



**Sequoia
Fund, Inc.**

**SEMI-ANNUAL
REPORT
JUNE 30, 2005**

SEQUOIA FUND, INC.
ILLUSTRATION OF AN ASSUMED INVESTMENT OF \$10,000
With Income Dividends Reinvested and Capital Gains
Distributions Accepted in Shares

The table below covers the period from July 15, 1970 (the date Fund shares were first offered to the public) to June 30, 2005. This period was one of widely fluctuating common stock prices. The results shown should not be considered as a representation of the dividend income or capital gain or loss which may be realized from an investment made in the Fund today.

PERIOD ENDED:	Value of Initial \$10,000 Investment	Value of Cumulative Capital Gains Distributions	Value of Cumulative Reinvested Dividends	Total Value of Shares
July 15, 1970	\$ 10,000	\$ —	\$ —	\$ 10,000
May 31, 1971	11,750	—	184	11,934
May 31, 1972	12,350	706	451	13,507
May 31, 1973	9,540	1,118	584	11,242
May 31, 1974	7,530	1,696	787	10,013
May 31, 1975	9,490	2,137	1,698	13,325
May 31, 1976	12,030	2,709	2,654	17,393
May 31, 1977	15,400	3,468	3,958	22,826
Dec. 31, 1977	18,420	4,617	5,020	28,057
Dec. 31, 1978	22,270	5,872	6,629	34,771
Dec. 31, 1979	24,300	6,481	8,180	38,961
Dec. 31, 1980	25,040	8,848	10,006	43,894
Dec. 31, 1981	27,170	13,140	13,019	53,329
Dec. 31, 1982	31,960	18,450	19,510	69,920
Dec. 31, 1983	37,110	24,919	26,986	89,015
Dec. 31, 1984	39,260	33,627	32,594	105,481
Dec. 31, 1985	44,010	49,611	41,354	134,975
Dec. 31, 1986	39,290	71,954	41,783	153,027
Dec. 31, 1987	38,430	76,911	49,020	164,361
Dec. 31, 1988	38,810	87,760	55,946	182,516
Dec. 31, 1989	46,860	112,979	73,614	233,453
Dec. 31, 1990	41,940	110,013	72,633	224,586
Dec. 31, 1991	53,310	160,835	100,281	314,426
Dec. 31, 1992	56,660	174,775	112,428	343,863
Dec. 31, 1993	54,840	213,397	112,682	380,919
Dec. 31, 1994	55,590	220,943	117,100	393,633
Dec. 31, 1995	78,130	311,266	167,129	556,525
Dec. 31, 1996	88,440	397,099	191,967	677,506
Dec. 31, 1997	125,630	570,917	273,653	970,200
Dec. 31, 1998	160,700	798,314	353,183	1,312,197
Dec. 31, 1999	127,270	680,866	286,989	1,095,125
Dec. 31, 2000	122,090	903,255	289,505	1,314,850
Dec. 31, 2001	130,240	1,002,955	319,980	1,453,175
Dec. 31, 2002	126,630	976,920	311,226	1,414,776
Dec. 31, 2003	147,610	1,146,523	362,790	1,656,923
Dec. 31, 2004	154,270	1,200,687	379,159	1,734,116
June 30, 2005	150,000	1,205,711	368,663	1,724,374

The total amount of capital gains distributions accepted in shares was \$660,876, the total amount of dividends reinvested was \$116,740.

No adjustment has been made for any taxes payable by shareholders on capital gain distributions and dividends reinvested in shares.

To the Shareholders of Sequoia Fund, Inc.

Dear Shareholder:

Sequoia Fund's results for the second quarter of 2005 are shown below with comparable results for the leading market indexes:

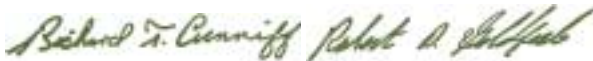
To June 30, 2005	Sequoia Fund	Dow Jones Industrials	Standard & Poor's 500
3 Months	0.45%	-1.63%	1.37%
6 Months	-0.56%	-3.68%	-0.81%
1 Year	0.84%	0.86%	6.32%
5 Years (Annualized)	10.07%	1.76%	-2.37%
10 Years (Annualized)	14.13%	10.63%	9.94%

The S&P 500 Index is an unmanaged, capitalization-weighted index of the common stocks of 500 major US corporations. The Dow Jones Industrial Average is an unmanaged, price-weighted index of 30 actively traded blue chip stocks. The performance data quoted represents past performance and assumes reinvestment of dividends. 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.

