



Tweedy, Browne Global Value Fund
Tweedy, Browne Value Fund

4th Quarter 2006

The bull market in global equities continued unabated in the 4th quarter of 2006 fueled by the feverish pace of merger and acquisition activity, declining oil prices, and the prospects for stable to lower interest rates. Virtually all major market indexes around the globe finished the year with double digit returns, marking the fourth straight year of advancing global equity markets. A number of market indexes, including the Dow Jones Industrial Average, hit all time highs. According to a year-end article in the Wall Street Journal, of 62 categories of stock focused mutual funds tracked by Lipper Inc., 51 categories had double digit returns for the year. The Tweedy, Browne Funds were no exception, both finishing the year in double digits despite maintaining significant cash reserve positions.

For the last several years, it seems the world has been awash in a sea of liquidity caused at least in part by an abundance of low cost credit. This unprecedented level of free flowing cash has stimulated demand for virtually all financial asset classes - from traditional equities to emerging market debt to hedge funds and private equity. The result has been an across the board rise in financial asset prices and valuations, and an extraordinary decline in equity market volatility. It was recently reported in the Wall Street Journal that the Dow Jones Industrial Average has gone 912 trading days without as much as a 2% daily decline, the longest stretch of its kind in the index's history. The market's advance has engendered a somewhat worrisome degree of confidence and complacency among investors who have shrugged off Federal Reserve tightening, advancing oil prices, a declining dollar, the bursting of the housing bubble, and increasing geopolitical turmoil to take on increasing risk with lower expected returns. Risk premiums on the riskiest of financial assets have shrunk dramatically. To date, this willingness to take on increased risk for marginally better expected returns has paid off, with the riskiest asset categories producing the best returns, as evidenced by the record-shattering returns of the "BRIC" countries, i.e. Brazil, Russia, India and China. Last year, each of these emerging markets hit all time highs.

In general, as value investors, we tend to add the most value when we are being well compensated for the risks we are bearing. This is not one of those times. Global equities, for the most part, are pretty fully valued. While we are still uncovering deeply undervalued equities from time to time and cash reserve levels have receded somewhat in both of our Funds, bargains still remain scarce.

It's anyone's guess how long investor confidence can be sustained in the face of advancing asset prices and shrinking risk premiums. For our own and our fellow shareholders' money, we remain cautious. We are reminded of what our friendly competitor, Howard Marks, said in one of his recent client letters, "risky assets can make good investments if they're cheap enough. The essential element is knowing when that's the case. That's it: the intelligent bearing of risk for profit, the best test for which is a record of repeated success over a long period of time." We couldn't agree more.

Tweedy, Browne Global Value Fund

The Tweedy, Browne Global Value Fund produced index beating results for the quarter and the year despite maintaining significant average cash reserve balances. The Fund was up 8.14% net of fees in the 4th quarter, and finished the year up 20.14%. This compares to gains of 7.64% and 19.19% for the MSCI EAFE Index hedged back into U.S. dollars for the same periods. The unhedged MSCI EAFE Index finished the quarter up 10.35% and the year up 26.34%, reflecting the dollar's overall weakness during the year. While there have been shorter-term periods of underperformance, over the longer term (since its inception), the Fund has produced an annualized return net of fees which is 489 basis points better than the hedged MSCI EAFE Index and 525 basis points better than the unhedged MSCI EAFE Index. An investment of \$10,000 in the Fund at inception on June 15, 1993 would, as of December 31, 2006, be worth \$53,626, assuming reinvestment of dividends. By comparison, the same investment in the MSCI EAFE Index hedged to U.S. dollars and unhedged for the same period would be worth \$29,603 and \$28,397, respectively. The Fund's returns exceeded those of the MSCI EAFE Index hedged to US dollars in 71% of the calendar years since its inception in 1993. The Tweedy Browne Global Value Fund has beaten its benchmark index in six out of the last seven calendar years, producing a cumulative return of 95.7% versus 20.5% for the index.

