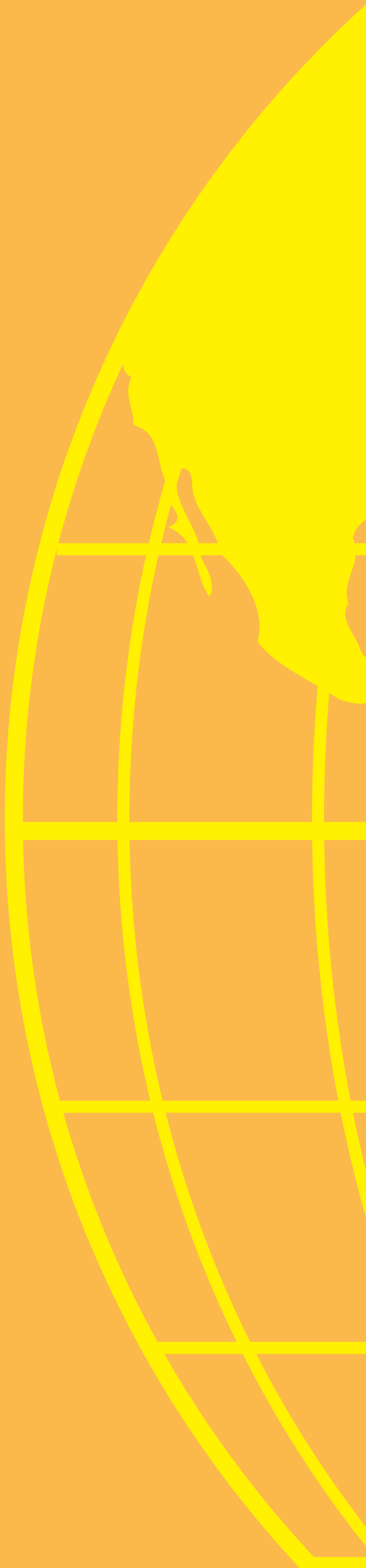

ANNUAL REPORT
SEPTEMBER 30, 2002

Tweedy, Browne Value Funds

INVESTMENT COMPANY WITH VARIABLE SHARE CAPITAL

(SOCIÉTÉ D'INVESTISSEMENT À CAPITAL VARIABLE)

SUB-FUND:

Tweedy, Browne International Value Fund

No subscriptions can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current Prospectus supplemented by the latest Annual Report and latest Semi-Annual Report if published thereafter.

General Information

Tweedy, Browne Value Funds (the “Fund”) is an investment company organized under the laws of the Grand Duchy of Luxembourg as a *Société d’Investissement à Capital Variable* with the capacity to divide its assets into several separate investment portfolios (the “Sub-Funds”).

The audited financial statements contained herein present the financial position of one of the Sub-Funds, Tweedy, Browne International Value Fund, at September 30, 2002.

The investments of the Fund are managed by Tweedy, Browne Company LLC (the “Investment Manager”), a U.S. registered investment adviser and securities broker / dealer, established in 1920, and located at 350 Park Avenue, New York, New York 10022.

Shares in the Fund are offered to investors at the net asset value twice each month, on the fifteenth and the last day of the month. Copies of the Prospectus and the audited consolidated financial statements of the Fund are available by writing to the Fund in care of its Luxembourg Administrator:

State Street Bank Luxembourg S.A.
49, avenue J.F. Kennedy
L-1885 Luxembourg

Investment Manager's Report

We are pleased to present the Annual Report for Tweedy, Browne International Value Fund for the year ended September 30, 2002. Investment results for the year show a decline in the net asset value of the Investors Shares of 9.32% to $31.52 per share, as compared to a decline of 15.53% for the Morgan Stanley Capital International ("MSCI") Europe, Australasia, Far East ("EAFE") Index in US$ of 15.53%, while the same Index hedged back into the US$ declined 21.26%. The results of the MSCI EAFE Hedged are a more relevant comparison as the Fund has a policy of hedging its foreign currency exposure back into the US Dollar.

Despite the effects of the 9/11 terrorist attacks in the U.S., stocks in general rose in the last calendar quarter of 2001 and the first calendar quarter of 2002. For the six months ended March 31, 2002, the MSCI EAFE Index was up 7.5%, and MSCI EAFE Hedged gained 12.2%. In the same six-month period, your Fund gained 15.5%. However, in May stock markets began a steady decline, which accelerated in the September quarter and encompassed nearly all sectors of the market.

The broader stock market indices, in general, have been in decline since sometime in the first quarter of 2000. Beginning with the second quarter of 2000, which coincides approximately with the end of the technology, media and telecommunications bubble, the decline in stock prices over the next thirty months was dramatic. In the U.S., the S&P 500 was down 43.77% and the NASDAQ Composite Index was off a painful 74.17% through September 30, 2002. Internationally, the MSCI EAFE Index over the same time period was off 46.70%, and its hedged equivalent dropped 44.32%. Again, in the same time period, the net asset value of Tweedy, Browne International Value Fund declined significantly less at 14.84%. The past ten calendar quarters has been a bear market of classic proportions despite the fact that we can only recall the word "bear" being used this year.

