Kinetics Mutual Funds
Second Quarter 2015 - Conference Call with Peter Doyle
July 7, 2015

Disclosures:

Kinetics Asset Management LLC ("Kinetics") is pleased to announce that on July 7, 2015, Peter Doyle, Chief Investment Strategist for Kinetics Mutual Funds, Inc. hosted a conference call to financial advisors. The transcript set forth below is intended to provide a summary of Mr. Doyle's remarks.

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Options contain special risks, including the imperfect correlation between the value of the option and the value of the underlying asset. In addition, investing in foreign securities involves more risk than does investing in U.S. investments, including the risk of currency fluctuations, political and economic instability and differences in financial reporting standards. There may also be heightened risks investing in non-investment grade debt securities and the use of options. Also, there are risks associated with investing in small and medium size companies. Unlike other investment companies that directly acquire and manage their own portfolios of securities, the Funds pursue their investment objectives by investing all of their investable assets in a corresponding portfolio series of Kinetics Portfolio Trust.

The S&P 500 Index represents an unmanaged, broad-based basket of stocks. It is typically used as a proxy for overall market performance. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The Barclays 1-3 U.S. Credit Bond Index is composed of investment grade U.S. credit securities with a maturity between one and three years. The Barclays U.S. Aggregate Bond Index is composed of the Barclays U.S. Government/Corporate Bond Index, Mortgage-Backed Securities Index, and Asset-Backed Securities Index, and includes securities that are of investment grade quality or better, have at least one year to maturity, and have an outstanding par value of at least $100 million. An investor cannot invest directly in an index.

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Bob Uly: Good morning to everyone, and thank you for attending today's conference call. I'd like to remind everyone that there is a wealth of information available for you on our two websites, www.kineticsfunds.com, where you can find presentations on all of our mutual funds, including the Paradigm Fund, Small-Cap Opportunities Fund, Medical Fund, and Multi-Disciplinary Income Fund, and our other website, www.horizonkinetics.com, which has a variety of different research reports and white papers that you can read and utilize, along with the presentations on the various investment strategies that we offer at Horizon Kinetics.

During the quarter, we published two very interesting and informative research reports, the first titled "Under the Hood: What's In Your Index?; International Diversification: Bet You Don't Know How Much You've Got." It examines how the largest 100 companies in the S&P 500 Index have foreign revenues ranging, on average, from 26-39%. The second report is titled, "Equity as a Bond Substitute," which analyzes how, in this world of low interest rates, income-dependent investors have gravitated to one popular alternative, the iShares Core High Dividend ETF (ticker: HDV), and discusses the ramifications for those investors. If you're interested in receiving any of these reports, please call or email Chris Bell, Marc Schumacher, Tom Gormley, Jimmy McShane, or me, or your HRC representative, and we'll ensure that you receive a copy.

We have both Peter Doyle and James Davolos with us today. James is one of our portfolio managers, who will add some attribution analysis along with some comments on some of our top holdings. With that, I'd like to introduce Peter Doyle, one of our co-founders and the President of Kinetics Mutual Funds, Inc., who will provide us with a market overview and portfolio comments.

Peter Doyle: Thank you, Bob. And thank you, everyone, for joining us today. I'm continually impressed with our entire wholesaling staff's level of knowledge regarding the individual holdings in our portfolios, who is running the companies, and any relevant new reports affecting those companies. One thing I thought I'd expand upon was what led us to this point in terms of valuations and how people are putting money to work in the market: it's really the story of the rise of indexation.

Over the last two generations, the academic community has helped shift the portfolio management industry towards the belief that a basket of stocks chosen without research and without regard to valuation will deliver results that are superior to a concentrated portfolio of businesses that have thoroughly been researched and are trading at attractive valuations. We categorically reject that notion. And we offer a clear dividing line between what the academic community and what most investment professionals are doing today and what we are actually doing. Therefore, if you want to be off the beaten path, then we believe the Kinetics Mutual Funds are certainly the place to be.

For example, our flagship product, the Paradigm Fund, has a 99% market active share[1]. Active share is a measure of the percentage of holdings in a portfolio that differ from a benchmark index, and 99% is about as high as you can possibly get relative to the S&P 500 Index ("S&P 500"). Further, as of March 31—and it's not radically different through today—the top 10 positions in the Paradigm Fund account for roughly 55% of the assets in the Fund. That means that we're concentrated and that we're actually doing something radically different than overall market proxy benchmarks.