We are providing you with a copy of the transcript of the Sequoia Fund annual meeting which was held on May 13th.

In our March report, we alerted our tax-paying shareholders that the current year's estimated capital gains distributions would be approximately \$10 per share. Based on subsequent activity, we can now state that the capital gains distributions will be about \$10.36 per share assuming no further gains or losses. Of this amount, a distribution of \$3.40 per share was made in June and the balance will be distributed in December.

Sincerely,



Richard T. Cunniff



Robert D. Goldfarb



David M. Poppe



William J. Ruane

August 17, 2005

Shareholder Expense Example

As a shareholder of the Fund, you incur ongoing costs, including management fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (January 1, 2005 to June 30, 2005).

Actual Expenses

The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and will not help you determine the relative total costs of owning different funds.

	Beginning Account Value <u>January 1, 2005</u>	Ending Account Value June 30, 2005	Expenses Paid During Period* January 1, 2005 to June 30, 2005
Actual	\$1,000	\$ 994.40	\$4.95
Hypothetical (5% return per year before expenses)	\$1,000	\$1,019.84	\$5.01

* Expenses are equal to the Fund's annualized expense ratio of 1.00%, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).

The table below shows the changes of the Fund's major positions for the period ended June 30, 2005:

Position	% of assets <u>6/30/2005</u>	% of assets <u>12/31/2004</u>
Berkshire Hathaway	34.2%	35.2%
Progressive Corp.	15.0%	12.6%
TJX Companies Inc.	8.0%	8.0%
Mohawk Industries	7.7%	8.4%
Fastenal Company	<u>3.6%</u>	<u>3.6%</u>
Top five positions	<u>68.5%</u>	<u>67.8%</u>

SEQUOIA FUND, INC.
Schedule of Investments
June 30, 2005 (Unaudited)

COMMON STOCKS (89.23%)

<u>Shares</u>		<u>Value (Note 1)</u>
	AUTO AND HOME SUPPLY STORES (1.45%)	
1,743,934	O'Reilly Automotive Inc.*	\$ 51,986,672
	BANK HOLDING COMPANIES (0.01%)	
5,145	Mercantile Bankshares Corporation	265,122
	CASUALTY INSURANCE (15.02%)	
5,447,391	Progressive Corporation	538,256,705
	CHEMICAL DIAGNOSTIC SUBSTANCES (2.73%)	
1,568,532	IDEXX Laboratories Inc.*	97,766,600
	COMPUTER PROGRAMMING SERVICES (1.75%)	
2,142,576	GTECH Holdings Corporation	62,648,922
	DIVERSIFIED COMPANIES (34.22%)	
14,686	Berkshire Hathaway Inc. Class A*	1,226,281,000
59	Berkshire Hathaway Inc. Class B*	164,226
		<u>1,226,445,226</u>
	ELECTRONIC COMPUTER MANUFACTURING (2.13%)	
2,716,691	International Game Technology	76,474,852
	FREIGHT TRANSPORTATION (2.57%)	
1,852,528	Expeditors International of Washington, Inc.	92,274,420
	HOME FURNISHINGS (1.58%)	
1,695,158	Ethan Allen Interiors Inc.	56,804,745
	INDUSTRIAL & CONSTRUCTION SUPPLIES (3.61%)	
2,114,564	Fastenal Company	129,538,191
	INSURANCE AGENTS & BROKERS (1.86%)	
1,481,808	Brown & Brown Inc.	66,592,451
	MEDICAL & HOSPITAL EQUIPMENT (0.15%)	
123,201	Patterson Companies Inc.*	5,553,901
	MOTORCYCLES MANUFACTURING (0.42%)	
305,782	Harley Davidson, Inc.	15,166,787
	PROCESS CONTROL INSTRUMENTS (0.58%)	
394,085	Danaher Corporation	20,626,409