Once again, the returns for the Fund in 2006 were highly tax efficient. With turnover for the Fund at roughly 10.35% for the year, our shareholders received a return of 19.37% after taxes on distributions, netting over 96% of their pre-tax return. John Bogle has reminded us over the years how few actively managed mutual funds are able to outperform an index such as the S&P 500 or the EAFE Index. Since inception, the Tweedy Browne Global Value Fund has not only outperformed the MSCI EAFE Index, both hedged and unhedged, net of all expenses, but has also beaten these indexes on an annualized basis, net of taxes on distributions, by 365 and 401 basis points, respectively, over its 13 years of existence.

(The Tweedy, Browne Global Value Fund's average annual total returns Before Taxes, After Taxes on Distributions, and After Taxes on Distributions and Sale of Fund Shares, for the one-year, three-year, five-year, ten-year and since inception periods ending December 31, 2006, were as follows: 1 yr: 20.14%, 19.37%, 13.36%; 3 yrs: 18.50%, 18.18% 16.03%; 5 yrs: 12.81%, 12.45%, 11.11%; 10 yrs: 12.84%, 11.54%, 10.70%; and since inception: 13.20%, 11.96%, 11.20%.) ***After-tax returns are calculated using the historical highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Returns after taxes on distributions are adjusted for federal income taxes associated with fund distributions, but do not reflect the federal income tax impact of gains or losses recognized when fund shares are sold. Returns after taxes on distributions and sale of fund shares are adjusted for federal income taxes associated with fund distributions and reflect the federal income tax impact of gains or losses recognized when fund shares are sold. Actual after-tax returns depend on an investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts. The performance shown, before and after taxes, represents past performance and is not a guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit www.tweedy.com to obtain performance data which is current to the most recent month end.***

All of the Fund's industry sectors finished in positive territory for the twelve-month period ending December 31, 2006. Had we been unhedged and had less capital committed to cash reserves, which averaged approximately 15.6% for the year, the Fund's returns would have been better. Our best results were once again achieved in our consumer stocks and our industrials. Consumer durables such as Volkswagen, and food and beverage holdings such as Heineken were up significantly for the quarter and the year. Significant long term industrial holdings such as Kone and Cargotec together with smaller positions in KSB and Nexans were also important contributors. The returns from our financials and pharmaceutical holdings were not nearly as robust for the quarter or the year. The Japanese consumer finance stocks continued their decline in the face of anticipated regulatory action, and pharmaceuticals such as Sanofi-Aventis, Pfizer and Glaxo finished the quarter on a negative note. The absence of energy related companies in our portfolio was a plus, as non-U.S. oil stocks had anemic returns for the year.

In terms of portfolio activity during the quarter and year, we were net sellers for the quarter and net buyers for the year. During the quarter, we continued to add to a number of our smaller capitalization Japanese and South Korean holdings. We also added to SK Telecom, a large South Korean company, taking advantage of favorable pricing conditions in those markets. We increased a number of positions newly initiated during the year such as Lloyds TSB Group and Mediaset. Also, we added to the Italian publisher, Mondadori, which we have held for several years. We established new positions in a smaller capitalization Japanese company that produces specialty medical needles and catheters, trading at the time of purchase at two thirds of intrinsic value, and a small capitalization South Korean cement company trading at less than half of book value.

On the sell side, during the 4th quarter we sold our position in our Volkswagen preferred shares and reduced our position in its ordinary shares. Volkswagen has been one of the Fund's best performing stocks over the last two years, and simply no longer appears cheap. We also sold our remaining shares of Shinki, Riken Vitamin and United Overseas Land Ltd., which had reached our price targets. We took profits and reduced our exposure in a number of our more cyclical holdings including Stork, a Dutch industrial, Nexans, the French copper cable manufacturer, KSB, a German pump and valve company, and several Swiss industrials including Sika and Daetwyler Bearer, among others. We also continued to reduce our position in Fraport, the Frankfurt airport company.