It logically follows, that, if you're doing something radically different, then you will have wide deviation from the benchmark. And it further follows that there will be some periods of time when you will underperform and some periods of time when you will outperform. However, if you subscribe to our belief that better returning businesses with more attractive valuations will ultimately outperform, then it pays to remain patient. During the last 15 years that the Paradigm Fund has been up and running, we have underperformed the benchmark, as measured by the S&P 500, in just three of those years, and our long-term performance is actually quite good.

Over the last six or seven years in particular, there's been quite a flood of money coming into exchange traded funds ("ETFs"). And that's just another name for indexation. Those ETFs are truly rules-based. And I know we've spoken about this before, but I think it requires further commentary. The sponsors of those ETFs are going to buy securities based on those rules, irrespective of the valuations. If money is flowing into a sector ETF, for example, then that ETF is going to go out and buy those securities whether they trade at 5x earnings, 15x earnings, or 35x earnings. And, as a result, you're seeing the

[1] Active Share is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index.

stock prices of companies that really have had very poor business results over the last several years still increasing, and skewing valuations.

In our opinion, it's very hard for investors to achieve good long-term results if their basic, fundamental methodology is that investing in rules-based indexed products is the solution. We're of the belief that that is going to come to an end. And it's going to come to an end for the very simple reason that, 1) the businesses actually have to produce and if they don't produce, people are going to become dissatisfied, and the stock prices are going to reflect that. And 2) as more and more money has flowed into indexation, the pricing of those indexed products has come down rather dramatically.

As a result of the fee compression, more and more institutions are looking to allocate assets using a combination of what we call active and passive. They might use passive for the bulk of their exposures to an asset class, but they're still going out and finding active managers who historically have set the prices at the margins and have determined where the securities trade, in order to be allowed to charge more to their clients. If you're going to put somebody in the S&P 500 and you can get that exposure for roughly five basis points, it is very hard to justify a 1% management fee. Unless you find somebody that's doing something a little bit different, and actually providing true diversification, you're not going to be able to charge a premium price for your product or your services. Now, we're starting to see some of that backlash. And if that backlash continues, then the pricing at the margin will be set by the active value managers, which is the way it has been historically. We believe that puts us in good stead.

With that, I'm going to stop and allow James to talk about some of the dynamics that have occurred in the low interest rate environment of the last several years, and then he'll delve into some portfolio names.

James Davolos: Thanks, Peter, and thank you everybody for joining us on this call. Before looking forward, I want to take a quick look back over the last five years, going back to the end of 2009 through the second quarter of 2015. And throughout this period, the total return (inclusive of dividends), for the S&P 500, the NASDAQ Composite, and the Russell 2000 Index have ranged from slightly greater than 14% per year to slightly less than 17% per year. Now, obviously, we were coming from a very low base in terms of earnings and valuations. But we believe that to expect these types of returns going forward for the markets, particularly the large-cap equity markets, is completely unrealistic. The reason is primarily that, over the past five-year period, we have had very low interest rates, a very low tax rate environment in the United States, and we have also had government expenditures that, given the current budgetary constraints, are not sustainable.

Simply, what we believe is that people cannot extrapolate from past returns and expect those returns in the future. We can even go back over a further sampling of time, over which academics might have quoted an equity rate of return somewhere in the 10% range over the long term. Now, yes, I do think that you can earn double-digit returns in equity markets over the long term, but, when you look at the size, the margins, the both geographical and product penetration of many of the companies that are in the leading indices in the world, to expect sustained double-digit growth in any of these metrics, barring rapid valuation expansion, is just unrealistic.

Now, moving forward, I believe that, even though it's a very complex business that we're in in terms of equity investing, it can really be broken down into two variables that dictate equity returns. One is earnings or cash flow growth, and the other is interest rates. We can address earnings growth a little bit later, but right now we'll focus on interest rates. Interest rates, in terms of equity valuations, have historically been the present discount rate on future earnings. But that should also, especially right now, in a sustained low interest rate environment, needs to be viewed within the perspective of dividend yields. We look at this in terms of equity prices currently being driven by yields in many asset classes, meaning different types of equity asset classes, which are really detached from the fundamental returns of the businesses.

If we were to look at some of the highest performing sectors going into this year, we can look at the S&P 500 Utilities Index, which thus far in 2015 has declined over 10.5%, inclusive of a dividend yield of about 3.8%. The MSCI U.S. Real Estate Investment Trust ("REIT") Index has declined over 6% this year, inclusive of a dividend of about 4%. Furthermore, the Alerian Master Limited Partnership ("MLP") Index has declined almost 11% this year, again inclusive of an over 6% dividend yield.