<u>Shares</u>		<u>Value (Note 1)</u>
	RETAILING (13.41%)	
40,833	Costco Wholesale Corporation	\$ 1,830,135
94,555	Petsmart Inc.	2,869,744
1,195,389	Tiffany & Company	39,160,944
11,707,716	TJX Companies, Inc.	285,082,885
1,079,103	Wal-Mart Stores Inc.	52,012,765
2,174,884	Walgreen Company.....	100,022,915
		<u>480,979,388</u>
	TEXTILE — CARPETS (7.73%)	
3,359,135	Mohawk Industries, Inc. †*	<u>277,128,637</u>
	TOTAL COMMON STOCKS (\$1,093,358,129)	<u>\$3,198,509,028</u>
	PREFERRED STOCKS (2.05%)	
	AUTOMOTIVE MANUFACTURING (2.05%)	
97,501	Porsche AG — Preferred (Germany)	<u>73,332,647</u>
	TOTAL PREFERRED STOCKS (\$69,560,824)	<u>\$ 73,332,647</u>
	U.S. GOVERNMENT OBLIGATIONS (8.72%)	
\$313,000,000	U.S. Treasury Bills due 07/07/05 through 08/25/05	<u>312,361,514</u>
	TOTAL U.S. GOVERNMENT OBLIGATIONS (Cost \$312,361,514)	<u>312,361,514</u>
	TOTAL INVESTMENTS (100%)†† (Cost \$1,475,280,467).....	<u>\$3,584,203,189</u>

†† The cost for federal income tax purposes is identical.

* Non-income producing.

† Refer to Note 7.

The accompanying notes form an integral part of these Financial Statements

SEQUOIA FUND, INC.
Statement of Assets and Liabilities
June 30, 2005 (Unaudited)

ASSETS:

Investments in securities, at value (cost \$1,475,280,467) (Note 1)	\$3,584,203,189
Cash on deposit with custodian	1,653,176
Receivable for capital stock sold	144,961
Receivable for investments securities sold unsettled.	3,649,357
Dividends receivable.	101,542
Other assets.	30,984
	<hr/>
Total assets	<u>3,589,783,209</u>

LIABILITIES:

Payable for capital stock repurchased.	796,516
Accrued investment advisory fee	3,049,946
Accrued other expenses.	171,299
	<hr/>
Total liabilities	<u>4,017,761</u>
Net assets applicable to 23,905,640 shares of capital stock outstanding (Note 4).	<u>\$3,585,765,448</u>
Net asset value, offering price and redemption price per share	<u>\$150.00</u>

The accompanying notes form an integral part of these Financial Statements.

SEQUOIA FUND, INC.
Statement of Operations
Six Months Ended June 30, 2005 (Unaudited)

INVESTMENT INCOME:

Income:

Dividends:

Unaffiliated companies (net of \$32,209 foreign tax withheld)	\$ 4,456,805
Affiliated companies (Note 7)	556,351
Interest	4,313,004
Other Income	16,994

Total income	9,343,154
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Expenses:

Investment advisory fee (Note 2)	18,247,319
Legal and auditing fees	89,037
Stockholder servicing agent fees	227,680
Custodian fees	40,000
Directors fees and expenses (Note 6)	129,710
Other	96,954

Total expenses	18,830,700
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Less expenses reimbursed by Investment Adviser (Note 2)	509,000
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Net expenses	18,321,700
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Net investment (loss)	(8,978,546)
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REALIZED AND UNREALIZED GAIN ON INVESTMENTS:

Realized gain on investments:

Unaffiliated companies	218,641,887
Affiliated companies (Note 7)	4,581,591
Foreign currency transactions	1,486

Net realized gain on investments and foreign currencies	\$ 223,224,964
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Net (decrease) in unrealized appreciation on:

Investments	(237,039,482)
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Net realized and unrealized (loss) on investments and foreign currencies	(13,814,518)
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(Decrease) in net assets from operations	\$ (22,793,064)
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The accompanying notes form an integral part of these Financial Statements.

