



TWEEDY, BROWNE FUND INC.

This booklet consists of two separate documents:

INVESTMENT ADVISER'S LETTER TO SHAREHOLDERS

SEMI-ANNUAL REPORT

Tweedy, Browne Global Value Fund
Tweedy, Browne Global Value Fund II - Currency Unhedged
Tweedy, Browne Value Fund
Tweedy, Browne Worldwide High Dividend Yield Value Fund

September 30, 2010

Investment Adviser’s Letter to Shareholders	I-1
Semi-Annual Report	II-1
Tweedy, Browne Fund Inc.	
Expense Information	II-2
Tweedy, Browne Global Value Fund	
Portfolio of Investments	II-3
Sector Diversification	II-5
Portfolio Composition	II-5
Schedule of Forward Exchange Contracts	II-5
Tweedy, Browne Global Value Fund II - Currency Unhedged	
Portfolio of Investments	II-7
Sector Diversification	II-9
Portfolio Composition	II-9
Tweedy, Browne Value Fund	
Portfolio of Investments	II-10
Sector Diversification	II-11
Portfolio Composition	II-11
Schedule of Forward Exchange Contracts	II-11
Tweedy, Browne Worldwide High Dividend Yield Value Fund	
Portfolio of Investments	II-12
Sector Diversification	II-13
Portfolio Composition	II-13
Tweedy, Browne Fund Inc.	
Statements of Assets and Liabilities	II-14
Statements of Operations	II-15
Statements of Changes in Net Assets	II-16
Financial Highlights	II-18
Notes to Financial Statements	II-20
Investment in the Fund by the Investment Adviser and Related Parties	II-24

Our Investment Team



Olivier Berlage
Analyst



David Browne
Analyst



Roger de Bree
Analyst



Frank Hawrylak
Analyst

Managing Directors

William H. Browne



John D. Spears



Robert Q. Wyckoff, Jr.



Thomas H. Shrager

J. Jay Hill
Analyst



Laura Jereski
Analyst



Dave Krasne
Analyst



Elliot Lerner
Analyst



Sean McDonald
Analyst



This page left blank intentionally.

Investment Adviser's Letter to Shareholders (Unaudited)

To Our Shareholders:

According to Amity Shlaes, a widely regarded financial journalist and author of the book on The Great Depression, *The Forgotten Man*, in 1938 Mr. Lamont du Pont, then head of E.I. DuPont company, spoke of a “fog of uncertainty” slowing business. Mr. du Pont noted in the company’s annual report that arbitrary actions of government always slowed business down: “...by land and sea the universal practice under conditions of fog is to slacken speed.”^a

Both at home and abroad, the uncertainty today surrounding the global economy, divergent government economic policies, and lack of clarity on regulatory and tax policy is undoubtedly having a similar dampening effect on the recovery from the “great recession” in most developed economies. Unemployment remains stubbornly high, growth is sluggish, and deficits are mounting, as the government tries to offset the effect of deleveraging in the private sector by increased public sector spending. As John Maynard Keynes noted in his book, *The General Theory of Employment, Interest and Money*:^b

In abnormal times in particular, when the hypothesis of an indefinite continuance of the existing state of affairs is less plausible than usual even though there are no express grounds to anticipate a definite change, the market will be subject to waves of optimistic and pessimistic sentiment, which are unreasoning and yet in a sense legitimate where no solid basis exists for a reasonable calculation.

This is certainly an apt description of the economic and investment climate today in many parts of the world. The results of uncertainty are to a significant degree predictable: volatile markets and sharp reactions across asset classes to daily news flows; high correlation in price movements with little observable differentiation between those assets that might be more or less affected; and intensified focus on short term approaches, the implicit assumption being that someone possesses the “investment intuition” (our phrase) to get this right on a regular basis. Some argue that “Wall Street” has lost sight of its primary purpose. Charlie Munger, Vice Chairman of Berkshire Hathaway and longtime partner of Warren Buffett, during Wesco’s annual shareholders’ meeting in May of this year, was asked about “standards” on Wall Street. In his outspoken fashion, he summed up his views by contrasting the activities of Wall Street with those of a longtime friend and businessman named Guilford Glazer in the quote below.^c (We will, if given permission, post a copy of the interview on our website.)

It’s very understandable. They’re recruiting young men and women whose spouses want them to get ahead. They want the place to prosper. And the only way to do that is to be even more aggressive at something that often shouldn’t be done at all. So the standards go down almost in a competitive frenzy.

And something like that has happened in investment banking. At its peak, something like the Lehman firm, just before it went under, was pathological. It’s not too extreme to call it pathological. When you’re often dealing with crooked, crazy mortgage loan originators who behave like the worst boiling room operators of yesteryear, it’s wrong to put those loans into securities and hire other people on commission to sell the securities while nobody cares about the ultimate quality. You’re behaving in a way that Glazer’s father would not have recommended. His simple rule was, “You want to work hard to sell people things that are good for them.”

Others might say Wall Street is simply providing their clients with the products they need to achieve their investment objectives. A few of these innovations include flash trading; structured investment products such as reverse convertible notes with knock-in put options (the underwriter advises you to read the prospectus carefully so you can understand why they might pay 500+ points over treasuries); and last but not least, ETFs backed by over-the-counter swaps because direct investment in certain markets is limited due to apparent liquidity factors. To our mind, these innovations give us lots to think about and good reason to count to ten before acting.

One aspect of this environment in which we have taken more than an academic interest has been the average investor’s massive reallocation of financial assets into bonds despite pre-tax yields of approximately 2.6% on 10-year treasuries. At these yields, we worry that perhaps the stage is being set for another disappointment down the road, this time in the bond market. We will say a bit more about this later in our letter.

Interestingly, in the corporate world, businesses have adjusted quickly to the new economic realities, rationalizing assets, both fixed and human, carefully managing working capital and strengthening balance sheets. Many companies are selling long dated bonds to lock in what they consider attractive costs of capital – the most glaring example of which was the issuance of 100-year bonds by Norfolk Southern. Cash on corporate balance sheets is also near record levels. U.S. businesses are estimated to hold one trillion dollars on their balance sheets.

Given all of this uncertainty, it isn’t surprising that equity markets have not produced much in the way of total returns over the past six months. On the bright side, for those of us with a slightly different perspective and time horizon, the sharp swings in prices has the effect of producing new investment opportunities from time to time. While the markets currently feel a bit like a financial video game, we think of an equity as a claim on an income stream or an asset, and that pricing will inevitably be a reflection of that fact.

As of September 30, 2010, the four Tweedy, Browne Funds outperformed their relevant benchmarks over the past six months, twelve months and year-to-date. More importantly, to our way of thinking, with the exception of our new Global Value Fund II – Currency Unhedged, which has been in

existence for less than a year, the other three Funds did well on an absolute basis, producing double digit returns for the year ending September 30, 2010. While we always believe that it is our long-term results that matter most, we were flattered to learn that our flagship fund, the Global Value Fund, which is hedged to U.S. dollars, finished the one-year period with a 14.91% return, making it the No. 1 ranked Foreign Large Cap Value fund in the Morningstar universe. The Value Fund's return of 11.10% and the Worldwide High Dividend Yield Value Fund's return of 11.15% for the same period ranked in the top 30% of World Stock Funds as measured by Morningstar. Longer term comparisons of all of our Funds to indices and other mutual funds also remain very favorable.

Morningstar has ranked each Fund among its peers based on average annual total return. For the 1-, 5-, and 10-year periods ended September 30, 2010, in the Foreign Large Cap Value category, the Global Value Fund has ranked in the top 1% (out of 368 funds), the top 11% (out of 218 funds), and the top 27% (out of 125 funds), respectively. For the 1-, 5-, and 10-year periods ended September 30, 2010, in the World Stock Fund category, the Value Fund has ranked in the top 30% (out of 846 funds), the top 47% (out of 485 funds), and the top 30% (out of 264 funds), respectively. For the 1-year period ending September 30, 2010, in the World Stock Fund category, the Worldwide High Dividend Yield Value Fund ranked in the top 30% (out of 846 funds). Past performance is no guarantee of future results. The ranking of the Worldwide High Dividend Yield Value Fund may have been lower had fees not been waived and/or reimbursed.

Performance Results

Presented below are investment results of the four Tweedy, Browne mutual funds through September 30, 2010, with comparisons to the indices we consider relevant.*

Tweedy, Browne Global Value Fund					
Period Ended 9/30/10	Return before Taxes**	Return after Taxes on Distributions**	Return after Taxes on Sale of Fund Shares**	MSCI EAFE Index ⁽¹⁾⁽²⁾ (Hedged to US\$)	MSCI EAFE Index ⁽¹⁾⁽²⁾ (in US\$)
Year-to-Date	6.46%	6.46%	4.20%	-0.12%	1.07%
6 Months	1.99	1.99	1.29	-4.11	0.20
1 Year	14.91	15.04	10.41	2.81	3.27
3 Years	-3.97	-4.96	-3.22	-9.80	-9.51
5 Years	3.73	3.03	3.35	0.36	1.97
10 Years	5.51	4.65	4.61	-0.37	2.56
15 Years	9.78	8.54	8.22	5.01	4.53
Since Inception (6/15/93) ⁽³⁾	10.03	8.92	8.58	5.05	5.10
Total Annual Fund Operating Expense Ratio as of 3/31/10: 1.41%†					

Tweedy, Browne Global Value Fund II – Currency Unhedged					
Period Ended 9/30/10	Return before Taxes**	Return after Taxes on Distributions**	Return after Taxes on Sale of Fund Shares**	MSCI EAFE Index ⁽¹⁾⁽²⁾ (Hedged to US\$)	MSCI EAFE Index ⁽¹⁾⁽²⁾ (in US\$)
Year-to-Date	4.31%	4.31%	2.80%	-0.12%	1.07%
6 Months	3.60	3.60	2.34	-4.11	0.20
Since Inception (10/26/09) ⁽³⁾	6.44	6.44	4.20	2.54	1.65
Gross Annual Fund Operating Expense Ratio as of 3/31/10: 2.57% †‡					
Net Annual Fund Operating Expense Ratio as of 3/31/10: 1.38% †‡					

Tweedy, Browne Value Fund					
Period Ended 9/30/10	Return before Taxes**	Return after Taxes on Distributions**	Return after Taxes on Sale of Fund Shares**	S&P 500 ⁽¹⁾⁽⁵⁾	MSCI World Index (Hedged to US\$) ⁽¹⁾⁽⁴⁾
Year-to-Date	2.75%	2.75	1.78	3.89%	1.95%
6 Months	-1.63	-1.63	-1.06	-1.42	-2.57
1 Year	11.10	10.91	7.46	10.16	6.36
3 Years	-2.15	-3.35	-1.95	-7.13	-8.36
5 Years	2.47	1.20	2.01	0.64	-
10 Years	3.16	2.17	2.52	-0.43	-
15 Years	7.42	6.46	6.31	6.45	-
Since Inception (12/8/93) ⁽³⁾	8.31	7.42	7.20	7.48	-
Total Annual Fund Operating Expense Ratio as of 3/31/10: 1.43%†					

Tweedy, Browne Worldwide High Dividend Yield Value Fund				
Period Ended 9/30/10	Return before Taxes**	Return after Taxes on Distributions**	Return after Taxes on Sale of Fund Shares**	MSCI World Index (in US\$) ⁽¹⁾⁽⁴⁾
Year-to-Date	3.06%	2.56%	1.95%	2.58%
6 Months	2.34	1.84	1.48	-0.64
1 Year	11.15	10.46	7.40	6.76
3 Years	-2.56	-3.26	-2.53	-8.29
Since Inception (9/5/07) ⁽³⁾	-2.13	-2.81	-2.16	-6.60
30-Day Standardized Yield (Subsidized) as of 9/30/10: 2.30%				
30-Day Standardized Yield (Unsubsidized) as of 9/30/10: 2.24%				
Gross Annual Fund Operating Expense Ratio as of 3/31/10: 1.47% †‡				
Net Annual Operating Expense Ratio as of 3/31/10: 1.38% †‡				

* The preceding performance data represents past performance and is not a guarantee of future results. Total 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. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Current performance may be lower or higher than the performance data shown. Please visit www.tweedy.com to obtain performance data, which is current to the most recent month end. See pages I-8 and I-9 for footnotes 1 through 5, which describe the indices and inception dates of the Funds. Results are annualized for all periods greater than one year.

*** 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 Funds do not impose any front-end or deferred sales charge. However, the Tweedy, Browne Global Value Fund, Tweedy, Browne Global Value Fund II – Currency Unhedged and Tweedy, Browne Worldwide High Dividend Yield Value Fund impose a 2% redemption fee on redemption proceeds for redemptions or exchanges made within 60 days of purchase. Performance data does not reflect the deduction of the redemption fee, and if reflected, the redemption fee would reduce the performance data quoted for periods of 60 days or less. The expense ratios shown above reflect the inclusion of acquired fund fees and expenses and may differ from those shown in the Funds' financial statements.

‡ Tweedy, Browne Company LLC (the "Adviser") has contractually agreed to waive its investment advisory fee and/or to reimburse expenses of the Worldwide High Dividend Yield Value Fund and Global Value Fund II — Currency Unhedged to the extent necessary to maintain the total annual fund operating expenses (excluding fees and expenses from investments in other investment companies, brokerage, interest, taxes and extraordinary expenses) at no more than 1.37%. This arrangement will continue at least through December 31, 2011. In this arrangement the Worldwide High Dividend Yield Value Fund and Global Value Fund II — Currency Unhedged have agreed, during the two-year period following any waiver or reimbursement by the Adviser, to repay such amount to the extent that, after giving effect to such repayment, such adjusted total annual fund operating expenses would not exceed 1.37% on an annualized basis. The performance data shown above would be lower had fees and expenses not been waived and/or reimbursed.

Our Funds' Portfolios

All four of our Funds outperformed their respective benchmarks over the last six months ending September 30, 2010. Our returns in local currency during this period were driven in large part by strong results in our industrial holdings, including several industrial conglomerates in the Far East, and by good returns from a number of our machinery and chemical companies. Holding companies such as Fraser & Neave and Jardine Strategic in Singapore produced high double-digit returns as money flows continued to pour into Asian companies.⁽⁶⁾ The Finnish elevator company, Kone; the German beverage equipment manufacturer, Krones; chemical companies such as Akzo Nobel, based in The Netherlands; and

Linde, based in Germany, continued to produce solid returns as some semblance of stability returned to Europe. Our Mexican Coca-Cola bottlers were also once again stellar performers during the period, as were our tobacco stocks, Philip Morris International and British American Tobacco. From a regional perspective, our U.S. holdings as a group generally bested their European and Asian counterparts, with companies such as ConocoPhillips, Emerson Electric and Union Pacific producing solid returns.

On the other side of the price pendulum, during the same period, a number of our insurance stocks and a couple of our pharmaceutical holdings failed to receive stock market recognition despite the fact that in most cases their underlying businesses continued to improve. The French life insurer, CNP; the German reinsurer, Munich Re (in which Warren Buffett has just reported a 10% holding); and pharmaceutical companies such as Roche and Novartis, had a difficult six months in terms of stock market returns yet these companies have current dividend yields between 3.7% and 5.2%. Also, the Spanish television broadcaster, Telecinco, and the French oil giant, Total, had negative stock market returns during the six-month period.

The volatility over the last six months presented us with pricing opportunities in several new companies. We also sold the remaining shares of several stocks that reached our target prices, and added to or trimmed a number of other issues. Among the new buys was Bangkok Bank, where civil unrest gave us what we believe was a very attractive entry price, roughly 10x earnings, into what is generally regarded as the most conservatively managed bank in Thailand, with none of the balance sheet challenges facing Western banks. We also established positions in a number of other stocks, including Bank of New York Mellon, MasterCard, and Baxter International.

MasterCard is one of the world's leading payment processing and brand licensing companies that collects a "toll" on transactions and purchase volumes on MasterCard branded cards. It does not issue cards or extend credit. It continues to grow rapidly, particularly outside the U.S., which now accounts for 55% of revenue. While there are regulatory risks associated with an investment in MasterCard, we believe the quality of the company's business, its growth prospects, its competitive position, and its valuation more than offset these risks. At purchase, it was trading at roughly two-thirds of our estimate of intrinsic value.

Bank of New York Mellon is primarily a custodial and securities servicing provider with a leading market share. BNY Mellon has the highest credit rating of any of its leading competitors and has Tier 1 capital of 11.4% of assets. It was appointed custodian for the TARP bailout funds during the crisis. These types of banks have sold in the past at premium multiples to traditional lending banks given the stability of their fee-based business models. At purchase, we paid roughly 11x 2010 consensus estimated earnings, 9.1x 2011 estimated earnings, and roughly 64% of our estimates of value.

We established a position in Baxter International, the U.S.-based medical products business, as periodic concerns about pricing in the plasma derivative market brought its stock down to what we think were attractive levels. Baxter is active

in bioscience, producing drugs for hemophilia and immune deficiency disorders, and has the largest share in these markets. Baxter also produces medical delivery products such as intravenous solutions, premixed drugs and infusion pumps, as well as renal products for kidney failure. At initial purchase, the company's shares were trading roughly at a one-third discount from a conservative estimate of intrinsic value — 11x earnings before interest, taxes, and amortization ("EBITA").

In addition, we added two new smaller capitalization companies in South Korea: Ottogi, a manufacturer of seasonings and instant foods; and SK Gas, a company that imports and distributes liquefied petroleum gas to households, the transportation industry and petrochemical products manufacturers. At purchase Ottogi was trading at two-thirds of estimated intrinsic value based on a valuation of 10x EBITA, and SK Gas was trading at roughly 50% of book value and 4x estimated after-tax earnings. Both companies have grown at attractive rates in the past.

Notable sales during the period included Coca-Cola Hellenic, the Greek Coca-Cola bottler that nearly doubled our money from our original purchase early last year, and Cargotec, a Finnish cargo handling company, which we sold in lots at prices greater than or equal to our estimates of intrinsic value. We added to our positions in Roche, Philip Morris International, CNP, and Total, and trimmed our positions in Kone and Krones, among others, and trimmed or sold our positions in Korea Exchange Bank.