What we're trying to highlight here is simply the fact that right now, equity is being used as a bond substitute, due to the dearth of yields available in conventional and even in high yield fixed income securities. But investors need to be acutely aware of the price volatility potential of equities, particularly as there hasn't been any fundamental shift in these indices. However, as these securities come in and out of favor, there's much more volatility than investors have historically experienced in income-related securities.

With that, I want to move on to another yield-related question: one of the most popular questions that we've been posed, by management and investors, and at different types of conferences and industry events, is, "Is there a bubble right now? And can you define a bubble?" I think that the word "bubble", in terms of an asset bubble, is certainly overused. We view a bubble as a pricing anomaly that is unequivocally unsustainable. With the tech bubble, it was pretty apparent, as many companies were all priced as if they were each going to have a 30% market share in the same industry. Obviously, this is mathematically impossible.

Right now, the first thing that comes to my mind when I think of "bubble," in loose terms, would be the bond market. But when we look at the worldwide bond market of approximately $100 trillion, if we were to normalize at 4-5% interest rates, from current, historically low rates, it would positively devastate the bond market. Hence, we don't think we're going to be able to move off this lower bound rapidly. We don't believe there is a bubble, except for perhaps in some very discrete subsectors of different industries within the equity markets. The greater risk right now, in our opinion, is going to be a lack of returns for an extended period of time, particularly in large-cap stocks that, again, have produced near double-digit rates of return over the long term.

With that, I'm going to highlight two factors that we think are really driving distortions in equity prices. The first one is an interest rate–driven anomaly in pricing. Let's look at two very large index constituents and compare these companies. Apple, Inc., the ubiquitous consumer technology company, right now is trading at a little bit over 13x expected next 12-month earnings. This is based off of analysts' expectations of a 15% long-term growth rate, and the company has a 1.7% dividend yield. And I'll note that that 13x price-earnings ("P/E") multiple is actually lower if you exclude the net cash component of the company.

Now let's compare that calculation to that of another company in the S&P 500, which is Philip Morris International, Inc. ("Philip Morris"). Philip Morris trades at almost 18x expected earnings over the next 12 months, has a nearly 5% dividend yield, and a long-term growth rate, based on analysts' expectations, of about 5%. Hence, using all of these variables, it seems very clear to us that there is a sustained bid for the Philip Morris stock simply because of the fact that they're providing a 5% dividend yield. We don't think this valuation is sustainable—, since the stock is trading at five turns higher than Apple's P/E while having a long-term growth rate that is one-third of Apple's long-term growth rate. We have no idea when this is going to correct, but fundamental analysis would suggest that it will.

Now, let's look at another anomaly, this index-driven phenomenon. For this example, I'm going to use a smaller, albeit significant, weighting in the S&P 500, which is McDonald's Corp. McDonald's currently trades at a 19.3x multiple on expected next 12 months' earnings, has a dividend yield of about 3.5%, an expected long-term growth rate of between 5-6%, and is a 50–basis point weighting in the S&P 500.

I want to just frame the nearly 20x earnings multiple within the context that, in May, McDonald's reported a worldwide comparable growth rate of negative 30 basis points, and in the U.S. they declined 220 basis points. Repeating that—same-store sales in their most important market, albeit a low-growth market, was -2.2%, yet the broader markets still afford this company a 19.3x multiple on forward earnings.

At this time, let's look at another company which has been in the Paradigm Fund's portfolio for nearly a decade now, AutoNation, Inc. AutoNation is a franchise of auto dealerships, primarily in the Sun Belt across the United States. The company is currently trading at roughly 14.4x expected next 12 month earnings, has a dividend yield of 0%, and they have reduced the share count by over a third dating back to 2009. It has a 13.4% long-term growth rate based on analysts' expectations and has a three basis point weighting in the S&P 500.

Again, we have a company with a 13.4% long-term growth rate trading at 5 turns lower than McDonald's. It seems clear that the dividend yield element has an influence on the share prices here. But I'm going to make a different argument, using crude math that was utilized by my colleague: let's consider the S&P 500, which has a market capitalization of roughly $19 trillion, and let's assume that roughly 50% of large-cap stock investors today are in passive investment strategies, whether indexed mutual funds, ETFs, or active mutual funds that have an extremely low tracking error to the index. Based on this math, for a company such as McDonald's, with a 50–basis point weighting in the S&P 500, approximately half of the market capitalization of McDonald's, $40 billion, likely represents passive investment dollars that have absolutely no relationship to the fundamentals of that company.