At quarter end, the Fund was invested in 152 issues across 22 different countries. The top twenty issues accounted for roughly 47% of net assets, with our single largest position being Nestle at 3.75% of assets. The dollar weighted median market capitalization was \$13.4 billion and approximately 34% of equity assets were invested in stocks with market capitalizations of \$5 billion or less. Cash reserves at quarter-end represented approximately 12% of net assets, which includes the unrealized gain or loss on forward currency contracts.

Tweedy, Browne Value Fund

The Tweedy, Browne Value Fund finished the quarter and year up a solid 3.77% and 11.62%, respectively. By comparison, the S&P 500 Index was up 6.70% for the quarter and 15.79% for the year. While we were disappointed by our relative results, in our view a double digit year is always a good one.

(The Tweedy, Browne Value Fund's average annual total returns for the one-year, three-year, five-year, ten-year and since inception periods ending December 31, 2006 were 11.63%, 7.71%, 5.55%, 8.81% and 10.84%, respectively. *) *The performance data quoted herein represents past performance and is not a*

guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit www.tweedy.com to obtain performance data that is current to the most recent month end.

There is no question that our results for this Fund over the last four years have not beaten the S&P 500 Index, however, if one takes into consideration the full market cycle, which extends back to nearly seven years ago, a different story unfolds. Since the bursting of the technology bubble in March of 2000, the Tweedy Browne Value Fund is up a cumulative 53.25%, or nearly 10 times the 5.71% cumulative return for the S&P 500. During 2000, 2001 and 2002, when the S&P 500 lost a cumulative 37.6%, our Fund was down a cumulative 2.7%. During the ensuing bull market of 2003, 2004, 2005 and 2006, our Fund was up a cumulative 54.0% versus a cumulative return of 73.3% for the S&P 500.† During this more buoyant period, had we simply been more fully invested and/or been willing to make what we believe would have been a risky and unpredictable bet on oil prices, our results would have been substantially better. Nonetheless, our results occurred in a pattern that is quite consistent with the way value managers generally perform over the longer term. We held up extraordinarily well in the downturn, participated solidly in the upturn, and beat the index over this full cycle. While a number of our competitors may have had better results during this cycle, we would remind our shareholders that we believe there is a great deal of randomness associated with investment returns. In our experience, the leadership with respect to nearer term returns in the value camp is constantly in flux. We are quite confident that the value discipline, which has put us at the top of this group in the past, will once again have its day in the relative limelight.

With the exception of the Fund's pharmaceutical holdings, which were down for the quarter and up for the year, all sectors within the Fund produced positive returns for the quarter and year. The Fund's absolute results were driven for the quarter and year by strong returns in its consumer stocks and its industrial holdings. We had rather lackluster relative results from our financial stocks where we are perennially overweighted. Consumer stocks such as Comcast and Diageo, and industrials such as Gorman-Rupp and Unifirst were up nicely for the year. Our rather de minimis weighting in oil stocks was once again a negative as oil stocks continued their seemingly inexorable march forward. Cash reserves, which averaged approximately 9.5% for the quarter and 11.25% for the year, were also a drag on results for both periods.

Portfolio activity was once again modest during the quarter. We established two new positions: Conway Inc., a less than full load trucking company, trading at roughly 11 times earnings and 60-70% of intrinsic value, and Home Depot Inc., the country's largest retailer of building materials and home improvement products, which at purchase was trading at 12 times earnings and a little over two-thirds of our estimate of intrinsic value. On the sell side, we sold our highly appreciated position in Gorman-Rupp, and our position in Proquest, which was a disappointment. We also trimmed our positions in companies such as Great American Financial, American National Insurance and Shikoku Coca-Cola.

As you know, the Fund changed its name during the quarter to the Tweedy, Browne Value Fund, eliminating its "American" designation. While the Fund will retain its predominant domestic focus, we now have the flexibility to increase our exposure to non-U.S. equities up to as much as 50% of Fund net assets, although there are no immediate plans to do so. We anticipate that this will allow us to manage the Fund on a more fully invested basis in short order. This may put us in the position of being able to reopen this Fund to new investors in the near future. We will keep you posted.