In the Worldwide High Dividend Yield Value Fund, we also added a number of new positions: Automatic Data Processing, one of the leading providers of business outsourcing solutions, which was trading at roughly a 15% discount from our estimate of intrinsic value at purchase with a dividend yield of approximately 3.5%, and which has increased its dividend for 34 consecutive years (note: in this Fund, in some instances, we are willing to accept a level of discount from intrinsic value that is less than that required in our other Funds in return for an attractive yield); British American Tobacco, the third largest tobacco company in the world, which was trading at approximately 75% of estimated intrinsic value at purchase with a dividend yield over 5%, and which has increased its dividend every year since 1999; Kimberly-Clark, the third largest household products company in the world, which was trading at 80% of estimated intrinsic value at purchase with a dividend yield of approximately 4.3%, and which has a record of increasing its dividend in each of the last 38 years; Metcash, an Australian food and beverage distributor, which was trading at 75% of estimated intrinsic value at purchase with a dividend yield over 6%; and Zurich Financial, a Swiss-based multi-line insurer, which was trading at 8x 2011 estimated earnings at purchase with a dividend yield of approximately 7.0%. We sold our positions in Altria and Reynolds, preferring to focus on non-U.S. tobacco companies where it appears the prospects for growth are better and litigation risks smaller. We also sold Norfolk Southern, which had reached our target price, and Kimberly-Clark de Mexico, where we had a nice return, replacing it with its U.S.-based parent, which was much more attractively priced.

We derive a great deal of comfort from our high dividend portfolio companies' ability to have paid consistent and

increasing dividends in the midst of a challenging business environment. During the third quarter alone, six of our portfolio companies announced dividend increases: Akzo declared an interim dividend that was a 6.7% increase from 2009; BAE Systems declared an interim dividend that represented a 9.4% increase over last year; British American Tobacco declared an interim dividend that was a 19% increase over 2009; McDonald's declared a quarterly dividend that was an 11% increase over the previous quarter; Pearson PLC declared an interim dividend that represented a 6.6% increase over 2009; and Philip Morris declared a quarterly dividend that was 10.3% greater than the previous quarter. There were no dividend cuts during the quarter. Out of 37 stocks in the Worldwide High Dividend Yield Value Fund's portfolio, 17 companies have increased their dividend every year for a minimum of ten years, 9 of which raised their dividend at a minimum every year for the last 25 years, while 7 have increased their dividend at minimum every year for the last 35 years. The Fund's portfolio as of September 30, 2010 was invested in 37 companies across 11 different countries. These stocks traded at a weighted average price/earnings multiple of 12.6x 2010 estimated earnings and 11.5x 2011 estimated earnings, and had a weighted average dividend yield of approximately 4.5%. (Please note that the average dividend yields and other portfolio characteristics shown here are not representative of the Fund's yield, nor do they represent the Fund's performance. The figures solely represent the average weighted dividend yield and other portfolio characteristics of the common stocks held in the Fund's portfolio. Please refer to the 30-Day Standardized Yields in the performance charts on page I-2 for the Fund's yield.) On average, their payout ratio was 55% based on estimated dividends and earnings per share. After making some reasonable assumptions about Philip Morris International, which was just spun out of Altria two years ago, and Zurich Financial, which has a more complicated dividend history, the stocks in our portfolio had a weighted average five-year dividend growth rate of approximately 11.2%. While there are no guarantees of course, these are the kind of characteristics that historically have been associated with solid returns over long measurement periods.

A number of our investors have asked us what we think will be the impact on our stocks of a change in the tax rates on dividends. As many of you probably already know, if Congress does not act this term, beginning in January, the capital gains tax rate will revert back to 20% and the tax rate on dividends will return to the individual's tax rate on ordinary income versus 15% currently. The Republicans, as is well known, want an extension of all the Bush era tax rates, while the Obama Administration has indicated it wants no tax increases for people earning less than \$250,000, and presumably their position includes no tax increase on dividends and capital gains for people in those tax brackets. At this point, positions appear stuck but no doubt there will be horse trading and compromise following the election because neither party seems to want to return to the rates in effect before the Bush tax cuts.

We don't think we should opine on the outcome insofar as rates are concerned. As we all know, taxes have been a bone of contention since our ancestors settled down to farm and live in communities. We do have some background, though, that we think is relevant to thinking about the consequences.

First, there are studies that confirm the efficacy of dividends in enhancing total returns over the long term, with many encompassing periods when the marginal rates on dividends were much higher than today. Secondly, while we do not have the exact percentage, we have seen reports that suggest that around 50% of the entities holding common stocks are tax exempt institutions that are thus largely indifferent to tax rates. Of the tax-paying investors, a significant percentage is most likely in the hands of U.S. investors earning less than \$250,000, a category representing some 98% of tax filers. If the administration is successful in “no new taxes” for income earners below \$250,000, we are speaking about a greatly reduced universe of shareholders who would be subject to the tax increase on dividends, and this certainly doesn’t suggest a stampede out of dividend paying stocks. Even if investors were in these stocks just for the after-tax income and they do end up facing higher tax rates, what is the alternative for yield-conscious investors? Intermediate or long-term government bonds that pay a yield of between 2.6% and 4.0% that is fully taxable at top marginal rates, with no prospect for growth if held to maturity? Today, any number of companies in our portfolios pay a higher yield, and have prospects for capital appreciation over time. Moreover, if inflation increases, businesses can increase the prices of their products. Bonds can’t do that.*

As mentioned above, our portfolio is made up for the most part of what we believe are great companies that have paid consistent and growing dividends, in many instances for 20, 30, 40 and, in several instances, over 50 years. For example, Kimberly-Clark, whose current yield is approximately 4.1%, has increased its dividend in each of the last 38 years. Genuine Parts, with a current yield of 3.9%, has grown its dividend in each of the last 54 years. Roche currently yields 4.2% and has raised its dividend in each of the last 20 years. As a group, these stocks did just fine over the long term notwithstanding higher marginal tax rates in the past. Remember, we are investing in these stocks to achieve attractive total returns, not just for the income they generate. For the most part, these are not utilities or real estate investment trusts, which people often invest in simply to maximize income. Rather these stocks trade on fundamentals and from our point of view, their success as equity investments will depend on their price-to-value relationship and their ability to produce steady and growing rates of operating income over time.

We are often asked why dividend stocks have produced better total returns over time. Unfortunately, the studies do not tell us why. We suspect that it may be due to a value effect, by which we mean that when a company’s dividend yield increases, it’s often an indication that its stock is cheap relative to its income stream. Also, corporations as a whole have a

rather miserable record when it comes to capital allocation. Managements frequently engage in empire building, using valuable retained earnings to make ill-advised acquisitions that actually destroy intrinsic value. When a significant portion of the earnings are paid out in the form of a dividend, it may actually be more accretive to growth in intrinsic value over time. From our point of view, it is factors such as these that will have a far more important impact on their future equity prices than the marginal tax rates of a modest percentage of investors in their stocks.

In summary, we feel that each Fund’s portfolio is currently well-positioned, particularly in light of some of the macroeconomic challenges we are facing around the globe. Our Funds’ portfolios have very little direct exposure to the PIIGS (Portugal, Ireland, Italy, Greece, and Spain). Our financial industry exposure in Europe is limited to several insurance companies, with no investments in European bank stocks at this time. The bulk of our investments today in Europe and elsewhere are in larger, globally diversified, conservatively financed businesses that generate a considerable amount of their sales and profits in the emerging markets, and often pay an attractive dividend. While many of these companies, such as Nestle, Diageo, Heineken, Unilever, Kone, Novartis, and Total, among others, are headquartered in Europe, they are truly global enterprises. We think these are businesses that have the financial strength to withstand near-term shocks and are also in a position to benefit significantly from a global recovery. In our view, valuations remain reasonably attractive and business is steadily improving. While many western governments wrestle with how to rein in large deficits, businesses have adjusted fairly early and well to the new economic realities. If recent market volatility continues producing pricing opportunities, we still have cash that we can, and will, put to work.

Staying Ahead of the Red Tide of Inflation

We have been amused of late by the Federal Reserve’s seeming concern that we have too little inflation. Apparently, current levels — admittedly low, at least as measured by the CPI — are simply not “... consistent over the long term with its mandate to promote maximum employment and price stability.”^d This concern arises despite rapidly escalating commodity and gold prices. In fact, by any rational measure of price levels, we probably have all the inflation we need today. The CPI has increased at roughly 2.3% per year over the last 5 and 10 years. Of course, if you strip out food and energy costs as the Fed typically does, the compound increase is more like 2%. We grant that over the last year, the increase was closer to 1%. We, of course, have no clue about whether we are about to enter a period of increasing inflation or possibly deflation. However, under former Chairman of the Federal Reserve Board, Alan Greenspan, and now current Chairman Ben Bernanke, the Fed has continued to pursue highly stimulative monetary policies with what one would logically assume to be a bias in favor of inflation. This is understandably political and on some level, economic, since the higher wages and corporate earnings that often accompany an inflationary period at least offers the illusion of prosperity. In addition, inflation can assist in raising government tax revenue, as inflation-induced increases in income cause more income to be taxed at higher

* Stocks and bonds are subject to different risks. In general, stocks are subject to greater price fluctuations and volatility than bonds and can decline significantly in value in response to adverse issuer, political, regulatory, market, or economic developments. Unlike stocks if held to maturity, bonds generally offer to pay both a fixed rate of return and a fixed principal value. Bonds are subject to interest rate risk (as interest rates rise bond prices generally fall), the risk of issuer default, issuer credit risk, and inflation risk.

graduated tax rates. Consequently, inflation can increase the government's cut of the economy's overall income pie, as inflation-induced "tax bracket creep" results in taxes increasing at a faster rate than overall income. Policymakers' intent is to prevent a period of sustained deflation and stagnant growth as we have seen in Japan.

It is important to bear in mind that our government has within its powers the ability to very easily create new money out of thin air with the stroke of a pen, by running the printing press. Ben Bernanke described this power to create money in a speech that he gave on November 21, 2002 at the National Economists Club:^e

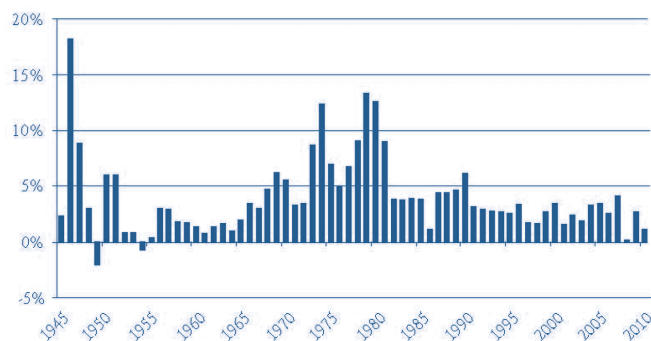
Like gold, U.S. dollars have value only to the extent that they are strictly limited in supply. But the U.S. government has a technology, called a printing press (or today, its electronic equivalent), that allows it to produce as many U.S. dollars as it wishes at essentially no cost. By increasing the number of U.S. dollars in circulation, or even by credibly threatening to do so, the U.S. government can also reduce the value of a dollar in terms of goods and services, which is equivalent to raising the price in dollars of those goods and services. We conclude that, under a paper-money system, a determined government can always generate higher spending and hence positive inflation.

Here is an example of how easily the Federal Reserve can create brand new money: Let's say you decided to sell \$105,000 worth of bonds. Assume that the buyer who pays you \$105,000 for your bonds is the Federal Reserve, which sends a Federal Reserve check to you in the amount of \$105,000, which you then cash. The key thing about this transaction is that when buying your bonds for \$105,000, the Federal Reserve's checking account balance was never reduced by \$105,000, nor did the Federal Reserve have to borrow the \$105,000 amount that it paid you for your bonds. *The Fed simply created the money.* You accepted the \$105,000 check from the Fed as "money" even though the money was just a piece of paper with the words, "Federal Reserve" written on it. The Fed can very easily buy assets — such as bonds, or any other kind of asset — with brand new money in the form of checks, wired money, one dollar bills, other currency that it prints, or coins. It is an awesome power!

We thought it might be worthwhile to take a moment and examine the impact that inflation can have on purchasing power. As *The Wall Street Journal* pointed out in an editorial several weeks back, "Central bankers who wish for more inflation usually get their wish, and the result is rarely benign."^d For instance, if you had \$1,000 today and simply put it under the mattress, it would not earn a return other than the psychic income associated with knowing it's there. Assuming an inflation rate of 2% per year, and a ten year time horizon, the \$1,000 today would have purchasing power of just \$817.07 in ten years, representing a cumulative decline in purchasing power of 18.3%. At an inflation rate of 4% per year, the \$1,000 today in ten years would have purchasing power of \$664.83, representing a decline of purchasing power of 33.5%. At an inflation rate of 6% per year, the \$1,000 today in ten years would have purchasing power of \$538.62, representing a decline of purchasing power of 46.1%.

As you can see, even modest levels of inflation can have a significant impact on purchasing power over time, and it is a fact that we have experienced much more severe periods of inflation in the past as indicated in the chart below. While inflation has remained at relatively low levels for many years now, we think the probabilities that it could once again raise its ugly head have increased of late, given our country's increasing trade and fiscal deficits and the aggressive monetary policies we have pursued. The last serious bout of inflation that we faced was back in the 1970s. Ibbotson-Sinquefeld data indicates that for the ten-year period 1973 to 1982, inflation was running at an average annual rate of 8.7%. From 1977 to 1981, inflation increased at 10.1% per year. At these levels, inflation can have a devastating impact on purchasing power if something is not done to offset its effects.

Annual Inflation Rates, as Measured by CPI
(Not Seasonally Adjusted)



Source: U.S. Dept. of Labor, Bureau of Labor Statistics

Of course, while we don't have to keep our money under the mattress, finding investments that can help us maintain and grow purchasing power in the face of inflation presents a difficult proposition for investors, particularly on an after-tax basis. Nevertheless, we believe that well selected value-oriented equities rather than bonds give investors who have the luxury of a longer term perspective the best chance of keeping the inflation wolf from their door, particularly in light of the price-to-value relationship in equity markets today. While high quality government and corporate bonds have risen dramatically in price lately, as the level of interest rates has approached nearly zero, value-oriented global equities remain reasonably to attractively priced.

Inflation has a way of destroying wealth for all investors, but particularly so in the case of lenders, i.e., bond holders. The bond investor's coupon is fixed and the investor's income cannot grow to keep up with rising price levels. Higher interest rates associated with escalating levels of inflation can severely punish the holders of long duration fixed income instruments with lower rate coupons. Holders of these instruments not only lose current purchasing power but face substantial capital impairment if the bonds are not held to maturity. In the period of rising inflation, we recall that some investors referred to bonds as "certificates of confiscation." It is quite ironic that in an effort to flee volatile equity markets, investors in high quality low coupon bonds today sit on a potentially significant risk, should we face inflation and rising interest rates. Of course bondholders are contractually guaranteed the return of their capital, albeit at a potentially inflationary-reduced dollar value; equity investors have no such guarantee. In contrast, an equity

investment has the ability to grow over time as the underlying company compounds its intrinsic value, giving the equity investor some opportunity to keep up with rising price levels, even net of taxes.

And yet, a massive amount of capital has flowed into bonds since the crisis. According to Morningstar, since the beginning of 2009 through September 30, 2010, a little over \$474 billion flowed into taxable bond mutual funds versus net outflows of \$83.7 billion from U.S. equity mutual funds during the same period. The only net positive flows for equity funds occurred in international funds, primarily emerging market vehicles, which received roughly \$47 billion of new money during the period. And the surge into bond funds did not abate in September.

Estimated New Flows \$Mil	September 2010	YTD 2010	2009
U.S. Stock	(16,254)	(58,026)	(25,748)
International Stock	1,504	21,849	25,532
Balanced	187	5,156	(3,290)
Taxable Bond	23,509	189,658	284,465
Municipal Bond	2,503	31,167	72,123
Alternative	2,175	17,284	14,103
Commodities	654	7,345	10,224
All Long Term	14,278	214,433	377,409
Money Market	(29,061)	(495,121)	(378,362)

Source: Morningstar Direct Fund Flows
Morningstar DirectSM, October 2010

This demand has in part driven bond yields down to lows not seen in decades. A two-year treasury bond today has an annual yield of approximately 0.37%, while its 10-year and 30-year brethren yield 2.6% and 4.0%, respectively. These record low yields have spurred corporate borrowing, with corporate issuance over the last six months at record levels. Microsoft's recent offering of three year bonds was done at an interest rate of 0.875%, and as previously mentioned, Norfolk Southern has issued 100-year bonds and Goldman Sachs recently sold 50-year bonds to lock in long-term borrowing costs. Early movers have had a nice return as interest rates have been driven down by enormous government stimulus programs, but many financial experts, including Jeremy Siegel, the noted Wharton professor, feel that we are in the midst of a bond bubble today "... that may have far more serious consequences for investors ..." than the tech bubble of 10 years ago.^f

Over the last year we have been able to uncover what we believe are undervalued equities that we think represent compelling opportunities when compared to fixed income alternatives. When we make an investment in an equity security, we are essentially buying into the company at a discount to what we believe a rational buyer would pay on a per share basis if he acquired the entire business in an arms length negotiated transaction. For example, as we mentioned earlier, we purchased shares in MasterCard. In an acquisition, our conservative estimate is that an acquirer would have to pay approximately a ratio of enterprise value ("EV") to earnings before interest and taxes ("EBIT") of 12x. Enterprise value is the sum of the total market value of the particular company's outstanding shares, plus all interest-bearing debts, preferred stock and minority interest, less cash. We use EV as the numerator for the multiple analysis because it conservatively

incorporates the entire capital structure of the business, including any long or short-term debt after subtracting cash. We were able to purchase shares of this company in the stock market back in June for roughly 7.5x EV to 2011 EBIT, or about one-third discounted from what we felt was a rational appraisal of the company's value.

A stock purchased at 7.5x EV to EBIT has an effective pre-tax earnings yield of approximately 13.3%. Applying a 35% tax rate to this pre-tax yield gives the equity investor an implied after-tax yield of roughly 8.6%, which is approximately 115% more than the pre-tax 4.0% coupon, on a long-term government bond. This results in a price-to-value advantage for this security over the long-term government bond that Ben Graham would almost certainly have found compelling leaving aside the tax advantages of equities versus bonds. The only drawbacks are that the equity investor cannot put this yield in his pocket year in and year out. The coupon (profits) can and will vary over time, and, as an equity investor, the return of our initial investment is not contractually guaranteed as it is in bonds. If our analysis is correct, and if a company is able to grow its operating income over time, our effective coupon grows. If at some point we are able to put the shares of that company, whose operating income has grown, back into the stock market at the company's intrinsic value multiple of 12, we will have made a very nice return that should keep us ahead of all but the most severe rates of inflation.

