



An Uncommon Approach to All Cap Value Investing.

# VALUE FUND



## PORTFOLIO MANAGER

**Matthew Fine, CFA**

Joined Third Avenue in 2000  
24 yrs investment experience

## OBJECTIVE

The Value Fund's flexible mandate takes a global, all-cap, benchmark-agnostic approach to equity investing and allows for select opportunistic investments in credit securities. Opportunities are evaluated with an emphasis on financial strength and an ability to compound net asset value, while our price-consciousness restricts our investment activity to securities priced at significant discounts to our conservative estimates of net asset value.

## FUND FACTS

As of September 30, 2024

Inception Date	11/1/90
Strategy Assets	\$895.4M
Min. Investment (Inst.)	\$10,000
Min. Investment (Inv.)	\$2,500
Min. Investment (Z)	\$25,000
Inst. Expense Ratio (Gross/Net) †	1.20%/1.20%
Inv. Expense Ratio (Gross/Net) †	1.47%/1.45%
Z Expense Ratio (Gross/Net) †	1.13%/1.10%

## MORNINGSTAR MEDALIST RATING



as of August 31, 2024

## CLIENT SERVICES

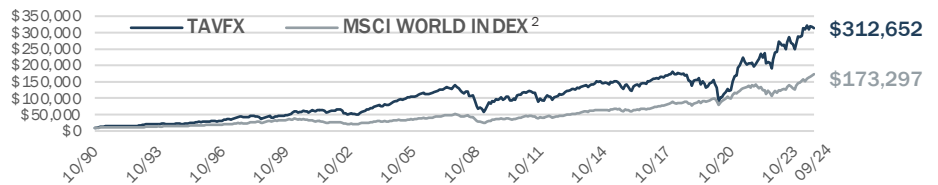
E: [clientservice@thirdave.com](mailto:clientservice@thirdave.com)

P: 212.906.1160

## KEY DIFFERENTIATORS

- **Deep Value Investor:** We seek investment opportunities that trade at a discount to readily ascertainable valuations and are often contrarian or special situation in nature
- **Balance Sheet Focused with a Long-Term Horizon:** Third Avenue's investment philosophy demands financial strength, which enables our portfolio holdings to both endure challenges and grow value over time
- **Focus on Total Return:** Our goal is to provide above-average performance, most of the time and over the long term, while seeking capital preservation through investing in companies that typically have tangible assets that are often difficult to replicate; the Fund may serve as a non-correlating element to more mainstream value strategies
- **Global Universe:** Our approach is globally opportunistic, finding value in economic and industrial recessions, complex corporate structures or capital structures and special situations in both developed and emerging markets
- **High Conviction, Active Portfolio Management:** We actively manage the portfolio by prudently concentrating on our highest conviction ideas, and by holding cash when there are fewer buying opportunities

## GROWTH OF \$10,000



Hypothetical Investment made in the Institutional Share Class and Benchmark as of October 31, 1990 (Fund Inception Date November 1, 1990). This assumes reinvestment of Capital Gains and Income.

## TOP TEN HOLDINGS

Capstone Copper Corp.	6.9%
Warrior Met Coal, Inc.	5.6%
Deutsche Bank AG	4.8%
Bank of Ireland Group PLC	4.2%
Bayerische Motoren Werke AG	4.1%
EasyJet PLC	4.0%
Buzzi SpA	3.9%
HORIBA, Ltd.	3.2%
Tidewater, Inc.	3.2%
Subaru Corp.	3.2%
<b>TOTAL</b>	<b>43.1%</b>

Allocations are subject to change without notice

## PORTFOLIO SUMMARY CHARACTERISTICS

Weighted Market Cap <sup>4</sup>	\$11.4B
Median Market Cap <sup>4</sup>	\$4.9B
Price to Book <sup>1,6</sup>	0.9x
P/E Trailing 12-Mo <sup>1,6</sup>	11.2x
P/E Adj. Trailing 12-Mo <sup>1,6</sup>	9.1x
Price to Sales <sup>1,6</sup>	0.7x

## ACTIVE MANAGEMENT, HIGH ACTIVE SHARE\*

Active Share* vs. MSCI World Index <sup>1,2</sup>	99%
Total Equity Holdings	31
Portfolio Turnover <sup>8</sup>	16%

\*Active Share is the percentage of a fund's portfolio that differs from the benchmark index

The U.S. Lipper Fund Award for Best Equity Small Fund Family is based on a review of 185 qualified fund management companies that were eligible for the three-year period ending on 11/30/23. To qualify for Lipper's Overall Small Fund Family Group Award, Small fund family groups must have at least three equity portfolios. The group award will be given to the group with the lowest average decile ranking of its respective asset class results based on the three-year Consistent Return measure of the eligible funds.

