



TWEEDY, BROWNE  
GLOBAL VALUE FUND

ANNUAL

MARCH 31, 2004



TWEEDY, BROWNE  
AMERICAN VALUE FUND



**Tweedy, Browne Fund Inc.**

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This report is for the information of the shareholders of Tweedy, Browne Fund Inc. Its use in connection with any offering of the Company’s shares is authorized only in a case of a concurrent or prior delivery of the Company’s current prospectus. Investors should refer to the accompanying prospectus for description of risk factors associated with investments in securities held by both Funds. The securities of small, less well-known companies may be more volatile than those of larger companies. In addition, investing in foreign securities involves additional risks beyond the risks of investing in securities of US markets. These risks involve economic and political considerations not typically found in US markets, including currency fluctuations, political uncertainty and differences in financial standards, regulatory environments, and overall market and economic factors in the countries. Tweedy, Browne Company LLC is the Distributor of the Company.

## TWEEDY, BROWNE FUND INC.

### *Investment Adviser's Note*



Left to right: John Spears, Tom Shrager, Chris Browne, Bob Wyckoff and Will Browne.

#### To Our Shareholders:

In our last report to shareholders, the September 30, 2003 semi-annual report, we separated the official semi-annual report from the Investment Adviser's Report. We did this because federal legislation called The Sarbanes-Oxley Act of 2002 requires us to certify the accuracy of everything contained in the Funds' reports, on pain of potential criminal liability. We believe in sharing our thinking about the investment environment and our reaction to trends and views circulating in the market place. However, we do not believe we should be asked to certify the accuracy of anybody's opinions or information prepared by others which we obviously could not independently verify. Rather than "dumb down" our reports to you, we have decided to break them into two parts. This is the first installment, the Funds' report to shareholders. It contains the material required by the SEC and is certified by us under the Sarbanes-Oxley legislation. In a few days, we will be sending you the second part, our letter as the Funds' investment adviser. This will contain our additional commentary on a variety of issues and will not contain Sarbanes-Oxley certifications. We hope the SEC will figure out how to modify the certification requirements to enable us to communicate with you in a more seamless way. Meanwhile, we will continue to do our best on your behalf.

We are pleased to present the Annual Report for the Tweedy, Browne Global Value Fund and the Tweedy, Browne American Value Fund for the fiscal year ended March 31, 2004. Investment results\* for the latest fiscal year,



most recent six months, and past three, five, and ten years, and results since inception of both Funds are presented in the tables below:

Period Ended 3/31/04	Tweedy, Browne Global Value Fund	MSCI EAFE <sup>(1)(2)</sup>	
		US \$	Hedged
6 Months	19.76%	22.16%	13.51%
1 Year	48.53	57.54	37.29
3 Years	5.17	3.43	-6.61
5 Years	8.28	0.52	-1.72
10 Years	11.06	4.55	5.06
Since Inception (3)	12.31	5.08	5.44

Period Ended 3/31/04	Tweedy, Browne American Value Fund	S&P
		500 <sup>(1)(4)</sup>
6 Months	13.45%	14.08%
1 Year	32.13	35.12
3 Years	2.95	0.63
5 Years	4.87	-1.20
10 Years	12.43	11.68
Since Inception (3)	11.72	10.90

\* The preceding performance data represents past performance and is not a guarantee of future results. Total return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares. Current performance may be lower or higher than the performance data shown. Please visit [www.tweedy.com](http://www.tweedy.com) to obtain performance data which is current to the most recent month end. See page 6 for footnotes 1 through 6, which describe the indexes and inception dates of the Funds. Results are annualized for all periods greater than one year.

After three fairly dismal years for most stock markets around the world, stocks rebounded sharply beginning in the second quarter of calendar year 2003, the first quarter of our fiscal year. Our Global Value Fund enjoyed gains in eleven of the past twelve months, and the American Value Fund had positive returns in ten of the past twelve months. The beginning of 2003 was hardly a time of great optimism. Stocks had endured a bear market of classic proportions, recording consecutive back-to-back losses in calendar years 2000, 2001 and 2002. In September 2001, the United States learned it was not immune to terrorism, and after that the nation was either on the verge of going to war or was actually engaged in war. Economic indicators were not positive, and much of the press was spinning an economic picture that proved to be far worse than reality. So much for predicting stock markets!



On an absolute return basis, both Funds had a rewarding year. Being up 48.53% (Global Value Fund) or 32.13% (American Value Fund) in a twelve-month period versus long-term annual returns in the 10% to 12% range is not something to cry about. However, we did have a strong tailwind, and on a relative basis our results are not in the Oscar Award category.

The Global Value Fund's return for the year at 48.53% trailed the MSCI EAFE Index in US\$ (+57.54%) by 9.01 percentage points. The MSCI EAFE Index Hedged to the US\$ gained far less (+37.29%), which is attributable almost exclusively to the weakness of the US\$ versus the Euro and the Japanese Yen over the past year. The hedged index and the performance of the Global Value Fund closely reflect the performance of the stocks in the index and in our Fund in their local market currencies. On this basis, we did relatively well beating the hedged index by 11.24 percentage points. Had the Global Value Fund's portfolio not been hedged, we would have also handily outperformed the MSCI EAFE in US\$.

The relatively better performance of the Global Value Fund versus the hedged index is partly attributable to a greater weighting in consumer discretionary stocks that enjoyed strong gains, and to a greater concentration in small and mid-cap issues. Stocks with market caps between \$500 million and \$5 billion performed significantly better than stocks with market caps greater than \$5 billion. The average return for the first category of stocks in the index was approximately 56% last year versus an average return of about 45% for stocks with market caps greater than \$5 billion. However, nearly 88% of the index is invested in stocks larger than \$5 billion in market cap, while less than 12% of the index is invested in stocks in the \$500 million to \$5 billion range.

The Global Value Fund's return for stocks in the \$500 million to \$5 billion category was approximately 72% last year, and the return on stocks with market caps above \$5 billion was about 38%. In the case of the Global Value Fund, only about 44% of net assets was invested in the large cap category, while almost 40% of net assets was invested in stocks in the \$500 million to \$5 billion range. Both internationally and in the US, small and mid-cap stocks in general did better than large cap stocks. The fact that we had a significantly greater percentage of assets invested in small and mid-cap stocks, and a correspondingly lesser percentage invested in large cap stocks, was not the result of any smart asset allocation decision on our part. We just happen to invest in all capitalization categories. Our goal is to find cheap stocks irrespective of capitalization size.

The American Value Fund's results came very close to that of the S&P 500 Index despite significant differences in the composition of our portfolio as compared to the index. Some degree of our underperformance is attributable to the expenses incurred in running a mutual fund, and the drag on



performance that even a modest percentage of cash can have in an up year. (The index has no expenses and is fully invested at all times.) In a bull market year, even index funds do not always match the performance of the index after which they are modeled.

The best performing industry category in the S&P 500 was Information Technology, approximately 17% of the index, with a return of more than 43%. The much more technology-weighted NASDAQ Composite Index<sup>(5)</sup> enjoyed a gain of 49.37% last year. Technology has never been a significant industry group in our Funds. Financial stocks are the largest single industry category in both the S&P 500 and the American Value Fund, although our Fund is even more heavily weighted in this category than is the index. Both the index and our Fund enjoyed about the same return in this category, 45%. Consumer discretionary stocks were nearly equally weighted as between the index and the Fund at approximately 11% of net assets. However, our consumer discretionary stocks saw a gain of nearly 57%, while those in the index were up almost 40%.

From a market cap perspective, about 96% of the S&P 500 Index is invested in stocks with market caps greater than \$5 billion. The return in this category was approximately equal to the return for the full index. Stocks in the index with market caps below \$5 billion did considerably better, but at only 4% of the index, had little impact on the overall result. The larger cap stocks in the index, led by technology issues, did considerably better than the larger cap stocks in the American Value Fund's portfolio. However, the Fund had considerably less of its assets, 54% versus 96%, in large cap stocks. We made up lost ground with the approximately 40% of net assets invested in stocks with market caps less than \$5 billion that produced a return of about 52%.

In our opinion, investment results in any given year are not meaningful when forming an opinion about a particular investment manager or investment style. Performance over a longer period of time, one that crosses over several market cycles, is the best way to judge performance. In any one-year period, performance will be driven by certain industry categories or market cap segments. Market leadership by categories of stocks changes or rotates. What was last year's winning industry group may turn out to be this year's laggard. Throughout much of the late 1990s, large cap stocks beat small and mid-cap stocks. The reverse has been true in the past couple of years.

While it would be great, and extremely profitable, to know which industry groups or market cap segments will perform best in the next twelve months, that is an area of expertise well beyond our capabilities. This is not humility; this is reality borne of experience. Industry group and market cap rotation in a stock portfolio based on future predictions of returns is the ultimate extension of "market timing." You might even call it "micro market timing."



In any given shorter term market cycle, someone will make the right prediction. Given the number of market predictions being floated at any particular time, and given the fact that these predictions cover every conceivable market scenario, someone has to be right. However, is getting it “right” once predictive of getting it right the next time, and the next time? If such a person exists, please let us know. We would love to hire him or her.

Our investment criteria are absolute, not relative. We do not screen the universe of stocks and buy stocks, which in our estimation, are the cheapest relative to other stocks. Rather, we continue to search for stocks selling at less than the value we estimate a corporate acquirer would likely pay. During the past year we have not been finding an “overabundance” of such stocks in the US or internationally. We do not focus on categories such as “growth” although many of our stocks are considered “growth” stocks within strict investment industry parameters. Nor do we pursue a particular industry segment or capitalization category, which generally means that our Funds will underperform certain sectors from time to time. However, on a long-term basis, we believe we have accomplished much of what we set out to accomplish. Over the past ten years, both Funds are ahead of the broader stock market indexes domestically and internationally. The Global Value Fund is significantly ahead of MSCI EAFE both in US\$ and hedged. The American Value Fund is ahead of the S&P 500 albeit by a much smaller margin. However, we are in a favorable minority of money managers. According to a study we conducted using data from Morningstar’s Principia Pro database, only 28% of Morningstar’s Domestic Stock Funds<sup>(6)</sup> that have been in existence throughout the ten-year period ended March 31, 2004 outperformed the S&P 500.

Very truly yours,  
TWEEDY, BROWNE FUND INC.

Christopher H. Browne

William H. Browne

John D. Spears

Thomas H. Shrager

Robert Q. Wyckoff, Jr.

*Managing Directors*

Tweedy, Browne Company LLC

May 5, 2004



## Footnotes

- (1) Indexes are unmanaged, and the figures for the indexes shown include reinvestment of dividends and capital gains distributions and do not reflect any fees or expenses. Investors cannot invest directly in an index. We strongly recommend that these factors be considered before an investment decision is made.
- (2) MSCI EAFE US\$ is an unmanaged capitalization-weighted index of companies representing the stock markets of Europe, Australasia and the Far-East. MSCI EAFE Hedged consists of the results of the MSCI EAFE Index hedged 100% back into US dollars and accounts for interest rate differentials in forward currency exchange rates. Results for both indexes are inclusive of dividends and net of foreign withholding taxes.
- (3) Inception dates for the Global Value Fund and the American Value Fund were June 15, 1993 and December 8, 1993, respectively. Except for the S&P 500 Index, information with respect to all other indexes and averages used is available at month end only; therefore the closest month end to each Fund's inception date, May 31, 1993 and November 30, 1993, respectively, were used.
- (4) S&P 500 is an unmanaged capitalization-weighted index composed of 500 widely held common stocks listed on the New York Stock Exchange, American Stock Exchange and over-the-counter market and includes the reinvestment of dividends.
- (5) NASDAQ Composite Index is an unmanaged capitalization-weighted index composed of all NASDAQ domestic and non-US based common stocks listed on the NASDAQ Stock Market.
- (6) The Morningstar Domestic Stock Fund Category consists of all mutual funds in the Morningstar Universe that have over 70% of their assets invested in domestic stocks.

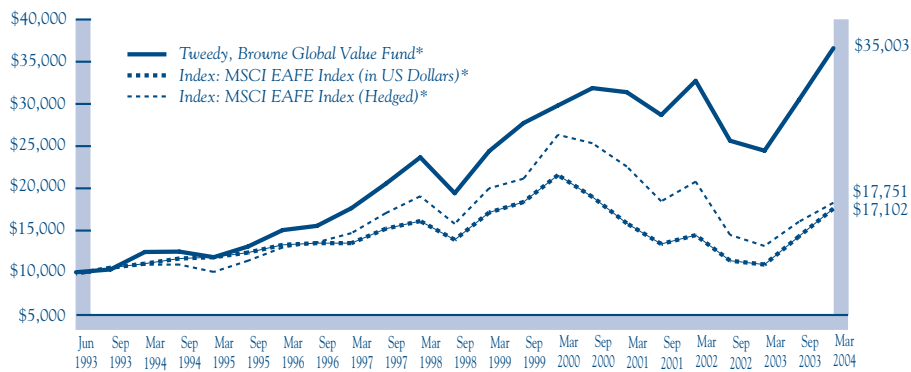


# TWEEDY, BROWNE GLOBAL VALUE FUND

## Portfolio Highlights

March 31, 2004

**Hypothetical Illustration of \$10,000 Invested in  
Tweedy, Browne Global Value Fund vs. Morgan Stanley Capital  
International (“MSCI”) Europe, Australasia and Far East (“EAFE”)  
Index (in US Dollars and Hedged)  
6/15/93 through 3/31/04**



MSCI EAFE Index represents the change in market capitalizations of Europe, Australasia and the Far East (EAFE), including dividends reinvested monthly, net after foreign withholding taxes.

Index and Average information is available at month end only; therefore, the closest month end to inception date of the Fund, May 31, 1993, has been used.

AVERAGE ANNUAL TOTAL RETURN*			AGGREGATE TOTAL RETURN*		
The Fund	Actual	Without Waivers	Year Ended 3/31/04	Inception (6/15/93)–3/31/04	
Inception (6/15/93) through 3/31/04	12.31%	12.29%	The Fund	48.53%	250.03%
Year Ended 3/31/04	48.53%	48.53%	MSCI EAFE (in US Dollar)	57.54%	71.02%
			MSCI EAFE (Hedged)	37.29%	77.51%

Note: The performance shown represents past performance and is not a guarantee of future results. The Fund's share price and investment return will vary with market conditions, and the principal value of shares, when redeemed, may be more or less than original cost.

\* Assumes the reinvestment of all dividends and distributions and is net of foreign withholding tax.



## TWEEDY, BROWNE GLOBAL VALUE FUND

### *Perspective On Assessing Investment Results*

March 31, 2004

In accordance with rules and guidelines set out by the Securities and Exchange Commission, we have provided a comparison of the historical investment results of Tweedy, Browne Global Value Fund to the historical investment results of the most appropriate broad-based securities indices, the Morgan Stanley Capital International (MSCI) Europe, Australasia and the Far East (EAFE) Index in US dollars and hedged into US dollars.

However, the historical results of the MSCI EAFE indices in large measure represent the investment results of stocks that we do not own. Any portfolio which does not own exactly the same stocks in exactly the same proportions as the index to which the particular portfolio is being compared is not likely to have the same results as the index. The investment behavior of a diversified portfolio of undervalued stocks tends to be correlated to the investment behavior of a broad index; i.e., when the index is up, probably more than one-half of the stocks in the entire universe of public companies in all the countries that are included in the same index will be up, albeit, in greater or lesser percentages than the index. Similarly, when the index declines, probably more than one-half of the stocks in the entire universe of public companies in all countries that are included in the index will be down in greater or lesser percentages than the index. But it is almost a mathematical truth that “different stocks equal different results.”

