

# MANAGER PROFILE

## TWEEDY BROWNE

### Manager Background

- > Tweedy Browne's origins are as a privately-owned New York brokerage firm that was founded in 1920.
- > The company evolved into an investment manager, expanding from internal funds management and brokerage only, to offering its investment services more widely in 1968.
- > The investment philosophy is founded on its interaction with one of its earliest customers, Benjamin Graham – “the father of securities analysis” and the first proponent of ‘value’ investing.
- > The firm has US\$11.1 billion<sup>1</sup> in funds under management.

### Worldwide High Dividend Yield Portfolio

- > The Portfolio invests in good companies with above-average dividend yields.
- > The ability of a company to pay cash dividends to its investors provides a true and timely indication of the financial health of the organisation – cash flows cannot be manipulated in order to pay out dividends – the money needs to be there!

### Manager Attributes

- > Tweedy Browne's philosophies today are very much based on Graham's value-oriented investment approach, utilising his simple and trustworthy valuation methods.
- > Such an approach advocates investing only when there is a sufficient ‘margin of safety’ to protect against long-term capital loss.
- > Tweedy Browne does not constrain itself by only investing in specific sectors.
- > It places significant emphasis on investing in companies with transparent business models, where the economics of a given company's contribution to society are easily identifiable.
- > The firm has managed a high-dividend yield portfolio since 1979.
- > It is a highly regarded value manager.
- > Central to Tweedy Browne's success has been the tenure and experience of its people, with the four managing directors having an ownership interest in the firm and also having tenures ranging from 18 to 36 years.

<sup>1</sup> As at 31 March 2010 (this information is updated quarterly).