At quarter end, the Fund was invested in 41 issues including 6 ADRs and 2 direct foreign holdings. The international component, including ADRs, accounted for nearly 21% of net asset value. The top twenty issues accounted for approximately 71% of net assets, with our single largest position being Nestle at 5.6% of net assets. The dollar weighted median market capitalization was approximately \$46.7 billion, and net cash reserves at quarter end totaled approximately 8.6% of net assets.

Thank you for investing with us, and for your continued confidence.

Tweedy, Browne Company LLC

Christopher H. Browne
William H. Browne
John D. Spears
Thomas H. Shrager
Robert Q. Wyckoff, Jr.
Managing Directors

Dated: January 19, 2007

Footnotes:

**MSCI EAFE US\$ is an unmanaged capitalization-weighted index of companies representing the stock markets of Europe, Australasia and the Far East. MSCI EAFE Hedged consists of the results of the MSCI EAFE Index hedged 100% back into US dollars and accounts for interest rate differentials in forward currency exchange rates. Results for both indexes are inclusive of dividends, net of foreign withholding taxes and do not reflect any fees or expenses. The S&P 500 is an unmanaged capitalization-weighted index composed of 500 widely held common stocks listed on the New York Stock Exchange and the over-the-counter market and includes the reinvestment of dividends. The Dow Jones Industrial Average is a price-weighted average of 30 blue chip stocks that are generally considered the leaders in their industry and includes the reinvestment of dividends.*

Indexes are unmanaged, and the figures for the indexes shown include reinvestment of dividends and capital gains distributions and do not reflect any fees or expenses. Investors cannot invest directly in an index. We strongly recommend that these factors be considered before an investment decision is made.

† Returns shown are for many specific time periods where the Funds outperformed their relevant indexes. While the Funds outperformed the relevant indexes for some of the periods shown, there have been previous periods when the Funds underperformed these indices. Since past performance is not indicative of future results, there can be no guarantee that the Funds will outperform their relevant indexes in the future.

Footnotes, cont. ...

As of December 31, 2006, Tweedy, Browne Global Value Fund and Tweedy, Browne Value Fund had invested the following percentages of its net assets, respectively, in the following portfolio holdings: Volkswagen (0.7%, 0.0%), Heineken Holding NV (2.7%, 4.6%), Heineken NV (1.7%, 0.0%), Kone(3.3%, 0.0%), Cargotec Corp. (1.6%, 0.0%), KSB AG (0.3%, 0.0%) KSB VZ (0.1%, 0.0%), Nexans (0.3%, 0.0%), Sanofi-Aventis (2.0%, 1.9%), Pfizer Inc. (1.2%, 2.8%), Glaxo Smithkline PLC (0.3%, 0.0%) GlaxoSmithkline PLC, ADR (0.4%, 0.0%), SK Telecom (0.4%, 0.0%), SK Telecom-ADR (0.7%, 0.0%), Lloyds TSB Group (2.0%, 0.0%), Mediaset SPA (1.8%, 0.0%), Mondadori (1.5%, 0.0%), Shinki (0.0%, 0.0%), Riken Vitamin (0.0%, 0.0%) United Overseas Bank (1.0%, 0.0%), Stork (0.5%, 0.0%), Nexans (0.3%, 0.0%), Sika AG (1.3%, 0.0%), Daetwyler Bearer (0.4%, 0.0%), Fraport (0.1%, 0.0%), Nestle (3.8%, 5.6%), Comcast (0.0%, 0.0%), Diageo (1.9%, 4.1%), Gorman-Rupp (0.0%, 0.0%), Unifirst (0.0%, 1.8%), Con-Way Inc.(0.0%, 1.4%), Home Depot (0.0%, 2.5%), Proquest (0.0%, 0.0%), Great American Financial (0.0%, 1.7%), American National Ins. (0.1%, 1.5%), and Shikoku Coca-Cola (0.1%, 0.0%), respectively.