Similarly, you can look at AutoNation, with only a three basis point weight, a smaller portion of its market capitalization is through this passive money. This factor can contribute to significant valuation distortions, and we don't know when this is going to change. But barring a fundamental shift in the performance of these companies, we don't expect this phenomenon to be sustainable over the long term.

Given these factors, I guess the next question is: where do we go from here? There are two areas where we see really compelling investments right now. Most of these opportunities have very little index inclusion, which goes hand-in-hand with the fact that we believe they're attractively valued. The first and most attractive opportunity set right now, which has historically always been a source of investment opportunities for us, is comprised of what we call equity yield curve investments. An equity yield curve investment is simply a time arbitrage where we believe that we've identified an event that is going to occur in the next three to five years with a relatively high degree of probability, but the market is not going to price that into the stock because most investors are concerned with a 12-month investment horizon, at best.

One of the best examples right now is a company called DISH Network Corp. ("Dish Network"). Dish Network is a satellite TV provider utilizing the satellite network run by owner-operator and Chairman Charlie Ergen. Dish Network needs to be analyzed in two ways, really. You can put a multiple on the core satellite subscription-based TV business and arrive at a valuation that way. But Mr. Ergen also has several billion dollars of spectrum that he purchased out of bankruptcy after the financial crisis. There was a Federal Communications Commission auction for very similar spectrum late last year, which effectively provided a proxy value to assess what Charlie Ergen's spectrum is worth. In all likelihood, he will use this spectrum for a competitive cellular wireless network that has nationwide coverage.

Using very modest assumptions relative to where spectrum was priced during the recent auction, we estimate that Dish Network shares will, at a minimum, increase by 50% over the next three to five years, when Charlie Ergen monetizes this spectrum. However, any number of sell-side and even buy-side analysts have no interest in this company because they don't know how or when Charlie Ergen is going to monetize this spectrum. If you're looking at a 50% rate of return, even if it takes three years, your internal rate of return is very attractive, and it's something for which we're happy to wait.

Another classic example is the Howard Hughes Corp. Howard Hughes is a real estate company, but it has escaped the valuation froth that we mentioned earlier involving the MSCI U.S. REIT Index because the company is not currently a REIT. It does not pay a dividend, because they need to use their funds from operations to reinvest in the development portfolio of the company. And with every update that we get on the Houston assets, the oceanfront assets in Hawaii, and on the South Street Seaport here in New York, we have a very high conviction that, again, this company's stock is going to be at a minimum, 30-50% higher over the next three to five years. Therefore, once again, discount that over any reasonable assumed period of time, and you're well into double-digit returns, we think is going to be very attractive.

The second area that I think is really alluring for investors right now is what I'll call manufactured growth. The reason I call it manufactured growth is that it's not organic growth. Organic growth is difficult to find in a global economy that's not growing incredibly quickly, but, at the same time, for most organic growth opportunities, you're forced to pay a 20-30x earnings multiple or more. Consequently, in order to meet our internal hurdle rate of return, we would need that growth to be sustained, but we would also need the multiple to be maintained (not contract) as the company in question reaches more mature growth. Paying high multiples for growth can be profitable, but we think that there are much better risk-adjusted opportunities.

A classic example of manufactured growth is Jarden Corp. ("Jarden"). Jarden is actually a pretty boring company. They own very mature, stable, low-growth, consumer-branded products, and these consumer-branded products, for what they lack in growth and excitement, have extremely high free cash flow as a result of streamlined operations and very low required reinvestment rates. This dynamic allows management, owner-operators Martin Franklin and Ian Ashken, to use the cash flow to buy other products that they can bring into their platform, realize synergies, achieve even higher cash flow, and acquire even larger subsequent acquisitions.

This company has never been statistically cheap on an earnings basis. But if you look at it in terms of cash flow, and you assume certain synergies in acquisitions going forward, it's an extremely attractive investment opportunity. And the management team at Jarden is effectively using the same playbook they use at Jarden for consumer products with specialty chemicals at a company called Platform Specialty Products Corp. ("Platform"). Platform is buying specialty chemicals that are very high touch, high value-add, but low cost in terms of the end value of the product, and which generate very high cash flow. They tend to be purchasing these at 8-11x adjusted EBITDA[2], and then they can roll them into their platform, realize synergies, extract higher cash flow, and buy subsequent chemical companies. These are just really exceptional businesses that, barring some sort of global crisis, we think can manufacture a growth rate that's going to result in a very attractive rate of return for us.