During the inflation of the late 70s, equities performed well. As you may recall, the Consumer Price Index ranged from 7% in 1975 to as high as 12.4% in 1980. Interest rates on high grade corporate bonds rose from 8.6% in 1975 to 12.4% in 1980, almost in lock step with increasing price levels. The prime rate reached a high of 21% in 1980. On top of this, we faced an oil embargo with rapidly escalating oil prices, a hostage crisis which eroded the confidence of the country, and to many, a failed presidency during the Carter Administration. Despite this very difficult macroeconomic environment, the S&P 500 compounded at an annualized rate of 17.6% between December 31, 1974 and December 31, 1980, which was roughly twice the annualized rate of inflation during this six-year period. No doubt, these returns in large part were due to the very attractive low valuations of equities after the equity market sell-off of 1973-1974. In the recent credit crisis of two years ago, equities were also very attractively priced, but they did not get quite as cheap as they did in 1974, although interest rates were substantially lower in 2008 than they were in 1974. Nonetheless, even after the bounce off the bottom, we feel that certain value-priced equities today present a significant valuation advantage to bonds, and probably offer investors a better defense against inflation than most fixed income instruments.

Businesses, we like to remind ourselves, are adaptive, income-generating enterprises and many have shown a remarkable ability to anticipate and adapt over time in the face of always changing conditions, increasing profits in the process. A prime example for us is the significant exposure that many of your investments today have to rapidly growing markets where middle classes are reasonably expected to double over the next decade. Simplistically, when we compare two alternatives: first, a ten-year government bond yielding 2% to 3% with no chance

of increasing the cash coupon we receive; and second, an interest in a conservatively financed company with a global business footprint and global brand recognition, upwards of one-third of revenues coming from markets where the universe of middle class consumers could well double in the next decade, and with a dividend yield of 3% to 4%, then we want to own the business, not the bond. We believe we may be wealthier for having picked the business.

Looking Forward

The financial crisis has put us at a crossroads of sorts, and the path to a full recovery is not obvious. However, there is some reason for optimism. On the plus side, the savings rate is up in America as consumers repair their personal balance sheets. In the U.S., the government seems to understand, summed up in James Carville's famous phrase, "It's the economy, stupid." Some say it is helping too much. The extent and necessity of that help will continue to be debated. Southern Europe is addressing its problems with the attendant political stress as austerity programs start to sting. The emerging markets are supplanting the West as the engine of growth for the world economy, and a growing middle class in countries representing over half the world's population are aspiring to the things we take for granted. Cultures, governments, and businesses are slowly adjusting to new economic realities.

We continue to manage our business and your money with a fierce dedication to the principles of price and value that have served us so well over the years. We remain firmly committed to the notion that the public markets are there to simply serve us as investors, offering us a convenient way to become engaged and disengaged from businesses. We have great faith in the resilience of the American people and our financial system, and are quite confident that at some point sensible policies will take hold and the fog will lift. Until then, we will continue, as we always have, to try to take advantage of the market's volatility and hair trigger nerves to exploit large discrepancies between price and long-term underlying value.

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

Very truly yours,

TWEEDY, BROWNE COMPANY LLC

William H. Browne

Thomas H. Shrager

John D. Spears

Robert Q. Wyckoff, Jr.

Managing Directors

October 2010

References

- a. Amity Shlaes, "Obama threatens to follow in FDR's economic missteps," Op-Ed, *The Washington Post*, 9 July 2010
- b. John Maynard Keynes, *The General Theory of Employment, Interest and Money* (UK: Palgrave Macmillan, 1936), Chapter 12
- c. Wesco Financial's Charlie Munger, "Today, there's lots of failure in America. So it looks to me like dawn may be coming." *Outstanding Investor Digest*, 9 August 2010, Volume XXII Numbers 1 & 2
- d. "Too Little Inflation?" Editorial, *The Wall Street Journal*, 23 September 2010, Sec. A, p. 22
- e. Bernanke, Governor Ben S. "Deflation: Making Sure 'It' Doesn't Happen Here." Speech, National Economists Club, Washington, D.C. 21 November 2002
- f. Jeremy Siegel and Jeremy Schwartz, "The Great American Bond Bubble," Op-Ed, *The Wall Street Journal*, 18 August 2010

Footnotes:

- (1) 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.
- (2) MSCI EAFE Index US\$ is an unmanaged capitalization-weighted index of companies representing the stock markets of Europe, Australasia and the Far East. MSCI EAFE Index 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 and net of foreign withholding taxes.
- (3) Inception dates for the Global Value Fund, Global Value Fund II – Currency Unhedged, Value Fund and Worldwide High Dividend Yield Value Fund were June 15, 1993, October 26, 2009, December 8, 1993, and September 5, 2007, respectively. Information with respect to MSCI EAFE indexes used is available at month end only; therefore the closest month end to the Global Value Fund's inception date, May 31, 1993, was used.
- (4) The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index (US\$) reflects the return of this index for a US dollar investor. MSCI World Index (Hedged to US\$) consists of the results of the MSCI World Index with its foreign currency exposure hedged 100% back into US dollars. The index accounts for interest rate differentials in forward currency exchange rates. Results for this index are inclusive of dividends and net of foreign withholding taxes.

- (5) S&P 500 Index is an unmanaged capitalization weighted index composed of 500 widely held common stocks listed on the New York Stock Exchange, American Stock Exchange and over-the-counter market and includes the reinvestment of dividends.
- (6) As of September 30, 2010, Tweedy, Browne Global Value Fund, Tweedy, Browne Global Value Fund II — Currency Unhedged, Tweedy, Browne Value Fund and Tweedy, Browne Worldwide High Dividend Yield Value Fund had invested the following percentages of its net assets, respectively, in the following portfolio holdings: Akzo Nobel (2.9%, 2.6%, 1.1%, 1.5%); Altria Group Inc. (0.0%, 0.0%, 0.0%, 0.0%); Automatic Data Processing (0.0%, 0.0%, 0.0%, 2.5%); BAE Systems (0.0%, 1.8%, 0.0%, 2.5%); Bangkok Bank (0.9%, 1.1%, 0.0%, 0.0%); Bank of New York Mellon (0.0%, 0.0%, 1.0%, 0.0%); Baxter International (1.2%, 1.3%, 2.1%, 0.0%); British American Tobacco (0.0%, 1.0%, 0.0%, 2.0%); Cargotec (0.0%, 0.0%, 0.0%, 0.0%); CNP Assurances (3.2%, 3.5%, 2.0%, 3.5%); Coca-Cola Femsa (2.5%, 0.0%, 0.0%, 0.0%); Coca-Cola Hellenic (0.0%, 0.0%, 0.0%, 0.0%); ConocoPhillips (0.8%, 1.3%, 2.2%, 2.6%); Diageo (3.2%, 2.9%, 4.4%, 3.2%); Emerson Electric (0.0%, 0.0%, 2.6%, 2.0%); Fraser & Neave (2.3%, 0.6%, 0.0%, 0.0%); Genuine Parts (0.0%, 0.0%, 0.0%, 2.6%); Gestivision Telecinco SA (1.7%, 0.9%, 1.4%, 0.0%); Heineken Holding NV (4.0%, 2.3%, 4.1%, 0.0%); Jardine Strategic (1.2%, 1.4%, 0.0%, 0.0%); Kimberly-Clark Corp (0.0%, 0.0%, 0.0%, 2.5%); Kimberly-Clark de Mexico (0.0%, 0.0%, 0.0%, 0.0%); Kone (2.9%, 0.2%, 0.0%, 0.0%); Korea Exchange Bank (1.1%, 0.0%, 0.0%, 0.0%); Krones (1.3%, 0.5%, 1.0%, 0.0%); Linde (2.7%, 0.0%, 2.2%, 0.0%); MasterCard (0.0%, 0.0%, 1.0%, 0.0%); McDonald's Corp (0.0%, 0.0%, 0.0%, 1.2%); Metcash (0.0%, 0.0%, 0.0%, 1.0%); Munich Re (3.1%, 3.6%, 2.9%, 3.5%); Nestle (4.3%, 3.3%, 4.8%, 1.5%); Norfolk Southern (0.0%, 0.0%, 1.5%, 0.0%); Novartis (3.2%, 2.4%, 2.9%, 3.2%); Ottogi Corp (0.0%, 0.7%, 0.0%, 0.0%); Pearson PLC (0.0%, 0.0%, 0.0%, 1.9%); Philip Morris International (3.4%, 3.3%, 3.7%, 3.4%); Reynolds American Inc (0.0%, 0.0%, 0.0%, 0.0%); Roche Holding (2.6%, 3.1%, 2.8%, 3.6%); SK Gas (0.1%, 0.5%, 0.0%, 0.0%); Total SA (3.1%, 3.5%, 3.1%, 3.5%); Unilever NV (1.8%, 2.4%, 2.2%, 2.4%); Unilever PLC (1.9%, 0.0%, 1.5%, 0.0%); Union Pacific (0.0%, 0.0%, 1.8%, 0.0%); and Zurich Financial (0.3%, 1.5%, 0.0%, 2.5%).

Current and future portfolio holdings are subject to risk. Investing in foreign securities involves additional risks beyond the risks of investing in U.S. securities markets. These risks include currency fluctuations; political uncertainty; different accounting and financial standards; different regulatory environments; and different market and economic factors in various non-U.S. countries. In addition, the securities of small, less well known companies may be more volatile than those of larger companies. Value investing involves the risk that the market will not recognize a security's intrinsic value for a long time, or that a security thought to be undervalued may actually be appropriately priced when purchased. Please refer to the Funds' prospectus for a description of risk factors associated with investments in securities which may be held by the Funds.

Although the practice of hedging against currency exchange rate changes utilized by the Tweedy, Browne Global Value Fund and Tweedy, Browne Value Fund 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.

This letter contains opinions and statements on investment techniques, economics, market conditions and other matters. Of course there is no guarantee that these opinions and statements will prove to be correct, and some of them are inherently speculative. None of them should be relied upon as statements of fact.

©2010 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damage or losses arising from any use of this information.

Tweedy, Browne Global Value Fund, Tweedy, Browne Global Value Fund II — Currency Unhedged, Tweedy, Browne Value Fund, and Tweedy, Browne Worldwide High Dividend Yield Value Fund are distributed by Tweedy, Browne Company LLC.

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

This page left blank intentionally.

TWEEDY, BROWNE FUND INC.

Tweedy, Browne Global Value Fund

Tweedy, Browne Global Value Fund II - Currency Unhedged

Tweedy, Browne Value Fund

Tweedy, Browne Worldwide High Dividend Yield Value Fund

SEMI-ANNUAL REPORT

September 30, 2010

Expense Information (Unaudited)

A shareholder of the Global Value Fund, Global Value Fund II - Currency Unhedged, Value Fund or Worldwide High Dividend Yield Value Fund (collectively, the "Funds") incurs two types of costs: (1) transaction costs and (2) ongoing costs, including management fees and other Fund expenses. The Example below is intended to help a shareholder understand their ongoing costs (in U.S. dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period of April 1, 2010 to September 30, 2010.

Actual Expenses The first part of the table presented below, under the heading "Actual Expenses", provides information about actual account values and actual expenses. The information in this line may be used with the amount a shareholder invested to estimate the expenses that were paid by the shareholder over the period. Simply divide the shareholder's account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid during Period" to estimate the expenses paid during this period.

Hypothetical Example for Comparison Purposes The second part of the table presented below, under the heading "Hypothetical Expenses", provides information about

hypothetical account values and hypothetical expenses based on each Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not each Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses paid by the shareholder of the Funds for the period. This information may be used to compare the ongoing costs of investing in the Funds and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table below are meant to highlight a shareholder's ongoing costs only and do not reflect redemption fees. Redemptions from the Global Value Fund, the Global Value Fund II - Currency Unhedged and the Worldwide High Dividend Yield Value Fund, including exchange redemptions, within 60 days of purchase are subject to a redemption fee equal to 2% of the redemption proceeds, which will be retained by the Funds. There are no other transactional expenses associated with the purchase and sale of shares charged by any of the Funds, such as commissions, sales loads and/or redemption fees on shares held longer than 60 days. Other mutual funds may have such transactional charges. Therefore, the second part of the table is useful in comparing ongoing costs only, and will not help a shareholder determine the relative total costs of owning different funds. In addition, if redemption fees were included a shareholder's costs would have been higher.

	Actual Expenses			Hypothetical Expenses (5% Return before Expenses)			
	Beginning Account Value 4/1/10	Ending Account Value 9/30/10	Expenses Paid during Period* 4/1/10 – 9/30/10	Beginning Account Value 4/1/10	Ending Account Value 9/30/10	Expenses Paid during Period* 4/1/10 – 9/30/10	Expense Ratio
Global Value Fund	\$1,000	\$1,020	\$7.04	\$1,000	\$1,018	\$7.03	1.39%
Global Value Fund II - Currency Unhedged	\$1,000	\$1,036	\$6.99	\$1,000	\$1,018	\$6.93	1.37%
Value Fund	\$1,000	\$984	\$7.01	\$1,000	\$1,018	\$7.13	1.41%
Worldwide High Dividend Yield Value Fund	\$1,000	\$1,023	\$6.95	\$1,000	\$1,018	\$6.93	1.37%

* Expenses are equal to each Fund's annualized expense ratio, multiplied by the average account value over the period, multiplied by the number of days in the period, divided by 365 (to reflect the one-half year period).

Portfolio of Investments

September 30, 2010 (Unaudited)

Shares		Value (Note 2)	Shares		Value (Note 2)
COMMON STOCKS—91.1%			Japan (continued)		
750,000	Canada—1.1%		72,700	Ryoyo Electro Corporation	\$662,254
	National Bank of Canada, Toronto	\$47,470,390	349,200	Sangetsu Company Ltd.	7,603,481
			400,000	Shinko Shoji Company Ltd.	3,327,747
2,800	Czech Republic—0.0%†		172,000	SK Kaken Company Ltd.	5,064,879
	Philip Morris CR a.s.	1,453,252	528,500	T. Hasegawa Company Ltd.	9,337,635
2,500,000	Finland—2.9%		1,281,300	Takata Corporation	32,224,220
	Kone Oyj, Class B	129,353,302	200,000	Tomen Electronics Corporation	2,391,669
			283,502,250		
France—6.7%			Mexico—5.1%		
7,704,236	CNP Assurances	143,306,005	1,390,247	Coca-Cola Femsa SA de CV, Sponsored ADR †††	108,745,120
598,265	Teleperformance	17,070,183		Embotelladoras Arca SA de CV	59,748,233
2,601,000	Total SA	134,241,839	14,623,380	Grupo Continental SA	56,184,883
			19,300,000		224,678,236
			Netherlands—9.7%		
2,289,458	Germany—14.8%		2,093,000	Akzo Nobel NV	129,310,591
957,807	Henkel AG & Company, KGaA	103,816,226	23,620	Crown Van Gelder Gemeenschappelijk Bezit NV	223,466
42,354	Krones AG ††	57,103,075		Heineken Holding NV	175,150,268
920,345	KSB AG	29,775,413	3,998,000	Imtech NV	11,126,090
986,000	Linde AG	119,966,881	350,000	Telegraaf Media Groep NV	26,785,349
	Muenchener Rueckversicherungs- Gesellschaft AG	136,763,096	1,500,000	TKH Group NV	6,831,859
1,526,933	Springer (Axel) Verlag AG	202,120,744	307,955	Unilever NV, CVA	76,882,342
			2,568,554		426,309,965
			Norway—1.9%		
2,002,500	Hong Kong—1.2%		3,395,700	Schibsted ASA	85,237,509
	Jardine Strategic Holdings Ltd.	53,667,000	Singapore—2.3%		
1,111,317	Ireland—0.0%†		20,000,000	Fraser and Neave Ltd.	98,833,010
	Unidare PLC ††	91,031	South Korea—3.5%		
144,268	Italy—2.0%		150,900	Daegu Department Store Company Ltd. .	1,548,371
144,958	Buzzi Unicem SPA	1,526,406	11,330	Daehan City Gas Company Ltd.	292,131
4,467,000	Gruppo Minerali Maffei ††	891,529	90,974	Hanil Cement Company Ltd.	5,305,653
7,647,974	Mediaset SPA	31,711,559	4,106,195	Korea Exchange Bank	49,695,673
4,795,392	Mondadori (Arnoldo) Editore SPA †† ..	24,092,752	832	Ottogi Corporation	118,935
	Sol SPA	29,460,148	8,557	Samchully Company Ltd.	870,521
		87,682,394	8,305	SK Gas Company Ltd.	294,617
545,600	Japan—6.4%		241,172	SK Telecom Company Ltd.	36,273,622
1,594,700	Aica Kogyo Company Ltd.	6,217,515	3,437,422	SK Telecom Company Ltd., ADR	60,051,762
306,800	Canon, Inc.	74,351,885	154,451,285		
200,000	Daikoku Denki Company Ltd.	3,459,488	Spain—1.7%		
2,064,000	Daiwa Industries Ltd.	960,019	6,818,000	Gestevisión Telecinco SA	75,208,453
446,600	Fujitec Company Ltd.	10,179,172	Sweden—0.0%†		
1,073,600	Fukuda Denshi Company Ltd.	11,114,214	63,360	Cloetta Fazer AB, B Shares ††	366,197
1,577,500	Hi-Lex Corporation	13,943,692	Switzerland—15.7%		
321,000	Honda Motor Company Ltd.	55,950,832	186,990	Coltene Holding AG	10,565,380
133,000	Katsuragawa Electric Company Ltd. †† ..	795,391	1,000,000	Compagnie Financiere Richemont AG .	48,426,224
1,329,500	Kawasumi Laboratories, Inc.	781,697	440,000	Daetwyler Holding AG, Bearer	30,355,699
69,100	Kuroda Electric Company Ltd.	15,484,840	89,813	Edipresse SA, Bearer	22,546,331
21,670	Mandom Corporation	1,858,603	18,783	Loeb Holding AG	3,652,971
36,240	Medikit Company Ltd.	6,173,641	3,500,000	Nestle SA, Registered	187,547,981
307,100	Milbon Company Ltd.	1,002,088	8	Neue Zuercher Zeitung ††	512,821
307,100	Mirai Industry Company Ltd.	2,959,247			
162,780	Nippon Kanzai Company Ltd.	2,646,101			
1,051,000	Nippon Konpo Unyu Soko Company Ltd.	12,782,092			
420,500	Nitto FC Company Ltd.	2,229,848			

Portfolio of Investments

September 30, 2010 (Unaudited)