We believe that favorable or unfavorable historical investment results in comparison to an index are not necessarily predictive of future comparative investment results. In *Are Short-Term Performance and Value Investing Mutually Exclusive?*, Eugene Shahan analyzed the investment performance of seven money managers, about whom Warren Buffett wrote in his article, *The Superinvestors of Graham and Doddsville*. Over long periods of time, the seven managers significantly outperformed the market as measured by the Dow Jones Industrial Average (the “DJIA”) or the Standard & Poor’s 500 Stock Index (the “S&P 500”) by between 7.7% and 16.5% annually. (The goal of most institutional money managers is to outperform the market by 2% to 3%.) However, for periods ranging from 13 years to 28 years, this group of managers underperformed the market between 7.7% and 42% of the years. Six of the seven investment managers underperformed the market between 28% and 42% of the years. In today’s environment, they would have lost many of their clients during their periods of underperformance. Longer term, it



## TWEEDY, BROWNE GLOBAL VALUE FUND

### *Perspective On Assessing Investment Results*

would have been the wrong decision to fire any of those money managers. In examining the seven long-term investment records, unfavorable investment results as compared to either index did not predict the future favorable comparative investment results which occurred, and favorable investment results in comparison to the DJIA or the S&P 500 were not always followed by future favorable comparative results. Stretches of consecutive annual underperformance ranged from one to six years. Mr. Shahan concluded:

*Unfortunately, there is no way to distinguish between a poor three-year stretch for a manager who will do well over 15 years, from a poor three-year stretch for a manager who will continue to do poorly. Nor is there any reason to believe that a manager who does well from the outset cannot continue to do well, and consistently.*



# TWEEDY, BROWNE GLOBAL VALUE FUND

## Portfolio of Investments

March 31, 2004



<u>Shares</u>		<u>Market Value (Note 1)</u>
	<b>COMMON STOCKS—87.5%</b>	
	<b>Belgium—1.4%</b>	
1,219,490	Almanij NV .....	\$ 73,957,077
	<b>Canada—1.4%</b>	
72,400	Canadian Western Bank .....	2,344,014
260,700	Melcor Developments Ltd. ....	9,407,417
1,873,000	National Bank of Canada, Toronto .....	65,286,003
		77,037,434
	<b>Czech Republic—0.0%††</b>	
2,800	Philip Morris CR AS .....	2,000,000
	<b>Denmark—0.6%</b>	
950,000	Danske Bank A/S .....	21,483,102
428,675	Group 4 Falck A/S .....	11,003,006
		32,486,108
	<b>Finland—3.4%</b>	
1,000,000	Huhtamaki Oyj .....	12,964,829
2,800,922	Kone Oyj, B Shares .....	168,659,742
		181,624,571
	<b>France—5.4%</b>	
863,025	Aventis SA .....	66,338,405
433,783	BNP Paribas SA .....	26,509,731
2,390,980	CNP Assurances .....	138,098,238
37,278	Compagnie Lebon SA .....	3,170,100
1,509,131	Nexans SA .....	55,265,937
1,000	NSC Groupe .....	86,023
443,000	Rhodia SA .....	1,377,332
		290,845,766
	<b>Germany—7.0%</b>	
195,980	Boewe Systec AG .....	9,392,705
23,238	Krones AG .....	2,238,015
42,354	KSB AG .....	7,750,031
104,581	KSB AG, Vorzugsakt .....	14,587,542
108,159	Linde AG .....	5,727,347
3,399,584	Merck KGaA .....	158,502,983
178,800	Merck KGaA 144A ‡ .....	8,336,412
538,544	Moebel Walther AG .....	1,727,333
136,187	Moebel Walther AG, Vorzugsakt .....	418,398
1,560,342	Springer (Axel) Verlag AG .....	165,863,277
		374,544,043

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## TWEEDY, BROWNE GLOBAL VALUE FUND

### Portfolio of Investments

March 31, 2004

<u>Shares</u>		<u>Market Value (Note 1)</u>
<b>COMMON STOCKS</b>		
<b>Hong Kong—2.5%</b>		
13,780,000	Jardine Strategic Holdings Ltd. ....	\$ 67,866,500
42,847,281	SCMP Group Ltd. ....	17,460,964
36,000,000	Swire Pacific Ltd., Class B ....	41,123,846
1,503,000	Wing Hang Bank Ltd. ....	9,529,874
		<hr/> 135,981,184
<b>Ireland—0.7%</b>		
15,074,023	Independent News & Media PLC ....	36,493,014
1,111,317	Unidare PLC † ....	2,185,105
		<hr/> 38,678,119
<b>Italy—1.8%</b>		
1,150,500	Maffei SPA ....	2,191,456
6,402,940	Mondadori (Arnoldo) Editore SPA ....	58,777,941
2,598,000	Natuzzi SPA, Sponsored ADR † ....	27,798,600
1,005,000	Sol SPA ....	4,211,480
805,250	Vincenzo Zucchi SPA ....	3,631,710
		<hr/> 96,611,187
<b>Japan—9.6%</b>		
487,960	Aiful Corporation ....	50,045,977
722,000	Amatsuji Steel Ball Manufacturing Company Ltd. ....	8,327,967
552,900	Chofu Seisakusho Company Ltd. ....	11,479,444
1,001	Coca-Cola Central Japan Company Ltd. ....	6,937,290
268,000	Credia Company Ltd. ....	3,987,735
455,000	Daiwa Industries Ltd. ....	1,377,661
1,255,900	Eisai Company Ltd. ....	34,042,755
5,251,000	Fujitec Company Ltd. ....	28,416,523
747,600	Fukuda Denshi Company Ltd. ....	18,971,154
319,000	Inaba Seisakusho Company Ltd. ....	5,304,657
321,000	Katsuragawa Electric Company Ltd. ....	1,558,178
1,461,000	Kawasumi Laboratories Inc. ....	10,672,947
69,100	Mandom Corporation ....	1,544,264
477,000	Matsumoto Yushi-Seiyaku Company Ltd. ....	10,499,640
355,600	Meito Sangyo Company Ltd. ....	5,636,415
30,200	Milbon Company Ltd. ....	791,032
307,100	Mirai Industry Company Ltd. ....	1,815,413
219,000	Nankai Plywood Company Ltd. ....	846,234
40,000	Nippon Antenna Company Ltd. ....	369,107
634,000	Nippon Broadcasting System Inc. ....	31,994,040
1,203,000	Nippon Cable System Inc. ....	17,345,124
161,880	Nippon Kanpai Company Ltd. ....	3,049,789
1,253,000	Nippon Konpo Unyu Soko Company Ltd. ....	11,839,275
746,000	Nissha Printing Company Ltd. ....	12,118,422
101,200	Nissin Kogyo Company Ltd. ....	2,645,879

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE GLOBAL VALUE FUND

### Portfolio of Investments

March 31, 2004

<u>Shares</u>		<u>Market Value (Note 1)</u>
<b>COMMON STOCKS</b>		
<b>Japan—(Continued)</b>		
240,500	Nitto FC Company Ltd. ***	\$ 1,262,200
481,000	Nitto FC Company Ltd.	2,561,388
718,000	Riken Vitamin Company Ltd.	13,906,570
451,000	Sangetsu Company Ltd.	10,772,673
1,483,200	Sanyo Shinpan Finance Company Ltd.	79,837,747
760,600	Shikoku Coca-Cola Bottling Company Ltd.	9,489,679
478,000	Shingakukai Company Ltd.	3,661,902
331,500	Shinki Company Ltd.	2,214,567
2,777,000	Shionogi & Company Ltd.	49,061,623
268,000	SK Kaken Company Ltd.	7,753,929
612,000	Sonton Food Industry Company Ltd.	5,235,546
484,070	Takefuji Corporation	33,733,912
269,000	TENMA Corporation	3,956,072
1,073,000	Torishima Pump Manufacturing Company Ltd.	6,157,360
		<hr/> 511,222,090
<b>Mexico—2.1%</b>		
1,351,400	Coca-Cola Femsa SA de CV, Sponsored ADR	32,555,226
9,467,000	Embotelladoras Arca SA	21,442,713
28,097	Fomento Economico Mexicano, SA de CV, Sponsored ADR	1,384,339
30,132,400	Grupo Continental SA	57,998,800
		<hr/> 113,381,078
<b>Netherlands—14.5%</b>		
4,354,000	ABN Amro Holding NV	97,113,452
1,980,990	Akzo Nobel NV	72,716,311
23,620	Crown Van Gelder Gemeenschappelijk Bezit NV	426,399
4,364,704	Heineken Holding NV, Class A	156,353,530
77,550	Heineken NV †	3,106,803
4,810,555	Holdingmaatschappij De Telegraaf NV	108,183,396
1,357,432	IMTECH NV	38,784,248
1,409,414	Koninklijke Grolsch NV	39,836,461
3,388,222	Randstad Holding NV	90,353,697
2,023,724	Stork NV	38,821,161
706,587	Twentsche Kabel Holding NV	19,693,506
739,643	Unilever NV, CVA	51,037,130
4,498,159	Wegener NV	47,980,952
685,097	Wolters Kluwer NV, CVA	11,710,988
		<hr/> 776,118,034
<b>New Zealand—0.7%</b>		
25,000,596	Carter Holt Harvey Ltd.	36,783,454
<b>Norway—0.6%</b>		
1,695,300	Schibsted ASA	30,864,714

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## TWEEDY, BROWNE GLOBAL VALUE FUND

### Portfolio of Investments

March 31, 2004

<u>Shares</u>		<u>Market Value (Note 1)</u>
	<b>COMMON STOCKS</b>	
	<b>Singapore—3.4%</b>	
2,000,000	ComfortDelGro Corporation Ltd. ....	\$ 1,407,904
6,708,510	Fraser & Neave Ltd. ....	58,430,572
5,833,456	Jardine Cycle & Carriage Ltd. ....	22,446,408
3,297,113	Robinson & Company Ltd. ....	16,129,054
2,697,800	Singapore Press Holdings Ltd. ....	30,418,148
6,292,000	United Overseas Bank Ltd. ....	50,298,464
		<u>179,130,550</u>
	<b>South Africa—0.0%††</b>	
114,924	Sappi Ltd. ....	1,590,428
	<b>South Korea—0.1%</b>	
1,220	Daehan City Gas Company Ltd. ....	14,313
21,370	Samchully Company Ltd. ....	1,122,137
31,040	Tae Young Corporation ....	1,055,920
		<u>2,192,370</u>
	<b>Spain—2.1%</b>	
3,214,521	Altadis SA ....	97,375,013
189,588	Indo Internacional SA † ....	1,491,094
1,553,000	Recoletos Grupo de Comunicacion SA ....	12,156,967
		<u>111,023,074</u>
	<b>Sweden—0.1%</b>	
35,600	BRIO AB, B Shares ....	189,299
33,000	Cloetta Fazer AB, B Shares ....	778,911
380,398	VLT AB, B Shares ....	4,892,870
		<u>5,861,080</u>
	<b>Switzerland—13.6%</b>	
45,377	AFG Arbonia-Foster Holding AG, Bearer ....	6,080,235
4,078	Bucher Industries AG, Bearer ....	701,744
2,021,000	Compagnie Financiere Richemont AG ....	54,319,809
5,504	Conzeta Holding AG ....	4,905,092
5,842	Daetwyler Holding AG, Bearer ....	11,298,023
93,220	Edipresse SA, Bearer ....	42,678,770
43,076	Forbo Holding AG ....	11,594,834
18,699	Gurit-Heberlein AG, Bearer ....	14,022,220
3,726	Helvetia Patria Holding, Registered ....	586,760
29,327	Loeb Holding AG ....	4,166,918
644,000	Nestle SA, Registered ....	164,196,235
8	Neue Zuercher Zeitung † ....	453,092
2,321,385	Novartis AG, Registered ....	98,583,505
45,425	Phoenix Mecano AG ....	13,356,603
154,105	PubliGroupe SA, Registered ....	50,117,425
187,227	Sarna Kunststoff Holding AG, Registered ....	17,217,465

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE GLOBAL VALUE FUND

### Portfolio of Investments

March 31, 2004

<u>Shares</u>		<u>Market Value (Note 1)</u>
<b>COMMON STOCKS</b>		
<b>Switzerland—(Continued)</b>		
186,423	Siegfried Holding AG .....	\$ 24,317,323
344,652	SIG Holding AG, Registered .....	50,262,033
143,969	Sika AG, Bearer .....	70,458,839
30,583	Sulzer AG, Registered .....	7,604,409
374,960	Syngenta AG .....	27,348,387
473,990	Tamedia AG .....	39,285,590
18,192	Zehnder Group AG, Class B .....	16,514,031
		<hr/> 730,069,342
<b>United Kingdom—8.1%</b>		
4,885,418	AGA Foodservice Group PLC .....	21,548,950
621,033	Alumasc Group PLC .....	1,694,940
7,848,600	BBA Group PLC .....	36,746,800
639,000	Burtonwood Brewery PLC .....	4,039,917
3,979,658	Carclo PLC .....	3,108,478
7,668,331	Diageo PLC .....	99,921,793
3,102,000	Elementis PLC † .....	1,938,357
692,087	GlaxoSmithKline PLC .....	13,584,544
593,139	GlaxoSmithKline PLC, Sponsored ADR .....	23,695,903
350,000	Johnston Group PLC .....	1,865,431
6,131,096	Novar PLC .....	14,986,592
584,000	Partridge Fine Art PLC .....	751,318
779,500	Raven Mount PLC † .....	1,439,777
12,935,127	Trinity Mirror PLC .....	135,387,186
7,135,167	TT Electronics PLC .....	21,309,372
5,025,000	Unilever PLC .....	49,731,884
		<hr/> 431,751,242
<b>United States—8.4%</b>		
313,000	American Express Company .....	16,229,050
75,700	American National Insurance Company .....	6,774,393
6,728,996	Hollinger International Inc. ....	133,234,121
580,100	MBIA Inc. ....	36,372,270
3,413,800	Pfizer Inc. ....	119,653,690
160,000	PNC Financial Services Group Inc. ....	8,867,200
346,000	Popular Inc. ....	14,912,600
4,135,000	Schering-Plough Corporation .....	67,069,700
409,000	Torchmark Corporation .....	22,000,110
280,000	Transatlantic Holdings Inc. ....	24,418,800
		<hr/> 449,531,934
<b>TOTAL COMMON STOCKS</b>		
<b>(Cost \$2,975,753,778) .....</b>		<hr/> <b>4,683,284,879</b>

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

# TWEEDY, BROWNE GLOBAL VALUE FUND

## Portfolio of Investments

March 31, 2004

<u>Shares</u>		<u>Market Value (Note 1)</u>
	<b>PREFERRED STOCKS—1.1%</b>	
2,005,567	ProSieben Sat. 1 Media AG .....	\$ 39,680,523
1,718,250	Villeroy & Boch AG .....	<u>20,101,924</u>
	<b>TOTAL PREFERRED STOCKS</b>	
	(Cost \$35,583,775) .....	<u>59,782,447</u>
<u>Face Value</u>		
	<b>U.S. TREASURY BILLS—0.3%</b>	
\$ 12,000,000	1.032%** due 5/27/04 .....	11,983,075
5,000,000	1.011%** due 8/26/04 .....	<u>4,980,810</u>
	<b>TOTAL U.S. TREASURY BILLS</b>	
	(Cost \$16,960,934) .....	<u>16,963,885</u>
	<b>REPURCHASE AGREEMENT—16.3%</b>	
	(Cost \$868,905,000)	
868,905,000	Agreement with UBS Warburg LLC, 0.980% dated 3/31/04, to be repurchased at \$868,928,654 on 4/1/04, collateralized by \$655,299,000 U.S Treasury Bonds, 4.875%, 8.750%, 8.125%, 7.625%, 6.250%, 6.000%, 6.375% due 2/15/12, 8/15/20, 5/15/21, 8/15/21, 11/15/22, 8/15/23, 2/15/26, 8/15/27 (market value \$879,991,632) .....	<u>868,905,000</u>
	<b>TOTAL INVESTMENTS (Cost \$3,897,203,487*)</b> .....	105.2% 5,628,936,211
	<b>UNREALIZED LOSS ON FORWARD CONTRACTS (Net)</b> .....	(5.5) (292,320,744)
	<b>OTHER ASSETS AND LIABILITIES (Net)</b> .....	<u>0.3 16,086,343</u>
	<b>NET ASSETS</b> .....	<u>100.0% \$5,352,701,810</u>

\* Aggregate cost for federal tax purposes is \$3,896,814,896.

