



## Portfolio Manager Commentary

# VALUE FUND



**Matthew Fine, CFA**

*Joined Third Avenue in 2000  
25 yrs investment experience*

### *Dear Fellow Shareholders,*

For the three months ended December 31, 2025, the Third Avenue Value Fund (the “Fund”) returned 7.47%, as compared to the MSCI World Index<sup>1</sup>, which returned 3.12%, and the MSCI World Value Index<sup>2</sup>, which returned 3.34%. For the year-to-date period, the Fund returned 35.46%, compared to the MSCI World Index and the MSCI World Value Index, which returned 21.09% and 20.79%, respectively. As of year-end, annualized Fund performance for the trailing three-year and five-year periods was 16.76% and 18.00%, respectively.

### PERFORMANCE DETAIL

During the quarter, each of the Fund’s mining businesses made significant positive contributions to performance. Warrior Met Coal was the single largest contributor to Fund performance, followed by copper mining companies Lundin Mining and Capstone Copper. Bank of Ireland and Horiba rounded out the Fund’s list of largest performance contributions for the quarter. We provide some discussion of each company below.

Regarding Warrior Met Coal (“Warrior”), in our [preceding shareholder letter](#) we commented upon Warrior’s progress towards the construction of a third metallurgical coal mine called Blue Creek. Very shortly after we published that letter in October 2025, Warrior unexpectedly disclosed that the company had been able to begin commercial-scale mining at Blue Creek roughly eight months ahead of schedule, resulting

in an immediate positive impact on revenue and cash flow and an upgrade to 2025 production estimates. Those developments helped propel Warrior shares during this most recent quarter. Going forward, the completion of Blue Creek ultimately portends far higher coal production, much lower capital spending and a likely return to significant cash distributions to shareholders.

As has been the case for much of 2025, the Fund’s Western European holdings, such as Bank of Ireland, Buzzi Spa and BMW, each contributed to fourth quarter performance in a positive and significant way. Throughout the full year 2025, a weaker U.S. dollar enhanced the returns of the Fund’s euro-denominated investments, which is also true for most of our investments denominated in foreign currencies. Holdings denominated in foreign currency currently comprise more than 70% of the portfolio by weight and a weaker U.S. dollar during 2025 represented a welcomed departure from long-running U.S. dollar strength.

In recent years, our two European bank holdings, Bank of Ireland and Deutsche Bank, have benefited from dramatically improved operating performance, which has led to a growing appreciation of their abilities to generate attractive returns on capital. Happily, both banks have made a huge amount of progress in their reputational escape from being perceived as low-quality, low-return, low-growth businesses burdened by an increasingly stringent regulatory environment. Today, both companies are increasingly seen as highly profitable, well-managed, excessively capitalized banks poised to continue ramping returns of capital to shareholders as capital continues to accumulate and regulatory burdens ease somewhat. The improvement in the reputations of both banks has produced an improvement in their respective valuations as well, to levels more commensurate with their attractive outlooks and the significant accomplishments of their management teams.

***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 above 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).***



**“Deutsche Bank shares have traded above their book value for the first time since the start of the global financial crisis...Passing the milestone is a boost for chief executive Christian Sewing, who has vowed to turn the lender into the European champion in banking.”**

*Financial Times – 1/5/2026*

While that reputational resurrection drove Bank of Ireland and Deutsche Bank to become the two largest contributors to Fund performance during 2025, these types of milestones tend to mark the later stages of the life cycle of a successful Third Avenue investment. The Fund materially reduced the weight of its holdings in Deutsche Bank and Bank of Ireland during the year.

### QUALITY – IN THE EYE OF THE COPPER HOLDER

During the fourth quarter and full-year 2025, Lundin Mining and Capstone Copper provided two of the Fund’s largest contributions to performance. We have been optimistic, over a long holding period for both companies, that the indispensable nature of copper to modern economies and the exceptional difficulty of maintaining current global supply would become better appreciated. During the last couple of years, we would say that a growing awareness has begun.

