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Tweedy, Browne Global Value Fund  
Tweedy, Browne American Value Fund

## 1<sup>st</sup> Quarter 2005

International stocks in their local currencies significantly outpaced their U.S. counterparts in the first quarter of 2005. The MSCI EAFE Index hedged to U.S. dollars was up 3.44% versus a return of -2.15% for the S&P 500. The Tweedy, Browne Global Value Fund marginally outperformed, and the Tweedy, Browne American Value Fund marginally underperformed these respective indices. The U.S. dollar's strength during the quarter led the hedged EAFE index (+3.44%) to outperform the unhedged index (-0.17%) for only the second time in the last twelve quarters.

Equity valuations are, for the most part, full in virtually all market segments, and bargains remain "as scarce as hen's teeth" around the globe. Equity sales, of late, have been markedly greater than new buys, and cash reserves are building in both Funds. In light of these rather difficult market conditions for our style of investing, we have decided to close both funds to new investors, at least temporarily, until better opportunities present themselves. Please see the attached press release announcing the Funds' closing.

## Tweedy, Browne Global Value Fund

The Tweedy, Browne Global Value Fund was up 3.84% net of fees for the 1st quarter of 2005. This compares to 3.44% for the MSCI EAFE Index hedged back into U.S. dollars and -0.17% for the MSCI EAFE Index expressed in U.S. dollars (unhedged). The Fund's average annual total returns for the one year, five year, and ten year periods ending March 31, 2005 were 14.75%, 7.02%, and 13.15%, respectively. *(The performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit [www.tweedy.com](http://www.tweedy.com) to obtain performance data which is current to the most recent month end.)*

We outperformed both the hedged and the unhedged EAFE Index during the quarter. As one would expect, our hedging policy substantially protected us from the currency translation losses experienced by the unhedged index during the quarter. As always, we have no point of view regarding future movements in foreign currencies.

From a country perspective, we received our greatest contribution to return from our holdings in Switzerland, Germany and the Netherlands. While our Japanese weighting was less than a third of the EAFE Index weighting, our Japanese holdings produced a return that was roughly five times greater than the index return for Japan. The returns from all sectors in which we were invested were positive for the quarter, but it was the returns from our consumer discretionary stocks, materials, and industrial holdings that provided the biggest boost to performance. Our lack of exposure to energy, which was once again the best performing sector in the index, continued to be a negative in the short run. In terms of market cap attribution, all segments were once again positive with our smaller and medium cap stocks edging out the larger caps for the quarter.



At quarter end, the Fund was invested in 151 issues across 22 different countries. The top twenty issues accounted for roughly 39% of net assets with our single largest position being ABN Amro at 3.16% of assets. The dollar weighted median market cap was \$5.5 billion and approximately 49% of equity assets were invested in stocks with market caps of \$5 billion or less. Cash reserves at quarter-end represented approximately 21% of net assets including forward contracts.

## **Tweedy, Browne American Value Fund**

The Tweedy, Browne American Value Fund finished the quarter down 2.80%, underperforming the -2.15% return for the S&P 500 Index. Over the last three years, five years, ten years and since inception, the Fund remains ahead of the S&P 500. The Fund's average annual total returns for the one year, five year, and ten year periods ending March 31, 2005 were 4.14%, 5.46%, and 11.71% respectively. *(The performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit [www.tweedy.com](http://www.tweedy.com) to obtain performance data which is current to the most recent month end.)*

The modest level of underperformance over the last quarter is due in large part to the Fund's over weighting in financials and its continued zero exposure to energy stocks, which was the best performing sector of the S&P 500 by a wide margin. Our lack of exposure to technology and telecom stocks, and solid results in our consumer stocks were positive contributors for the quarter. Our non-U.S. holdings, which at quarter end constituted roughly 18% of net assets, were also positive contributors to overall return. From a market capitalization perspective, our mid-cap holdings produced the best returns in the quarter.