Winning in the investment field is as much about preserving capital in bad markets as it is about making money in good markets. The magnitude of the losses seen by the popular stock market indices can be put in perspective if one calculates the gains needed to return to the former high-water mark. From its September 30, 2002 close, the MSCI EAFE Index and the MSCI EAFE Index Hedged must rise 87.6% and 79.6%, respectively, while the net asset value of Tweedy, Browne International Value Fund will be even with March 31, 2000 after a gain of 17.42%. While the net asset value of the Fund is in a hole, it is a far shallower hole than the popular stock market indices.

The hole we find ourselves in only developed in the most recent quarter ended September 30, 2002. Prior to that time, the Fund was in positive territory for all but the quarter following 9/11, as measured from April 1, 2000. However, beginning in the spring of this year, there was no hiding place for investors from the effects of a broadly declining stock market. All indices that we use as benchmarks were down in the June and the September quarters. The September quarter was particularly painful with a loss for MSCI EAFE of 19.73% and 20.31% for EAFE Hedged.

Looking back, it is obvious the great global technology, media and telecommunications bubble began in 1995 and lasted for five years. The bubble in international stocks was much less pronounced than in U.S. stocks in large part because of the drag Japanese stocks, as compared to European stocks in the 1995 through 1999 period. Nevertheless, the MSCI EAFE Hedged Index, which is a better gauge of international stock performance because it reflects local performance without the effect of currency fluctuations, enjoyed gains in 1995 through 1999 of 126.25%. Between January 1, 2000 and September 30, 2002, MSCI EAFE Hedged declined 35.9%. The net gain for EAFE Hedged from the start of the bubble in 1995 through September 30, 2002 was 45%. Over the same seven and three quarter year period, your Fund gained 56.5%. Our ride was much less volatile than the index and produced a better overall gain.

Stock markets are driven by emotion that can reach manic proportions. Three years ago, stock market pundits were predicting that prices would rise to the stars; today there is no bottom. As John Neff once said, “Every trend goes forever until it ends”. For many, the pain has been quite severe. In truth, investors were not well served by many of their advisers. However, investors must also accept part of the blame. Investors are by nature a highly competitive lot. Seeing someone else make so much money as the bubble was inflating was more than many investors could bear. They had to get in on the game, fundamentals be damned. In *Bubbles, Human Judgment, and Expert Opinion* from the **AIMR Journal,** Robert Shiller, an economics professor at Yale, discusses the pressures brought to bear on professional money managers by clients who want them to invest in certain fads. Any investment theme that is producing extraordinary returns quickly becomes a fad. To ignore the demands of your clients and adhere to your own investment principles may prove too difficult for many advisers. If an adviser cannot or will not satisfy the demands of clients, the clients can look for an adviser who will.

It does not come as a surprise that Wall Street is more than willing to satisfy the demands of investors no matter how irrational their demands may be. As Warren Buffett said, “A group of lemmings looks like a pack of individualists compared with Wall Street when it gets a concept in its teeth”. Add a dash of greed and there is no telling what you will get. Investment bankers, security analysts, advisers and the investing public did not care about the integrity of stock markets so long as everyone was making money. Investment bankers brought companies public that had no sales or earnings. Analysts recommended stocks they privately called “dogs”. Advisers bought stocks for which they could make no fundamental investment case because their clients insisted on it. Money equals status, and if you were not making as much as your brother-in-law, you were a dummy.

Eventually, the game had to end. The pain, the loss of savings, and the sense of helplessness are everywhere. Many advisers are attempting to put a favorable spin on investing by reverting back to the "long term" thesis, a principle many forgot in the heat of the bubble. And investors are disillusioned and bewildered. Analysts they considered celebrities and gurus of the new paradigm are now vilified or forgotten. Corporate CEOs, who a few years back were stars, are now seen as snake oil salesmen who were peddling 20%, 30%, 40% and higher growth rates for their companies that in hindsight were not sustainable. More than a few CEOs engaged in questionable and outright fraudulent accounting practices to keep delivering the growth while enriching themselves with ever more valuable stock options.

Investor psychology has now done a 180-degree turn. Today, conventional wisdom holds that everyone in the investment business is a crook, corporate managers cannot be trusted, and stocks will continue to decline for years to come. Pundits are saying the heyday of equities is over, and investors will simply have to adjust to an era of below average returns. After acting like the cheerleading squad for corporate CEOs throughout much of the 1990s, the financial press has morphed into a pack of attack dogs pouncing on any accounting infraction, no matter how significant or insignificant. Accounting is not an exact science, but involves a great deal of "gray" in coming up with final audited statements. This is why we have accounting standards. By their nature, numerous accounting principles are complex. Our task as analysts is to try to understand these complex accounting treatments and their impact on a company's true financial situation. However, no amount of securities research can uncover fraud perpetrated by a crafty chief financial officer bent on deceiving shareholders. Fortunately, the alleged miscreants of the corporate world are in the minority.

