Longleaf Partners Funds

Quarterly Summary Report

For the Quarter Ended June 30, 2017

Southeastern Asset Management, Inc.®

Advisor to Longleaf Partners Funds

June 30, 2017

2Q17

Longleaf Partners Funds Shareholder Letter

All four Longleaf Partners Funds continued to generate positive absolute returns in the second quarter with our gaming related investments meaningfully contributing and helping drive year-to-date (YTD) results ahead of our inflation plus 10% goal, with the exception of the Small-Cap Fund. The Global and International Funds also outperformed their benchmark indices by a wide margin in both the quarter and YTD with particular strength from Asian holdings. Cash was a notable drag on the Funds' relative performance given the positive returns of the indices. Cash is a temporary by-product of our investment discipline and gives us liquidity to take advantage of new opportunities. The Funds' performance results are even more impressive when adjusting for risk because we generated the returns with a notable cash weighting that was not susceptible to capital loss.

	YTD	2Q
Partners Fund	**7.97%**	**3.91%**
S&P 500 Index	9.34	3.09
Small-Cap Fund	**4.95**	**0.98**
Russell 2000 Index	4.99	2.46
International Fund	**17.96**	**8.42**
MSCI EAFE Index	13.81	6.12
Global Fund	**19.48**	**9.92**
MSCI World Index	10.66	4.03

Past performance does not guarantee future results.

We have delivered substantial absolute returns over the past 12 months, and we believe we can continue to generate good results because our companies have the potential to compound their values above our 8-9% discount rates over the next 3-5 years. Our confidence is based on the following:

- The Funds remain at a 20-25% discount to our conservative appraisals.
- Many of the businesses we own have non-earning or under-earning assets that should generate higher earnings over the next 3 years.
- Several of our larger holdings have recently been or currently are involved in merger activity that should result in upside not assumed in already stated deal synergies.
- Our corporate partners are prudently reinvesting their balance sheet cash and free cash flow production to increase value per share.
- Our ongoing engagement with management teams runs deep at a number of our investments, which we believe helps shape positive outcomes.

The eight-plus year bull market in the U.S. has made finding qualifying opportunities more difficult, particularly in larger cap companies. In addition, this year's strong returns in most markets outside of the U.S. have made our on-deck list of prospective investments light around the world. Because we have sold and trimmed businesses whose prices have moved closer to our appraisals, our cash reserves are higher than normal. In June, we closed the Longleaf Partners Fund due to limited new investments and a high cash position.

Perspective on the U.S. Market

We believe that the U.S. market, using the S&P 500 Index as a proxy, has significant risk embedded today. In part, the flood of money into passive strategies has helped extend the bull market beyond normal valuation metrics. Because passive investing has become so pervasive, when the momentum shifts in the opposite direction — which usually happens unexpectedly — capital

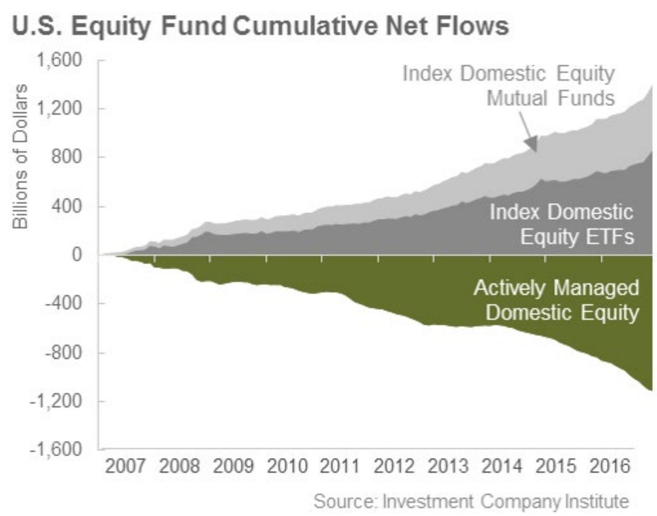
Average Annual Total Returns (6/30/17) Partners Fund: Since Inception (4/8/87): 10.52%, Ten Year: 2.96%, Five Year: 9.82%, One Year: 22.35%. Small-Cap Fund: Since Inception (2/21/89): 11.08%, Ten Year: 7.56%, Five Year: 13.63%, One Year: 14.78%. International Fund: Since Inception (10/26/98): 7.81%, Ten Year: 0.88%, Five Year: 9.81%, One Year: 32.35%. Global Fund: Since Inception (12/27/12): 9.38%, Ten Year: na, Five Year: na, One Year: 42.89%.

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

As reported in the Prospectus dated May 1, 2017, the total expense ratios for the Longleaf Partners Funds are: Partners Fund 0.95%, Small-Cap Fund 0.91%, International Fund 1.33%, and Global Fund 1.52%. The expense ratios are subject to fee waiver to the extent a fund's normal annual operating expenses exceed the following percentages of average annual net assets: Partners Fund 1.50%, Small-Cap Fund 1.50%, International Fund 1.75%, and Global Fund 1.65%. Effective May 1, 2016, Southeastern agreed to voluntarily reduce the expense limit to 1.20%. The voluntary fee waiver for the Global Fund may be discontinued at any time.

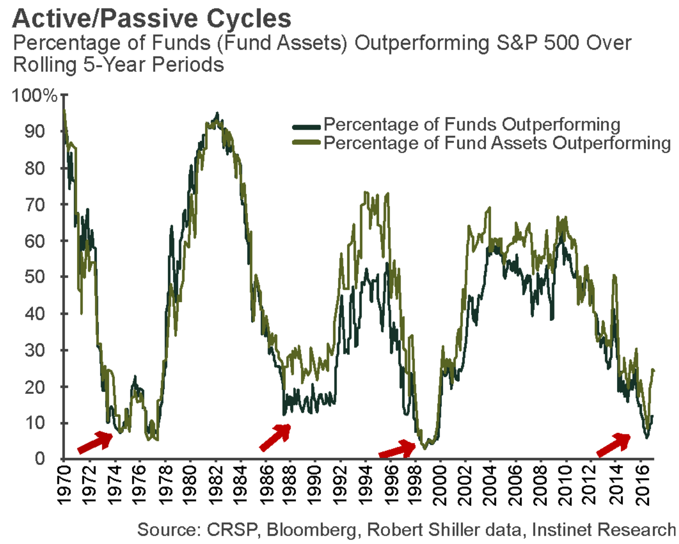
flows could move out just as quickly, causing significant losses for those invested in the index.

Passive investing is lower cost than active management and appropriate in many cases. But, when any strategy becomes a "no brainer," usually the trend has become overextended. The flows out of active strategies and into passive over the last 10 years have accelerated, as shown in the chart below. Because the S&P 500 and most indices are market cap weighted, the largest stocks have become ever larger, pushing prices beyond justifiable valuations with the momentum of inflows.



Passive investments have grown larger and more quickly than the above chart of mutual funds and ETFs indicates because it does not include UCITS funds, target date funds that replicate indices, the equity holdings of central banks around the world, which generally employ indices, or the universe of managers whose portfolios mimic the index with less than 80% Active Share. Active Share (AS) measures the proportion of a fund's portfolio that differs from the index. The academics who introduced AS say that index funds have 0-20% AS and also categorize managers with 20-60% AS as "closet indexers" because their portfolios do not contain enough differentiation to drive index outperformance. We believe most managers between 60-80% essentially shadow the index as well. They average over 100 stocks, which makes it harder to distinguish from an index, and their historic returns have not differed meaningfully from those of managers with less than 60% AS. The combined asset total of all U.S. equity index and pseudo-index assets makes extrapolating the passive growth of the last ten years dangerous as it ignores the real risk of overextension, given we are already in what we would call a passive indexing bubble.

The active/passive debate is not new. As the chart on the next page shows, performance runs in cycles, and active management is at a low point today. Late in the passive cycle,



active investing typically has been declared dead. That declaration has been followed by a strong active management comeback with corresponding disappointment for those who capitulated and owned the index, particularly at its most inflated levels.

Beyond the magnitude of passive assets, other indications of significant risk in U.S. indices include:

- Valuations as commonly measured by Price/Earnings ratios (P/E) are almost 19x today, well above the 15x average over the last 10 years and the longer term 25-year average of under 17x, which includes multiple bull and bear markets. Considering that today's earnings reflect margins at historically high levels, the current P/E is even more risky.
- The more meaningful and alarming measure of Enterprise Value/Earnings Before Interest and Taxes (EV/EBIT) adjusts for the current lower-than-normal interest rate costs of companies by removing interest payments from earnings and looking at overall debt (EV = the value of a company's debt + its equity price). EV/EBIT has averaged around 12x over the last 10 years and the longer term, but today it stands at almost 15x, a premium that is not justified simply by the market giving credit for any potential tax reform.
- Complacency is high among investors around the world with YTD volatility close to a multiyear low in Europe, Asia, and the U.S. The VIX, which tracks U.S. expected volatility, is near an all-time low.
- The spread of bullish versus bearish sentiment is over 36%, a level considered in the "danger zone," and not far from the bullish levels that preceded other market corrections.[1]

1 *Investors Intelligence, "Advisors Sentiment" by John Gray, 28 June 2017*

- The current U.S. bull market has lasted 100 months, much longer than the historic average of 55, and the gain has been 326%, over 50% above the bull market average of 185%.

