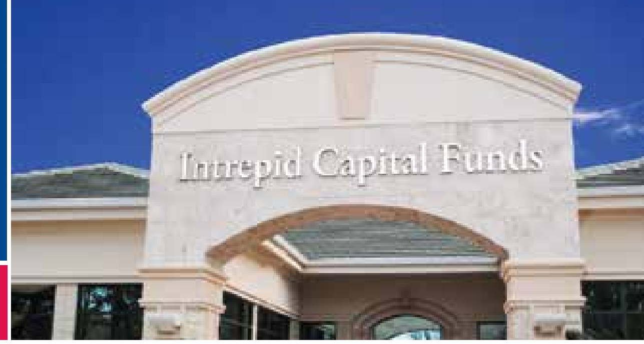
Intrepid Capital Fund

Discipline Makes the Difference.



3rd QUARTER 2013 COMMENTARY

PERFORMANCE

Average Annualized Total Returns as of September 30, 2013

	Inception Date	3 Month	YTD	1 Year	3 Year	5 Year	Since Inception
Intrepid Capital Fund - Inv.	1/3/05	4.56%	9.54%	9.89%	9.51%	10.31%	7.42%
Intrepid Capital Fund - Inst.	4/30/10	4.71%	9.75%	10.18%	9.79%	-	8.57%
S & P 500 Index		5.24%	19.79%	19.34%	16.27%	10.02%	6.12%^
Russell 2000 Index		10.21%	27.69%	30.06%	18.29%	11.15%	7.52%^
B of A Merrill High Yield Master II Index		2.25%	3.79%	7.09%	8.87%	13.35%	8.00%^
Blended Index		4.06%	13.18%	14.36%	13.34%	11.54%	6.94%^

^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 13.14%, Russell 2000 Index is 14.11%, B of A Merrill Lynch High Yield Master II Index is 9.08% and Blended Index is 11.63%.

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 expense, excluding Acquired Fund Fees and Expenses, (expense cap) does not exceed 1.40% and 1.15% through 1/31/14, respectfully. Otherwise, performance shown would have been lower.

October 1, 2013

"It was the best of times, it was the worst of times…"
Charles Dickens - *A Tale of Two Cities*

Dear Fellow Shareholders,

The old adage "buy low, sell high" sounds simple, even easy, to implement. The simplicity departs when emotional biases are included in the investment process. Some "investors" employ highly speculative strategies that rely little if at all on business value. These practitioners could be accused of buying high in the hopes of selling to a "greater fool," or perhaps playing a game of musical (financial) chairs. But when the music stops, or the Fed stops printing money, hope will not be enough to secure a chair to sit in.

We at Intrepid Capital believe that our first charge is to do no harm, by carefully assessing the risk of an equity or debt position prior to its inclusion in the Fund. Not to be a curmudgeon, but we feel that prices are high for the asset classes where we can add value over time. These generally include smaller capitalization U.S. equities, coupled with low duration U.S. corporate debt.

As we have just crossed the five-year anniversary of the Lehman Brothers bankruptcy and the financial panic that ensued, we thought it would be good time to reflect. This time five years ago there were many companies trading for less than our conservative estimates of business value, investment grade corporate bonds were offering double digit yields, and investors were so scared they were actually paying the U.S. Treasury to hold their money in T-Bills.

Today, very little is available in the equity or credit markets that meets our strict standards of underwriting on an absolute basis. I say absolute because we have never felt compelled to be fully invested or, to use an analogy, to buy the best house in a bad neighborhood by making a purchase because it was attractive relative to some index. At Intrepid Capital, each investment must stand on its own, with the potential for generating enough future cash flow to support its current price. As of September 30, 2013 small cap stocks, as measured by the Russell 2000 Index, trade at 20x operating income, and the high-yield bonds, as measured by the BA ML High Yield Master II Index, yield close to 6%. We do not believe these prices offer compelling risk/reward opportunities, which is the reason the fund ended the quarter with allocations of 46% equity, 25% debt, and 29% cash.