Portfolio characteristics mentioned above reflect the Funds' investments on the date indicated and may not be representative of the Funds' current or future holdings.

The securities of small, less well-known companies may be more volatile than those of larger companies. In addition, investing in foreign securities involves additional risks beyond the risks of investing in securities of U.S. markets. These risks include economic and political considerations not typically found in US markets, including currency fluctuation, political uncertainty and different financial standards, regulatory environments, and overall market and economic factors in the countries. Investors should refer to the prospectus for a description of risk factors associated with investments in securities held by the Fund.

Although hedging against currency exchange rate changes reduces the risk of loss from exchange rate movements, it also reduces the ability of the Funds to gain from favorable exchange rate movements when the U.S. dollar declines against the currencies in which the Funds' investments are denominated and in some interest rate environments may impose out-of-pocket costs on the Funds.

Tweedy, Browne Global Value Fund and Tweedy, Browne Value Fund are distributed by Tweedy, Browne Company LLC.

This material must be preceded or accompanied by a prospectus for Tweedy, Browne Fund Inc.

Tweedy, Browne Global Value Fund ■ Country Allocations/Top Twenty Holdings

December 31, 2006

ALLOCATION OF INVESTMENTS:

| Country | % | Market Value (USD) |
|--------------------------|----------------|---------------------------|
| Belgium | 2.44% | \$201,677,710.68 |
| Canada | 1.27 | 105,151,374.40 |
| Croatia | 0.14 | 11,746,770.22 |
| Czech Republic | 0.02 | 1,454,082.06 |
| Denmark | 0.87 | 71,755,378.67 |
| Finland | 5.20 | 430,554,888.89 |
| France | 6.01 | 497,160,242.27 |
| Germany | 5.59 | 462,465,658.92 |
| Hong Kong | 2.47 | 204,091,730.27 |
| Ireland | 0.25 | 20,506,932.30 |
| Italy | 3.83 | 317,420,280.89 |
| Japan | 3.70 | 306,573,867.49 |
| Mexico | 2.45 | 196,451,465.82 |
| Netherlands | 14.90 | 1,233,494,209.96 |
| Norway | 1.00 | 82,447,340.73 |
| Singapore | 3.28 | 271,679,349.38 |
| South Korea | 3.66 | 303,032,849.25 |
| Spain | 1.44 | 119,051,954.90 |
| Sweden | 0.02 | 1,316,527.83 |
| Switzerland | 14.18 | 1,173,786,124.69 |
| United Kingdom | 10.00 | 827,415,197.62 |
| USA | 6.60 | 553,021,221.49 |
| TOTAL EQUITIES: | 89.31% | \$7,392,255,158.73 |
| HEDGING | -1.42 | -117,429,020.08 |
| ASSETS/(LIABILITIES) | -0.10 | -8,177,424.54 |
| NET CASH | 12.21 | 1,010,496,640.59 |
| TOTAL NET ASSETS: | 100.00% | \$8,277,145,354.70 |

TWENTY LARGEST HOLDINGS:

| Securities | % | Amount (USD) | Country |
|-----------------------------|---------------|---------------------------|-------------|
| Nestle SA | 3.75% | \$310,431,948.88 | Switzerland |
| ABN Amro Holding | 3.57 | 295,848,630.84 | Netherlands |
| Axel Springer AG | 3.34 | 276,740,290.10 | Germany |
| Kone Corporation | 3.33 | 275,753,675.74 | Finland |
| American Int'l Group | 3.21 | 266,041,619.64 | USA |
| CNP Assurances | 3.14 | 259,700,078.85 | France |
| Heineken Holding NV | 2.69 | 222,478,470.36 | Netherlands |
| KBC Groupe | 2.44 | 201,677,710.68 | Belgium |
| Jardine Strategic Hldngs | 2.25 | 186,016,912.20 | Hong Kong |
| Lloyds TSB Group PLC | 2.05 | 169,308,092.54 | UK |
| Sanofi-Aventis SA | 2.03 | 168,337,509.06 | France |
| Diageo PLC | 1.95 | 161,385,477.71 | UK |
| Barclays PLC | 1.82 | 150,525,097.23 | UK |
| Mediaset ITL | 1.76 | 145,631,562.90 | Italy |
| Heineken NV | 1.66 | 137,306,916.33 | Netherlands |
| Novartis AG | 1.65 | 136,319,644.46 | Switzerland |
| Cargotec Corp | 1.63 | 135,179,666.38 | Finland |
| Mondadori Editore | 1.53 | 126,867,350.53 | Italy |
| Telegraaf Holding-CVA | 1.52 | 125,917,474.45 | Netherlands |
| Akzo Nobel | 1.46 | 120,711,476.09 | Netherlands |
| TOTAL OF NET ASSETS: | 46.78% | \$3,872,179,604.97 | |

NOTE: Allocations of investments shown above reflect the Fund's investments on the date indicated and may not be representative of the Funds' current or future holdings.

Tweedy, Browne Global Value Fund ■ Results

December 31, 2006

| | Tweedy, Browne Global Value Fund | MSCI EAFE | | Morningstar Fund Averages* | |
|--------------------|-------------------------------------|-------------------|---------------------|--------------------------------|-------------------------------------|
| | | US\$ ² | Hedged ³ | World Stock Funds ⁴ | Foreign Stock Funds ⁵ |
| 1993 (June - Dec.) | 15.40% | 5.88% | 10.33% | 17.42% | 18.94% |
| 1994 | 4.36 | 7.78 | -1.67 | -1.33 | -0.33 |
| 1995 | 10.70 | 11.21 | 11.23 | 17.60 | 10.29 |
| 1996 | 20.23 | 6.05 | 13.53 | 16.54 | 13.59 |
| 1997 | 22.96 | 1.78 | 15.47 | 13.24 | 5.81 |
| 1998 | 10.99 | 20.00 | 13.70 | 12.35 | 13.26 |
| 1999 | 25.28 | 26.96 | 36.47 | 38.57 | 43.28 |
| 2000 | 12.39 | -14.17 | -4.38 | -8.47 | -14.95 |
| 2001 | -4.67 | -21.44 | -15.87 | -16.13 | -21.42 |
| 2002 | -12.14 | -15.94 | -27.37 | -19.29 | -16.11 |
| 2003 | 24.93 | 38.59 | 19.17 | 34.33 | 36.84 |
| 2004 | 20.01 | 20.25 | 12.01 | 15.16 | 18.69 |
| 2005 | 15.42 | 13.54 | 29.67 | 11.74 | 15.55 |
| 2006 | 20.14 | 26.34 | 19.19 | 19.52 | 25.06 |

Annualized Returns For Periods Ending 12/31/2006 (%)

| Annualized Results | Tweedy, Browne Global Value Fund | MSCI EAFE | | Morningstar Fund Averages* | |
|------------------------------|-------------------------------------|-------------------|---------------------|--------------------------------|-------------------------------------|
| | | US\$ ² | Hedged ³ | World Stock Funds ⁴ | Foreign Stock Funds ⁵ |
| 1 year | 20.14% | 26.34% | 19.19% | 19.52% | 25.06% |
| 3 years | 18.50 | 19.93 | 20.07 | 15.50 | 19.84 |
| 5 years | 12.81 | 14.98 | 8.42 | 10.78 | 14.77 |
| 10 years | 12.84 | 7.71 | 8.00 | 8.68 | 8.58 |
| Since Inception ¹ | 13.20 | 7.95 | 8.31 | 10.28 | 9.32 |

The performance shown above represents past performance and is not a guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit www.tweedy.com to obtain performance data which is current to the most recent month end.