Our Positioning

We have no ability to predict short-term market moves. We, therefore, spend all of our time focused on analyzing individual companies and invest with no regard for how our Funds look versus an index. We believe, however, that our bottom-up intrinsic value investing approach has positioned the Funds with less risk of permanent capital loss than the relevant indices across all of our strategies.

- Because of the difficulty around the world in finding new investments that meet our criteria, the Funds hold higher-than-normal cash that will be deployed when we find the next qualifier but also will serve as a buffer in a market downturn.
- If there is a market correction, our stocks will not be immune, but our high 95+% Active Share across all of the Partners Funds means the Funds have a much better chance of performing differently when the passive momentum turns negative.
- Across the Funds, the balance sheets of our companies are in good order, and interest coverage for our U.S. large cap holdings is almost four times higher than at the last market peak just before the Global Financial Crisis.
- The Global Fund has 35-40% of investments based in the U.S. versus almost 60% for the MSCI World Index, which means less exposure to the most overextended market; and, we believe those U.S. companies we do own are better positioned than the largest cap names that dominate the index.
- The Partners Fund owns mostly companies that have not been bid up as heavily by indexing, with roughly a quarter of the holdings domiciled outside of the U.S. and most others representing a negligible fraction of the cap-weighted benchmark's holdings. Additionally, several of our companies pay no dividend, meaning that the large group of yield-seeking investors (another trend that we do not undertake to discuss here) have bid up the primary competitors with larger dividend yields.

We own select businesses whose fundamentals meet our criteria of strong competitive position with growing intrinsic value, solid management partners, and a stock price that is discounted relative to the value of the company's free cash flow and/or asset values. We are confident that our companies across all four Longleaf Partners Funds will compound their values at solid rates over the next 3-5 years, and that we will be advantaged liquidity providers in the event of an index correction.

Transitions at Southeastern

Our clients have benefitted from the successful investment approach and partnership-oriented culture that have consistently guided Southeastern for over forty years. More recently, we have broadened the capabilities and responsibilities across the next generation of our research team members and focused analysts where they can add the most value. We are making the leadership transitions noted below which will enable the more senior members of our team to be more deeply involved in investing — the passion that first brought them to Southeastern. We are structuring Southeastern to ensure that the culture and approach that have made us successful in the past are firmly in place as we serve our clients for the next forty years.

Mason Hawkins remains Chairman and CEO of our firm, and Staley Cates is transitioning from President to Vice Chairman, where his focus will be on what is most beneficial to clients and what he enjoys the most – finding investments and managing portfolios. Mason and Staley remain co-managers on the Longleaf Partners Funds. Staley is also managing a sub-advisory account that follows Southeastern's value discipline and has the flexibility to invest in both equities and derivatives. This is another example, along with our Asia Pacific and concentrated European strategies, of allowing senior team members to manage a portfolio outside of the team process that clearly expresses their investment conviction and contributes investment ideas for Southeastern's broader strategies.

Ross Glotzbach is assuming the title of President, alongside his current role as Head of Research. Ross will work with Southeastern's Executive Committee to coordinate the firm's management functions. This expanded responsibility acknowledges Ross's leadership and importance to the future of our firm. In recognition of his research productivity and successful investment contributions, Ross, who currently serves as a co-manager on Longleaf Partners Small-Cap Fund, will also become a co-manager of Longleaf Partners Fund and the Longleaf Partners U.S. UCITS Fund.

Josh Shores, a 10-year veteran of Southeastern who has covered investments outside of the U.S., first from Memphis, and more recently from London, is moving back to Memphis. His inclusion on the firm's Executive Committee, which includes Mason, Staley, Ross, and COO/CFO Steve Fracchia, helps ensure a global perspective in our business decisions, as Josh serves as a conduit to our London and Singapore based teams. Additionally, Josh will become a co-manager on Longleaf Partners International Fund and will continue to focus on investments outside of the U.S. Scott Cobb will step away from co-managing the International Fund to allow him the time and focus required to engage more deeply with corporate managements in his role as Managing Partner on our concentrated, engaged European strategy. Scott will continue to lead our research efforts in

Europe and his work remains an important source of potential investments for the International and Global Funds. Ken Siazon continues as a co-manager on Longleaf International and as lead manager for our Asia Pacific Strategy. As has always been the case, the full research team shares ideas and discusses opportunities for the benefit of our clients across all of the Funds we manage.

These transitions expand responsibility and career opportunity across our research team and ensure future continuity. Our structure also focuses the organization on what is most important: finding great investments with a team of most capable investment professionals. As the largest investors in the funds we manage, we are confident that Southeastern is positioned to deliver superior long-term results for all our clients.

See following page for important disclosures.

Past performance does not guarantee future results.

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

RISKS

The Longleaf Partners Funds are subject to stock market risk, meaning stocks in the Fund may fluctuate in response to developments at individual companies or due to general market and economic conditions. Also, because the Funds generally invest in 15 to 25 companies, share value could fluctuate more than if a greater number of securities were held. Mid-cap stocks held by the Funds may be more volatile than those of larger companies. With respect to the Small-Cap Fund, smaller company stocks may be more volatile with less financial resources than those of larger companies. With respect to the International and Global Funds, investing in non-U.S. securities may entail risk due to non-US economic and political developments, exposure to non-US currencies, and different accounting and financial standards. These risks may be higher when investing in emerging markets.

The statements and opinions expressed are those of the author and are as of the date of this report.

The S&P 500 Index is an index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe. The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3,000 Index, which represents approximately 10% of the total market capitalization of the Russell 3000 Index. MSCI EAFE Index (Europe, Australasia, Far East) is a broad based, unmanaged equity market index designed to measure the equity market performance of 22 developed markets, excluding the US & Canada. MSCI World Index is a broad-based, unmanaged equity market index designed to measure the equity market performance of 24 developed markets, including the United States. An index cannot be invested in directly.

Price / Earnings (P/E) is the ratio of a company's share price compared to its earnings per share.

EV/EBITDA is a ratio comparing a company's enterprise value and its earnings before interest, taxes, depreciation and amortization.

VIX is the CBOE Volatility Index, which reflects the market's expectation of near-term S&P 500 volatility based on a range of index options.

The Global Financial Crisis (GFC) is a reference to the financial crisis of 2007-2008.

Return on capital (ROC) is a calculation used to assess a company's efficiency at allocating the capital under its control to profitable investments.

Funds distributed by ALPS Distributors, Inc. ALPS is not a distributor of the Longleaf Partners UCITS Funds.

LLP000646
Expires 10/31/2017

Longleaf Partners Fund

June 30, 2017

2Q17

Longleaf Partners Fund

(Closed to New Investors)

Contact Us (800) 445-9469 ▪ longleafpartners.com

Fund Profile

Investment Style	US mid-large cap value
Ticker	LLPFX
Inception Date	April 8, 1987
Net Assets	$3.4 billion
Expense Ratio	**0.95%**
Turnover (5 yr avg)	26%
Weighted Average Market Cap.	$76.8 billion

Holdings (14)

	Activity*	Weight
Level 3 Communications		10.4%
FedEx	--	7.6
CK Hutchison		6.9
Alphabet	--	5.7
Cheung Kong Property		5.4
United Technologies		5.3
CONSOL Energy		5.1
LafargeHolcim		4.7
CNH Industrial	--	4.7
Wynn Resorts	--	4.7
Fairfax Financial	NEW	4.6
Scripps Networks	--	3.4
Chesapeake Energy		3.2
T. Rowe Price		2.5
Cash		25.8
Total		100.0%

*Full eliminations include the following positions: None.

Investment Approach — Business, People, Price

The Fund seeks to buy 18-22 competitively entrenched, financially strong, well-managed companies whose stocks sell at deep discounts to intrinsic values.

Fund Management and Partnership

Southeastern Asset Management, founded in 1975, is an independent, Memphis-based global firm managing $19.8 billion. Southeastern's employees and related entities are the largest investors across the Longleaf Partners Funds.