We believe the same can be said for corporate CEOs. Those now being investigated or charged with wrongdoing are still the exception. Although our suspicion is based on anecdotal evidence, perhaps there is some correlation between the number of times a CEO appears on the cover of some business magazine and the accuracy of his/her company's financial statements. However, several of the alleged miscreants were once considered visionaries. The egos of these CEOs were stroked by an investment community that was all too willing to embrace a vision of a new corporate world for as long as stocks kept rising. Perhaps an emphasis on "vision" as opposed to substance should be another indicator of pending problems. Individuals like these have clearly contributed to a significant decline in, if not destruction of, investor confidence.

Anyone who maintained some measure of skepticism during this period was able to avoid most of the debacles of the past two or three years, although the fallout from the end of the bubble eventually affected everyone. Skepticism, which is in abundance to the point of excess today, was all but nonexistent at the peak of the bubble. At both ends of the spectrum emotions run high. This is not unexpected. Investment decisions are all too often driven by fear, greed, status and security. Moreover, investors will extrapolate recent experiences into the future, developing overconfidence in good times, and acting like deer frozen in the headlights in bad times. Investing is best when it is a dispassionate exercise.

Acting in a dispassionate manner is much easier said than done. When stocks soar for no other reason than irrational exuberance, it is difficult to avoid joining in the fun. Most investors seem to realize that companies with no sales or earnings should not be good investments by any standard. Investors who could not bring themselves to play this game themselves simply hired managers who were willing to play. Their confusion and lack of conviction could be overcome by the outsized gains they saw in their portfolios. As it turns out, even the analysts could not understand what was going on, or develop any fundamental conviction about the stocks they were recommending, which became apparent when investigators gained access to their email files. As long as the stocks went up, it did not matter. In the heady days of the 1990s, if a stock reached its price target, the target was simply raised. When reality set in, the finger pointing began.

We do not think you have to be an investment professional to realize that when things look too good, they probably are. In fact, many investment professionals, or perhaps we should say, people who make their living in the investment business, were no better at spotting the excesses of the 1990s than the unsophisticated, small investor. The lesson that Warren Buffett has generously repeated on numerous occasions, and which is forgotten all too often, is that a share of stock is a fractional ownership interest in a business. It is not a lottery ticket. Behind each share of stock is the holders' pro-rata ownership interest in that business, their share of the assets and the earnings. If there were no stock market to provide you with a daily entry or exit price, would you be comfortable owning your share of that business? The best analogy we can provide is that of your home. There is no market for shares in your house, yet you have a sense of what your house is worth based upon recent sales in your neighborhood. Your house has a value related to its size, its location, and its condition, or the rent you would receive if you decided to lease it out. Stocks have a value based on their assets, their earning power and their dividend yield. If housing prices fluctuated like stock prices, we might conclude it was safer to rent than buy.

Unfortunately, from time to time, many investors become speculators. Stocks are bought for no other reason than they are rising, and sold for no other reason than they are falling. This phenomenon is truest near the top of a bull market, or near the bottom of a bear market. The pattern of cash inflows into mutual funds near a market top, and cash outflows near a market bottom, confirm this bias. This pattern of buying and selling has little to do with underlying investment fundamentals, i.e. what is the intrinsic value of the stocks being bought or sold. It is driven more by mob psychology than rational investment principles. Our brains are conditioned to react this way. We get caught up in whatever mania is reigning at any particular time, and follow the crowd. The ability to question the collective wisdom of millions of investors who may be buying or selling at any particular point in a stock market cycle, and to act in a contrary fashion is something few of us can do.

It has been our observation that less time is spent trying to figure out the true net worth of a corporation than is spent trying to figure out stock market swings. It has also been our observation that more attention is focused on short-term results, such as companies meeting the next quarterly earnings projection, rather than thinking about the future prospects of a particular business or industry and how those prospects will affect value in the long run. Corporate managers who can deliver quarterly earnings per share that match or slightly exceed security analysts' estimates are rewarded with higher and higher price/earnings ratios for their companies. This is like doubling and redoubling your bets on a guy who can continue to roll doubles in a game of craps. This is OK while your winnings keep piling up, but can spell disaster if you haven't taken some of your winnings off the table when he misses.

Fraud and self-deception are not strangers to booms. Boom periods may actually contribute to it. Managers, financial advisers and investors all get caught up in the euphoria of making money, and basic issues of integrity and financial fundamentals get forgotten. Projections are made that bear no relation to reality such as the explosion in telecommunications that gripped the European markets in the late 1990s. In the aftermath, investor confidence sinks to a low point, financial advisers are at a loss to explain how they messed up, and stock prices suffer.