SEQUOIA FUND, INC.
Statements of Changes in Net Assets

	Six Months Ended 6/30/05 (Unaudited)	Year Ended 12/31/04
INCREASE IN NET ASSETS:		
From operations:		
Net investment (loss)	\$ (8,978,546)	\$ (14,191,740)
Net realized gain	223,224,964	296,769,132
Net (decrease) in unrealized appreciation	(237,039,482)	(106,708,915)
Net (decrease)/increase in net assets from operations	(22,793,064)	175,868,477
Distributions to shareholders from:		
Net investment income	0	0
Net realized gains	(79,968,582)	(5,637,360)
Capital share transactions (Note 4)	(83,855,807)	(371,435,383)
Total (decrease)	(186,617,453)	(201,204,266)
NET ASSETS:		
Beginning of period	3,772,382,901	3,973,587,167
End of period	\$3,585,765,448	\$3,772,382,901
NET ASSETS CONSIST OF:		
Capital (par value and paid in surplus)	\$1,324,773,304	\$1,347,326,752
Undistributed net realized gains (Note 5)	152,069,422	79,093,945
Unrealized appreciation	2,108,922,722	2,345,962,204
Total Net Assets	\$3,585,765,448	\$3,772,382,901

The accompanying notes form an integral part of these Financial Statements

SEQUOIA FUND, INC.

Notes to Financial Statements

NOTE 1—SIGNIFICANT ACCOUNTING POLICIES:

Sequoia Fund, Inc. is registered under the Investment Company Act of 1940, as amended, as a non-diversified, open-end management company. The investment objective of the Fund is growth of capital from investments primarily in common stocks and securities convertible into or exchangeable for common stock. The following is a summary of significant accounting policies, consistently followed by the Fund in the preparation of its financial statements.

- A. *Valuation of investments:* Investments are carried at market value or at fair value as determined by the Board of Directors. Securities traded on a national securities exchange or on a foreign exchange are valued at the last reported sales price on the principal exchange on which the security is listed on the last business day of the period; securities traded in the over-the-counter market are valued in accordance with NASDAQ Official Closing Price on the last business day of the period; listed securities and securities traded in the over-the-counter market for which no sale was reported on that date are valued at the mean between the last reported bid and asked prices; U.S. Treasury Bills with remaining maturities of 60 days or less are valued at their amortized cost. U.S. Treasury Bills that when purchased have a remaining maturity in excess of sixty days are stated at their discounted value based upon the mean between the bid and asked discount rates until the sixtieth day prior to maturity, at which point they are valued at amortized cost.

Foreign currency: Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of foreign portfolio securities are translated into U.S. dollars at the rates of exchange prevailing when such securities are acquired or sold. Income and expenses are translated into U.S. dollars at the rates of exchange prevailing when accrued. The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments. Reported net realized foreign exchange gains or losses arise from the sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at fiscal period end, resulting from changes in exchange rates.

- B. *Accounting for investments:* Investment transactions are accounted for on the trade date and dividend income is recorded on the ex-dividend date. The net realized gain or loss on security transactions is determined for accounting and tax purposes on the specific identification basis.
- C. *Federal income taxes:* It is the Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable income to its stockholders. Therefore, no federal income tax provision is required.
- D. *Use of Estimates:* The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.
- E. *General:* Dividends and distributions are recorded by the Fund on the ex-dividend date. Interest income is accrued as earned.

NOTE 2—INVESTMENT ADVISORY CONTRACTS AND PAYMENTS TO INTERESTED PERSONS:

The Fund retains Ruane, Cunniff & Goldfarb Inc., as its investment adviser. Ruane, Cunniff & Goldfarb Inc. (Investment Adviser) provides the Fund with investment advice, administrative services and facilities.