When the Fund’s portfolio management team assumed responsibility for the Fund at the end of 2017, both Capstone Copper and Lundin Mining were among the earliest investments made. Back then, there was some fear that the growth of Chinese fixed capital investment was fading, which it was, and that it would lead to a material headwind to global copper consumption. At that time, there was also simultaneously an equity market infatuation with quality and quality growth companies, as well as a global ideological movement against virtually all natural resource extraction businesses, which produced a severe underperformance of most mining companies, ours included. In a shareholder letter back in [Q2 2019](#), we shared a section titled *Copper in an Irrational World*, which discussed the irony of renewable energy companies being very richly valued stock market darlings perceived to have outstanding growth prospects, while the mining companies that produce all the physical materials required for the extremely materials-intensive construction of solar panels, wind turbines, electrical grids, charging stations and batteries were deemed global pariahs. Furthermore, mining companies, being highly capital-intensive and cyclical businesses, are rarely associated with conventional definitions of a quality business. We did not, and do not, share that view.

In the time that passed, appreciation grew for how much metal would theoretically be consumed by a renewable energy revolution and rapid growth of electric vehicle production. And while lithium and cobalt supply proved extremely responsive to the apparent growth in demand,

copper supply increases have proven far more elusive. There are many specific reasons that copper supply increases haven’t developed but, in short, they stem from the age of existing mines and the gradually declining quality of the ore being mined, the scarcity of new copper discoveries, the enormous scale of an economically viable greenfield copper project and the decade-plus timeline required to prove-up, design, permit, finance and construct a new copper mine.

More recently, the consumption growth story for copper has become entwined with the exceptionally materials-intensive build out of data centers and associated electrical infrastructure. In a sense, that the perceived sources of copper demand growth have evolved – from Chinese construction to renewables and electric transportation to data center and power construction – is precisely the point. Virtually all forms of economic development are electrified and entail increasing amounts of copper consumption. This has been the pattern for more than a century. For low-income countries, copper demand is driven by basic quality-of-life improvements, such as lighting, refrigeration, or air conditioning. For high income countries, incremental demand is driven by battery electric vehicles, hyperscale data centers or whatever comes next.

**“A looming copper supply gap is poised to widen as electricity demand accelerates and new vectors – such as the race for artificial intelligence and surging defense spending – add to the call on copper.”**

*S&P Global, Copper in the Age of AI: The Challenges of Electrification – 1/8/2025*

In investing, there is no singular definition of quality, but one definition that resonates with us is the ownership of assets that produce a product fundamentally indispensable to modern society, for which demand has grown steadily for more than a century, and for which supply has proven increasingly challenging for the last several decades. The idea that high quality copper mines represent an extremely attractive long-term asset class is well-supported, but not well appreciated, even today. By way of example, there are a few pure-play copper mining companies with multi-decade records as public companies, such as Antofagasta plc and Southern Copper Corp. For both companies, the total shareholder returns produced over the last three decades rival the returns of some of the greatest U.S. corporate success stories over similar periods of time. Maybe ownership of scarce and indispensable assets is a valid definition of quality, even if the business is cyclical and capital intensive.

### WHAT HASN’T WORKED WELL LATELY?

In spite of the Fund’s positive performance in the fourth quarter and full-year 2025, not every investment contributed



positively, which is virtually always the case. During the quarter, Tidewater, Interfor, JEOL, S4 Capital and Harbour Energy produced the five largest negative contributions to performance. In most of these cases, negative returns were relatively minor and are mostly notable only when viewed relative to the positive performance of the average Fund holding and global equity markets, in general, during the period.