\*\* Rate represents annualized yield at date of purchase.

\*\*\* This security is "when issued" which refers to a conditional transaction in a security which, although authorized, has not yet been issued.

† Non-income producing security.

†† Amount represents less than 0.1% of the net assets.

‡ Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended.

Abbreviations:

ADR— American Depository Receipt

CVA—Certificaten van aandelen (Share Certificates)

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE GLOBAL VALUE FUND

### Portfolio of Investments

March 31, 2004

<u>Sector Diversification</u>	<u>Percentage of Net Assets</u>	<u>Market Value (Note 1)</u>
<b>COMMON STOCKS:</b>		
Printing and Publishing .....	16.6%	\$ 887,960,412
Food and Beverages .....	14.6	782,019,814
Pharmaceuticals .....	12.4	663,186,843
Financial Services .....	5.9	317,861,437
Holdings .....	5.3	281,149,384
Banking .....	4.9	259,948,738
Machinery .....	4.8	257,549,729
Manufacturing .....	4.3	230,599,082
Insurance .....	3.6	191,878,301
Chemicals .....	2.5	135,937,315
Commercial Services .....	1.9	101,007,895
Tobacco .....	1.9	99,375,013
Building Materials .....	1.5	77,905,105
Retail .....	1.1	57,370,691
Paper Products .....	1.1	51,765,110
Autos .....	0.8	43,845,315
Diversified Operations .....	0.7	38,784,248
Engineering and Construction .....	0.7	37,065,221
Electronics .....	0.6	34,665,975
Broadcast, Radio and TV .....	0.6	31,994,040
Construction Materials .....	0.5	28,812,299
Wholesale .....	0.2	12,957,778
Real Estate .....	0.2	12,577,517
Transportation .....	0.2	11,839,275
Security Services .....	0.2	11,003,006
Medical Research and Supplies .....	0.2	10,672,947
Textiles .....	0.1	3,631,710
Mining and Metal Fabrication .....	0.0††	2,191,456
Health Care .....	0.0††	1,491,094
Utilities .....	0.0††	1,136,450
Other .....	0.1	5,101,679
<b>Total Common Stocks .....</b>	<b>87.5</b>	<b>4,683,284,879</b>
Preferred Stocks .....	1.1	59,782,447
U.S. Treasury Bills .....	0.3	16,963,885
Repurchase Agreement .....	16.3	868,905,000
Unrealized Loss On Forward Contracts .....	(5.5)	(292,320,744)
Other Assets and Liabilities (Net) .....	0.3	16,086,343
<b>Net Assets .....</b>	<b>100.0%</b>	<b>\$ 5,352,701,810</b>

†† Amount represents less than 0.1% of the net assets.

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE GLOBAL VALUE FUND

### Schedule of Forward Exchange Contracts

March 31, 2004

<u>Contracts</u>	<u>Contract Value Date</u>	<u>Market Value (Note 1)</u>
<b>FORWARD EXCHANGE CONTRACTS TO BUY</b>		
23,000,000 European Economic Union Euro .....	4/2/04	\$ 28,262,125
8,000,000 European Economic Union Euro .....	4/5/04	9,829,036
18,000,000 European Economic Union Euro .....	4/8/04	22,112,922
13,000,000 Great Britain Pound Sterling .....	4/2/04	23,886,388
35,000,000 Hong Kong Dollar .....	4/6/04	4,493,492
10,000,000 Hong Kong Dollar .....	4/19/04	1,284,285
81,000,000 Hong Kong Dollar .....	4/30/04	10,405,493
5,800,000,000 Japanese Yen .....	4/19/04	55,786,216
33,500,000 Norwegian Krone .....	5/6/04	4,875,330
59,515,000 South African Rand .....	9/10/04	9,126,032
98,000,000 Swedish Krona .....	4/2/04	12,993,694
30,000,000 Swedish Krona .....	4/19/04	3,975,315
16,000,000 Swiss Franc .....	4/2/04	12,630,714
20,000,000 Swiss Franc .....	4/5/04	15,790,198
<b>TOTAL FORWARD EXCHANGE CONTRACTS TO BUY</b> (Contract Amount \$210,969,185) .....		<b>\$ 215,451,240</b>
<b>FORWARD EXCHANGE CONTRACTS TO SELL</b>		
8,000,000 Canadian Dollar .....	4/5/04	(6,086,073)
4,500,000 Canadian Dollar .....	4/15/04	(3,422,304)
5,000,000 Canadian Dollar .....	4/26/04	(3,801,221)
5,000,000 Canadian Dollar .....	4/30/04	(3,800,735)
6,500,000 Canadian Dollar .....	5/6/04	(4,940,156)
13,300,000 Canadian Dollar .....	5/13/04	(10,106,410)
2,500,000 Canadian Dollar .....	6/10/04	(1,898,282)
9,300,000 Canadian Dollar .....	6/18/04	(7,060,124)
3,500,000 Canadian Dollar .....	7/8/04	(2,655,657)
1,400,000 Canadian Dollar .....	7/13/04	(1,062,127)
4,000,000 Canadian Dollar .....	7/21/04	(3,034,028)
4,500,000 Canadian Dollar .....	10/13/04	(3,406,956)
8,000,000 Canadian Dollar .....	10/29/04	(6,054,852)
7,500,000 Canadian Dollar .....	11/12/04	(5,674,818)
13,350,000 Canadian Dollar .....	2/17/05	(10,083,461)
4,000,000 Canadian Dollar .....	3/21/05	(3,019,678)
30,000,000 Czech Koruna .....	11/12/04	(1,115,209)
48,000,000 Danish Krone .....	4/26/04	(7,916,519)
7,500,000 Danish Krone .....	4/30/04	(1,236,828)
27,200,000 Danish Krone .....	7/21/04	(4,476,258)
30,000,000 Danish Krone .....	8/12/04	(4,934,488)
24,000,000 Danish Krone .....	3/17/05	(3,932,294)
26,000,000 Danish Krone .....	4/4/05	(4,258,837)
23,000,000 European Economic Union Euro .....	4/2/04	(28,262,125)
42,000,000 European Economic Union Euro .....	4/5/04	(51,602,440)
44,000,000 European Economic Union Euro .....	4/8/04	(54,053,808)
90,000,000 European Economic Union Euro .....	4/15/04	(110,546,831)
50,000,000 European Economic Union Euro .....	4/22/04	(61,405,033)
48,000,000 European Economic Union Euro .....	4/26/04	(58,943,417)
40,000,000 European Economic Union Euro .....	4/30/04	(49,115,069)

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE GLOBAL VALUE FUND

### Schedule of Forward Exchange Contracts

March 31, 2004

<u>Contracts</u>	<u>Contract Value Date</u>	<u>Market Value (Note 1)</u>
<b>FORWARD EXCHANGE CONTRACTS TO SELL</b>		
38,000,000 European Economic Union Euro .....	5/6/04	\$ (46,652,545)
38,000,000 European Economic Union Euro .....	5/12/04	(46,645,776)
88,000,000 European Economic Union Euro .....	5/13/04	(108,019,185)
50,000,000 European Economic Union Euro .....	5/21/04	(61,362,666)
22,000,000 European Economic Union Euro .....	6/4/04	(26,990,752)
26,000,000 European Economic Union Euro .....	6/18/04	(31,888,303)
95,000,000 European Economic Union Euro .....	6/25/04	(116,496,949)
4,500,000 European Economic Union Euro .....	7/8/04	(5,516,724)
29,500,000 European Economic Union Euro .....	7/12/04	(36,162,087)
15,000,000 European Economic Union Euro .....	7/13/04	(18,387,107)
88,000,000 European Economic Union Euro .....	7/23/04	(107,847,895)
24,000,000 European Economic Union Euro .....	8/4/04	(29,405,566)
53,000,000 European Economic Union Euro .....	8/12/04	(64,926,474)
20,000,000 European Economic Union Euro .....	8/19/04	(24,496,985)
61,000,000 European Economic Union Euro .....	8/26/04	(74,704,916)
55,000,000 European Economic Union Euro .....	9/7/04	(67,341,222)
40,000,000 European Economic Union Euro .....	9/10/04	(48,972,610)
36,000,000 European Economic Union Euro .....	9/13/04	(44,072,807)
40,000,000 European Economic Union Euro .....	9/24/04	(48,959,435)
31,000,000 European Economic Union Euro .....	10/13/04	(37,931,894)
18,000,000 European Economic Union Euro .....	10/29/04	(22,019,496)
14,000,000 European Economic Union Euro .....	11/5/04	(17,124,412)
44,000,000 European Economic Union Euro .....	11/12/04	(53,813,730)
42,000,000 European Economic Union Euro .....	11/17/04	(51,363,662)
36,000,000 European Economic Union Euro .....	11/24/04	(44,021,210)
10,000,000 European Economic Union Euro .....	11/30/04	(12,226,975)
32,000,000 European Economic Union Euro .....	12/10/04	(39,120,244)
20,000,000 European Economic Union Euro .....	1/12/05	(24,439,337)
8,000,000 European Economic Union Euro .....	1/13/05	(9,775,623)
28,000,000 European Economic Union Euro .....	1/27/05	(34,209,178)
12,000,000 European Economic Union Euro .....	2/3/05	(14,659,898)
15,000,000 European Economic Union Euro .....	2/7/05	(18,324,030)
16,350,000 European Economic Union Euro .....	2/17/05	(19,970,900)
15,000,000 European Economic Union Euro .....	3/11/05	(18,317,300)
20,000,000 European Economic Union Euro .....	4/4/05	(24,418,221)
14,500,000 European Economic Union Euro .....	4/8/05	(17,702,994)
13,000,000 Great Britain Pound Sterling .....	4/2/04	(23,886,387)
20,000,000 Great Britain Pound Sterling .....	4/5/04	(36,734,830)
6,500,000 Great Britain Pound Sterling .....	4/15/04	(11,928,318)
16,500,000 Great Britain Pound Sterling .....	4/22/04	(30,262,724)
8,500,000 Great Britain Pound Sterling .....	4/30/04	(15,579,973)
4,000,000 Great Britain Pound Sterling .....	5/12/04	(7,324,120)
5,000,000 Great Britain Pound Sterling .....	6/4/04	(9,136,673)
10,000,000 Great Britain Pound Sterling .....	6/18/04	(18,250,007)
4,700,000 Great Britain Pound Sterling .....	7/12/04	(8,558,362)
2,500,000 Great Britain Pound Sterling .....	7/13/04	(4,551,890)
8,500,000 Great Britain Pound Sterling .....	7/21/04	(15,464,708)
9,500,000 Great Britain Pound Sterling .....	8/12/04	(17,247,679)

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE GLOBAL VALUE FUND

### Schedule of Forward Exchange Contracts

March 31, 2004

<u>Contracts</u>	<u>Contract Value Date</u>	<u>Market Value (Note 1)</u>
<b>FORWARD EXCHANGE CONTRACTS TO SELL</b>		
15,500,000 Great Britain Pound Sterling .....	8/26/04	\$ (28,102,932)
8,000,000 Great Britain Pound Sterling .....	9/10/04	(14,483,463)
5,500,000 Great Britain Pound Sterling .....	10/29/04	(9,911,274)
5,500,000 Great Britain Pound Sterling .....	11/12/04	(9,898,369)
11,000,000 Great Britain Pound Sterling .....	11/17/04	(19,787,519)
7,000,000 Great Britain Pound Sterling .....	2/3/05	(12,503,012)
5,500,000 Great Britain Pound Sterling .....	3/17/05	(9,787,181)
9,000,000 Great Britain Pound Sterling .....	3/21/05	(16,009,681)
12,000,000 Great Britain Pound Sterling .....	4/8/05	(21,317,584)
35,000,000 Hong Kong Dollar .....	4/6/04	(4,493,492)
10,000,000 Hong Kong Dollar .....	4/19/04	(1,284,285)
164,000,000 Hong Kong Dollar .....	4/30/04	(21,067,912)
160,000,000 Hong Kong Dollar .....	5/6/04	(20,557,388)
185,000,000 Hong Kong Dollar .....	6/18/04	(23,795,926)
30,000,000 Hong Kong Dollar .....	6/25/04	(3,859,459)
60,000,000 Hong Kong Dollar .....	7/8/04	(7,721,387)
29,000,000 Hong Kong Dollar .....	7/12/04	(3,732,372)
156,000,000 Hong Kong Dollar .....	7/21/04	(20,082,046)
52,000,000 Hong Kong Dollar .....	8/12/04	(6,697,349)
42,000,000 Hong Kong Dollar .....	8/26/04	(5,411,024)
78,000,000 Hong Kong Dollar .....	9/10/04	(10,052,337)
50,000,000 Hong Kong Dollar .....	11/12/04	(6,451,586)
70,000,000 Hong Kong Dollar .....	1/18/05	(9,042,490)
65,000,000 Hong Kong Dollar .....	1/27/05	(8,397,710)
8,500,000,000 Japanese Yen .....	4/19/04	(81,755,661)
4,400,000,000 Japanese Yen .....	4/22/04	(42,325,133)
2,130,000,000 Japanese Yen .....	4/30/04	(20,495,096)
5,500,000,000 Japanese Yen .....	5/6/04	(52,930,349)
3,000,000,000 Japanese Yen .....	5/7/04	(28,871,894)
4,000,000,000 Japanese Yen .....	6/10/04	(38,533,375)
4,800,000,000 Japanese Yen .....	6/18/04	(46,251,516)
1,300,000,000 Japanese Yen .....	7/8/04	(12,534,414)
2,000,000,000 Japanese Yen .....	7/12/04	(19,286,238)
885,000,000 Japanese Yen .....	7/13/04	(8,534,440)
6,435,000,000 Japanese Yen .....	7/23/04	(62,075,815)
850,000,000 Japanese Yen .....	8/4/04	(8,202,875)
1,650,000,000 Japanese Yen .....	8/26/04	(15,935,070)
575,000,000 Japanese Yen .....	9/10/04	(5,556,099)
1,155,000,000 Japanese Yen .....	9/13/04	(11,161,714)
500,000,000 Japanese Yen .....	11/5/04	(4,841,476)
1,000,000,000 Japanese Yen .....	12/10/04	(9,695,792)
1,400,000,000 Japanese Yen .....	12/30/04	(13,584,677)
900,000,000 Japanese Yen .....	1/18/05	(8,740,142)
1,500,000,000 Japanese Yen .....	1/27/05	(14,572,542)
950,000,000 Japanese Yen .....	2/17/05	(9,237,621)
3,042,048,800 Japanese Yen .....	3/11/05	(29,608,356)
2,000,000,000 Japanese Yen .....	3/24/05	(19,476,974)
80,000,000 Mexican Peso .....	4/19/04	(7,141,245)

