL Energy Inc.	5,063,689
Melco International Development Limited	2,960,321
Chesapeake Energy Corporation	2,831,495
Adidas A.G.	2,214,602
Chesapeake Energy Corporation	1,778,333
FedEx Corporation	1,156,363
LafargeHolcim Limited	898,261
EXOR S.p.A.	399,345

	Disposal Proceeds **US$**
Level 3 Communications Inc.	65,412,988
Loews Corporation	49,091,939
McDonald's Corporation	42,855,500
Christian Dior S.E.	42,723,571
Vivendi S.A.	39,869,397
CK Hutchison Holdings Limited	38,654,725
Everest Re Group Limited	37,173,857
EXOR S.p.A.	36,266,927
Adidas A.G.	31,790,880
Mondelez International Inc.	28,388,587
FedEx Corporation	25,144,059
Koninklijke Philips N.V.	24,381,384
Melco International Development Limited	22,286,977
Ferrovial S.A.	22,181,283
OCI N.V.	18,821,682
CONSOL Energy Inc.	16,603,067
Lafarge S.A.	16,530,549
Chesapeake Energy Corporation	15,878,618
Cheung Kong Property Holdings Limited	15,546,885
Alphabet Inc. Class C	15,179,913
K. Wah International Holdings Limited	14,014,757
Hopewell Holdings Limited	13,082,907
Orascom Construction Limited	7,751,588

*There were no other purchases during the year ended 31 December 2015.

Significant portfolio changes are defined as the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate sales of a security exceeding one per cent of the total value of sales for the year. 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 year ended 31 December 2015 can be obtained free of charge from the Swiss Representative.

Longleaf Partners Global UCITS Fund
Statement of Comprehensive Income

		For the year ended 31 December	
		2015	**2014**
	Notes	**US$**	**US$**
Income			
Dividend income	1	11,060,485	17,297,879
Net loss on investments at fair value through profit or loss	2	(32,819,846)	(5,267,975)
Net foreign exchange gain	2	259,792	19,754
Total net (loss)/income		(21,499,569)	12,049,658
Expenses			
Management fees	5	(5,184,333)	(9,242,259)
Administration fees	5	(290,226)	(490,057)
Depositary fees	5	(220,581)	(262,093)
Audit fees		(10,513)	(26,975)
Other operating expenses		(161,758)	(240,212)
Total operating expenses		(5,867,411)	(10,261,596)
(Loss)/income for the financial year before interest and taxation		(27,366,980)	1,788,062
Finance cost			
Interest expense		(9)	(466)
Taxation			
Withholding tax	4	(800,674)	(963,514)
(Loss)/income for the financial year after interest and taxation		(28,167,663)	824,082
(Decrease)/increase in net assets attributable to holders of redeemable participating units resulting from operations		(28,167,663)	824,082

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.

On Behalf of the Manager

Eimear Cowhey Mike Kirby

19 April 2016

Longleaf Partners Global UCITS Fund
Statement of Financial Position

	Notes	31 December 2015 US$	31 December 2014 US$
Current Assets			
Cash and Cash Equivalents	1	594	969
Dividends receivable		237,733	514,436
Receivable for fund shares sold		17	315,807
Financial assets at fair value through profit or loss	1	230,031,948	832,634,793
Financial assets held for trading		10,608,000	34,987,000
Interest receivable		3	-
Total Current Assets		240,878,295	868,453,005
Current Liabilities			
Investment Management fees payable	5	(203,838)	(741,574)
Depositary fees payable	5	(18,033)	(78,509)
Administration fees payable	5	(12,232)	(166,922)
Audit fees payable		(19,570)	(28,310)
Other liabilities		(41,234)	(27,461)
Payable for fund shares redeemed		(37,565)	(8,496)
Total Current Liabilities		(332,472)	(1,051,272)
Net assets attributable to holders of redeemable participating units		240,545,823	867,401,733

The notes to the financial statements form an integral part of these financial statements.
Details of the NAV per unit are set out in Note 3.

On Behalf of the Manager

Eimear Cowhey

Mike Kirby

19 April 2016

Longleaf Partners Global UCITS Fund
Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Units

		For the year ended 31 December	
		2015	**2014**
	Notes	**US$**	**US$**
Net assets attributable to holders of redeemable participating units at beginning of year		867,401,733	714,586,500
Proceeds from the issuance of redeemable participating units	3	14,334,526	382,706,758
Payments on redemptions of redeemable participating units	3	(613,022,773)	(230,715,607)
Net (decrease)/increase from unit transactions		(598,688,247)	151,991,151
(Decrease)/increase in net assets attributable to holders of redeemable participating units from operations		(28,167,663)	824,082
Net assets attributable to holders of redeemable participating units at end of the year		240,545,823	867,401,733

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

On Behalf of the Manager

Eimear Cowhey   Mike Kirby

19 April 2016

Longleaf Partners Global UCITS Fund
Statement of Cash Flows

	For the year ended 31 December	
	2015	**2014**
	US$	**US$**
Cash flows from operating activities		
(Loss)/income for the financial year after taxation	(28,167,663)	824,082
Adjustments to reconcile net (decrease)/increase in net assets resulting from operations to net cash provided by (used in) operating activities:		
Net gain on investments at fair value through profit or loss	32,819,846	5,267,975
Cash inflow/(outflow) due to purchases and sales of investments during the year	594,161,999	(157,553,001)
(Decrease)/increase in debtors	276,700	(47,103)
(Decrease) in creditors	(747,869)	(175,600)
Net cash provided by/(used in) operating activities	598,343,013	(151,683,647)
Cash flows from financing activities		
Proceeds from the issuance of redeemable participating units	14,650,316	382,390,951
Payments on redemptions of redeemable participating units	(612,993,704)	(230,707,111)
Cash and Cash Equivalents at beginning of year	969	776
Cash and Cash Equivalents at end of year	594	969
Interest paid	(12)	(466)
Dividends received	10,536,514	16,287,262

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

Longleaf Partners U.S. UCITS Fund's 6.35% advance in the fourth quarter brought the 2015 return to -12.65%. These results fell below the S&P 500 Index's returns of 7.04% and 1.38% for the same periods.

Cumulative Returns at 31 December 2015

	Since Inception	Five Year	Three Year	One Year	4Q	Inception
U.S. Fund						
Class I - USD	**34.00**	**na**	**19.32**	**-12.65**	**6.35**	9 May 2012
S&P 500	63.16	na	52.59	1.38	7.04	

Average Annual Returns at 31 December 2015

U.S. Fund				
Class I - USD	**8.36**	**na**	**6.06**	**-12.65**
S&P 500	14.38	na	15.13	1.38

The Fund's energy-related holdings dampened the Fund's otherwise strong absolute and relative performance in the fourth quarter and drove the vast majority of negative return and relative underperformance for the year. Although our energy price assumptions have been wrong, we believe that Chesapeake Energy and CONSOL Energy could rapidly rebound with major asset sales and when oil and gas prices correct as supply and demand eventually rebalance. At both companies, our management partners are taking action by cutting costs, increasing financial flexibility, and selling assets to ensure the companies can withstand the difficult commodity environment. The other large factor negatively impacting performance during the year was a higher-than-average exposure outside of the U.S., where we see larger discounts and greater opportunity for future growth. 27% of the Fund's assets is in companies headquartered outside the U.S., and the conversion of prices to U.S. Dollars from weaker currencies cost the Fund's U.S. dollar (USD) class over 1% in performance last year. Additionally, the portfolio had an indirect impact from revenues based outside of the U.S.—look-through revenue exposure to overseas developed markets was 16% and to emerging markets was over 25% of the portfolio. Like energy, the overseas exposure has been a driver of underperformance since late 2014, as U.S. markets, fueled primarily by larger cap momentum stocks, continued their outperformance over non-U.S. markets. While we believe both of these portfolio exposures offer more substantial discounts and greater upside than the S&P 500, the short-term negative performance masked the positive progress across the majority of our businesses in the year. When the sentiment turns, the payoff can come quickly.

After being a top contributor in the fourth quarter and adding 24%, Level 3 Communications gained 10% for the full year. Over the course of the year, operating metrics continued to improve. During the fourth quarter, company segment Core Network Services' (CNS) organic revenue grew 6% year-over-year. Within CNS, Enterprise revenue grew 8%. This revenue growth, combined with the synergies created by the merger with tw telecom, resulted in margin expansion. The high contribution margins, which are currently over 60%, have been one of the focal points of our Level 3 investment case and are one of the primary drivers of high growth in both EBITDA (earnings before interest, taxes, depreciation and amortization) and FCF (free cash flow) growth. In 2016, we believe the company will generate approximately $5.00/share of FCF before discretionary growth capital expenditures, which translates to approximately 10x FCF on current price. The company's success-based growth capex is tied to new, high margin, revenue-producing contracts. Given management's excellent execution, we expect leverage ratios to continue to improve from their current 4x debt/EBITDA levels into the 3x's.

Also a top contributor in the quarter, Wynn Resorts, the luxury gaming and hotel company with prime real estate in Las Vegas, Boston, and Macau, was up 31% but down 46% since we first added the position earlier in the year. The stock became deeply discounted as China's anti-corruption campaign pressured revenues in Macau where Wynn is among six current operators and is scheduled to open the Wynn Palace in Cotai in June 2016. During the recent quarter, Macau sentiment began to turn as revenues stabilized. CEO Steve Wynn demonstrated his commitment and confidence in the business, purchasing over one million shares in early December and bringing his stake in the company to nearly 11%. Year-over-year comparable gross gaming revenues should improve in 2016, and Wynn cash flow will be bolstered with the Cotai property coming online. Longer term, we believe the company can generate impressive returns. Macau revenues from mass and premium mass visitors should grow with added non-gaming attractions, needed hotel room supply, and infrastructure improvements that bolster arrivals. Additionally, the Wynn Everett is in early site preparation with a strategic location just outside of Boston, but its value is not reflected in the stock price because it is several years from opening. Opportunities to partner with proven value creators like Steve Wynn at such a large discount to our appraised value exist over time, but rarely do we see one where the near-term market extrapolations are so distinct from the long-term earnings power of the company.

A significant contributor for the quarter and the year, DuPont rose 39% in the fourth quarter. Over the last four months much transpired. In October, Chair and CEO Ellen Kullman retired and board member Ed Breen assumed the CEO role, quickly articulating that deeper operating cost and capital spending savings were achievable, and announcing consideration of all possibilities for the agriculture business. In December, DuPont and Dow Chemical announced an all-stock "merger of equals." After the deal closes, the company plans to separate into three companies focused on agriculture, material science, and specialty products. This separation should allow more operational focus at each company and more efficient capital allocation. Our appraisal increased following the merger announcement.

Alphabet (formerly named Google) also performed well, gaining 50% for the year on the back of a 25% rise in the fourth quarter. The company reported strong revenue growth year-over-year across the U.S., U.K., and the rest of the world. The bear case that the move to mobile search would be detrimental to revenues and market share seemed to fade. Mobile queries now outnumber desktop queries in important countries, and mobile revenue per click is improving. Alphabet segment YouTube's growth remained strong, and the company announced a new pay tier named Red. Disclosure should improve with new reporting of segments in January. During the fourth quarter, a new share buyback program was authorized further affirming the company's attention to capital allocation.

CK Hutchison, a conglomerate comprised of the non-real estate businesses from the June merger between Cheung Kong and its subsidiary, Hutchison Whampoa, returned 31% during 2015 when combined with Cheung Kong Property. The corporate transaction helped remove holding company discounts and clarify business line exposures by splitting the property business (Cheung Kong Property Holdings) from the non-property business (CK Hutchison Holdings). The transaction is likely to be viewed as a seminal event leading to improved governance and structure for other complex conglomerates in Asia. Chairman Li Ka-shing and his son, Victor Li, have demonstrated a track record of building businesses, compounding NAV at double-digit rates, and buying and selling assets at compelling values.

Mentioned earlier, Chesapeake Energy, the second largest producer of natural gas in the U.S., declined 46% in the quarter and 79% for the year, making it the largest detractor of performance in both periods. Fears related to further declines in energy prices drove the stock lower, despite CEO Doug Lawler's progress in areas he could control. After reaffirming the company's untapped $4 billion revolving credit facility and renegotiating a deal with Williams (pipeline operator), in the fourth quarter Chesapeake turned to restructuring its debt. The company offered to exchange various unsecured debt securities at a discount to par for secured debt with a later maturity. Pushing out due dates coupled with reducing overall debt outstanding should help the company weather a sustained low energy price environment.

Over the year we adjusted our appraisal of Chesapeake to account for the tumble in oil and natural gas prices. Even with the depressed energy prices of today and little growth in that price as indicated by the futures strip pricing, the company's non-producing assets have value that is not reflected at all in the stock price. Asset sale transactions in basins where Chesapeake operates helped validate our appraisal. We expect the company will continue to reduce costs while also seeking asset sales at fair prices. We are mindful of the risks associated with commodity companies. Once the debt restructuring was announced, we added to higher parts of the company's capital structure that became particularly discounted.

During the quarter, Brad Martin assumed the role of non-executive Chairman of the Board from Archie Dunham, who became Chairman Emeritus. Martin has been a productive partner for Southeastern in other successful investments including Saks, Dillard's and FedEx. We are confident that management, coupled with the board, can navigate the company through what has been and continues to be a severely challenging energy price environment.