#### **JAPAN – GYOKUSEKI-KONKO (“GEMS AND STONES”)**

The performance of the Fund’s Japanese investments was something of a mixed bag in 2025. While semiconductor capital equipment company Horiba was among the Fund’s top contributors during the quarter and the year, somewhat similarly exposed semiconductor capital equipment company JEOL was a modest detractor from performance during the quarter and the year. JEOL is indisputably well-financed and, in our view, has very attractive long-term prospects linked to production of leading-edge extreme ultraviolet semiconductor production. We perceive the company to be very attractively priced and the presence of a domestic activist investor among the company’s top shareholders is also noteworthy. The Fund’s trading activity during the year was, in part, a response to the stark difference in share price performance of Horiba and JEOL, with marginal selling of the former and buying of the latter.

Japanese auto producer Subaru was a solid performer during the quarter and the year. U.S. import tariffs have, to date, proved less disruptive than feared and, despite U.S. short-term interest rate decreases and Japanese short-term interest rate increases, the Japanese yen has not strengthened as many Japanese exporters and analysts had feared. Fears of a stronger yen were, however, extremely helpful in creating the opportunity to buy Subaru at strangely attractive prices in the summer of 2024. During calendar year 2025, Subaru’s shares produced a total return of 26.28%, in U.S. dollar terms, and, in spite of tariff impacts, the volume of Subaru’s sold in the U.S., by far the company’s largest market, were down by a modest 3.6%. Meanwhile, consumer products distribution company Paltac and Japanese cement company Taiheiyo were modest detractors during the quarter, though both performed adequately over the full-year period.

We continue to view Japan as an attractive area of opportunity. This statement applies to companies currently owned by the Fund and others not currently held by the Fund. The Japanese equity market is extremely broad and diverse and is, in our view, home to many very well-run and well-financed companies, quite a few of which are not well-followed by the analytical community. Lastly, while it is certainly not a contrarian view today, we firmly believe that the homegrown pressure being imposed upon Japanese public companies to improve governance, capital allocation,

and shareholder returns is important and potentially very impactful.

#### **ENERGY MARKETS - LOOKING BACKWARDS AND FORWARDS**

During the quarter, and 2025 more broadly, the Fund’s oil and gas related businesses mostly did not perform well. As a reminder, our current oil and gas related holdings include one upstream oil and gas producer, Harbour Energy plc (“Harbour”), and three offshore oil and gas service providers, Tidewater, Valaris and Subsea7. In summary, we have long held confidence in the thesis that more offshore oil and gas spending is a requirement if current levels of offshore oil and gas production are to be maintained. Today, we believe that thesis remains valid and important. We have held less of a view about the direction of oil and gas prices, per se, which is why we have had very minimal exposure to upstream producers. Harbour, as an oil and gas producer, is the exception. We discuss some of the compelling reasons for making that exception in the resource conversion section below.

Further to our broader investment thesis, we think it is important that oil and gas are not fundamentally scarce commodities. Supply responses to high energy prices, for example, are very possible but they require spending and investment. This investment spending is the source of demand for oil and gas service companies. In other words, we question the sustainability of high energy prices but continue to have confidence that offshore service spending will rise, either to simply maintain current levels of production or in reaction to higher energy prices. It should be acknowledged here that it would be insincere to suggest that energy prices themselves do not impact energy investment. However, as upstream producers are planning to sanction large offshore projects, which typically have production lives measuring in decades, producers are generally not placing an emphasis on current energy prices or even forecasts for the next year.

All of that said, 2025 did not shine a flattering light on the investment thesis we just described. Delays to offshore projects in West Africa, significant changes to planned spending by Saudi Aramco, and U.K. government policies which have crushed energy investment in the U.K. North Sea, created headwinds to the entire offshore energy service sector. During the year, the Fund experienced modest losses on our investments in Harbour and Tidewater and a gain on our investment in Valaris, while Subsea7 was our only investment in this sector for which 2025 performance broadly kept pace with Fund performance. Subsea7’s performance was driven, at least in part, by the merger agreement announced earlier in 2025 with Saipem, one of Subsea7’s largest competitors in the oligopolistic industry of subsea oil and gas services.