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE GLOBAL VALUE FUND

### Schedule of Forward Exchange Contracts

March 31, 2004

<u>Contracts</u>	<u>Contract Value Date</u>	<u>Market Value (Note 1)</u>
<b>FORWARD EXCHANGE CONTRACTS TO SELL</b>		
110,000,000 Mexican Peso .....	4/26/04	\$ (9,810,590)
125,000,000 Mexican Peso .....	4/30/04	(11,142,806)
150,000,000 Mexican Peso .....	5/13/04	(13,347,419)
60,000,000 Mexican Peso .....	6/10/04	(5,318,692)
46,000,000 Mexican Peso .....	9/7/04	(4,027,323)
150,000,000 Mexican Peso .....	12/10/04	(12,956,613)
95,000,000 Mexican Peso .....	12/30/04	(8,182,562)
77,000,000 Mexican Peso .....	2/17/05	(6,586,623)
380,000,000 Mexican Peso .....	3/23/05	(32,351,207)
9,000,000 New Zealand Dollar .....	6/30/04	(5,926,255)
23,000,000 New Zealand Dollar .....	12/10/04	(14,848,607)
10,500,000 New Zealand Dollar .....	2/3/05	(6,737,948)
7,350,000 New Zealand Dollar .....	2/17/05	(4,709,535)
67,000,000 Norwegian Krone .....	5/6/04	(9,750,660)
85,750,000 Norwegian Krone .....	5/21/04	(12,475,849)
37,000,000 Norwegian Krone .....	6/30/04	(5,379,092)
40,000,000 Norwegian Krone .....	8/26/04	(5,809,959)
7,000,000 Singapore Dollar .....	4/5/04	(4,176,388)
5,300,000 Singapore Dollar .....	4/26/04	(3,162,947)
6,500,000 Singapore Dollar .....	5/6/04	(3,879,543)
18,000,000 Singapore Dollar .....	6/4/04	(10,746,990)
17,400,000 Singapore Dollar .....	6/18/04	(10,390,277)
11,500,000 Singapore Dollar .....	6/25/04	(6,867,640)
34,000,000 Singapore Dollar .....	6/30/04	(20,305,345)
4,000,000 Singapore Dollar .....	7/8/04	(2,389,024)
12,750,000 Singapore Dollar .....	7/12/04	(7,615,268)
28,000,000 Singapore Dollar .....	7/21/04	(16,724,985)
3,500,000 Singapore Dollar .....	8/4/04	(2,090,917)
33,000,000 Singapore Dollar .....	8/26/04	(19,719,670)
2,000,000 Singapore Dollar .....	9/10/04	(1,195,428)
7,400,000 Singapore Dollar .....	9/13/04	(4,423,313)
25,000,000 Singapore Dollar .....	10/13/04	(14,950,340)
22,000,000 Singapore Dollar .....	1/12/05	(13,171,897)
37,000,000 Singapore Dollar .....	1/20/05	(22,155,092)
10,000,000 Singapore Dollar .....	2/17/05	(5,990,092)
5,900,000 Singapore Dollar .....	3/17/05	(3,535,471)
71,500,000 South African Rand .....	9/10/04	(10,963,812)
2,550,000,000 South Korean Won .....	4/8/05	(2,181,388)
98,000,000 Swedish Krona .....	4/2/04	(12,993,694)
30,000,000 Swedish Krona .....	4/19/04	(3,975,315)
40,000,000 Swedish Krona .....	4/22/04	(5,299,998)
16,000,000 Swiss Franc .....	4/2/04	(12,630,714)
23,000,000 Swiss Franc .....	4/5/04	(18,158,729)
55,000,000 Swiss Franc .....	4/15/04	(43,433,406)
20,000,000 Swiss Franc .....	4/22/04	(15,796,210)
6,500,000 Swiss Franc .....	4/26/04	(5,134,185)
6,500,000 Swiss Franc .....	4/30/04	(5,134,606)
39,000,000 Swiss Franc .....	5/6/04	(30,811,840)

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE GLOBAL VALUE FUND

### *Schedule of Forward Exchange Contracts*

March 31, 2004

<u>Contracts</u>	<u>Contract Value Date</u>	<u>Market Value (Note 1)</u>
<b>FORWARD EXCHANGE CONTRACTS TO SELL</b>		
18,000,000 Swiss Franc .....	5/12/04	\$ (14,222,791)
12,000,000 Swiss Franc .....	5/21/04	(9,483,803)
8,000,000 Swiss Franc .....	6/4/04	(6,324,598)
17,500,000 Swiss Franc .....	6/10/04	(13,837,060)
15,500,000 Swiss Franc .....	6/18/04	(12,258,047)
23,000,000 Swiss Franc .....	6/25/04	(18,192,432)
10,000,000 Swiss Franc .....	6/30/04	(7,910,706)
16,500,000 Swiss Franc .....	7/12/04	(13,056,420)
37,000,000 Swiss Franc .....	7/13/04	(29,278,735)
18,000,000 Swiss Franc .....	7/21/04	(14,246,442)
46,000,000 Swiss Franc .....	8/12/04	(36,426,417)
31,000,000 Swiss Franc .....	8/26/04	(24,556,214)
65,800,000 Swiss Franc .....	9/7/04	(52,138,594)
7,000,000 Swiss Franc .....	9/13/04	(5,547,527)
20,000,000 Swiss Franc .....	9/24/04	(15,854,623)
14,000,000 Swiss Franc .....	10/13/04	(11,103,480)
22,500,000 Swiss Franc .....	10/29/04	(17,851,901)
10,500,000 Swiss Franc .....	11/5/04	(8,332,321)
11,000,000 Swiss Franc .....	11/17/04	(8,731,676)
10,000,000 Swiss Franc .....	11/24/04	(7,939,255)
20,000,000 Swiss Franc .....	11/30/04	(15,880,855)
50,000,000 Swiss Franc .....	12/10/04	(39,711,914)
12,000,000 Swiss Franc .....	1/13/05	(9,539,067)
31,000,000 Swiss Franc .....	1/27/05	(24,651,590)
36,000,000 Swiss Franc .....	2/17/05	(28,643,342)
8,000,000 Swiss Franc .....	4/4/05	(6,373,275)
<b>TOTAL FORWARD EXCHANGE CONTRACTS TO SELL</b> <b>(Contract Amount \$3,715,573,659) .....</b>		<u><u>\$(4,012,376,458)</u></u>

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE GLOBAL VALUE FUND

### Statement of Assets and Liabilities

March 31, 2004

#### ASSETS

Investments, at value (Cost \$3,897,203,487) (Note 1)	
Securities .....	\$ 4,760,031,211
Repurchase Agreement .....	868,905,000
Total Investments .....	5,628,936,211
Cash and foreign currency (Cost \$3,653,798) .....	3,441,654
Dividends and interest receivable .....	11,511,718
Receivable for investment securities sold .....	11,017,848
Receivable for Fund shares sold .....	5,218,369
Receivable for Fund redemption fee proceeds .....	24,104
Prepaid expense .....	24,041
<b>Total Assets</b> .....	<u>5,660,173,945</u>

#### LIABILITIES

Net unrealized depreciation of forward exchange contracts (Note 1) .....	\$ 292,320,744
Payable for investment securities purchased .....	7,072,113
Investment advisory fee payable (Note 2) .....	3,582,237
Payable for Fund shares redeemed .....	3,363,480
Transfer agent fees payable (Note 2) .....	442,923
Custodian fees payable (Note 2) .....	213,916
Administration and accounting fees payable (Note 2) .....	141,571
Accrued expenses and other payables .....	335,151
<b>Total Liabilities</b> .....	<u>307,472,135</u>

**NET ASSETS** .....

\$ 5,352,701,810

#### NET ASSETS consist of

Undistributed net investment income .....	\$ 11,033,583
Accumulated net realized loss on securities, forward exchange contracts and foreign currencies .....	(364,205,337)
Net unrealized appreciation of securities, forward exchange contracts, foreign currencies and net other assets .....	1,439,832,312
Par value .....	25,219
Paid-in capital in excess of par value .....	4,266,016,033
<b>Total Net Assets</b> .....	<u>\$ 5,352,701,810</u>

**NET ASSET VALUE**, offering and redemption price per share  
 (\$5,352,701,810 ÷ 252,188,542 shares of common stock outstanding) ... \$ 21.23

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE GLOBAL VALUE FUND

### Statement of Operations

For the Year Ended March 31, 2004

#### INVESTMENT INCOME

Dividends (net of foreign withholding taxes of \$11,595,830) . . . . .	\$	108,838,774
Interest . . . . .		<u>5,485,033</u>
<b>Total Investment Income</b> . . . . .		<u><b>114,323,807</b></u>

#### EXPENSES

Investment advisory fee (Note 2) . . . . .	\$	58,023,762
Custodian fees (Note 2) . . . . .		2,356,992
Administration and accounting fees (Note 2) . . . . .		1,517,909
Transfer agent fees (Note 2) . . . . .		1,284,508
Directors' fees and expenses (Note 2) . . . . .		189,159
Legal and audit fees . . . . .		178,076
Other . . . . .		<u>806,846</u>
<b>Total Expenses</b> . . . . .		<u><b>64,357,252</b></u>

<b>NET INVESTMENT INCOME</b> . . . . .		<u><b>49,966,555</b></u>
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#### REALIZED AND UNREALIZED GAIN ON INVESTMENTS

(Notes 1 and 3):

Net realized gain (loss) on:		
Securities . . . . .		311,422,825
Forward exchange contracts . . . . .		(304,705,439)
Foreign currencies and net other assets . . . . .		<u>976,165</u>
Net realized gain on investments during the year . . . . .		<u><b>7,693,551</b></u>
Net unrealized appreciation (depreciation) of:		
Securities . . . . .		1,815,728,710
Forward exchange contracts . . . . .		(89,703,982)
Foreign currencies and net other assets . . . . .		<u>1,289</u>
Net unrealized appreciation of investments during the year . . . . .		<u><b>1,726,026,017</b></u>

<b>NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS</b> . . . . .		<u><b>1,733,719,568</b></u>
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<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b> . . . . .	\$	<u><u><b>1,783,686,123</b></u></u>
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■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE GLOBAL VALUE FUND

### *Statements of Changes in Net Assets*

	Year Ended <u>3/31/04</u>	Year Ended <u>3/31/03</u>
Net investment income . . . . .	\$ 49,966,555	\$ 49,867,604
Net realized gain (loss) on securities, forward exchange contracts and currency transactions during the year . . .	7,693,551	(326,232,279)
Net unrealized appreciation (depreciation) of securities, forward exchange contracts, foreign currencies and net other assets during the year . . . . .	<u>1,726,026,017</u>	<u>(940,557,469)</u>
Net increase (decrease) in net assets resulting from operations . . . . .	1,783,686,123	(1,216,922,144)
<b>Distributions:</b>		
Dividends to shareholders from net investment income . . . . .	(49,712,289)	(50,732,623)
Distributions to shareholders from net realized gain on investments . . . . .	—	(67,657,606)
Net increase (decrease) in net assets from Fund share transactions . . . . .	(119,158,692)	447,537,198
Redemption fees . . . . .	<u>1,262,462</u>	<u>—</u>
Net increase (decrease) in net assets . . . . .	1,616,077,604	(887,775,175)
<b>NET ASSETS</b>		
Beginning of year . . . . .	<u>3,736,624,206</u>	<u>4,624,399,381</u>
End of year (including undistributed net investment income of \$11,033,583 and \$10,955,981, respectively) .	<u>\$5,352,701,810</u>	<u>\$3,736,624,206</u>

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE GLOBAL VALUE FUND

### Financial Highlights

For a Fund share outstanding throughout each year.

	Year Ended <u>3/31/04</u>	Year Ended <u>3/31/03</u>	Year Ended <u>3/31/02</u>	Year Ended <u>3/31/01</u>	Year Ended <u>3/31/00</u>
Net asset value, beginning of year . . . .	<u>\$14.44</u>	<u>\$19.79</u>	<u>\$19.52</u>	<u>\$21.10</u>	<u>\$18.08</u>
Income from investment operations:					
Net investment income . . . . .	0.20	0.19	0.22	0.22	0.23
Net realized and unrealized gain (loss) on investments . . . . .	<u>6.78</u>	<u>(5.07)</u>	<u>0.56</u>	<u>0.92</u>	<u>3.64</u>
Total from investment operations . . . . .	<u>6.98</u>	<u>(4.88)</u>	<u>0.78</u>	<u>1.14</u>	<u>3.87</u>
<b>Distributions:</b>					
Dividends from net investment income . . . . .	(0.20)	(0.20)	(0.18)	(0.21)	(0.26)
Distributions from net realized gains . . . . .	—	(0.27)	(0.33)	(2.23)	(0.59)
Distributions in excess of net realized gains . . . . .	<u>—</u>	<u>—</u>	<u>—</u>	<u>(0.28)</u>	<u>—</u>
Total distributions . . . . .	<u>(0.20)</u>	<u>(0.47)</u>	<u>(0.51)</u>	<u>(2.72)</u>	<u>(0.85)</u>
Redemption fee . . . . .	0.01	—	—	—	—
Net asset value, end of year . . . . .	<u>\$21.23</u>	<u>\$14.44</u>	<u>\$19.79</u>	<u>\$19.52</u>	<u>\$21.10</u>
Total return (a) . . . . .	<u>48.53%</u>	<u>(24.86)%</u>	<u>4.22%</u>	<u>5.17%</u>	<u>21.68%</u>
<b>Ratios/Supplemental Data:</b>					
Net assets, end of year (in 000s) . . . . .	\$5,352,702	\$3,736,624	\$4,624,399	\$3,661,512	\$3,236,504
Ratio of operating expenses to average net assets . . . . .	1.39%	1.37%	1.37%	1.38%	1.38%
Ratio of net investment income to average net assets . . . . .	1.08%	1.17%	1.22%	1.06%	1.10%
Portfolio turnover rate . . . . .	8%	8%	7%	12%	16%

(a) Total return represents aggregate total return for the periods indicated.

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE GLOBAL VALUE FUND

### *Notes to Financial Statements*

#### 1. Significant Accounting Policies

Tweedy, Browne Global Value Fund (the “Fund”) is a diversified series of Tweedy, Browne Fund Inc. (the “Company”). The Company is an open-end management investment company registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. The Company was organized as a Maryland corporation on January 28, 1993. The Fund commenced operations on June 15, 1993. The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements.

