



2nd QUARTER 2012 COMMENTARY

PERFORMANCE

Average Annualized Total Returns as of June 30, 2012

	Inception Date	3 Month	YTD	1 Year	3 Year	5 Year	Since Inception
Intrepid Capital Fund - Inv.	1/3/05	-1.81%	4.64%	3.31%	13.21%	6.40%	6.57%
Intrepid Capital Fund - Inst.	4/30/10	-1.75%	4.75%	3.65%	-	-	6.10%
S & P 500 Index		-2.75%	9.49%	5.45%	16.40%	0.22%	3.82% ^
Russell 2000 Index		-3.47%	8.53%	-2.08%	17.80%	0.54%	4.36% ^
B of A Merrill High Yield Master II Index		1.83%	7.08%	6.51%	16.16%	8.16%	7.75% ^
US OE Moderate Allocation		-2.18%	5.72%	1.09%	11.15%	1.11%	3.70% ^

^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 8.85%, Russell 2000 Index is 6.54%, B of A Merrill Lynch High Yield Master II Index is 8.83%, and US OE Moderate Allocation is 5.35%.

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 1.47% and for Institutional Class is 1.22%. 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 1/31/13, respectively. Otherwise, performance shown would have been lower.

July 9, 2012

Dear Fellow Shareholders,

For the quarter ended June 30, 2012, the Intrepid Capital Fund (the "Fund") declined 1.81%. This brings the Fund's performance to a gain of 4.64% year-to-date and 3.31% over the trailing year. This year-over-year performance looks reasonable when compared to the gains of 5.45% for the S&P 500 Index and 1.09% for a group of our peers (Morningstar – US OE Moderate Allocation). Given our bond allocation and relatively high cash balance, we would not expect to outpace an upwardly biased equity market, although it is satisfying to outperform one's peers in such an environment.

At one point in the second quarter, the equity markets nearly regurgitated all of the double-digit returns recorded through the first quarter, as the market strained to maintain lofty valuations, and U.S. growth and employment figures have continued to underwhelm. Preserving your hard-earned capital is our priority, but our goal is to use careful, thoughtful analysis as we seek to achieve both the return of and a return on your investment. This is in sharp contrast to the first quarter of 2012 when equity market volatility was almost nonexistent. Stretched valuations left us sitting on our hands as prices moved away and our cash reserves climbed. In contrast, we deployed cash throughout the second quarter as the market offered selective bargains. At quarter-end, cash represented 8.3% of the Fund's assets.

One of our primary responsibilities at Intrepid is to aim to deliver what Mark Twain once described as his investment philosophy: "I am more concerned about return of my investment, than return on my investment." Preserving your hard-earned capital is our priority, but our goal is to use careful, thoughtful analysis as we seek to achieve both the return of and a return on your investment.

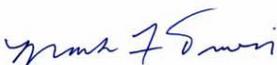
For the second quarter, the top five contributors to the Fund's performance were Cott Corp. (ticker: COT), CSG Systems (ticker: CSGS), Royal Gold (ticker: RGLD), CoreLogic (ticker: CLGX), and Iconix Brand Group (ticker: ICON). Our largest detractors for the same period were ManTech International (ticker: MANT), Dell (ticker: DELL), Bill Barrett (ticker: BBG), Securitas (ticker: SECUB SS), and Pan American Silver (ticker: PAAS). Commentary on several of these holdings can be reviewed in the Small Cap and All Cap shareholder letters.

2nd QUARTER 2012 COMMENTARY continued

Once again, we are pleased to report that for the period ending June 30, 2012, Morningstar ranked the Intrepid Capital Fund in the top 23%, 14% and 1% out of 885, 766, and 673 Moderate Allocation funds for the one-, three- and five-year periods, respectively, based on total returns. The Fund also received an overall 5-Star Morningstar Rating, the highest rating for risk-adjusted returns, out of 766 Moderate Allocation Funds for the period ending June 30, 2012 (derived from a weighted average of the fund's three-, five-, and ten-year risk-adjusted return measure, if applicable).

Thank you for your investment in the Intrepid Capital Funds.

Best regards,



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 Russell 2000 Index 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 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. You cannot invest directly in an index.

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Morningstar Rankings represent a fund's total-return percentile rank relative to all funds that have the same Morningstar Category. The highest percentile rank is 1 and the lowest is 100. It is based on Morningstar total return, which includes both income and capital gains or losses and is not adjusted for sales charges or redemption fees. Morningstar ranked the Intrepid Capital Fund in the top 23%, 14% and 1% out of 885, 766, and 673 Moderate Allocation funds for the one-, three- and five-year periods ending 6/30/12, respectively.

The Intrepid Capital Fund was rated 5-Stars and 5-Stars against the following numbers of U.S. domiciled Moderate Allocation funds over the following time periods: 766 and 673 funds in the last three- and five-years, respectively.

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.

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 Funds are distributed by Quasar Distributors, LLC.

Top Ten Holdings

(% of net assets)

Berkshire Hathaway, Inc. - Class B	3.0%
Bill Barrett Corp.	2.9%
Newmont Mining Corp.	2.8%
CSG Systems International, Inc.	2.8%
ManTech International Corp.	2.7%
Molson Coors Brewing Co.	2.6%
Patterson-UTI Energy, Inc.	2.6%
Bank of New York Mellon Corp.	2.4%
Regis Corp.	2.4%
Aspen Insurance Holdings Ltd.	2.4%

Top ten holdings are as of June 30, 2012. Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security.