



Intrepid Capital Fund

the constant pursuit of value

1st QUARTER 2012 COMMENTARY



PERFORMANCE

Average Annualized Total Returns as of March 31, 2012

	Inception Date	3 Month	YTD	1 Year	3 Year	5 Year	Since Inception
Intrepid Capital Fund - Inv.	1/3/05	6.56%	6.56%	5.31%	18.88%	7.44%	7.07%
Intrepid Capital Fund - Inst.	4/30/10	6.61%	6.61%	5.57%	-	-	7.90%
S & P 500 Index		12.59%	12.59%	8.54%	23.42%	2.01%	4.36%^
Russell 2000 Index		12.44%	12.44%	-0.18%	26.90%	2.13%	5.03%^
B of A Merrill High Yield Master II Index		5.15%	5.15%	5.63%	23.78%	7.84%	7.76%^

^Since Inception returns are as of the fund's Investor Class date. Since the inception date of the Institutional Class, the annualized return of the S&P 500 Index is 11.67%, Russell 2000 Index is 9.42% and B of A Merrill High Yield Master Index is 9.00%.

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.

April 11, 2012

Dear Fellow Shareholders,

For the period ended March 31, 2012, the Intrepid Capital Fund (the "Fund") returned 6.56% in the first calendar quarter and 14.31% in the first six months of its fiscal year. Taking a step back, the Fund has produced annualized returns of 18.88%, 7.44%, and 7.07% over the last three years, five years, and since inception, respectively.

At this point in all of my letters, our lawyers force us to remind you that "past performance is no guarantee of future results." With that out of the way, we do tend to agree with the lawyers on past performance, but we also think well designed strategies with a rigorous, disciplined process should continue to attain attractive risk-adjusted results over the long run.

Prospective investment returns depend on what an investor is willing to pay today for a stream of expected future cash flows, whether those cash flows are delivered by a stock, bond, or other type of investment vehicle. In an environment where broad equity indices such as the S&P 500 have annualized three-year returns exceeding 20%, finding strong businesses trading at attractive prices has become quite challenging. The same can be said of corporate debt securities, whose prices remain artificially inflated by the lowest interest rate environment in years.

The easy way to think of the investment process we deploy at Intrepid Capital is that when security prices are depressed and offer attractive prospective returns, our cash levels tend to be low. Conversely, when prices are high and your brother-in-law is bragging about his stock market winnings, our cash levels tend to be high.

I have often lamented over the last 17 years as a portfolio manager about how much easier my life would be if I were a "closet indexer," holding a basket of securities that closely resembled market benchmarks and floating with the tide, whichever way it may be going. Easier for me, yes, but much harder for you, since I would be able to blame losses of your capital on "the market" and avoid accepting any culpability.

At Intrepid Capital our value-sensitive, contrarian-tilted investment process can be "painful" as we try to grow your capital base and ours, with an ever-watchful eye on risk. Risk is the evil twin sister of return that is often ignored when markets march upward, but will quickly find its way to the front of investors' minds when asset values begin to fall.

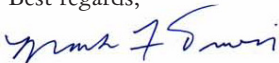
For the quarter, the three biggest contributors to positive performance were: Computer Sciences (ticker: CSC), CoreLogic (ticker: CLGX), and Microsoft (ticker: MSFT). To be "fair and balanced" in our reporting, our largest detractors for the same period were: Newmont Mining (ticker: NEM) and Bill Barrett Corp. (ticker: BBG). Interestingly, these last two are what we refer to as "asset valuations," where we think there is a material disconnect between the current market price of a business and the long-term value of its asset base net of liabilities. The recent decline in share prices has only increased our conviction, and we have taken the opportunity to increase our weights in these holdings.

1st QUARTER 2012 COMMENTARY continued

I am pleased to say that for the period ending March 31, 2012, Morningstar ranked the Intrepid Capital Fund in the top 31%, 15% and 1% out of 969, 839 and 749 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 839 Moderate Allocation Funds for the period ending March 31, 2012 (derived from a weighted average of the fund's three-, five-, and ten-year risk-adjusted return measure, if applicable). The largest part of my family's investments continues to be held in the Intrepid Capital Funds, along with the assets of the analytical staff at Intrepid Capital that made these results possible.

Thank you for entrusting your hard-earned assets to our care; it is not an obligation we take lightly.

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 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.

©2012 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Past performance is no guarantee of future results.**

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 31%, 15% and 1% out of 969, 839, and 749 Moderate Allocation funds for the one-, three- and five-year periods ending 3/31/12, respectively.

The Intrepid Capital Fund was rated 4-Stars and 5-Stars against the following numbers of U.S. domiciled Moderate Allocation funds over the following time periods: 839 and 749 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.

Cash flow measures the cash generating capability of a company by adding non-cash charges (e.g. depreciation) and interest expense to pretax income. 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.

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)

Newmont Mining Corp.	2.8%
Berkshire Hathaway, Inc. - Class B	2.8%
Regis Corp.	2.6%
Bio-Rad Laboratories, Inc.	2.6%
Bank of New York Mellon Corp.	2.5%
CoreLogic, Inc.	2.4%
CSG Systems International, Inc.	2.3%
Bill Barrett Corp.	2.3%
Molson Coors Brewing Co.	2.3%
Microsoft Corp.	2.3%

Top ten holdings are as of March 31, 2012. Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security.