CONSOL Energy, the Appalachian coal and natural gas company, was also down, returning -76% in 2015 after falling 19% in the fourth quarter as the company missed operating cash flow (OCF) estimates amidst declining coal and gas prices. Management is adjusting to lower commodity prices and adopted significant cost controls under zero-based budgeting while still growing natural gas production. We filed a 13-D during the third quarter to discuss with third parties as well as management and the board a potential monetization or separation of the valuable Marcellus and Utica gas assets. This has been a constructive process since filing, and we appraise these assets at worth demonstrably more than CONSOL's total equity capitalization. CONSOL's exploration and production (E&P) business is unique, with low cost reserves given the company's fee ownership of many acres. CONSOL announced in the fourth quarter that its thermal coal business, which enjoys a low cost position, had contracted for 93% of production for 2016 at a confirmed price of $50-55 per ton, providing near-term downside coal business risk mitigation. Multiple directors recently purchased shares.

We sold Murphy Oil, an E&P company with a portfolio of global offshore and onshore assets, after the stock declined 51% and was among the Fund's largest detractors for the year. Following several disappointing drilling results and a lack of management plans for near-term ways to go on offense, we redeployed this capital into the high-quality franchise of National Oilwell Varco.

We repositioned the portfolio during the year, exiting seven businesses and adding six new holdings in the first three quarters. In the first half, we sold three top performers that reached our appraisals. We sold an additional four businesses whose values declined, including Murphy Oil, discussed above, and Loews in the fourth quarter. Loews, the holding company owned and managed by the Tisch family, remained undervalued, but we found more attractive opportunities in companies that can build value per share in the current environment. Among our new investments, Alphabet, DuPont, and United Technologies have been positive performers in a short period. Wynn, CNH, and National Oilwell Varco had stable appraisals but became more discounted in the year.

Although our 2015 performance was disappointing, we believe the U.S. UCITS Fund is well positioned for a strong rebound. The Fund's price-to-value (P/V) ratio is below the average in the high-60s%. The year's three major detractors that we still hold sell for under 40% of our appraisals, and our four largest positions, two of which were among top contributors for the year, remain discounted with solid value growth prospects. In addition to these discounts, the high quality of our businesses and the caliber of our management partners, who are pursuing all available avenues to drive value recognition, make us confident in future results. The Federal Reserve raised interest rates for the first time in more than nine years in December. We believe the portfolio can benefit from a rising rate environment since the large majority of our businesses have strong balance sheets, many with net cash, and most companies have pricing power or gross profit royalties on revenues. Higher interest rates will not lower our net present value (NPV) valuations because we have maintained an 8-9% discount rate. Cash in the portfolio provides liquidity for attractive new opportunities that might arise as a result of market uncertainty. Additionally, the Fund does not own the segments of the market that have been driven by yield chasing and could shift rapidly with higher rates. As the largest investors in the Fund, we know it has been a difficult year to be a Longleaf shareholder, but we are confident that the Fund should reward your patience and ours. Thank you for your partnership.

Southeastern Asset Management, Inc.
26 January 2016

Longleaf Partners U.S. UCITS Fund
Schedule of Investments as at 31 December 2015

Security (Domicile)	Nominal Holdings	Fair Value US$	% of Net Assets
Transferable Securities (December 2014: 89.49%)			
Common Stock (December 2014: 81.75%)			
Air Freight & Logistics (December 2014: 3.72%)			
FedEx Corporation (United States)	14,630	2,179,724	6.30
Capital Markets (December 2014: 1.85%)			
Chemicals (December 2014: Nil)			
EI du Pont de Nemours & Co (United States)	31,200	2,077,920	6.01
Construction Materials (December 2014: Nil)			
LafargeHolcim Limited (Switzerland)	27,720	1,407,426	4.07
Diversified Financial Services (December 2014: 7.48%)			
CK Hutchison Holdings Limited ADR (Hong Kong)	126,400	1,698,816	4.92
EXOR S.p.A. (Italy)	32,735	1,497,341	4.33
		3,196,157	9.25
Diversified Telecommunication Services (December 2014: 9.46%)			
Level 3 Communications, Inc. (United States)	63,005	3,424,952	9.91
Food Products (December 2014: 4.04%)			
Hotels, Restaurants & Leisure (December 2014: 5.39%)			
McDonald's Corporation (United States)	8,356	987,178	2.86
Wynn Resorts Limited (United States)	37,910	2,622,993	7.59
		3,610,171	10.45
Industrial Conglomerates (December 2014: 5.45%)			
Koninklijke Philips N.V. ADR (Netherlands)	49,697	1,264,789	3.66
United Technologies Corporation (United States)	16,300	1,565,941	4.53
		2,830,730	8.19
Insurance (December 2014: 11.66%)			
Everest Re Group Limited (Bermuda)	5,412	990,883	2.87
Internet Software & Services (December 2014: Nil)			
Alphabet Inc. Class C (United States)	3,591	2,725,138	7.89
Machinery (December 2014: Nil)			
CNH Industrial N.V. (Netherlands)	238,424	1,630,820	4.72
Media (December 2014: 9.19%)			
Graham Holdings Company Class B (United States)	2,522	1,223,094	3.54
Scripps Networks Interactive Inc. Class A (United States)	29,786	1,644,485	4.76
		2,867,579	8.30
Oil, Gas & Consumable Fuels (December 2014: 13.66%)			
Chesapeake Energy Corporation (United States)	135,700	610,650	1.77
CONSOL Energy Inc. (United States)	70,800	559,320	1.62
National Oilwell Varco Inc. (United States)	40,300	1,349,647	3.90
		2,519,617	7.29

Longleaf Partners Unit Trust

Longleaf Partners U.S. UCITS Fund
Schedule of Investments as at 31 December 2015

Security (Domicile)	Nominal Holdings	Fair Value US$	% of Net Assets
Transferable Securities (December 2014: 89.49%)			
Common Stock (December 2014: 81.75%)			
Real Estate Management & Development (December 2014: 9.85%)			
Rayonier Inc. REIT (United States)	48,200	1,070,040	3.10
Total Common Stock		**30,531,157**	**88.35**
Preferred Stock (December 2014: 13.66)			
Oil, Gas & Consumable Fuels (December 2014: 13.66)			
Chesapeake Energy Corporation Class A Preferred (United States)	500	97,500	0.28
Chesapeake Energy Corporation Preferred (United States)	2,070	393,300	1.14
Total Preferred Stock		**490,800**	**1.42**
	Principal Amount		
Money Market Instruments (December 2014: 7.74%)			
Corporate Bonds (December 2014: Nil)			
Chesapeake Energy Corporation 2.50% due 15/05/2037	105,000	52,481	0.15
Chesapeake Energy Corporation 7.25% due 15/12/2018	100,000	40,000	0.12
Total Corporate Bonds		**92,481**	**0.27**
Total Transferable Securities (Cost $34,192,639)		**31,114,438**	**90.04**
Short Term Obligations (December 2014: 10.72%)			
State Street Repurchase Agreement State Street Bank, 0.01% due 04/01/2016, Repurchase price US$3,512,000 (Collateral: US$3,583,559 U.S. Treasury Note 2.375% due 31/12/2020)	3,512,000	3,512,000	10.16
Portfolio Of Investments (December 2014: 100.21%)		**34,626,438**	**100.20**
Cash and Cash Equivalents (December 2014: (0.02)%)		917	0.00
Other creditors (December 2014: (0.19)%)		(69,329)	(0.20)
Net Asset Value		**34,558,026**	**100.00**

Analysis of Total Assets (unaudited)	**% of Total Current Assets**
Transferable securities admitted to official stock exchange listing	88.43
Transferable securities dealt in on another regulated market	1.42
Short term obligations	10.14
Other current assets	0.01
Total Assets	100.00

The accompanying notes form an integral part of these financial statements.

Longleaf Partners U.S. UCITS Fund
Statement of Changes in Composition of Portfolio (Unaudited)

	Acquisition Cost US$
Wynn Resorts Limited	3,670,785
CNH Industrial N.V.	2,215,493
Alphabet Inc. Class C	1,841,439
Lafarge S.A.	1,792,071
EI du Pont de Nemours & Co	1,571,288
National Oilwell Varco Inc.	1,487,030
United Technologies Corporation	1,469,637
FedEx Corporation	989,464
Level 3 Communications Inc.	963,452
Chesapeake Energy Corporation	779,940
Scripps Networks Interactive Inc.	711,627
CONSOL Energy Inc.	689,679
Chesapeake Energy Corporation	537,982
Murphy Oil Corporation	437,159
Chesapeake Energy Corporation	432,965
Graham Holdings Company	314,856
Loews Corporation	172,346
Chesapeake Energy Corporation	163,250
LafargeHolcim Limited	121,195
Chesapeake Energy Corporation	61,500

	Disposal Proceeds* US$
Level 3 Communications Inc.	1,672,802
Loews Corporation	1,620,601
Mondelez International Inc.	1,589,306
McDonald's Corporation	1,447,031
Murphy Oil Corporation	1,227,863
The Travelers Companies Inc.	1,161,764
Franklin Resources Inc.	1,133,159
Everest Re Group Limited	813,745
Cable ONE Inc.	783,860
Bank of New York Mellon Corporation	758,457
Koninklijke Philips N.V.	715,070
Chesapeake Energy Corporation	432,965
CNH Industrial N.V.	398,468
CK Hutchison Holdings Limited ADR	279,322
Graham Holdings Company	272,211
Scripps Networks Interactive Inc.	211,186
EXOR S.p.A.	186,044
Wynn Resorts Limited	91,257
Chesapeake Energy Corporation	47,000

*There were no other sales during the year ended 31 December 2015.

Significant portfolio changes are defined as the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate sales of a security exceeding one per cent of the total value of sales for the year. 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 year ended 31 December 2015 can be obtained free of charge from the Swiss Representative.

Longleaf Partners U.S. UCITS Fund
Statement of Comprehensive Income

		For the year ended 31 December	
		2015	**2014**
	Notes	**US$**	**US$**
Income			
Dividend income	1	531,404	674,215
Interest income	1	608	
Bank interest	1	19	-
Net (loss)/gain on investments at fair value through profit or loss	2	(4,999,537)	2,063,628
Net foreign exchange gain	2	459	613
Total net (loss)/income		(4,467,047)	2,738,456
Expenses			
Management fees	5	(380,776)	(452,690)
Administration fees	5	(25,049)	(60,000)
Depositary fees	5	(48,292)	(20,641)
Audit fees		(7,183)	(21,974)
Other operating expenses		(73,568)	(138,167)
Total operating expenses		(534,868)	(693,472)
(Loss)/income for the financial year before taxation		(5,001,915)	2,044,984
Taxation			
Withholding tax	4	(104,252)	(99,655)
(Loss)/income for the financial year after taxation		(5,106,167)	1,945,329
(Decrease)/increase in net assets attributable to holders of equity units resulting from operations		(5,106,167)	1,945,329

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.

On Behalf of the Manager

Eimear Cowhey — Mike Kirby

19 April 2016

Longleaf Partners U.S. UCITS Fund
Statement of Financial Position

	Notes	31 December 2015 US$	31 December 2014 US$
Current Assets			
Cash and Cash Equivalents	1	917	-
Dividends receivable		2,560	17,017
Interest receivable		659	-
Receivable for Management fee reimbursement	5	282	282
Financial assets at fair value through profit or loss	1	31,114,438	34,678,734
Financial assets held for trading		3,512,000	4,154,000
Total Current Assets		34,630,856	38,850,033
Current Liabilities			
Bank overdraft		-	(8,167)
Investment Management fees payable	5	(30,530)	(32,012)
Depositary fees payable	5	(5,311)	(9,259)
Administration fees payable	5	(1,832)	(15,000)
Audit fees payable		(15,521)	(23,465)
Other liabilities		(19,636)	(11,789)
Total Current Liabilities		(72,830)	(99,692)
Net assets attributable to holders of redeemable participating units		34,558,026	38,750,341
Equity			
Total unit capital and retained earnings attributable to equity holders		34,558,026	38,750,341

The notes to the financial statements form an integral part of these financial statements.
Details of the NAV per unit are set out in Note 3.

