



**Ruane,  
Cunniff &  
Goldfarb**

July 3, 2019

Dear Sequoia Shareholders and Clients:

For the second quarter of 2019, Sequoia Fund generated a total return of 5.51%<sup>1</sup>, net of fees, versus a 4.30% return for the Standard & Poor's 500 Index. The Fund generated a 20.99% total return year-to-date through June 30, 2019 versus a 18.54% return for the Index.

June 30 marks our three-year track record, a milestone for the investment committee. Since June 30, 2016, the first full quarter under committee management, Sequoia Fund generated a total return of 51.70%, net of fees, versus 48.89% for the S&P 500. This is a result with which we are pleased, but not satisfied. Outperformance is our expectation, and our definition of a meaningful long-term investment horizon stretches far beyond three years. So while we are encouraged by what we have accomplished over the last three years, we have much left to prove. Meeting the very high standard of performance that the Fund has achieved over what will soon be fifty years is a considerable challenge, but one we relish. Having invested liberally in our team and research resources over the past few years, we think we are well-equipped to tackle it and thus look forward to the Fund's next several years with optimism.

In the meantime, we want to thank the hundreds of shareholders and clients who attended our 2019 annual investor day on Friday, May 17. For those who couldn't make it, we hope that the attached transcript serves as a useful mid-year update on our Firm, our holdings and our approach to investing. You can also find the slides referenced during our meeting on our website, [www.ruanecunniff.com](http://www.ruanecunniff.com). Mark your calendars: next year's annual meeting will take place on Friday, May 15, 2020.

We continue to acquire shares in a new investment that we will discuss once our purchases are complete. Otherwise there was no material activity during the quarter.

As ever, we are grateful for the continued support of our clients and shareholders.

Sincerely,

The Ruane Cunniff Investment Committee

Arman Gokgol-Kline

John B. Harris

Trevor Magyar

D. Chase Sheridan

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<sup>1</sup>The performance data for the Fund shown above represents past performance and assumes reinvestment of dividends. Past performance does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The Fund's 1-year, 5-year and 10-year average annual total returns through June 30, 2019 were 9.95%, 5.41% and 12.06%, respectively. Current performance may be lower or higher than the performance data quoted. Performance data current to the most recent month-end can be obtained by calling DST Systems, Inc. at (800) 686-6884.

## Disclosures

Please consider the investment objectives, risks and charges and expenses of Sequoia Fund Inc. (the “Fund”) carefully before investing. The Fund's prospectus contains this and other information about the Fund. You may obtain a copy of the prospectus at [www.sequoiafund.com](http://www.sequoiafund.com) or by calling 1-800-686-6884. Please read the prospectus carefully before investing. Shares of the Fund are distributed by Foreside Financial Services, LLC (Member FINRA).

Sequoia Fund, Inc. – June 30, 2019	
Top Ten Holdings*	
Alphabet, Inc.	10.2%
Berkshire Hathaway, Inc.	8.9%
CarMax, Inc.	7.9%
MasterCard, Inc.	7.2%
Constellation Software, Inc.	6.8%
Credit Acceptance Corp.	5.0%
Jacobs Engineering Group	4.6%
Liberty Media Corp.	4.3%
Facebook, Inc.	4.1%
Liberty Broadband	4.0%

\* The Fund's holdings are subject to change and are not recommendations to buy or sell any security. The percentages are of total assets.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Fund may be offered only to persons in the United States and by way of a prospectus. Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment):

Management Fees	1.00%
Other Expenses	0.06%
Total Annual Fund Operating Expenses	1.06%
Expense Reimbursement by Investment Adviser*	-0.06%
Net Annual Fund Operating Expenses	1.00%

\* It is the intention of Ruane, Cunniff & Goldfarb L.P. (the “Adviser”) to ensure the Fund does not pay in excess of 1.00% in Net Annual Fund Operating Expenses. This reimbursement is a provision of the Adviser's investment advisory contract with the Fund and the reimbursement will be in effect only so long as that investment advisory contract is in effect. For the year ended December 31, 2018, the Fund's annual operating expenses and investment advisory fee, net of such reimbursement, were 1.00% and 0.94%, respectively.

The Fund is non-diversified, meaning that it invests its assets in a smaller number of companies than many other funds. As a result, an investment in the Fund has the risk that changes in the value of a single security may have a significant effect, either negative or positive, on the Fund's net asset value per share.

The S&P 500 Index is an unmanaged capitalization-weighted index of the common stocks of 500 major US corporations. The Index does not incur expenses. It is not possible to invest directly in the Index.