Shares		Value (Note 2)
COMMON STOCKS		
Switzerland (continued)		
2,416,530	Novartis AG, Registered	\$139,384,273
45,425	Phoenix Mecano AG	27,898,050
185,918	PubliGroupe SA, Registered ††	18,459,538
835,325	Roche Holding AG	114,745,499
182,827	Siegfried Holding AG ††	17,198,220
7,400	Sika AG, Bearer	13,732,740
432,618	Tamedia AG	42,068,386
857	Zehnder Group AG	1,711,456
55,632	Zurich Financial Services AG	13,114,335
		<u>691,919,904</u>
Thailand—0.9%		
7,953,400	Bangkok Bank Public Company Ltd., NVDR	40,880,738
United Kingdom—7.3%		
1,521,000	AGA Foodservice Group PLC ††	2,348,850
2,453,599	BBA Group PLC	7,284,244
3,974,658	Carlo PLC	10,584,893
2,775,758	Daily Mail & General Trust, Class A ...	23,007,389
8,225,426	Diageo PLC, Sponsored ADR	142,059,064
1,000,000	G4S PLC	4,011,977
1,397,625	Headlam Group PLC	6,452,950
2,238,495	Provident Financial PLC	29,065,870
5,038,361	TT Electronics PLC ††	11,313,686
2,849,351	Unilever PLC	82,660,825
		<u>318,789,748</u>
United States—7.8%		
75,700	American National Insurance Company	5,750,929
1,094,821	Baxter International, Inc.	52,233,910
436	Berkshire Hathaway Inc., Class A ††....	54,282,000
301	Berkshire Hathaway Inc., Class B ††....	24,887
587,000	ConocoPhillips	33,711,410
49,250	Devon Energy Corporation	3,188,445
528,400	Johnson & Johnson	32,739,664
2,638,686	Philip Morris International, Inc.	147,819,190
269,276	Transatlantic Holdings, Inc.	13,684,606
		<u>343,435,041</u>
Miscellaneous—0.1%		
	Undisclosed security *	2,285,013
TOTAL COMMON STOCKS		
	(COST \$2,472,170,731)	<u>4,009,778,180</u>
PREFERRED STOCKS—0.3%		
166,388	Adris Grupa d.d.	8,578,784
543,870	Villeroy & Boch AG ††	3,168,968
TOTAL PREFERRED STOCKS		
	(COST \$14,958,803)	<u>11,747,752</u>

REGISTERED INVESTMENT COMPANY—7.9%		
347,814,470	Dreyfus Government Prime Cash Management	\$347,814,470
TOTAL REGISTERED INVESTMENT COMPANY		
	(COST \$347,814,470)	<u>347,814,470</u>
Face Value		
CONVERTIBLE CORPORATE BOND—0.1%		
Switzerland—0.1%		
CHF 5,223,200	Siegfried Holding AG, 5.000%, 5/5/11	6,132,361
TOTAL CONVERTIBLE CORPORATE BOND		
	(COST \$4,852,020)	<u>6,132,361</u>
U.S. TREASURY BILL—2.6%		
\$115,000,000	0.195% ** due 11/4/10 †††	114,986,989
TOTAL U.S. TREASURY BILL		
	(COST \$114,978,875)	<u>114,986,989</u>
TOTAL INVESTMENTS		
	(Cost \$2,954,774,899***)	102.0% 4,490,459,752
UNREALIZED DEPRECIATION		
	ON FORWARD CONTRACTS (Net) ...	(2.0) (90,143,869)
OTHER ASSETS		
	AND LIABILITIES (Net)	0.0 615,408
	NET ASSETS	<u>100.0%</u> <u>\$4,400,931,291</u>

* "Undisclosed Security" represents an issuer, a generally smaller capitalization issuer, where disclosure may be disadvantageous to the Fund's accumulation or disposition program.
 ** Rate represents annualized yield at date of purchase.
 *** Aggregate cost for federal tax purposes is \$2,954,774,899.
 † Amount represents less than 0.1% of net assets.
 †† Non-income producing security.
 ††† All or a portion of this security has been segregated to cover certain open forward contracts. At September 30, 2010, liquid assets totaling \$138,741,726 have been segregated to cover such open forward contracts.

Abbreviations:
 ADR — American Depositary Receipt
 CHF — Swiss Franc
 CVA — Certificaaten van aandelen (Share Certificates)
 NVDR — Non Voting Depositary Receipt

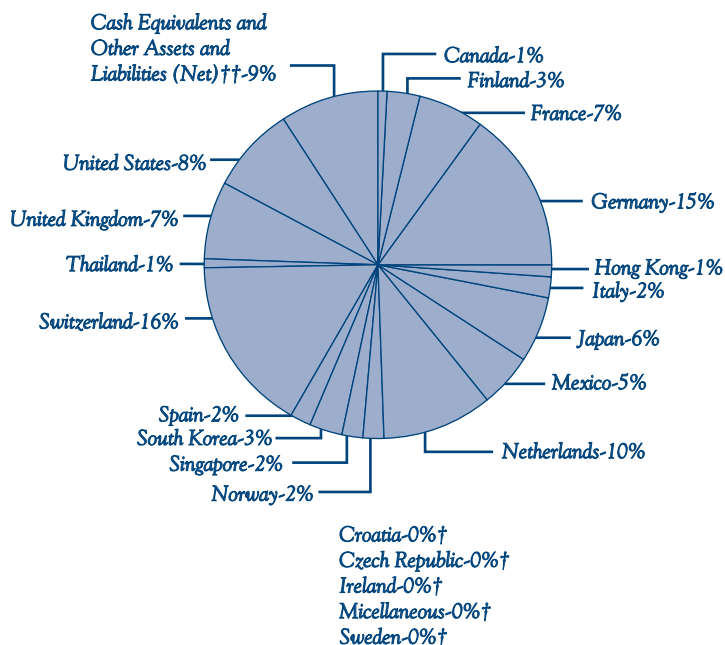
Sector Diversification

September 30, 2010 (Unaudited)

Sector Diversification	Percentage of Net Assets
COMMON STOCKS:	
Media	12.5%
Beverage	12.3
Capital Goods	9.0
Insurance	8.3
Food	7.9
Materials	7.5
Pharmaceuticals, Biotechnology & Life Sciences	6.9
Energy	3.9
Tobacco	3.4
Banks	3.1
Technology Hardware & Equipment	3.0
Household & Personal Products	2.4
Automobiles & Components	2.3
Telecommunication Services	2.2
Diversified Financials	1.9
Health Care Equipment & Services	1.8
Consumer Durables & Apparel	1.6
Commercial Services & Supplies	0.5
Transportation	0.5
Retailing	0.1
Utilities	0.0†
Total Common Stocks	91.1
Preferred Stocks	0.3
Registered Investment Company	7.9
Convertible Corporate Bond	0.1
U.S. Treasury Bill	2.6
Unrealized Depreciation on Forward Contracts (Net) ..	(2.0)
Other Assets and Liabilities (Net)	0.0†
Net Assets	100.0%

Portfolio Composition

September 30, 2010 (Unaudited)



† Amount represents less than 1% of net assets

†† Includes Unrealized Depreciation on Forward Contracts (Net)

Schedule of Forward Exchange Contracts

September 30, 2010 (Unaudited)

Contracts	Counter-party	Contract Value Date	Contract Value on Origination Date	Value 9/30/10 (Note 2)	Unrealized Gain (Loss)
FORWARD EXCHANGE CONTRACTS TO SELL (a)					
15,000,000 Canadian Dollar	JPM	5/19/11	\$(14,600,672)	\$(14,532,975)	\$67,697
20,000,000 Canadian Dollar	JPM	6/15/11	(18,825,301)	(19,361,800)	(536,499)
6,000,000 Canadian Dollar	NTC	8/4/11	(5,740,803)	(5,799,907)	(59,104)
100,000,000 European Union Euro	BOA	10/12/10	(145,888,008)	(136,508,335)	9,379,673
40,000,000 European Union Euro	CIT	10/15/10	(58,594,004)	(54,602,104)	3,991,900
40,000,000 European Union Euro	CIT	10/19/10	(59,008,007)	(54,600,464)	4,407,543
16,000,000 European Union Euro	BNY	11/24/10	(23,644,963)	(21,834,285)	1,810,678
50,000,000 European Union Euro	NTC	2/11/11	(69,677,001)	(68,187,205)	1,489,796
40,000,000 European Union Euro	NTC	3/31/11	(53,599,997)	(54,525,538)	(925,541)
75,000,000 European Union Euro	BOA	4/20/11	(101,650,506)	(102,212,812)	(562,306)
25,000,000 European Union Euro	JPM	4/26/11	(33,906,254)	(34,068,681)	(162,427)
45,000,000 European Union Euro	BNY	5/10/11	(59,840,099)	(61,314,150)	(1,474,051)
25,000,000 European Union Euro	NTC	5/19/11	(31,698,752)	(34,060,034)	(2,361,282)
90,000,000 European Union Euro	JPM	6/6/11	(111,761,994)	(122,591,770)	(10,829,776)
45,000,000 European Union Euro	BOA	6/15/11	(53,917,198)	(61,289,799)	(7,372,601)
75,000,000 European Union Euro	BOA	8/4/11	(97,271,256)	(102,092,821)	(4,821,565)
40,000,000 European Union Euro	CIT	8/9/11	(52,223,200)	(54,446,466)	(2,223,266)
120,000,000 European Union Euro	SSB	9/9/11	(152,459,999)	(163,282,900)	(10,822,901)
100,000,000 European Union Euro	SSB	9/20/11	(128,348,994)	(136,052,385)	(7,703,391)
75,000,000 European Union Euro	SSB	9/28/11	(100,087,503)	(102,031,016)	(1,943,513)
12,000,000 Great Britain Pound Sterling	CIT	11/24/10	(20,043,000)	(18,901,778)	1,141,222
30,000,000 Great Britain Pound Sterling	CIT	2/8/11	(47,871,900)	(47,229,945)	641,955
8,000,000 Great Britain Pound Sterling	CIT	4/20/11	(12,269,440)	(12,587,979)	(318,539)

(a) Primary risk exposure being hedged against is currency risk.

Tweedy, Browne Global Value Fund

Schedule of Forward Exchange Contracts

September 30, 2010 (Unaudited)

Contracts	Counter-party	Contract Value Date	Contract Value on Origination Date	Value 9/30/10 (Note 2)	Unrealized Gain (Loss)
FORWARD EXCHANGE CONTRACTS TO SELL (a) (continued)					
27,000,000 Great Britain Pound Sterling	BNY	4/26/11	\$(41,764,950)	\$(42,482,389)	\$(717,439)
10,000,000 Great Britain Pound Sterling	BNY	5/19/11	(14,834,000)	(15,731,320)	(897,320)
20,000,000 Great Britain Pound Sterling	NTC	9/20/11	(30,775,600)	(31,431,222)	(655,622)
4,225,000,000 Japanese Yen	BOA	2/28/11	(46,607,832)	(50,674,028)	(4,066,196)
2,000,000,000 Japanese Yen	BOA	3/9/11	(22,626,994)	(23,990,835)	(1,363,841)
2,000,000,000 Japanese Yen	NTC	4/20/11	(21,528,294)	(24,007,217)	(2,478,923)
1,300,000,000 Japanese Yen	BNY	5/19/11	(14,093,210)	(15,612,774)	(1,519,564)
4,500,000,000 Japanese Yen	JPM	6/28/11	(49,961,141)	(54,082,856)	(4,121,715)
2,000,000,000 Japanese Yen	NTC	9/20/11	(24,017,965)	(24,072,968)	(55,003)
415,000,000 Mexican Peso	NTC	10/22/10	(30,060,919)	(33,064,129)	(3,003,210)
400,000,000 Mexican Peso	SSB	11/1/10	(28,647,139)	(31,843,500)	(3,196,361)
700,000,000 Mexican Peso	SSB	1/18/11	(52,320,801)	(55,275,213)	(2,954,412)
230,000,000 Mexican Peso	BNY	2/11/11	(17,062,947)	(18,119,012)	(1,056,065)
350,000,000 Mexican Peso	JPM	5/10/11	(27,358,712)	(27,323,077)	35,635
330,000,000 Mexican Peso	CIT	5/31/11	(24,287,029)	(25,703,133)	(1,416,104)
240,000,000 Mexican Peso	NTC	6/1/11	(17,452,642)	(18,691,162)	(1,238,520)
140,000,000 Norwegian Krone	BNY	10/19/10	(24,343,169)	(23,881,519)	461,650
120,000,000 Norwegian Krone	SSB	2/8/11	(19,898,188)	(20,347,049)	(448,861)
235,000,000 Norwegian Krone	BNY	9/28/11	(39,084,589)	(39,350,233)	(265,644)
35,000,000 Singapore Dollar	SSB	11/24/10	(25,191,636)	(26,609,595)	(1,417,959)
23,000,000 Singapore Dollar	BNY	6/15/11	(16,234,683)	(17,487,417)	(1,252,734)
22,000,000,000 South Korean Won	JPM	3/31/11	(18,967,152)	(19,153,493)	(186,341)
50,000,000,000 South Korean Won	JPM	5/9/11	(44,551,368)	(43,482,273)	1,069,095
20,000,000,000 South Korean Won	JPM	8/4/11	(16,556,291)	(17,349,882)	(793,591)
20,000,000,000 South Korean Won	BOA	8/9/11	(16,645,859)	(17,347,416)	(701,557)
45,000,000,000 South Korean Won	JPM	9/28/11	(38,535,646)	(38,980,490)	(444,844)
77,000,000 Swiss Franc	BOA	10/5/10	(74,895,438)	(78,820,477)	(3,925,039)
70,000,000 Swiss Franc	BNY	10/12/10	(68,086,762)	(71,659,755)	(3,572,993)
40,000,000 Swiss Franc	CIT	10/15/10	(38,872,692)	(40,949,601)	(2,076,909)
40,000,000 Swiss Franc	JPM	10/19/10	(39,104,507)	(40,951,160)	(1,846,653)
75,000,000 Swiss Franc	NTC	2/8/11	(71,364,004)	(76,872,617)	(5,508,613)
45,000,000 Swiss Franc	CIT	5/10/11	(41,981,528)	(46,170,249)	(4,188,721)
47,000,000 Swiss Franc	CIT	8/23/11	(45,083,933)	(48,283,119)	(3,199,186)
44,000,000 Swiss Franc	NTC	8/31/11	(43,168,150)	(45,205,565)	(2,037,415)
325,000,000 Thailand Baht	BNY	5/10/11	(9,970,854)	(10,657,645)	(686,791)
325,000,000 Thailand Baht	JPM	5/19/11	(10,000,000)	(10,655,527)	(655,527)
290,000,000 Thailand Baht	BNY	8/4/11	(8,917,589)	(9,491,867)	(574,278)
TOTAL			\$(2,627,783,064)	\$(2,717,926,933)	\$(90,143,869)
Unrealized Depreciation on Forward Contracts (Net)					\$(90,143,869)

(a) Primary risk exposure being hedged against is currency risk.

Counterparty Abbreviations:

BOA — Bank of America
 BNY — BNY Mellon
 CIT — Citibank
 JPM — JP Morgan Chase
 NTC — Northern Trust
 SSB — State Street

Tweedy, Browne Global Value Fund II - Currency Unhedged

Portfolio of Investments

September 30, 2010 (Unaudited)

Shares		Value (Note 2)	Shares		Value (Note 2)
COMMON STOCKS—77.2%					
Finland—0.2%			South Korea—2.8%		
1,800	Kone Oyj, Class B	\$93,134	2,900	Ottogi Corporation	\$414,558
France—8.7%			3,990	Samchully Company Ltd.	405,911
106,200	CNP Assurances	1,975,419	7,705	SK Gas Company Ltd.	273,332
33,700	Teleperformance	961,556	27,000	SK Telecom Company Ltd., ADR	471,690
38,200	Total SA	1,971,564			1,565,491
		4,908,539	Spain—0.9%		
Germany—7.6%			47,800	Gestevisión Telecinco SA	527,275
32,370	Henkel AG & Company, KGaA	1,467,828	Switzerland—12.2%		
4,415	Krones AG †	263,216	35,000	Nestle SA, Registered	1,875,480
14,415	Muenchener Rueckversicherungs- Gesellschaft AG	1,999,432	23,300	Novartis AG, Registered	1,343,933
3,950	Springer (Axel) Verlag AG	522,863	1,200	PubliGroupe SA, Registered †	119,146
		4,253,339	12,800	Roche Holding AG	1,758,289
Hong Kong—1.4%			6,377	Schindler Holding AG	685,383
28,500	Jardine Strategic Holdings Ltd.	763,800	122	Zehnder Group AG	243,638
Italy—3.1%			3,540	Zurich Financial Services AG	834,497
53,200	Buzzi Unicem SPA	562,875			6,860,366
65,400	Davide Campari-Milano SPA	391,736	Thailand—1.1%		
29,100	Marr SPA	314,046	119,500	Bangkok Bank Public Company Ltd., NVDR	614,234
16,400	Mediaset SPA	116,425	United Kingdom—12.3%		
62,000	Sol SPA	380,893	189,000	BAE Systems PLC	1,019,456
		1,765,975	14,600	British American Tobacco PLC	546,292
Japan—5.9%			53,000	Carclo PLC	141,144
9,400	Canon, Inc.	438,269	94,600	Diageo PLC, Sponsored ADR	1,633,811
22,000	Daiwa Industries Ltd.	105,602	63,500	GlaxoSmithKline PLC	1,255,291
22,900	Honda Motor Company Ltd.	812,218	343,300	Hays PLC	611,838
19,200	Milbon Company Ltd.	530,907	119,700	Headlam Group PLC	552,665
20,000	Nagase & Company Ltd.	226,718	56,900	Provident Financial PLC	738,821
13,600	Nippon Kanmai Company Ltd.	221,077	200,000	TT Electronics PLC †	449,102
20,000	Ryoyo Electro Corporation	182,188			6,948,420
4,400	SK Kaken Company Ltd.	129,567	United States—8.8%		
13,000	T. Hasegawa Company Ltd.	229,686	15,825	Baxter International, Inc.	755,011
11,700	Takata Corporation	294,251	12,450	ConocoPhillips	715,003
10,100	Tomen Electronics Corporation	120,779	4,145	Home Depot, Inc.	131,314
		3,291,262	24,600	Johnson & Johnson	1,524,216
Mexico—1.2%			32,915	Philip Morris International, Inc.	1,843,898
105,000	Embotelladoras Arca SA de CV	429,009			4,969,442
80,000	Grupo Continental SA	232,891	Miscellaneous—2.9%		
		661,900		Undisclosed securities *	1,632,496
Netherlands—7.2%			TOTAL COMMON STOCKS		
23,300	Akzo Nobel NV	1,439,530		(COST \$41,227,401)	43,444,480
29,200	Heineken Holding NV	1,279,237	PREFERRED STOCKS—0.3%		
45,000	Unilever NV, CVA	1,346,947	265	KSB AG	182,699
		4,065,714	TOTAL PREFERRED STOCKS		
Singapore—0.9%				(COST \$159,205)	182,699
66,000	Fraser and Neave Ltd.	326,149			
330,000	Metro Holdings Ltd.	196,944			
		523,093			

SEE NOTES TO FINANCIAL STATEMENTS

Tweedy, Browne Global Value Fund II - Currency Unhedged

Portfolio of Investments

September 30, 2010 (Unaudited)

<u>Shares</u>		<u>Value (Note 2)</u>
	REGISTERED INVESTMENT COMPANY—24.1%	
13,561,834	Dreyfus Government Prime Cash Management	<u>\$13,561,834</u>
	TOTAL REGISTERED INVESTMENT COMPANY (COST \$13,561,834)	<u>13,561,834</u>
TOTAL INVESTMENTS		
(Cost \$54,948,440**)	101.6%	57,189,013
OTHER ASSETS AND LIABILITIES (Net) (1.6)		<u>(919,998)</u>
NET ASSETS	<u>100.0%</u>	<u><u>\$56,269,015</u></u>

* "Undisclosed Securities" represents issuers, generally smaller capitalization issuers, where disclosure may be disadvantageous to the Fund's accumulation or disposition program.