On Behalf of the Manager

Eimear Cowhey

Mike Kirby

19 April 2016

Longleaf Partners U.S. UCITS Fund
Statement of Changes in Equity

		For the year ended 31 December	
		2015	**2014**
	Notes	**US$**	**US$**
Total equity at the beginning of the year		38,750,341	48,049,105
Proceeds from the issuance of equity units	3	22,465,330	21,734,133
Payments on redemptions of redeemable equity units	3	(21,551,478)	(32,978,226)
Net increase/(decrease) from unit transactions		913,852	(11,244,093)
(Decrease)/increase in net assets attributable to holders of equity units from operations		(5,106,167)	1,945,329
Total equity at the end of the year		34,558,026	38,750,341

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

On Behalf of the Manager

Eimear Cowhey

Mike Kirby

19 April 2016

Longleaf Partners U.S. UCITS Fund
Statement of Cash Flows

	For the year ended 31 December	
	2015	**2014**
	US$	**US$**
Cash flows from operating activities		
(Loss)/income for the financial year after taxation	(5,106,167)	1,945,329
Adjustments to reconcile net (decrease)/increase in net assets resulting from operations to net cash provided by (used in) operating activities:		
Net gain/(loss) on investments at fair value through profit or loss	4,999,537	(2,063,628)
Cash (outflow)/inflow due to purchases and sales of investments during the year	(793,241)	8,302,406
Decrease in debtors	13,798	195,992
Decrease in creditors	(18,695)	(144,852)
Net cash (used in)/provided by operating activities	(904,768)	8,235,247
Cash flows from financing activities		
Proceeds from the issuance of redeemable participating units	22,465,330	24,734,133
Payments on redemptions of redeemable participating units	(21,551,478)	(32,978,226)
Cash and Cash Equivalents at beginning of year	(8,167)	679
Cash and Cash Equivalents at end of year	917	(8,167)
Interest paid	(659)	-
Dividends received	441,609	561,451

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

Longleaf Partners Asia Pacific UCITS Fund
Investment Manager's Report (Unaudited)

During the fourth quarter of 2015, the Asia Pacific UCITS Fund returned 11.37% compared to the MSCI AC Asia Pacific Index's return of 6.94%, recovering strongly from the China panic-driven third quarter decline. For the calendar year 2015, the strategy's first full year, the Fund returned -2.74% compared to the index's return of -1.96%. Our Japanese holdings were among the strongest performers in the year, as a result of strong company results, overall improvements in corporate governance, and an increased focus on capital efficiency in Japan. Conversely, companies with the highest exposure to China – whether directly, as at our gaming companies with significant Chinese visitors, or indirectly, as at our Australian businesses that service the natural resources sector – were the largest detractors. Weakness of the Malaysian ringgit, Australian dollar, and Japanese yen relative to the U.S. dollar (USD) exacerbated results, as currency translation into USD turned an otherwise positive portfolio return for the year negative, costing the portfolio over 3.4%.

Cumulative Returns at 31 December 2015

	Since Inception	Five Year	Three Year	One Year	4Q	Inception
Asia Pacific Fund						
Class I - USD	-4.00	na	na	-2.74	**11.37**	2 December 2014
MSCI AC Asia Pacific	-3.33	na	na	-1.96	6.94	

Average Annual Returns at 31 December 2015

Asia Pacific Fund				
Class I - USD	**-3.71**	**na**	**na**	**-2.74**
MSCI AC Asia Pacific	-3.10	na	na	-1.96

The two strongest performers for the year were Japanese names AIN Holdings and Iida Group. Both are the dominant players in their respective industries, where scale has allowed them to grow profitably in their fragmented and low-growth industries through industry consolidation. AIN returned 89% for the year, having successfully grown its nationwide prescription drugstore chain through a combination of organic growth and accretive acquisitions, paying low multiples relative to their values. Iida Group added 57% after successfully recovering from inventory issues and low profitability of housing sales caused by the consumption tax hike in Japan in April 2014. We sold both companies as they reached our appraisals. USHIO, the dominant Japanese bulb maker for cinema projectors, with over 70% global market share, returned 34% for the year, as new CEO Kenji Hamashima, who has deep industry experience in the United States, was appointed in September 2014 and increased the company's focus on capital efficiency.

The top contributor for the fourth quarter, Baidu, rose 38%, taking its full year return to 14%. Baidu is the dominant internet search provider in China, with 71% market share of PC and mobile search page view and revenue share over 80%. The panic in the China stock market and worries about large expenditures on their online-to-offline (O2O) business offered us a window in the third quarter to buy this online search business with 30% annual growth and 50% operating margins, for single-digit FCF multiples when you exclude Baidu's significant net cash, value of its stake in Ctrip, and their non-earnings 020 business. The company took advantage of stock price weakness in the third quarter by repurchasing $1 billion in shares (1.7% of the company) and announcing an additional $2 billion buyback program (3% of the market cap), over the next 24 months. During the fourth quarter, in the large and fast-growing online travel sector, Baidu swapped its 45% stake in Qunar for a 25% stake in Ctrip. Together with Ctrip's 37.6% stake in eLong, Ctrip will control 80% of the online travel booking market in revenue, which should lead to more rational competition and improved economics. Through this transaction, Baidu vastly improved its position to become the largest 020 travel platform in China. Furthermore, Baidu will de-consolidate loss making Qunar, and provide more clarity to the underlying economics of the core search business. Separately, Alibaba's offer to privatize online video company Youku Tudou during the quarter validate the conservatism in our appraisal of Baidu's 80% stake in online video business iQiyi.

CK Hutchison Holdings, a conglomerate comprised of the non-real estate businesses from the June merger between Cheung Kong and its subsidiary, Hutchison Whampoa, returned 67% during 2015 when combined with Cheung Kong Property. The corporate transaction helped remove holding company discounts and clarify business line exposures by splitting the property business (Cheung Kong Property Holdings) from non-property business (CK Hutchison Holdings). The transaction is likely to be viewed as a seminal event leading to improved governance and structure for other complex conglomerates in Asia. Chairman Li Ka-shing has demonstrated a track record of building businesses, compounding NAV at double digits, and buying and selling assets at compelling values.

Australian mining servicer Mineral Resources was the largest detractor of 2015, declining 51%, driven largely by the collapse of iron ore prices and further compounded by the weakening of the Australian dollar. The crushing services business maintained steady volumes and strong margins, but was not enough to appease market concerns of continued iron ore price declines. The company surprised the market with its ability to reduce costs in the iron ore mining business at a pace that maintained positive cash flow margins. During the fourth quarter, the company announced a A$30 million stock buyback (4% of outstanding shares), higher EBITDA guidance, and a new EPC contract for a crushing plant for Rio Tinto's Nammuldi mine. The company continued to take costs out of its mining operations to ensure that every ton of iron ore produced is sold at positive cash flow margins. Mineral Resources is trading at an extremely discounted level of approximately 2x consensus EBITDA, with net cash on its balance sheet.

Genting Berhad was another large detractor for the year, falling 33%. A slowing Malaysian economy, domestic political instability, and FX weakness – the ringgit declined 18.6% relative to the USD in the year - served as large headwinds that compounded weak company results. The company's Singapore duopoly casino, publicly listed Genting Singapore, is led by CEO Hee Teck Tan and was down after reporting four quarters of unusually poor hold (2.0%- 2.5%) in its gaming business, as well as some equity investment write-downs. The stock's deep discount was largely due to a slowdown in Chinese VIP visitors as a result of the Chinese anti-corruption campaign.

Macau casino and hotel operator Melco gained 23% in the fourth quarter, but remained a top detractor for the year, down 29%. The Macau market suffered from the prolonged anti-corruption crackdown, which dramatically cut gross gaming revenue by 34% year over year, with VIP gaming revenue down approximately 45% and mass volumes down approximately 20%. The Mass gaming market, which is four times as profitable as VIP, stabilized in late 2015. With the successful opening of mass-focused Studio City in late October, we believe that Melco's mass business should grow in 2016, helping to drive growth in EBITDA. We expect Studio City to receive an additional 50 table allocation in early 2016 in addition to its initial 200 table allocation. With a strong balance sheet, increasing EBITDA, and declining capex profile, the company is well positioned to buy back shares or buy out minority owners of Studio City. Melco International CEO, Lawrence Ho, bought about US$25mm worth of shares in the fourth quarter. He was recently profiled in the January issue of Forbes Asia magazine. The excerpt from the article below speaks to Melco International's unique positioning, geographically and strategically, to benefit from the long-term growth in mass gaming in the only approved jurisdiction within China:

Studio City is perfectly located to attract mass business, just not yet. It's near the little-used Lotus Bridge from China's Hengqin Island, a free economic zone now being developed. Macau's Galaxy Entertainment is building a nongaming waterfront resort. Plans call for office buildings, apartment towers and theme parks on a grand scale, and eight-lane roads and three hotels are already in place. Hengqin will remake transportation to Macau, linking China's high-speed rail system with local light rail to create the world's busiest border crossing. The first stop in Macau from Hengqin will be on Studio City's doorstep. Construction of rail links on both sides of the border is progressing, though Macau's is already six years behind schedule. Ho isn't worried. "We invest for the future," he says. "Whenever we build an integrated resort, it's for the next 10, 20 years." *Lawrence Ho Bets Big on Small Players - Forbes Asia January 2016*

In the first full year of running the Asia Pacific Strategy, we took advantage of one of the most significant downdrafts in Asia since the Global Financial Crisis (GFC) to position the portfolio for potentially strong future returns. The second half of the year was extremely active, as we acquired high quality companies that were unduly punished during the latest China contagion. At year-end, the portfolio's cash balance was nearing zero. We put money to work in a number of new investments and increased weightings of our highest conviction companies that have strong value growth and a wide margin of safety. In the second half, we bought seven new undervalued companies – Baidu, CK Hutchison Holdings, Global Logistic Properties (GLP), Genting Singapore, WH Group, L'Occitane International, and Japan Aviation Electronics – which we believe will compound value, despite the poor near-term macro outlook in China. We funded these purchases by trimming the previously mentioned Iida and AIN as well as Lixil Group, which also reached our appraisal. Below, we highlight our two newest investments initiated in the fourth quarter.

L'Occitane is a global, natural, organic ingredient-based skincare and fragrance manufacturer and retailer with regional roots in Provence, France. The company is listed in Hong Kong, as Asia comprises the majority of operating profits. L'Occitane is a strong brand with pricing power, as evidenced by greater than 80% gross margins and over 20% normalized return on capital employed. We have followed this company since it went public in 2010, but price never was discounted enough until the fourth quarter, when the company issued a profit warning due to increased marketing expenses and FX headwinds. The company is increasing its investments in marketing and brand promotions, which will hurt margins in the near term, but will help drive long-term growth and brand value. Additionally, the company is investing in a number of emerging brands, like Melvita, Erborian, and L'Occitane Au Bresil, which are currently margin dilutive but have strong long-term growth potential. Chairman and CEO Reinold Geiger owns 69.5% of the company, and insiders have been buying shares personally amid recent price weakness.

Japan Aviation Electronics (JAE) is a leading Japanese electronic component manufacturer of specialized connectors. The company does mid-teens ROE and 20%+ EBITDA margins, but trades for less than 3x EV/EBITDA, or less than half of Japanese and international peer valuations. The company became discounted due to weakness in sales to smartphone manufacturers, who account for approximately 40% of JAE's revenues. Recent news of Apple's lower-than-expected iPhone sales impacted results, but JAE should benefit from industry-wide adoption of USB-type C connectors which allow for faster data transfer and higher power usage, as well as symmetrical/reversible plug insertion in laptops like the Apple MacBook. JAE also sells connectors to the automotive sector, which should be a growth driver in the next few years.

2015 Reflections and Outlook

We saw the following key trends in 2015 and believe they will continue to be important themes in 2016.

China is undergoing an economic transformation from fixed asset investment towards domestic consumption and services. While there are certain segments of the economy that are under pressure — mining, industrial production, construction — China's consumption economy is growing fast and accounting for most of the growth in GDP. For the first time, services and consumption, which is up from 41% a decade ago to 51% in 2015, accounted for more than half of China's GDP. Consumption accounted for about 58% of GDP growth in the first three quarters of 2015. Retail sales in October and November were up 11% year-over-year, and the Singles' Day celebration on November 11 registered record-breaking online sales. The demise of China has been consistently predicted over the last thirty years of stellar growth for the economy. While rocky patches are to be expected during the needed transition, the rise of hundreds of millions of people from poverty to middle class status with high levels of savings by individuals and the government is very real.

The transition to a consumption economy is not smooth and will take time. Lowered consensus GDP growth expectations, combined with concerns around leverage, ad hoc policy measures, and further RMB weakness, have resulted in extreme volatility in China's stock markets. Despite seeing Shanghai stock exchange volatility reaching higher levels this year than during the GFC, we believe the immature Chinese capital markets are a not full reflection of the underlying economy, as highlighted by counter-productive manipulation in the stock exchange by regulators and investors. Only about 4% of the Chinese population invests in listed equities, and approximately 85% of trading is dominated by retail, with less than 2% of Chinese shares owned by foreigners. As noted in our September quarter letter, the Shanghai stock market activity is more affected by alternative forms of capital risk taking (e.g. gaming and property) than underlying economic fundamentals. In addition, the Shanghai stock exchange composite is dominated by "old economy" companies, such as banks, industrials, and state owned enterprises, rather than the private sector consumption-led investments that we own that are listed in Hong Kong, Singapore, and on the NASDAQ.

We view the increased market volatility as an opportunity to own consumer-oriented, high quality franchises at attractive prices. At the micro level, we see strong growth in consumption, especially for those businesses that appeal to the middle class. We own consumer-oriented companies with stellar balance sheets and owner-operators, who are focused on value recognition, including: Baidu, Alibaba (via Softbank), GLP (80% of its warehouse business is driven by domestic consumption), Melco International (mass focused gaming), L'Occitane (skin care), and WH Group (pork, packaged meats).

Chinese real estate companies are benefitting from the government response to economic slowdown. The slowdown in the economy has prompted more easing and stimulus by the Chinese government and relaxation of property measures, which has benefited the real estate sector, especially in tier one cities. The A-share market crash in the June-September period did not impact real estate sales. In fact, it may have encouraged movement of investor capital from the volatile stock market into the more "stable" real estate sector. New World Development (NWD), K. Wah, and Cheung Kong Property all benefited from significantly higher volumes of contracted sales of Chinese real estate in 2015. All three are well capitalized companies, led by conservative owner managers with strong capital

allocation track records. All three companies took advantage of the increased demand for real estate by selling assets at attractive prices. NWD recently sold five projects in lower tier cities for over US$3 billion, 70% higher than book value and significantly higher than our appraisal. The company also is attempting to privatize listed Chinese subsidiary New World China
Land, highlighting the large disconnect between the low valuations of publicly traded property companies and the high valuations of the underlying physical real estate.