**Portfolio Valuation** Generally, the Fund’s investments are valued at market value or at fair value as determined by or under the direction of the Company’s Board of Directors. Portfolio securities and other assets, listed on a US national securities exchange or through any system providing for same day publication of actual prices (and not subject to restrictions against sale by the Fund on such exchange or system) are valued at the last quoted sale price or the Nasdaq Official Close Price (“NOCP”), when appropriate, prior to the close of regular trading. Portfolio securities and other assets listed on a foreign exchange or through any system providing for same day publication of actual prices are valued at the last quoted sale price available before the time when assets are valued. Portfolio securities and other assets for which there are no reported sales on the valuation date are valued at the mean between the last asked price and the last bid price prior to the close of regular trading. When the Investment Adviser determines that the last sale price prior to valuation or the NOCP does not reflect current market value, the Investment Adviser will determine the market value of those securities or assets in accordance with industry practice and other factors considered relevant by the Investment Adviser. All other securities and assets for which current market quotations are not readily available and those securities which are not readily marketable due to significant legal or contractual restrictions will be valued at fair value as determined by the Investment Adviser under the direction of the Board of Directors. Debt securities purchased with a remaining maturity of 60 days or less are valued at amortized cost, which approximates market value, or by



## TWEEDY, BROWNE GLOBAL VALUE FUND

### *Notes to Financial Statements*

reference to other factors (i.e., pricing services or dealer quotations) by the Investment Adviser.

**Repurchase Agreements** The Fund engages in repurchase agreement transactions. Under the terms of a typical repurchase agreement, the Fund takes possession of an underlying debt obligation subject to an obligation of the seller to repurchase, and the Fund to resell, the obligation at an agreed-upon price and time, thereby determining the yield during the Fund's holding period. This arrangement results in a fixed rate of return that is not subject to market fluctuations during the Fund's holding period. The value of the collateral is at all times at least equal to the total amount of the repurchase obligations, including interest. In the event of counterparty default, the Fund has the right to use the collateral to offset losses incurred. There is potential loss to the Fund in the event the Fund is delayed or prevented from exercising its rights to dispose of the collateral securities, including the risk of a possible decline in the value of the underlying securities during the period while the Fund seeks to assert its rights. The Fund's Investment Adviser reviews the value of the collateral and the creditworthiness of those banks and dealers with which the Fund enters into repurchase agreements to evaluate potential risks.

**Foreign Currency** The books and records of the Fund are maintained in US dollars. Foreign currencies, investments and other assets and liabilities are translated into US dollars at the exchange rates prevailing at the end of the period, and purchases and sales of investment securities, income and expenses are translated on the respective dates of such transactions. Unrealized gains and losses which result from changes in foreign currency exchange rates have been included in the unrealized appreciation (depreciation) of currencies and net other assets. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investments, securities transactions, foreign currency transactions and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amount actually received. The portion of foreign currency gains and losses related to fluctuation in the exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gains and losses on investment securities sold.



## TWEEDY, BROWNE GLOBAL VALUE FUND

### *Notes to Financial Statements*

**Forward Exchange Contracts** The Fund has entered into forward exchange contracts for non-trading purposes in order to reduce its exposure to fluctuations in foreign currency exchange on its portfolio holdings. Forward exchange contracts are valued at the forward rate and are marked-to-market daily. The change in market value is recorded by the Fund as an unrealized gain or loss. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time that it was opened and the value of the contract at the time that it was closed.

The use of forward exchange contracts does not eliminate fluctuations in the underlying prices of the Fund's investment securities, but it does establish a rate of exchange that can be achieved in the future. Although forward exchange contracts limit the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might result should the value of the currency increase. In addition, the Fund could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts.

**Securities Transactions and Investment Income** Securities transactions are recorded as of the trade date. Realized gains and losses from securities transactions are recorded on the identified cost basis. Dividend income and distributions to shareholders are recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Dividend income and interest income may be subject to foreign withholding taxes. The Fund's custodian applies for refunds on behalf of the Fund where available.

Tweedy, Browne Company LLC is reimbursed by the Fund for the cost of settling transactions in US securities for the Fund through its clearing broker. For the year ended March 31, 2004 the Fund reimbursed Tweedy, Browne Company LLC \$1,496 for such transaction charges.

**Dividends and Distributions to Shareholders** Dividends from net investment income, if any, and distributions from realized capital gains after utilization of capital loss carryforwards, if any, will be declared and paid annually. Additional distributions of net investment income and capital gains from the Fund may be made at the discretion of the Board of Directors in order to avoid the application of a 4% non-deductible federal excise tax on certain undistributed amounts of ordinary income and capital gains. Income dividends



## TWEEDY, BROWNE GLOBAL VALUE FUND

### *Notes to Financial Statements*

and capital gain distributions are determined in accordance with income tax regulations which may differ from accounting principles generally accepted in the United States. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund, timing differences and differing characterization of distributions made by the Fund.

The character of distributions paid on a tax basis during December 2003 for fiscal year 2004 and December 2002 for fiscal year 2003 is as follows:

	2004	2003
Distributions paid from:		
Investment Income	\$ 49,712,289	\$ 50,732,623
Short-term capital gain	—	7,840,593
	<u>49,712,289</u>	<u>58,573,216</u>
Ordinary Income	49,712,289	58,573,216
Long-term capital gain	—	59,817,013
	<u>49,712,289</u>	<u>118,390,229</u>
Total Distributions	<u>\$ 49,712,289</u>	<u>\$118,390,229</u>

As of March 31, 2004, the components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income	\$ 11,551,972
Unrealized appreciation	1,732,121,315
Total	<u>\$1,743,673,287</u>

**Federal Income Taxes** The Fund has qualified and intends to continue to qualify as a regulated investment company, if such qualification is in the best interest of its shareholders, by complying with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and by distributing substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

**Expenses** Expenses directly attributable to the Fund as a diversified series of the Company are charged to the Fund. Other expenses of the Company are allocated to each series based on the average net assets of each series or other equitable allocation.



## TWEEDY, BROWNE GLOBAL VALUE FUND

### *Notes to Financial Statements*

#### 2. Investment Advisory Fee, Other Related Party Transactions and Administration Fee

The Company, on behalf of the Fund, has entered into an investment advisory agreement (the “Advisory Agreement”) with Tweedy, Browne Company LLC (“Tweedy, Browne”). Under the Advisory Agreement, the Company pays Tweedy, Browne a fee at the annual rate of 1.25% of the value of the Fund’s average daily net assets. The fee is payable monthly, provided the Fund will make such interim payments as may be requested by the Investment Adviser not to exceed 75% of the amount of the fee then accrued on the books of the Fund and unpaid.

The current and retired managing directors and their families, as well as employees of Tweedy, Browne, the Investment Adviser to the Fund, have approximately \$57.8 million of their own money invested in the Fund, as of March 31, 2004.

The Company, on behalf of the Fund, has entered into an administration agreement (the “Administration Agreement”) with PFPC Inc. (the “Administrator”), an indirect, majority-owned subsidiary of The PNC Financial Services Group Inc. Under the Administration Agreement, the Company pays the Administrator an administration fee and a fund accounting fee computed daily and payable monthly at the following annual rates of the value of the aggregate average daily net assets of the Fund and the Tweedy, Browne American Value Fund, allocated according to each Fund’s net assets.

	Up to \$500 Million	Between \$500 Million and \$1 Billion	Between \$1 Billion and \$4 Billion	Exceeding \$4 Billion
Administration Fees	0.06%	0.04%	0.02%	0.015%

	Up to \$100 Million	Between \$100 Million and \$2 Billion	Between \$2 Billion and \$4 Billion	Exceeding \$4 Billion
Accounting Fees	0.03%	0.01%	0.0075%	0.006%



## TWEEDY, BROWNE GLOBAL VALUE FUND

### Notes to Financial Statements

No officer, director or employee of Tweedy, Browne, the Administrator or any parent or subsidiary of those corporations receives any compensation from the Company for serving as a director or officer of the Company. The Company pays each Non-Interested Director \$50,000 annually to be paid quarterly in \$12,500 increments plus out-of-pocket expenses for their services as directors. The annual fee of \$50,000 paid to each Non-Interested Director is divided between the Fund and the Tweedy, Browne American Value Fund. The current allocation ratio is 80% of the annual fee paid by the Fund and 20% paid by Tweedy, Browne American Value Fund.

Mellon Trust of New England, N.A. (“MTONE”), formerly Boston Safe Deposit and Trust Company, an indirect, wholly-owned subsidiary of Mellon Financial Corporation, serves as the Fund’s custodian pursuant to a custody agreement (the “Custody Agreement”). PFPC Inc. serves as the Fund’s transfer agent. Tweedy, Browne also serves as the distributor to the Fund and pays all distribution fees. No distribution fees are paid by the Fund.

#### 3. Securities Transactions

Cost of purchases and proceeds from sales of investment securities, excluding short-term investments, for the year ended March 31, 2004, aggregated \$328,331,469 and \$1,159,809,579, respectively.

At March 31, 2004, the aggregate gross unrealized appreciation for all securities, in which there was an excess of value over tax cost, was \$1,873,120,275 and the aggregate gross unrealized depreciation for all securities, in which there was an excess of tax cost over value, was \$140,998,960.

#### 4. Capital Stock

The Company is authorized to issue one billion shares of \$0.0001 par value capital stock, of which 400,000,000 of the unissued shares have been designated as shares of the Fund. In addition, redemption from the Fund, including exchange redemptions, within 60 days of purchase are subject to a redemption fee equal to 2% of the redemption proceeds, which will be retained by the Fund. Changes in shares outstanding for the Fund were as follows:

	Year Ended 3/31/04		Year Ended 3/31/03	
	Shares	Amount	Shares	Amount
Sold	150,731,637	\$ 2,549,978,411	354,762,237	\$ 5,891,099,961
Reinvested	2,272,939	44,185,947	6,894,157	107,824,613
Redeemed	(159,652,384)	(2,713,323,050)	(336,482,653)	(5,551,387,376)
Net Increase (Decrease)	(6,647,808)	\$ (119,158,692)	25,173,741	\$ 447,537,198



## TWEEDY, BROWNE GLOBAL VALUE FUND

### *Notes to Financial Statements*

#### 5. Foreign Securities

Investing in securities of foreign companies and foreign governments involves economic and political risks and considerations not typically associated with investing in US companies and the US Government. These considerations include changes in exchange rates and exchange rate controls (which may include suspension of the ability to transfer currency from a given country), costs incurred in conversions between currencies, non-negotiable brokerage commissions, less publicly available information, different accounting standards, lower trading volume, delayed settlements and greater market volatility, the difficulty of enforcing obligations in other countries, less securities regulation, different tax provisions (including withholding on dividends paid to the Fund), war, expropriation, political and social instability and diplomatic developments.

#### 6. Line of Credit

The Company and MTONE entered into a Line of Credit Agreement (the "Agreement") which, as amended effective September 24, 2003, provides the Company, on behalf of the Fund and the Tweedy, Browne American Value Fund, with a \$100 million line of credit (the "Commitment") primarily for temporary or emergency purposes, including the meeting of redemption requests that might otherwise require the untimely disposition of securities. The Fund may borrow up to the value of one-third of its net assets; provided, however, that the total Commitment available to the Fund is reduced by borrowings of the Tweedy, Browne American Value Fund. Interest is payable at the Bank's money market rate plus 0.75% on an annualized basis. Under the Agreement, the Company pays a facility fee equal to 0.10% annually of the unutilized Commitment. The Agreement requires, among other provisions, the Fund to maintain a ratio of net assets (not including funds borrowed pursuant to the Agreement) to aggregated amount of indebtedness pursuant to the Agreement of no less than three-to-one. For the year ended March 31, 2004, the Company did not borrow, on behalf of the Fund, under the Agreement.



## TWEEDY, BROWNE GLOBAL VALUE FUND

### *Notes to Financial Statements*

#### **7. Post-October Loss Deferral Disclosure**

Certain losses incurred after October 31 within a fund's fiscal year are deemed to arise on the first business day of the fund's following fiscal year. For the fiscal year ended March 31, 2004, the Fund incurred and elected to defer \$40,295,875 in capital losses and \$292,127 in currency losses.

#### **8. Capital Loss Carryover Disclosure**

As of March 31, 2004, the Fund had a capital loss carryforward for federal income tax purposes of \$329,977,246 expiring on March 31, 2012 and \$279,598,628 expiring on March 31, 2011.

#### **9. Securities Lending**

The Fund may lend securities to brokers, dealers and other financial organizations to earn additional income. Each security out on loan is collateralized with segregated assets held with the borrower in an amount equal to or greater than the current market value of the loaned securities.

At March 31, 2004, the Fund did not have any securities out on loan and did not have any segregated assets with the Fund's custodian.



## TWEEDY, BROWNE GLOBAL VALUE FUND

### *Report of Ernst & Young LLP, Independent Auditors*

To the Shareholders and Board of Directors of  
Tweedy, Browne Fund Inc.

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments and the schedule of forward exchange contracts of Tweedy, Browne Global Value Fund (the “Fund”) (a series of Tweedy, Browne Fund Inc.) as of March 31, 2004, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. Our procedures included confirmation of securities owned as of March 31, 2004 by correspondence with the custodian and brokers, or by other appropriate auditing procedures where replies from brokers were not received. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of the Tweedy, Browne Global Value Fund, a series of Tweedy, Browne Fund Inc., at March 31, 2004, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States.

*Ernst + Young LLP*

Boston, Massachusetts  
May 10, 2004



## TWEEDY, BROWNE GLOBAL VALUE FUND

### *Other Information (Unaudited)*

Year Ended March 31, 2004

#### 1. Tax Information

Of the ordinary income (including short-term capital gain) distributions made by the Fund during the fiscal year ended March 31, 2004, 18.24% qualify for the dividend received deduction available to corporate shareholders.

For the fiscal year ended March 31, 2004, 100% of the taxable investment income qualifies for the 15% dividend tax rate as of January 1, 2003.

If the Fund meets the requirements of Section 853 of the Internal Revenue Code of 1986, as amended, the Fund may elect to pass through to its shareholders credits for foreign taxes paid.

For the fiscal year ended March 31, 2004, the Fund derived \$111,122,996 of gross income from foreign sources and paid foreign taxes of \$11,595,830 (representing \$0.4406 and \$0.0460 per share, respectively).

#### 2. Directors and Officers Information

Information pertaining to the Directors and officers\* of the Company is set forth below. The Board of Directors oversees the Company's business and investment activities and is responsible for protecting the interests of the Fund's shareholders. You can find more information about the Directors in the Company's Statement of Additional Information, which is available free of charge by calling 1-800-432-4789.

Name, Address, Age and Position(s) with Company	Term of Office and Length of Time Served <sup>1</sup>	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Director	Other Trusteeships/Directorships Held by Director
<b>DISINTERESTED DIRECTORS</b>				
Paul F. Balsler Ironwood Partners, LLC 420 Lexington Avenue New York, NY 10170 Age: 62, Director	3 years	Partner, Ironwood Partners, LLC since December 2001; Partner, Ironwood Manufacturing Fund LP (private equity fund), since July 2003; Partner, Generation Partners (private equity investments), since August 1995	2	Director, Janus Capital Group, Inc.



