



1st QUARTER 2013 COMMENTARY

PERFORMANCE

Average Annualized Total Returns as of March 31, 2013

	Inception Date	3 Month	YTD	1 Year	3 Year	5 Year	Since Inception
Intrepid Capital Fund - Inv.	1/3/05	5.67%	5.67%	10.02%	9.22%	9.56%	7.42%
Intrepid Capital Fund - Inst.	4/30/10	5.72%	5.72%	10.28%	-	-	8.71%
S & P 500 Index		10.61%	10.61%	13.96%	12.67%	5.81%	5.48% [^]
Russell 2000 Index		12.39%	12.39%	16.30%	13.45%	8.24%	6.34% [^]
B of A Merrill High Yield Master II Index		2.85%	2.85%	13.06%	10.89%	11.32%	8.39% [^]
Blended Benchmark Index		7.47%	7.47%	13.80%	12.36%	8.79%	7.21%

[^]Since Inception returns are as of the fund's Investor Class inception date. Since the inception date of the Institutional Class, the annualized return of the S&P 500 Index is 12.45%, Russell 2000 Index is 11.73%, B of A Merrill Lynch High Yield Master II Index is 10.37%, and the Blended Benchmark is 12.01%.

Performance data quoted represents past performance and does not guarantee future results. *Investment returns and principal value will fluctuate, and when sold, may be worth more or less than their original cost. Performance current to the most recent month-end may be lower or higher than the performance quoted and can be obtained by calling 866-996-FUND. The Fund imposes a 2% redemption fee on shares held for 30 days or less. Performance data does not reflect the redemption fee. If it had, returns would be reduced.*

Per the Prospectus, the Fund's annual operating expense (gross) for the Investor Shares is 1.45% and for the Institutional Class is 1.20%. The Fund's Advisor has contractually agreed to waive a portion of its fees and/or reimburse expenses such that the total operating expense (net) is 1.41% and 1.16% through 1/31/14, respectfully. In addition, the Fund's Advisor has contractually agreed to waive a portion of its fees and/or reimburse expenses such that the total operating

April 1, 2013

“We do better when the wind is in our face.”
Warren Buffett
Berkshire Hathaway 2012 Shareholder Letter

Dear Fellow Shareholders,

The stated corporate objective at Intrepid Capital is “to participate in a bull market, but to preserve capital in a bear market.” As we crossed the four year anniversary of the March 2009 market lows, it has become increasingly more difficult for us “to participate in a bull market.” The 150% return posted by the Russell 3000 since the 2009 market trough has made our job of finding high quality, conservatively-financed businesses trading at discounts an increasingly challenging endeavor.

We chuckled when reading Mr. Buffett's quote as he was lamenting that he only achieved a \$24 billion gain for shareholders and that the percentage increase in book value was less than the performance of the S&P 500 Index in 2012. The Intrepid Capital Fund (the “Fund”) also underperformed in 2012, a relatively short time period. Our underperformance is to be expected in a sharply rising market where we believe valuations were, and continue to be, stretched. As we moved into 2013, the markets have continued to rise, increasing at virtually 1% per week in the first quarter!

The Fund returned 5.67% in the three month period ending March 31, 2013. In the first six months of the Fund's fiscal year, the Fund rose 6.01%. While we consider ourselves to be true absolute return investors and therefore do not manage the Fund to an index, we compare the Fund's performance to a blended benchmark consisting of 60% invested in the S&P 500 and 40% invested in the Bank of America/Merrill Lynch High Yield Master II Index. Over the same three- and six-month periods, the benchmark returned

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7.48% and 8.60%, respectively. For the one, three and five year periods ending March 31, 2013, the Fund's annualized returns were 10.02%, 9.22%, and 9.56%, respectively. The benchmark returned 13.71%, 12.10%, and 8.18% over the same periods.

The top contributors to the Fund's performance in the first three months of 2013 were: Patterson UTI (ticker: PTEN), Big Lots (ticker: BIG), Bio Rad (ticker: BIO) and Berkshire Hathaway (ticker: BRK/B). In contrast, the largest detractors for the same period were: Newfield Exploration (ticker: NFX), Newmont Mining (ticker: NEM), Royal Gold (ticker: RGLD) and Pan American Silver (ticker: PAAS). Several of these holdings are discussed in our Small Cap Fund and Disciplined Value Fund commentaries.