To conclude, I would like to reiterate our belief in most of the names in the portfolio. If you look at what the owner-operators are doing at the vast majority of our companies, their actions are consistent with our long-term outlook that these businesses are building value. They're buying back stock where appropriate—not simply because they don't want to commit to a dividend or to massage earnings, as are certain higher-growth, higher-P/E companies. Consequently, we believe that our investors will be rewarded over the long term.

Bob Uly: Can you comment on Icahn Enterprises LP ("Icahn Enterprises")? It seems like its investments have done very well, for example his investment in Apple and others. But the price has been going down.

Peter Doyle: Sure. Icahn Enterprises is providing a 6% dividend yield. So you're actually getting paid to wait. And that dividend yield is easily met with the cash flow from the business operations. In addition to that, the company is trading at a discount to its net asset value. And there's a number of catalysts that we believe will be coming through in the future that are likely to cause that stock to rise. Over the long-term, we think it's a great opportunity to invest alongside Carl Icahn at a very attractive valuation.

James Davolos: And just to add to that, one of the idiosyncrasies of Icahn Enterprises is that some of the largest cash flow years have been generated by Carl Icahn's investment portfolio. His investment portfolio is approximately 50% of the net asset value of the company. If you go back to recent filings and letters by Carl Icahn and Icahn Enterprises, you'll note that Carl Icahn is particularly pessimistic regarding equity prices—particularly large-cap equities, namely the S&P 500.

[2] Earnings before interest, taxes, depreciation and amortization

What you have is an array of his companies where he has an activist stake and is agitating for change, where he believes these companies can generate a measure of performance on a risk-adjusted basis, particularly with Apple and other types of event-driven names, just simply by returning capital to shareholders. The most interesting fact is that he is effectively 100% hedged against the market. You can see this both in his annual letter, where he noted a 4% net exposure, and again where he's alluded to very significant market hedges in addition to credit default swap positions. In our belief, not only are you getting a company below net asset value with a 6% dividend yield, but you're also getting an exposure that would otherwise cost investors much more in expenses. We think this type of unique exposure may result in a dynamic type of return during very uncertain times for global equity markets.

On the other side of the portfolio you have the operating businesses. Generally, his businesses continue to perform pretty strongly. They're almost exclusively valued at low multiples. And he has historically been very successful in restructuring and streamlining capital-intensive businesses to generate much more cash flow and then taking them back to the public markets or decreasing his stake and monetizing his investment for shareholders. I believe that this is one of the more interesting investment opportunities, particularly given these lesser appreciated facts about the company.

Peter Doyle: It's also worthy to note that Icahn Enterprises has multiple business lines within the overall organization. So, even though the Paradigm Fund, Small-Cap Opportunities Fund, and our other funds might have large concentrations, within the companies themselves, there is actually fairly broad diversification. One can't say that we have exposure to one particular industry, when these owner-operators that are running the companies frequently will lead us into wide diversification within the businesses themselves.

Bob Uly: Like the rail cars, or the refinery.

Peter Doyle: Right. In the case of Icahn Enterprises, the auto parts business, rail cars, refinery, real estate, and, as James pointed out, a portfolio that's actually shorting roughly $14 billion worth of the S&P 500.

Bob Uly: Just one last comment: if anyone wants a transcript, they can certainly contact any of our wholesalers or their HRC representative. Just a reminder: we have two low-volatility products, the

Multi-Disciplinary Income Fund and the Kinetics Alternative Income Fund, which are generating some healthy returns and distributions. With that, thank you very much for your time. And best of the summer to you.

PERFORMANCE AND HOLDINGS INFORMATION

Internet Fund

As of June 30, 2015	WWWFX (Net of Fees)	S&P 500 Index	NASDAQ Index
TOTAL RETURN			
Year-to-Date	**0.62%**	1.23%	5.30%
One Year *(annualized)*	**2.91%**	7.42%	13.13%
Three Year *(annualized)*	**18.06%**	17.31%	19.33%
Five Year *(annualized)*	**17.27%**	17.34%	18.78%
Ten Year *(annualized)*	**11.03%**	7.89%	9.26%
Since Inception*(annualized)*	**15.00%**	7.85%	7.75%

Performance data quoted is as of June 30, 2015. All figures are annualized. Past performance does not guarantee future results. The inception date for WWWFX is October 21, 1996. As a no-load fund, there is no sales charge. The above performance is without dividends reinvested. Investment return and principal value will vary, and shares may be worth more or less at redemption than original purchase. The Fund's operating expense ratio, gross of any fee waiver or expense reimbursements is 1.78%. Visit www.kineticsfunds.com for the most recent month-end performance data and a copy of the most recent Prospectus.