Under the terms of the Advisory Agreement, the Investment Adviser receives a management fee equal to 1% per annum of the Fund's average daily net asset values. This percentage will not increase or decrease in relation to increases or decreases in the net asset value of the Fund. Under the Advisory Agreement, the Investment Adviser is obligated to reimburse the Fund for the amount, if any, by which the operating expenses of the Fund (including the management fee) in any year exceed the sum of 1 1/2% of the average daily net asset values of the Fund during such year up to a maximum of \$30,000,000, plus 1% of the average daily net asset values in excess of \$30,000,000. The expenses incurred by the Fund exceeded the percentage limitation during the six months ended June 30, 2005 and the Investment Adviser reimbursed the Fund \$509,000.

For the six months ended June 30, 2005, there were no amounts accrued to interested persons, including officers and directors, other than advisory fees of \$18,247,319 to Ruane, Cunniff & Goldfarb Inc. and brokerage commissions of \$214,615 to Ruane, Cunniff & Goldfarb LLC, an affiliate of the Investment Adviser. Certain officers of the Fund are also officers of the Investment Adviser and the Fund's distributor. Ruane, Cunniff & Goldfarb LLC, the Fund's distributor, received no compensation from the Fund on the sale of the Fund's capital shares during the six months ended June 30, 2005.

NOTE 3—PORTFOLIO TRANSACTIONS:

The aggregate cost of purchases and the proceeds from the sales of securities, excluding U.S. government obligations, for the six months ended June 30, 2005 were \$173,596,684 and \$302,600,896, respectively. Included in proceeds of sales is \$103,509,606 representing the value of securities disposed of in payment of redemptions in-kind, resulting in realized gains of \$70,279,419.

At June 30, 2005 the aggregate gross unrealized appreciation and depreciation of securities were \$2,113,430,550 and \$4,507,828, respectively.

NOTE 4—CAPITAL STOCK:

At June 30, 2005 there were 100,000,000 shares of \$.10 par value capital stock authorized. Transactions in capital stock for the six months ended June 30, 2005 and the year ended December 31, 2004 were as follows:

	2005		2004	
	Shares	Amount	Shares	Amount
Shares sold	386,447	\$ 58,558,424	937,018	\$ 142,174,969
Shares issued to stockholders on reinvestment of:				
Net investment income.	—	—	—	—
Net realized gains on Investments.	438,708	65,757,953	31,351	4,737,104
	825,155	124,316,377	968,369	146,912,073
Shares repurchased	1,371,934	208,172,184	3,435,889	518,347,456
Net (decrease).	(546,779)	\$ (83,855,807)	(2,467,520)	\$(371,435,383)

NOTE 5—DISTRIBUTIONS TO SHAREHOLDERS:

Distributions to shareholders are determined in accordance with federal tax regulations and may differ from those determined for financial statement purposes. To the extent these differences are permanent such amounts are reclassified within the capital accounts based on federal tax regulations. During the six months ended June 30, 2005 permanent differences due to a net investment loss not deductible for tax purposes and realized gains on redemptions in kind not recognized for tax purposes resulted in a net decrease in net accumulated investment loss of \$8,977,060 and undistributed net realized gains of \$70,279,419 with a corresponding increase in paid in surplus of \$61,302,359. These reclassifications had no effect on net assets.

The tax character of distributions paid during 2004 and 2005 was as follows:

	<u>2005</u>	<u>2004</u>
Distributions paid from:		
Ordinary income	\$ —	\$ —
Long-term capital gains	<u>79,968,582</u>	<u>5,637,360</u>
Total distributions.	<u>\$79,968,582</u>	<u>\$5,637,360</u>

As of June 30, 2005, the components of distributable earnings on a tax basis were as follows:

Undistributed long-term gain	\$ 152,069,422
Unrealized appreciation	<u>2,108,922,722</u>
	<u>\$2,260,992,144</u>

NOTE 6—DIRECTORS FEES AND EXPENSES:

Directors who are not deemed “interested persons” receive fees of \$6,000 per quarter and \$2,500 for each meeting attended, and are reimbursed for travel and other out-of-pocket disbursements incurred in connection with attending directors meetings. The total of such fees and expenses paid by the Fund to these directors for the six months ended June 30, 2005 was \$129,710.