** Aggregate cost for federal tax purposes is \$54,948,440.

† Non-income producing security.

Abbreviations:

ADR — American Depositary Receipt
CVA — Certificaaten van aandelen (Share Certificates)
NVDR — Non Voting Depositary Receipt

Tweedy, Browne Global Value Fund II - Currency Unhedged

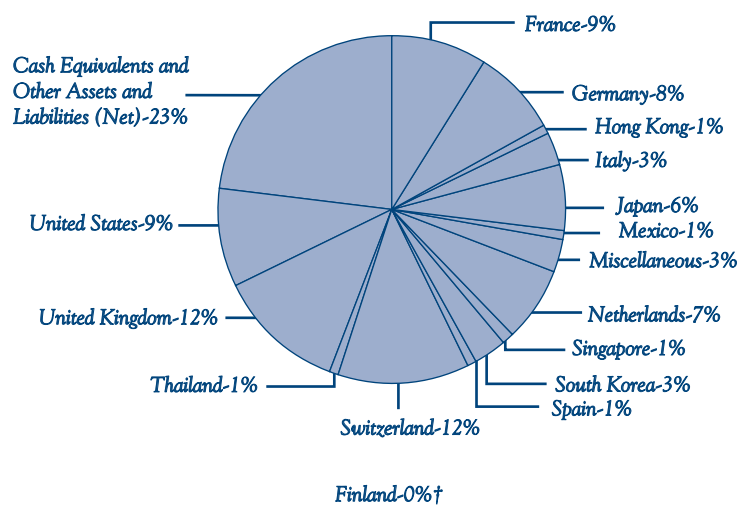
Sector Diversification

September 30, 2010 (Unaudited)

<u>Sector Diversification</u>	<u>Percentage of Net Assets</u>
COMMON STOCKS:	
Pharmaceuticals, Biotechnology & Life Sciences	10.5%
Insurance	8.5
Beverage	7.1
Capital Goods	6.6
Food	6.5
Energy	5.3
Materials	5.1
Household & Personal Products	4.4
Tobacco	4.2
Technology Hardware & Equipment	3.7
Commercial Services & Supplies	3.2
Media	2.3
Retailing	2.0
Automobiles & Components	2.0
Health Care Equipment & Services	1.3
Diversified Financials	1.3
Banks	1.1
Telecommunication Services	0.8
Utilities	0.7
Food & Staples Retailing	0.6
Total Common Stocks	<u>77.2</u>
Preferred Stocks	0.3
Registered Investment Company	24.1
Other Assets and Liabilities (Net)	(1.6)
Net Assets	<u>100.0%</u>

Portfolio Composition

September 30, 2010 (Unaudited)



† Amount represents less than 1% of net assets

Tweedy, Browne Value Fund

Portfolio of Investments

September 30, 2010 (Unaudited)

Shares		Value (Note 2)	Shares		Value (Note 2)
COMMON STOCKS—91.9%			United States (continued)		
France—5.2%			153,905	ConocoPhillips	\$8,838,764
436,400	CNP Assurances	\$8,117,449	136,105	Devon Energy Corporation	8,811,438
242,400	Total SA	12,510,658	195,000	Emerson Electric Company	10,268,700
		<u>20,628,107</u>	236,780	Federated Investors, Inc., Class B	5,389,113
			75,560	FinishMaster, Inc. †	1,492,310
Germany—10.2%			100,804	Henry Schein, Inc. †	5,905,098
219,600	Henkel AG & Company, KGaA	9,957,834	136,018	Home Depot, Inc.	4,309,050
68,000	Krones AG †	4,054,062	194,449	Johnson & Johnson	12,048,060
66,375	Linde AG	8,651,975	357,000	Leucadia National Corporation †	8,432,340
82,470	Muenchener Rueckversicherungs-		18,500	Mastercard, Inc., Class A	4,144,000
	Gesellschaft AG	11,438,999	52,084	National Western Life Insurance	
50,600	Springer (Axel) Verlag AG	6,697,943		Company, Class A	7,327,177
		<u>40,800,813</u>	98,000	Norfolk Southern Corporation	5,831,980
Japan—2.5%			263,847	Philip Morris International, Inc.	14,780,709
148,100	Canon, Inc.	6,905,069	199,032	Transatlantic Holdings, Inc.	10,114,806
87,000	Honda Motor Company Ltd.	3,085,719	137,202	UniFirst Corporation	6,057,468
		<u>9,990,788</u>	88,835	Union Pacific Corporation	7,266,703
			238,000	Wal-Mart Stores, Inc.	12,737,760
					<u>188,519,725</u>
Mexico—0.4%			TOTAL COMMON STOCKS		
565,000	Grupo Continental SA	1,644,791	(COST \$244,248,218)		
					<u>366,309,488</u>
Netherlands—7.5%			REGISTERED INVESTMENT		
72,500	Akzo Nobel NV	4,479,225	COMPANY—5.0%		
373,000	Heineken Holding NV	16,340,933	20,114,465	Dreyfus Government Prime	
297,691	Unilever NV, ADR	8,895,007		Cash Management	20,114,465
		<u>29,715,165</u>			
South Korea—0.9%			TOTAL REGISTERED		
206,544	SK Telecom Company Ltd., ADR	3,608,324	INVESTMENT COMPANY		
			(COST \$20,114,465)		
Spain—1.4%					<u>20,114,465</u>
493,000	Gestevisión Telecinco SA	5,438,218	Face Value		
Switzerland—10.6%					
360,600	Nestle SA, Registered, Sponsored ADR	19,266,858	U.S. TREASURY BILL—3.3%		
201,255	Novartis AG, Registered	11,608,290	\$13,000,000	0.157% * due 12/16/10 ††	12,996,438
83,400	Roche Holding AG	11,456,349			
		<u>42,331,497</u>	TOTAL U.S. TREASURY BILL		
United Kingdom—5.9%			(COST \$12,995,691)		
256,000	Diageo PLC, Sponsored ADR	17,666,560			<u>12,996,438</u>
205,000	Unilever PLC, Sponsored ADR	5,965,500	TOTAL INVESTMENTS		
		<u>23,632,060</u>	(Cost \$277,358,374**)		
United States—47.3%			100.2%		399,420,391
94,535	3M Company	8,197,130	UNREALIZED DEPRECIATION ON		
75,523	American National Insurance Company	5,737,482	FORWARD CONTRACTS (Net)		
98,576	Avatar Holdings Inc. †	1,880,830			(0.3)
158,000	Bank of New York Mellon Corporation/The	4,128,540			(1,100,569)
176,890	Baxter International, Inc.	8,439,422	OTHER ASSETS AND LIABILITIES (Net) 0.1		
80	Berkshire Hathaway Inc., Class A †	9,960,000			266,139
626	Berkshire Hathaway Inc., Class B †	51,758	NET ASSETS		
194,600	Broadridge Financial Solutions, Inc.	4,450,502			<u>100.0%</u>
325,528	Brown & Brown, Inc.	6,572,410			<u>\$398,585,961</u>
314,296	Comcast Corporation, Special Class A	5,346,175			

* Rate represents annualized yield at date of purchase.
 ** Aggregate cost for federal tax purposes is \$277,358,374.
 † Non-income producing security.
 †† All or a portion of this security has been segregated to cover certain open forward contracts. At September 30, 2010, liquid assets totaling \$3,998,904 have been segregated to cover such open forward contracts.

Abbreviations:
 ADR — American Depositary Receipt

Tweedy, Browne Value Fund

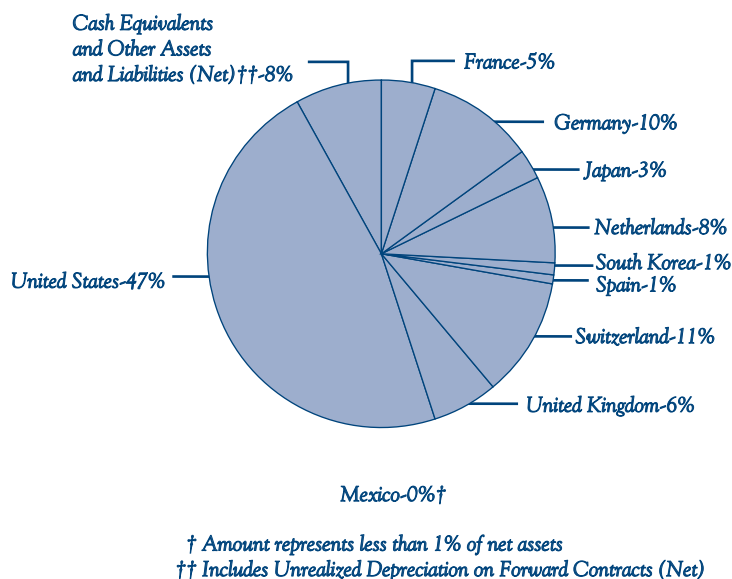
Sector Diversification

September 30, 2010 (Unaudited)

Sector Diversification	Percentage of Net Assets
COMMON STOCKS:	
Insurance	14.9%
Beverage	8.9
Pharmaceuticals, Biotechnology & Life Sciences	8.8
Food	8.6
Energy	7.6
Capital Goods	5.6
Diversified Financials	4.5
Media	4.4
Tobacco	3.7
Health Care Equipment & Services	3.6
Materials	3.3
Transportation	3.3
Food & Staples Retailing	3.2
Household & Personal Products	2.5
Software & Services	2.2
Technology Hardware & Equipment	1.7
Consumer Durables & Apparel	1.5
Automobiles & Components	1.1
Retailing	1.1
Telecommunication Services	0.9
Real Estate	0.5
Total Common Stocks	91.9
Registered Investment Company	5.0
U.S. Treasury Bill	3.3
Unrealized Depreciation on Forward Contracts (Net) ..	(0.3)
Other Assets and Liabilities (Net)	0.1
Net Assets	100.0%

Portfolio Composition

September 30, 2010 (Unaudited)



Schedule of Forward Exchange Contracts

September 30, 2010 (Unaudited)

Contracts	Counter-party	Contract Value Date	Contract Value on Origination Date	Value 9/30/10 (Note 2)	Unrealized Gain (Loss)
FORWARD EXCHANGE CONTRACTS TO SELL (a)					
13,500,000 European Union Euro	BNY	11/24/10	\$(19,950,437)	\$(18,422,678)	\$1,527,759
13,000,000 European Union Euro	NTC	2/11/11	(18,116,020)	(17,728,673)	387,347
8,000,000 European Union Euro	BNY	5/10/11	(10,638,240)	(10,900,293)	(262,053)
4,000,000 European Union Euro	NTC	5/19/11	(5,071,800)	(5,449,605)	(377,805)
6,000,000 European Union Euro	CIT	7/28/11	(7,742,880)	(8,168,064)	(425,184)
9,000,000 European Union Euro	CIT	8/9/11	(11,750,220)	(12,250,455)	(500,235)
1,200,000 Great Britain Pound Sterling	CIT	11/24/10	(2,004,300)	(1,890,178)	114,122
4,000,000 Great Britain Pound Sterling	SSB	8/9/11	(6,220,480)	(6,288,378)	(67,898)
1,500,000 Great Britain Pound Sterling	NTC	8/31/11	(2,329,500)	(2,357,723)	(28,223)
275,000,000 Japanese Yen	JPM	2/10/11	(3,055,555)	(3,297,449)	(241,894)
3,000,000,000 South Korean Won	JPM	5/9/11	(2,673,082)	(2,608,936)	64,146
5,000,000 Swiss Franc	JPM	10/19/10	(4,888,063)	(5,118,895)	(230,832)
5,000,000 Swiss Franc	NTC	2/8/11	(4,757,600)	(5,124,841)	(367,241)
3,500,000 Swiss Franc	BOA	7/28/11	(3,343,204)	(3,594,428)	(251,224)
4,500,000 Swiss Franc	JPM	8/9/11	(4,342,787)	(4,622,074)	(279,287)
3,500,000 Swiss Franc	NTC	8/31/11	(3,433,830)	(3,595,897)	(162,067)
TOTAL			\$(110,317,998)	\$(111,418,567)	\$(1,100,569)
Unrealized Depreciation on Forward Contracts (Net)					\$(1,100,569)

(a) Primary risk exposure being hedged against is currency risk.

Counterparty Abbreviations:

BOA — Bank of America
BNY — BNY Mellon
CIT — Citibank
JPM — JP Morgan Chase
NTC — Northern Trust
SSB — State Street

Tweedy, Browne Worldwide High Dividend Yield Value Fund

Portfolio of Investments

September 30, 2010 (Unaudited)

Shares	Value (Note 2)
COMMON STOCKS—85.5%	
Australia—1.0%	
464,725 Metcash Ltd.	\$1,966,371
Canada—2.5%	
118,400 IGM Financial, Inc.	4,824,409
France—7.0%	
366,300 CNP Assurances	6,813,523
132,795 Total SA	6,853,766
	13,667,289
Germany—3.5%	
49,000 Muenchener Rueckversicherungs- Gesellschaft AG	6,796,543
Italy—3.9%	
272,600 Eni SPA	5,891,218
246,275 Mediaset SPA	1,748,324
	7,639,542
Mexico—1.4%	
685,100 Embotelladoras Arca SA de CV	2,799,183
Netherlands—3.9%	
47,880 Akzo Nobel NV	2,958,142
159,109 Unilever NV, CVA	4,762,474
	7,720,616
South Korea—1.7%	
188,775 SK Telecom Company Ltd., ADR	3,297,899
Switzerland—10.8%	
56,265 Nestle SA, Registered	3,014,968
109,500 Novartis AG, Registered	6,315,907
51,500 Roche Holding AG	7,074,364
20,400 Zurich Financial Services AG	4,808,967
	21,214,206
United Kingdom—14.8%	
911,100 BAE Systems PLC	4,914,428
104,675 British American Tobacco PLC	3,916,653
362,000 Diageo PLC, Sponsored ADR	6,252,002
139,505 GlaxoSmithKline PLC	2,757,785
235,800 Pearson PLC	3,661,849
139,000 Provident Financial PLC	1,804,854
2,272,400 Vodafone Group PLC	5,625,498
	28,933,069
United States—35.0%	
144,900 Arthur J. Gallagher & Company	3,821,013
166,650 AT&T, Inc.	4,766,190

Shares	Value (Note 2)
United States (continued)	
115,000 Automatic Data Processing, Inc.	\$4,833,450
60,460 Coca-Cola Company/The	3,538,119
88,390 ConocoPhillips	5,076,238
72,670 Emerson Electric Company	3,826,802
157,680 Exelon Corporation	6,714,014
208,540 Federated Investors, Inc., Class B	4,746,370
111,600 Genuine Parts Company	4,976,244
93,055 Home Depot, Inc.	2,947,983
109,365 Johnson & Johnson	6,776,255
74,250 Kimberly-Clark Corporation	4,829,963
32,294 McDonald's Corporation	2,406,226
119,755 Philip Morris International, Inc.	6,708,675
90,360 Sysco Corporation	2,577,067
	68,544,609
TOTAL COMMON STOCKS (COST \$155,399,864)	
	167,403,736
REGISTERED INVESTMENT COMPANY—3.9%	
7,577,325 Dreyfus Government Prime Cash Management	7,577,325
TOTAL REGISTERED INVESTMENT COMPANY (COST \$7,577,325)	
	7,577,325

Face Value	
TREASURY BILLS—11.6%	
Germany—9.1%	
€13,000,000 0.119% * due 10/13/10	17,746,991
United States—2.5%	
\$5,000,000 0.157% * due 12/16/10	4,998,630
TOTAL TREASURY BILLS (COST \$21,495,303)	
	22,745,621
TOTAL INVESTMENTS (Cost \$184,472,492**)	
	101.0% 197,726,682
OTHER ASSETS AND LIABILITIES (Net)	
	(1.0) (1,918,861)
NET ASSETS	
	100.0% \$195,807,821

* Rate represents annualized yield at date of purchase.
 ** Aggregate cost for federal tax purposes is \$184,472,492.

Abbreviations:
 ADR — American Depositary Receipt
 CVA — Certificaaten van aandelen (Share Certificates)
 € — European Union Euro

Tweedy, Browne Worldwide High Dividend Yield Value Fund

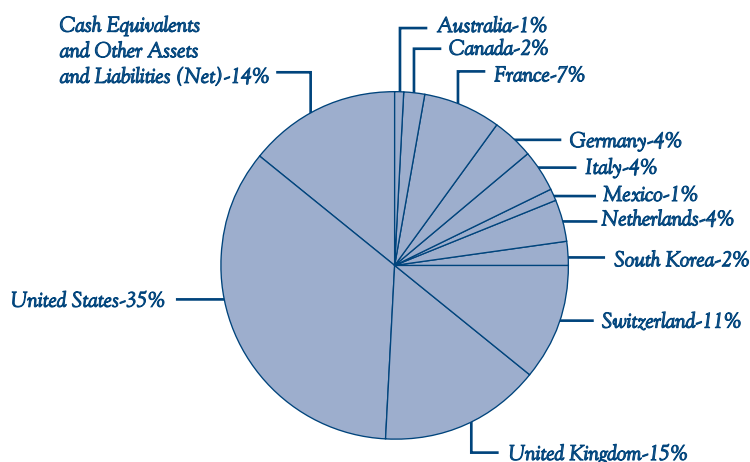
Sector Diversification

September 30, 2010 (Unaudited)

<u>Sector Diversification</u>	<u>Percentage of Net Assets</u>
COMMON STOCKS:	
Pharmaceuticals, Biotechnology & Life Sciences	11.7%
Insurance	11.4
Energy	9.1
Telecommunication Services	7.0
Beverage	6.4
Diversified Financials	5.8
Tobacco	5.4
Capital Goods	4.5
Retailing	4.0
Food	4.0
Utilities	3.4
Media	2.8
Software & Services	2.5
Household & Personal Products	2.5
Food & Staples Retailing	2.3
Materials	1.5
Consumer Services	1.2
Total Common Stocks	85.5
Registered Investment Company	3.9
Treasury Bills	11.6
Other Assets and Liabilities (Net)	(1.0)
Net Assets	100.0%

Portfolio Composition

September 30, 2010 (Unaudited)



TWEEDY, BROWNE FUND INC.

