



THOMAS WHITE FUNDS

Capturing Value WorldwideSM

THOMAS WHITE INTERNATIONAL FUND (Ticker – TWWDX)

December 31, 2011

FUND FACTS

Ticker Symbol - CUSIP:	TWWDX	543917108	Gross Expenses:	1.38%
Fund Assets:	\$447 Million		Less reimbursement:	(0.00%)
Benchmark:	MSCI All Country World ex US Index		Net Expenses:	1.38% ¹
Inception Date:	6/28/94		Advisor:	Thomas White International, Ltd.
Minimum Initial Investment:	Non-Retirement Plan	\$2,500		440 S La Salle Street, Suite 3900
	Retirement Plan	\$1,000		Chicago, IL 60605
Redemption Fee:	2% within first 60 calendar days			www.thomaswhitefunds.com

AVERAGE ANNUAL RETURNS² AND PORTFOLIO COMMENTARY

After faltering in the previous quarter, international equity markets staged a recovery during the fourth quarter of 2011, helped by increased optimism over containing the European debt crisis and the moderate improvement in global economic trends. Even as economic growth has slowed in major economies and the risks to global growth remain elevated, it is now believed that the outlook for the global economy may not be as dire as earlier forecasted. Though a broad plan to address the European fiscal crisis remains elusive even after several summit meetings, fear of an uncontrolled implosion of the monetary union and the common currency has so far turned out to be tenuous.

The Thomas White International Fund returned +7.06% during the fourth quarter of 2011, compared to the benchmark MSCI All-Country World ex US Index, which returned +3.72% for the same period. The Fund returned -11.96% for the year, against the benchmark return of -13.71%. The Fund and the index finished the year on a strong note and the U.S. dollar appreciation against most foreign currencies slowed considerably in the last quarter of 2011.

The strong market rebound in October subsequently lost momentum due to slowing expansion in most major economies. Third quarter U.S. Gross Domestic Product (GDP) growth was lower than expected and the emerging markets also showed signs of a slowdown. Global manufacturing activity weakened on an anticipated decline in consumer spending in the developed markets, especially in the Euro-zone where governments initiated tough austerity measures. In December, rating agencies put several leading European economies under watch for possible downgrade, citing tight credit conditions and lack of a united effort by policy makers to tackle the region's challenges.

Amid the gloom, the Euro-zone leaders and central banks from developed nations did make earnest attempts to turn the tide. European leaders meeting in Brussels proposed to overhaul some of the European Union treaties and put a deficit cap in place for Euro-zone economies. To improve liquidity available to European banks, the U.S. Federal Reserve enhanced its credit facility to the European Central Bank (ECB) and other select central banks. The ECB cut its benchmark rate twice during the quarter, while its offer of unlimited three-year loans has also come in handy for the beleaguered euro-area banks. Meanwhile, European countries such as Greece, Spain, and Italy that are at the heart of the Euro-zone debt crisis witnessed changes in political leadership. The new governments, led in some cases by technocrats specifically chosen to handle the crisis, have announced several initiatives and appear to be gaining market confidence.

As of 12/31/2011	4 th Qtr	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (6/28/94)
International Fund	7.06%	-11.96%	-11.96%	9.77%	-2.47%	7.82%	7.35%
MSCI All Country World ex US ³	3.72%	-13.71%	-13.71%	10.70%	-2.92%	6.31%	4.67%

Performance data is based upon past performance, which is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. Please call 1-800-811-0535 to obtain performance data as of the most recent month-end. The Fund imposes a 2% redemption fee on share held less than 60 days. Performance data does not reflect the redemption fee. If reflected, total returns would be lower.

1. Gross Expenses are based on the most recent prospectus. The Advisor has contractually agreed to reimburse the International Fund to the extent that the Fund's total operating expenses exceed 1.40% of the Fund's average daily net assets. This agreement expires on February 28, 2012 and automatically renews, unless terminated by the Fund's Board of Trustees. The International Fund has contractually agreed to repay the Advisor for amounts waived or reimbursed by the Advisor pursuant to the fee waiver/expense reimbursement agreement provided that such repayment does not cause the Fund to exceed this limit and the repayment is made within three years after the year in which the Advisor incurred the expense. In the absence of this reimbursement, performance would have been lower.