Medical Fund

As of June 30, 2015	MEDRX (Net of Fees)	S&P 500 Index	NASDAQ Index
TOTAL RETURN			
Year-to-Date	**11.54%**	1.23%	5.30%
One Year *(annualized)*	**18.43%**	7.42%	13.13%
Three Year *(annualized)*	**24.79%**	17.31%	19.33%
Five Year *(annualized)*	**19.93%**	17.34%	18.78%
Ten Year *(annualized)*	**12.56%**	7.89%	9.26%
Since Inception*(annualized)*	**10.89%**	5.04%	3.86%

Performance data quoted is as of June 30, 2015. All figures are annualized. Past performance does not guarantee future results. The inception date for MEDRX is September 30, 1999. As a no-load fund, there is no sales charge. The above performance is without dividends reinvested. Investment return and principal value will vary, and shares may be worth more or less at redemption than original purchase. The Fund's operating expense ratio, gross of any fee waiver or expense reimbursements is 2.02%. Kinetics Asset Management LLC, the Investment Adviser to the Medical Fund, has voluntarily agreed to waive fees and reimburse expenses so that Total Annual Fund Operating Expenses do not exceed 1.39% for No Load Class shares. These waivers and reimbursements may be discontinued at any time. Visit www.kineticsfunds.com for the most recent month-end performance data and a copy of the most recent Prospectus.

Global Fund

As of June 30, 2015	WWWEX (Net of Fees)	S&P 500 Index	MSCI ACW Index
TOTAL RETURN			
Year-to-Date	**2.81%**	1.23%	2.66%
One Year *(annualized)*	**-11.89%**	7.42%	0.71%
Three Year *(annualized)*	**10.31%**	17.31%	13.01%
Five Year *(annualized)*	**9.47%**	17.34%	11.93%
Ten Year *(annualized)*	**4.63%**	7.89%	6.41%
Since Inception*(annualized)*	**-2.28%**	4.18%	3.33%

Performance data quoted is as of June 30, 2015. All figures are annualized. Past performance does not guarantee future results. The inception date for WWWEX is December 31, 1999. As a no-load fund, there is no sales charge. The above performance is without dividends reinvested. Investment return and principal value will vary, and shares may be worth more or less at redemption than original purchase. The Fund's operating expense ratio, gross of any fee waiver or expense reimbursements is 2.61%. Kinetics Asset Management LLC, the Investment Adviser to the Global Fund, has voluntarily agreed to waive fees and reimburse expenses so that Total Annual Fund Operating Expenses do not exceed 1.39% for No Load Class shares. These waivers and reimbursements may be discontinued at any time. Visit www.kineticsfunds.com for the most recent month-end performance data and a copy of the most recent Prospectus.

Paradigm Fund

As of June 30, 2015	WWNPX (Net of Fees)	S&P 500 Index	MSCI ACW Index
TOTAL RETURN			
Year-to-Date	**3.23%**	1.23%	2.66%
One Year *(annualized)*	**-2.14%**	7.42%	0.71%
Three Year *(annualized)*	**17.75%**	17.31%	13.01%
Five Year *(annualized)*	**14.47%**	17.34%	11.93%
Ten Year *(annualized)*	**7.15%**	7.89%	6.41%
Since Inception*(annualized)*	**9.15%**	4.18%	3.33%

Performance data quoted is as of June 30, 2015. All figures are annualized. Past performance does not guarantee future results. The inception date for WWNPX is December 31, 1999. As a no-load fund, there is no sales charge. The above performance is without dividends reinvested. Investment return and principal value will vary, and shares may be worth more or less at redemption than original purchase. The Fund's operating expense ratio, gross of any fee waiver or expense reimbursements is 1.68%. Kinetics Asset Management LLC, the Investment Adviser to the Paradigm Fund, has voluntarily agreed to waive fees and reimburse expenses so that Total Annual Fund Operating Expenses do not exceed 1.64% for No Load Class shares. These waivers and reimbursements may be discontinued at any time. Visit www.kineticsfunds.com for the most recent month-end performance data and a copy of the most recent Prospectus.