TWEEDY, BROWNE GLOBAL VALUE FUND

*Other Information (Unaudited)*

Name, Address, Age and Position(s) with Company	Term of Office and Length of Time Served <sup>1</sup>	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Director	Other Trusteeships/Directorships Held by Director
<b>DISINTERESTED DIRECTORS (Continued)</b>				
Bruce A. Beal The Beal Companies 177 Milk Street Boston, MA 02109 Age: 67, Director	11 years	Partner and Chairman, The Beal Companies (real estate development and investment companies); Real estate consultant	2	None
John C. Hover II PO Box 676 3039 Durham Road Buckingham, PA 18912 Age: 61, Director	1 year	Retired since 1999	2	Director, Excelsior Private Equity Fund II, Inc.; Director, Excelsior Venture Partners III, LLC; Director, Excelsior Venture Investors III, LLC
Anthony H. Meyer c/o Tweedy, Browne Company LLC 350 Park Avenue New York, NY 10022 Age: 73, Director	6 years	Retired since 1987	2	None
Richard B. Salomon Salans 620 Fifth Avenue New York, NY 10020 Age: 56, Director	9 years	Partner, Salans (law firm)	2	None
<b>INTERESTED DIRECTOR<sup>2</sup></b>				
Christopher H. Browne <sup>3</sup> Tweedy, Browne Company LLC 350 Park Avenue New York, NY 10022 Age: 57 Chairman and President	11 years	Managing Director Tweedy, Browne Company LLC	2	Director, American Atlantic Company



## TWEEDY, BROWNE GLOBAL VALUE FUND

### Other Information (Unaudited)

Name, Address, Age and Position(s) with Company	Term of Office and Length of Time Served <sup>1</sup>	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Director	Other Trusteeships/ Directorships Held by Director
<b>OFFICERS WHO ARE NOT DIRECTORS</b>				
William H. Browne <sup>3</sup> Tweedy, Browne Company LLC 350 Park Avenue New York, NY 10022 Age: 59, Vice President	11 years	Managing Director Tweedy, Browne Company LLC	N/A	N/A
M. Gervase Rosenberger Tweedy, Browne Company LLC 350 Park Avenue New York, NY 10022 Age: 53, Chief Operating Officer, Vice President and Secretary	11 years	Executive Vice President, Tweedy, Browne Company LLC	N/A	N/A
John D. Spears Tweedy, Browne Company LLC 350 Park Avenue New York, NY 10022 Age: 56, Vice President	11 years	Managing Director Tweedy, Browne Company LLC	N/A	N/A
Robert Q. Wyckoff, Jr. Tweedy, Browne Company LLC 350 Park Avenue New York, NY 10022 Age: 51, Treasurer	1 year	Managing Director Tweedy, Browne Company LLC	N/A	N/A

\* The term "officer" means the president, vice president, secretary, treasurer, controller or any other officer who performs a policy making function.

1 Directors and Officers will serve for an indefinite term until the earliest of their: (i) removal, (ii) resignation or (iii) death.

2 "Interested person" of the company as defined in the Investment Company Act of 1940. Mr. Christopher H. Browne is an "interested person" because of his affiliation with Tweedy, Browne Company LLC, which acts as the Company's investment adviser and distributor.

3 Mr. Christopher Browne and Mr. William Browne are brothers.

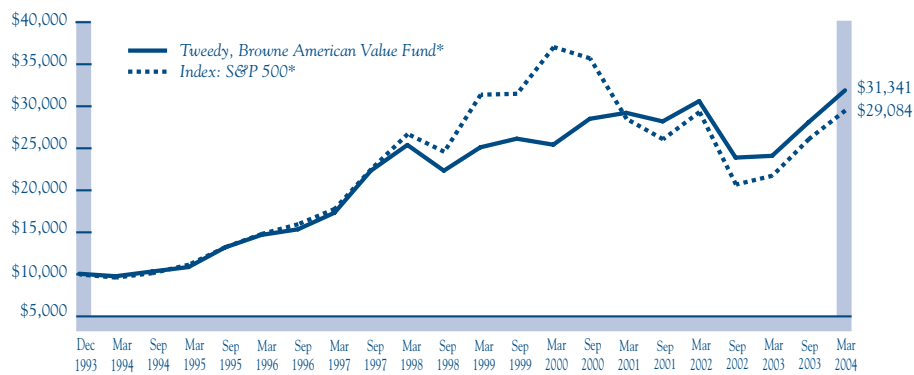


# TWEEDY, BROWNE AMERICAN VALUE FUND

## Portfolio Highlights

March 31, 2004

Hypothetical Illustration of \$10,000 Invested in  
Tweedy, Browne American Value Fund vs.  
Standard & Poor's 500 Stock Index ("S&P 500")  
12/8/93 through 3/31/04



The S&P 500 is an index composed of 500 widely held common stocks listed on the New York Stock Exchange, American Stock Exchange and over-the-counter market and includes the reinvestment of dividends.

<u>AVERAGE ANNUAL TOTAL RETURN*</u>			<u>AGGREGATE TOTAL RETURN*</u>	
<u>The Fund</u>	<u>Actual</u>	<u>Without Waivers</u>	<u>Year Ended 3/31/04</u>	<u>Inception (12/8/93)–3/31/04</u>
Inception (12/8/93) through 3/31/04	11.72%	11.62%	The Fund	32.13%
Year Ended 3/31/04	32.13%	32.13%	S&P 500	190.84%

Note: The performance shown represents past performance and is not a guarantee of future results. The Fund's share price and investment return will vary with market conditions, and the principal value of shares, when redeemed, may be more or less than original cost.

\* Assumes the reinvestment of all dividends and distributions.



## TWEEDY, BROWNE AMERICAN VALUE FUND

### *Perspective On Assessing Investment Results*

March 31, 2004

In accordance with rules and guidelines set out by the Securities and Exchange Commission, we have provided a comparison of the historical investment results of Tweedy, Browne American Value Fund to the historical investment results of the most appropriate broad-based securities market index, the Standard & Poor's 500 Stock Index (the "S&P 500"). The S&P 500 is an index composed of 500 widely held common stocks listed on the New York Stock Exchange, American Stock Exchange and over-the-counter market. However, the historical results of the S&P 500 in large measure represent the investment results of stocks that we do not own. Any portfolio which does not own exactly the same stocks in exactly the same proportions as the index to which the particular portfolio is being compared is not likely to have the same results as the index. The investment behavior of a diversified portfolio of undervalued stocks tends to be correlated to the investment behavior of a broad index; i.e., when the index is up, probably more than one-half of the stocks in the entire universe of public companies that are included in the same index will be up, albeit, in greater or lesser percentages than the index. Similarly, when the index declines, probably more than one-half of the stocks in the entire universe of public companies that are included in the index will be down in greater or lesser percentages than the index. But it is almost a mathematical truth that "different stocks equal different results."

We believe that favorable or unfavorable historical investment results in comparison to an index are not necessarily predictive of future comparative investment results. In *Are Short-Term Performance and Value Investing Mutually Exclusive?*, Eugene Shahan analyzed the investment performance of seven money managers, about whom Warren Buffett wrote in his article, *The Super Investors of Graham and Doddsville*. Over long periods of time, the seven managers significantly outperformed the market as measured by the Dow Jones Industrial Average (the "DJIA") or the S&P 500 by between 7.7% and 16.5% annually. (The goal of most institutional money managers is to outperform the market by 2% to 3%.) However, for periods ranging from 13 years to 28 years, this group of managers underperformed the market between 7.7% and 42% of the years. Six of the seven investment managers underperformed the market between 28% and 42% of the years. In today's environment, they would have lost many of their clients during their periods of underperformance. Longer term, it would have been the wrong decision to fire any of those money managers. In examining the seven long-term investment records, unfavorable



## TWEEDY, BROWNE AMERICAN VALUE FUND

### *Perspective On Assessing Investment Results*

investment results as compared to either index did not predict the future favorable comparative investment results which occurred, and favorable investment results in comparison to the DJIA or the S&P 500 were not always followed by future favorable comparative results. Stretches of consecutive annual underperformance ranged from one to six years. Mr. Shahan concluded:

*Unfortunately, there is no way to distinguish between a poor three-year stretch for a manager who will do well over 15 years, from a poor three-year stretch for a manager who will continue to do poorly. Nor is there any reason to believe that a manager who does well from the outset cannot continue to do well, and consistently.*



## TWEEDY, BROWNE AMERICAN VALUE FUND

### Portfolio of Investments

March 31, 2004



<u>Shares</u>		<u>Market Value (Note 1)</u>
	<b>COMMON STOCKS - DOMESTIC—74.1%</b>	
	<b>Advertising—1.1%</b>	
11,580	Grey Global Group Inc. ....	\$ 7,990,200
	<b>Automotive Parts—1.2%</b>	
348,300	Dollar Thrifty Automotive Group Inc. † .....	8,801,541
	<b>Banking—7.1%</b>	
40,000	Comerica Inc. ....	2,172,800
225,000	Hibernia Corporation, Class A .....	5,285,250
429,020	PNC Financial Services Group Inc. ....	23,776,288
360,000	Wells Fargo & Company .....	20,401,200
		<u>51,635,538</u>
	<b>Basic Industries—5.0%</b>	
207,900	Gorman-Rupp Company .....	5,384,610
613,626	Rayonier Inc., REIT .....	26,821,592
55,350	Tecumseh Products Company, Class A .....	2,330,235
44,447	Tecumseh Products Company, Class B .....	1,836,995
		<u>36,373,432</u>
	<b>Broadcast, Radio and TV—2.6%</b>	
668,060	Comcast Corporation, Class A † .....	18,625,513
	<b>Chemicals—0.7%</b>	
220,700	Oil-Dri Corporation of America .....	3,641,550
77,500	Stepan Company .....	1,770,100
		<u>5,411,650</u>
	<b>Computer Services—1.9%</b>	
718,115	Electronic Data Systems Corporation .....	13,895,525
	<b>Consumer Non-Durables—0.2%</b>	
133,505	M & F Worldwide Corporation † .....	1,827,684
	<b>Consumer Services—3.5%</b>	
869,830	ProQuest Company † .....	25,372,941
	<b>Diversified Financial Services—16.4%</b>	
719,390	American Express Company .....	37,300,372
887,500	Federated Investors Inc., Class B .....	27,894,125
416,215	Freddie Mac .....	24,581,658
471,573	MBIA Inc. ....	29,567,627
		<u>119,343,782</u>

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## Portfolio of Investments

March 31, 2004

<u>Shares</u>		<u>Market Value (Note 1)</u>
	<b>COMMON STOCKS - DOMESTIC</b>	
	<b>Electronic Equipment—0.4%</b>	
135,389	Regal-Beloit Corporation .....	\$ 2,705,072
	<b>Food and Beverages—0.1%</b>	
21,441	Coca-Cola Bottling Company .....	1,094,563
	<b>Health Care—0.7%</b>	
69,124	Johnson & Johnson .....	3,505,969
243,811	Orthodontic Centers of America Inc. † .....	1,926,107
		<u>5,432,076</u>
	<b>Holdings—3.8%</b>	
647,500	Popular Inc. ....	27,907,250
	<b>Insurance—15.0%</b>	
316,800	21st Century Insurance Group Inc. ....	4,561,920
77,400	American Indemnity Financial Corporation † .....	77,400
165,125	American National Insurance Company .....	14,777,036
509,850	Great American Financial Resources Inc. ....	8,035,236
16,520	Kansas City Life Insurance Company .....	706,891
119,000	Leucadia National Corporation .....	6,340,320
21,600	Merchants Group Inc. ....	528,228
110,000	National Western Life Insurance Company, Class A † .....	16,256,900
414,776	Torchmark Corporation .....	22,310,801
406,000	Transatlantic Holdings Inc. ....	35,407,260
		<u>109,001,992</u>
	<b>Pharmaceuticals—7.8%</b>	
600,000	Bristol-Myers Squibb Company .....	14,538,000
824,018	Pfizer Inc. ....	28,881,831
822,000	Schering-Plough Corporation .....	13,332,840
		<u>56,752,671</u>
	<b>Printing and Publishing—4.2%</b>	
1,531,719	Hollinger International Inc. ....	30,328,036
	<b>Real Estate—0.2%</b>	
55,225	Ramco-Gershenson Properties Trust, REIT .....	1,557,345
	<b>Retail—0.2%</b>	
54,500	Friedman's Inc., Class A .....	316,100
102,317	Syms Corporation † .....	817,513
		<u>1,133,613</u>
	<b>Telecommunications—0.5%</b>	
93,600	Commonwealth Telephone Enterprises Inc. † .....	3,838,536

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE AMERICAN VALUE FUND

### Portfolio of Investments

March 31, 2004

<u>Shares</u>	<u>Market Value (Note 1)</u>
<b>COMMON STOCKS - DOMESTIC</b>	
<b>Transportation/Transportation Services—1.5%</b>	
500,400 GATX Corporation .....	\$ 11,093,868
<b>TOTAL COMMON STOCKS - DOMESTIC</b>	
<b>(Cost \$344,237,144) .....</b>	
	<b>540,122,828</b>
<b>COMMON STOCKS - FOREIGN—16.3%</b>	
<b>Italy—0.6%</b>	
407,000 Natuzzi SPA, Sponsored ADR † .....	4,354,900
<b>Japan—2.0%</b>	
326,000 Fujitec Company Ltd. ....	1,764,195
191,400 Fukuda Denshi Company Ltd. ....	4,856,981
86,000 Matsumoto Yushi-Seiyaku Company Ltd. ....	1,893,017
118,000 Nippon Konpo Unyu Soko Company Ltd. ....	1,114,952
52,000 Nitto FC Company Ltd. ....	276,907
26,000 Nitto FC Company Ltd. *** .....	136,454
46,800 Sanyo Shinpan Finance Company Ltd. ....	2,519,152
63,800 Shikoku Coca-Cola Bottling Company Ltd. ....	796,005
162,000 Torishima Pump Manufacturing Company Ltd. ....	929,629
	<b>14,287,292</b>
<b>Netherlands—5.7%</b>	
816,143 ABN Amro Holding NV, Sponsored ADR .....	18,306,088
441,000 Heineken Holding NV, Class A .....	15,797,613
107,857 Unilever NV, ADR .....	7,489,590
	<b>41,593,291</b>
<b>Switzerland—3.2%</b>	
355,000 Nestle SA, Registered, Sponsored ADR .....	22,627,984
21,332 Novartis AG, ADR .....	908,743
2,310 Syngenta AG, ADR .....	33,334
	<b>23,570,061</b>
<b>United Kingdom—4.8%</b>	
276,000 Diageo PLC, Sponsored ADR .....	14,594,880
136,274 GlaxoSmithKline PLC, Sponsored ADR .....	5,444,146
364,000 Unilever PLC, Sponsored ADR .....	14,669,200
	<b>34,708,226</b>
<b>TOTAL COMMON STOCKS - FOREIGN</b>	
<b>(Cost \$76,595,010) .....</b>	
	<b>118,513,770</b>

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE AMERICAN VALUE FUND

### Portfolio of Investments

March 31, 2004

<u>Face Value</u>		<u>Market Value (Note 1)</u>
	<b>U.S. TREASURY BILL—0.2%</b>	
	(Cost \$1,497,643)	
\$ 1,500,000	1.032% ** due 5/27/04 .....	\$ 1,497,884
	<b>REPURCHASE AGREEMENT—10.2%</b>	
	(Cost \$74,388,000)	
74,388,000	Agreement with UBS Warburg LLC, 0.980% dated 3/31/04 to be repurchased at \$74,390,025 on 4/1/04, collateralized by \$51,824,000 U.S. Treasury Bonds, 8.875%, 6.750% due 8/15/17, 8/15/26 (market value \$74,951,811) .....	74,388,000
	<b>TOTAL INVESTMENTS (Cost \$496,717,797*)</b> .....	100.8% 734,522,482
	<b>UNREALIZED LOSS ON FORWARD</b>	
	<b>CONTRACTS (Net)</b> .....	(0.9) (6,821,800)
	<b>OTHER ASSETS AND LIABILITIES (Net)</b> .....	0.1 967,585
	<b>NET ASSETS</b> .....	<u>100.0%</u> <u>\$ 728,668,267</u>

\* Aggregate cost for Federal tax purposes is \$496,719,633.

