



1st QUARTER 2011 COMMENTARY

PERFORMANCE

Average Annualized Total Returns as of March 31, 2011

	Inception Date	3 Month	YTD	1 Year	3 Year	5 Year	Since Inception
Intrepid Capital Fund - Inv.	1/3/05	3.43%	3.43%	12.47%	10.86%	8.85%	7.35%
Intrepid Capital Fund - Inst.	4/30/10	3.52%	3.52%	-	-	-	9.60%
S & P 500 Index		5.92%	5.92%	15.65%	2.35%	2.62%	3.70% ^
Russell 2000 Index		7.94%	7.94%	25.79%	8.57%	3.35%	5.89% ^
B of A Merrill High Yield Master II Index		3.90%	3.90%	14.18%	12.69%	9.03%	8.10% ^

^Since Inception returns are as of the fund's Investor Class inception date, the Inst. Class cumulative return for the S & P 500 Index is 13.85%, Russell 2000 Index is 19.06% and B of A Merrill High Yield Master Index is 11.68%.

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 less than 30 days. 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 Investor Shares is 1.54% and for Institutional Class is 1.29%. The Fund's Adviser has contractually agreed to waive a portion of its fees and/or reimburse expenses such that total operating expenses (excluding Acquired Fund Fees and Expenses) do not exceed 1.40% and 1.15% through 1/31/12, respectively. Otherwise, performance shown would have been lower.

Dear Fellow Shareholders,

For the three months ending March 31, 2011, the Intrepid Capital Fund (the "Fund") generated a total return of 3.43%, lagging the returns of the all-equity indices: the S&P 500 and Russell 2000. The Fund has performed as I would expect in an environment where caution has been thrown to the wind, for the moment.

Our natural cautiousness, coupled with a rigid valuation process, has us, as analysts and portfolio managers, scratching our collective heads based on current pricing for the assets we generally seek for the Intrepid Capital Fund.

This process is both painful and counter cyclic. It is painful as a portfolio manager because you must watch as the rest of the herd may push prices past what a rational and knowledgeable business owner would likely pay in cash for the same business. In addition, the extra spread, or "yield" offered on short-term corporate bonds is often not worth capturing due to a combination of high leverage (debt in relation to cash flow) and skimpy interest coverage (operating income/interest charges). As persnickety buyers, we endeavor to buy early (when it's ugly and market participants are fearful) and have often sold early (only to watch prices continue to climb!).

Our lust for short term "action" was satisfied once again this quarter with the purchase of Cephalon, Inc. (ticker: CEPH) in mid-February in the high 50's. What followed was a hostile takeover offer by Valeant Pharmaceuticals International (ticker: VRX) for \$73 per share on March 31, 2011. If only it were always so easy! This offer boosted our returns for the 1st quarter. You will find more detail in the Intrepid All Cap Fund commentary.

We acquired some additional securities during the Japanese nuclear crisis in mid-March. This brought the Fund's cash levels



Intrepid Capital Fund

the constant pursuit of value

1st QUARTER 2011 COMMENTARY continued



to less than 12% by the end of the quarter. If market volatility increases in the second quarter, we will attempt to deploy the cash reserves at attractive prices.

Thank you for intrusting us with your hard earned capital; it is not a task we take lightly.

Best Regards,



Mark F. Travis
President

Opinions expressed are subject to change, are not guaranteed and should not be considered recommendations to buy or sell any security.

The Fund is subject to special risks including volatility due to investments in small- and mid-cap stocks, high yield securities and is considered non-diversified as a result of limiting its holdings to a relatively small number of positions. 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. The Russell 2000 Index consists of the smallest 2,000 companies in a group of 3,000 Index, as ranked by market capitalization. You cannot invest directly in an index.

The Intrepid Funds are distributed by Quasar Distributors, LLC.

Top Ten Holdings

(% of net assets)

Newmont Mining Corp.	2.5%
Johnson & Johnson	2.5%
Microsoft Corp.	2.4%
Teleflex, Inc.	2.2%
FTI Consulting, Inc.	2.2%
Pottlatch Corp.	2.1%
Collective Brands, Inc. 8.250%; 8/01/13	2.1%
American Greetings Corp. 7.375%; 6/01/16	2.1%
American Greetings Corp.	2.0%
Amerisafe, Inc.	2.0%

Top ten holdings are as of March 31, 2011. Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security.