Index Descriptions

¹ Inception date for the Fund was June 15, 1993. Index information is available at month end only; therefore the closest month end to inception date of the Fund, May 31, 1993, was used.

² **MSCI EAFE (US\$)**: An unmanaged capitalization-weighted index of companies representing the stock markets of Europe, Australasia and the Far East. Index results are inclusive of dividends and net of foreign withholding taxes

³ **EAFE Hedged**: Consists of the results of the EAFE Index 100% hedged back into U.S. dollars and accounts for interest differentials in forward currency exchange rates. Index results are inclusive of dividends and net of foreign withholding taxes.

⁴ **Morningstar World Stock Fund Average**: Average results of all mutual funds in the Morningstar universe that invest throughout the world while maintaining a percentage of assets (normally 25-50%) in the U.S.

⁵ **Morningstar Foreign Stock Fund Average**: Average returns of all mutual funds in the Morningstar universe that have 90% or more of their assets invested in non-U.S. stocks.

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Tweedy, Browne Value Fund ■ Allocation of Investments/Top Twenty Holdings

December 31, 2006

| ALLOCATION OF INVESTMENTS: | | | TWENTY LARGEST HOLDINGS: | | |
|----------------------------|----------------|-------------------------|--------------------------|---------------|-------------------------|
| Description | % | Market Value | Securities | % | Amount |
| Equities-US | 70.05% | \$375,601,794.18 | Nestle SA | 5.58% | \$29,920,159.64 |
| Equities-ADR | 17.13 | 91,850,657.94 | Comcast Corporation | 4.99 | 26,763,832.80 |
| Equities-Foreign | 4.65 | 24,913,068.96 | Transatlantic Holdings | 4.97 | 26,651,767.50 |
| Total Equities | 91.83% | \$492,365,521.08 | Heineken Holding NV | 4.61 | 24,693,611.12 |
| Hedging | -0.42 | -2,256,977.13 | PNC Financial Svcs Grp. | 4.23 | 22,668,752.76 |
| Other Assets (Liabilities) | 0.40 | 2,132,891.60 | Wells Fargo & Company | 4.12 | 22,068,536.00 |
| Net Cash | 8.19 | 43,935,510.68 | Diageo Sponsored ADR | 4.08 | 21,889,560.00 |
| Total Net Assets: | 100.00% | \$536,176,946.23 | American Int'l Group | 3.92 | 21,022,249.26 |
| | | | American Express Co | 3.82 | 20,467,509.86 |
| | | | MBIA Inc. | 3.67 | 19,689,670.00 |
| | | | Federated Investors Inc. | 3.43 | 18,401,182.08 |
| | | | Freddie MAC | 3.40 | 18,232,168.50 |
| | | | Nat'l Western Life Ins. | 3.20 | 17,133,692.86 |
| | | | Torchmark Corp. | 3.01 | 16,155,253.76 |
| | | | Pfizer Inc. | 2.84 | 15,242,409.00 |
| | | | Home Depot Inc | 2.47 | 13,266,534.72 |
| | | | Wal Mart Stores Inc | 2.38 | 12,765,306.50 |
| | | | ABN Amro Holding NV | 2.33 | 12,473,186.95 |
| | | | BankAmerica Corporation | 2.12 | 11,385,150.55 |
| | | | Sanofi-Aventis | 1.89 | 10,157,400.00 |
| | | | Total: | 71.07% | \$381,047,933.86 |

NOTE: Allocations of investments shown above reflect the Fund's investments on the date indicated and may not be representative of the Funds' current or future holdings.