Sector Composition

Industrials	24.5%
Telecommunication Services	10.4
Energy	8.3
Consumer Discretionary	8.1
Financials	7.1
Information Technology	5.7
Real Estate	5.4
Materials	4.7
Cash	25.8

Performance Contribution

Top Contributors	Return	Portfolio Contribution
Wynn Resorts	17%	1.04%
FedEx	12	1.00
CNH Industrial	19	0.92

Top Detractors	Return	Portfolio Contribution
CONSOL Energy	-11%	-0.64%
Chesapeake	-16	-0.63
Scripps Networks	-12	-0.50

Performance at 6/30/17

	Total Return		Average Annual Return					
	Qtr	YTD	One Year	Five Year	Ten Year	15 Year	20 Year	Since Inception
Partners Fund	**3.91%**	**7.97%**	**22.35%**	**9.82%**	**2.96%**	**6.32%**	**7.55%**	**10.52%**
S&P 500 Index	3.09	9.34	17.90	14.63	7.18	8.34	7.15	9.69

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RISKS

The Fund is subject to stock market risk, meaning stocks in the Fund may fluctuate in response to developments at individual companies or due to general market and economic conditions. Also, because the Fund generally invests in 15 to 25 companies, share value could fluctuate more than if a greater number of securities were held. Mid-cap stocks held may be more volatile than those of larger companies. Holdings are subject to change and discussion of holdings are not a recommendation to buy or sell any security. Current and future holdings are subject to risk.

Funds distributed by ALPS Distributors, Inc.

S&P 500 Index – An index of 500 stocks are chosen for market size, liquidity and industry grouping, among other factors. The S&P is designed to be a leading indicating of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe. An index cannot be invested in directly.

The Fund's expense ratio is subject to a fee waiver to the extent normal annual operating expenses exceed 1.5% of average annual net assets.

LLP000661 expires October 31, 2017

June 30, 2017

Longleaf Partners Fund Commentary

Longleaf Partners Fund gained 3.91% in the second quarter, exceeding both our absolute return goal of inflation plus 10% and the S&P 500 Index's 3.09%. These returns built on our strong results in 2016. Our year-to-date (YTD) return of 7.97% meaningfully exceeded our absolute goal but fell short of the index's 9.34% largely due to our cash position's impact. Much like the first quarter, performance was driven by positive returns and notable value growth at some of the portfolio's larger holdings. Our two energy companies were the primary detractors in the quarter. We closed the Fund to new investors on June 9, as we have done three other times in our history. While this is a comment on the relative lack of new ideas and higher-than-usual cash levels, we remain confident we can produce positive absolute and relative returns over the next 3-5 years.

The Fund's outperformance is notable given our high cash weight and minimal exposure to what drove the index — a reminder that successful stock selection in a concentrated portfolio with high Active Share is a winning formula. Health Care and Information Technology were the largest contributors to the index performance by a wide margin, even after Technology's retreat at the end of the period. The Fund had limited Information Technology investments and no Health Care, as we feel that the vast majority of companies in these two sectors, which make up over 35% of the S&P 500, are exhibiting dangerous signs of overvaluation. While cash held back the Fund's return, we feel that this bottom-up decision and long-held discipline will benefit the portfolio as we find new qualifying investment opportunities, either through individual company mispricing or when broader market sentiment turns.

One of the improvements that we have made to our process in recent years is being slower to part with long-term holdings that have performed well and qualify at a superior level on business and people. We will always maintain our discipline by trimming position weights of investments that have approached our conservative appraisal value. However, we do not want to overlook the ability of qualitatively superior companies with discernable but hard to quantify upside like FedEx, Level 3, Wynn Resorts and Alphabet, to grow their values in ways that do not necessarily fit easily into a spreadsheet.

We bought one new investment in the quarter and did not add to any of our existing holdings. We trimmed five securities. While our on-deck list remains smaller than usual, we do have a few prospects that we could own at the right price. We also are analyzing multiple avenues for taking advantage of the sell-off in all things retail related, but as of yet, have not found any that meet both our qualitative and quantitative criteria.

Contributors/Detractors

(2Q portfolio return; 2Q Fund contribution)

Wynn Resorts (+17%; +1.04%), the luxury gaming and hotel operator with prime properties in Las Vegas, Macau, and Boston, was the largest contributor this quarter, as it was in the first quarter. As Macau's rebound accelerated, Wynn's Palace property continued to ramp up strongly without cannibalizing the company's legacy Peninsula property nearly as much as the market previously feared. Wynn reported a solid quarter in Las Vegas and announced that phase one of its golf course redevelopment will be a much more prudent project than some had anticipated, once again illustrating the great partner CEO Steve Wynn has been since we invested. Construction is on track for the Boston property to open in 2019. Our appraisal grew in the quarter, but we trimmed the stock to a more normal weight as the gap between price and value narrowed

FedEx (+12%; +1.00%), one of the world's largest package delivery networks, contributed in the quarter. The company continued its excellent earnings momentum, driven currently by revenue strength and margin gains in the Express segment. The Ground segment revenues stayed incredibly strong, although margins were down as the company invested heavily in growth. We believe that the company is close to a point where Ground margins turn around and begin to grow as the large scale investment in new hubs slows. The company also communicated that the integration of its TNT acquisition from last year is going well, providing future earnings upside even though for now, TNT results are dilutive. Some of the investor panic around Amazon hurting FedEx as a competitor has also begun to subside, for logical reasons related to FedEx's physical scale and last mile density. FedEx is heavily weighted as the Fund's second largest position, reflecting our confidence in CEO Fred Smith and his team, as well as in FedEx's competitive strength and long-term value growth. We did trim our stake in the quarter, however, following the stock's appreciation.

CNH Industrial (+19%; +0.92%), the maker of agricultural equipment, commercial vehicles and construction equipment, contributed again in the quarter. The core agricultural business reported its best results since 2013. This segment continued to see unit demand stabilize, and pricing power remained intact. The company expects margins to improve at all segments this year. The best news during the quarter was the earlier-than-expected upgrade of CNH to investment grade status, which is more meaningful for this company than most others we follow. The upgrade will increase the efficiency of the financing business while likely freeing up over $1 billion of now excess capital for more productive uses, including share repurchase. We are thankful for CEO Rich Tobin's efforts on the operational front and believe that he will work with CNH's significant owners at EXOR to continue to build value per share.

Cheung Kong Property (+19%; +0.86%), the Hong Kong and China real estate company, was another notable contributor. The company achieved strong volumes of residential property sales in both countries. In the first half of 2017, Cheung Kong Property was the largest seller of residential property in Hong Kong. Additionally, the value of Cheung Kong Property's commercial Hong Kong properties was highlighted with the sale by the government of the comparable Murray Road property across from Cheung Kong Property's Hutchison House. The transaction fetched a land premium that implied a price of HK$50k per square foot (psf) on a gross floor area (GFA) basis and a cap rate of less than 3%. Our appraisal of Hutchison House is around HK$16k psf, which reflects the 5% cap rate we use to appraise Cheung Kong Property's office properties in Central, Hong Kong. Cheung Kong Property will begin redevelopment of Hutchison House which will allow the company to substantially increase the plot ratio from the current 22 story building to 38 floors. Managing Director Victor Li built value on two fronts by selling residential properties into a high price/high demand market and aggressively buying in Cheung Kong Property's undervalued stock. YTD, Cheung Kong Property paid HK$6.9 billion to repurchase ~3.3% of outstanding shares at a substantial discount to our appraisal. In May the company closed its acquisition of Duet in Australia. In the same month, Cheung Kong Property took advantage of the low interest rate environment and issued US$1.5 billion 4.6% guaranteed senior perpetual capital securities, which are being used to repurchase additional shares.

Alphabet, (+10%; +0.74%), the diversified internet company with strong positions worldwide in search (Google), video (YouTube), mobile (Android) and more, was another contributor in the quarter. Revenue growth accelerated, and margins were better than expected. The company bought back shares and continued to simplify its Other Bets segment while growing its lead in driverless cars. The $2.7 billion European Union (EU) fine levied at the end of the quarter was a negative, but it remains to be seen exactly how the EU ruling will play out. Alphabet has been one of Southeastern's best value-growers in recent years. While we trimmed the position slightly, we believe that the company's core business growth will continue, YouTube and Other Bets offer additional harder-to-quantify upside, and the strong balance sheet with substantial cash provides attractive downside mitigation.

Level 3 Communications (+4%, +0.37%), the multinational telecommunications and Internet service provider, did not have a significant impact on the Fund's performance but made a major announcement during the quarter. CEO Jeff Storey was named the successor to CEO Glen Post at CenturyLink, whose acquisition of Level 3 should close in a few months. With this announcement, we are thrilled that Storey's stellar team, who created 182% in shareholder return since he took over in 2013, will be running operations at the new CenturyLink — a powerful combination of Level 3 with CenturyLink's fiber network, most of which came through its 2011 acquisition of Qwest. Level 3 is the Fund's largest position but will become a normal weight after the merger because at the current CenturyLink price, around 45% of the deal will be paid in cash.

CONSOL Energy (-11%, -0.64%), the Appalachian natural gas and coal company, was a detractor in the quarter. The operating items within the company's control – production, costs, and smaller asset sales – were generally positive. However, weaker gas prices weighed on the stock and its peers. The uncertainty around the details of how the company's announced plans to separate its gas and coal operations will play out likely also negatively impacted the stock. Two items highlighted the value in the company's assets. First, CONSOL's partner in the pipeline company Cone Midstream sold its interest at a price above where we carry CONSOL's identical assets. This both demonstrates what this asset is worth and likely brings in a new partner that will be more willing to grow Cone's value. Second, late in the quarter Rice Energy (an Appalachian gas company which is a good comparable for CONSOL's assets) sold to EQT Corporation at a price that implied a significantly higher value for CONSOL's gas operations than the current stock price. CEO Nick DeIuliis and Chairman Will Thorndike remain focused on delivering the unrecognized value within CONSOL, and 2017 likely will be a pivotal year for the company.