2. Total return includes reinvestment of dividends and capital gains and reflects fee waivers/reimbursements, in the absence of which total returns would have been lower.

3. The MSCI All Country World ex US Index is a free float-adjusted market capitalization-weighted index of 44 countries, which includes developed and emerging markets. The index is unmanaged and returns assume the reinvestment of dividends. It is not possible to invest directly in an index.

Mutual fund investing involves risk. Principal loss is possible. Investing in international markets may involve additional risks, such as social and political instability, market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation. These risks are greater for emerging markets. You should consider the investment objectives, risks, charges and expenses of the Fund before investing. For a statutory or summary prospectus containing this and other information, please call 1-800-811-0535 or visit the Fund's website at www.thomaswhitefunds.com. Read it carefully before investing.



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FOURTH QUARTER 2011 COMMENTARY

Portfolio Review

Helped by strong relative performance in October and November, the Thomas White International Fund outperformed the benchmark index during the fourth quarter. Among the significant contributors to the Fund's returns, consumer staples and consumer discretionary holdings continued to benefit from healthy demand growth and the relatively stable earnings outlook, while the uptrend in oil prices helped the Fund's energy holdings. Concerns over a slowdown in industrial and infrastructure investments eased and lifted the Fund's capital goods holdings. The outlook for the technology sector remains optimistic on healthy technology spending by businesses and strong consumer demand for innovative products, entertainment software, and web-based services. The Fund's holdings in the financial services sector continued to underperform during the quarter, as credit growth remains stagnant in the developed economies and has slowed down in the emerging economies. Financial institutions in the banking sector also face increased regulatory restrictions on some of their most profitable businesses as well as higher capital requirements.

Though banking sector holdings in the Fund portfolio had a lackluster quarter, Chinese lender **China Citic Bank Corp. Ltd.** (+35.7%) was the top performer for the review period as fears about a surge in loan losses in the Chinese banking industry have eased. The bank's parent, CITIC Group, has successfully completed restructuring ahead of a planned overseas Initial Public Offering. Chinese property insurer **PICC Property & Casualty Co. Ltd.** (+24.2%) outperformed owing to its plans to raise additional capital through a rights issue, as well as its regulatory approval nod to issue subordinated bonds. Russian energy producer **OAO Gazprom Neft** (+34.3%), the oil producing arm of natural gas company Gazprom, benefited as oil prices recovered during the quarter and stayed close to the \$100/barrel mark. Chinese car maker **Dongfeng Motor Group Co. Ltd.** (+24.6%) gained as automobile demand growth in its home market is expected to resume in 2012 and as the company plans to forge a manufacturing joint venture with Swedish truck maker Volvo. Korean consumer electronics and semiconductor manufacturer **Samsung Electronics** (+28.8%) outperformed on sustained market share gains in smart-phones and tablet computers. Tobacco manufacturer **Philip Morris International Inc.** (+25.8%) benefited as the company lifted its earnings forecasts and maintained its higher dividend payout initiated during the previous quarter.

Prospects of slowing economic growth in Turkey affected the performance of the Fund's holdings in diversified industrial groups **Koc Holding A.S.** (-19.4%) and **Haci Omer Sabanci Holding A.S.** (-18.5%). U.K. betting shop operator **William Hill Plc.** (-10.7%) underperformed when its online marketing team based in Israel faced a work disruption and with its decision to not to pursue the acquisition of Probability Plc, which offers gambling services on mobile platforms. Chinese telecom services provider **China Telecom Corp. Ltd.** (-10.6%) lost value on concerns about future profitability as the company rolled out an ambitious plan to expand in Europe and other developed markets. After the remarkable recovery during the third quarter, Japanese equities underperformed as the outlook weakened on slower export demand from Europe, flooding in Thailand, and a stronger yen. These companies included soft drink bottler **Coca-Cola West Co. Ltd.** (-10.0%) and engineering and construction company **Taisei Corp.** (-9.1%).