\*\* Rate represents annualized yield at date of purchase.

\*\*\* This security is "when issued" which refers to a conditional transaction in a security which, although authorized, has not yet been issued.

† Non-income producing security.

Abbreviations:

ADR—American Depository Receipt.

REIT—Real Estate Investment Trust.

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE AMERICAN VALUE FUND

### Schedule of Forward Exchange Contracts

March 31, 2004

<u>Contracts</u>	<u>Contract Value Date</u>	<u>Market Value (Note 1)</u>
<b>FORWARD EXCHANGE CONTRACTS TO BUY</b>		
6,000,000 Great Britain Pound Sterling .....	4/2/04	\$ 11,024,486
160,000,000 Japanese Yen .....	5/12/04	1,540,046
450,000,000 Japanese Yen .....	6/18/04	4,336,078
550,000,000 Japanese Yen .....	6/30/04	5,301,634
10,000,000 Swedish Krona .....	4/2/04	1,325,887
41,000,000 Swedish Krona .....	4/22/04	<u>5,432,498</u>
<b>TOTAL FORWARD EXCHANGE CONTRACTS TO BUY</b> (Contract Amount \$27,800,575) .....		<u>\$ 28,960,629</u>
<b>FORWARD EXCHANGE CONTRACTS TO SELL</b>		
1,300,000 European Economic Union Euro .....	4/22/04	(1,596,531)
650,000 European Economic Union Euro .....	5/12/04	(797,888)
1,750,000 European Economic Union Euro .....	6/18/04	(2,146,328)
7,200,000 European Economic Union Euro .....	7/6/04	(8,827,137)
500,000 European Economic Union Euro .....	7/12/04	(612,917)
875,000 European Economic Union Euro .....	9/10/04	(1,071,276)
500,000 European Economic Union Euro .....	10/29/04	(611,653)
3,500,000 European Economic Union Euro .....	11/5/04	(4,281,103)
2,000,000 European Economic Union Euro .....	11/17/04	(2,445,889)
1,000,000 European Economic Union Euro .....	12/30/04	(1,222,149)
1,500,000 European Economic Union Euro .....	1/13/05	(1,832,929)
2,400,000 European Economic Union Euro .....	4/1/05	(2,930,213)
6,000,000 Great Britain Pound Sterling .....	4/2/04	(11,024,486)
1,750,000 Great Britain Pound Sterling .....	4/22/04	(3,209,683)
110,000 Great Britain Pound Sterling .....	8/12/04	(199,710)
500,000 Great Britain Pound Sterling .....	9/10/04	(905,216)
500,000 Great Britain Pound Sterling .....	11/24/04	(898,846)
520,000 Great Britain Pound Sterling .....	4/1/05	(924,209)
6,000,000 Great Britain Pound Sterling .....	4/8/05	(10,658,792)
160,000,000 Japanese Yen .....	5/12/04	(1,540,046)
450,000,000 Japanese Yen .....	6/18/04	(4,336,080)
920,000,000 Japanese Yen .....	6/30/04	(8,868,187)
250,000,000 Japanese Yen .....	7/12/04	(2,410,780)
554,000,000 Japanese Yen .....	7/29/04	(5,345,261)
46,500,000 Japanese Yen .....	10/29/04	(450,138)
105,000,000 Japanese Yen .....	1/20/05	(1,019,771)
63,500,000 Japanese Yen .....	4/1/05	(618,664)
10,000,000 Swedish Krona .....	4/2/04	(1,325,887)
41,000,000 Swedish Krona .....	4/22/04	(5,432,498)
3,300,000 Swiss Franc .....	4/22/04	(2,606,374)
1,250,000 Swiss Franc .....	5/12/04	(987,694)
1,200,000 Swiss Franc .....	6/30/04	(949,285)
1,550,000 Swiss Franc .....	8/12/04	(1,227,412)
1,418,040 Swiss Franc .....	9/10/04	(1,123,714)
2,700,000 Swiss Franc .....	1/20/05	(2,146,682)
2,800,000 Swiss Franc .....	2/17/05	(2,227,815)
420,000 Swiss Franc .....	4/1/05	<u>(334,563)</u>
<b>TOTAL FORWARD EXCHANGE CONTRACTS TO SELL</b> (Contract Amount \$91,165,952) .....		<u>\$ (99,147,806)</u>

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE AMERICAN VALUE FUND

### Statement of Assets and Liabilities

March 31, 2004

#### ASSETS

Investments, at value (Cost \$496,717,797) (Note 1)	
Securities .....	\$ 660,134,482
Repurchase Agreement .....	74,388,000
Total Investments .....	<u>734,522,482</u>
Receivable for investment securities sold .....	6,980,092
Dividends and interest receivable .....	1,028,546
Receivable for Fund shares sold .....	142,103
Prepaid expense .....	4,139
<b>Total Assets</b> .....	<u><u>742,677,362</u></u>

#### LIABILITIES

Net unrealized depreciation of forward exchange contracts (Note 1) .....	\$ 6,821,800
Payable for Fund shares redeemed .....	6,482,461
Investment advisory fee payable (Note 2) .....	501,121
Transfer agent fees payable (Note 2) .....	63,213
Administration and accounting fees payable (Note 2) .....	19,940
Due to custodian .....	11,792
Custodian fees payable (Note 2) .....	7,105
Accrued expenses and other payables .....	<u>101,663</u>
<b>Total Liabilities</b> .....	<u>14,009,095</u>

**NET ASSETS** .....

\$ 728,668,267

#### NET ASSETS consist of

Undistributed net investment income .....	\$ 5,882,535
Accumulated net realized gain on securities, forward exchange contracts and foreign currencies .....	17,832,338
Net unrealized appreciation of securities, forward exchange contracts, foreign currencies and net other assets .....	230,985,020
Par value .....	2,989
Paid-in capital in excess of par value .....	<u>473,965,385</u>
<b>Total Net Assets</b> .....	<u><u>\$ 728,668,267</u></u>

**NET ASSET VALUE**, offering and redemption price per share  
 (\$728,668,267 ÷ 29,888,988 shares of common stock outstanding) .....

\$ 24.38

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE AMERICAN VALUE FUND

### Statement of Operations

For the Year Ended March 31, 2004

#### INVESTMENT INCOME

Dividends (net of foreign withholding taxes of \$31,138) . . . . .	\$	17,556,598
Interest . . . . .		521,298
Securities lending (Note 8) . . . . .		23,043
<b>Total Investment Income</b> . . . . .		<u>18,100,939</u>

#### EXPENSES

Investment advisory fee (Note 2) . . . . .	\$	9,154,837
Transfer agent fees (Note 2) . . . . .		366,587
Administration and accounting fees (Note 2) . . . . .		240,075
Custodian fees (Note 2) . . . . .		84,005
Directors' fees and expenses (Note 2) . . . . .		62,604
Legal and audit fees . . . . .		32,779
Other . . . . .		190,356
<b>Total Expenses</b> . . . . .		<u>10,131,243</u>

<b>NET INVESTMENT INCOME</b> . . . . .		<u>7,969,696</u>
--	--	------------------

#### REALIZED AND UNREALIZED GAIN ON INVESTMENTS

(Notes 1 and 3):

Net realized gain (loss) on:		
Securities . . . . .		46,866,512
Forward exchange contracts . . . . .		(6,108,998)
Foreign currencies and net other assets . . . . .		(35,222)
Net realized gain on investments during the year . . . . .		<u>40,722,292</u>
Net unrealized appreciation (depreciation) of:		
Securities . . . . .		153,844,300
Forward exchange contracts . . . . .		(2,686,346)
Foreign currencies and net other assets . . . . .		199
Net unrealized appreciation of investments during the year . . . . .		<u>151,158,153</u>

<b>NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS</b> . . . . .		<u>191,880,445</u>
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<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b> . . . . .	\$	<u>199,850,141</u>
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■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE AMERICAN VALUE FUND

### *Statements of Changes in Net Assets*

	Year Ended 3/31/04	Year Ended 3/31/03
Net investment income . . . . .	\$ 7,969,696	\$ 4,623,612
Net realized gain (loss) on securities, forward exchange contracts and currency transactions during the year . . .	40,722,292	(19,598,616)
Net unrealized appreciation (depreciation) of securities, forward exchange contracts, foreign currencies and net other assets during the year . . . . .	<u>151,158,153</u>	<u>(183,772,234)</u>
Net increase (decrease) in net assets resulting from operations . . . . .	199,850,141	(198,747,238)
<b>Distributions:</b>		
Dividends to shareholders from net investment income . . . . .	(3,145,548)	(3,622,243)
Distributions to shareholders from net realized gain on investments . . . . .	—	(13,465,313)
Net decrease in net assets from Fund share transactions . . .	<u>(127,920,014)</u>	<u>(95,511,689)</u>
Net increase (decrease) in net assets . . . . .	68,784,579	(311,346,483)
<b>NET ASSETS</b>		
Beginning of year . . . . .	<u>659,883,688</u>	<u>971,230,171</u>
End of year (including undistributed net investment income of \$5,882,535 and \$1,041,829, respectively) . . .	<u>\$ 728,668,267</u>	<u>\$ 659,883,688</u>

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

## TWEEDY, BROWNE AMERICAN VALUE FUND

### Financial Highlights

For a Fund share outstanding throughout each year.

	Year Ended <u>3/31/04</u>	Year Ended <u>3/31/03</u>	Year Ended <u>3/31/02</u>	Year Ended <u>3/31/01</u>	Year Ended <u>3/31/00</u>
Net asset value, beginning of year . . . .	\$18.53	\$24.08	\$23.95	\$21.87	\$22.40
Income from investment operations:					
Net investment income . . . . .	0.27	0.13	0.06	0.11	0.27
Net realized and unrealized gain (loss) on investments . . . . .	<u>5.68</u>	<u>(5.21)</u>	<u>1.05</u>	<u>3.15</u>	<u>0.01</u>
Total from investment operations . . . . .	<u>5.95</u>	<u>(5.08)</u>	<u>1.11</u>	<u>3.26</u>	<u>0.28</u>
<b>Distributions:</b>					
Dividends from net investment income . . . . .	(0.10)	(0.10)	(0.08)	(0.10)	(0.28)
Distributions from net realized gains . . . . .	<u>—</u>	<u>(0.37)</u>	<u>(0.90)</u>	<u>(1.08)</u>	<u>(0.53)</u>
Total distributions . . . . .	<u>(0.10)</u>	<u>(0.47)</u>	<u>(0.98)</u>	<u>(1.18)</u>	<u>(0.81)</u>
Net asset value, end of year . . . . .	<u>\$24.38</u>	<u>\$18.53</u>	<u>\$24.08</u>	<u>\$23.95</u>	<u>\$21.87</u>
Total return (a) . . . . .	<u>32.13%</u>	<u>(21.16)%</u>	<u>4.75%</u>	<u>14.81%</u>	<u>1.24%</u>
Ratios/Supplemental Data:					
Net assets, end of year (in 000s) . . . .	\$728,668	\$659,884	\$971,230	\$960,403	\$905,938
Ratio of operating expenses to average net assets . . . . .	1.38%	1.36%	1.36%	1.36%	1.37%
Ratio of net investment income to average net assets . . . . .	1.09%	0.59%	0.23%	0.40%	1.13%
Portfolio turnover rate . . . . .	3%	8%	6%	10%	19%

(a) Total return represents aggregate total return for the periods indicated.

■ ■ ■ ■ ■ SEE NOTES TO FINANCIAL STATEMENTS ■ ■ ■ ■ ■

# TWEEDY, BROWNE AMERICAN VALUE FUND

## *Notes to Financial Statements*

### 1. Significant Accounting Policies

Tweedy, Browne American Value Fund (the “Fund”) is a diversified series of Tweedy, Browne Fund Inc. (the “Company”). The Company is an open-end management investment company registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. The Company was organized as a Maryland corporation on January 28, 1993. The Fund commenced operations on December 8, 1993. The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements.

**Portfolio Valuation** Generally, the Fund’s investments are valued at market value or at fair value as determined by or under the direction of the Company’s Board of Directors. Portfolio securities and other assets, listed on a US national securities exchange or through any system providing for same day publication of actual prices (and not subject to restrictions against sale by the Fund on such exchange or system) are valued at the last quoted sale price or the Nasdaq Official Close Price (“NOCP”), when appropriate, prior to the close of regular trading. Portfolio securities and other assets listed on a foreign exchange or through any system providing for same day publication of actual prices are valued at the last quoted sale price available before the time when assets are valued. Portfolio securities and other assets for which there are no reported sales on the valuation date are valued at the mean between the last asked price and the last bid price prior to the close of regular trading. When the Investment Adviser determines that the last sale price prior to valuation or the NOCP does not reflect current market value, the Investment Adviser will determine the market value of those securities or assets in accordance with industry practice and other factors considered relevant by the Investment Adviser. All other securities and assets for which current market quotations are not readily available and those securities which are not readily marketable due to significant legal or contractual restrictions will be valued at fair value as determined by the Investment Adviser under the direction of the Board of Directors. Debt securities purchased with a remaining maturity of 60 days or less are valued at amortized cost, which approximates market value, or by



## TWEEDY, BROWNE AMERICAN VALUE FUND

### *Notes to Financial Statements*

reference to other factors (i.e., pricing services or dealer quotations) by the Investment Adviser.

**Repurchase Agreements** The Fund engages in repurchase agreement transactions. Under the terms of a typical repurchase agreement, the Fund takes possession of an underlying debt obligation subject to an obligation of the seller to repurchase, and the Fund to resell, the obligation at an agreed-upon price and time, thereby determining the yield during the Fund's holding period. This arrangement results in a fixed rate of return that is not subject to market fluctuations during the Fund's holding period. The value of the collateral is at all times at least equal to the total amount of the repurchase obligations, including interest. In the event of counterparty default, the Fund has the right to use the collateral to offset losses incurred. There is potential loss to the Fund in the event the Fund is delayed or prevented from exercising its rights to dispose of the collateral securities, including the risk of a possible decline in the value of the underlying securities during the period while the Fund seeks to assert its rights. The Fund's Investment Adviser reviews the value of the collateral and the creditworthiness of those banks and dealers with which the Fund enters into repurchase agreements to evaluate potential risks.