As we look forward to 2026 and beyond, we think there are a few new and interesting developments in the global oil and gas industry worth highlighting. First, during the last 20 years, the shale revolution in the United States has radically transformed the global energy industry and seen the United States become the world's largest energy producer. U.S. onshore production grew at prodigious rates, particularly in the Permian Basin, mostly West Texas. However, it is now clear that the growth of U.S. onshore production, in the Permian and elsewhere, has slowed significantly due to far lower drilling activity, exhaustion of Tier 1 acreage and water supply and disposal challenges.

In the years post-COVID, some portion of U.S. onshore production growth has been attributable to the completion of wells that were drilled in earlier periods but remained uncompleted (drilled uncompleted wells are referred to as "DUCs"). As the world seemed to be ending during the pandemic and oil futures traded at negative prices for a short time, many U.S. onshore producers hesitated to complete wells being drilled in order to delay extracting resources in such an uneconomic environment. Though the U.S. government's Energy Information Agency no longer publishes data that tracked inventories of DUCs in each production basin, trackable DUC inventories had declined precipitously in the post-pandemic period, and it is reasonable to believe that the near exhaustion of the inventory DUCs is now impacting production growth. Meanwhile, industry data shows that U.S. onshore drilling activity remains very muted and it is clear that U.S. onshore production volume growth has significantly slowed. It would not be surprising to us to see U.S. onshore production begin to decline at some point in the not-too-distant future.

To summarize, the treadmill for the U.S. onshore oil and gas industry moves extremely fast because the productive life of most fracked onshore wells is very short, given very high decline rates. When combined with the enormous scale of industry production that has been achieved, the level of activity required to simply maintain current levels of production has become enormous. Achieving even flat production will increasingly be challenged by scale, declining quality of the resource base and water challenges. Falling U.S. onshore production, should that scenario eventuate, could have enormous implications for energy prices, enhance the importance of long-life offshore production and have important geopolitical implications.

Finally, recent geopolitical developments surrounding global oil flows also represent a significant departure from norms in recent decades. We will not delve very deeply into details here, in part because the implications remain so unclear. However, for those interested in the history and inner workings of U.S. sanctions activity, we would highly recommend Edward Fishman's *Chokepoints*, *American*

*Power in the Age of Economic Warfare*. In summary, since the Iranian Oil Crisis in the 1970s, American economic sanctions directed at U.S. adversaries have conspicuously avoided sanctions directly impacting energy trade flows, even though this is an obvious pressure point for several U.S. adversaries. In recent decades, the avoidance of sanctions that would impact energy flows, risking economic pain for the Western world, was particularly glaring in the design of sanctions in response to Iran's nuclear program and Russia's invasion of Ukraine. Furthermore, tools which limit various nations and entities' ability to transact in U.S. dollars have almost completely replaced physical or military embargoes and gunboat diplomacy in recent decades. That is until very recently. The seizure of "dark fleet" oil tankers shipping Venezuelan crude, the arrest of Nicolas Maduro, the U.S. claim of control over Venezuela's energy industry and recent sanctions imposed directly upon some of Russia's largest oil producing companies mark a profound divergence from U.S. sanctions activity in recent decades. It is impossible to know the full implications of these developments but, for the moment, gunboat diplomacy and military embargos are back, and energy producers are no longer off limits from U.S. sanctions. While the geopolitical environment remains very fluid, our instinctive sense is that disruption and upheaval from historical norms and sanctions-driven changes to energy trading patterns probably favor higher energy prices rather than lower.