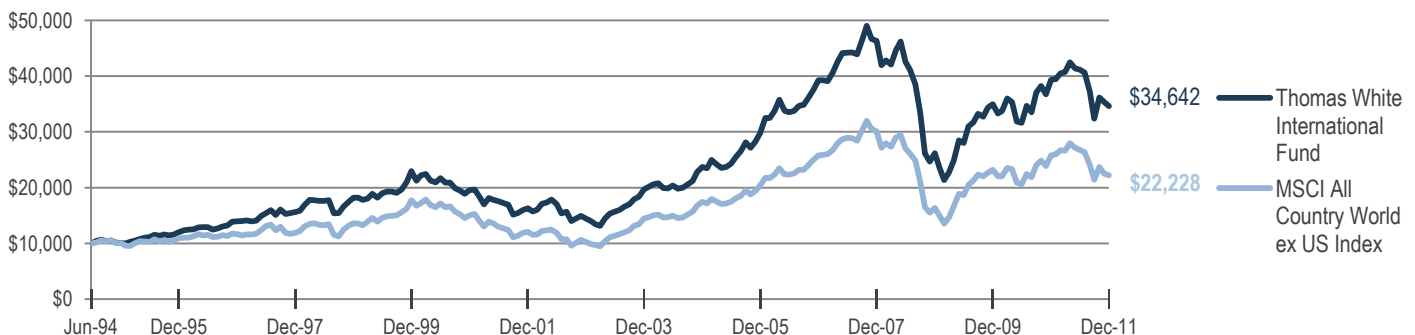
Outlook

As the page turns on 2011, trends from global economic indicators are somewhat more optimistic than expected earlier, though challenges remain. Global manufacturing activity improved in December, led by the U.S. and the large emerging markets. Consumer spending in the developed world during the holiday season was relatively healthy, even in the absence of fiscal stimulus to lift consumption. Labor markets in the developed countries, especially in the U.S., are showing signs of healing, though the process continues at a slow pace. Monetary policy remains highly accommodative as inflation is well under control, and central banks have been bold in their interventions to boost global liquidity and support market confidence.

In Europe, while a comprehensive political resolution of the debt crisis is yet to take shape, recent developments suggest that the credit markets have calmed. Sovereign yields of troubled countries in the region have slipped appreciably from the highs seen during the third quarter of 2011, and the larger countries such as France and Spain have successfully issued new debt at affordable costs. However, the new Greek government has warned that the country may find it difficult to rollover its debt due in March this year, unless there are further spending cuts. Meanwhile, select countries not in the Euro-zone like Hungary are facing difficulties in selling new bonds. Third quarter GDP growth data for both Germany and the U.K. was slightly above forecasts, though the region's economic outlook remains restricted.

When compared to the developed world, the large emerging economies appear to have more policy options to support growth. Both China and Brazil have recently announced tax rebates and other measures to help exporters, while Brazil has also announced tax breaks to boost domestic consumption. As inflation continues to trend lower, most emerging countries are in a position to lower interest rates and bank reserve ratios.

HYPOTHETICAL GROWTH OF \$10,000



This chart illustrates the performance of a hypothetical \$10,000 investment made in the Fund since inception. It assumes reinvestment of dividends and capital gains, but does not reflect the effect of any applicable redemption fees. This chart does not imply future performance. Past performance does not guarantee future results.