**Foreign Currency** The books and records of the Fund are maintained in US dollars. Foreign currencies, investments and other assets and liabilities are translated into US dollars at the exchange rates prevailing at the end of the period, and purchases and sales of investment securities, income and expenses are translated on the respective dates of such transactions. Unrealized gains and losses which result from changes in foreign currency exchange rates have been included in the unrealized appreciation (depreciation) of currencies and net other assets. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investments, securities transactions, foreign currency transactions and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amount actually received. The portion of foreign currency gains and losses related to fluctuation in the exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gains and losses on investment securities sold.



## TWEEDY, BROWNE AMERICAN VALUE FUND

### *Notes to Financial Statements*

**Forward Exchange Contracts** The Fund has entered into forward exchange contracts for non-trading purposes in order to reduce its exposure to fluctuations in foreign currency exchange on its portfolio holdings. Forward exchange contracts are valued at the forward rate and are marked-to-market daily. The change in market value is recorded by the Fund as an unrealized gain or loss. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time that it was opened and the value of the contract at the time that it was closed.

The use of forward exchange contracts does not eliminate fluctuations in the underlying prices of the Fund's investment securities, but it does establish a rate of exchange that can be achieved in the future. Although forward exchange contracts limit the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might result should the value of the currency increase. In addition, the Fund could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts.

**Securities Transactions and Investment Income** Securities transactions are recorded as of the trade date. Realized gains and losses from securities transactions are recorded on the identified cost basis. Dividend income and distributions to shareholders are recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Dividend income and interest income may be subject to foreign withholding taxes. The Fund's custodian applies for refunds on behalf of the Fund where available.

Tweedy, Browne Company LLC is reimbursed by the Fund for the cost of settling transactions in US securities for the Fund through its clearing broker. For the year ended March 31, 2004 the Fund reimbursed Tweedy, Browne Company LLC \$5,185 for such transaction charges.

**Dividends and Distributions to Shareholders** Dividends from net investment income, if any, and distributions from realized capital gains after utilization of capital loss carryforwards, if any, will be declared and paid annually. Additional distributions of net investment income and capital gains from the Fund may be made at the discretion of the Board of Directors in order to avoid the application of a 4% non-deductible federal excise tax on certain undistributed amounts of ordinary income and capital gains. Income dividends



## TWEEDY, BROWNE AMERICAN VALUE FUND

### Notes to Financial Statements

and capital gain distributions are determined in accordance with income tax regulations which may differ from accounting principles generally accepted in the United States. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund, timing differences and differing characterization of distributions made by the Fund.

The character of distributions paid on a tax basis during December 2003 for fiscal year 2004 and December 2002 for fiscal year 2003 is as follows:

	2004	2003
Distributions paid from:		
Investment Income	\$ 3,145,548	\$ 3,622,243
Short-term capital gain	—	903,716
	<u>3,145,548</u>	<u>4,525,959</u>
Ordinary Income	3,145,548	4,525,959
Long-term capital gain	—	12,561,597
	<u>3,145,548</u>	<u>17,087,556</u>
Total Distributions	<u>\$ 3,145,548</u>	<u>\$ 17,087,556</u>

As of March 31, 2004, the components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income	\$ 5,913,151
Undistributed realized gain	10,992,882
Unrealized appreciation	237,802,849
Total	<u>\$254,708,882</u>

**Federal Income Taxes** The Fund has qualified and intends to continue to qualify as a regulated investment company, if such qualification is in the best interest of its shareholders, by complying with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and by distributing substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

**Expenses** Expenses directly attributable to the Fund as a diversified series of the Company are charged to the Fund. Other expenses of the Company are allocated to each series based on the average net assets of each series or other equitable allocation.



## TWEEDY, BROWNE AMERICAN VALUE FUND

### *Notes to Financial Statements*

#### 2. Investment Advisory Fee, Other Related Party Transactions and Administration Fee

The Company, on behalf of the Fund, has entered into an investment advisory agreement (the “Advisory Agreement”) with Tweedy, Browne Company LLC (“Tweedy, Browne”). Under the Advisory Agreement, the Company pays Tweedy, Browne a fee at the annual rate of 1.25% of the value of the Fund’s average daily net assets. The fee is payable monthly, provided the Fund will make such interim payments as may be requested by the Investment Adviser not to exceed 75% of the amount of the fee then accrued on the books of the Fund and unpaid.

The current and retired managing directors and their families, as well as employees of Tweedy, Browne, the Investment Adviser to the Fund, have approximately \$38.4 million of their own money invested in the Fund, as of March 31, 2004.

The Company, on behalf of the Fund, has entered into an administration agreement (the “Administration Agreement”) with PFPC Inc. (the “Administrator”), an indirect, majority-owned subsidiary of The PNC Financial Services Group Inc. Under the Administration Agreement, the Company pays the Administrator an administration fee and a fund accounting fee computed daily and payable monthly at the following annual rates of the value of the aggregate average daily net assets of the Fund and the Tweedy, Browne Global Value Fund, allocated according to each Fund’s net assets.

	Up to \$500 Million	Between \$500 Million and \$1 Billion	Between \$1 Billion and \$4 Billion	Exceeding \$4 Billion
Administration Fees	0.06%	0.04%	0.02%	0.015%

	Up to \$100 Million	Between \$100 Million and \$2 Billion	Between \$2 Billion and \$4 Billion	Exceeding \$4 Billion
Accounting Fees	0.03%	0.01%	0.0075%	0.006%



## TWEEDY, BROWNE AMERICAN VALUE FUND

### *Notes to Financial Statements*

No officer, director or employee of Tweedy, Browne, the Administrator or any parent or subsidiary of those corporations receives any compensation from the Company for serving as a director or officer of the Company. The Company pays each Non-Interested Director \$50,000 annually to be paid quarterly in \$12,500 increments plus out-of-pocket expenses for their services as directors. The annual fee of \$50,000 paid to each Non-Interested Director is divided between the Fund and the Tweedy, Browne Global Value Fund. The current allocation ratio is 20% of the annual fee paid by the Fund and 80% paid by Tweedy, Browne Global Value Fund.

Mellon Trust of New England, N.A. (“MTONE”), formerly Boston Safe Deposit and Trust Company, an indirect, wholly-owned subsidiary of Mellon Financial Corporation, serves as the Fund’s custodian pursuant to a custody agreement (the “Custody Agreement”). PFPC Inc. serves as the Fund’s transfer agent. Tweedy, Browne also serves as the distributor to the Fund and pays all distribution fees. No distribution fees are paid by the Fund.

#### **3. Securities Transactions**

Cost of purchases and proceeds from sales of investment securities, excluding short-term investments, for the year ended March 31, 2004, aggregated \$19,145,160 and \$178,397,215, respectively.

At March 31, 2004, the aggregate gross unrealized appreciation for all securities, in which there was an excess of value over tax cost, was \$278,580,546 and the aggregate gross unrealized depreciation for all securities, in which there was an excess of tax cost over value, was \$40,777,697.

#### **4. Capital Stock**

The Company is authorized to issue one billion shares of \$0.0001 par value capital stock, of which 400,000,000 of the unissued shares have been designated as shares of the Fund. Changes in shares outstanding for the Fund were as follows:

	Year Ended 3/31/04		Year Ended 3/31/03	
	Shares	Amount	Shares	Amount
Sold	3,347,983	\$ 74,125,011	8,688,008	\$ 178,689,959
Reinvested	120,653	2,863,102	825,428	15,889,486
Redeemed	(9,196,591)	(204,908,127)	(14,234,308)	(290,091,134)
Net (Decrease)	(5,727,955)	\$(127,920,014)	(4,720,872)	\$ (95,511,689)



## TWEEDY, BROWNE AMERICAN VALUE FUND

### *Notes to Financial Statements*

#### **5. Foreign Securities**

Investing in securities of foreign companies and foreign governments involves economic and political risks and considerations not typically associated with investing in US companies and the US Government. These considerations include changes in exchange rates and exchange rate controls (which may include suspension of the ability to transfer currency from a given country), costs incurred in conversions between currencies, non-negotiable brokerage commissions, less publicly available information, different accounting standards, lower trading volume, delayed settlements and greater market volatility, the difficulty of enforcing obligations in other countries, less securities regulation, different tax provisions (including withholding on dividends paid to the Fund), war, expropriation, political and social instability and diplomatic developments.

#### **6. Line of Credit**

The Company and MTONE entered into a Line of Credit Agreement (the "Agreement") which, as amended effective September 24, 2003, provides the Company, on behalf of the Fund and the Tweedy, Browne Global Value Fund, with a \$100 million line of credit (the "Commitment") primarily for temporary or emergency purposes, including the meeting of redemption requests that might otherwise require the untimely disposition of securities. The Fund may borrow up to the value of one-third of its net assets; provided, however, that the total Commitment available to the Fund is reduced by borrowings of the Tweedy, Browne Global Value Fund. Interest is payable at the Bank's money market rate plus 0.75% on an annualized basis. Under the Agreement, the Company pays a facility fee equal to 0.10% annually of the unutilized Commitment. The Agreement requires, among other provisions, the Fund to maintain a ratio of net assets (not including funds borrowed pursuant to the Agreement) to aggregated amount of indebtedness pursuant to the Agreement of no less than three-to-one. For the year ended March 31, 2004, the Company did not borrow, on behalf of the Fund, under the Agreement.

#### **7. Post-October Loss Deferral Disclosure**

Certain losses incurred after October 31 within a Fund's fiscal year are deemed to arise on the first business day of the Fund's following fiscal year. For



## TWEEDY, BROWNE AMERICAN VALUE FUND

### *Notes to Financial Statements*

the fiscal year ended March 31, 2004, the Tweedy, Browne American Value Fund incurred and elected to defer \$28,783 in currency losses.

#### **8. Securities Lending**

The Fund may lend securities to brokers, dealers and other financial organizations to earn additional income. Each security out on loan is collateralized with segregated assets held with the borrower in an amount equal to or greater than the current market value of the loaned securities.

At March 31, 2004, the Fund did not have any securities out on loan and did not have any segregated assets with the Fund's custodian.



## TWEEDY, BROWNE AMERICAN VALUE FUND

### *Report of Ernst & Young LLP, Independent Auditors*

To the Shareholders and Board of Directors of  
Tweedy, Browne Fund Inc.

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments and the schedule of forward exchange contracts of Tweedy, Browne American Value Fund (the “Fund”) (a series of Tweedy, Browne Fund Inc.) as of March 31, 2004, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. Our procedures included confirmation of securities owned as of March 31, 2004 by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of the Tweedy, Browne American Value Fund, a series of Tweedy, Browne Fund Inc., at March 31, 2004, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States.

Boston, Massachusetts  
May 10, 2004

*Ernst & Young LLP*



## TWEEDY, BROWNE AMERICAN VALUE FUND

### *Other Information (Unaudited)*

Year Ended March 31, 2004

#### 1. Tax Information

For the fiscal year ended March 31, 2004, the amount of long-term capital gain designated by the Fund was \$10,992,882, which is taxable as a 20% rate gain for federal income tax purposes.

Of the ordinary income (including short-term capital gain) distributions made by the Fund during the fiscal year ended March 31, 2004, 100% qualify for the dividend received deduction available to corporate shareholders.

For the fiscal year ended March 31, 2004, 100% of the taxable investment income qualifies for the 15% dividend tax rate as of January 1, 2003.

#### 2. Directors and Officers Information

Information pertaining to the Directors and officers\* of the Company is set forth below. The Board of Directors oversees the Company's business and investment activities and is responsible for protecting the interests of the Fund's shareholders. You can find more information about the Directors in the Company's Statement of Additional Information, which is available free of charge by calling 1-800-432-4789.

Name, Address, Age and Position(s) with Company	Term of Office and Length of Time Served <sup>1</sup>	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Director	Other Trusteeships/ Directorships Held by Director
<b>DISINTERESTED DIRECTORS</b>				
Paul F. Balsler Ironwood Partners, LLC 420 Lexington Avenue New York, NY 10170 Age: 62, Director	3 years	Partner, Ironwood Partners, LLC since December 2001; Partner, Ironwood Manufacturing Fund LP (private equity fund), since July 2003; Partner, Generation Partners (private equity investments), since August 1995	2	Director, Janus Capital Group, Inc.
Bruce A. Beal The Beal Companies 177 Milk Street Boston, MA 02109 Age: 67, Director	11 years	Partner and Chairman, The Beal Companies (real estate development and investment companies); Real estate consultant	2	None



TWEEDY, BROWNE AMERICAN VALUE FUND

*Other Information (Unaudited)*

Name, Address, Age and Position(s) with Company	Term of Office and Length of Time Served <sup>1</sup>	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Director	Other Trusteeships/ Directorships Held by Director
<b>DISINTERESTED DIRECTORS (Continued)</b>				
John C. Hover II PO Box 676 3039 Durham Road Buckingham, PA 18912 Age: 61, Director	1 year	Retired since 1999	2	Director, Excelsior Private Equity Fund II, Inc.; Director, Excelsior Venture Partners III, LLC; Director, Excelsior Venture Investors III, LLC
Anthony H. Meyer c/o Tweedy, Browne Company LLC 350 Park Avenue New York, NY 10022 Age: 73, Director	6 years	Retired since 1987	2	None
Richard B. Salomon Salans 620 Fifth Avenue New York, NY 10020 Age: 56, Director	9 years	Partner, Salans (law firm)	2	None
<b>INTERESTED DIRECTOR<sup>2</sup></b>				
Christopher H. Browne <sup>3</sup> Tweedy, Browne Company LLC 350 Park Avenue New York, NY 10022 Age: 57 Chairman and President	11 years	Managing Director Tweedy, Browne Company LLC	2	Director, American Atlantic Company



## TWEEDY, BROWNE AMERICAN VALUE FUND

### Other Information (Unaudited)

Name, Address, Age and Position(s) with Company	Term of Office and Length of Time Served <sup>1</sup>	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Director	Other Trusteeships/Directorships Held by Director
<b>OFFICERS WHO ARE NOT DIRECTORS</b>				
William H. Browne <sup>3</sup> Tweedy, Browne Company LLC 350 Park Avenue New York, NY 10022 Age: 59, Vice President	11 years	Managing Director Tweedy, Browne Company LLC	N/A	N/A
M. Gervase Rosenberger Tweedy, Browne Company LLC 350 Park Avenue New York, NY 10022 Age: 53, Chief Operating Officer, Vice President and Secretary	11 years	Executive Vice President, Tweedy, Browne Company LLC	N/A	N/A
John D. Spears Tweedy, Browne Company LLC 350 Park Avenue New York, NY 10022 Age: 56, Vice President	11 years	Managing Director Tweedy, Browne Company LLC	N/A	N/A
Robert Q. Wyckoff, Jr. Tweedy, Browne Company LLC 350 Park Avenue New York, NY 10022 Age: 51, Treasurer	1 year	Managing Director Tweedy, Browne Company LLC	N/A	N/A

\* The term "officer" means the president, vice president, secretary, treasurer, controller or any other officer who performs a policy making function.

1 Directors and Officers will serve for an indefinite term until the earliest of their: (i) removal, (ii) resignation or (iii) death.

2 "Interested person" of the company as defined in the Investment Company Act of 1940. Mr. Christopher H. Browne is an "interested person" because of his affiliation with Tweedy, Browne Company LLC, which acts as the Company's investment adviser and distributor.

3 Mr. Christopher Browne and Mr. William Browne are brothers.



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**TWEEDY, BROWNE FUND INC.**

350 Park Avenue, NY, NY 10022

800-432-4789

[www.tweedy.com](http://www.tweedy.com)