At quarter end, the Fund was invested in 49 issues including 8 ADR's and 6 direct foreign holdings. The international component including ADR's accounted for approximately 18% of net asset value. The top twenty issues accounted for approximately 64% of net assets with our single largest position being American Express at 4.89% of net assets. The dollar weighted median market cap was approximately \$10.7 billion, and net cash reserves at quarter end totaled approximately 19% of net assets.

The annual report for our Funds, which will contain significant additional commentary, should be available on our website in late May or early June.

### **Tweedy, Browne Company LLC**

Christopher H. Browne

William H. Browne

John D. Spears

Thomas H. Shrager

Robert Q. Wyckoff, Jr.

**Managing Directors**

Dated: April 15, 2005



## Footnotes:

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

*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.*

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

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

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

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

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



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

March 31, 2005

### ALLOCATION OF INVESTMENTS (by country):

Country	%	Market Value (USD)
Belgium	2.08%	\$139,182,432.09
Canada	1.36	91,191,709.70
Czech Republic	0.03	2,305,166.49
Denmark	1.18	79,348,587.41
Finland	3.07	205,717,079.95
France	5.22	349,896,196.49
Germany	7.88	527,969,204.47
Hong Kong	2.40	160,650,787.33
Ireland	0.40	26,646,556.83
Italy	1.61	108,085,623.99
Japan	5.88	394,072,510.13
Mexico	1.09	73,289,364.38
Netherlands	15.17	1,016,393,793.47
New Zealand	0.39	26,335,255.38
Norway	0.91	60,699,828.96
Singapore	2.93	196,678,918.06
South Korea	0.82	54,680,038.10
Spain	2.00	134,231,522.50
Sweden	0.02	1,124,488.86
Switzerland	12.49	837,357,997.59
United Kingdom	7.70	516,244,393.71
USA	6.79	454,858,198.87
<b>TOTAL EQUITIES:</b>	<b>81.43%</b>	<b>\$5,456,959,654.76</b>
HEDGING	-3.07	-205,594,705.99
ASSETS/(LIABILITIES)	0.26	17,217,033.93
NET CASH	21.39	1,433,215,029.32
<b>TOTAL INVESTMENTS:</b>	<b>100.00%</b>	<b>\$6,701,797,012.02</b>

### TWENTY LARGEST HOLDINGS:

Securities	%	Amount (USD):	Country
ABN AMRO HOLDING	3.16%	\$211,910,401.51	Netherlands
NESTLE	3.08	206,625,468.78	Switzerland
KONE CORP	2.83	189,783,413.91	Finland
AXEL SPRINGER	2.78	186,566,157.20	Germany
CNP ASSURANCES	2.53	169,820,982.79	France
HEINEKEN HOLDING	2.53	169,650,930.93	Netherlands
KBC GROUPE	2.08	139,182,432.09	Belgium
JARDINE STRATEGIC	2.03	135,733,000.00	Hong Kong
TRINITY MIRROR	2.01	134,425,824.09	United Kingdom
TELEGRAAF HOLDING	1.86	124,415,216.91	Netherlands
ALTADIS	1.76	118,214,090.76	Spain
DIAGEO	1.65	110,634,401.28	United Kingdom
NOVARTIS	1.62	108,677,978.85	Switzerland
SANYO SHINPAN	1.51	100,950,785.34	Japan
PFIZER, INC.	1.44	96,831,220.00	USA
AKZO NOBEL	1.35	90,676,944.01	Netherlands
VOLKSWAGEN	1.31	87,524,017.46	Germany
SANOFI-AVENTIS	1.26	84,635,761.65	France
NAT'L BANK OF CANADA	1.21	81,075,348.18	Canada
UNILVER	1.18	79,215,703.05	United Kingdom
<b>TOTAL:</b>	<b>39.19%</b>	<b>\$2,626,550,078.79</b>	

