

Aegis Financial Corporation

Aegis Value Fund

1100 North Glebe Road Suite #1040

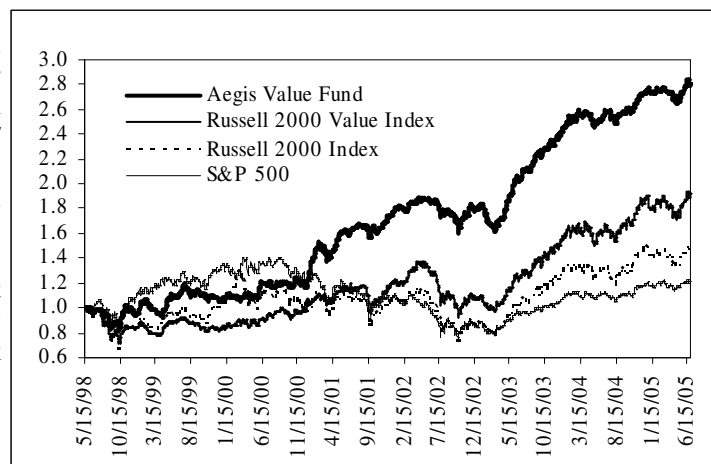
Arlington, Virginia 22201

1-800-528-3780

www.aegisvaluefund.com

Second Quarter 2005 Fact Sheet

The Aegis Value Fund (AVALX) seeks to achieve long-term, above-market returns while minimizing risk of capital loss by investing in well-researched small-cap equities trading at a fraction of their intrinsic worth. We believe markets are inefficient, and are contrarian bottom-up stock selectors. We buy stocks that trade at low price/earnings and price/book value ratios, a segment of the market where academic research has shown returns have historically been significantly higher than the overall market. We look for indications of good capital allocation, strong corporate governance and ethical stewardship. We favor companies that demonstrate management thrift, high insider ownership, share repurchases at low prices, rising dividends, and moderate executive compensation practices. We seek to purchase companies when they are out-of-favor or misunderstood. We hold investments until share prices match or exceed our estimates of intrinsic value.



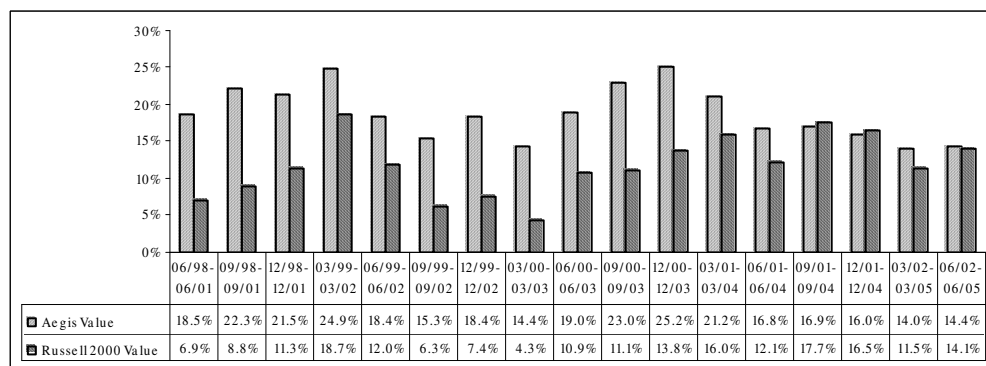
Second Quarter 2005 Update

Since the Aegis Value Fund's inception on May 15, 1998, the Fund has cumulatively returned 181.1 percent, outperforming the S&P 500 by 161.5 percent and the benchmark Russell 2000 and Russell 2000 Value Indexes by 132.7 percent and 89.2 percent respectively. Over the trailing five year period ended June 30, 2005 the Fund returned 18.5 percent annualized, versus -2.4 percent for the S&P 500, 5.7 percent for the Russell 2000, and 16.1 percent for the Russell 2000 Value Index. The following chart provides performance data for rolling three-year periods through the end of the second quarter of 2005. For the quarter ended June 30, 2005 the Aegis Value Fund was up 2.7 percent, outperforming the S&P 500 by 1.3 percent and underperforming the Russell 2000, and Russell 2000 Value Index by 1.6, and 2.4 percent respectively.