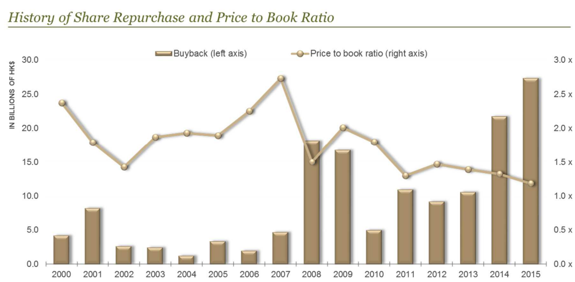
Our highest conviction exposure going into the year was Macau, and, despite being the most challenged area, it remains the highest conviction exposure for 2016. Macau gaming is driven by two segments – VIP and mass. VIP customers play on credit and are brought to casinos by junkets, who take a substantial cut of gross gaming revenues (GGR) as fees. As a result, VIP EBITDA margins are only 10% versus mass EBITDA margins of over 40%. VIP GGR, which accounts for 50% of total industry gaming revenue, contributes less than 20% of gaming EBITDA for the market, but tends to dominate headlines. The non-VIP business accounts for more than 90% of EBITDA at mass-focused Melco Crown, our largest Macau holding.

Over the past 18 months, the Macau gaming sector was hit by a perfect storm. An economic slowdown in China, junket liquidity constraints, currency devaluation, and, most importantly, a massive crackdown on corruption led to a severe contraction in Macau gaming, especially in the VIP segment, where rolling chip volumes shrank over 50% in 2015. What started off as a corruption crackdown transformed into a crackdown on any conspicuous spending, causing the wealthy to be afraid of being seen spending lavishly. Premium mass customers made less frequent trips to Macau and spent less. Some VIP and premium mass customers instead flew to less visible locations including Australia, Cambodia, and the Philippines, to the detriment of Macau. This led to an approximate 20% drop in mass gaming revenue in Macau in 2015, but these revenues showed clear signs of stability towards the end of the year. We expect this segment to grow in FY16, driving higher overall EBITDA and FCF for the market. Year- over-year statistics should improve as we progress through the year.

Investing in Macau is one of the cheapest ways of participating in the China mass consumption story. Macau is the only place in China where gambling is legal. Barriers to entry are high, and supply is constrained by the availability of land and regulatory limits on the number of gaming concessions and tables. Despite near-term challenges, we believe the long-term structural growth driven by an under-penetrated mass market, new non-gaming amenities (like Melco's Studio City) and infrastructure improvements remains intact.

Our highest returns came from Japan, and we continue to watch this market closely. Contrary to the image of Japan with boring low-growth sectors, industry consolidation opportunities are compelling. Our investments in low-growth, fragmented industries have paid off, as we partnered with dominant players who benefited from economies of scale and grew fast through market share gains and/or smart M&A. Improvements in corporate governance and a focus on capital efficiency in Japan helped increase NAV/share growth in certain companies. While we have lightened our exposure to Japan as prices increased, we continue to pay close attention to Japan, as the volatility in China, commodities, and energy prices have spilled over to Japanese equities.

Our management partners are acting like owners, taking advantage of historically low valuations. As price/book (P/B) valuations reached levels lower than during the GFC, share repurchases over the last two years in Hong Kong exceeded the GFC peak of 2008. The exhibit below shows the P/B ratio of the Hong Kong market and share buyback volumes going back fifteen years. Given that a large proportion of Hong Kong listed companies are led by owner-managers, buyback activity levels are highly relevant indicators of value for us. Insider purchase activity in Hong Kong is also compellingly high.

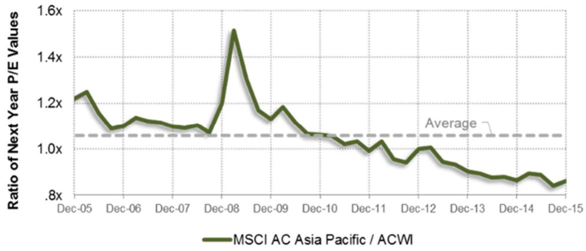


Source: Bloomberg / www.webb-site.com

During this period of market weakness, our management partners at the following companies have been busy repurchasing shares at a discount to value and/or buying more shares personally - Baidu, Softbank, Alibaba, GLP, Mineral Resources, Melco International, Seven Group, USHIO, Lixil, Hirose, Great Eagle, Hyundai MOBIS, Genting Berhad, Fujitec, and Hopewell Holdings.

The Asia Pacific region is extremely cheap relative to the rest of the world, and we believe our portfolio is more highly discounted with greater potential upside than the index.

Longleaf Partners Unit Trust



As we write this letter, we are hit by a strong sense of déjà vu, with markets in early January 2016 being driven by the same set of macro fears that we saw in the summer of 2015: weaker-than-expected Chinese industrial production, volatility in the Chinese capital markets exacerbated by government intervention, panic over a slight move in the renminbi, and much discussion in the financial press about a potential collapse of the Chinese economy. In the first few weeks of the year, we have added to existing positions and initiated new investments that we believe will continue to compound value, despite the near-term macro weakness in China. While the past year (and first couple of weeks of 2016) has been a wild ride, we are confident the portfolio is well positioned to deliver strong medium-to-long term returns. Our portfolio price/value as of January 18th is in the (mid 50s%), a level which has rarely been reached over the twenty years that we have tracked the metric across Southeastern's various strategies. We have personally added to our investment in the Fund, as we believe the deep portfolio discount, high quality of portfolio holdings, and strength of our capable management partners offer an extremely compelling opportunity to invest for strong future compounding.

Southeastern Asset Management, Inc.
26 January 2016

Longleaf Partners Asia Pacific UCITS Fund
Schedule of Investments as at 31 December 2015

Security (Domicile)	Nominal Holdings	Fair Value US$	% of Net Assets
Transferable Securities (December 2014: 91.80%)			
Common Stock (December 2014: 91.80%)			
Auto Components (December 2014: Nil)			
Hyundai MOBIS Company Limited (South Korea)	5,474	1,150,775	4.77
Capital Markets (December 2014: 3.77%)			
Seven Group Holdings Limited (Australia)	273,000	1,100,111	4.56
Clothing & Accessories (December 2014: 0.46%)			
Commercial Services (December 2014: 6.96%)			
G8 Education Limited (Australia)	536,966	1,396,895	5.78
Construction & Engineering (December 2014: 8.92%)			
Iida Group Holdings Company Limited (Japan)	21,500	404,260	1.67
Cosmetics & Personal Care (December 2014: Nil)			
L'Occitane International S.A. (Hong Kong)	540,250	1,045,638	4.33
Diversified Financial Services (December 2014: Nil)			
CK Hutchison Holdings Limited (Hong Kong)	70,500	951,516	3.94
Electronics (December 2014: 8.24%)			
Hirose Electric Company Limited (Japan)	3,800	466,641	1.93
Japan Aviation Electronics Industry Limited (Japan)	74,000	1,081,110	4.48
USHIO Inc. (Japan)	81,600	1,139,189	4.72
		2,686,940	11.13
Food Products (December 2014: 4.00%)			
Coca-Cola East Japan Company Limited (Japan)	56,000	909,921	3.77
WH Group Limited (Hong Kong)	1,328,500	742,241	3.07
		1,652,162	6.84
Health Care Services (December 2014: 7.15%)			
Hotels, Restaurants & Leisure (December 2014: 8.23%)			
Genting Singapore (Singapore)	2,088,900	1,134,391	4.70
Melco International Development Limited (Hong Kong)	684,000	1,027,317	4.25
		2,161,708	8.95
Internet Software & Services (December 2014: Nil)			
Baidu Inc. ADR (China)	8,890	1,680,566	6.96
Lodging (December 2014: 8.15%)			
Melco Crown Entertainment Limited ADR (Hong Kong)	72,900	1,224,720	5.07
Metals & Mining (December 2014: 4.73%)			
Mineral Resources Limited (Australia)	309,000	902,925	3.74
Real Estate Management & Development (December 2014: 21.13%)			
Cheung Kong Property Holdings Limited (Hong Kong)	165,500	1,076,277	4.46
Global Logistic Properties Limited (Singapore)	943,100	1,430,048	5.92
Great Eagle Holdings Limited (Hong Kong)	280,844	916,814	3.80
K. Wah International Holdings Limited (Hong Kong)	2,351,451	1,013,393	4.19

Longleaf Partners Asia Pacific UCITS Fund
Schedule of Investments as at 31 December 2015

Security (Domicile)	Nominal Holdings	Fair Value US$	% of Net Assets
Transferable Securities (December 2014: 91.80%)			
Common Stock (December 2014: 91.80%)			
Real Estate Management & Development (December 2014: 21.13%) (continued)			
New World Development Company Limited (Hong Kong)	1,221,824	1,207,627	5.00
		5,644,159	23.37
Retail (December 2014: 2.40%)			
Telecommunication (December 2014: 3.75%)			
SoftBank Group Corp. (Japan)	22,200	1,133,873	4.70
Textiles, Apparel And Luxury Goods (December 2014: 3.91%)			
Total Transferable Securities (Cost $24,991,397)		**23,136,248**	**95.81**
	Principal Amount		
Short Term Obligations (December 2014: 8.23%)			
State Street Repurchase Agreement State Street Bank, 0.01% due 04/01/2016, Repurchase price US$1,035,000 (Collateral: US$1,059,129 U.S. Treasury Note 2.375% due 31/12/2020) (United States)	1,035,000	1,035,000	4.29
Portfolio Of Investments (December 2014: 100.03)		**24,171,248**	**100.10**
Cash and Cash Equivalents (December 2014: Nil)		285	0.00
Other Creditors (December 2014: (0.03)%)		(24,241)	(0.10)
Net Asset Value		**24,147,292**	**100.00**

Analysis of Total Assets (Unaudited)	**% of Total Current Assets**
Transferable securities admitted to official stock exchange listing	95.56
Short term obligations	4.27
Other current assets	0.17
Total Assets	100.00

The accompanying notes form an integral part of these financial statements

Longleaf Partners Asia Pacific UCITS Fund
Statement of Changes in Composition of Portfolio (Unaudited)

	Acquisition Cost* US$
Melco International Development Limited	1,940,986
Global Logistic Properties Limited	1,678,777
New World Development	1,506,933
Baidu Inc. ADR	1,418,281
Melco Crown Entertainment Limited ADR	1,334,206
Japan Aviation Electronics Industry Limited	1,182,479
Genting Singapore plc	1,153,592
Cheung Kong Holdings Limited	1,101,678
L'Occitane International S.A.	1,090,401
Hyundai MOBIS Company Limited	1,022,455
CK Hutchison Holdings Limited	962,993
WH Group Limited	707,121
G8 Education Limited	675,024
Sa Sa International Holdings Limited	669,399
Mineral Resources Limited	555,188
SoftBank Group Corp.	498,413
Seven Group Holdings Limited	361,649
K. Wah International Holdings Limited	296,631
Fujitec Company Limited	19,327

	Disposal Proceeds US$
Ain Holdings Inc.	1,725,084
Melco International Development Limited	1,211,420
Iida Group Holdings Company Limited	1,116,697
Melco Crown Entertainment Limited ADR	1,046,469
LIXIL Group Corporation	1,019,163
Hui Xian Real Estate Investment Trust	978,295
Christian Dior S.E.	941,110
Hopewell Holdings Limited	911,807
CK Hutchison Holdings Limited	811,423
Sa Sa International Holdings Limited	706,370
Galaxy Entertainment Group Limited	617,607
Genting Berhad	594,538
Sogo Medical Company Limited	550,563
BML Inc.	510,448
Als Limited	455,084
Hirose Electric Company Limited	424,974
Cheung Kong Holdings Limited	325,947
USHIO Inc.	98,863
Hermes International	93,414
Fujitec Company Limited	24,777

*There were no other purchases during the year ended 31 December 2015.

Significant portfolio changes are defined as the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate sales of a security exceeding one per cent of the total value of sales for the year. 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 period ended 31 December 2015 can be obtained free of charge from the Swiss Representative.

Longleaf Partners Asia Pacific UCITS Fund
Statement of Comprehensive Income

		For the year/period* ended 31 December	
		2015	**2014**
	Notes	**US$**	**US$**
Income			
Dividend income	1	593,626	33,253
Bank interest		5	-
Net loss on investments at fair value through profit or loss	2	(869,127)	(260,303)
Net foreign exchange gain	2	398	-
Total net loss		(275,098)	(227,050)
Expenses			
Management fees	5	(273,276)	(19,929)
Administration fees	5	(17,646)	(4,839)
Depositary fees	5	(38,714)	(2,984)
Audit fees		(16,511)	(12,724)
Other operating expenses		(80,372)	(1,881)
Total operating expenses before reimbursement		(426,519)	(42,357)
Expense reimbursement from manager	5	10,721	12,038
Total net expenses		(415,798)	(30,319)
Loss for the financial year/period before taxation		(690,896)	(257,369)
Taxation			
Withholding tax	4	(26,587)	(2,856)
Loss for the financial year/period after taxation		(717,483)	(260,225)
Decrease in net assets attributable to holders of equity units resulting from operations		(717,483)	(260,225)

* Longleaf Partners Asia Pacific UCITS Fund was launched on 2 December 2014.