Chesapeake Energy (-16%, -0.63%), one of the largest U.S. producers of natural gas, oil, and natural gas liquids, was a detractor. Weak commodity prices impacted the oil and gas group overall, but what was most striking about Chesapeake was the stock price's extremely high correlation to oil prices instead of natural gas prices this quarter. Although Chesapeake's production is primarily weighted to gas, a meaningful percentage of the company's current earnings before interest, taxes, depreciation and amortization (EBITDA) comes from oil. Additionally, oil's importance to Chesapeake going forward has increased with much of current drilling focused on oil, especially in the Powder River Basin and Eagle Ford Shale. CEO Doug Lawler and his team will make prudent asset sales when the price and time are right, as they have done in the past, but the lack of such reported sales this quarter also weighed on the stock price.

Portfolio Activity

We added **Fairfax Financial**, a Canadian based insurance and reinsurance operator, to the portfolio in the quarter.

Southeastern previously owned the company for over a decade, and both the Longleaf International and Small-Cap Funds had positions. CEO and Founder Prem Watsa has continued to increase Fairfax's value since we sold three years ago, and the company has outgrown the small cap universe. Fairfax is underwriting more successfully than when we previously owned it, is about to complete a value-accretive merger with Allied World, and still has the investing prowess of Watsa and his team. Because the merger is on the come and Watsa is holding a large amount of cash that is not producing income, near-term reported earnings per share are well below the company's long run earnings power. We are excited to partner with Watsa at Fairfax again.

Outlook

The Fund's P/V ratio is higher than usual in the mid-70s%, as is our cash level at 26%. Our outlook remains much the same as last quarter. We believe that our current roster of companies has the ability to produce solid results, even in a potentially difficult environment. Our cash will turn into our next great investments, but we can never predict what they will be or when they will be bought. While the current elevated market can be frustrating, we take comfort in our long track record of patience and discipline eventually being rewarded. We are appreciative of the patience of our fellow shareholders as well.

We are pleased to announce that in recognition of his research productivity and successful investment contributions, Ross Glotzbach, who currently serves as a co-manager on Longleaf Partners Small-Cap Fund, joined Mason Hawkins and Staley Cates as a co-manager of the Partners Fund effective July 10.

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The Longleaf Partners Fund is subject to stock market risk, meaning stocks in the Fund may fluctuate in response to developments at individual companies or due to general market and economic conditions. Also, because the Fund generally invests in 15 to 25 companies, share value could fluctuate more than if a greater number of securities were held. Mid-cap stocks held by the Fund may be more volatile than those of larger companies.

The S&P 500 Index is an index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe. An index cannot be invested in directly.

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

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

EBITDA is a company's earnings before interest, taxes, depreciation and amortization.

Active Share measures how much an equity portfolio's holdings differ from those of the benchmark index.

Cap rate (capitalization rate) is the rate of return on a real estate investment property based on expected income.

As of June 30 2017, the holdings discussed represented the following percentages of the Longleaf Partners Fund: Wynn, 4.7%; FedEx, 7.6%; CNH Industrial, 4.7%; Cheung Kong Property, 5.4%; Alphabet, 5.7%; CONSOL, 5.1%; Chesapeake Energy, 3.2%; Level 3, 10.4%; Fairfax, 4.6%. Fund holdings are subject to change and holdings discussions are not recommendations to buy or sell any security. Current and future holdings are subject to risk.

Funds distributed by ALPS Distributors, Inc.

LLP000656

Expires 10/31/17

Longleaf Partners Small-Cap Fund

June 30, 2017

2Q17

Longleaf Partners Small-Cap Fund (Closed to New Investors)

Contact Us (800) 445-9469 ▪ longleafpartners.com

Fund Profile

Investment Style	US small-cap value
Ticker	LLSCX
Inception Date	February 21, 1989
Net Assets	$4.2 billion
Expense Ratio	**0.91%**
Turnover (5 yr avg)	29%
Weighted Average Market Cap.	$6.8 billion

Holdings (17)

	Activity*	Weight
Level 3 Communications		8.1%
Graham Holdings		6.2
OCI		5.8
ViaSat		5.5
Wynn Resorts	--	5.1
Eastman Kodak *(preferreds)*	+	5.0
Formula One Gorup	--	4.9
Hopewell		4.8
CONSOL Energy		4.4
Sonic		4.0
Actuant		3.4
Scripps Networks	--	3.3
Deltic Timber		3.2
Neiman Marcus *(bonds)*	+	3.1
Everest Re		2.7
Undisclosed	NEW	2.6
SEACOR Marine	NEW/SPIN	0.3
Cash		27.6
Total		100.0%

*Full eliminations include the following positions: SEACOR.

Investment Approach — Business, People, Price

The Fund seeks to buy 18-22 competitively entrenched, financially strong, well-managed companies whose stocks sell at deep discounts to intrinsic values.

Fund Management and Partnership

Southeastern Asset Management, founded in 1975, is an independent, Memphis-based global firm managing $19.8 billion. Southeastern's employees and related entities are the largest investors across the Longleaf Partners Funds.

Sector Composition

Consumer Discretionary	26.6%
Information Technology	10.5
Materials	9.0
Telecommunication Services	8.1
Real Estate	7.4
Energy	4.7
Industrials	3.4
Financials	2.7
Cash	27.6

Performance Contribution

Top Contributors	Return	Portfolio Contribution
Wynn Resorts	17%	1.03%
OCI	14	0.75
Formula One	7	0.47

Top Detractors	Return	Portfolio Contribution
CONSOL Energy	-11%	-0.55%
Scripps Networks	-12	-0.47
Eastman Kodak	-6	-0.27

Performance at 6/30/17

	Total Return		Average Annual Return					
	Qtr	YTD	One Year	Five Year	Ten Year	15 Year	20 Year	Since Inception
Small-Cap Fund	**0.98%**	**4.95%**	**14.78%**	**13.63%**	**7.56%**	**10.81%**	**10.67%**	**11.08%**
Russell 2000 Index	2.46	4.99	24.60	13.70	6.92	9.19	7.98	9.64

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

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

RISKS

The Fund is subject to stock market risk, meaning stocks in the Fund may fluctuate in response to developments at individual companies or due to general market and economic conditions. Also, because the Fund generally invests in 15 to 25 companies, share value could fluctuate more than if a greater number of securities were held. Smaller company stocks may be more volatile with less financial resources than those of larger companies. Holdings are subject to change and discussion of holdings are not a recommendation to buy or sell any security. Current and future holdings are subject to risk.

Funds distributed by ALPS Distributors, Inc.

The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3,000 Index, which represents approximately 10% of the total market capitalization of the Russell 3000 Index. An index cannot be invested in directly.

The Fund's expense ratio is subject to a fee waiver to the extent normal annual operating expenses exceed 1.5% of average annual net assets.

LLP000662 expires October 31, 2017

June 30, 2017

Longleaf Partners Small-Cap Fund Commentary

Longleaf Partners Small-Cap Fund gained 0.98% in the second quarter. While a positive return, it trailed both our absolute return goal of inflation plus 10% and the Russell 2000 Index's 2.46%. These results caused the Fund's year-to-date (YTD) performance to fall barely below the index at 4.95% versus 4.99%. Most holdings grew their value, some that the market realized and some it did not.

Holding cash in a rising market held back the Fund's relative returns, but we feel that this bottom-up decision and long-held discipline will benefit the portfolio as we find new qualifying investment opportunities, either through individual company mispricing or when broader sentiment turns. Our energy exposure was also a detractor. The main reason for the Fund's relative underperformance, however, was errors of omission from areas that drove the index but we see as overvalued. Information Technology and Health Care were by far the largest contributors to the index performance both this quarter and YTD, comprising the majority of the benchmark's return for the two periods and these sectors also accounted for the majority of the Fund's relative underperformance. The excesses of the later stages of a bull market often can be seen most in the more speculative parts of the market, and we feel that the vast majority of small cap companies in these two sectors, which make up over 30% of the Russell 2000, are exhibiting dangerous signs of overvaluation. As evidence, the Information Technology sector of the Russell 2000 is trading at a Price/Earnings (PE) multiple of 22, and Health Care is trading at 25.

One of the improvements that we have made to our process in recent years is being slower to part with longer term holdings that have performed well and qualify at a superior level on business and people. We will always maintain our discipline by trimming position weights of investments that have approached our conservative appraisal value. However, we do not want to overlook the ability of qualitatively superior companies with discernable but hard to quantify upside like Level 3, Wynn Resorts and Formula One, to grow their values in ways that do not necessarily fit easily into a spreadsheet.