Top Ten Holdings	(% of net assets)
FTI Consulting, Inc.	3.5
Northern. Oil & Gas, Inc., 06/01/2020, 8.000%	3.0
Bill Barrett Corp.	3.0
Berkshire Hathaway, Inc. - Class B	3.0
Big Lots, Inc.	3.0
The Bank of New York Mellon Corp.	2.9
Newfield Exploration Co.	2.8
Bio-Rad Laboratories, Inc.	2.7
The Western Union Co.	2.5
Ingram Micro, Inc.	2.4

Top ten holdings are as of September 30, 2013. Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security.

Our investment process is almost naturally counter-cyclical: when prices are high we are selling or have sold, holding the cash proceeds until compelling value presents itself. When it does, we have the cash on hand to invest at attractive absolute valuations. One may ask, "What if this time is different?" which could imply our methods are antiquated (they aren't) or maybe we need to change our process (we don't). If these answers come as a surprise, please consider that we heard a similar refrain in 1999 and 2007. As difficult as it is for us and our investors to remain true to the process, the process didn't change in the past, despite being as testing as today, and we think our investors are better off because of it. We seek to participate in up markets and attempt to protect capital in down markets. We have been through a period of low volatility and rising prices, and therefore the Fund's activity has been somewhat muted. However, we have still had success in identifying undervalued securities on your behalf.

The Fund returned 4.56% in the quarter ended September 30, 2013, besting the return of the blended benchmark (60% S&P 500/40% BA ML High Yield Master II) of 4.06%. The top contributors to the quarter's performance were Bill Barrett (ticker: BBG), FTI Consulting (ticker: FCN) and Big Lots (ticker: BIG). All three constituted larger positions and produced double-digit returns in the period. In contrast, the Fund's largest detractors were The Pantry (ticker: PTRY), Newmont Mining (ticker: NEM), and Coach Inc (ticker: COH). Each security impacted the Fund's performance by less than 10 basis points. In the Fund's fiscal year ended September 30, 2013, the Fund gained 9.89% versus the blended benchmark's return of 14.36%. Patterson UTI (ticker: PTEN), FTI Consulting, and Berkshire Hathaway B (ticker: BRK/B) were the top contributors for the year. Precious metals names rounded out the largest detractors, which have been discussed in our other fund commentaries in prior quarters.

For the three- and five-year periods ending September 30, 2013, the Fund's annualized returns were 9.51%, and 10.31%, respectively. This compares to the blended benchmark returns of 13.34% and 11.54% over the same time periods. The Intrepid Capital Fund (Investor) received an overall 4-Star Morningstar Rating out of 773 Moderate Allocation funds for the period ending September 30, 2013 (derived from a weighted average of the fund's three-, five-, and ten-year risk adjusted return measure, if applicable). Morningstar also ranked the Fund in the top 77%, 55%, and 5% out of 912, 773, and 699 Moderate Allocation funds for the one-, three-, and five-year periods, ending September 30, 2013, respectively, based on total returns. Said another way, the Fund outperformed 95% of its peers for the five year period. I would like to thank the analytical and support staff at Intrepid Capital for making this possible. Most importantly, I would like to thank you as a shareholder for entrusting us with your hard earned capital.

If there is anything we can do to serve you better, please call us at 1-800-996-FUND.

Sincerely,

Mark F. Travis
President
Intrepid Capital Fund Portfolio Manager

Intrepid Capital Fund

Discipline Makes the Difference.

3rd QUARTER 2013 COMMENTARY

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. 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 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.

Duration is a commonly used measure of the potential volatility of the price of a debt security, or the aggregate market value of a portfolio of debt securities, prior to maturity. Securities with a longer duration generally have more volatile prices than securities of comparable quality with a shorter duration. Basis point is a unit that is equal to 1/100th of 1% and is used to denote the change in a financial instrument.

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

Morningstar Proprietary Ratings reflect risk-adjusted performance as of 9/30/13. 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 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. Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in distribution percentage. The Intrepid Capital Fund received 3 stars among 773 for the three-year and 5 star among 699 Moderate Allocation Funds for the five-year period ending 09/30/2013. Morningstar Percentile Ranking compares a fund's Morningstar risk and return scores with all the funds in the same Category, where 1% = Best and 100% = Worst. **Past performance is no guarantee of future results.**

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