

**AKRE CAPITAL MANAGEMENT, LLC**  
**CHUCK AKRE PORTFOLIO**



**Portfolio Date: 2018-09-30**  
Updated on 2018-11-16

**Portfolio Overview**

Portfolio:	Akre Capital Management, LLC
Fund Type:	Mutual Fund Company
Portfolio Date:	2018-09-30
Number of Stocks:	24
Equity Value:	\$8.57 Billion
Number of New Buys:	1
Q/Q Turnover:	4%

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# I. Portfolio Overview, Profile

## Portfolio Overview

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## Profile

Chuck Akre is the founder of Akre Capital Management LLC. As of 2007, his firm manages \$2.6 billion. He has been in the securities business since 1968, and continues to be the primary person responsible for his firm's investment advisory services and investment selection. Akre also serves as sub-advisor of FBR Small Cap. He was named to Barron's "Top 100 Mutual Fund Managers" list from 2003-2006, one of only two small cap growth managers to make the list four consecutive years.

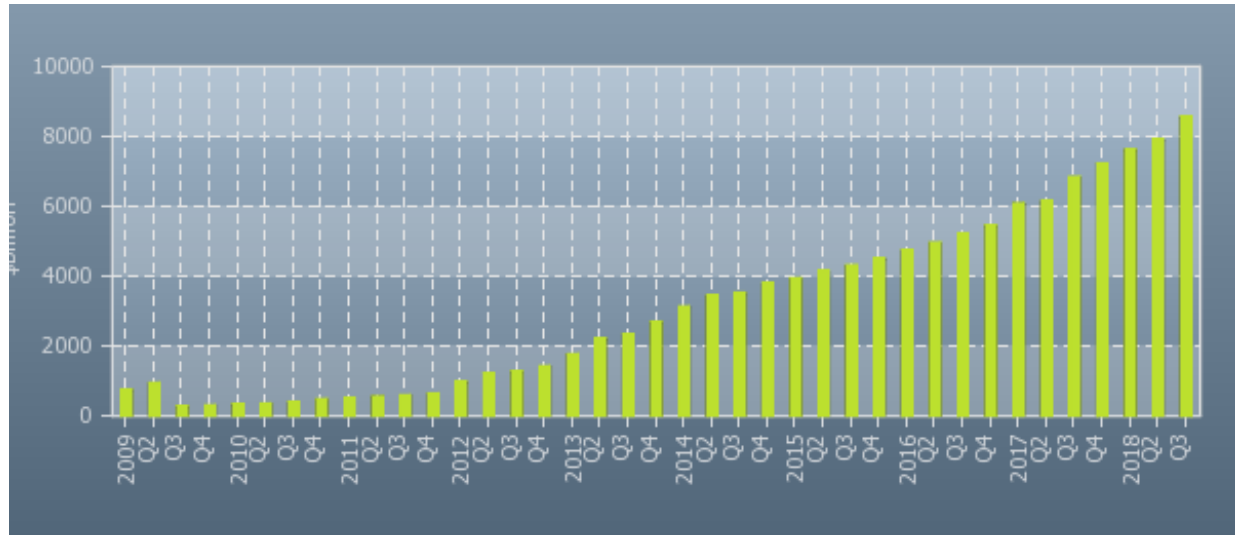
## Investing Philosophy

Chuck Akre employs a classic value approach in selecting companies for his portfolio. He likes to buy companies with strong business model demonstrating consistent earnings growth, high return on equity or high compound growth rate in book value per share. He also looks at the quality of the management. Ackre likes companies with a return on equity above 15%, shareholder friendly management, and a price to free cash flow ration below 15. Chuck Akre's portfolio turnover is remarkably low. His portfolio is also concentrated, with about 40 stocks, and his top four holdings typically make up over 40% of assets.

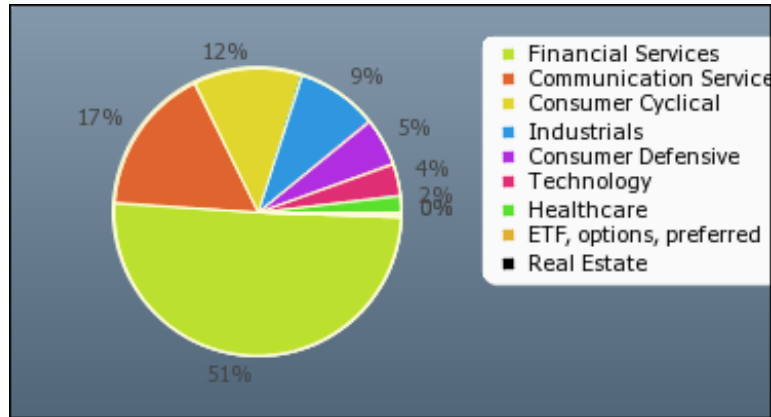
## II. Performance of Akre Capital Private Asset Man