Statements of Assets and Liabilities

September 30, 2010 (Unaudited)

	Global Value Fund	Global Value Fund II - Currency Unhedged (a)	Value Fund	Worldwide High Dividend Yield Value Fund
ASSETS				
Investments, at cost.	\$2,954,774,899	\$54,948,440	\$277,358,374	\$184,472,492
Investments, at value (Note 2)	\$4,490,459,752	\$57,189,013	\$399,420,391	\$197,726,682
Cash	14	—	—	—
Foreign currency (b)	176,283	7,632	—	53,429
Dividends and interest receivable	7,475,503	110,916	670,880	552,286
Receivable for investment securities sold	12,633,823	—	—	—
Recoverable foreign withholding taxes	9,134,379	33,980	322,948	117,001
Receivable for Fund shares sold	3,140,038	115,652	3,971	1,330,437
Unrealized appreciation of forward exchange contracts (Note 2)	24,496,844	—	2,093,374	—
Prepaid expense	202,362	7,663	18,740	6,911
Total Assets	<u>4,547,718,998</u>	<u>57,464,856</u>	<u>402,530,304</u>	<u>199,786,746</u>
LIABILITIES				
Unrealized depreciation of forward exchange contracts (Note 2)	\$114,640,713	\$ —	\$3,193,943	\$ —
Payable for investment securities purchased	21,376,299	1,101,030	—	3,787,995
Payable for Fund shares redeemed	5,396,256	18,056	371,296	24,393
Investment advisory fee payable (Note 3)	2,799,726	27,851	254,238	127,496
Transfer agent fees payable (Note 3)	245,076	5,512	42,966	13,972
Custodian fees payable (Note 3)	195,059	1,624	10,095	2,448
Administration and accounting fees payable (Note 3)	95,174	1,276	8,752	4,233
Accrued expenses and other payables	2,039,404	40,492	63,053	18,388
Total Liabilities	<u>146,787,707</u>	<u>1,195,841</u>	<u>3,944,343</u>	<u>3,978,925</u>
NET ASSETS	<u>\$4,400,931,291</u>	<u>\$56,269,015</u>	<u>\$398,585,961</u>	<u>\$195,807,821</u>
NET ASSETS consist of				
Undistributed net investment income	\$47,958,795	\$350,154	\$3,405,859	\$84,698
Accumulated net realized gain (loss) on securities, forward exchange contracts and foreign currencies	122,322,701	24,441	22,175,017	(10,589,545)
Net unrealized appreciation of securities, forward exchange contracts, foreign currencies and net other assets	1,446,554,139	2,244,103	120,986,977	13,266,670
Par value	19,497	529	2,129	2,250
Paid-in capital in excess of par value	2,784,076,159	53,649,788	252,015,979	193,043,748
Total Net Assets	<u>\$4,400,931,291</u>	<u>\$56,269,015</u>	<u>\$398,585,961</u>	<u>\$195,807,821</u>
CAPITAL STOCK , (common stock outstanding)	<u>194,968,635</u>	<u>5,286,593</u>	<u>21,293,509</u>	<u>22,501,229</u>
NET ASSET VALUE , offering and redemption price per share	<u>\$22.57</u>	<u>\$10.64</u>	<u>\$18.72</u>	<u>\$8.70</u>

(a) The Tweedy, Browne Global Value Fund II - Currency Unhedged commenced operations on October 26, 2009.

(b) Foreign currency held at cost for the Global Value Fund, Global Value Fund II - Currency Unhedged, Value Fund and Worldwide High Dividend Yield Value Fund was \$175,716, \$7,652, \$0 and \$53,593, respectively.

TWEEDY, BROWNE FUND INC.

Statements of Operations

For the Six Months Ended September 30, 2010 (Unaudited)

	Global Value Fund	Global Value Fund II - Currency Unhedged	Value Fund	Worldwide High Dividend Yield Value Fund
INVESTMENT INCOME				
Dividends.....	\$77,709,378	\$702,202	\$5,931,420	\$3,510,061
Foreign withholding taxes.....	(8,771,155)	(66,404)	(505,407)	(212,099)
Interest.....	210,138	—	10,424	9,364
Total Investment Income	<u>69,148,361</u>	<u>635,798</u>	<u>5,436,437</u>	<u>3,307,326</u>
EXPENSES				
Investment advisory fee (Note 3).....	26,272,720	283,888	2,426,320	1,007,411
Custodian fees (Note 3).....	893,043	12,425	28,017	16,585
Transfer agent fees (Note 3).....	686,877	17,873	121,458	37,830
Administration and accounting fees (Note 3).....	565,112	7,471	53,442	22,994
Legal and audit fees.....	284,796	8,504	30,626	9,909
Directors' fees and expenses (Note 3).....	176,415	654	18,549	4,632
Organizational expenses.....	—	39,373	—	—
Other.....	417,799	27,929	61,715	33,018
Total Expenses before waivers	<u>29,296,762</u>	<u>398,117</u>	<u>2,740,127</u>	<u>1,132,379</u>
Less: Investment advisory fees waived and/or expenses reimbursed (Note 3).....	<u>—</u>	<u>(86,287)</u>	<u>—</u>	<u>(27,294)</u>
Net Expenses	<u>29,296,762</u>	<u>311,830</u>	<u>2,740,127</u>	<u>1,105,085</u>
NET INVESTMENT INCOME	<u>39,851,599</u>	<u>323,968</u>	<u>2,696,310</u>	<u>2,202,241</u>
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS (Notes 2 and 4):				
Net realized gain (loss) on:				
Securities.....	103,139,970	34,582	9,185,870	1,868,468
Forward exchange contracts (a).....	51,840,764	—	1,873,767	—
Foreign currencies and net other assets.....	(306,469)	(10,140)	(11,454)	(599,627)
Net realized gain on investments during the period ...	<u>154,674,265</u>	<u>24,442</u>	<u>11,048,183</u>	<u>1,268,841</u>
Net unrealized appreciation (depreciation) of:				
Securities.....	6,624,108	1,667,285	(16,326,099)	1,684,408
Forward exchange contracts (a).....	(114,744,346)	—	(4,280,199)	—
Foreign currencies and net other assets.....	810,770	3,608	13,905	12,114
Net unrealized appreciation (depreciation) of investments during the period	<u>(107,309,468)</u>	<u>1,670,893</u>	<u>(20,592,393)</u>	<u>1,696,522</u>
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS	<u>47,364,797</u>	<u>1,695,335</u>	<u>(9,544,210)</u>	<u>2,965,363</u>
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$87,216,396</u>	<u>\$2,019,303</u>	<u>\$(6,847,900)</u>	<u>\$5,167,604</u>

(a) Primary risk exposure being hedged is currency risk.

TWEEDY, BROWNE FUND INC.

Statements of Changes in Net Assets

	Global Value Fund	
	Six Months Ended 9/30/2010 (Unaudited)	Year Ended 3/31/2010
INVESTMENT ACTIVITIES:		
Net investment income	\$39,851,599	\$63,378,883
Net realized gain (loss) on securities, forward exchange contracts and currency transactions during the period	154,674,265	403,909,314
Net unrealized appreciation (depreciation) of securities, forward exchange contracts, foreign currencies and net other assets during the period	(107,309,468)	1,264,499,839
Net increase (decrease) in net assets resulting from operations	87,216,396	1,731,788,036
DISTRIBUTIONS:		
Dividends to shareholders from net investment income	—	(65,076,197)
Net increase (decrease) in net assets from Fund share transactions	7,848,538	(455,420,373)
Redemption Fees	45,815	169,090
Net increase (decrease) in net assets	95,110,749	1,211,460,556
NET ASSETS		
Beginning of period	4,305,820,542	3,094,359,986
End of period	\$4,400,931,291	\$4,305,820,542
Undistributed (distributions in excess of) net investment income at end of period	\$47,958,795	\$8,107,196

(a) The Tweedy, Browne Global Value Fund II - Currency Unhedged commenced operations on October 26, 2009.

Global Value Fund II - Currency Unhedged		Value Fund		Worldwide High Dividend Yield Value Fund	
Six Months Ended 9/30/2010 (Unaudited)	Period Ended 3/31/2010 (a)	Six Months Ended 9/30/2010 (Unaudited)	Year Ended 3/31/2010	Six Months Ended 9/30/2010 (Unaudited)	Year Ended 3/31/2010
\$323,968	\$3,979	\$2,696,310	\$5,134,245	\$2,202,241	\$2,728,701
24,442	(2,358)	11,048,183	22,027,289	1,268,841	4,891,428
1,670,893	573,210	(20,592,393)	120,042,298	1,696,522	31,514,939
2,019,303	574,831	(6,847,900)	147,203,832	5,167,604	39,135,068
—	(7,147)	—	(4,497,188)	(2,076,858)	(2,849,813)
19,670,564	34,005,329	2,390,477	(44,450,144)	47,608,495	28,891,458
4,635	1,500	—	—	14,762	4,175
21,694,502	34,574,513	(4,457,423)	98,256,500	50,714,003	65,180,888
34,574,513	—	403,043,384	304,786,884	145,093,818	79,912,930
\$56,269,015	\$34,574,513	\$398,585,961	\$403,043,384	\$195,807,821	\$145,093,818
\$350,154	\$26,186	\$3,405,859	\$709,549	\$84,698	\$(40,685)

TWEEDY, BROWNE FUND INC.

Financial Highlights

Tweedy, Browne Global Value Fund

For a Fund share outstanding throughout each period/year.

	Six Months Ended 9/30/10 (Unaudited)	Year Ended 3/31/10	Year Ended 3/31/09	Year Ended 3/31/08	Year Ended 3/31/07	Year Ended 3/31/06
Net asset value, beginning of period/year	\$22.13	\$14.15	\$27.21	\$32.31	\$28.56	\$24.08
Income from investment operations:						
Net investment income	0.20	0.33	0.66(a)(b)	0.50	0.47	0.34
Net realized and unrealized gain (loss) on investments . .	0.24	7.98	(10.90)	(2.24)	4.06	4.51
Total from investment operations	0.44	8.31	(10.24)	(1.74)	4.53	4.85
Distributions:						
Dividends from net investment income	—	(0.33)	(0.75)	(0.48)	(0.43)	(0.37)
Distributions from net realized gains	—	—	(2.07)	(2.88)	(0.35)	—
Total distributions	—	(0.33)	(2.82)	(3.36)	(0.78)	(0.37)
Redemption fees (c)	0.00	0.00	0.00	0.00	0.00	0.00
Net asset value, end of period/year	\$22.57	\$22.13	\$14.15	\$27.21	\$32.31	\$28.56
Total return (d)	1.99%	58.85%	(38.57)%	(6.35)%	16.01%	20.24%
Ratios/Supplemental Data:						
Net assets, end of period/year (in 000s)	\$4,400,931	\$4,305,821	\$3,094,360	\$6,663,870	\$8,323,689	\$8,060,962
Ratio of operating expenses to average net assets	1.39%(e)	1.40%	1.40%	1.37%	1.37%	1.38%
Ratio of net investment income to average net assets . .	1.90%(e)	1.62%	3.05%(b)	1.45%	1.53%	1.33%
Portfolio turnover rate	5%	7%	16%	9%	13%	6%

(a) Net investment income per share was calculated using the average shares method.

(b) For year ended 3/31/09, investment income per share reflects a special dividend which amounted to \$0.14 per share. Excluding the special dividend, the ratio of net investment income to average net assets would have been 2.42% per share.

(c) Amount represents less than \$0.01 per share.

(d) Total return represents aggregate total return for the periods indicated.

(e) Annualized.

Tweedy, Browne Global Value Fund II - Currency Unhedged

For a Fund share outstanding throughout the period.

	Six Months Ended 9/30/10 (Unaudited)	Period Ended 3/31/10 (a)
Net asset value, beginning of period	\$10.27	\$10.00
Income from investment operations:		
Net investment income	0.07	0.00(b)
Net realized and unrealized gain (loss) on investments . .	0.30	0.27
Total from investment operations	0.37	0.27
Distributions:		
Dividends from net investment income (b)	—	0.00
Distributions from net realized gains	—	—
Total distributions (b)	—	0.00
Redemption fees (b)	0.00	0.00
Net asset value, end of period	\$10.64	\$10.27
Total return (c)	3.60%	2.74%
Ratios/Supplemental Data:		
Net assets, end of period (in 000s)	\$56,269	\$34,575
Ratio of operating expenses to average net assets	1.37%(d)	1.37%(d)
Ratio of operating expenses to average net assets excluding waivers and/or reimbursement of expenses	1.76%(d)	2.56%(d)
Ratio of net investment income to average net assets . .	1.43%(d)	0.04%(d)
Portfolio turnover rate	0.30%	0.00%

(a) The Tweedy, Browne Global Value Fund II - Currency Unhedged commenced operations on October 26, 2009.

(b) Amount represents less than \$0.01 per share.

(c) Total return represents aggregate total return for the period indicated.

(d) Annualized.

TWEEDY, BROWNE FUND INC.

Financial Highlights

Tweedy, Browne Value Fund

For a Fund share outstanding throughout each period/year.

	Six Months Ended 9/30/10 (Unaudited)	Year Ended 3/31/10	Year Ended 3/31/09	Year Ended 3/31/08	Year Ended 3/31/07	Year Ended 3/31/06
Net asset value, beginning of period/year	\$19.03	\$12.73	\$20.90	\$24.65	\$24.27	\$24.67
Income from investment operations:						
Net investment income	0.13	0.24	0.18	0.22	0.21	0.30(a)
Net realized and unrealized gain(loss) on investments	(0.44)	6.27	(6.22)	(1.43)	2.38	1.49
Total from investment operations	(0.31)	6.51	(6.04)	(1.21)	2.59	1.79
Distributions:						
Dividends from net investment income	—	(0.21)	(0.20)	(0.19)	(0.27)	(0.33)
Distributions from net realized gains	—	—	(1.93)	(2.35)	(1.94)	(1.86)
Total distributions	—	(0.21)	(2.13)	(2.54)	(2.21)	(2.19)
Net asset value, end of period/year	\$18.72	\$19.03	\$12.73	\$20.90	\$24.65	\$24.27
Total return (b)	(1.63)%	51.18%	(30.01)%	(5.41)%	10.76%	7.41%
Ratios/Supplemental Data:						
Net assets, end of period/year (in 000s)	\$398,586	\$403,043	\$304,787	\$411,237	\$515,527	\$548,169
Ratio of operating expenses to average net assets	1.41%(c)	1.42%	1.41%	1.37%	1.38%	1.36%
Ratio of net investment income to average net assets	1.39%(c)	1.40%	1.02%	0.83%	0.80%	1.08%(a)
Portfolio turnover rate	7%	11%	37%	11%	9%	9%

(a) For year ended 3/31/06, investment income per share reflects a special dividend which amounted to \$0.05 per share. Excluding the special dividend, the ratio of net investment income to average net assets would have been 0.88% per share.

(b) Total return represents aggregate total return for the periods indicated.

(c) Annualized.

Tweedy, Browne Worldwide High Dividend Yield Value Fund

For a Fund share outstanding throughout each period/year.

	Six Months Ended 9/30/10 (Unaudited)	Year Ended 3/31/10	Year Ended 3/31/09	Period Ended 3/31/08 (a)
Net asset value, beginning of period/year	\$8.62	\$6.09	\$9.70	\$10.00
Income from investment operations:				
Net investment income	0.11	0.20	0.22	0.10
Net realized and unrealized gain (loss) on investments	0.08	2.53	(3.57)	(0.37)
Total from investment operations	0.19	2.73	(3.35)	(0.27)
Distributions:				
Dividends from net investment income	(0.11)	(0.20)	(0.26)	(0.03)
Distributions from net realized gains	—	—	—	—
Total distributions	(0.11)	(0.20)	(0.26)	(0.03)
Redemption fees (b)	0.00	0.00	0.00	0.00
Net asset value, end of period/year	\$8.70	\$8.62	\$6.09	\$9.70
Total return (c)	2.34%	45.19%	(35.25)%	(2.69)%
Ratios/Supplemental Data:				
Net assets, end of period/year (in 000s)	\$195,808	\$145,094	\$79,913	\$ 70,386
Ratio of operating expenses to average net assets	1.37%(d)	1.37%	1.37%	1.37%(d)
Ratio of operating expenses to average net assets excluding waivers and/or reimbursement of expenses	1.41%(d)	1.46%	1.54%	1.86%(d)
Ratio of net investment income to average net assets	2.73%(d)	2.36%	2.99%	2.38%(d)
Portfolio turnover rate	16%	18%	38%	2%

(a) The Tweedy, Browne Worldwide High Dividend Yield Value Fund commenced operations on September 5, 2007.

(b) Amount represents less than \$0.01 per share.

(c) Total return represents aggregate total return for the period indicated.

(d) Annualized.

Notes to Financial Statements (Unaudited)**1. Organization**

Tweedy, Browne Fund Inc. (the “Company”) is an open-end management investment company registered with the United States (“U.S.”) Securities and Exchange Commission under the Investment Company Act of 1940, as amended. The Company was organized as a Maryland corporation on January 28, 1993. Tweedy, Browne Global Value Fund (“Global Value Fund”), Tweedy, Browne Global Value Fund II - Currency Unhedged (“Global Value Fund II - Currency Unhedged”), Tweedy, Browne Value Fund (“Value Fund”), and Tweedy, Browne Worldwide High Dividend Yield Value Fund (“Worldwide High Dividend Yield Value Fund”), (each a “Fund” and together, the “Funds”), are each a diversified series of the Company.