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.

On Behalf of the Manager

Eimear Cowhey — Mike Kirby

19 April 2016

Longleaf Partners Asia Pacific UCITS Fund
Statement of Financial Position

	Notes	31 December 2015 US$	31 December 2014* US$
Current Assets			
Cash and Cash Equivalents	1	285	537
Dividends receivable		29,741	22,303
Receivable for Management fee reimbursement	5	10,721	12,038
Financial assets at fair value through profit or loss	1	23,136,248	19,867,255
Financial assets held for trading		1,035,000	1,780,000
Total Current Assets		24,211,995	21,682,133
Current Liabilities			
Investment Management fees payable	5	(23,469)	(19,929)
Depositary fees payable	5	(5,508)	(2,984)
Administration fees payable	5	(1,224)	(4,839)
Audit fees payable		(17,546)	(12,724)
Other liabilities		(16,956)	(1,882)
Total Current Liabilities		(64,703)	(42,358)
Net assets attributable to holders of redeemable participating units		24,147,292	21,639,775
Equity			
Total unit capital and retained earnings attributable to equity holders		24,147,292	21,639,775

* Longleaf Partners Asia Pacific UCITS Fund was launched on 2 December 2014.

The notes to the financial statements form an integral part of these financial statements.
Details of the NAV per unit are set out in Note 3.

On Behalf of the Manager

Eimear Cowhey — Mike Kirby

19 April 2016

Longleaf Partners Asia Pacific UCITS Fund
Statement of Changes in Equity

		For the year/period* ended 31 December	
		2015	**2014**
	Notes	**US$**	**US$**
Total equity at the beginning of the year/period		21,639,775	-
Proceeds from the issuance of equity units	3	3,225,000	21,900,000
Payments on redemptions of redeemable equity units	3	-	-
Net increase from unit transactions		3,225,000	21,900,000
(Decrease) in net assets attributable to holders of equity units from operations		(717,483)	(260,225)
Total equity at the end of the year/period		24,147,292	21,639,775

* Longleaf Partners Asia Pacific UCITS Fund was launched on 2 December 2014.

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

On Behalf of the Manager

Eimear Cowhey Mike Kirby

19 April 2016

Longleaf Partners Asia Pacific UCITS Fund
Statement of Cash Flows

	For the year/period* ended 31 December	
	2015	**2014***
	US$	**US$**
Cash flows from operating activities		
Loss for the financial year/period after taxation	(717,483)	(260,225)
Adjustments to reconcile net increase/(decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:		
Net gain on investments at fair value through profit or loss	869,127	260,303
Cash outflow due to purchases and sales of investments during the year/period	(3,393,120)	(21,907,558)
Increase/(decrease) in debtors	(6,121)	(34,341)
Increase in creditors	22,345	42,358
Net cash used in operating activities	(3,225,252)	(21,899,463)
Cash flows from financing activities		
Proceeds from the issuance of redeemable participating units	3,225,000	21,900,000
Payments on redemptions of redeemable participating units	-	-
Cash and Cash Equivalents at beginning of year/period	537	-
Cash and Cash Equivalents at end of year/period	285	537
Interest paid	(3)	
Dividends received	558,011	8,094

* Longleaf Partners Asia Pacific UCITS Fund was launched on 2 December 2014.

The notes to the financial statements form an integral part of these 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 European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended and Central Bank (Supervision And Enforcement) Act 2013 (Section 48(1)) (Undertakings For Collective Investment In Transferable Securities) Regulations 2015 (collectively 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.

a) Basis of Preparation

The 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 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.

The Trust has 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").

The principal accounting policies are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

b) Statement of Compliance

These financial statements are prepared in accordance with IFRS as adopted by the EU, the interpretations adopted by the International Accounting Standards Board ("IASB"), Irish statute comprising the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended.

New standards and interpretations issued and effective for the financial year commencing 1 January 2015

IAS 24, "Related Party Disclosures" amendment adds an entity to the definition of key management personnel when that entity or any member of a group of which it is a part provides key management personnel services to the reporting entity or to the parent of the reporting entity and is effective for annual periods beginning on or after 1 July 2014. Amounts incurred by the Manager for the provision of key management personnel services by a separate management entity shall be disclosed. The amendment has not had any impact on the Company's financial position or performance.

IFRS 13 "Fair Value Measurement" amendment clarifies that the portfolio exception allowed in IFRS 13 (an entity may account for assets and liabilities on a net basis if it is consistent with how market participants would price the net risk exposure at the measurement date) applies to all contracts within the scope of IAS 39 "Financial Instruments: Recognition and Measurement" or IFRS 9 "Financial Instruments", regardless of whether they meet the definitions of financial assets or financial liabilities as defined in IAS 32 "Financial Instruments: Presentation". This amendment is effective for annual periods beginning on or after 1 July 2014. The amendment has not had any impact on the Trust's financial position or performance.

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2015 and not early adopted

IAS 1 "Presentation of Financial Statements" amendment was issued in December 2014 and will become effective for period beginning on or after 1 January 2016. The amendment introduces five narrow-focus improvements to the disclosure requirements that relate to materiality, order of the notes, subtotals, accounting policies and disaggregation. The amendment is not expected to have any impact on the Trust's financial position or performance but may result in a variation of disclosures in its financial statements.

IFRS 9, published in July 2014, will replace the existing guidance in IAS 39. It includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and de-recognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. Based on the initial assessment, this standard is not expected to have a material impact on the Trust. This is because the financial instruments currently measured at Fair Value through Profit or Loss (FVTPL) will continue to be measured at FVTPL under IFRS 9 and those currently measured at amortised cost will continue to be measured at amortised cost under IFRS 9.

There are no other standards, interpretations or amendments to existing standards that are effective after 1 January 2015 and have not been early adopted that would be expected to have a material impact on the Trust.

c) Estimates and Judgments

The preparation of the financial statements, in accordance with IFRS, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the year. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

Prices calculated by the Investment Manager on behalf of the Directors:
The price used at the year end for the Level 3 security as detailed in the Fair Value Hierarchy section of Note 6, is the best estimate of fair value as at the year end date.

Functional currency:
The Board of Directors considers the U.S. Dollar the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The U.S. Dollar is the currency in which the Trust measures its performance and reports its results. This determination also considers the competitive environment in which the Trust is compared to other U.S. investment products.

d) Transaction Costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or liability is recognized initially, an entity shall measure it at its fair value through profit or loss with transaction costs for such instruments being recognized directly in the Statement of Comprehensive Income.

Transaction costs charged by the Depositary on the settlement of purchases and sales of investments are included in operating expenses in the Statement of Comprehensive Income for each Fund.

Transaction costs on purchases and sales of equities are included in "net gain/(loss) on investment at fair value through profit or loss" in the Statement of Comprehensive Income for each Fund. These costs include identifiable brokerage charges, commission, transaction related taxes and other market charges. Transaction costs are included in note 5 'Significant Agreements' within the section 'Transaction Costs' for each relevant Fund.

Transaction costs on the purchase and sale of bonds and repurchase agreements are included in the purchase and sale price of the investment. These costs cannot be practically or reliably gathered as they are embedded in the cost of the investment and cannot be separately verified or disclosed.

e) Foreign Currency Translation

Functional and presentation currency
The financial statements are presented in U.S. Dollars, which is the Trust's functional and presentation currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date. Realized and unrealized foreign currency gains and losses are accounted for in the Statement of Comprehensive Income.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the Statement of Comprehensive Income within “net gain/(loss) on investments at fair value through profit or loss”.

f) Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss
Classification
The Trust classifies its investments in equity securities, warrants and money market instruments as financial assets or financial liabilities at fair value through profit or loss. This category has two sub-categories: financial assets or financial liabilities held for trading; and those designated at fair value through profit or loss upon initial recognition.

- *Financial assets and liabilities held for trading (Short-Term Obligations)*
  A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term or if on initial recognition is part of a portfolio of identifiable financial investments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.
- *Financial assets and liabilities designated at fair value through profit or loss at inception (Transferable Securities)*
  Financial assets and financial liabilities designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the Trust’s documented investment strategy.

The Trust’s policy requires the Investment Manager and the Board of Directors of the Manager to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

Recognition and Derecognition
Regular purchases and sales of investments are recognized on the trade date, the date on which the relevant Fund commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognized at fair value. Transaction costs are expensed as incurred in the Statement of Comprehensive Income.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the Trust has transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the Statement of Comprehensive Income within “net gain/(loss) on investments at fair value through profit or loss” in the period in which they arise.

Fair Value Measurement
- *Investments*
  Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Trust adopts IFRS 13, ‘Fair value measurement’, and for fair valuation input it utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread.

  In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

  Prices will be obtained for this purpose by the Administrator from independent sources, such as recognized pricing services or brokers specializing in the relevant markets, which in the opinion of the Administrator represent objective and accurate sources of information.

If the investment is normally quoted, listed or traded on or under the rules of more than one recognized market, the relevant recognized market shall be that which the Manager, the Administrator as its delegate or the Investment Manager as its delegate determines, provides the fairest criterion of value for the investment.

If prices for an investment quoted, listed or traded on the relevant recognized market are not available at the relevant time, or are unrepresentative in the opinion of the Manager, the Administrator as its delegate or the Investment Manager as its delegate, such investment shall be valued at its probable realization value estimated with care and in good faith by the Manager or the Administrator as its delegate or the Investment Manager as its delegate or by a competent person, firm or corporation appointed by the Manager and approved for the purpose by the Depositary. Securities quoted, listed or traded on a regulated market but acquired at a premium or at a discount outside or off the relevant market may be valued taking into account the level of premium or discount at the date of valuation and the Depositary must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realization value of the security.

- *Repurchase Agreements*
  Repurchase agreements are used in the management of cash balances. Securities purchased under agreements to resell are valued at fair value and adjusted for any movements in foreign exchange rates. Repurchase agreements are generally held until the next business day so fair value is equal to par. Interest rates vary for each repurchase agreement and are set at the initiation of the agreement. It is the Funds' policy to take custody of securities purchased under repurchase agreements and to value the securities on a daily basis to protect the Funds in the event the securities are not repurchased by the counterparty. The relevant Fund will generally obtain additional collateral if the market value of the underlying securities is less than the face value of the repurchase agreements plus any accrued interest. In the event of default on the obligation to repurchase, a Fund has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. As at 31 December 2015, the Global Fund, the U.S. Fund and the Asia Pacific Fund each held one repurchase agreement. Realized and unrealized gains and losses arising from repurchase agreements are accounted for in the Statement of Comprehensive Income.

g) Offsetting financial instruments
Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Trust currently has a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

h) Cash and Cash Equivalents
Cash and cash equivalents includes deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less.

i) Interest Income
Income on deposit interest and interest bearing securities is accounted for on an accruals basis. Income which suffers a deduction of tax at source is shown gross of withholding tax.

j) Dividend Income
Dividend income from financial assets at fair value through profit or loss is recognized in the Statement of Comprehensive Income within dividend income when the relevant Fund's right to receive payment is established gross of withholding tax which is recognized separately.

k) Expenses
Expenses are recognized in the Statement of Comprehensive Income on an accruals basis.

l) Description of Units
Redeemable Participating Units
All units in the Global Fund are classified as Redeemable participating units. Redeemable participating units are redeemable at the unitholder's option and are classified as financial liabilities. A redeemable participating unit can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value. A redeemable participating unit is carried at the redemption amount that is payable at the Statement of Financial Position date if the unitholder exercises the right to put the unit back to the Fund.

Redeemable participating units are issued and redeemed at the unitholder's option at prices based on the Fund's net asset value per unit at the time of issue or redemption. The Fund's net asset value per unit is calculated by dividing the net assets attributable to the holders of redeemable participating units by the total number of outstanding redeemable participating units.

Investment positions are valued in accordance with the provisions of the Fund's prospectus, for the purpose of determining the net asset value per unit for subscriptions and redemptions. All issued redeemable participating units are fully paid. The Fund's capital is represented by these redeemable participating units with no par value and each carrying one vote.
They may be paid dividends at the discretion of the Manager. The relevant movements are shown on the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Units.

Equity Units
Because all units of the U.S. Fund and the Asia Pacific Fund are in a single share class, they must be presented as equity in accordance with IAS 32 "Financial Instruments: Presentation". The standard requires entities to classify puttable financial instruments, or components of instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation as equity.

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

Global Fund	2015 US$	2014 US$
Realized gain on investments sold	61,640,572	74,198,878
Total change in unrealized loss on investments	(94,460,418)	(79,466,853)
Net loss on investments at fair value through profit or loss	(32,819,846)	(5,267,975)
Net foreign exchange gain	259,792	19,754

U.S. Fund	2015 US$	2014 US$
Realized gain on investments sold	136,275	3,811,111
Total change in unrealized loss on investments	(5,135,812)	(1,747,483)
Net (loss)/gain on investments at fair value through profit or loss	(4,999,537)	2,063,628
Net foreign exchange gain	459	613

Asia Pacific Fund	2015 US$	2014 US$
Realized gain on investments sold	725,209	511
Total change in unrealized loss on investments	(1,594,336)	(260,814)
Net loss on investments at fair value through profit or loss	(869,127)	(260,303)
Net foreign exchange gain	398	–

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.