We began buying one new investment in the quarter and added to two of our existing holdings. We sold one company and trimmed three securities. While our on-deck list remains smaller than usual, we do have a few prospects that we could own at the right price. We also are analyzing multiple avenues for taking advantage of the sell-off in all things retail related, but as of yet, have not found any that meet both our qualitative and quantitative criteria.

Contributors/Detractors

(2Q portfolio return; 2Q Fund contribution)

Wynn Resorts (+17%, +1.03%), the luxury gaming and hotel operator with prime properties in Las Vegas, Macau, and Boston, was the largest contributor this quarter, as it was in the first quarter. As Macau's rebound accelerated, Wynn's Palace property continued to ramp up strongly without cannibalizing the company's legacy Peninsula property nearly as much as the market previously feared. Wynn reported a solid quarter in Las Vegas and announced that phase one of its golf course redevelopment will be a much more prudent project than some had anticipated, once again illustrating the great partner CEO Steve Wynn has been since we invested. Construction is on track for the Boston property to open in 2019. Our appraisal grew in the quarter, but we trimmed the stock to a more normal weight as the gap between price and value narrowed.

OCI (+14%; +0.75%), the global nitrogen fertilizer and methanol producer, contributed positively to results in the quarter. Improved prices and volumes for related commodities led to greatly increased cash flow year-over-year. The company's Iowa fertilizer plant began operating in April, which showed the market that this formerly non-earning asset is now about to produce significant earnings. OCI also made progress bringing its new methanol plant ("Natgasoline") closer to its fourth quarter completion date. Late in the quarter, OCI's stock price responded positively to rumors of private equity interest in the company. We are confident that our proven, aligned partner, Chairman Nassef Sawiris, will navigate any strategic outcome in a way that maximizes shareholder value.

Level 3 Communications (+14%, +0.29%), the multinational telecommunications and Internet service provider, did not have a significant impact on the Fund's performance but made a major announcement during the quarter. CEO Jeff Storey was named the successor to CEO Glen Post at CenturyLink, whose

Average Annual Total Returns (6/30/17): Since Inception (2/21/89): 11.08%, Ten Year: 7.56%, Five Year: 13.63%, One Year: 14.78%

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

As reported in the Prospectus dated May 1, 2017, the total expense ratios for the Longleaf Partners Small-Cap Fund is 0.91% The expense ratio is subject to fee waiver to the extent normal annual operating expenses exceed 1.50% of average annual net assets.

acquisition of Level 3 should close in a few months. With this announcement, we are thrilled that Storey's stellar team, who created 182% in shareholder return since he took over in 2013, will be running operations at the new CenturyLink - a powerful combination of Level 3 with CenturyLink's fiber network, most of which came through its 2011 acquisition of Qwest. Level 3 is the Fund's largest position but will become a normal weight after the merger because at the current CenturyLink price, around 45% of the deal will be paid in cash.

CONSOL Energy (-11%; -0.55%), the Appalachian natural gas and coal company, was a detractor in the quarter. The operating items within the company's control – production, costs, and smaller asset sales – were generally positive. However, weaker gas prices weighed on the stock and its peers. The uncertainty around the details of how the company's announced plans to separate its gas and coal operations will play out likely also negatively impacted the stock. Two items highlighted the value in the company's assets. First, CONSOL's partner in the pipeline company Cone Midstream sold its interest at a price above where we carry CONSOL's identical assets. This both demonstrates what this asset is worth and likely brings in a new partner that will be more willing to grow Cone's value. Second, late in the quarter Rice Energy (an Appalachian gas company which is a good comparable for CONSOL's assets) sold to EQT Corporation at a price that implied a significantly higher value for CONSOL's gas operations than the current stock price. CEO Nick DeIuliis and Chairman Will Thorndike remain focused on delivering the unrecognized value within CONSOL, and 2017 likely will be a pivotal year for the company.

Portfolio Changes

We added one new company in the quarter that we have chosen not to disclose because we are still building our position. During the quarter, **SEACOR Holdings**, the provider of marine transportation services, split into two companies – SEACOR Holdings and SEACOR Marine Holdings. We sold SEACOR Holdings, since it traded at our value post-spin. We still held SEACOR Marine Holdings at quarter end, since it traded at a large discount to our value. Our relatively short SEACOR history thus far illustrates the importance of the margin of safety. In spite of reducing our appraisal after being wrong on how much lower oil and agriculture prices would impact operations, we have avoided a loss because of the deep discount we initially paid. SEACOR also highlights another improvement in our process over the last five years — we now have much higher hurdles to clear before adding to a position if the value is declining, even if the discount looks compelling. SEACOR remained a small holding over the last year because we did not add to it as the case and our appraisal changed.

Outlook

The Fund's P/V ratio is higher than usual in the mid-70s%, as is our cash level at 28%. Our outlook remains much the same as last quarter. We believe that our current roster of companies has the ability to produce solid results, even in a potentially difficult environment. Our cash will turn into our next great investments, but we can never predict what they will be or when they will be bought. While the current elevated market can be frustrating, we take comfort in our long track record of patience and discipline eventually being rewarded. We are appreciative of the patience of our fellow shareholders as well.

See following page for important disclosures.

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

RISKS

The Longleaf Small-Cap Fund is subject to stock market risk, meaning stocks in the Fund may fluctuate in response to developments at individual companies or due to general market and economic conditions. Also, because the Fund generally invests in 15 to 25 companies, share value could fluctuate more than if a greater number of securities were held. Smaller company stocks may be more volatile with less financial resources than those of larger companies.

The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3,000 Index, which represents approximately 10% of the total market capitalization of the Russell 3000 Index. An index cannot be invested in directly.

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

Price / Earnings (P/E) is the ratio of a company's share price compared to its earnings per share.

"Margin of Safety" is a reference to the difference between a stock's market price and Southeastern's calculated appraisal value. It is not a guarantee of investment performance or returns.

As of June 30,2017, the holdings discussed represented the following percentages of the Longleaf Partners Small-Cap Fund: Wynn, 5.1%; Formula One, 4.9%; OCI, 5.8%; CONSOL, 4.4%; Level 3, 8.1%; SEACOR, 0.3%. Fund holdings are subject to change and holding discussions are not recommendations to buy or sell any security. Current and future holdings are subject to risk.

Funds distributed by ALPS Distributors, Inc.

LLP000657

Expires 10/31/17

Longleaf Partners International Fund

Longleaf Partners International Fund

Contact Us (800) 445-9469 ▪ longleafpartners.com

Fund Profile

Investment Style	International value
Ticker	LLINX
Inception Date	October 26, 1998
Net Assets	$1.2 billion
Expense Ratio	**1.33%**
Turnover (5 yr avg)	44%
Weighted Average Market Cap.	$18.5 billion

Holdings (19)

	Activity**	Weight
EXOR		7.9%
LafargeHolcim		7.4
CK Hutchison		6.5
OCI		6.0
Melco International	--	5.0
Cheung Kong Property		5.0
Fairfax Financial	+	5.0
Great Eagle		4.6
Yum China	--	4.4
Baidu		3.9
C&C		3.8
Ferrovial		3.2
Millicom		2.4
CEMEX *(bonds)*	--	2.1
K. Wah International	--	1.4
Applus Services		1.1
Genting Berhad *(equity/warrants)*	--	0.9*
MLog		0.3
Undisclosed	NEW	0.2
Cash		28.9*
Total		100.0%

**Full eliminations include the following positions: Genting Singapore and STADA.

Investment Approach — Business, People, Price

The Fund seeks to buy 18-22 competitively entrenched, financially strong, well-managed companies whose stocks sell at deep discounts to intrinsic values.

Fund Management and Partnership

Southeastern Asset Management, founded in 1975, is an independent, Memphis-based global firm managing $19.8 billion. Southeastern's employees and related entities are the largest investors across the Longleaf Partners Funds.

Sector Composition

Materials	15.8%
Financials	12.9
Real Estate	11.0
Industrials	10.8
Consumer Discretionary	10.5
Information Technology	3.9
Consumer Staples	3.8
Telecommunication Services	2.4
Cash	28.9*

Regional Composition

Europe ex-UK	31.8%
Asia ex-Japan	31.7
North America	5.0
Latin America	2.4
UK	0.2
Cash	28.9*

Performance Contribution

Top Contributors	Return	Portfolio Contribution
Melco	52%	2.83%
Yum China	45	2.17
CK Property	19	0.87

Top Detractors	Return	Portfolio Contribution
Fairfax Financial	-5%	-0.21%
K. Wah	-6	-0.12
C&C	-3	-0.11

Performance at 6/30/17

	Total Return		Average Annual Return					
	Qtr	YTD	One Year	Five Year	Ten Year	15 Year	20 Year	Since Inception
International Fund	**8.42%**	**17.96%**	**32.35%**	**9.81%**	**0.88%**	**5.40%**	**na**	**7.81%**
MSCI EAFE Index	6.12	13.81	20.27	8.69	1.03	6.31	na	4.58

*Weightings adjusted for close of warrants and purchase of underlying stock: Genting Berhad, 4.7% and Cash, 25.1%

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RISKS

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

Funds distributed by ALPS Distributors, Inc.