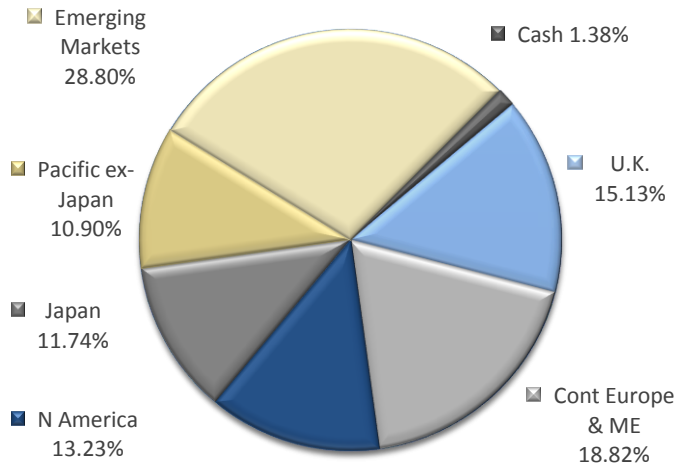
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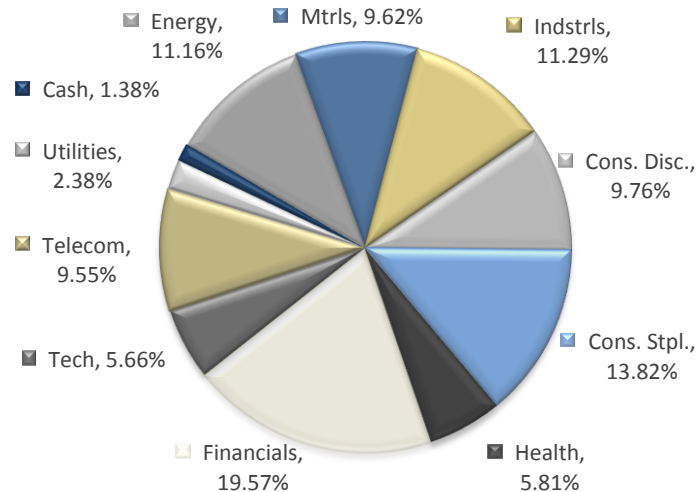
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REGIONAL ASSET



SECTOR ALLOCATION



TOP TEN HOLDINGS

Company	Country	GICS Sector	Weight
Samsung Electronics Co Ltd	Korea	Technology	2.16%
Jardine Strategic Hldgs Ltd	Hong Kong	Industrials	2.12%
British American Tobacco Plc	UK	Consumer Staples	2.09%
Unilever NV-CVA	Netherlands	Consumer Staples	1.88%
BP Plc	UK	Energy	1.80%
Novartis AG	Switzerland	Healthcare	1.72%
Sumitomo Corp	Japan	Industrials	1.71%
Statoil ASA	Norway	Energy	1.64%
BHP Billiton Plc	U.K./Aus.	Materials	1.63%
Jardine Cycle & Carriage Ltd	Singapore	Consumer Disc	1.60%
Top 10 Holdings Weight:			18.35%
Total Number of Holdings:			136

Fund holdings and asset allocations are subject to change and are not recommendations to buy or sell any security.

PORTFOLIO CHARACTERISTICS

	TWWDX	MSCI All Country World ex US
P/E (Excluding Neg. Earnings)	9.53x	10.41x
P/E FY1 Est	9.51x	10.59x
Price/Book	1.48x	1.36x
3yr Earnings Growth	11.53%	5.90%
PEG Ratio	0.83x	1.76x
Wtd Avg Mkt Cap	\$42.26B	\$45.85B
Wtd Median Mkt Cap	\$21.30B	\$26.21B
Turnover (1 year)	51.78%	

Market Cap Exposure	TWWDX	MSCI All Country World ex US
Large Cap (over \$15 billion)	62.01%	63.90%
Mid Cap (\$1.5-\$15 billion)	37.41%	35.59%
Small Cap (under \$1.5 billion)	0.58%	0.51%

All data source: FactSet

P/E (Excluding Neg. Earnings): The Price to Earnings (P/E) Ratio reflects the multiple of trailing earnings from the last reported fiscal year earnings at which a stock trades. This ratio excludes companies with a negative or undefined P/E ratio.