For the Global Fund, the Net assets attributable to unitholders 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 year ended 31 December 2015

	Class I U.S. Dollar	Class I Euro	Class I British Pound
Units in issue at the beginning of year	36,322,266	3,621,177	21,207,235
Units issued	653,044	198,324	182,119
Units redeemed	(20,195,611)	(2,187,665)	(20,904,727)
Units in issue at the end of year	16,779,699	1,631,836	484,627
Net Asset Value	US$213,711,394	€ 19,032,554	£4,172,300
Number of Units in Issue	16,779,699	1,631,836	484,627
Net Asset Value per Unit	US$12.74	€ 11.66	£8.61

For the year ended 31 December 2014

	Class I U.S. Dollar	Class I Euro	Class I British Pound	Class A U.S. Dollar[a]	Class A Swiss Franc[a]
Units in issue at the beginning of year	45,830,976	3,777,067	56,821	39,109	109
Units issued	4,560,254	215,355	21,939,362	39,000	–
Units redeemed	(14,068,964)	(371,245)	(788,948)	(78,109)	(109)
Units in issue at the end of year	36,322,266	3,621,177	21,207,235	–	–
Net Asset Value	US$515,813,548	€ 42,361,756	£192,690,960	–	–
Number of Units in Issue	36,322,266	3,621,177	21,207,235	–	–
Net Asset Value per Unit	US$14.20	€ 11.70	£9.09	–	–

[a] The Class A U.S. Dollar and Class A Swiss Franc closed on 10 July 2014.

For the year ended 31 December 2013

	Class I U.S. Dollar	Class I Euro	Class I British Pound[b]	Class A U.S. Dollar	Class A Swiss Franc
Units in issue at the beginning of year	28,185,499	3,366,993	–	109	109
Units issued	21,916,380	541,148	56,821	39,000	–
Units redeemed	(4,270,903)	(131,074)	–	–	–
Units in issue at the end of year	45,830,976	3,777,067	56,821	39,109	109
Net Asset Value	US$659,054,935	€39,366,684	£492,895	US$557,107	CHF1,374
Number of Units in Issue	45,830,976	3,777,067	56,821	39,109	109
Net Asset Value per Unit	US$14.38	€10.42	£8.67	US$14.24	CHF12.61

[b] The share class was launched 10 November 2013.

U.S. Fund	For the year ended 31 December 2015	For the year ended 31 December 2014	For the year ended 31 December 2013
	Class I U.S. Dollar	Class I U.S. Dollar	Class I U.S. Dollar
Units in issue at the beginning of year	2,526,169	3,234,367	500,000
Units issued	1,505,782	1,426,641	3,162,327
Units redeemed	(1,453,007)	(2,134,839)	(427,960)
Units in issue at the end of year	2,578,944	2,526,169	3,234,367
Net Asset Value	US$34,558,026	US$38,750,341	US$48,049,105
Number of Units in Issue	2,578,944	2,526,169	3,234,367
Net Asset Value per Unit	US$13.40	US$15.34	US$14.86

Asia Pacific Fund	For the year ended 31 December 2015	For the period* ended 31 December 2014
	Class I U.S. Dollar	Class I U.S. Dollar
Units in issue at the beginning of year/period	2,192,708	–
Units issued	323,772	2,192,708
Units redeemed	–	–
Units in issue at the end of year/period	2,516,480	2,192,708
Net Asset Value	US$24,147,292	US$21,639,775
Number of Units in Issue	2,516,480	2,192,708
Net Asset Value per Unit	US$9.60	US$9.87

* The Asia Pacific Fund was launched on 2 December 2014.

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 31 December 2015.

Fund	Number of significant shareholders 31 Dec 2015	Total Holding as at 31 Dec 2015	Total Shareholding as a % of the sub fund as at 31 Dec 2015	Number of significant shareholders 31 Dec 2014	Total Holding as at 31 Dec 2014	Total Shareholding as a % of the sub fund as at 31 Dec 2014
Global Fund	1	7,425,950	46.58	1	20,543,151	33.59
U.S. Fund	3	1,963,833	80.69	1	1,555,354	61.57
Asia Pacific Fund	1	2,000,000	80.93	1	2,000,000	91.21

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. Significant Agreements

Investment Management Fees
The Investment Manager is entitled to receive investment management fees in respect of the Funds payable out of the assets of the Funds ("Management Fees") accruing daily and payable monthly in arrears at an annual percentage rate of 1.0% of the average daily Net Asset Value for Class I shares of the Global and U.S. Funds and at an annual percentage rate of 1.15% of the average daily Net Asset Value for Class I shares of the Asia Pacific Fund.

The Investment Manager is also entitled to reimbursement of all reasonable out-of-pocket expenses incurred for the benefit of the Trust including expenses incurred by it in the performance of its duties.

The Investment Manager may from time to time, at its sole discretion waive, reduce or, out of its own resources, rebate to some or all of the unitholders, the Trust or any Fund part of the aforementioned fees.

The Investment Manager has voluntarily agreed to reimburse or waive such portions of its fees as is necessary to ensure that the total expense ratio attributable to the Class I Shares of the Global and U.S. Funds shall not exceed 1.6% of the Net Asset Value of the Funds or 1.75% of the Net Asset Value of the Asia Pacific Fund.

A reimbursement of US$10,721 (2014: US$12,038) was reimbursed by the Investment Manager in respect of the Class I shares of the Asia Pacific Fund.

The Investment Manager earned a total fee of US$5,838,385 (2014: US$9,714,878) of which US$257,837 (2014: US$793,515) was outstanding at the year end.

Administration Fees
The Administrator is entitled to a fee payable out of the assets of each Fund accruing daily and payable monthly in arrears at the end of each calendar month at an annual rate not to exceed 0.06% of the combined average net asset value of the Funds between zero and US$400 million, 0.05 % of the combined average net asset value of the Funds between US$400 million and US$1,000 million, 0.04% of the combined average net asset value of the Funds between US$1,000 million and US$1,500 million and 0.03% of the combined average net asset value of the Funds in excess of US$1,500 million.

The Administrator is also entitled to receive a fee of US$7,500 per annum per Fund for the preparation of annual and semi-annual financial statements and a minimum annual fee for the Trust, exclusive of out-of-pocket expenses, of US$10,000 for reporting services under the UCITS Regulations.

The Manager will also reimburse the Administrator out of the assets of the relevant Fund for all reasonable expenses incurred for the benefit of the Fund when contracting with entities providing paying or transfer agency services. The Administrator is also entitled to reimbursement of all reasonable out-of-pocket expenses incurred for the benefit of the Fund out of the assets of the Fund in respect of which such charges and expenses were incurred.

Depositary Fees
The Depositary is entitled to a fee payable out of the assets of the relevant Fund in the Trust accruing daily and payable monthly in arrears at the end of each calendar month at an annual rate not to exceed 0.02 % of the combined average net asset value of the Funds between zero and US$100 million, 0.015% of the combined average net asset value of the Funds between US$100 million and US$300 million and 0.010% of the combined average net asset value of the Funds in excess of US$300 million.

The Funds shall also bear the cost of all sub-custodian charges and transaction charges incurred by the Depositary, or any sub-custodian, which shall not exceed normal commercial rates.
The Depositary is also entitled to reimbursement of properly vouched out of pocket expenses incurred by the Depositary, or any sub-custodian, for the benefit of the Funds out of the assets of the Funds in respect of which such charges and expenses were incurred.

Transaction Costs
As disclosed in Note 1, transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of the financial asset or financial liability. The Funds incurred transaction costs as follows:

For the year ended 31 December 2015 and 31 December 2014, the Funds incurred transaction costs as follows:

	For the year/period* ended 31 December US$	
	2015	2014
Global Fund	564,371	1,193,650
U.S. Fund	21,279	26,219
Asia Pacific Fund[a]	45,221	-

[a] The Asia Pacific Fund launched on 2 December 2014.

6. Financial Instruments

In accordance with IFRS 7 Financial Instruments: Disclosure, this note details the way in which the Trust manages risks associated with the use of financial instruments.

As an investment fund, the management of the financial instruments is fundamental to the management of the relevant Fund's business. The Funds' risk management process is managed by Southeastern Asset Management Inc., in its capacity as Investment Manager and oversight of these functions is carried out by both the Depositary, and by the Board of Directors of the Manager.

The relevant Fund's investment portfolios comprise mainly quoted equity instruments that it intends to hold for an indefinite period of time. The Funds' may hold debt instruments for cash management or investment purposes. The Funds' also hold repurchase agreements, warrants and money market instruments as detailed in the Schedules of Investments.

The Funds' investing activities expose them to various types of risk that are associated with the financial instruments and markets in which they invest. The most important types of financial risk to which the Funds are exposed are market risk, liquidity risk and credit risk.

Stock selection, asset allocation and cash management is determined by the Investment Manager who manages the distribution of the assets to achieve the investment objectives. The composition of the relevant Fund's portfolio is monitored by the Investment Manager on an intraday basis.

The nature and extent of the financial instruments outstanding at the balance sheet date and the risk management policies employed by the relevant Fund are discussed below.

Market Risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

The Funds' strategy on the management of investment risk is driven by the relevant Fund's investment objective. The Funds' overall investment objective is to preserve capital and to increase the value of the capital over time.

Although it is impossible to guarantee any capital preservation, the Investment Manager believes that the philosophy of purchasing companies at a substantial discount to their intrinsic values should deliver absolute positive returns in the medium to long term. The discount to intrinsic value should act as a margin of safety for each investment. The Investment Manager is a fundamental, bottom-up investor with the stock selection process taking prominence over asset and sector allocation.

The Investment Manager monitors individual stock and cash positions on an intra-day basis using various reporting tools.

The delegates of the Board of Directors of the Manager monitor these levels on a monthly basis through reporting from the Investment Manager and the Administrator. These levels are discussed at the quarterly Manager's Board meeting.

The Funds' market risk is managed on a daily basis by the Investment Manager in accordance with policies and procedures in place. The investments of each fund are subject to normal market fluctuations and the risks inherent in investment in international securities markets and there can be no assurances that appreciation will occur. Stock markets can be volatile and stock prices can change substantially.

Details of the Funds' investment portfolios at 31 December 2015 are disclosed in the Schedule of Investments sections. All individual investments in equity instruments are disclosed separately.

Currency Risk

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in the rate of exchange between the currency in which the financial asset or financial liability is denominated and the functional currency of the relevant Fund. The Funds may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency. Consequently, the Funds are exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the relevant Fund's assets or liabilities denominated in currencies other than the U.S. Dollar. The Funds may use currency forwards to hedge currency exposure but do not routinely do so.

The Investment Manager monitors the Funds' currency exposures on an intraday basis. The delegates of the Board of Directors of the Manager monitor these exposures on a monthly basis through reporting from the Investment Manager and the Administrator.

Some expenses are payable in currencies other than the base currency but the foreign currency exposure on these is not material.

The currency exposure as at 31 December 2015 and 2014 are shown below.

Global Fund	**at 31 December 2015 US$**		
	Net Monetary Assets	Net Non-Monetary Assets	Total
Brazilian Real	-	527,731	527,731
Euro	225,068	69,691,621	69,916,689
Hong Kong Dollar	-	59,566,639	59,566,639
Malaysian Ringgit	-	2,572,023	2,572,023
	225,068	132,358,014	132,583,082

	at 31 December 2014 US$		
	Net Monetary Assets	Net Non-Monetary Assets	Total
Brazilian Real	-	3,358,589	3,358,589
Euro	404,942	294,875,130	295,280,072
Hong Kong Dollar	1	156,530,169	156,530,170
Malaysian Ringgit	-	15,135,674	15,135,674
	404,943	469,899,562	470,304,505

At 31 December 2015, if the exchange rate between the U.S. Dollar and the relevant foreign currency increased by 5% (based on monetary and non-monetary items) with all other variables held constant, the net assets attributable to unitholders for the Global Fund would have increased by US$6,313,480 (2014: US$ 22,395,453). A 5% decrease would have an equal and opposite effect on the value of the Global Fund.

U.S. Fund	**at 31 December 2015 US$**		
	Net Monetary Assets	Net Non-Monetary Assets	Total
Euro	-	2,904,768	2,904,768

	at 31 December 2014 US$		
	Net Monetary Assets	Net Non-Monetary Assets	Total
Euro	–	1,519,627	1,519,627

At 31 December 2015, if the exchange rate between the U.S. Dollar and the relevant foreign currency increased by 5% (based on monetary and non-monetary items) with all other variables held constant, the net assets attributable to unitholders for the U.S. Fund would have increased by US$138,322 (2014: US$ 72,363). A 5% decrease would have an equal and opposite effect on the value of the U.S. Fund.

Asia Pacific Fund	at 31 December 2015 US$		
	Net Monetary Assets	Net Non-Monetary Assets	Total
Australian Dollar	23,477	3,399,931	3,423,408
Euro	1,518	-	1,518
Hong Kong Dollar	-	7,980,824	7,980,824
Japanese Yen	6,336	5,134,994	5,141,330
Korean Won	-	1,150,775	1,150,775
Singapore Dollar	-	2,564,439	2,564,439
	31,331	20,230,963	20,262,294

	at 31 December 2014 US$		
	Net Monetary Assets	Net Non-Monetary Assets	Total
Australian Dollar	14,254	3,345,908	3,360,162
Chinese Yuan	–	931,702	931,702
Euro	2,198	946,101	948,299
Hong Kong Dollar	–	5,341,710	5,341,710
Japanese Yen	6,358	7,456,366	7,462,724
Malaysian Ringgit	–	887,888	887,888
	22,810	18,909,675	18,932,485

At 31 December 2015, if the exchange rate between the U.S. Dollar and the relevant foreign currency increased by 5% (based on monetary and non-monetary items) with all other variables held constant, the net assets attributable to unitholders for the Asia Pacific Fund would have increased by US$964,870 (2014: US$901,547). A 5% decrease would have an equal and opposite effect on the value of the Asia Pacific Fund.