Annualized Return as of 06/30/05

Time Period	AVALX	Russell 2000 Value
One Year	8.5%	14.4%
Three Year	14.4%	14.1%
Five Year	18.5%	16.1%
Since Inception	15.6%	9.6%

Aegis Value Fund - Historical Performance (Net)
Rolling Three Year Annualized Returns



The Aegis Value Fund continues to be managed under strict investment parameters as a small-cap value fund. As of June 30, 2005, the Fund was 62.7 percent invested in 68 different domestic equities, 6 foreign stocks listed on U.S. exchanges, 2 domestic preferred stocks, and 1 warrant.* Of the equities in our portfolio, the dollar weighted average market capitalization was \$776.4 million. The portfolio of equities traded at a price book value of 82.9 percent and price to revenues of 28.9 percent. The Fund is most heavily invested in the Services, Financial, Consumer Staple, and Industrial Cyclical sectors. The cash level of the Fund during the quarter averaged 42.0 percent of total assets due to a lack of compelling new investments. We aim to reduce downside risk in the Fund by investing cash judiciously and in accordance with our investment discipline. For a more in depth discussion of our current defensive position, please read our Advisor's Report for the fiscal year ended August 31, 2004.

Performance data quoted represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. The investment return and principal value will fluctuate so that upon redemption, an investor's shares may be worth more or less than their original cost. For performance data current to the most recent month end, please call us at 800-528-3780 or visit www.aegisvaluefund.com. The Fund has an annualized expense ratio of 1.41%.

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Portfolio Statistics As of June 30, 2005

Asset Breakdown

<u>Security Type</u>	<u>% Of Portfolio Value</u>
Domestic Common Stock	53.7%
Foreign Stocks Listed on U.S. Exchange	8.6%
Warrants	0.0%
Preferred Stock	0.3%
Cash and U.S. Treasuries	<u>37.4%</u>
	<u>100.0%</u>

Sector Breakdown

<u>Sectors</u>	<u>% Of Equity Portfolio Value</u>
Services	18.7%
Financial	15.8%
Consumer Staple	14.3%
Industrial Cyclical	11.2%
Material	8.5%
Consumer Durable	7.3%
Real-Estate	5.0%
Retail	4.3%
Transportation	4.0%
Utility	3.3%
Consumer Cyclical	3.2%
Capital Goods	2.8%
Technology	1.0%
Healthcare	0.2%
Energy	<u>0.2%</u>
Total	<u>100.0%</u>

Top Five Holdings

<u>Security</u>	<u>% Of Portfolio Value</u>
Alliance One International Inc.	4.5%
Ryerson Tull Inc.	3.3%
PMA Capital Corp. Cl. A	3.2%
Lubys. Inc.	3.1%
PXRE Group Ltd.	2.6%

% of Assets in Top Ten Holdings - 27.5%

Valuation—Price-to-Book

<u>Price to Book Value</u>	<u>% Of Equity Portfolio Value</u>
Less Than 50%	4.7%
50% To 100%	60.9%
100% To 150%	23.8%
Greater Than 150%	<u>10.6%</u>
Total	<u>100.0%</u>

Valuation—Price-to-Revenue

<u>Price to Revenue</u>	<u>% Of Equity Portfolio Value</u>
0% To 50%	49.1%
50% To 100%	36.1%
100% To 200%	8.3%
Greater than 200%	<u>6.6%</u>
Total	<u>100.0%</u>

Market Capitalization

<u>Market Cap.</u>	<u>% Of Equity Portfolio Value</u>
\$0 To \$50	2.0%
\$50 To \$100	8.5%
\$100 To \$200	24.1%
\$200 To \$500	29.9%
\$500 To \$1,000	17.1%
\$1000 To \$1,500	5.0%
Greater than \$1,500	<u>13.4%</u>
Total	<u>100.0%</u>

The Aegis Value Fund is offered by prospectus only. The investor should consider the Fund's investment objectives, risks, charges, and expenses. The prospectus contains this and other information about the Fund and should be read carefully before investing. To obtain a copy of the prospectus, please call us at 1-800-528-3780 or visit www.aegisvaluefund.com.