MSCI EAFE Index (Europe, Australasia, Far East) is a broad based, unmanaged equity market index designed to measure the equity market performance of 22 developed markets, excluding the US & Canada. An index cannot be invested in directly.

The expense ratio is subject to a fee waiver to the extent the Fund's normal annual operating expenses exceed 1.75% of average annual net assets.

LLP000663 expires October 31, 2017

June 30, 2017 2Q17

Longleaf Partners International Fund Commentary

Longleaf Partners International Fund returned 8.42% for the quarter, outperforming the MSCI EAFE Index's 6.12% gain and meaningfully exceeding our annualized absolute goal of inflation plus 10%. The Fund's year-to-date (YTD) results were a substantial 17.96% versus 13.81% for the index. Continued strength in our Asian holdings drove much of the Fund's outperformance, as did the fact that most of the stocks in the portfolio posted gains, and there were no material detractors. The Fund's large absolute and relative results were driven by very different factors than the index and came in spite of higher-than-normal cash level — a reminder that successful stock selection in a concentrated portfolio with high Active Share can be a winning formula.

Asian markets continued to make notable gains, heavily fueled by the pricey Information Technology sector (particularly in China) that propelled many markets worldwide. EAFE's largest country contribution came from heavily weighted Japan. The International Fund outperformed with no Japanese investments and minimal exposure to technology. We own a handful of Asian companies whose business results began to confirm our longer term investment cases for Macau gaming, Hong Kong real estate, and the newly spun out Yum China. Asia remains the most discounted market around the world, but stocks are no longer broadly cheap, particularly compared to twelve months ago. We trimmed several core Asian holdings but had limited opportunities to reallocate to in the region.

European equities represent over a 60% weight in EAFE, and this area produced over 75% of the index's return. The U.S. dollar's large decline against European currencies meant that over 50% of EAFE's total return was due to currency conversion. By contrast, the Fund's one-third weight in Europe and almost one-quarter exposure to Hong Kong, whose currency is pegged to the U.S. dollar, meant that currency translation added approximately 25% to the International Fund's results. The second largest country contribution to EAFE's return came from France, where the International Fund had no investments. The country's performance, appreciation of the Euro, and gains in broader Europe, were influenced in large part by politics, which have had a disproportionate impact on markets over the last year. Going into the first round of French elections on April 23rd, there was considerable angst over the potential impact of a far left or far right candidate taking the presidency of Europe's second largest economy. The resounding success of Emmanuel Macron in the first round, and his subsequent election in the second, lifted this cloud. European indices rallied to new twelve month highs. Our European universe became more overvalued, and several companies that were close to qualifying as new investments moved out of price range. In the last several weeks of the quarter, Europe retrenched a bit, which could bode well for new investments in the back half of the year.

Continuing the trend from the first quarter, market strength over the last three months led to more portfolio sales than purchases in a challenging environment in which to deploy capital. We exited two positions that reached fair value and trimmed five stronger performers. We bought one new company and added to Fairfax Financial. This activity resulted in cash at 29%, the highest level since summer of 2004. The normal recycling process was slow as our long on-deck list of potential investments did a lot more price appreciating than depreciating in the quarter.

We are not discouraged by the limited new opportunities and are confident our patience and discipline will pay off. Our on-deck list contains an ample number of companies around the world that meet our qualitative criteria and are not far from qualifying on price. A temporary setback or disappointment at any of these could put their stocks in buying range. Likewise, a more widespread market correction could help us put cash to work. Despite elevated market levels, dispersion remains broad, and we are investigating numerous prospective investments

Contributors/Detractors

(2Q portfolio return; 2Q Fund contribution)

Melco International (+52%; +2.83%), the Asian casino and resort holding company, was a primary contributor to performance as investors were encouraged by the accelerating recovery pace of industry gross gaming revenue (GGR) in Macau. GGR rose 17% in the first six months with May up 24% and June up 26%. Melco International's substantial holding company discount to the market value of its 51% stake in Melco Resorts, which operates the casinos, shrank considerably this year, as Melco International consolidated its control over Melco Resorts. The consolidation is an example of the solid stewardship of our partner, CEO Lawrence Ho. Although the

Average Annual Total Returns (6/30/17): Since Inception (10/26/98): 7.81%, Ten Year: 0.88%, Five Year: 9.81%, One Year: 32.35%

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As reported in the Prospectus dated May 1, 2017, the total expense ratio for the Longleaf Partners International Fund is 1.33%. The expense ratio is subject to fee waiver to the extent normal annual operating expenses exceed 1.75% of average annual net assets.

stock price remains discounted, we trimmed our stake to maintain a more normal portfolio weight.

Yum China (+45%, +2.17%), the operator of KFC and Pizza Hut restaurants in China, also helped drive Fund performance. The company reported its first full quarter as a newly spun off independent company, and significantly exceeded expectations for operating margins. In addition to helping current results, this margin strength has ramifications for the future value of stores to be developed. Both the reported results and YUM China's acquisition of online food delivery service Daojia, helped investors begin to realize that the enormous amount of meal delivery in China could end up being an additive weapon instead of a competitive threat for the company's store base. With the stock's significant gains, we reduced YUM China's portfolio weight, but we believe management will continue to drive attractive value growth.

Cheung Kong Property (+19%, +0.87%), the Hong Kong and China real estate company, was another notable contributor. The company achieved strong volumes of residential property sales in both countries. In the first half of 2017, Cheung Kong Property was the largest seller of residential property in Hong Kong. Additionally, the value of Cheung Kong Property's commercial Hong Kong properties was highlighted with the sale by the government of the comparable Murray Road property across from Cheung Kong Property's Hutchison House. The transaction fetched a land premium that implied a price of HK$50k per square foot (psf) on a gross floor area (GFA) basis and a cap rate of less than 3%. Our appraisal of Hutchison House is around HK$16k psf, which reflects the 5% cap rate we use to appraise Cheung Kong Property's office properties in Central, Hong Kong. Cheung Kong Property will begin redevelopment of Hutchison House which will allow the company to substantially increase the plot ratio from the current 22 story building to 38 floors. Managing Director Victor Li built value on two fronts by selling residential properties into a high price/high demand market and aggressively buying in Cheung Kong Property's undervalued stock. YTD, Cheung Kong Property paid HK$6.9 billion to repurchase ~3.3% of outstanding shares at a substantial discount to our appraisal. In May the company closed its acquisition of Duet in Australia. In the same month, Cheung Kong Property took advantage of the low interest rate environment and issued US$1.5 billion 4.6% guaranteed senior perpetual capital securities, which are being used to repurchase additional shares.

OCI (+14%; +0.83%), the global nitrogen fertilizer and methanol producer, contributed positively to results in the quarter. Improved prices and volumes for related commodities led to greatly increased cash flow year-over-year. The company's Iowa fertilizer plant began operating in April, which showed the market that this formerly non-earning asset is now about to produce significant earnings. OCI also made progress bringing its new methanol plant ("Natgasoline") closer to its fourth quarter completion date. Late in the quarter, OCI's stock price responded positively to rumors of private equity interest in the company. We are confident that our proven, aligned partner, Chairman Nassef Sawiris, will navigate any strategic outcome in a way that maximizes shareholder value.

There were no material detractors in the quarter.

Portfolio Changes

We bought one new company which is undisclosed as we hope to build a more meaningful stake. We increased the Fund's position in **Fairfax Financial**, a Canadian based insurance and reinsurance operator that we began buying in the first quarter. The Fund previously owned the company for over a decade with a successful outcome. CEO and Founder Prem Watsa has continued to increase Fairfax's value since we sold the stock in 2012. Fairfax is underwriting more successfully than when we previously owned it, is about to complete a value-accretive merger with Allied World, and still has the investing prowess of Watsa and his team. Because the merger is on the come and Watsa is holding a large amount of cash that is not producing significant income, near-term reported earnings per share are well below the company's long run earnings power. We are excited to partner with Watsa at Fairfax again.

We exited STADA Arzneimittel, the German maker of numerous over-the-counter medicine brands as well as generic drugs. Price reached our appraisal when the Board of Directors recommended a purchase offer from a private equity consortium. This investment is a good example of the difference that good partners make. For 20 years STADA was a serial underperformer with entrenched management poorly allocating capital and running the company as a personal fiefdom. We followed the company and liked its strong brands and discounted price but could not get comfortable with the people. In 2016, a German activist group got involved and changed management and most of the board. We started our position in November of 2016; private equity obviously was seeing the same opportunity. The company's new board and executives oversaw a disciplined, rational process that resulted in a good sale price and a nearly 50% gain for the Fund in less than 6 months. We also sold our stake in Genting Singapore, the casino company with a duopoly in Singapore and controlled by Genting Berhad. The stock reached our appraisal as the company reported a strong quarter. Hold-adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) rose around 45% year-over-year (YOY), beating market expectations by a wide margin. The company gained mass market share. Write-downs on VIP receivables fell over 80% YOY, and management's statements regarding the balance sheet implied a lower level of bad debt provisions going forward. The company also announced its intention to redeem S$2.3 billion of perpetual securities which would save almost S$120 million in interest costs. In our 19 month holding period, Genting Singapore generated a 52% return.