The issue investors must confront is whether their pain is temporary or permanent. For many of the telecommunication and technology favorites of the 1990s, the pain is permanent. For others, it is only temporary. A stock market that declines as much as this one has in the past two years will leave few stocks unaffected. However, if you have the fundamentals right, your investments should eventually recover and bring future gains.

When investor psychology will once again turn positive is anyone's guess. Unfortunately, these turns in investor psychology never come with advanced notice, and are never recognized until well after the turn has occurred. Indeed, turns occur when they are least expected. March of 2000 is but the most recent example. Investor enthusiasm was buoyant to say the least. Today, we are at the opposite end of the spectrum. Perhaps that is a good sign.

Sincerely,

Christopher H. Browne
William H. Browne
John D. Spears

Thomas H. Shrager
Robert Q. Wyckoff, Jr.
Managing Directors

Tweedy, Browne Company LLC
Investment Manager to the Fund

November 19, 2002

Report of the Auditor

To the Shareholders of Tweedy, Browne Value Funds

We have audited the financial statements, which consist of the Statement of Assets and Liabilities, the Statement of Operations and Changes in Net Assets, the Schedule of Investments and the Notes to the Financial Statements of Tweedy, Browne Value Funds and of each of its Sub-Funds for the year ended September 30, 2002. These financial statements are the responsibility of the Board of Directors of the SICAV. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with international standards on auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Board of Directors of the SICAV in preparing the financial statements, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the attached financial statements described above give, in conformity with the legal requirements, a true and fair view of the financial position of Tweedy, Browne Value Funds and of each of its Sub-Funds at September 30, 2002 and the results of their operations and changes in their net assets for the year then ended.

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. We have no observations to make concerning such information in the context of the financial statements taken as a whole.

Ernst & Young
Société Anonyme
Réviseur d'entreprises

M. Ferguson
Luxembourg, November 19, 2002

Statement of Assets and Liabilities

September 30, 2002

Expressed in US $

ASSETS

Investments, at market value (Cost $28,018,374) (Note 2)	$ 26,718,676
Cash	1,430,677
Dividends and interest receivable	83,273
Other receivable	81
Total Assets	28,232,707

LIABILITIES

Sellers' commission payable (Note 3)	6,334
Payable for forward exchange contracts (Note 8)	1,791,855
Accrued expenses and other payables	40,205
Total Liabilities	1,838,394
Net Assets	$ 26,394,313

NET ASSETS

Attributable to Investor Shares	
$31.52 per share based on 486,386 shares outstanding	$ 15,330,642
Attributable to Manager Shares	
$65.83 per share based on 168,056 shares outstanding	11,063,371
	$ 26,394,313

STATISTICAL INFORMATION

	2002	***2001***	***2000***
Net Asset Value	$ 26,394,313	$ 32,876,299	$ 38,144,873
Per Investor Share	$ 31.52	$ 34.76	$ 38.80
Per Manager Share	$ 65.83	$ 72.27	$ 80.18

SEE NOTES TO FINANCIAL STATEMENTS

Statement of Operations and Changes in Net Assets

September 30, 2002

Expressed in US $

INVESTMENT INCOME	
Dividends (net of foreign withholding taxes of $154,387)	$ 764,381
Interest	15,796
Total Investment Income	780,177
EXPENSES	
Performance increment (Note 3)	—
Sellers' commission (Note 3)	6,334
Investment management fees (Note 4)	—
Custodian fees	2,771
Professional fees	3,140
Taxe d'abonnement (Note 7)	16,576
Amortization of organization costs (Note 6)	673
Other	15,859
Total Expenses	45,353
Net Investment Income	734,824
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCIES	
Net realized gain (loss) on:	
Investments	489,072
Foreign currencies	(457,165)
Net Realized Gain on Investments and Foreign Currencies during the year	31,907
Net change in unrealized appreciation (depreciation) on:	
Investments	(1,425,071)
Foreign currencies	(1,440,953)
Net Unrealized Appreciation (Depreciation) on Investments and Foreign Currencies during the year	(2,866,024)
Net Realized and Unrealized Loss on Investments and Foreign Currencies during the year	(2,834,117)
Net Decrease in Net Assets Resulting From Operations	(2,099,293)
Net capital movement	(4,382,693)
NET ASSETS	
Beginning of year	$ 32,876,299
End of year	$ 26,394,313