Small Cap Opportunities Fund

As of June 30, 2015	KSCOX (Net of Fees)	Russell 2000 Index	S&P 500 Index
TOTAL RETURN			
Year-to-Date	**4.89%**	4.75%	1.23%
One Year *(annualized)*	**-6.31%**	6.49%	7.42%
Three Year *(annualized)*	**20.52%**	17.81%	17.31%
Five Year *(annualized)*	**15.84%**	17.08%	17.34%
Ten Year *(annualized)*	**8.04%**	8.40%	7.89%
Since Inception*(annualized)*	**10.15%**	6.96%	4.29%

Performance data quoted is as of June 30, 2015. All figures are annualized. Past performance does not guarantee future results. The inception date for KSCOX is March 20, 2000. As a no-load fund, there is no sales charge. The above performance is without dividends reinvested. Investment return and principal value will vary, and shares may be worth more or less at redemption than original purchase. The Fund's operating expense ratio, gross of any fee waiver or expense reimbursements is 1.71%. Kinetics Asset Management LLC, the Investment Adviser to the Small Cap Opportunities Fund, has voluntarily agreed to waive fees and reimburse expenses so that Total Annual Fund Operating Expenses do not exceed 1.64% for No Load Class shares. These waivers and reimbursements may be discontinued at any time. Visit www.kineticsfunds.com for the most recent month-end performance data and a copy of the most recent Prospectus.

Market Opportunities Fund

As of June 30, 2015	KMKNX (Net of Fees)	S&P 500 Index	MSCI EAFE Index
TOTAL RETURN			
Year-to-Date	**2.34%**	1.23%	5.52%
One Year *(annualized)*	**-3.83%**	7.42%	-4.22%
Three Year *(annualized)*	**15.58%**	17.31%	11.97%
Five Year *(annualized)*	**13.38%**	17.34%	9.54%
Since Inception*(annualized)*	**6.93%**	7.47%	3.25%

Performance data quoted is as of June 30, 2015. All figures are annualized. Past performance does not guarantee future results. The inception date for KMKNX is January 31, 2006. As a no-load fund, there is no sales charge. The above performance is without dividends reinvested. Investment return and principal value will vary, and shares may be worth more or less at redemption than original purchase. The Fund's operating expense ratio, gross of any fee waiver or expense reimbursements is 1.86%. Kinetics Asset Management LLC, the Investment Adviser to the Market Opportunities Fund, has voluntarily agreed to waive fees and reimburse expenses so that Total Annual Fund Operating Expenses do not exceed 1.64% for No Load Class shares. These waivers and reimbursements may be discontinued at any time. Visit www.kineticsfunds.com for the most recent month-end performance data and a copy of the most recent Prospectus.

Alternative Income Fund (formerly The Water Infrastructure Fund)

As of June 30, 2015	KWINX (Net of Fees)	Barclays 1-3 Yr. Credit	Barclays U.S. Aggregate
TOTAL RETURN			
Year-to-Date	**2.58%**	0.82%	-0.10%
One Year *(annualized)*	**1.42%**	0.99%	1.86%
Three Year *(annualized)*	**4.37%**	1.73%	1.83%
Five Year *(annualized)*	**5.01%**	2.16%	3.35%
Since Fund Inception*(annualized)*	**-0.29%**	3.51%	4.90%

Performance data quoted is as of June 30, 2015. All figures are annualized. Past performance does not guarantee future results. The inception date for KWINX is June 29, 2007. As a no-load fund, there is no sales charge. The above performance is without dividends reinvested. Investment return and principal value will vary, and shares may be worth more or less at redemption than original purchase. The Fund's operating expense ratio, gross of any fee waiver or expense reimbursements is 1.84%. Kinetics Asset Management LLC, the Investment Adviser to the Alternative Income Fund, has voluntarily agreed to waive fees and reimburse expenses so that Total Annual Fund Operating Expenses do not exceed 0.99% for No Load Class shares. These waivers and reimbursements may be discontinued at any time. Visit www.kineticsfunds.com for the most recent month-end performance data and a copy of the most recent Prospectus.

Multi-Disciplinary Income Fund

As of June 30, 2015	KMDNX (Net of Fees)	Barclays U.S. Aggregate	Barclays U.S. High Yield
TOTAL RETURN			
Year-to-Date	**1.64%**	-0.10%	2.53%
One Year *(annualized)*	**-0.72%**	1.86%	-0.40%
Three Year *(annualized)*	**5.58%**	1.83%	6.81%
Five Year *(annualized)*	**7.24%**	3.35%	8.61%
Since Inception*(annualized)*	**5.01%**	4.27%	9.04%

Performance data quoted is as of June 30, 2015. All figures are annualized. Past performance does not guarantee future results. The inception date for KMDNX is February 11, 2008. As a no-load fund, there is no sales charge. The above performance is without dividends reinvested. Investment return and principal value will vary, and shares may be worth more or less at redemption than original purchase. The Fund's operating expense ratio, gross of any fee waiver or expense reimbursements is 1.95%. Kinetics Asset Management LLC, the Investment Adviser to the Multi-Disciplinary Income Fund, has voluntarily agreed to waive fees and reimburse expenses so that Total Annual Fund Operating Expenses do not exceed 1.65% for No Load Class shares. These waivers and reimbursements may be discontinued at any time. Visit www.kineticsfunds.com for the most recent month-end performance data and a copy of the most recent Prospectus.