Outlook

The P/V of the Fund in the mid-70s% is higher than usual, as is the 29% cash position. In spite of a more challenging market for investing in undervalued securities, we are confident that the businesses we own have the financial and competitive strength to produce solid results. Our management partners are building values through strong operations, as well as prudent capital allocation. In addition, our productive research has built an attractive list of high quality prospective investments that we are positioned to buy as the market provides inevitable opportunities. We believe in the Fund's ability to generate long-term outperformance based on what we own and what we will own as a result of Southeastern's time-tested value discipline, deep global research team, and available firepower.

We are pleased to announce that Josh Shores will become a co-manager on the International Fund effective July 10 in recognition of his successful investment contributions during his 10-year Southeastern tenure. Josh has covered investments in Europe, South America, and Asia, and has resided both in Memphis and London. Scott Cobb will step away from co-managing the International Fund to allow him the time and focus required to engage more deeply with corporate managements in his role as Managing Partner on our concentrated, engaged European strategy. Scott will continue to lead our research efforts in Europe, and his work remains an important source of potential investments for Longleaf International.

See following page for important disclosures.

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

RISKS

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

MSCI EAFE Index (Europe, Australasia, Far East) is a broad based, unmanaged equity market index designed to measure the equity market performance of 22 developed markets, excluding the US & Canada. An index cannot be invested in directly.

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

Active Share measures how much an equity portfolio's holdings differ from those of the benchmark index.

Cap rate (capitalization rate) is the rate of return on a real estate investment property based on expected income.

EBITDA is a company's earnings before interest, taxes, depreciation and amortization.

As of June 30, 2017, the holdings discussed represented the following percentages of the Longleaf Partners International Fund:Melco, 5.0%; Yum China, 4.4%; Cheung Kong, 5.0%; OCI, 6.0%; Fairfax, 5.0%; STADA, 0%; Genting Berhad, 0.9%; Genting Singapore, 0.0%. Fund holdings are subject to change and holding discussions are not recommendations to buy or sell any security. Current and future holdings are subject to risk.

Funds distributed by ALPS Distributors, Inc.

LLP000658

Expires 10/31/17

Longleaf Partners Global Fund

June 30, 2017

Longleaf Partners Global Fund

Contact Us (800) 445-9469 ▪ longleafpartners.com

Fund Profile

Investment Style	Global value
Ticker	LLGLX
Inception Date	December 27, 2012
Net Assets	$0.2 billion
Expense Ratio* **	**1.52%**
Turnover (5 yr avg)	na
Weighted Average Market Cap.	$53.8 billion

Holdings (21)

	Activity**	Weight
Level 3 Communications	+	9.1%
FedEx		6.7
LafargeHolcim		6.0
EXOR		5.4
CK Hutchison		5.2
Wynn Resorts	--	5.0
Fairfax Financial	+	5.0
OCI		4.8
Yum China	--	4.4
United Technologies		4.3
Cheung Kong Property		4.2
Alphabet		4.1
Melco International	--	4.1
CNH Industrial		3.5
Ferrovial		3.4
Chesapeake Energy		2.6
Hopewell		2.5
T. Rowe Price		2.0
CONSOL Energy		1.7
K. Wah International	--	1.4
Genting Berhad (equity/warrants)	--	0.8*
Cash		13.8*
Total		100.0%

**Full eliminations include the following positions: Genting Singapore.

Investment Approach — Business, People, Price

The Fund seeks to buy 18-22 competitively entrenched, financially strong, well-managed companies whose stocks sell at deep discounts to intrinsic values.

Fund Management and Partnership

Southeastern Asset Management, founded in 1975, is an independent, Memphis-based global firm managing $19.8 billion. Southeastern's employees and related entities are the largest investors across the Longleaf Partners Funds.

Sector Composition

Industrials	23.1%
Consumer Discretionary	14.3
Financials	12.4
Materials	10.8
Telecommunication Services	9.1
Real Estate	8.1
Energy	4.3
Information Technology	4.1
Cash	13.8*

Regional Composition

North America	40.5%
Europe ex-UK	23.1
Asia ex-Japan	22.6
Cash	13.8*

Performance Contribution

Top Contributors	Return	Portfolio Contribution
Melco	52%	2.77%
Yum China	45	2.25
Wynn Resorts	17	1.00

Top Detractors	Return	Portfolio Contribution
Chesapeake	-16%	-0.55%
CONSOL Energy	-11	-0.23
Fairfax Financial	-5	-0.21

Performance at 6/30/17

	Total Return		Average Annual Return					
	Qtr	YTD	One Year	Five Year	Ten Year	15 Year	20 Year	Since Inception
Global Fund	**9.92%**	**19.48%**	**42.89%**	**na**	**na**	**na**	**na**	**9.38%**
MSCI World Index	4.03	10.66	18.20	na	na	na	na	10.54

*Weightings adjusted for close of warrants and purchase of underlying stock: Genting Berhad, 4.3% and Cash, 10.3%.

***Beginning May 1, 2016, Southeastern has agreed to waive fees and/or reimburse expenses so that Global Fund Total Annual Fund Operating Expenses (excluding interest, taxes, brokerage commissions and extraordinary expenses) do not exceed 1.2% of average net assets on an annualized basis. This voluntary waiver or reimbursement may be discontinued at any time.

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

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

RISKS

The Fund is subject to stock market risk, meaning stocks in the Fund may fluctuate in response to developments at individual companies or due to general market and economic conditions. Also, because the Fund generally invests in 15 to 25 companies, share value could fluctuate more than if a greater number of securities were held. Investing in non-U.S. securities may entail risk due to non-US currencies and different accounting and financial standards. These risks may be higher when investing in emerging markets. Holdings are subject to change and discussion of holdings are not a recommendation to buy or sell any security. Current and future holdings are subject to risk.

Funds distributed by ALPS Distributors, Inc.

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

LLP000660 expires October 31, 2017

June 30, 2017

Longleaf Partners Global Fund Commentary

Longleaf Partners Global Fund returned 9.92% for the quarter, meaningfully outperforming the MSCI World Index's 4.03% return as well as our annualized absolute goal of inflation plus 10%. The Fund's year-to-date (YTD) results were a substantial 19.48% versus 10.66% for the index. Most stocks in the portfolio posted gains with strength in our Asian holdings, particularly those with exposure to gaming, driving a large portion of the Fund's outperformance. The Fund's energy exposure provided the only notable headwind.

The Fund's outperformance came with minimal help from what drove the index — a reminder that successful stock selection in a concentrated portfolio with high Active Share can be a winning formula. Health Care and Information Technology were the largest contributors to the index YTD, though Financials and Health Care were the top contributors in the second quarter after Information Technology retreated at the end of the period. The Fund had limited exposure to Information Technology and none to Health Care, and is underweight Financials relative to the index, with no direct exposure to banks. We feel that the vast majority of companies in Information Technology and Health Care, which make up over 25% of the MSCI World Index, are exhibiting dangerous signs of overvaluation.

The Fund's geographic differentiation from the index also demonstrated that owning individual companies, rather than benchmark exposures, aided our substantial outperformance. Almost 60% of the index was invested in U.S. stocks which generated 40% of its second quarter return. By comparison, 20% of the Fund's return came from the U.S. where only about one-third of the portfolio was invested – a relatively small exposure that is not surprising given that we view this as the most overpriced region after over eight years of a bull market. As noted above, our Asian holdings, which were 23% of the portfolio, were the primary source of performance, generating over 60% of the Fund's return. Asia made up only 10% of the index (9% in Japan where we had no investments), and accounted for approximately 14% of its return. We have discussed this region's relative undervaluation for quite some time, and although it remained the most discounted area on a broad basis, valuations were notably higher than at the start of the year. Europe, where both the Fund and the benchmark had about one quarter of assets, drove almost half of the index's return but only 20% of the Fund's. Stocks in Europe rallied to new twelve month highs following the election of moderate candidate Emmanuel Macron in France, the region's second largest economy.

The market strength around the world over the last three months led to more portfolio sales than purchases in a challenging environment in which to deploy capital, and our cash position ended higher-than-normal. We added to two positions and bought no new investments. We trimmed five stronger performers and exited one. One of the improvements that we have made to our process in recent years is being slower to part with longer term holdings that have performed well and qualify at a superior level on business and people. We will always maintain our discipline by trimming position weights of investments that have approached our conservative appraisal value. However, we do not want to overlook the ability of qualitatively superior companies with discernable but hard to quantify upside like Melco, Yum China, Wynn Resorts, FedEx, Alphabet, and Level 3, to grow their values in ways that do not necessarily fit easily into a spreadsheet.