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## HIGHLIGHTS

### Performance

During the quarter, the Fund returned 1.26%, as compared to 6.46% for the MSCI World Index and 9.73% for the MSCI World Value Index. For the trailing five-year period the Fund returned to 17.99%, annualized.

### Performance Drivers

Performance during the quarter was led by positive contributions from **Capstone Copper, Lazard, easyJet, Comerica** and **CK Hutchison Holdings**, among others. Negative performance contributors this quarter, such as **Tidewater, Valaris, Subsea7, Horiba**, and **BMW**, included several offshore services companies, which have been among the Fund's strongest contributors in recent years.

### Positioning

The Fund initiated a position in automobile manufacturer, **Subaru Corporation** ("Subaru"), and exited its holdings of **Seven & I Holdings Ltd.** Cash holdings ended the period at 9.4%.

## PERFORMANCE

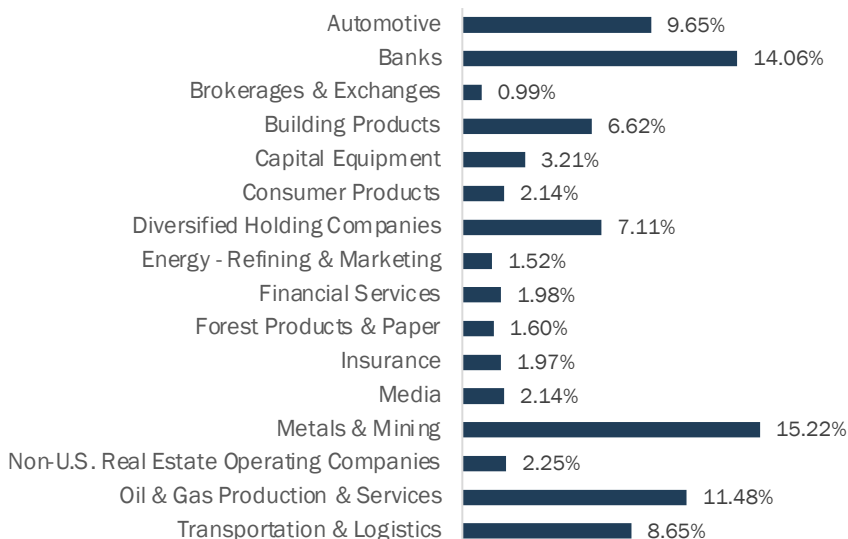
	Annualized					
	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr	Inception*
Third Avenue Value Fund	1.26%	18.19%	14.98%	17.99%	7.88%	10.68%
MSCI World Index <sup>2</sup>	6.46%	33.03%	9.61%	13.59%	10.65%	8.77%
MSCI World Value Index <sup>3</sup>	9.73%	28.11%	9.97%	10.25%	7.90%	N/A

*Performance is shown for the Third Avenue Value Fund (Institutional Class). Past performance is no guarantee of future results; returns include reinvestment of all distributions. The chart represents past performance and current performance may be lower or higher than performance quoted above. Investment return and principal value fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. For the most recent month-end performance, please visit the Fund's website at [www.thirdave.com](http://www.thirdave.com) or call 1-800-443-1021.*

\* Institutional Share Class Inception Date: November 1, 1990.

† Please see page 3 for important information.

## SECTOR WEIGHTINGS<sup>5</sup>



## MARKET CAP BREAKDOWN<sup>1,6,7</sup>

Micro-Cap (<\$300M)	0.0%
Small-Cap (\$300M-\$3B)	21.8%
Mid-Cap (\$3B - \$10B)	54.3%
Large-Cap (>\$10B)	23.9%

## TOP 10 COUNTRY EXPOSURES<sup>1,6,7</sup>

United States	18.6%
Japan	11.6%
Germany	11.3%
Canada	11.2%
United Kingdom	10.6%
Singapore	4.9%
Ireland	4.2%
Italy	3.9%
Chile	3.5%
Norway	3.0%



## DISCLOSURES

*The fund's investment objectives, risks, charges, and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling 800-443-1021 or visiting [www.thirdave.com](http://www.thirdave.com). Read it carefully before investing.*

**Distributor of Third Avenue Funds: Foreside Fund Services, LLC.**

FUND RISKS: Risks that could negatively impact returns include: fluctuations in currencies versus the US dollar, political/social/economic instability in foreign countries where the Fund invests, lack of diversification, and adverse general market conditions. For a full disclosure of principal investment risks, please refer to the Fund's Prospectus.