(Holdings begin on next page)

Internet Fund **Top 10 Holdings (%) as of June 30, 2015**	
EchoStar Corporation - Class A	7.02%
Liberty Interactive Corporation - Class A	6.46%
DISH Network Corp. - Class A	6.42%
Liberty Global plc - Series C	4.70%
Liberty Media Corporation - Class C	4.60%
Liberty Ventures - Series A	4.40%
Starz - Class A	3.91%
The Madison Square Garden Company - Class A	3.43%
Scripps Networks Interactive - Class A	3.24%
eBay, Inc.	2.98%

Paradigm Fund **Top 10 Holdings (%) as of June 30, 2015**	
The Howard Hughes Corporation	11.85%
Texas Pacific Land Trust	8.22%
Icahn Enterprises LP	7.29%
AutoNation, Inc.	5.02%
Brookfield Asset Management Inc. - Class A	4.75%
Live Nation Entertainment, Inc.	4.11%
DISH Network Corp. - Class A	3.83%
DreamWorks Animation SKG, Inc. - Class A	3.57%
Jarden Corporation	3.55%
CBOE Holdings Inc.	3.48%

Medical Fund **Top 10 Holdings (%) as of June 30 , 2015**	
Biogen Inc.	9.80%
Bristol-Myers Squibb Company	7.57%
Eli Lilly & Company	6.43%
Novartis AG - ADR	5.93%
Alkermes plc	5.38%
Pfizer, Inc.	5.16%
Receptos, Inc.	5.09%
Shire plc - ADR	4.85%
Johnson & Johnson	4.57%
Sanofi - ADR	4.31%

Market Opportunities Fund **Top 10 Holdings (%) as of June 30, 2015**	
Icahn Enterprises LP	9.89%
Texas Pacific Land Trust	8.85%
The Howard Hughes Corporation	7.40%
Brookfield Asset Management Inc. - Class A	4.98%
Onex Corporation	4.67%
CBOE Holdings Inc.	4.47%
Dream Unlimited Corp. - Class A	4.09%
Visa, Inc. - Class A	3.46%
Dundee Corporation - Class A	3.33%
Imperial Holdings, Inc.	3.04%

Global Fund **Top 10 Holdings (%) as of June 30, 2015**	
The Howard Hughes Corporation	6.57%
The Wendy's Company	6.46%
Icahn Enterprises LP	5.95%
Bollore SA	5.64%
Siem Industries Inc.	5.06%
Dream Unlimited Corp. - Class A	4.80%
Texas Pacific Land Trust	4.65%
Onex Corporation	4.43%
Dundee Corporation - Class A	4.12%
Clarke Inc.	3.59%

Small Cap Opportunities Fund **Top 10 Holdings (%) as of June 30, 2015**	
Jarden Corporation	10.56%
The Howard Hughes Corporation	9.22%
Texas Pacific Land Trust	9.01%
Icahn Enterprises LP	8.94%
The Wendy's Company	7.69%
Dream Unlimited Corp. - Class A	5.32%
DreamWorks Animation SKG, Inc. - Class A	4.57%
Live Nation Entertainment, Inc.	4.53%
Platform Specialty Products Corporation	3.28%
TRI Pointe Homes, Inc.	3.16%

Multi-Disciplinary Income Fund **Top 10 Holdings (%) as of June 30, 2015**	
The Howard Hughes Corporation	4.62%
Brookfield Residential Properties	4.44%
Lennar Corporation	3.63%
WebMD Health Corporation	3.52%
Post Holdings, Inc.	3.44%
Royal Gold, Inc.	3.09%
Sotheby's	3.07%
SunGard Data Systems, Inc.	2.96%
IAC/InterActiveCorp	2.95%
Icahn Enterprises LP	2.74%

The information contained in these charts is updated at the discretion of Kinetics Asset Management LLC and is only representative of each Fund's portfolio on the date specified. Additionally, position size may not be indicative of actual market position due to the use of call and put options.

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