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



## Tweedy, Browne Global Value Fund ■ Results

### March 31, 2005

	Tweedy, Browne Global Value Fund	MSCI EAFE		Morningstar Fund Averages*	
		US\$ <sup>2</sup>	Hedged <sup>3</sup>	World Stock Funds <sup>4</sup>	Foreign Stock Funds <sup>5</sup>
1993 (June - Dec.)	15.40%	5.88%	10.33%	17.42%	18.94%
1994	4.36	7.78	-1.67	-1.33	-0.33
1995	10.70	11.21	11.23	17.60	10.29
1996	20.23	6.05	13.53	16.54	13.59
1997	22.96	1.78	15.47	13.24	5.81
1998	10.99	20.00	13.70	12.35	13.26
1999	25.28	26.96	36.47	38.57	43.28
2000	12.39	-14.17	-4.38	-8.47	-14.95
2001	-4.67	-21.44	-15.87	-16.13	-21.42
2002	-12.14	-15.94	-27.37	-19.29	-16.11
2003	24.93	38.59	19.17	34.33	36.84
2004	20.01	20.25	12.01	15.16	18.69
2005 (through 3/31)	3.84%	-0.17%	3.44%	-1.35%	0.01%

### Annualized Returns For Periods Ending 3/31/2005 (%)

Annualized Results	Tweedy, Browne Global Value Fund			MSCI EAFE		Morningstar Fund Averages*	
	Return Before Taxes	Return After Taxes on Distributions	Return After Taxes on Distributions & Sale of Fund Shares	US\$ <sup>2</sup>	Hedged <sup>3</sup>	World Stock Funds <sup>4</sup>	Foreign Stock Funds <sup>5</sup>
1 year	14.75%	14.70%	9.98%	15.06%	11.55%	9.26%	13.13%
3 years	8.60	8.31	7.32	11.64	-0.52	6.84	10.47
5 years	7.02	6.00	5.56	-1.15	-4.81	-2.56	-1.99
10 years	13.15	11.60	10.84	5.41	7.04	8.38	7.12
Since Inception <sup>1</sup>	12.52	11.17	10.46	5.88	5.94	8.96	7.38

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Returns after taxes on distributions are adjusted for federal income taxes associated with fund distributions, but do not reflect the federal income tax impact of gains or losses recognized when fund shares are sold. Returns after taxes on distributions and sale of fund shares are adjusted for federal income taxes associated with fund distributions and reflect the federal income tax impact of gains or losses recognized when fund shares are sold. Actual after-tax returns depend on an investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts. The performance shown, before and after taxes, represents past performance and is not a guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit [www.tweedy.com](http://www.tweedy.com) to obtain performance data which is current to the most recent month end.

#### Index Descriptions

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

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

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

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

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

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

March 31, 2005

### ALLOCATION OF INVESTMENTS:

Description	%	Market Value
Equities-US	63.91%	\$422,286,454.56
Equities-ADR	14.27	94,275,366.31
Equities-Foreign	3.78	24,949,107.95
<b>Total Equities</b>	<b>81.96%</b>	<b>\$541,510,928.82</b>
Hedging	-0.52	-3,427,014.38
Other Assets (Liabilities)	-0.15	-1,007,146.79
Net Cash	18.71	123,643,964.92
<b>Total Net Assets:</b>	<b>100.00%</b>	<b>\$660,720,732.57</b>

### TWENTY LARGEST HOLDINGS:

Securities	%	Amount
AMERICAN EXPRESS	4.89%	\$32,336,901.30
TRANSATLANTIC HOLDINGS	4.65	30,745,085.14
COMCAST CORP	3.92	25,920,404.00
MBIA INC.	3.73	24,653,836.44
POPULAR, INC.	3.72	24,606,368.00
NESTLE	3.71	24,497,758.76
FREDDIE MAC	3.67	24,246,364.00
PNC FINANCIAL SERVICES	3.34	22,085,949.60
WELLS FARGO & CO	3.26	21,528,000.00
ABN AMRO HOLDING	3.13	20,649,288.57
PROQUEST CO	3.07	20,301,044.70
FEDERATED INVESTORS	3.02	19,972,705.00
TORCHMARK CORP.	3.00	19,824,307.20
HEINEKEN HOLDING	2.85	18,830,110.21
AMERICAN NAT'L INS	2.65	17,486,737.50
DIAGEO SPON	2.38	15,704,400.00
PFIZER INC.	2.34	15,460,157.70
NAT'L WESTERN LIFE INS.	2.23	14,762,207.46
UNILEVER	2.20	14,560,000.00
ELECTRONIC DATA SYS	2.15	14,196,466.05
<b>Total:</b>	<b>63.93%</b>	<b>\$422,368,091.63</b>