#### CHANGE FOR GOOD - THE RESOURCE CONVERSION ANGLE

For investors who typically hold equity investments for a year or two, which is the industry average for public funds in the U.S., statistically speaking, it seems reasonable to focus on analyzing an underlying business as a going concern in its present form. The shorter the time horizon, the less likelihood that a significant transformative event will change the composition of the business in a material way. On the other hand, for investors who tend to hold investments for five years or more, as the Fund does, significant corporate events that change the complexion and value of a business during one's ownership period seem to be the norm, rather than the exception. In our experience, the probability of corporate change designed to create shareholder value seems particularly high for companies that are well-financed, which enables value-creating activity and affords company executives control over the timing of transactions. In our view, this is also true for companies that are undervalued, which often compels corporate executives or control parties to take action to remedy the undervaluation. Undervalued and well-financed companies run by clever, entrepreneurial people are at the heart of our investment approach, which is why a significant amount of our analytical effort is devoted to analyzing the potential for a company to create value through resource conversion activity. The term resource conversion, as popularized by our firm founder, encompasses all manner



of shareholder value-enhancing corporate activity separate from the day-to-day operations of the business, such as share buybacks, recapitalizations, special dividends, asset disposals, spin-offs, acquisitions, or sale of the business.

During the fourth quarter, and the full-year 2025, resource conversion activity was robust and largely positive. Below is a selection of several of the more notable areas of resource conversion activity ongoing within the Fund:

*Harbour Energy ("Harbour")* – While we have only owned Harbour since the summer of 2024, it has been a very eventful holding period. A significant part of our investment thesis has revolved around a highly competent management team with a well-conceived counter-cyclical acquisition strategy. At the end of 2024, the company completed an unusually attractive transformative acquisition that had been announced some months before we initiated our investment. One aspect of that transaction, apart from significant financial merits, was a major geographic shift of Harbour's oil and gas production, deemphasizing the U.K. North Sea, which has become an uneconomic place to reinvest given current U.K. energy tax policies. It is our view, however, that the historical association with the U.K., including Harbour's current U.K. stock listing, continues to drag on the company's valuation.

More recently, the company undertook a flurry of activity in December 2025. First, the company agreed to sell its interests in two fields in Indonesia, which represented smaller, non-strategic assets for the company, though the transaction proceeds furthered Harbour's financial ability to execute future transactions. The future came just a matter of days later when Harbour announced a clever acquisition of a small U.K. North Sea producer. Rather than through energy production or operational synergies, value from this transaction will largely be created through utilization of U.K. tax assets and the release of significant capital that the acquired company had been required to post against decommissioning liabilities. Later in the same month, Harbour announced a large acquisition of a family-controlled U.S. offshore deepwater producer based in Louisiana. The acquisition has many merits, one of which is operational synergies with offshore assets already owned by Harbour in Mexico. However, when looking at Harbour's transactions collectively, in a matter of two years the company has transacted its way to become one of the largest independent offshore producers in the world, reduced its exposure to the U.K. North Sea from 94% to 31% of production, acquired a significant production base in more capital-friendly jurisdictions, and gained a meaningful position in one of the world's most exciting development areas, Argentina's Vaca Muerta. Meanwhile management has been successful at creating very thoughtful deal structures leaving the company well-financed today, which is furthered by the large amount of free cash flow being generated from operations. Lastly, the company's new and significant U.S.

operational presence may, in the future, offer the company a clear pathway to become a U.S.-listed company leaving the U.K. further in the rearview, which we suspect would be helpful from a valuation perspective.

*Comerica* – During the quarter, long-time Fund holding Comerica became subject to activist shareholder pressure to maximize shareholder value through a sale process. Shortly thereafter, Comerica became the subject of a takeover offer by larger regional bank, Fifth Third Bancorp. To be very blunt, Comerica has not been a particularly well-run bank, in our view. However, it was quite a decent investment for the Fund, in no small part because we materially added to our position during the Spring 2023 regional banking crisis. [We wrote extensively about that decision at that time.](#) The takeover transaction led to Comerica producing one of the Fund's larger contributions to performance during the quarter and we have since exited the investment. We view Comerica's willingness to be taken over as acknowledgement that more value can be created for shareholders through the sale of the business than by continuing to operate as a going concern.