Year	Return (%)	S&P 500 (%)	Excess Gain (%)
2011	11.53	1.9	9.6
2010	18.5	15.05	3.4
2009	37.54	26.35	11.2
2008	-42.92	-36.79	-6.1
2007	6.53	5.14	1.4
<b>5-Year Cumulative (Average)</b>	<b>10.5 (2%/year)</b>	<b>-1.6 (-0.3%/year)</b>	<b>12.1 (2.3%/year)</b>
2006	25.38	15.85	9.5
2005	5.09	4.83	0.3
2004	46.02	10.7	35.3
2003	40.26	28.19	12.1
2002	-3.49	-21.58	18.1
<b>10-Year Cumulative (Average)</b>	<b>187.9 (11.2%/year)</b>	<b>33 (2.9%/year)</b>	<b>154.9 (8.3%/year)</b>
2001	2.4	-11.76	14.2
2000	5.57	-9.75	15.3
1999	2.38	20.4	-18.0
1998	27.14	28.7	-1.6
1997	30.05	33.47	-3.4
<b>15-Year Cumulative (Average)</b>	<b>426.8 (11.7%/year)</b>	<b>119.1 (5.4%/year)</b>	<b>307.7 (6.3%/year)</b>
1996	19.69	22.49	-2.8
1995	52.47	38.04	14.4
1994	2.93	0.4	2.5
1993	6.3	10.08	-3.8
1992	14.74	7.62	7.1
<b>20-Year Cumulative (Average)</b>	<b>1106.9 (13.3%/year)</b>	<b>340.7 (7.7%/year)</b>	<b>766.2 (5.6%/year)</b>
1991	38.32	30.47	7.9
1990	-6.88	-3.1	-3.8
1989	0.33	31.69	-31.4

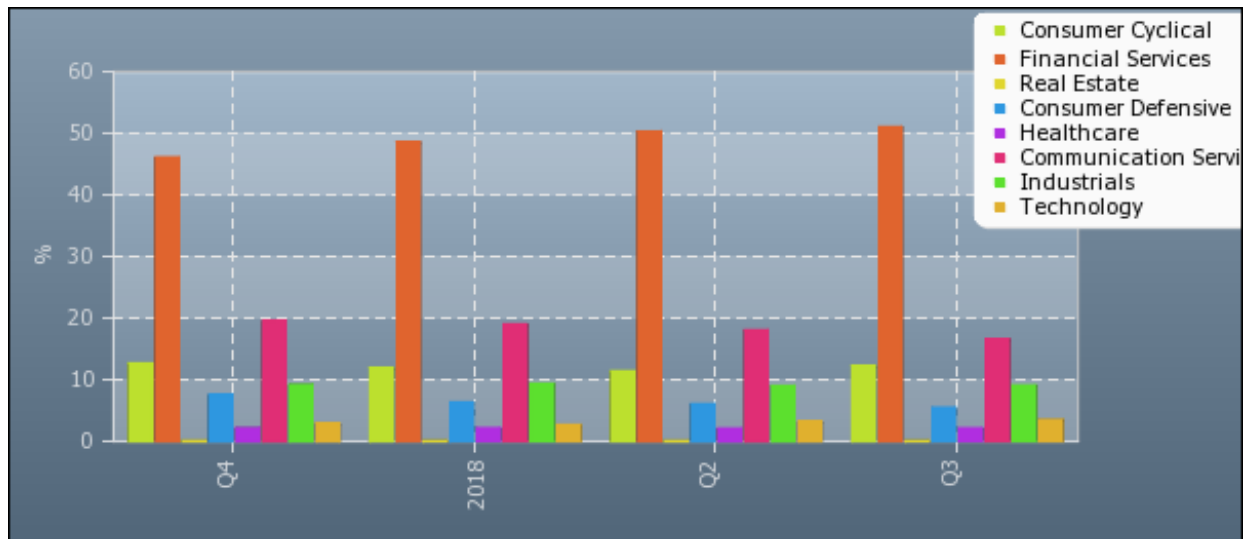
### III. Historical Total Value (\$Billion) of Filings



## IV. Industry/Sector Overview



## V. Industry/Sector Shift in Past 12 Months



## VI. Top Holdings (Up to 25)

These are the top holdings of Chuck Akre as of 2018-09-30 in the order of significance.