Interest Rate Risk

This is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The majority of the relevant Fund's assets are non-interest bearing so there is very limited exposure to this risk type. The majority of interest-bearing financial assets mature in the short-term. The Investment Manager monitors the interest rate risk exposure on a daily basis. The delegates of the Board of Directors of the Manager monitor this exposure on a monthly basis through reporting from the Investment Manager and the Administrator.

The interest profiles of 31 December 2015 and 2014 are shown below.

Global Fund	at 31 December 2015 US$				
	Interest-bearing asset maturity				
	Up to 1 year	1 – 5 years	Over 5 years	Non-interest bearing	Total
Cash and Cash Equivalents	–	–	–	594	594
Transferable Securities	--	–	–	230,031,948	230,031,948
Short Term Obligations	10,608,000	–	–	–	10,608,000
Other assets	–	–	–	237,753	237,753
Total assets	10,608,000	–		230,270,295	240,878,295
Other liabilities	–	–	–	(332,472)	(332,472)
Total liabilities	–	–	–	(332,472)	(332,472)
Net assets	10,608,000	–	–	229,937,823	240,545,823

	at 31 December 2014 US$				
	Interest-bearing asset maturity				
	Up to 1 year	1 – 5 years	Over 5 years	Non-interest bearing	Total
Cash and Cash Equivalents	–	–	–	–	–
Transferable Securities	–	–	–	832,634,793	832,634,793
Short Term Obligations	–	–	–	34,987,000	34,987,000
Other assets	969	–	–	830,243	831,212
Total assets	969	–	–	868,452,036	868,453,005
Other liabilities	–	–	–	(1,051,272)	(1,051,272)
Total liabilities	–	–	–	(1,051,272)	(1,051,272)
Net assets	969	–	–	867,400,764	867,401,733

U.S. Fund	at 31 December 2015 US$				
	Interest-bearing asset maturity				
	Up to 1 year	1 – 5 years	Over 5 years	Non-interest bearing	Total
Cash and Cash Equivalents	–	–	–	917	917
Transferable Securities	–	40,000	52,481	31,021,957	31,114,438
Short Term Obligations	3,512,000	–	–	–	3,512,000
Other assets	–	–	–	3,501	3,501
Total assets	3,512,000	40,000	52,481	31,026,375	34,630,856
Bank overdraft	–	–	–	–	–
Other liabilities	–	–	–	(72,830)	(72,830)
Total liabilities	–	–	–	(72,830)	(72,830)
Net assets	3,512,000	40,000	52,481	30,953,545	34,558,026

	at 31 December 2014 US$				
	Interest-bearing asset maturity				
	Up to 1 year	1 – 5 years	Over 5 years	Non-interest bearing	Total
Cash and Cash Equivalents	–	–	–	–	–
Transferable Securities	2,999,872	–	–	31,678,862	34,678,734
Short Term Obligations	–	–	–	4,154,000	4,154,000
Other assets	–	–	–	17,299	17,299
Total assets	2,999,872	–	–	35,850,161	38,850,033
Bank overdraft	(8,167)	–	–	–	(8,167)
Other liabilities	–	–	–	(91,525)	(91,525)
Total liabilities	(8,167)	–	–	(91,525)	(99,692)
Net assets	2,991,705	–	–	35,758,636	38,750,341

Asia Pacific Fund	at 31 December 2015 US$				
	Interest-bearing asset maturity				
	Up to 1 year	1 – 5 years	Over 5 years	Non-interest bearing	Total
Cash and Cash Equivalents		–	–	285	285
Transferable Securities	–	–	–	23,136,248	23,136,248
Short Term Obligations	1,035,000	–	–	–	1,035,000
Other assets	–	–	–	40,462	40,462
Total assets	1,035,000	–	–	23,176,995	24,211,995
Other liabilities	–	–	–	(64,703)	(64,703)
Total liabilities	–	–	–	(64,703)	(64,703)
Net assets	1,035,000	–	–	23,112,292	24,147,292

	at 31 December 2014 US$				
	Interest-bearing asset maturity				
	Up to 1 year	1 – 5 years	Over 5 years	Non-interest bearing	Total
Cash and Cash Equivalents	537	–	–		537
Transferable Securities	–	–	–	19,867,255	19,867,255
Short Term Obligations	–	–	–	1,780,000	1,780,000
Other assets	–	–	–	34,341	34,341
Total assets	537	–	–	21,681,596	21,682,133
Other liabilities	–	–	–	(42,358)	(42,358)
Total liabilities	–	–	–	(42,358)	(42,358)
Net assets	537	–	–	21,639,238	21,639,775

At 31 December 2015, if the market interest rates had increased by 1% with all other variables remaining constant, the net assets attributable to unitholders would have increased by US$6 (2014: US$10) for the Global Fund, US$934 (2014: US$29,999) for the U.S. Fund and US$3 for the Asia Pacific Fund (2014: US$5). As market interest rates at year-end were less than 1%, a decrease of a full 1% on cash and bank balances and short-term obligations is theoretically not possible. There would be no interest income under this scenario.

Price Risk

Price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk and currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. As the majority of the Funds' financial instruments are carried at fair value with fair value changes recognized in the Statement of Comprehensive Income, all changes in market conditions will directly affect the net asset value of the relevant Funds.

Price risk is mitigated by the Investment Manager by constructing a diversified portfolio of instruments traded on various markets. In addition, price risk can be hedged using derivative financial instruments such as options or futures, although the Investment Manager decided not to do so in 2015.

The Investment Manager monitors the Funds stock level and asset class exposures on an intraday basis. The exposures are discussed at the quarterly meetings of the Board of Directors of the Manager. Details of the Funds investment portfolios at 31 December 2015 are disclosed in the Schedule of Investments section.

At 31 December 2015, if the price of each security held by the relevant Fund had increased by 1% the overall value of the Trust would have increased by US$2,406,399 (2014: US$8,676,218) for the Global Fund, by US$346,264 (2014: US$388,327) for the U.S. Fund and by US$241,712 (2014: 216,473) for the Asia Pacific Fund. A 1% decrease would have an equal and opposite effect on the value of each Fund.

Longleaf Partners Unit Trust

Liquidity Risk
This is the risk that the Trust will encounter difficulty in meeting obligations associated with financial liabilities. The Funds' constitution provide for the daily creation and cancellation of units and they are therefore exposed to the liquidity risk of meeting unitholder redemptions at any time. To meet the redemption liability, the Funds may be required to sell assets. If the Funds are invested in less liquid securities, the relevant Fund may find it more difficult to sell these positions quickly and there is the risk that they may be sold below their fair value.

The Investment Manager monitors and manages the Funds' liquidity position on a daily basis and it is communicated to the delegates of the Board of Directors of the Manager every month. The Board of Directors of the Manager is able, by the provisions in the governing documents, to defer redemptions of significant size to facilitate an orderly disposition of securities in the interest of the remaining unitholders.

The Global Fund invests in securities that are considered to be liquid and readily realizable, as they are all listed on local stock exchanges with the exception of Manabi S.A., which is unlisted. As at 31 December 2015 Manabi S.A. represents 0.22% of the Global Fund's Net Asset Value (2014: 0.39%). As at 31 December 2015, it was estimated that over 83% of the Global Fund's assets could be liquidated within five trading days, including over 66% of the Fund's assets which could be sold within one day. This calculation was based on one third of the average daily trading volume of each security held.

The U.S. Fund invests in securities that are considered to be liquid and readily realizable, as they are all listed on local stock exchanges. As at 31 December 2015, it was estimated that over 99% of the U.S. Fund's assets could be liquidated within five trading days, including over 94% of the Fund's assets which could be sold within one day. This calculation was based on one third of the average daily trading volume of each security held.

The Asia Pacific Fund invests in securities that are considered to be liquid and readily realizable, as they are all listed on local stock exchanges. As at 31 December 2015, it was estimated that 96% of the Asia Pacific Fund's assets could be liquidated within five trading days, including over 83% of the Fund's assets which could be sold within one day. This calculation was based on one third of the average daily trading volume of each security held.

All payables are due for settlement within one month; at the year end, these amounted to US$332,472 (2014: US$1,051,272) for the Global Fund US$72,830 (2014: US$99,692) for the U.S. Fund and US$64,703 (2014: US$ 42,358) for the Asia Pacific Fund.

The net assets attributable to holders of redeemable units of US$240,545,823 (2014: US$867,401,733) for the Global Fund, and the total equity of US$34,558,026 (2014: US$38,750,341) for the U.S. Fund and US$24,147,292 (2014: US$21,639,775) for the Asia Pacific Fund have no stated maturity date.

Credit Risk
Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the relevant Fund. This includes counterparty risk and issuer risk. In relation to the Trust it can arise for example from receivables to another party, placing deposits with other entities, transacting in debt securities and entering into derivative contracts.

The Funds keep only a low exposure to debt instruments. Substantially all of the Investments and cash of the Funds are held by the Depositary, and its sub-custodians, on behalf of the Funds. The investments are clearly segregated from the Depositary's own assets. However, bankruptcy or insolvency of the Depositary, or one of its sub-custodians, could cause the Fund's rights with respect to assets held by the Depositary or sub-custodian to be delayed or limited, especially in regards to cash held on deposit. For this reason, the Investment Manager may choose to purchase government bonds for the Funds to reduce any excess cash balances held at the Depositary. The Funds manage this risk by having the Investment Manager monitor the credit quality and financial position of the Depositary. The credit rating of State Street Corporation, the parent company of the Depositary, as provided by Standard and Poor's rating agency at the reporting date was AA- (31 December 2014: AA-).

Issuer risk is associated with transacting in debt securities and is monitored by the Investment Manager based on evaluation of each counterparty.
There were no significant concentrations of credit risk to counterparties at 31 December 2015 apart from the corporate bonds held on the U.S. Fund and Repurchase Agreements as disclosed in the Schedule of Investments for each Fund.

For the Funds, counterparty risk relates to unsettled transactions with brokers for investments on local markets. This risk is considered small due to the short settlement periods involved. The delivery-versus-payment settlement process used on most markets limits such risk to the price movement in a security from trade date to settlement date. On a daily basis, the Investment Manager monitors any trades which have not settled on the correct date. The delegates of the Board of Directors of the Manager monitor any overdue unsettled trades on a monthly basis through reporting from the Administrator.

Offsetting and amounts subject to master netting arrangements and similar agreements
As at 31 December 2015 and 2014 the Funds were not subject to a master netting arrangement with its sole counterparty. All of the repurchase agreements held by the Funds are held with this counterparty. The following tables present the Funds' financial assets subject to offsetting, enforceable master netting arrangements and similar agreements. The tables are presented by type of financial instrument. There were no financial liabilities set off in the statement of financial position of the Funds as at year ended 31 December 2015 or 31 December 2014.

Global Fund

Description and counterparty	Gross amounts of recognised financial assets	Stock Collateral*	Net amount at 31 December 2015 US$
State Street Repurchase Agreement, State Street Bank	10,608,000	10,608,000	-

Description and counterparty	Gross amounts of recognised financial assets	Stock Collateral*	Net amount at 31 December 2014 US$
State Street Repurchase Agreement, State Street Bank	34,987,000	34,987,000	-

U.S. Fund

Description and counterparty	Gross amounts of recognised financial assets	Stock Collateral*	Net amount at 31 December 2015 US$
State Street Repurchase Agreement, State Street Bank	3,512,000	3,512,000	-

Description and counterparty	Gross amounts of recognised financial assets	Stock Collateral*	Net amount at 31 December 2014 US$
State Street Repurchase Agreement, State Street Bank	4,154,000	4,154,000	-

Asia Pacific Fund

Description and counterparty	Gross amounts of recognised financial assets	Stock Collateral*	Net amount at 31 December 2015 US$
State Street Repurchase Agreement, State Street Bank	1,035,000	1,035,000	-

Description and counterparty	Gross amounts of recognised financial assets	Stock Collateral*	Net amount at 31 December 2014 US
State Street Repurchase Agreement, State Street Bank	1,780,000	1,780,000	-

*Stock Collateral not set off in the Statement of Financial Position.

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 (excluding Manabi S.A, described below as Level 3) and repurchase agreements are classified as Level 1.