P/E FY1 Est: The current fiscal year consensus P/E ratio estimate as reported by Institutional Brokers' Estimate System.

Price/Book: Ratio of a company's market capitalization divided by the company's total common equity book value as shown on its balance sheet.

3yr Earnings Growth: Annualized earnings-per-share growth rate over the trailing 3 years.

PEG Ratio: Calculated by dividing the P/E ratio by the trailing annual earnings-per-share growth.

Wtd Avg Mkt Cap: The weighted average of the market capitalizations of the companies whose securities are held in the portfolio.

Wtd Median Mkt Cap: The weighted median of the market capitalizations of the companies whose securities are held in the portfolio.



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PORTFOLIO MANAGER

THOMAS S. WHITE, JR.

The Funds' Chairman and Portfolio Manager



Thomas S. White, Jr. is the founder and Chairman of Thomas White International, Ltd., and the Chairman and Portfolio Manager of the Thomas White Funds.

Mr. White has over 40 years of investment experience, commencing in 1966 when he began his career at Goldman Sachs after graduating from Duke University. He was an officer of Lehman Brothers and later worked for Blyth Eastman Dillon. As Managing Director of Morgan Stanley, Mr. White was the CIO for the institutional value style portfolios and funds at Morgan Stanley Asset Management for 14 years.

As head of the firm's global investment team, Mr. White is responsible for the management of the firm's domestic, international and global portfolios. The Investment Committee is supported by the firm's security analysts who produce investment research covering nearly 4,500 companies in over 45 countries around the world.

THOMAS WHITE INTERNATIONAL FIRM OVERVIEW

Thomas White International employs a relative value methodology and analyzes companies based on a very broad set of fundamental criteria. Its disciplined investment approach has been successful in adding considerable value through security selection, independent of the value added from emerging markets exposure.

The firm was established to spread its investment research across multiple domestic and international equity classes. Thomas White International manages separate accounts in six primary equity styles, which share a common value investment philosophy and process. These equity styles include U.S. Large-Cap, U.S. Mid-Cap, U.S. Small-Cap, International, Emerging Markets and Global Equities.

The firm's portfolios are typically built with 40 – 150 securities, depending on the equity style, and exhibit moderate tracking error. Despite the firm's emphasis on relative valuation, all portfolios are designed to maintain a style- neutral orientation.

Organization

Thomas White International, a Chicago-based asset management and equity research firm founded in 1992, had \$1.43 billion in assets under management as of December 31, 2011. The firm is employee-owned with significant concentration of ownership among the most senior investment professionals, and fosters a strong investment culture, while maintaining high standards of compliance and commitment.

All of the firm's employees are invested in its products. However, employees are restricted from investing in individual securities. Investment professionals may earn part of their total compensation through bonuses. Bonuses are based on each individual's overall contribution to the firm.

Investment Process

Thomas White International is well-known for having a research-driven culture, as its data intensive, fundamental research serves as the foundation of the firm's investment process.

The firm performs its global equity research on a stock universe of over 4,500 developed and emerging market companies based on industry/country specific sub-universe valuation groups. Through these sub-groups, the firm's analysts perform quantitative investment research on the most attractively valued securities, including an assessment of accounting and management.

Following the analysts' quantitative research and assessment, companies are then grouped into rankings based on their expected relative returns.

The most attractive companies are then subject to additional qualitative analysis, where the team focuses on the quality of accounting and management. Securities are purchased if the qualitative analysis verifies the portfolio manager's assessment that the stock will return to fair value.

Given the firm's bottom-up orientation, position weightings are primarily the result of research ranking strength. This may cause a portfolio to vary in terms of sector and country exposures when compared to its benchmark. Typically, this deviation is more pronounced for country weightings than for sector allocation.

For the International and Global Equity products, the portfolio manager maintains the latitude to invest in emerging market equities, which have proven to be a notable source of performance.

Thomas White International, Ltd.

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