SEE NOTES TO FINANCIAL STATEMENTS

Schedule of Investments

September 30, 2002

Expressed in US $

SECURITY	NUMBER OF SHARES	MARKET VALUE	% OF NET ASSETS
Transferable securities traded on a regulated market			
Equity Securities			
Belgium			
Almanij NV	11,000	$ 354,422	1.34
Canada			
Canadian Western Bank	7,000	106,161	0.40
National Bank of Canada	28,000	519,990	1.97
		626,151	2.37
Denmark			
Danske Bank A/S (Bearer)	9,500	144,116	0.55
Finland			
Kesko Oyj - Class B	52,300	545,337	2.07
Kone Oyj - Class B	35,100	919,314	3.48
		1,464,651	5.55
France			
CNP Assurances	8,750	290,402	1.10
Nexans SA	10,100	116,394	0.44
Rhodia SA	38,200	241,632	0.92
		648,428	2.46
Germany			
Bayerische Hypo-und Vereinsbank AG	12,835	170,239	0.65
Boewe Systec AG	9,700	183,112	0.69
KSB AG (Preferred)	1,200	97,254	0.37
Merck KGaA	38,500	703,952	2.67
Prosieben Sat. 1 Media AG	14,600	93,073	0.35
Springer (Axel) Verlag AG	11,645	575,467	2.18
Villeroy & Boch AG (Preferred)	31,450	279,752	1.06
		2,102,849	7.97
Hong Kong			
SCMP Ltd.	670,000	289,917	1.10
Swire Pacific Ltd. - Class B	656,000	412,121	1.56
Wing Hang Bank Ltd.	157,000	513,292	1.94
		1,215,330	4.60

Schedule of Investments

September 30, 2002

Expressed in US $

SECURITY	NUMBER OF SHARES	MARKET VALUE	% OF NET ASSETS
Italy			
Arnoldo Mondadori Editore SpA	53,300	$ 257,601	0.98
Natuzzi SpA (sponsored ADR)	14,300	156,156	0.59
		413,757	1.57
Japan			
Amatsuji Steel Ball Manufacturing Company	24,000	163,105	0.62
Fujitec Company Ltd.	62,000	320,331	1.21
Fukuda Denshi Company Ltd.	18,200	402,358	1.52
Glory Ltd.	12,000	245,149	0.93
Kagawa Bank Ltd.	37,000	187,530	0.71
Kawasumi Laboratories, Inc.	18,000	132,645	0.50
Matsumoto Yushi-Seiyaku Company Ltd.	5,000	65,504	0.25
Nippon Konpo Unyo Soko Company Ltd.	32,000	221,665	0.84
Nissha Printing Company Ltd.	36,000	210,759	0.80
Riken Vitamin Company Ltd.	10,000	96,782	0.37
Sanko Sangyo Company Ltd.	10,000	35,618	0.14
Sanyo Shinpan Finance Company Ltd.	21,000	422,992	1.60
Shikoku Coca-Cola Bottling Company Ltd.	13,000	110,276	0.42
Shingakukai Company Ltd.	4,000	13,428	0.05
Shionogi & Company Ltd.	25,000	268,976	1.02
Tachi-S Company Ltd.	15,000	79,833	0.30
Takefuji Corporation	3,600	202,800	0.77
Torishima Pump Manufacturing Company Ltd.	41,000	163,490	0.62
		3,343,241	12.67
Mexico			
Embotelladoras Arca SA de CV	76,900	142,475	0.54
Grupo Continental SA	125,000	208,640	0.79
Panamerican Beverages, Inc. - Class A	52,335	496,136	1.88
		847,251	3.21

Schedule of Investments

September 30, 2002

Expressed in US $

SECURITY	NUMBER OF SHARES	MARKET VALUE	% OF NET ASSETS
Netherlands			
ABN Amro Holding NV	48,380	$ 529,806	2.01
Akzo Nobel NV	12,000	386,643	1.46
Crown Van Gelder Gemeenschappelijk Bezit NV CVA	10,000	98,341	0.37
Grolsch NV	20,550	411,087	1.56
Holdingmaatschappij DeTelegraaf NV CVA	43,800	614,714	2.33
Imtech NV	9,000	124,532	0.47
Randstad Holdings NV	35,200	236,919	0.90
Stork NV	18,825	100,471	0.38
Twentsche Kabel Holding NV	5,300	32,634	0.12
Unilever NV	10,822	640,686	2.43
Wegener NV	51,500	236,685	0.90
		3,412,518	12.93
New Zealand			
Carter Holt Harvey Ltd.	355,000	262,473	0.99
Norway			
Schibsted ASA	30,000	287,783	1.09
Singapore			
Fraser & Neave Ltd.	89,000	383,449	1.45
United Overseas Union Bank Ltd.	48,000	319,606	1.21
		703,055	2.66
Spain			
Altadis SA	14,150	316,065	1.20
Recoletos Grupo de Comunicacion	45,600	184,782	0.70
		500,847	1.90
Sweden			
VLT AB - Class B	10,000	83,222	0.31