Ticker	Company	Shares (1000)	Value (\$Mil)	Weighting (%) ↓	Share # Change from Last Period	Current Price (\$)	Price Change Since Quarter End (%)
<a href="#">MA</a>	Mastercard Inc	5,327	1,186	13.85%	-0.05%	199.04	-10.6%
<a href="#">AMT</a>	American Tower Corp	7,068	1,027	11.99%	-0.05%	163.98	12.9%
<a href="#">MCO</a>	Moody's Corporation	5,682	950	11.09%	-0.02%	147.25	-11.9%
<a href="#">V</a>	Visa Inc	4,887	734	8.56%		140.18	-6.6%
<a href="#">ORLY</a>	O'Reilly Automotive Inc	1,887	655	7.65%	-0.05%	352.60	1.5%
<a href="#">MKL</a>	Markel Corp	513	610	7.12%	-0.06%	1108.66	-6.7%
<a href="#">ROP</a>	Roper Technologies Inc	1,559	462	5.39%	-0.03%	297.79	0.5%
<a href="#">DLTR</a>	Dollar Tree Inc	5,086	415	4.84%	+1.06%	84.20	3.2%
<a href="#">SBAC</a>	SBA Communications Corp	2,465	396	4.62%		172.02	7.1%
<a href="#">KMX</a>	CarMax Inc	5,254	392	4.58%		62.03	-16.9%
<a href="#">VRSK</a>	Verisk Analytics Inc	2,543	307	3.58%	-0.04%	123.83	2.7%
<a href="#">KKR</a>	KKR & Co Inc	10,000	273	3.18%		21.83	-19.9%
<a href="#">UBNT</a>	Ubiquiti Networks Inc	2,680	265	3.09%		111.43	12.7%
<a href="#">ESGR</a>	Enstar Group Ltd	1,170	244	2.85%	-11.18%	177.17	-15.0%
<a href="#">DHR</a>	Danaher Corp	1,655	180	2.1%		103.20	-5.0%
<a href="#">AMTD</a>	TD Ameritrade Holding Corp	2,968	157	1.83%		52.32	-1.0%
<a href="#">FOCS</a>	Focus Financial Partners Inc	2,750	131	1.52%	New Buy	31.22	-34.2%
<a href="#">BRK.B</a>	Berkshire Hathaway Inc	286	61	0.72%	-0.17%	218.41	2.0%
<a href="#">PRMW</a>	Primo Water Corp	2,843	51	0.6%		14.94	-17.2%
<a href="#">ALRM</a>	Alarm.com Holdings Inc	601	34	0.4%		48.00	-16.4%
<a href="#">BRK.A</a>	Berkshire Hathaway Inc	0	13	0.16%		328350.00	2.6%
<a href="#">DHIL</a>	Diamond Hill Investment Group Inc	66	11	0.13%		175.53	6.1%
<a href="#">BOMN</a>	Boston Omaha Corp	264	8	0.09%	-24.62%	25.43	-15.0%
<a href="#">LAMR</a>	Lamar Advertising Co	49	4	0.04%		76.97	-1.1%

## VII. Top Purchases of Chuck Akre

These are the top purchases of Chuck Akre as of 2018-09-30 in the order of significance.

Ticker	Company	Current Shares (1000)	Value (\$Mil)	Impact to Portfolio (%) ↓	Share # Change from Last Period	Average Cost	Current Price (\$)	Price Change(%)
<a href="#">FOCS</a>	Focus Financial Partners Inc	2,750	86	1.52%	New holding	\$42.68	\$31.22	-26.9%
<a href="#">DLTR</a>	Dollar Tree Inc	5,086	428	0.05%	Add 1.06%	\$87.62	\$84.20	-3.9%

## VIII. Top Sales of Chuck Akre

These are the top sales of Chuck Akre as of 2018-09-30 in the order of significance.

Ticker	Company	Current Shares (1000)	Value (\$Mil)	Impact to Portfolio (%) ↓	Share # Change from Last Period	Average Cost	Current Price (\$)	Price Change(%)
<a href="#">ESGR</a>	Enstar Group Ltd	1,170	207	-0.39%	Reduce -11.18%	\$212.2	\$177.17	-16.5%
<a href="#">BOMN</a>	Boston Omaha Corp	264	7	-0.02%	Reduce -24.62%	\$23.66	\$25.43	7.5%
<a href="#">AMT</a>	American Tower Corp	7,068	1,159	-0.01%	Reduce -0.05%	\$146.65	\$163.98	11.8%
<a href="#">MA</a>	Mastercard Inc	5,327	1,060	-0.01%	Reduce -0.05%	\$208.61	\$199.04	-4.6%
<a href="#">MKL</a>	Markel Corp	513	569	-0%	Reduce -0.06%	\$1176.81	\$1108.66	-5.8%
<a href="#">BRK.B</a>	Berkshire Hathaway Inc	286	62	-0%	Reduce -0.17%	\$205.18	\$218.41	6.4%
<a href="#">MCO</a>	Moody's Corporation	5,682	837	-0%	Reduce -0.02%	\$175.87	\$147.25	-16.3%
<a href="#">ORLY</a>	O'Reilly Automotive Inc	1,887	665	-0%	Reduce -0.05%	\$318.41	\$352.60	10.7%
<a href="#">ROP</a>	Roper Technologies Inc	1,559	464	-0%	Reduce -0.03%	\$294.65	\$297.79	1.1%
<a href="#">VRSK</a>	Verisk Analytics Inc	2,543	315	-0%	Reduce -0.04%	\$116.35	\$123.83	6.4%