The Funds commenced operations as follows:

Fund	Commencement of Operations
Global Value Fund	06/15/93
Global Value Fund II - Currency Unhedged	10/26/09
Value Fund	12/08/93
Worldwide High Dividend Yield Value Fund	09/05/07

The Global Value Fund and Global Value Fund II - Currency Unhedged seek long-term capital growth by investing primarily in foreign equity securities that Tweedy, Browne Company LLC (“Tweedy, Browne” or the “Investment Adviser”) believes are undervalued. The Value Fund seeks long-term capital growth by investing primarily in U.S. and foreign equity securities that Tweedy, Browne believes are undervalued. The Worldwide High Dividend Yield Value Fund seeks long-term capital growth by investing primarily in U.S. and foreign equity securities that Tweedy, Browne believes to have above-average dividend yields and valuations that are reasonable.

2. Significant Accounting Policies

The preparation of financial statements in accordance with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The following is a summary of significant accounting policies consistently followed by the Funds in the preparation of their financial statements.

Portfolio Valuation Portfolio securities and other assets, listed on a U.S. national securities exchange, comparable foreign securities exchange or through any system providing for contemporaneous publication of actual prices (and not subject to restrictions against sale by the Fund on such exchange or system) are valued at the last quoted sale price at or prior to the close of regular trading on the New York Stock Exchange or,

if applicable, the NASDAQ Official Closing Price (“NOCP”). Portfolio securities and other assets, which are readily marketable but for which there are no reported sales on the valuation date, whether because they are not traded in a system providing for same day publication of sales or because there were no sales reported on such date, are generally valued at the mean between the last asked price and the last bid price prior to the close of regular trading. Securities and other assets for which current market quotations are not readily available, and those securities which are generally not readily marketable due to significant legal or contractual restrictions, will be valued at fair value as determined by the Investment Adviser under the direction of the Board of Directors. Securities and other assets for which the most recent market quotations may not be reliable (including because the last sales price does not reflect current market value at the time of valuing the Funds’ asset due to developments since such last price) may be valued at fair value if the Investment Adviser concluded that fair valuation will likely result in a more accurate net asset valuation. Debt securities purchased with a remaining maturity of more than 60 days are valued through pricing obtained by pricing services approved by the Funds’ Board of Directors. Debt securities purchased with a remaining maturity of 60 days or less are valued at amortized cost, which approximates market value, or by reference to other factors (i.e., pricing services or dealer quotations) by the Investment Adviser.

Fair Value Measurements The inputs and valuation techniques used to measure fair value of the Funds’ net assets are summarized into three levels as described in the hierarchy below:

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund’s own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. A summary of the inputs used to value the Funds’ assets carried at fair value as of September 30, 2010 is as follows:

TWEEDY, BROWNE FUND INC.

Notes to Financial Statements (Unaudited)

Global Value Fund				
	Total Value at September 30, 2010	Level 1 Quoted Price	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Investments in Securities:				
Equity Securities				
Common Stocks				
Canada	\$47,470,390	\$47,470,390	\$—	\$—
Czech Republic	1,453,252	1,453,252	—	—
Finland	129,353,302	129,353,302	—	—
France	294,618,027	294,618,027	—	—
Germany	649,545,435	649,545,435	—	—
Hong Kong	53,667,000	53,667,000	—	—
Ireland	91,031	—	—	91,031
Italy	87,682,394	86,790,865	891,529	—
Japan	285,787,263	284,991,872	795,391	—
Mexico	224,678,236	224,678,236	—	—
Netherlands	426,309,965	426,309,965	—	—
Norway	85,237,509	85,237,509	—	—
Singapore	98,833,010	98,833,010	—	—
South Korea	154,451,285	154,451,285	—	—
Spain	75,208,453	75,208,453	—	—
Sweden	366,197	366,197	—	—
Switzerland	691,919,904	668,860,752	23,059,152	—
Thailand	40,880,738	40,880,738	—	—
United Kingdom	318,789,748	318,789,748	—	—
United States	343,435,041	343,435,041	—	—
Preferred Stocks	11,747,752	11,747,752	—	—
Registered Investment Company	347,814,470	347,814,470	—	—
Convertible Corporate Bond				
Switzerland	6,132,361	—	6,132,361	—
U.S. Treasury Bill	114,986,989	—	114,986,989	—
Total Investments in Securities	4,490,459,752	4,344,503,299	145,865,422	91,031
Other Financial Instruments:				
Asset				
Unrealized appreciation of forward exchange contracts	24,496,844	—	24,496,844	—
Liability				
Unrealized depreciation of forward exchange contracts	(114,640,713)	—	(114,640,713)	—
Total	\$4,400,315,883	\$4,344,503,299	\$55,721,553	\$91,031

Global Value Fund II - Currency Unhedged				
	Total Value at September 30, 2010	Level 1 Quoted Price	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Investments in Securities*	\$57,189,013	\$57,189,013	\$—	\$—

* See Portfolio of Investments for security type and country breakout.

TWEEDY, BROWNE FUND INC.

Notes to Financial Statements (Unaudited)

Value Fund				
	Total Value at September 30, 2010	Level 1 Quoted Price	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Investments in Securities:				
Equity Securities				
Common Stocks*	\$366,309,488	\$366,309,488	\$—	\$—
Registered Investment Company	20,114,465	20,114,465	—	—
U.S. Treasury Bill	12,996,438	—	12,996,438	—
Total Investments in Securities	399,420,391	386,423,953	12,996,438	—
Other Financial Instruments:				
Asset				
Unrealized appreciation of forward exchange contracts	2,093,374	—	2,093,374	—
Liability				
Unrealized depreciation of forward exchange contracts	(3,193,943)	—	(3,193,943)	—
Total	\$398,319,822	\$386,423,953	\$11,895,869	\$—

* See Portfolio of Investments for country breakout.

Worldwide High Dividend Yield Value Fund				
	Total Value at September 30, 2010	Level 1 Quoted Price	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Investments in Securities:				
Equity Securities				
Common Stocks *	\$167,403,736	\$167,403,736	\$—	\$—
Registered Investment Company	7,577,325	7,577,325	—	—
Treasury Bills *	22,745,621	—	22,745,621	—
Total Investments in Securities	\$197,726,682	\$174,981,061	\$22,745,621	\$—

* See Portfolio of Investments for country breakout.

The following is a reconciliation of the Global Value Fund's Level 3 investments for which significant unobservable inputs were used to determine fair value.

	Equity Securities	
	Total	Ireland
Balance as of March 31, 2010	\$90,224	\$90,224
Accrued discounts/premiums	—	—
Realized gain (loss)	—	—
Change in unrealized appreciation (depreciation)	807	807
Net purchases (sales)	—	—
Transfer in and/or out of Level 3	—	—
Balance as of September 30, 2010	<u>\$91,031</u>	<u>\$91,031</u>

The net unrealized gains presented in the table above relate to investments that were held during the six months ended September 30, 2010. The Global Value Fund presents these gains on the Statements of Operations as net unrealized appreciation of securities.

At the end of each calendar quarter, management evaluates the pricing inputs used for Level 1 and 2 assets. As of September 30, 2010, securities with an end of period value of \$24,233,251 held by the Global Value Fund were transferred from Level 1 into Level 2 due to low trading volume. As of that date, securities with an end of period value of \$8,717,850, \$129,567 and \$1,492,310 held by the Global Value Fund, Global Value Fund II - Currency Unhedged and Value Fund, respectively, were transferred from Level 2 into Level 1, due to higher trading volume.

Notes to Financial Statements (Unaudited)

Foreign Currency The books and records of the Funds are maintained in U.S. dollars. Foreign currencies, investments and other assets and liabilities are translated into U.S. dollars at the exchange rates prevailing at the end of the period, and purchases and sales of investment securities, income and expenses are translated on the respective dates of such transactions. Unrealized gains and losses from investments in securities which result from changes in foreign currency exchange rates have been included in net unrealized appreciation (depreciation) of Securities. All other unrealized gains and losses which result from changes in foreign currency exchange rates have been included in net unrealized appreciation (depreciation) of foreign currencies and net other assets. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investments, securities transactions, foreign currency transactions and the difference between the amounts of interest and dividends recorded on the books of the Funds and the amount actually received. The portion of foreign currency gains and losses related to fluctuation in the exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gains and losses on investment securities sold.

Forward Exchange Contracts The Global Value Fund and Value Fund are subject to foreign currency exchange risk in the normal course of pursuing their investment objectives and may enter into forward exchange contracts for non-trading purposes in order to reduce their exposure to fluctuations in foreign currency exchange on their portfolio holdings. Forward exchange contracts are valued at the forward rate and are marked-to-market daily. The change in market value is recorded by each of the Funds as an unrealized gain or loss. When the contract is closed, the Funds record a realized gain or loss equal to the difference between the value of the contract at the time that it was opened and the value of the contract at the time that it was closed.

The use of forward exchange contracts does not eliminate fluctuations in the underlying prices of the Funds' investment securities, but it does establish a rate of exchange that can be achieved in the future. Although forward exchange contracts limit the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might result should the value of the currency increase. In addition, the Funds could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts.

For open contracts at September 30, 2010, see the Schedule of Investments, which is also indicative of activity for the six months ended September 30, 2010.

Securities Transactions and Investment Income Securities transactions are recorded as of the trade date. Realized gains and losses from securities transactions are

recorded on the identified cost basis. Dividend income and distributions to shareholders are recorded on the ex-dividend date. In the case of certain foreign securities, dividend income is recorded as soon after the ex-date as the Funds become aware of such dividend. Large nonrecurring dividends recognized by a Fund are presented separately on the Statement of Operations as "special dividends" and the impact of these dividends to net investment income per share is presented in the financial highlights. Interest income is recorded on the accrual basis. Dividend income and interest income may be subject to foreign withholding taxes. The Funds' custodian applies for refunds on behalf of each Fund where available.

Tweedy, Browne is reimbursed by the Funds for the cost of settling transactions in U.S. securities for the Funds through its clearing broker. For the six months ended September 30, 2010, Global Value Fund, Global Value Fund II - Currency Unhedged, Value Fund and Worldwide High Dividend Yield Value Fund reimbursed Tweedy, Browne \$165, \$150, \$270 and \$540, respectively, for such transaction charges.

Dividends and Distributions to Shareholders Dividends from net investment income, if any, will be declared and paid annually for the Global Value Fund, Global Value Fund II - Currency Unhedged, and Value Fund and semi-annually for the Worldwide High Dividend Yield Value Fund. Distributions from realized capital gains after utilization of capital loss carryforwards, if any, will be declared and paid annually for each of the Funds. Additional distributions of net investment income and capital gains from the Funds may be made at the discretion of the Board of Directors in order to avoid the application of a 4% non-deductible federal excise tax on certain undistributed amounts of ordinary income and capital gains. Income dividends and capital gain distributions are determined in accordance with income tax regulations which may differ from accounting principles generally accepted in the United States. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Funds, timing differences and differing characterization of distributions made by the Funds.

The character of distributions paid on a tax basis during the fiscal year ended March 31, 2010 is as follows:

Distributions paid from:	Global Value Fund	Global Value Fund II - Currency Unhedged	Value Fund	Worldwide High Dividend Yield Value Fund
Investment income	\$65,076,197	\$7,147	\$4,497,188	\$2,849,813
Short-term capital gain	—	—	—	—
Ordinary income	65,076,197	7,147	4,497,188	2,849,813
Long-term capital gain	—	—	—	—
Total Distributions	\$65,076,197	\$7,147	\$4,497,188	\$2,849,813

TWEEDY, BROWNE FUND INC.

Notes to Financial Statements (Unaudited)

As of March 31, 2010, the components of distributable earnings on a tax basis were as follows:

	Global Value Fund	Global Value Fund II - Currency Unhedged	Value Fund	Worldwide High Dividend Yield Value Fund
Undistributed ordinary income	\$8,555,455	\$26,572	\$737,654	\$433,073
Undistributed realized gain	—	—	14,306,464	—
Unrealized appreciation/ (depreciation)	1,530,178,190	573,287	138,388,116	11,569,781
Accumulated capital and other losses	(8,951,236)	(2,357)	(28,105)	(12,278,820)
Total	\$1,529,782,409	\$597,502	\$153,404,129	\$(275,966)

Federal Income Taxes Each Fund has qualified and intends to continue to qualify as a regulated investment company by complying with the requirements of the U.S. Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and by distributing substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

Reclassifications are recorded to the Funds' capital accounts for any permanent tax differences to reflect income and gains available for distribution (or available capital loss carryforwards) under income tax regulations. For the year ended March 31, 2010, permanent book and tax basis differences resulting primarily from differing treatments for foreign currency transactions and equalization were identified and reclassified among the components of each Fund's net assets as follows:

	Global Value Fund	Global Value Fund II - Currency Unhedged	Value Fund	Worldwide High Dividend Yield Value Fund
Undistributed ordinary income	\$(187,424)	\$29,354	\$20,585	\$582,295
Undistributed net realized gain (loss)	187,424	2,357	(20,585)	(582,295)
Paid-in capital	—	(31,711)	—	—

Results of operations and net assets were not affected by these reclassifications.

As of March 31, 2010, the Global Value Fund had a capital loss carryforward of \$8,502,977, expiring in 2018 and the Worldwide High Dividend Yield Value Fund had a capital loss carryforward of \$11,858,386, of which \$3,065,719 expires in 2017 and \$8,792,667 expires in 2018, which may be available to reduce future net realized gains on investments, if any, to the extent permitted by the Internal Revenue Code.

Net capital and foreign currency losses incurred after October 31 may be deferred and treated as occurring on the first day of the following fiscal year. Post-October capital losses are

available to offset future realized capital gains and thereby reduce future capital gains distributions. Post-October foreign currency losses will offset future net investment income and thereby reduce future ordinary income distributions. For the year ended March 31, 2010, the Funds deferred to April 1, 2010 post-October capital and currency losses of:

Fund	Capital Losses	Foreign Currency Losses
Global Value Fund	\$—	\$448,259
Global Value Fund II - Currency Unhedged	—	2,357
Value Fund	—	28,105
Worldwide High Dividend Yield Value Fund	—	420,434

The Funds are not aware of any events that are reasonably possible to occur in the next twelve months that would result in the amounts of any unrecognized tax benefits significantly increasing or decreasing for the Funds. However, the Funds' conclusions may be subject to future review based on changes in, or the interpretation of, the accounting standards or tax laws and regulations. Each of the Funds' federal tax returns for the prior three fiscal years remains subject to examination by the Internal Revenue Service.

Expenses Expenses directly attributable to each Fund as a diversified series of the Company are charged to such Fund. Other expenses of the Company are allocated to each series based on the average net assets of each series or other equitable allocation method. Depending on their nature, costs to organize and offer the Global Value Fund II - Currency Unhedged were either expensed as incurred or capitalized and amortized to expense, on a straight line basis, over the first twelve months of the Fund's operations.

3. Investment Advisory Fee, Other Related Party Transactions and Administration Fee

The Company, on behalf of each Fund, has entered into separate investment advisory agreements with Tweedy, Browne (each, an "Advisory Agreement"). Under each Advisory Agreement, the Company pays Tweedy, Browne a fee at the annual rate of 1.25% of the value of each Fund's average daily net assets. The fee is payable monthly, provided each Fund will make such interim payments as may be requested by the Investment Adviser not to exceed 75% of the amount of the fee then accrued on the books of the Fund and unpaid. For the six months ended September 30, 2010, Tweedy, Browne received \$26,272,720, \$283,888, \$2,426,320 and \$1,007,411 for Global Value Fund, Global Value Fund II - Currency Unhedged, Value Fund and Worldwide High Dividend Yield Value Fund, respectively. In the six month period ended September 30, 2010, Tweedy, Browne waived \$86,287 and \$27,294 for Global Value Fund II - Currency Unhedged and Worldwide High Dividend Yield Value Fund, respectively.

Notes to Financial Statements (Unaudited)

The Adviser has contractually agreed to waive its investment advisory fee and/or to reimburse expenses of the Global Value Fund II - Currency Unhedged and the Worldwide High Dividend Yield Value Fund to the extent necessary to maintain the total annual fund operating expenses for each Fund (excluding fees and expenses from investments in other investment companies, brokerage, interest, taxes and extraordinary expenses) at no more than 1.37% of each Fund's average daily net assets. This arrangement will continue at least through December 31, 2011. In this arrangement, Global Value Fund II - Currency Unhedged and Worldwide High Dividend Yield Value Fund have agreed, during the two-year period following any waiver or reimbursement by the Adviser, to repay such amount to the extent that after giving effect to such repayment such adjusted total annual fund operating expenses would not exceed 1.37% of each Fund's average daily net assets on an annualized basis. At September 30, 2010, the amount of potential recovery expiring March 31, 2012 and March 31, 2013 on Global Value II - Currency Unhedged was \$106,135 and \$86,287, respectively. At September 30, 2010, the amount of potential recovery expiring March 31, 2011, March 31, 2012 and March 31, 2013 on Worldwide High Dividend Yield Value Fund was \$124,612, \$109,158 and \$27,294, respectively.

As of September 30, 2010, the current and retired managing directors and their families, as well as employees of Tweedy, Browne, have approximately \$89.7 million, \$2.6 million, \$48.2 million and \$3.6 million of their own money invested in Global Value Fund, Global Value Fund II - Currency Unhedged, Value Fund and Worldwide High Dividend Yield Value Fund, respectively.

The Company, on behalf of the Funds, has entered into an administration agreement (the "Administration Agreement") with BNY Mellon Investment Servicing (US) Inc. ("BNY Mellon"), an indirect, wholly-owned subsidiary of The Bank of New York Mellon Corporation. Under the Administration Agreement, the Company pays the Administrator an administration fee and a fund accounting fee computed daily and payable monthly at the following annual rates of the aggregate average daily net assets of the Funds, allocated according to each Funds' net assets:

	Up to \$1 Billion	Between \$1 Billion and \$5 Billion	Between \$5 Billion and \$10 Billion	Exceeding \$10 Billion
Administration Fees	0.0300%	0.0180%	0.0100%	0.0090%
Accounting Fees	0.0075%	0.0060%	0.0050%	0.0040%

No officer, director or employee of Tweedy, Browne, the Administrator or any parent or subsidiary of those corporations receives any compensation from the Company for serving as a director or officer of the Company. Effective January 2010, the Company pays each Non-Interested Director \$100,000 annually, to be paid quarterly in \$25,000 increments plus out-of-pocket expenses for their services as directors. The annual

fee of \$100,000 paid to each Non-Interested Director is divided proportionately between the Funds. The current allocation ratio of the annual fee is based on the average net assets of the Funds. Total Directors' fees paid by Global Value Fund, Global Value Fund II - Currency Unhedged, Value Fund and Worldwide High Dividend Yield Value Fund for the six months ended September 30, 2010, excluding any out-of-pocket expenses, were \$176,300, \$650, \$18,450 and \$4,600, respectively.