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



## Tweedy, Browne American Value Fund ■ Results

### March 31, 2005

	<b>Tweedy, Browne American Value Fund</b>	S&P 500 <sup>2</sup>	Russell Mid-Cap Value <sup>3</sup>	Russell 2000 <sup>4</sup>	<u>Morningstar Fund Averages*</u>	
					Mid-Cap Value <sup>5</sup>	Domestic Stock <sup>6</sup>
1993 (December)	-0.60%	1.21%	3.30%	3.42%	2.73%	N/A
1994	-0.56	1.32	-2.13	-1.82	-0.86	-0.98%
1995	36.21	37.59	34.93	28.45	28.81	21.94
1996	22.45	22.97	20.26	16.54	19.80	20.09
1997	38.87	33.38	34.37	22.23	25.71	25.06
1998	9.59	28.58	5.08	-2.54	2.11	15.76
1999	2.00	21.04	-0.11	21.26	7.44	28.77
2000	14.45	-9.13	19.18	-3.02	18.42	-1.03
2001	-0.09	-11.88	2.33	2.49	6.92	-10.20
2002	-14.91	-22.09	-9.64	-20.48	-12.90	-22.53
2003	23.24	28.69	38.07	47.26	34.38	31.57
2004	9.43	10.88	23.70	18.33	17.90	11.92
2005 (through 3/31)	-2.80%	-2.15%	0.78%	-5.34%	-0.32%	-2.54%

### Annualized Returns For Periods Ending 3/31/2005 (%)

<b>Tweedy, Browne American Value Fund</b>							<u>Morningstar Fund Averages*</u>	
Annualized Results	Return Before Taxes	Return After Taxes on Distributions	Return After Taxes on Distributions & Sale of Fund Shares	S&P 500 <sup>2</sup>	Russell Mid-Cap Value <sup>3</sup>	Russell 2000 <sup>4</sup>	Mid-Cap Value <sup>5</sup>	Domestic Stock <sup>6</sup>
1 year	4.14%	3.69%	3.31%	6.69%	18.34%	5.41%	12.39%	5.62%
3 years	2.75	2.37	2.24	2.73	12.96	8.05	8.87	4.01
5 years	5.46	4.76	4.42	-3.16	13.43	4.01	10.76	-0.39
10 years	11.71	10.90	10.07	10.78	14.71	10.43	12.36	9.56
Since Inception <sup>1</sup>	11.02	10.28	9.51	10.60	13.93	9.72	12.64	9.13

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Returns after taxes on distributions are adjusted for federal income taxes associated with fund distributions, but do not reflect the federal income tax impact of gains or losses recognized when fund shares are sold. Returns after taxes on distributions and sale of fund shares are adjusted for federal income taxes associated with fund distributions and reflect the federal income tax impact of gains or losses recognized when fund shares are sold. Actual after-tax returns depend on an investor's tax situation and may differ from those shown, and the after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts. The performance shown, before and after taxes, represents past performance and is not a guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit [www.tweedy.com](http://www.tweedy.com) to obtain performance data which is current to the most recent month end.

#### Index Descriptions

<sup>1</sup> Inception date for the Fund was December 8, 1993. Index information is available at month end only; therefore the closest month end to inception date of the Fund, November 30, 1993, was used, except for the Morningstar Domestic Stock Funds Average where the closest date with data available was December 31, 1993.

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

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

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

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

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

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