Once again, the Intrepid Capital Fund (Investor) received an overall 5-Star Morningstar Rating, the highest rating for risk-adjusted returns, out of 802 Moderate Allocation funds for the period ending March 31, 2013. Morningstar also ranked the Fund in the top 34%, 27%, and 1% out of 920, 802, and 697 Moderate Allocation funds for the one-, three-, and five-year periods, ending 3/31/2013, respectively, based on total returns.

The rules at Intrepid simple: buy low and sell high. One could say the rules are easy to understand but hard to follow. As prices for equities and fixed income securities have climbed and surpassed our conservative estimations of intrinsic value, we have been exiting positions. If attractive replacement ideas are in low supply, our sale proceeds are comfortably (or uncomfortably, depending on your perspective) held in cash, patiently waiting for opportunities to appear. We would like to draw a sharp contrast to many of our "index centric" peers who feel compelled (or pressured) to be fully invested, all of the time. In our opinion, to be fully invested today is to operate under the assumption that no better opportunities will appear in the future. That is not an assumption we have been willing to make.

Our hometown NFL team, the Jacksonville Jaguars, had a motto for the 2012 season: "All In." We can say the same for our personal investments in Intrepid Capital Funds – we're "all in." We appreciate your continued support. It is not a position we take lightly.

Sincerely,



Mark F. Travis
President
Intrepid Capital Fund Portfolio Manager

Mutual fund investing involves risk. Principal loss is possible. The Fund is subject to special risks including volatility due to investments in smaller companies, which involve additional risks such as limited liquidity and greater volatility. The Fund is considered non-diversified as a result of limiting its holdings to a relatively small number of positions and may be more exposed to individual stock volatility than a diversified fund. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer term debt securities. Investments by the Fund in lower-rated and non-rated securities present a greater risk of loss to principal and interest than higher rated securities.

The S&P 500 Index is a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The Bank of America/Merrill Lynch High Yield Master II Index is Merrill Lynch's broadest high yield index, and as such is comparable with the broad indices published by other investment banks. US OE Moderate Allocation is a group of moderate allocation funds that seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. These funds tend to hold larger positions in stocks than conservative-allocation funds. These funds typically have 50% to 70% of assets in equities and the remainder in fixed income and cash. The Russell 2000 Index

Top Ten Holdings (% of net assets)

Berkshire Hathaway, Inc. - Class B	3.3%
Dell, Inc.	3.1%
Bill Barrett Corp.	3.1%
Bio-Rad Laboratories, Inc.	2.9%
Big Lots, Inc.	2.8%
Molson Coors Brewing Co.	2.7%
The Bank Of New York Mellon Corp.	2.7%
Western Union Co.	2.5%
FTI Consulting, Inc.	2.5%
Newmont Mining Corp.	2.1%

Top ten holdings are as of March 31, 2013. Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security.

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consists of the smallest 2,000 companies in a group of 3,000 U.S. companies in the Russell 3000 Index, as ranked by market capitalization. The Russell 3000 Index is an index representing the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market. You cannot invest directly in an index.

Book value is the net asset value of a company, calculated by subtracting total liabilities from total assets. Cash Flow measures the cash generating capability of a company by adding non-cash charges (e.g. depreciation) and interest expense to pretax income.

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For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating (based on a Morningstar risk-adjusted return measure that accounts for variation in a fund's monthly performance, including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The Intrepid Capital Fund (ICMBX) was rated 4-Stars and 5-Stars against the following numbers of U.S. domiciled Moderate Allocation funds over the following time periods: 802 and 697 funds in the last three- and five-years respectively. Opinions expressed are subject to change, are not guaranteed and should not be considered investment advice or recommendations to buy or sell any security.

The Intrepid Capital Fund's (Investor) Morningstar percentile ranking over the one-, three-, and five-year periods is 34%, 27%, and 1% among 920, 802, and 697 Moderate Allocation funds, respectively, based on total return as of March 31, 2013.

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The Intrepid Capital Funds are distributed by Quasar Distributors, LLC.