NOTE 7—AFFILIATED COMPANIES:

Investment in portfolio companies 5% or more of whose outstanding voting securities are held by the Fund are defined in the Investment Company Act of 1940 as “affiliated companies.” The total value and cost of investments in affiliates at June 30, 2005 aggregated \$277,128,637 and \$153,805,857, respectively. The summary of transactions for each affiliate during the period of their affiliation for the six months ended June 30, 2005 is provided below:

Affiliate	Purchases		Sales		Realized Gain	Dividend Income
	Shares	Cost	Shares	Cost		
Ethan Allen Interiors Inc	—	—	159,901	\$4,465,004	\$ 828,794	\$556,351
Mohawk Industries Inc	—	—	96,112	\$4,319,196	<u>3,752,797</u>	—
					<u>\$4,581,591</u>	<u>\$556,351</u>

NOTE 8—The interim financial statements have not been examined by the Fund’s independent accountants and accordingly they do not express an opinion thereon.

NOTE 9—FINANCIAL HIGHLIGHTS:

	Six Months Ended June 30, 2005	Year Ended December 31,				
		2004	2003	2002	2001	2000
Per Share Operating Performance (for a share outstanding throughout the period)						
Net asset value, beginning of Period . .	\$ 154.27	\$ 147.61	\$ 126.63	\$ 130.24	\$ 122.09	\$ 127.27
Income from investment operations:						
Net investment income (loss)	(0.38)	(0.58)	(0.62)	(0.41)	0.97	1.66
Net realized and unrealized gains (losses) on investments	(0.49)	7.45	22.21	(3.03)	11.52	23.33
Total from investment operations . .	(0.87)	6.87	21.59	(3.44)	12.49	24.99
Less distributions:						
Dividends from net investment income						
	(0.00)	(0.00)	(0.00)	(0.01)	(0.97)	(1.66)
Distributions from net realized gains . .						
	(3.40)	(0.21)	(0.61)	(0.16)	(3.37)	(28.51)
Total distributions	(3.40)	(0.21)	(0.61)	(0.17)	(4.34)	(30.17)
Net asset value, end of period	\$ 150.00	\$ 154.27	\$ 147.61	\$ 126.63	\$ 130.24	\$ 122.09
Total Return	-0.6%†	4.7%	17.1%	-2.6%	10.5%	20.1%
Ratios/Supplemental data						
Net assets, end of period (in millions) . .	\$3,585.8	\$3,772.4	\$3,973.6	\$3,905.1	\$4,230.1	\$3,943.9
Ratio to average net assets:						
Expenses	1.0%*	1.0%	1.0%	1.0%	1.0%	1.0%
Net investment income	-0.5%*	-0.4%	-0.5%	-0.3%	0.8%	1.2%
Portfolio turnover rate	10%*	6%	3%	8%	7%	36%

† Not annualized

* Annualized

Other information

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. Form N-Q is available on the SEC's web site at <http://www.sec.gov>. The Fund's Form N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. For information regarding the operation of the SEC's Public Reference Room, call 1-800-SEC-0330. For a complete list of the Fund's portfolio holdings, view the most recent quarterly, semiannual or annual report on Sequoia Fund's web site at http://www.sequoiafund.com/fund_reports.htm.

You may obtain a description of the Fund's proxy voting policies and procedures, and information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30, without charge. Visit Sequoia Fund's web site at www.sequoiafund.com and use the "Shareholder Information" link to obtain all proxy information. This information may also be obtained from the Securities and Exchange Commission's web site at www.sec.gov.

SEQUOIA FUND, INC.
767 Fifth Avenue, Suite 4701
New York, New York 10153-4798
Website: www.sequoiafund.com

DIRECTORS

William J. Ruane
Richard T. Cunniff
Robert D. Goldfarb
David M. Poppe
Vinod Ahooja
Roger Lowenstein
Francis P. Matthews
C. William Neuhauser
Sharon Osberg
Robert L. Swiggett

OFFICERS

William J. Ruane	— <i>Chairman of the Board</i>
Richard T. Cunniff	— <i>Vice Chairman</i>
Robert D. Goldfarb	— <i>President</i>
David M. Poppe	— <i>Executive Vice President</i>
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