Tweedy, Browne Value Fund ■ Results

December 31, 2006

| | | <u>Morningstar Fund Averages*</u> | | | | |
|-----------------|----------------------------------|-----------------------------------|------------------------------------|---------------------------|----------------------------|-----------------------------|
| | Tweedy, Browne Value Fund | S&P 500 ² | Russell Mid-Cap Value ³ | Russell 2000 ⁴ | Mid-Cap Value ⁵ | Domestic Stock ⁶ |
| 1993 (December) | -0.60% | 1.21% | 3.30% | 3.42% | 2.73% | N/A |
| 1994 | -0.56 | 1.32 | -2.13 | -1.82 | -0.86 | -0.98% |
| 1995 | 36.21 | 37.59 | 34.93 | 28.45 | 28.81 | 21.94 |
| 1996 | 22.45 | 22.97 | 20.26 | 16.54 | 19.80 | 20.09 |
| 1997 | 38.87 | 33.38 | 34.37 | 22.23 | 25.71 | 25.06 |
| 1998 | 9.59 | 28.58 | 5.08 | -2.54 | 2.11 | 15.76 |
| 1999 | 2.00 | 21.04 | -0.11 | 21.26 | 7.44 | 28.77 |
| 2000 | 14.45 | -9.13 | 19.18 | -3.02 | 18.42 | -1.03 |
| 2001 | -0.09 | -11.88 | 2.33 | 2.49 | 6.92 | -10.20 |
| 2002 | -14.91 | -22.09 | -9.64 | -20.48 | -12.90 | -22.53 |
| 2003 | 23.24 | 28.69 | 38.07 | 47.26 | 34.38 | 31.57 |
| 2004 | 9.43 | 10.88 | 23.70 | 18.33 | 17.90 | 11.92 |
| 2005 | 2.30 | 4.91 | 12.65 | 4.55 | 8.41 | 6.88 |
| 2006 | 11.63 | 15.79 | 20.22 | 18.37 | 15.89 | 12.57 |

Annualized Returns For Periods Ending 12/31/2006 (%)

| | | <u>Morningstar Fund Averages*</u> | | | | |
|------------------------------|----------------------------------|-----------------------------------|------------------------------------|---------------------------|----------------------------|-----------------------------|
| Annualized Results | Tweedy, Browne Value Fund | S&P 500 ² | Russell Mid-Cap Value ³ | Russell 2000 ⁴ | Mid-Cap Value ⁵ | Domestic Stock ⁶ |
| 1 year | 11.63% | 15.79% | 20.22% | 18.37% | 15.89% | 12.57% |
| 3 years | 7.71 | 10.44 | 18.77 | 13.56 | 14.01 | 10.54 |
| 5 years | 5.55 | 6.19 | 15.88 | 11.39 | 11.55 | 7.14 |
| 10 years | 8.81 | 8.42 | 13.65 | 9.44 | 10.87 | 8.20 |
| Since Inception ¹ | 10.84 | 10.87 | 14.53 | 10.62 | 13.16 | 9.61 |

The performance shown above represents past performance and is not a guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit www.tweedy.com to obtain performance data which is current to the most recent month end.

Index Descriptions

¹ Inception date for the Fund was December 8, 1993. Russell Index and Morningstar information is available at month end only; therefore the closest month end to inception date of the Fund, November 30, 1993, was used. S&P 500 Index information is as of the Fund's inception date, December 8, 1993.

² **S&P 500:** An unmanaged capitalization-weighted index which assumes reinvestment of dividends, and which is generally considered representative of U.S. large capitalization stocks.

³ **Russell Mid-cap Value Index:** Measures the performance of those Russell Mid-cap companies with lower price-to-book ratios and lower forecasted growth values. The stocks are also members of the Russell 1000 Value Index.

⁴ **Russel 2000:** An unmanaged capitalization-weighted index, which assumes reinvestment of dividends that is comprised of the smallest 2000 companies in the Russell 3000 Index and generally considered representative of U.S. small capitalization stocks.

⁵ **Morningstar Mid-Cap Value Funds Average:** Average returns of funds in the Morningstar Universe that invest in companies with market capitalizations greater than or equal to \$1 billion but less than or equal to \$5 billion.

⁶ **Morningstar Domestic Stock Fund Average:** Average returns of all domestic equity mutual funds in the Morningstar Universe.

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