Schedule of Investments

September 30, 2002

Expressed in US $

SECURITY	NUMBER OF SHARES	MARKET VALUE	% OF NET ASSETS
Switzerland			
Compagnie Financière Richemont AG - Class A	18,000	$ 266,635	1.01
Edipresse SA (Bearer)	1,700	467,340	1.77
Forbo Holding AG (Registered)	735	204,298	0.78
Hilti AG	240	160,754	0.61
Nestlé SA (Registered)	5,015	1,094,763	4.15
Novartis AG (Registered)	29,405	1,161,209	4.40
Sarna Kunststoff Holding AG (Registered)	2,200	179,350	0.68
SIG Holding AG (Registered)	4,000	433,884	1.64
Sika Finanz AG (Bearer)	1,584	354,374	1.34
Tamedia AG	5,770	254,262	0.96
Zehnder Holding AG - Class B	500	266,093	1.01
		4,842,962	18.35
United Kingdom			
Alumasc Group PLC	101,000	216,411	0.82
BBA Group PLC	52,059	141,688	0.53
Diageo PLC	77,564	964,174	3.65
GlaxoSmithKline PLC (ADR)	9,000	345,870	1.31
Novar PLC	156,710	261,587	0.99
Thistle Hotels PLC	227,000	418,437	1.58
Trinity Mirror PLC	99,000	553,709	2.10
TT Electronics PLC	98,000	187,209	0.71
Unilever PLC	18,500	168,177	0.64
		3,257,262	12.34
United States			
Hollinger International, Inc.	43,300	393,597	1.49
Monsanto Company	4,092	62,567	0.24
Pharmacia Corporation	23,988	932,653	3.53
Schering-Plough Corporation	38,440	819,541	3.11
		2,208,358	8.37
Total Equity Securities		$ 26,718,676	101.23
Total Investments		26,718,676	101.23
Other Net Assets		(324,363)	(1.23)
Total Net Assets		$ 26,394,313	100.00

Schedule of Forward Exchange Contracts

At September 30, 2002, the Fund had contracts outstanding as follows:

FOREIGN CURRENCY	COST	CONTRACT VALUE DATE	UNREALIZED GAIN/(LOSS)
Forward exchange contracts to buy			
Euro	180,000	10/18/02	661
	425,655	10/18/02	(679)
	690,000	10/18/02	3,846
	100,000	10/28/02	(162)
	160,210	10/28/02	1,040
	273,407	12/16/02	1,778
	170,000	12/30/02	1,094
Hong Kong Dollar	400,000	10/18/02	(1)
	614,910	10/18/02	(10)
	300,000	12/16/02	(11)
Mexican Peso	4,200,000	3/05/03	(1,171)
	1,200,000	3/05/03	(1,085)
	1,100,000	3/05/03	(2,983)
	1,800,000	3/05/03	(6,240)
New Zealand Dollar	241,488	3/05/03	673
	100,000	4/22/03	1,568
Pound Sterling	80,000	10/18/02	3,752
	25,619	10/18/02	420
	130,000	11/12/02	2,167
	163,994	11/12/02	897
	290,000	11/29/02	1,841
	80,000	11/29/02	698
	60,000	11/29/02	348
Swedish Krona	600,000	10/18/02	(41)
	248,120	10/18/02	389
	320,382	11/12/02	499
	324,690	11/29/02	508
	400,000	3/31/03	598
Swiss Franc	277,984	10/18/02	(1,101)
	280,245	10/28/02	(1,099)
	50,000	11/29/02	(195)
	150,000	11/29/02	1,561
	270,000	11/29/02	(549)
	187,800	11/29/02	1,126
			$ 10,136

CONTRACT FOREIGN CURRENCY	UNREALIZED COST	VALUE DATE	GAIN/(LOSS)
Forward exchange contracts to sell			
Canadian Dollar	63,436	11/29/02	(129)
	31,236	12/16/02	253
	159,310	12/30/02	(664)
	159,360	3/05/03	(441)
	561,015	3/31/03	(3,240)
Danish Krone	1,296,403	7/17/03	426
Euro	1,295,655	10/18/02	(113,337)
	260,210	10/28/02	(25,616)
	273,407	12/16/02	(23,049)
	285,160	12/30/02	(29,410)
	272,140	1/09/03	(26,547)
	925,000	2/06/03	(111,805)
	2,003,961	2/24/03	(239,228)
	301,974	3/05/03	(35,129)
	1,232,435	3/14/03	(134,073)
	855,689	3/31/03	(95,439)
	631,893	4/10/03	(66,735)
	637,015	4/22/03	(61,486)
	386,183	6/13/03	(16,120)
	207,771	7/17/03	789
	692,292	9/03/03	(2,425)
Hong Kong Dollar	1,014,910	10/18/02	(116)
	2,736,090	12/16/02	(717)
	859,980	1/09/03	(224)
	3,673,661	4/22/03	(642)
	2,030,912	5/12/03	(157)
	780,930	6/13/03	(19)
Japanese Yen	31,957,200	10/18/02	7,139
	18,152,400	1/09/03	(9,911)
	22,692,600	3/14/03	(7,894)
	15,004,800	5/12/03	(4,562)
	20,682,880	5/28/03	(1,823)
	155,212,800	6/13/03	(10,369)
	136,737,900	7/07/03	31,983
	13,891,200	9/03/03	4,083
Mexican Peso	16,104,490	3/05/03	135,100
	1,162,920	3/14/03	10,116
New Zealand Dollar	241,488	3/05/03	(11,638)
	279,265	4/22/03	(8,414)
	504,819	5/12/03	(11,620)
Norwegian Krone	2,577,288	3/14/03	(56,922)