*CK Hutchison* – The Fund has owned shares of CK Hutchison for many years over which time the company has created a significant amount of value through operational income from its varied business lines, but also through well-timed business purchases and dispositions. There is, in our view, considerable shareholder alignment with the controlling Li family who built CK Hutchison and continues to control the company today. What is new, in our view, is a generational change of family leadership and a likely frustration with serial undervaluation in recent years. Several bold resource conversion transactions appear to be in the works, the most high-profile of which is CK Hutchison's ongoing effort to sell one of the world's largest and most valuable portfolios of container terminals, including the two Panama Canal container terminals of great interest to the U.S. and Chinese governments.

However, less newsworthy but financially very significant is CK Hutchison's apparent movement towards a public listing of its AS Watson retail subsidiary, itself one of the largest retail businesses in the world and a very material portion of CK Hutchison's value. Earlier in 2025, CK Hutchison successfully merged its U.K. telecom operations, 3 U.K., with Vodafone's U.K. operations, a move which is likely to create synergistic value but also creates optionality for a complete exit from that business, which we expect in the future. More broadly, it has been rumored that CK Hutchison may be pursuing a listing for its entire European telecom portfolio, which represents in the ballpark of a quarter of the company's underlying value. Finally, CK Hutchison and its controlling family are, collectively, by far the largest shareholder of Canadian energy company Cenovus, by virtue of having merged Husky Energy into Cenovus several years ago. In the fourth quarter, Cenovus completed a merger with Canadian Energy producer MEG Energy.



When viewed collectively, CK Hutchison is actively pursuing large-scale, value-creating or value-realizing transactions within each of its largest business units, representing the vast majority of its underlying business value. We are hopeful that if/as/when these transactions are executed upon, not only will additional value be created, but that the yawning gap between market price and underlying value might be at least partially closed.

In closing, the above descriptions are a sampling of the activity being executed upon by entrepreneurial management teams who control the direction and timing of their own actions, privileges afforded to those who own valuable assets wrapped inside of well-financed companies.

#### QUARTERLY ACTIVITY

During the quarter ending December 31, 2025, the Fund initiated a position in T.S. Lines Ltd. and exited long-time holding Comerica. Our exit from Comerica is discussed above.

T.S. Lines Ltd. ("T.S. Lines" or "T.S.") is a container shipping company founded during a shipping downturn in the early 2000s. The company focuses on routes within the Asia-Pacific region, with an enviable share of shipping volumes occurring between China and Southeast Asia. While the routes T.S. Lines serves have historically been lower growth, trade activity between China and Southeast Asia is projected to grow faster than other shipping lanes over the next several years due, in part, to the reordering of historical global trade flows. The limited supply of shipping capacity in the Asia-Pacific region could have difficulty matching the increase in demand. T.S. is something of a specialist in these trades, where smaller vessels are often better suited for shallower ports and smaller quays not accessible by the largest vessels. T.S.'s fleet composition also affords the company a nimbleness not available to owners of the world's largest vessels, which sometimes manifests in T.S.'s ability to deploy vessel capacity into shipping routes where capacity becomes scarce and rates are particularly high.

In this regard, the market segment in which T.S. operates has been long ignored. For several reasons, the container shipping industry has ordered mostly very large ships for the past several years and, indeed, the number of new large vessels currently being constructed risks oversupplying some of the world's largest container shipping routes. In contrast, the newbuild orderbooks for smaller ships remain a very small fraction of the existing fleet. Even with the deliveries of new smaller vessels, the industry could have trouble replacing the aging capacity currently on the water. T.S. Lines owns an unusually large percentage of the vessels in its fleet, rather than leasing them, and the average age of its fleet is far younger than industry average. Both attributes help keep operating costs down.

The company's balance sheet is strong, with a large net cash position with which the company can finance its planned fleet expansion. T.S. Lines' current market valuation also appears attractive. The stock trades at a discount to the replacement value of its nearly new fleet, even without contemplating the growing scarcity value of its fleet. Though earnings are off their highs from periods positively impacted by supply chain disruptions over the past several years, the company is currently producing prodigious operating cash flow and trades at a low single digit multiple of current earnings. The company's dividend policy helps ensure that shareholders directly receive a significant share of the company's earnings, likely resulting in a double-digit percentage yield at the current stock price when the dividend is announced, most likely sometime in the second quarter of 2026.