Bank of New York Mellon Asset Servicing, an indirect, wholly-owned subsidiary of The Bank of New York Mellon Corporation, serves as the Funds' custodian pursuant to a custody agreement (the "Custody Agreement"). BNY Mellon also serves as the Funds' transfer agent. Tweedy, Browne also serves as the distributor to the Funds and pays all distribution fees. No distribution fees are paid by the Funds.

4. Securities Transactions

Cost of purchases and proceeds from sales of investment securities, excluding short-term investments, for the six months ended September 30, 2010, are as follows:

	Global Value Fund	Global Value Fund II - Currency Unhedged	Value Fund	Worldwide High Dividend Yield Value Fund
Purchases	\$310,646,390	\$17,974,227	\$30,102,630	\$62,303,518
Sales	183,687,859	101,193	22,517,704	22,287,195

The aggregate gross unrealized appreciation/(depreciation) and net unrealized appreciation/(depreciation) as computed on a federal income tax basis, at September 30, 2010 for each Fund is as follows:

	Gross Appreciation	Gross (Depreciation)	Net Appreciation
Global Value Fund	\$1,655,420,668	\$(119,735,815)	\$1,535,684,853
Global Value Fund II - Currency Unhedged	3,461,274	(1,220,701)	2,240,573
Value Fund	126,011,253	(3,949,236)	122,062,017
Worldwide High Dividend Yield Value Fund	16,629,681	(3,375,491)	13,254,190

5. Capital Stock

The Company is authorized to issue 2.0 billion shares of \$0.0001 par value capital stock, of which 600,000,000, 600,000,000, 400,000,000 and 400,000,000 of the unissued shares have been designated as shares of the Global Value Fund, Global Value Fund II - Currency Unhedged, Value Fund and Worldwide High Dividend Yield Value Fund, respectively. Redemptions from the Global Value Fund, Global Value Fund II - Currency Unhedged and the Worldwide High Dividend Yield Value Fund, including exchange redemptions, within 60 days of purchase are subject to a redemption fee equal to 2% of the redemption proceeds, which will be retained by each Fund.

Notes to Financial Statements (Unaudited)

Changes in shares outstanding for the six months ended September 30, 2010 were as follows:

Global Value Fund		
	Shares	Amount
Sold	14,409,971	\$310,843,310
Reinvested	—	—
Redeemed	(13,983,490)	(302,994,772)
Net Increase	426,481	\$7,848,538

Global Value Fund II - Currency Unhedged		
	Shares	Amount
Sold	2,435,277	\$24,809,745
Reinvested	—	—
Redeemed	(515,917)	(5,139,181)
Net Increase	1,919,360	\$19,670,564

Value Fund		
	Shares	Amount
Sold	1,744,167	\$32,207,005
Reinvested	—	—
Redeemed	(1,630,042)	(29,816,528)
Net Increase	114,125	\$2,390,477

Worldwide High Dividend Yield Value Fund		
	Shares	Amount
Sold	7,266,688	\$60,849,477
Reinvested	253,431	1,959,020
Redeemed	(1,854,364)	(15,200,002)
Net Increase	5,665,755	\$47,608,495

Changes in shares outstanding for the year ended March 31, 2010 were as follows:

Global Value Fund		
	Shares	Amount
Sold	16,183,502	\$310,820,977
Reinvested	2,847,795	60,316,177
Redeemed	(43,193,564)	(826,557,527)
Net Decrease	(24,162,267)	\$(455,420,373)

Global Value Fund II - Currency Unhedged*		
	Shares	Amount
Sold	3,729,320	\$37,683,306
Reinvested	695	7,077
Redeemed	(362,782)	(3,685,054)
Net Increase	3,367,233	\$34,005,329

Value Fund		
	Shares	Amount
Sold	2,194,770	\$34,928,495
Reinvested	231,562	4,242,285
Redeemed	(5,193,075)	(83,620,924)
Net Decrease	(2,766,743)	\$(44,450,144)

* Commenced operations on October 26, 2009.

Worldwide High Dividend Yield Value Fund		
	Shares	Amount
Sold	5,640,817	\$44,099,433
Reinvested	357,131	2,731,743
Redeemed	(2,280,415)	(17,939,718)
Net Increase	3,717,533	\$28,891,458

6. Foreign Securities

Investing in securities of foreign companies and foreign governments involves economic and political risks and considerations not typically associated with investing in U.S. companies and the U.S. Government. These considerations include changes in exchange rates and exchange rate controls (which may include suspension of the ability to transfer currency from a given country), costs incurred in conversions between currencies, non-negotiable brokerage commissions, less publicly available information, not generally being subject to uniform standards, practices and requirements with respect to accounting, auditing and financial reporting, lower trading volume, delayed settlements and greater market volatility, the difficulty of enforcing obligations in other countries, less securities regulation, different tax provisions (including withholding on dividends paid to a Fund), war, seizure, political and social instability and diplomatic developments.

7. Securities Lending

The Funds may lend securities to brokers, dealers and other financial organizations to earn additional income. Each security out on loan is collateralized with segregated assets held with the borrower in an amount equal to or greater than the current market value of the loaned securities. At September 30, 2010, the Funds did not have any securities out on loan.

8. New Accounting Pronouncement

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2010-06, "Improving Disclosures about Fair Value Measurements." ASU No. 2010-06 amends FASB Accounting Standards Codification Topic 820, "Fair Value Measurements and Disclosures," to require additional disclosures regarding fair value measurements. Certain disclosures required by ASU No. 2010-06 are currently effective for interim and annual reporting periods beginning after December 15, 2009, and other required disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. Management has evaluated the impact and has incorporated the appropriate disclosures required by ASU No. 2010-06 in its financial statement disclosures.

9. Subsequent Events

Management has evaluated the impact of all subsequent events on the Funds through the date that the financial statements were issued and has determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

Notes to Financial Statements (Unaudited)

10. Portfolio Information

The Company files the Funds' complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The Company's Form N-Q is available (1) on the SEC's website at <http://www.sec.gov>; (2) for review and copying at the SEC's Public Reference Room ("PRR") in Washington, DC; or (3) by calling the Fund at 1-800-432-4789 or by visiting the Fund's website at www.tweedy.com. Information regarding the operation of the PRR may be obtained by calling 1-202-551-8090.

11. Proxy Voting Information

The policies and procedures that the Company uses to determine how to vote proxies relating to portfolio securities held by the Funds are included in the Company's Statement of Additional Information, which is available without charge and upon request by calling the Fund at 1-800-432-4789 or by visiting the Funds' website at www.tweedy.com. Information regarding how the Funds voted proxies relating to portfolio securities during the most recent twelve-month period ended June 30 is available, without charge, at <http://www.sec.gov>.

12. Advisory Agreements

Approval of the Renewal of the Investment Advisory Agreements for the Tweedy, Browne Global Value Fund, Tweedy, Browne Value Fund and Tweedy, Browne Worldwide High Dividend Yield Value Fund

On May 20, 2010, the Company's Board of Directors (the "Board"), including a majority of the Independent Directors, approved the renewal of the Advisory Agreements between Tweedy, Browne and the Company on behalf of the Global Value Fund, the Value Fund and the Worldwide High Dividend Yield Value Fund for an additional one-year term. In considering whether to approve the continuance of the Advisory Agreements, the Board reviewed materials provided for its evaluation, and the Independent Directors were advised by independent legal counsel with respect to these and other relevant matters. The information, material factors and conclusions that formed the basis for the Board's approval are described below.

A. Information Received

During the course of each year, the Board receives a wide variety of materials relating to the services provided by Tweedy, Browne. In considering whether to approve the renewal of the Advisory Agreements, the Board reviewed reports on each Fund's investment results, portfolio composition, and portfolio trading practices, as well as other information relating to the nature, extent and quality of services provided by Tweedy, Browne to the Funds. In addition, the Board reviewed supplementary information, including comparative industry data with regard to advisory fees and expenses; financial and profitability information regarding Tweedy, Browne; sample

reports demonstrating Tweedy, Browne's extensive research process; fact sheets and performance histories for each of the Funds since inception; information for several of Tweedy, Browne's managed account performance composites; fee schedules; information regarding fees paid to intermediaries; information about the key personnel of Tweedy, Browne; and information concerning Tweedy, Browne's brokerage services and best execution policy.

In addition to reviewing and evaluating the list of materials described above, the Independent Directors also received assistance and advice regarding legal and industry standards from independent counsel to the Independent Directors. In deciding to recommend the renewal of the Advisory Agreements, the Board did not identify any single factor or particular information that, in isolation, was controlling. This summary describes the most important, but not all, of the factors considered by the Board.

B. Nature, Extent and Quality of Services

The Board reviewed materials concerning the depth and quality of Tweedy, Browne's investment management process. The Board considered a variety of services provided by Tweedy, Browne to the Funds over the past year, including: providing "behind the scenes" services, such as those provided by Tweedy, Browne's order desk, which seeks best prices and execution; monitoring the Funds' service providers and performing shadowing functions; monitoring information with regard to corporate reorganizations involving the Funds' portfolio companies; preparing the Funds' semi-annual and annual reports to shareholders; monitoring certain aspects of transfer agency services on a daily basis; assisting brokers, consultants, financial advisors, intermediaries and third party administrators with questions or problems of an operational nature; developing and enforcing procedures to monitor trading activity in the Funds; monitoring the collection of redemption fees for the Global Value Fund and Worldwide High Dividend Yield Value Fund; arranging for proxy voting of portfolio securities; actively monitoring and assessing valuation issues for the Funds; and preparing various regulatory filings for the Funds.

In addition, the Board noted that Tweedy, Browne provides a wide variety of administrative services not otherwise provided by third party service providers, including: preparing Board reports; overseeing the preparation and submission of regulatory filings; assisting with the preparation and filing of the Funds' tax returns; monitoring the registration of shares of the Funds under applicable federal and state securities laws; assisting in the resolution of accounting and legal issues; establishing and monitoring the Funds' operating budgets; processing the payment of the Funds' bills; assisting the Funds in, and otherwise arranging for, the payment of distributions and dividends; communicating with the Funds' shareholders through market commentary; participating in ongoing training and weekly monitoring of PNC Global Investment Servicing (U.S.) Inc.'s (now known as BNY Mellon Investment

Notes to Financial Statements (Unaudited)

Servicing (US) Inc.) shareholder services representatives; and generally assisting each Fund in the conduct of its business.

The Board then noted that Tweedy, Browne also serves as the Funds' distributor and that it acts as the Funds' introducing broker for substantially all transactions in U.S. equity securities, for which it is reimbursed by the Funds only for settlement costs. The Board noted that Tweedy, Browne does not charge the Funds any separate brokerage commissions for such services, and the Board concluded that this arrangement benefits the Funds and their shareholders by protecting the confidentiality of the Funds' trading positions. The Board also considered Tweedy, Browne's commitment to staff development and long-term and contingency planning with regard to its advisory business. The Board noted that notwithstanding the current market environment, Tweedy, Browne has not cut back on personnel or resources.

In considering Tweedy, Browne's services, both in managing the Funds' portfolios and in overseeing all aspects of the Funds' business, the Board concluded that Tweedy, Browne was providing essential services to the Funds, and that it is likely that Tweedy, Browne will continue to be in a position to do so for the long-term. Ultimately, the Board concluded that the nature, extent and quality of the services provided by Tweedy, Browne have benefited and likely will continue to benefit the Funds and their shareholders.

C. Investment Performance

The Board examined the short-term and long-term investment performance of each Fund, both in absolute terms and relative to the performance of perceived direct competitors pursuing comparable investment objectives, as well as to the various benchmarks against which the Funds were compared. In considering the Global Value Fund's performance, the Board observed that the Fund had exhibited excellent absolute and relative performance, noting that the Fund's annualized rate of return of 10.22% from inception through March 31, 2010 exceeded the returns of the Morgan Stanley Capital International Europe, Australasia and Far East Index ("MSCI EAFE Index") in both U.S. dollars and hedged currency for the same period. The Board considered that, over the long-term, the Global Value Fund's performance had exceeded the performance of the majority of other funds in its peer group. The Board noted that the aggregate total return for the Global Value Fund for the 10-year period ended March 31, 2010 exceeded the Morningstar average of all funds in the Foreign Stock Funds category by 440 basis points per year. It was also noted that for the past 3-year, 5-year and 10-year periods the Global Value Fund has been categorized as "low risk" by Morningstar's Risk Ratings, which means it is in the top 10% of funds within its category with respect to lowest measured risk.

The Board then considered the Value Fund's performance, noting that the Fund had enjoyed good relative performance in most measurement periods in comparison to its relevant

benchmark indices. In particular, the Board noted that as of March 31, 2010, the Value Fund's total returns outperformed the S&P 500 Index over the past 1-year, 3-year, 5-year, 10-year, 15-year and since-inception periods. The Board further noted that the Value Fund outperformed its peer group for the past 1-year, 3-year and 5-year periods ending March 31, 2010. The Board also noted that the Value Fund has also been characterized as "low risk" for the last 3-year, 5-year and 10-year periods by Morningstar's Risk Ratings.

The Board examined the performance of the Worldwide High Dividend Yield Value Fund, noting that the Fund commenced operations on September 5, 2007. The Board noted that since the Worldwide High Dividend Yield Value Fund's inception date, the Fund has lost 8.52% compared to a loss of 18.39% for the MSCI World Index (in U.S.\$). The Board examined data indicating that for the calendar year 2008, the Worldwide High Dividend Yield Value Fund ranked in the top 12% of all World Stock Funds in the Morningstar Principia Pro database and ranked first in Lipper's Global Large Cap Value Category. It was noted during 2009, the Worldwide High Dividend Yield Value Fund was up 28.18% compared to a gain of 29.99% for the MSCI World Index (in U.S. \$). The Board then considered the long-term performance history of Tweedy, Browne's Global High Dividend Strategy, which has been implemented by Tweedy, Browne since 1979 and on which the Worldwide High Dividend Yield Value Fund's investment strategy is based. Since 1979, the Global High Dividend Strategy has produced compounded returns at an annualized rate of return of 13.36% (net of actual and hypothetical fees) which has outpaced the S&P 500 Index and the MSCI World Index (in U.S. \$), on an annualized basis over the same period, by 1.99% and 3.63%, respectively.

After reviewing each Fund's performance relative to its direct competitors, comparable investment strategy (in the case of the Worldwide High Dividend Yield Value Fund), and to its benchmark indices over various periods of time, the Board concluded that it was satisfied with each Fund's performance, and further concluded that Tweedy, Browne's performance record in managing the Funds warranted the continuation of the Advisory Agreements.

D. Advisory Fees and Total Expenses

The Board reviewed the advisory fees and total expenses of the Funds, noting that each Fund pays an advisory fee of 1.25% of assets under management. The Board compared such amounts with the average fee and expense levels of funds pursuing comparable investment objectives. After reviewing the Fund-specific fee and expense data, the Board considered the "hidden costs" of mutual funds associated with frequent trading and tax liabilities.

In considering comparative fee data, the Board reviewed the expense ratios for each Fund alongside those of its direct competitors and of its relevant Morningstar category averages. The Board noted that the expense ratios of the Global Value

Notes to Financial Statements (Unaudited)

Fund and Worldwide High Dividend Yield Value Fund, respectively, were lower than that of each Fund's respective Morningstar category. The Board considered that the total expense ratios of the Global Value Fund and Value Fund, respectively, had declined since each Fund's inception. The Board noted that with respect to the Worldwide High Dividend Yield Value Fund, certain expenses had been partially reimbursed by Tweedy, Browne since the Fund's inception in September 2007 in order to assist the Fund in building assets. This has resulted in keeping the Fund's net expenses in line with the expense ratio of the Global Value Fund. The Board compared the advisory fees paid by the Funds against Tweedy, Browne's standard fee rate for separate account portfolios. The Board compared the Funds' expense ratios to funds that do not charge Rule 12b-1 fees in excess of 0.25% of assets under management.

After reviewing this fee and expense data, together with the Board's observation that Tweedy, Browne provided a high level of integrity and service to the Funds' shareholders, the Board determined that the fees charged under the Advisory Agreements are fair and reasonable.

E. Adviser Costs, Level of Profits and Economies of Scale

The Board reviewed information regarding Tweedy, Browne's costs of providing services to the Funds, as well as the resulting level of profits to Tweedy, Browne. In so doing, the Board reviewed materials relating to Tweedy, Browne's financial condition and reviewed the wide variety of services and intensive research performed for the Funds. The Board also noted that Tweedy, Browne had absorbed the entire expense of the Funds' Chief Compliance Officer since her appointment in June 2004. The Board reviewed profitability data provided by Tweedy, Browne with respect to Tweedy, Browne's relationship with the Company as a whole, and with each Fund separately.

The Board considered Tweedy, Browne's research process and, in particular, Tweedy, Browne's research with respect to non-U.S. securities. The Board also noted that a consequence of Tweedy, Browne's investment discipline for the Global Value Fund and Value Fund, which focuses on smaller and medium market capitalization issues, is that its cost of research per dollar is likely to be higher than would be the case for an investment adviser that invests in concentrated positions and/or only in larger market capitalization companies. The Board noted that this research process is likely not conducive to economies of scale that would be potentially realizable in the management of large pools of capital invested in large market capitalization stocks. With respect to the Worldwide High Dividend Yield Value Fund, the Board noted that although the Fund has a higher proportion of large market capitalization holdings, Tweedy, Browne must still perform extensive research regarding companies that pay above-average dividends and that satisfy a different level of undervaluation than Tweedy, Browne requires for the other Funds. The Board determined that such research strategy would therefore not be less intensive or less expensive

than that employed by Tweedy, Browne on behalf of the other Funds. The Board concluded that Tweedy, Browne's profitability from its client relationships, including its relationship with the Funds, is reasonable.

F. Ancillary Benefits

The Board considered a variety of other benefits received by Tweedy, Browne as a result of its relationship with the Funds, including benefits derived by Tweedy, Browne from "soft dollar" arrangements with broker-dealers. The Board considered materials concerning Tweedy, Browne's brokerage allocation policies. The Board also reviewed Tweedy, Browne's policies and procedures prohibiting the use of brokerage commissions to finance the distribution of fund shares.

G. Conclusion

Based on its review, including consideration of each of the factors noted above, the Board concluded that the nature, extent and quality of the services rendered to the Funds favored renewal of the Advisory Agreements. The Board concluded that the Advisory Agreements continued to be fair and reasonable to the Funds and their shareholders, that the Funds' shareholders received reasonable value in return for the advisory fees and other amounts paid to Tweedy, Browne by the Funds, and that the renewal of the Advisory Agreements at the present contractual rates was in the best interests of the Funds and their shareholders.