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 31 December 2015 and 31 December 2014 are classified as follows:

Global Fund	**at 31 December 2015 US$**			
	Level 1	Level 2	Level 3	Total
Transferable securities	229,504,217	-	527,731	230,031,948
Short Term Obligations	10,608,000	-	-	10,608,000
	240,112,217	-	527,731	240,639,948

	at 31 December 2014 US$			
	Level 1	Level 2	Level 3	Total
Transferable securities	829,276,205	-	3,358,588	832,634,793
Short Term Obligations	34,987,000	-	-	34,987,000
	864,263,205	-	3,358,588	867,621,793

U.S. Fund	**at 31 December 2015 US$**			
	Level 1	Level 2	Level 3	Total
Transferable securities	31,021,957	92,481	-	31,114,438
Short Term Obligations	3,512,000	-	-	3,512,000
	34,533,957	92,481	-	34,626,438

U.S. Fund	**at 31 December 2014 US$**			
	Level 1	Level 2	Level 3	Total
Transferable securities	31,678,862	2,999,872	-	34,678,734
Short Term Obligations	4,154,000	-	-	4,154,000
	35,832,862	2,999,872	-	38,832,734

Asia Pacific Fund	**at 31 December 2015 US$**			
	Level 1	Level 2	Level 3	Total
Transferable securities	23,136,248	-	-	23,136,248
Short Term Obligations	1,035,000	-	-	1,035,000
	24,171,248	-	-	24,171,248

	at 31 December 2014 US$			
	Level 1	Level 2	Level 3	Total
Transferable securities	19,867,255	-	-	19,867,255
Short Term Obligations	1,780,000	-	-	1,780,000
	21,647,255	-	-	21,647,255

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. For the Global, U.S. Fund, and Asia Pacific Fund there were no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy during the year ended 31 December 2015 and year ended 31 December 2014.

The Global Fund's shares of Manabi S.A. are considered Level 3 securities. The shares were acquired directly from the issuer in two private placement transactions: 9,000 shares of Class A Preferred in 2011 and 800 shares of Class B Preferred in 2012. In 2015, pursuant to a corporate reorganization at Manabi S.A. (name changed to MLog S.A. in February 2016), the Fund exchanged its preferred stock for new preferred stock and common stock. The new preferred shares were subsequently redeemed by Manabi S.A. for cash. Due to the lack of an active trading market, all or a portion of these shares may be illiquid. Judgment plays a greater role in valuing illiquid securities than those for which a more active market exists. The Investment Manager engages an independent third party for assistance with the valuation of this security.

The Level 3 holdings at 31 December 2015 were Manabi S.A. ordinary shares valued by taking into account company specific developments and other relevant factors. These other factors include amounts paid and to be paid in a capital increase, currency risk, country risk, government risk and discount rates. The Directors believe that the value shown is reasonable and prudent, however actual sales prices may differ from these values and the differences could be material.

As required by IFRS 13, the valuation spread for the purpose of presenting the sensitivity analysis of Manabi S.A was determined by the Investment Manager based on company specific developments. The following table provides quantitative information about significant unobservable inputs used to determine the fair valuation of the Global Fund's Level 3 assets and the sensitivity of the valuation to changes in those significant unobservable inputs. Because the Investment Manager considers a variety of factors and inputs, both observable and unobservable, in determining fair values, the unobservable inputs presented do not reflect all inputs significant to the fair value determination. Theoretically, if the shares cannot be sold and the company has no residual assets to recover, the remaining value could go to zero. The cash flows used in the valuation are based on cash infusions to be paid to Manabi S.A. per the terms of the reorganization over the four year period subsequent to the reorganization date.

Investments in Securities	**Fair value at 31 December 2015**	**Valuation Technique**	**Unobservable Input**	**Value or Range of Input**	**Impact to Valuation from an increase in Input**
Common Stock	$527,731	Discounted Cash Flow Method	Discount Rate	35%	Decrease*

*Represents the directional change in the fair value of Level 3 investments that would result in an increase from the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect. Significant increases and decreases in these unobservable inputs in isolation could result in significantly higher or lower fair value measurements.

The following table reconciles fair value changes in the Global Fund's Level 3 holdings in Manabi S.A. for the year ended 31 December 2015:

	Preferred Stock	**Common Stock**
Fair Value at 31 December 2014	$ 3,358,588	$ -
Reorganization	(754,901)	754,901
Redemption	(992,842)	-
Realized loss	(4,716,727)	-
Change in unrealized appreciation/(depreciation)	3,105,882	(227,170)
Fair Value at 31 December 2015	$ -	$ 527,731

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 31 December 2015 are classified as follows:

Global Fund

	At 31 December 2015			
Assets	Level 1	Level 2	Level 3	Total US$
Cash and Cash Equivalents	594	-	-	594
Other Assets	-	237,753	-	237,753
Total	594	237,753	-	238,347
Liabilities				
Other Liabilities	-	(332,472)	-	(332,472)
Net assets attributable to holders of redeemable participating units	-	(240,545,823)	-	(240,545,823)
Total	-	(240,878,295)	-	(240,878,295)

	At 31 December 2014			
Assets	Level 1	Level 2	Level 3	Total US$
Cash and Cash Equivalents	969	-	-	969
Other Assets	-	830,243	-	830,243
Total	969	830,243	-	831,212
Liabilities				
Other Liabilities	-	(1,051,272)	-	(1,051,272)
Net assets attributable to holders of redeemable participating units	-	(867,401,733)	-	(867,401,733)
Total	-	(868,453,005)	-	(868,453,005)

U.S. Fund

	At 31 December 2015			
Assets	Level 1	Level 2	Level 3	Total US$
Cash and Cash Equivalents	917	-	-	917
Other Assets	-	3,501	-	3,501
Total	917	3,501	-	4,418
Liabilities				
Other Liabilities	-	(72,830)	-	(72,830)
Net assets attributable to holders of redeemable participating units	-	(34,558,026)	-	(34,558,026)
Total	-	(34,630,856)	-	(34,630,856)

	At 31 December 2014			
Assets	Level 1	Level 2	Level 3	Total US$
Other Assets	-	17,299	-	17,299
Total	-	17,299	-	17,299
Liabilities				
Bank overdraft	(8,167)	-	-	(8,167)
Other Liabilities	-	(91,525)	-	(91,525)
Net assets attributable to holders of redeemable participating units	-	(38,750,341)	-	(38,750,341)
Total	(8,167)	(38,841,866)	-	(38,850,033)

Asia Pacific Fund

	At 31 December 2015			
Assets	Level 1	Level 2	Level 3	Total US$
Cash and Cash Equivalents	285	-	-	285
Other Assets	-	40,462	-	40,462
Total	285	40,462	-	40,747
Liabilities				
Other Liabilities	-	(64,703)	-	(64,703)
Net assets attributable to holders of redeemable participating units	-	(24,147,292)	-	(24,147,292)
Total	-	(24,211,995)	-	(24,211,995)

	At 31 December 2014			
Assets	Level 1	Level 2	Level 3	Total US$
Cash and Cash Equivalents	537	-	-	537
Other Assets	-	34,341	-	34,341
Total	537	34,341	-	34,878
Liabilities				
Other Liabilities	-	(42,358)	-	(42,358)
Net assets attributable to holders of redeemable participating units	-	(21,639,775)	-	(21,639,775)
Total	-	(21,682,133)	-	(21,682,133)

Global Exposure

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

7. 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 year end rates for each US$:

	31 December 2015	31 December 2014
Australian Dollar	1.372307	-
Brazilian Real	3.956250	2.658200
British Pound	0.678334	0.641601
Euro	0.920175	0.826412
Hong Kong Dollar	7.750050	7.754650
Japanese Yen	120.195000	-
Korean Won	1,172.550000	-
Malaysian Ringgit	4.293500	3.496500
New Zealand Dollar	1.462095	1.281969
Singapore Dollar	1.417900	-
Swiss Franc	1.001600	0.994200

8. 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 31 December 2015 and 2014, the Funds did not enter into any derivative positions except the warrant held on the Global Fund as at 31 December 2015, with an unrealized loss of US$(5,376,137) as at 31 December 2015 (31 December 2014: unrealized loss of US$(714,201).

As at 31 December 2015 and 2014, the Funds held repurchase agreements as detailed in the Schedules of Investments. No revenues arose and no direct or indirect costs were incurred for the repurchase agreements for the years ended 31 December 2015 and 2014.

9. Related Party Transactions

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

Transactions with entities with significant influence:

Southeastern Asset Management, Inc. serves in an appointed role as the Investment Manager, and is paid a management fee for its services. For the Global Fund the Investment Manager earned a fee of US$5,184,333 (2014: US$9,242,259) of which US$203,838 (2014: US$741,574) was outstanding at the year end. For the U.S. Fund the Investment Manager earned a fee of US$380,776 (2014: US$452,690) of which US$30,530 (2014: US$32,012) was outstanding at the year end. For the Asia Pacific Fund the Investment Manager earned a fee of US$273,276 (2014: US$19,929) of which US$23,469 (2014: US$19,929) was outstanding at the year end.

A management fee reimbursement of US$10,721 (2014: US$12,038) was reimbursed by the Investment Manager in respect of the Asia Pacific Fund of which US$10,721 (2014: US$12,038) was outstanding at year end. There was no management fee-reimbursement applied to the U.S. Fund (2014: US$Nil) or the Global Fund (2014: US$Nil).

The basis of calculation of the Investment Management fee and the Investment Management fee reimbursement is disclosed in note 5.

The Investment Manager has been appointed by the board members of the Manager, which is a wholly owned subsidiary of the Investment Manager.

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

Transactions with other related parties:

The Poplar Foundation provided the Global Fund's initial seed capital and has made subsequent investments. Because some members of the Foundation's governing board are also owners of the Investment Manager, the Global Fund and the Foundation are considered related parties. The Global Fund holds approximately 38% (2014: 40%) of the Foundation's assets, and constitutes approximately 49% (2014: 13%) of the Global Fund's assets.

The Pyramid Peak Foundation provided the U.S. and Asia Pacific Funds' initial seed capital. Because some of the members of the Foundation's governing board are also owners of the Investment Manager, the U.S. Fund and the Foundation are considered related parties. The U.S. Fund holds approximately 0.14% (2014: 0.24%) of the Pyramid Peak Foundation's assets, and constitutes approximately 3% (2014: 3%) of the U.S. Fund's assets. The Asia Pacific Fund holds approximately 3% (2014: 4%) of the Pyramid Peak Foundation's assets, and constitutes approximately 81% (2014: 91%) of the Asia Pacific Fund's assets.

In addition, employees of the Investment Manager owned approximately 0.3% (2014: 0.1%) and 5% (2014: 9%) of the Global and Asia Pacific Funds at 31 December 2015 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.

10. Soft Commission Arrangements

There were no soft commission arrangements entered into by the Investment Manager, on behalf of the Trust, during the year ended 31 December 2015 or in 2014.

11. Contingent Liability

There are no contingent liabilities at 31 December 2015 or 2014.

12. Committed Deals

There are no commitments at 31 December 2015 or 2014.

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 years ended 31 December 2015 or 2014.

14. Significant Events During the Year

An updated Prospectus was issued on 22 December 2015. Included among the updates are:

- The addition of Shanghai Hong Kong stock connect as a recognised market;
- Updates to the Central Bank's UCITS Regulations, including changes to permitted collateral.

There were no other significant events during the year ended 31 December 2015.

15. Significant Events Since the Year End

UCITS V Regulations became effective on 18 March 2016 and include the following changes:

- A new depositary regime which includes a clarification of depositary eligibility, duties, responsibilities and liabilities;
- Rules governing remuneration policies of UCITS managers consistent with those under AIFMD and the Capital Requirements Directive;
- The harmonisation of the minimum administrative sanctions regime across member states rules.

16. Approval of the Financial Statements

The Board of Directors of the Manager approved these financial statements on 19 April 2016.

Longleaf Partners Unit Trust

Background to Longleaf Partners Unit Trust (Unaudited)

The Trust is an umbrella open-ended unit trust established in Ireland as an Undertaking for Collective Investment in Transferable Securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended and Central Bank (Supervision And Enforcement) Act 2013 (Section 48(1)) (Undertakings For Collective Investment In Transferable Securities) Regulations 2015 (collectively 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 has 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"). 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 31 December 2015, the Class I U.S. Dollar, the Class I GBP and the Class I Euro shares of the Global Fund, the Class I U.S. Dollar shares of the U.S. Fund and the Class I U.S. Dollar 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 paper 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

Longleaf Partners Unit Trust

U.S. Fund
The U.S. 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 primarily in the United States 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 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 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 Shares	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

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.

Longleaf Partners Unit Trust

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
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Directors of the Manager
Eimear Cowhey (Irish)*†
Michael Kirby (Irish)*
Steve McBride (American)*
Gwin Myerberg (American)*

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

Swiss Representative and Distributor
ACOLIN Fund Services AG
Affolternstrasse 56
8050 Zurich
Switzerland

Swiss Paying Agent
NPB Neue Private Bank AG
Limmatquai 1
8022 Zurich
Switzerland

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

Longleaf Partners Unit Trust

Information for Investors in Switzerland (Unaudited)

1. **Representative in Switzerland**
   ACOLIN Fund Services AG., Affolternstrasse 56, 8050 Zurich, is the representative in Switzerland for the Units distributed in Switzerland.

2. **Paying Agent in Switzerland**
   NPB Neue Private Bank AG., Limmatquai 1, 8022 Zurich, 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 share are reported in Note 3 of the financial statements. The Investment Manager's report also contains the cumulative returns for the year.

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 during the year ended 31 December 2015 expressed as an annualised percentage of the average net asset value (NAV) of that Fund.

	Global Fund	U.S. Fund	Asia Pacific Fund
Total Expense Ratio			
Class I U.S. Dollar Shares	1.13%	1.40%	1.75%*
Class I Euro Shares	1.14%	na	na
Class I GBP Shares	1.12%	na	na

* Net of fee waiver.