† As of March 1, 2024. The Adviser has contractually agreed, for a period of one year from the date of the Prospectus, dated March 1, 2024, to defer receipt of advisory fees and/or reimburse Fund expenses in order to limit Net Annual Fund Operating Expenses (exclusive of taxes, interest, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses) to 1.15%, 1.40% and 1.05% of the average daily net assets of the Institutional Class, Investor Class and Z Class, respectively, subject to later reimbursement by the respective classes in certain circumstances (the "Expense Limitation Agreement"). In general, for a period of up to 36 months from the time of any deferral, reimbursement, or payment pursuant to the above-described contractual expense limitations, the Adviser may recover from each class of the Fund fees deferred and expenses paid to the extent that such repayment would not cause the Net Annual Fund Operating Expenses of each class to exceed the contractual expense limitation amounts set forth above, but any repayment will not include interest. The Expense Limitation Agreement can only be terminated prior to expiration by the independent Trustees of the Fund. If fee waivers had not been made, returns would have been lower than reported.

<sup>1</sup> Source: FactSet Portfolio Analytics.

<sup>2</sup> The MSCI World Index captures large and mid-cap representation across 23 Developed Markets (DM) countries. With 1,546 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. Index performance reported since inception of Institutional Share Class.

<sup>3</sup> The MSCI World Value Index captures large and mid cap securities exhibiting overall value style characteristics across 23 Developed Markets (DM) countries. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

<sup>4</sup> The "Index" referenced reflects the FTSE All-World Index is a market-capitalization weighted index representing the performance of the large and mid cap stocks from the FTSE Global Equity Index Series and covers 90-95% of the investable market capitalization. **Weighted Market Cap** – Weighted average (as a percentage of portfolio) of the market capitalization of each security holding invested in the portfolio. **Median Market Cap** - Median market capitalization of each security holding invested in the portfolio.

<sup>5</sup> Industry classifications determined by Third Avenue for equity holdings only.

<sup>6</sup> Based on equity holdings only. **P/E Trailing 12 Month** – Weighted harmonic average of the ratio of current share price to trailing 12-months earnings per share of each security holding invested in the portfolio. **P/E Adjusted Trailing 12 Month** -Weighted harmonic average of the ratio of current share price to trailing 12-months earnings per share of each security holding invested in the portfolio with a positive trailing 12-months earnings per share. **Price to Sales** - Weighted harmonic average of the ratio of current share price to its trailing 12-months sales per share of each security holding invested in the portfolio. **Price to Book** - Weighted harmonic average of the ratio of current share price to its book value per share of each security holding invested in the portfolio. **Price to Cash Flow** - Weighted harmonic average of the ratio of current share price to its trailing 12-months cash flow per share of each security holding invested in the portfolio.

<sup>7</sup> Does not include private securities.

<sup>8</sup> For the year ended October 31, 2023.

The Morningstar Medalist Rating is the summary expression of Morningstar's forward-looking analysis of investment strategies as offered via specific vehicles using a rating scale of Gold, Silver, Bronze, Neutral, and Negative. The Medalist Ratings indicate which investments Morningstar believes are likely to outperform a relevant index or peer group average on a risk-adjusted basis over time. Investment products are evaluated on three key pillars (People, Parent, and Process) which, when coupled with a fee assessment, forms the basis for Morningstar's conviction in those products' investment merits and determines the Medalist Rating they're assigned. Pillar ratings take the form of Low, Below Average, Average, Above Average, and High. Pillars may be evaluated via an analyst's qualitative assessment (either directly to a vehicle the analyst covers or indirectly when the pillar ratings of a covered vehicle are mapped to a related uncovered vehicle) or using algorithmic techniques. Vehicles are sorted by their expected performance into rating groups defined by their Morningstar Category and their active or passive status. When analysts directly cover a vehicle, they assign the three pillar ratings based on their qualitative assessment, subject to the oversight of the Analyst Rating Committee, and monitor and reevaluate them at least every 14 months. When the vehicles are covered either indirectly by analysts or by algorithm, the ratings are assigned monthly. For more detailed information about the Medalist Ratings, including their methodology, please go to <http://global.morningstar.com/managerdisclosures>. The Morningstar Medalist Ratings are not statements of fact, nor are they credit or risk ratings. The Morningstar Medalist Rating (i) should not be used as the sole basis in evaluating an investment product, (ii) involves unknown risks and uncertainties which may cause expectations not to occur or to differ significantly from what was expected, (iii) are not guaranteed to be based on complete or accurate assumptions or models when determined algorithmically, (iv) involve the risk that the return target will not be met due to such things as unforeseen changes in management, technology, economic development, interest rate development, operating and/or material costs, competitive pressure, supervisory law, exchange rate, tax rates, exchange rate changes, and/or changes in political and social conditions, and (v) should not be considered an offer or solicitation to buy or sell the investment product. A change in the fundamental factors underlying the Morningstar Medalist Rating can mean that the rating is subsequently no longer accurate.

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