## IX. Top Bargain Candidates of Chuck Akre

Chuck Akre bought these stocks in the quarter ended on 2018-09-30. You can buy these stocks at lower prices.

Ticker	Company	Current Shares (1000)	Value (\$Mil)	Impact to Portfolio (%)	Share # Change from Last Period	Average Cost	Current Price (\$)	Price Change(%) ↓
<a href="#">FOCS</a>	Focus Financial Partners Inc	2,750	86	1.52%	New holding	\$42.68	\$31.22	-26.9%

## X. Consensus Picks of Chuck Akre and Other Gurus

These are the stocks that Chuck Akre bought. They are also bought by other Gurus tracked by GuruFocus.

Ticker	Company	Current Shares (1000)	Value (\$Mil)	Impact to Portfolio (%) ↓	Share # Change from Last Period
<a href="#">FOCS</a>	Focus Financial Partners Inc	2,750	130,515	152%	10000.00

## XI. International Stocks

These are the international stocks in the portfolio of Chuck Akre.

Ticker	Company	Country/Region	Shares (1000)	Value (\$Mil)	Weighting as of 2018-09-30 (%)	Share # Change from Last Period
<a href="#">ESGR</a>	Enstar Group Ltd	Bermuda	0.0	248,213.3	2.85%	-11.18%
<a href="#">MA</a>	Mastercard Inc	USA	0.0	1,111,299.9	13.85%	-0.05%
<a href="#">AMT</a>	American Tower Corp	USA	0.0	1,036,529.2	11.99%	-0.05%
<a href="#">MCO</a>	Moody's Corporation	USA	0.0	999,226.7	11.09%	-0.02%
<a href="#">V</a>	Visa Inc	USA	0.0	694,969.8	8.56%	
<a href="#">ORLY</a>	O'Reilly Automotive Inc	USA	0.0	600,937.4	7.65%	-0.05%
<a href="#">MKL</a>	Markel Corp	USA	0.0	603,809.5	7.12%	-0.06%
<a href="#">ROP</a>	Roper Technologies Inc	USA	0.0	459,416.5	5.39%	-0.03%
<a href="#">DLTR</a>	Dollar Tree Inc	USA	0.0	445,638.4	4.84%	+1.06%
<a href="#">SBAC</a>	SBA Communications Corp	USA	0.0	392,896.3	4.62%	

## XII. Comments by Chuck Akre on Stocks in the Portfolio

### Chuck Akre Comments on Dollar Tree

The five largest detractors from performance this quarter were Constellation Software, Dollar Tree, Moody's, SBA Communications, and TD Ameritrade. Across the board, our long-term investment theses are largely unchanged. Mainly, the stock price movements were around quarterly noise. At Dollar Tree ([NASDAQ:DLTR](#)), all eyes are on the lackluster Q2 performance of the Family Dollar business, acquired three years ago. Dollar Tree has made good progress on cost structure and consumables merchandising despite a difficult competitive environment. However, successful merchandising of non-consumable items remains elusive. Long-time company insider Gary Philbin just entered his second year as CEO and captain of this ship. We take a long view and see durable advantages of the business extending many, many years. But Gary's leadership is central to the opportunity.

From [Chuck Akre \(Trades, Portfolio\)](#)'s Akre Focused Fund third quarter 2018 [shareholder commentary](#).

### Chuck Akre Comments on Dollar Tree

Dollar Tree ([NASDAQ:DLTR](#))'s share price took its second consecutive hit on a quarterly earnings release, primarily due to disappointment over Family Dollar's sales performance. We remain confident in Dollar Tree to continue its improvement in Family Dollar and note that this is the largest integration in retail history based on the number of stores. Improvement at Family Dollar will not be linear.



From [Chuck Akre \(Trades, Portfolio\)](#)'s second quarter 2018 Akre Focus Fund shareholder [letter](#).

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