Thank you for your confidence and trust. We look forward to writing again next quarter. In the interim, please do not hesitate to contact us with questions or comments at [clientservice@thirdave.com](mailto:clientservice@thirdave.com).

Sincerely,

Matthew Fine



## IMPORTANT INFORMATION

This publication does not constitute an offer or solicitation of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this publication has been obtained from sources we believe to be reliable, but cannot be guaranteed.

The information in this portfolio manager letter represents the opinions of the portfolio manager(s) and is not intended to be a forecast of future events, a guarantee of future results or investment advice. Views expressed are those of the portfolio manager(s) and may differ from those of other portfolio managers or of the firm as a whole. Also, please note that any discussion of the Fund's holdings, the Fund's performance, and the portfolio manager(s) views are as of December 31, 2025 (except as otherwise stated), and are subject to change without notice. Certain information contained in this letter constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe," or the negatives thereof (such as "may not," "should not," "are not expected to," etc.) or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of any fund may differ materially from those reflected or contemplated in any such forward-looking statement. Current performance results may be lower or higher than performance numbers quoted in certain letters to shareholders.

Date of first use of portfolio manager commentary: January 15, 2026

<sup>1</sup> The MSCI World Index captures large and mid-cap representation across 23 Developed Markets (DM) countries. With 1,320 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. Results for the index are inclusive of dividends and net of foreign withholding taxes.

<sup>2</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. Results for the index are inclusive of dividends and net of foreign withholding taxes.

For the Third Avenue Glossary please visit [here](#).

## FUND PERFORMANCE

|                                    | Annualized |        |        |        |        |           | Inception Date |
|------------------------------------|------------|--------|--------|--------|--------|-----------|----------------|
|                                    | 3Mo        | 1Yr    | 3Yr    | 5Yr    | 10Yr   | Inception |                |
| Third Ave Value Fund (Inst. Class) | 7.47%      | 35.46% | 16.76% | 18.00% | 11.04% | 10.92%    | 11/1/1990      |
| Third Ave Value Fund (Inv. Class)  | 7.42%      | 35.15% | 16.47% | 17.70% | 10.76% | 8.35%     | 12/31/2009     |
| Third Ave Value Fund (Z Class)     | 7.47%      | 35.54% | 16.86% | 18.11% | N/A    | 10.71%    | 3/1/2018       |

## TOP TEN HOLDINGS

|  |      |                             |              |
|--|------|-----------------------------|--------------|
| Warrior Met Coal, Inc.                           | 5.1% | Tidewater, Inc.             | 3.9%         |
| Capstone Copper Corp.                            | 5.1% | Buzzi SpA                   | 3.9%         |
| Bayerische Motoren Werke AG                      | 4.9% | Bank of Ireland Group PLC   | 3.3%         |
| Lundin Mining Corp.                              | 4.7% | CK Hutchison Holdings, Ltd. | 3.3%         |
| Subaru Corp.                                     | 4.2% | Close Brothers Group PLC    | 3.1%         |
| Allocations are subject to change without notice |      | <b>TOTAL</b>                | <b>41.5%</b> |

Past performance is no guarantee of future results; returns include reinvestment of all distributions. The above 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). The gross expense ratio for the Fund's Institutional, Investor and Z share classes is 1.19%, 1.44% and 1.13%, respectively, as of March 1, 2025.

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.

**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.**

Current performance results may be lower or higher than performance numbers quoted in certain letters to shareholders.

Third Avenue offers multiple investment solutions with unique exposures and return profiles. Our core strategies are currently available through '40Act mutual funds and customized accounts. If you would like further information, please contact a Relationship Manager at:



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