Our on-deck list of potential investments contains an ample number of companies around the world that meet our qualitative criteria and are not far from qualifying on price. A temporary setback or disappointment at any of these could put their stocks in buying range. Likewise, a more widespread moderate market correction could see cash quickly put to work. Despite elevated market levels, dispersion remains broad, and we are finding numerous prospective investments to investigate, including analyzing multiple avenues for taking advantage of the sell-off in all things retail related.

Contributors/Detractors

(2Q portfolio return; 2Q Fund contribution)

Melco International (+52%, +2.77%), the Asian casino and resort holding company, was a primary contributor to performance as investors were encouraged by the accelerating recovery pace of industry gross gaming revenue (GGR) in Macau. GGR rose 17% in the first six months with May up 24% and June up 26%. Melco International's substantial holding company discount to the market value of its 51% stake in Melco Resorts, which operates the casinos, shrank considerably this year, as Melco International consolidated its control over Melco Resorts. The consolidation is an example of the solid stewardship of our partner, CEO Lawrence Ho. Although the stock price remains discounted, we trimmed our stake to

Average Annual Total Returns (6/30/17): Since Inception (12/27/12): 9.38%, Ten Year: na%, Five Year: na%, One Year: 42.89%

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

As reported in the Prospectus dated May 1, 2017, the total expense ratio for the Longleaf Partners Global Fund is 1.52%. The expense ratio is subject to fee waiver to the extent normal annual operating expenses exceed 1.65% of average annual net assets. Effective May 1, 2016, Southeastern agreed to voluntarily reduce the expense limit to 1.20%. This voluntary fee waiver for the Global Fund may be discontinued at any time.

maintain a more normal portfolio weight

Yum China(+45%; +2.25%), the operator of KFC and Pizza Hut restaurants in China, also helped drive Fund performance. The company reported its first full quarter as a newly spun off independent company, and significantly exceeded expectations for operating margins. In addition to helping current results, this margin strength has ramifications for the future value of stores to be developed. Both the reported results and YUM China's acquisition of online food delivery service Daojia, helped investors begin to realize that the enormous amount of meal delivery in China could end up being an additive weapon instead of a competitive threat for the company's store base. With the stock's significant gain, we reduced YUM China's portfolio weight, but we believe management will continue to drive attractive value growth.

Wynn Resorts (+17%; +1.00%), the luxury gaming and hotel operator with prime properties in Las Vegas, Macau, and Boston, continued its strong gains from the first quarter. As Macau's GGR rebound accelerated, Wynn's Palace property continued to ramp up strongly without cannibalizing the company's legacy Peninsula property nearly as much as the market previously feared. Wynn reported a solid quarter in Las Vegas and announced that phase one of its golf course redevelopment will be a much more prudent project than some had anticipated, once again illustrating the great partner CEO Steve Wynn has been since we invested. Construction is on track for the Boston property to open in 2019. Our appraisal grew in the quarter, but we trimmed the stock to a more normal weight as the gap between price and value narrowed.

FedEx (+12%; +0.76%), one of the world's largest package delivery networks, contributed in the quarter. The company continued its excellent earnings momentum, driven currently by revenue strength and margin gains in the Express segment. The Ground segment revenues stayed incredibly strong, although margins were down as the company invested heavily in growth. We believe that the company is close to a point where Ground margins turn around and begin to grow as the large scale investment in new hubs slows. The company also communicated that the integration of its TNT acquisition from last year is going well, providing future earnings upside even though for now, TNT results are dilutive. Some of the investor panic around Amazon hurting FedEx as a competitor has also begun to subside, for logical reasons related to FedEx's physical scale and last mile density. FedEx is heavily weighted as the Fund's second largest position, reflecting our confidence in CEO Fred Smith and his team, as well as in FedEx's competitive strength and long-term value growth.

Cheung Kong Property (+19%; +0.74%), the Hong Kong and China real estate company, was another notable contributor. The company achieved strong volumes of residential property sales in both countries. In the first half of 2017, Cheung Kong Property was the largest seller of residential property in Hong Kong. Additionally, the value of Cheung Kong Property's commercial Hong Kong properties was highlighted with the sale by the government of the comparable Murray Road property across from Cheung Kong Property's Hutchison House. The transaction fetched a land premium that implied a price of HK$50k per square foot (psf) on a gross floor area (GFA) basis and a cap rate of less than 3%. Our appraisal of Hutchison House is around HK$16k psf, which reflects the 5% cap rate we use to appraise Cheung Kong Property's office properties in Central, Hong Kong. Cheung Kong Property will begin redevelopment of Hutchison House which will allow the company to substantially increase the plot ratio from the current 22 story building to 38 floors. Managing Director Victor Li built value on two fronts by selling residential properties into a high price/high demand market and aggressively buying in Cheung Kong Property's undervalued stock. YTD, Cheung Kong Property paid HK$6.9 billion to repurchase ~3.3% of outstanding shares at a substantial discount to our appraisal. In May the company closed its acquisition of Duet in Australia. In the same month, Cheung Kong Property took advantage of the low interest rate environment and issued US$1.5 billion 4.6% guaranteed senior perpetual capital securities, which are being used to repurchase additional shares.

Level 3 Communications (+4%, +0.28%), the multinational telecommunications and Internet service provider, did not have a significant impact on the Fund's performance but made a major announcement during the quarter. CEO Jeff Storey was named the successor to CEO Glen Post at CenturyLink, whose acquisition of Level 3 should close in a few months. With this announcement, we are thrilled that Storey's stellar team, who created 182% in shareholder return since he took over in 2013, will be running operations at the new CenturyLink - a powerful combination of Level 3 with CenturyLink's fiber network, most of which came through its 2011 acquisition of Qwest. Level 3 is the Fund's largest position but will become a more normal weight after the merger because at the current CenturyLink price, around 45% of the deal will be paid in cash.

Chesapeake Energy (-16%; -0.55%), one of the largest U.S. producers of natural gas, oil, and natural gas liquids, was the Fund's primary detractor. Weak commodity prices impacted the oil and gas group overall, but what was most striking about Chesapeake was the stock price's extremely high correlation to oil prices instead of natural gas prices this quarter. Although Chesapeake's production is primarily weighted to gas, a meaningful percentage of the company's current earnings before interest, taxes, depreciation and amortization (EBITDA) comes from oil. Additionally, oil's importance to Chesapeake going forward has increased with much of current drilling focused on oil, especially in the Powder River Basin and Eagle Ford Shale. CEO Doug Lawler and his team will make prudent asset sales when the price and time are right, as they have done in the past, but the lack of such reported sales this quarter also weighed on the stock price.

Portfolio Activity

We increased the Fund's position in **Fairfax Financial**, a Canadian based insurance and reinsurance operator that we began buying in the first quarter. Southeastern previously owned the company for over a decade, and both the Longleaf International and Small-Cap Funds had positions. CEO and Founder Prem Watsa has continued to increase Fairfax's value since we sold three years ago, and the company has outgrown the small cap universe. Fairfax is underwriting more successfully than when we previously owned it, is about to complete a value-accretive merger with Allied World, and still has the investing prowess of Watsa and his team. Because the merger is on the come and Watsa is holding a large amount of cash that is not producing significant income, near-term reported earnings per share are well below the company's long run earnings power. We are excited to partner with Watsa at Fairfax again

We sold our stake in **Genting Singapore**, the casino company with a duopoly in Singapore and controlled by Genting Berhad. The stock reached our appraisal as the company reported a strong quarter. Hold-adjusted EBITDA rose around 45% year-over-year (YOY), beating market expectations by a wide margin. The company gained mass market share. Write-downs on VIP receivables fell over 80% YOY, and management's statements regarding the balance sheet implied a lower level of bad debt provisions going forward. The company also announced its intention to redeem S$2.3 of billion perpetual securities which would save almost S$120 million in interest costs. In our 19 month holding period, Genting Singapore generated a 58% return

Outlook

The P/V in the high-70s% is higher than usual, as is the 14% cash position. In spite of a more challenging market for investing in undervalued securities, we are confident that the businesses we own have the financial and competitive strength to produce solid results. Our management partners are building values through strong operations as well as prudent capital allocation. In addition, our productive research has built an attractive list of high quality prospective investments that we are positioned to buy as the market provides inevitable opportunities. We believe in the Fund's ability to generate long-term outperformance based on what we own and what we will own as a result of Southeastern's time-tested value discipline and deep global research team.

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EBITDA is a company's earnings before interest, taxes, depreciation and amortization.

As of June 30, 2017, the holdings discussed represented the following percentages of the Longleaf Partners Global Fund: Melco, 4.1%; Yum China, 4.4%; Wynn, 5.0%; FedEx, 6.7%; Alphabet, 4.1%; Cheung Kong, 4.2%; Chesapeake, 2.6%; Level 3, 9.1%; Fairfax, 5.0%; Genting Berhad, 0.8%; Genting Singapore, 0.0%. Fund holdings are subject to change and holding discussions are not recommendations to buy or sell any security. Current and future holdings are subject to risk.

Funds distributed by ALPS Distributors, Inc.

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