FOREIGN CURRENCY	COST	CONTRACT VALUE DATE	UNREALIZED GAIN/(LOSS)
Pound Sterling	105,619	10/18/02	(15,146)
	293,994	11/12/02	(39,034)
	964,148	11/29/02	(154,022)
	14,008	12/16/02	(1,830)
	92,153	1/09/03	(13,412)
	143,200	3/05/03	(22,124)
	481,772	3/14/03	(76,899)
	78,588	3/31/03	(11,714)
	181,691	5/12/03	(20,726)
	105,057	6/13/03	(12,027)
Singapore Dollar	90,075	10/18/02	(714)
	181,620	11/29/02	(2,311)
	73,000	12/16/02	(1,132)
	183,470	1/09/03	(3,409)
	436,750	7/07/03	3,353
	340,000	8/01/03	4,983
Swedish Krona	848,120	10/18/02	(11,335)
	320,382	11/12/02	(4,441)
	324,690	11/29/02	(4,865)
	3,688,755	3/31/03	(42,625)
	1,689,968	4/22/03	(19,602)
	989,350	8/15/03	(4,309)
Swiss Franc	277,984	10/18/02	(16,789)
	280,245	10/28/02	(18,371)
	657,800	11/29/02	(42,520)
	752,670	12/30/02	(56,783)
	230,888	1/09/03	(15,497)
	200,412	1/27/03	(15,030)
	185,823	3/05/03	(15,310)
	282,999	3/14/03	(20,881)
	2,096,136	3/31/03	(154,397)
	347,718	4/10/03	(24,680)
	245,865	4/22/03	(15,982)
	502,550	5/28/03	(19,542)
	418,500	6/13/03	(12,856)
			$ (1,801,991)
Net Unrealized (Loss) on Forward Exchange Contracts			$ (1,791,855)

Notes to Financial Statements

1. Description of the Fund

Tweedy, Browne International Value Fund (the "International Sub-Fund") is a separate investment portfolio of Tweedy, Browne Value Funds (the "Fund"). The Fund is an investment company organized under the laws of the Grand Duchy of Luxembourg as a *Société d'Investissement à Capital Variable*. Within each Sub-Fund, two classes of shares are established, one class issued to the investors (the "Investor Shares") and the other class issued exclusively for the benefit of the members of the Investment Manager (the "Manager Shares").

The Fund is registered pursuant to Part I of the Law of March 30, 1988 on undertakings for collective investment and is an undertaking for the Collective Investment in Transferable Securities ("UCITS") in the meaning of the Council Directive EEC/85/611 ("UCITS Directive"). The Fund was incorporated on October 30, 1996 and commenced operations on November 1, 1996. The International Sub-Fund previously existed as an investment company incorporated under the laws of the Netherlands Antilles under the name of Tweedy, Browne (USA) N.V.

The consolidated accounts, as well as accounts for each Sub-Fund of the Fund, are available upon request from the Administrator at the registered office of the Fund.

2. Significant Accounting Policies

These financial statements are presented in accordance with generally accepted accounting principles in Luxembourg. The preparation of financial statements in accordance with generally accepted accounting principles 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.

Portfolio Valuation

Investments in securities listed or dealt in on any stock exchange is based on the last available price on the stock exchange which is normally their principal market. The value of securities dealt in on any other regulated market that operates regularly and is recognized and is open to the public (a “Regulated Market”) is based on the last available price. In the event that any assets are not listed or dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange, or other Regulated Market as aforesaid, the price is not representative of the fair market value of the relevant assets, the value of such assets is based on the reasonably foreseeable sales price determined prudently and in good faith by or under procedures established by the Board of Directors.

Foreign Currency Translation

The books and records of International Sub-Fund are maintained in U.S. dollars. The value of all assets and liabilities not expressed in the base currency is converted into the base currency at rates last quoted by any major bank or by Reuters America Inc. In the event that an exchange rate is not available for a particular currency on a valuation date, the last quoted exchange rate will be used. If such quotation is not available, the rate of exchange is determined in good faith by or under procedures established by the Board of Directors.

Securities Transactions and Net Investment Income

Securities transactions are recorded as of the trade date. Dividend income is recorded on the ex-dividend date and interest is recorded on the accrual basis as earned. Realized gains and losses from securities transactions are recorded on the historical cost basis using the first-in, first-out or the specific identification method.

Distribution to Investors

All shares are issued as capitalization shares that capitalize their entire earnings. Accordingly, it is not anticipated that any net income or capital gains of the USA Sub-Fund will be distributed to investors.

3. Performance Increment

Two classes of shares have an interest in the International Sub-Fund: the class of investor shares (“Investor Shares”) and a class beneficially owned by the members or affiliates of the Investment Manager (“Manager Shares”). At the end of each fiscal year, the Manager Shares are entitled to be attributed, out of the net assets of the International Sub-Fund, a portion of the International Sub-Fund’s annual performance (the “Performance Increment”). The Performance Increment accrual for the International Sub-Fund is 20% of the overall increase in the net asset value per Investor Share of the USA Sub-Fund above the highest preceding net asset value per Investor Share of the International Sub-Fund on any prior year end multiplied by the number of Investor Shares of the Fund outstanding on such valuation date. The Performance Increment account is invested by the Investment Manager in the same manner as the other assets of the Fund and participates in the profits and losses of the Fund. A portion of the Performance Increment otherwise due to the Manager Shares is payable to certain sellers under an arrangement between the Fund and the sellers. The amounts due to the sellers are paid directly by the Fund but have no effect on the Investor Shares.

For the purpose of calculating the net asset value of the Investor Shares in the International Sub-Fund on each valuation date, the Performance Increment for the International Sub-Fund to such date is calculated and contingently accrued. The Performance Increment, less an amount of $6,334 allocated to the sellers as sellers' commission (the "Net Performance Increment"), is definitively calculated and credited to the Manager Shares on the last day of the International Sub-Fund's fiscal year. Any decrease in the net asset value per Investor Share for the International Sub-Fund from the highest preceding net asset value must be made up before Manager Shares may again be credited with a Performance Increment. Since the Performance Increment is accrued as a contingent liability of the USA Sub-Fund on each valuation day, an Investor who redeems shares during the year at a time when there has been an increase in the net asset value per Investor Share (as defined in the preceding paragraph) will in effect pay an incentive fee based on that increase. The net asset value per share for the Manager Shares, at the end of any fiscal year, is equal to such class' share of the net assets of the International Sub-Fund plus the Net Performance Increment divided by the number of Manager Shares outstanding. For the year ended September 30, 2002, there was a Performance Increment of $33,725.

4. Management Fee

The Investment Manager of the Fund is Tweedy, Browne Company LLC ("TBC"). The International Sub-Fund has agreed to pay the Investment Manager an annual fee of one half of one percent of the average net assets at the end of any fiscal year, payable annually in arrears. However, this fee is reduced by the amount by which expenses (as outlined in the Prospectus) exceed 0.4% of the average net asset value. If such deductions reduce the calculated fee below zero, such credit amount is carried forward and applied against the investment management fee to be accrued for the following fiscal years. The investment management fee amounted to $0 for the year ended September 30, 2002.

5. Statements of Portfolio Changes

The schedule of changes in investment portfolio is available at the registered office of the Fund and can be obtained upon request.

6. Organization Costs

The organizational expenses have been fully amortized.

7. Taxation

The International Sub-Fund is not liable for any Luxembourg tax on profits or income, nor are distributions paid by the Fund liable to any Luxembourg withholding tax. The International Sub-Fund is however liable in Luxembourg to a tax of 0.05% per annum (which prior to January 4, 2002 was 0.06%) of its net asset value, such tax being payable quarterly on the basis of the value of the aggregate net assets of the International Sub-Fund at the end of the relevant quarter. No Luxembourg tax is payable on the realized capital appreciation of the assets of the International Sub-Fund.

Dividend and interest income of the International Sub-Fund, and in certain cases its capital gains, may be subject to withholding taxes at source.

8. Forward Exchange Contracts

The International Sub-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 International Sub-Fund as an unrealized gain or loss. When the contract is closed, the International Sub-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 International Sub-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 International Sub-Fund could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts.

Tweedy, Browne International Value Fund

Board of Directors

William H. Browne

Kurt Gubler

Herbert Hart

Investment Manager

Tweedy, Browne Company LLC

350 Park Avenue

New York, New York 10022

Luxembourg Administrator, Custodian and Transfer Agent

State Street Bank Luxembourg S.A.

49, avenue J.F. Kennedy

L-1885 Luxembourg

Auditors

Ernst & Young S.A.

6, rue Jean Monnet

L-2180 Luxembourg

Legal and Tax Advisers

in the United States

Curtis, Mallet-Prevost, Colt & Mosle

101 Park Avenue

New York, New York 10178

in Luxembourg

Arendt & Medernach

8-10 rue Mathias Hardt

Boite Postale 39

L-2010 Luxembourg

Registered Office

49, avenue J.F. Kennedy

L-1885 Luxembourg