

# MERIDIAN FUND, INC.

January 5, 2011

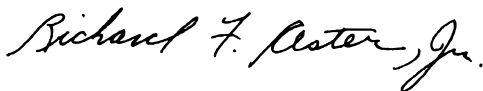
To Our Shareholders:

Positive economic news during the final quarter of 2010 resulted in solid gains for stocks. The S&P 500 advanced 10.2% during the fourth quarter, the NASDAQ 12.0% while the Russell 2000, representing smaller companies, gained 15.9%. The S&P 500, the NASDAQ and the Russell 2000 were up 12.8, 16.9 and 25.3% respectively for the year. The best performing sectors during the year included basic materials, industrials and consumer services. Utility, health care and telecommunication represented the worst performing groups. The yield on the ten-year Treasury bond rose from 2.52% to 3.30% during the fourth quarter, reflecting the improved economic outlook.

The economy grew at a revised 2.6% during the third quarter and the majority of economists have revised their estimates upward for the fourth quarter and 2011. Most areas of the economy are improving. Industrial production and consumer spending continue to grow while capital spending and even bank lending, housing and employment are starting to show signs of life. Fiscal and monetary policies remain expansionary. Congress recently extended the current tax rates and, thus far, there is only talk about budget cuts. The Federal Reserve, of course, is continuing with its easy money policy. Our outlook is for roughly 3% GDP growth in 2011 with a modest increase in the rate of inflation and somewhat higher interest rates.

Long-term investment results, history clearly shows, are improved by buying good companies or mutual funds consistently over an extended period of time. We welcome those new shareholders who joined the Meridian Funds during the quarter and appreciate the continued confidence of our existing shareholders.

We wish you a happy, healthy and prosperous New Year.



Richard F. Aster, Jr.

## Meridian Equity Income Fund® (MEIFX)

The Meridian Equity Income Fund's net asset value per share at December 31, 2010 was \$9.88. This represents an increase of 16.6% for the calendar year. The Fund's total return and average annual compound rate of return since inception, January 31, 2005, were 25.7% and 3.9%, respectively. On December 15, 2010, the Equity Income Fund paid an income dividend of \$0.21 per share. At the close of the quarter, total net assets were \$30,687,774 and were invested 5.2% in cash and other assets net of liabilities and 94.8% in stocks. There were 496 shareholders in the Equity Income Fund at year end.

Our basic strategy remains unchanged. The Fund continues to seek to invest in companies with above average dividend yields, strong financial returns and that have, in our opinion, the ability to grow dividends. The severe downturn in the economy and corporate profits resulted in dividend cuts for companies which previously were considered safe. Dividends for good companies, however, have stabilized and are beginning to grow again, as the economy improves. The Fund is diversified with 60 holdings representing 60 different industry groups. At the end of the December 2010 quarter, the portfolio's average holding had a 5-year-average return on equity of 19.3% and an average dividend yield of 3.4%; both measures substantially higher than the average S&P 500 stock. The yield compares favorably also to the 3.3% yield on the ten-year Treasury bond. The average holding has a market capitalization of \$30.2 billion, a debt ratio of 39.7% and earnings per share that are projected to increase 9.5% annually during the next several years. We believe these financial characteristics will lead to positive long-term returns for the Fund.

During the quarter we purchased shares of E.I. du Pont De Nemours, Lockheed Martin, Microsoft and Time Warner. We sold our positions in Caterpillar, H&R Block, Northrup Grumman and PPG Industries.

Eaton Corporation manufactures and distributes an extensive product set, including electrical components, hydraulic and power train systems, and various types of valves and manifolds. Eaton's most important markets are general industrial, mobile equipment, military, truck and automotive and residential construction. Approximately fifty percent of the company's business is in the U.S., with the balance in Europe, Asia Pacific, Latin America and Canada. The shares yield 2.3% and sell at a price earnings ratio in line with the market. This well managed company has a strong balance sheet with ample cash flow to produce future dividend growth.

#### **Meridian Growth Fund® (MERDX)**

The Meridian Growth Fund's net asset value per share at December 31, 2010 was \$44.59. This represents an increase of 31.4% for the calendar year. The Fund's total return and average annual compound rate of return since inception, August 1, 1984, were 2,366.0% and 12.9%, respectively. On December 15, 2010, the Growth Fund paid an income dividend of \$0.07 per share and a long term capital gain distribution of \$.01 per share. At the close of the quarter, total net assets were \$2,105,946,460 and were invested 5.3% in cash, cash equivalents and other assets net of liabilities and 94.7% in stocks. There were 73,951 shareholders in the Growth Fund at year end.

There are things to worry about, but we believe stocks will have positive performance, providing the economy continues to grow and there is no substantial upward pressure on interest rates or the rate of inflation. Valuations, while higher than a year ago, are not out of line by historical measures. Our portfolio is focused on small and mid-sized growth stocks which, for the most part, are market leaders, have strong financial characteristics and are reasonably valued. We hold 53 different positions and our largest area of focus remains technology, particularly software related companies. Most of these companies meet the criteria stated above and have a significant international opportunity for growth.

During the quarter we purchased shares of Ametek, Jones Lang Lasalle, Pall Corporation and United Stationers. We sold our positions in Digital Realty Trust and International Game Technology. At year end, Dionex Corporation was in the process of being bought out and we subsequently sold our position.

Royal Caribbean is the second largest cruise operator in the world. The cruise industry is essentially a duopoly with the top two companies accounting for close to 75% of the market. Barriers to entry are very high given the significant amount of capital investment required. Cruise vacations offer an attractive value proposition as they are typically 20-30% cheaper than comparable land-based itineraries. Worldwide demand is expected to increase in the high single digits annually over the long-term with faster growth coming from the international market where the penetration rate of cruise vacations is still fairly low compared to the US. Close to 50% of the company's revenue is from outside the US. The pricing and yield environment is expected to improve significantly during the next few years. Capacity peaked in 2010 and new ship deliveries will moderate in 2011 and beyond. The company has an experienced management team with a strong track record. The shares sell at a reasonable valuation given the company's future growth prospect and financial returns.

The Meridian Growth Fund's 2010 and long term performance has earned several recent accolades. — See **In The News**; below.

#### **Meridian Value Fund® (MVALX)**

The Meridian Value Fund's net asset value per share at December 31, 2010 was \$28.90. This represents an increase of 18.2% for the calendar year. The Fund's total return and average compounded annual rate of return since June 30, 1995, were 710.4% and 14.5%, respectively. The comparable period returns for the S&P 500 with dividends were 204.0% and 7.4%, respectively. On December 15, 2010, the Value Fund paid an income dividend of \$0.08 per share. At the close of the quarter, total net assets were \$933,144,805 and were invested 4.9% in cash, cash equivalents and other assets net of liabilities and 95.1% in stocks. There were 43,789 shareholders in the Value Fund at year end.

Our investment strategy remains unchanged. We continue to seek out-of-favor companies exemplified by an extended period of declining earnings. Over the past two years most earnings problems were related to poor economic conditions. During this period we invested in many high quality companies at attractive valuations. These are companies, in most cases, with leading and defensible market positions, high returns on invested capital, strong balance sheets and proven management teams. Many of these investments lagged the market during the strong rally off the 2009 market lows, and continued to underperform in 2010 as the market favored smaller, higher growth companies. With some stability in the economy, we now see more companies that fit our strategy for traditional company-specific reasons. This is historically the strength of the Meridian Value Fund and should bode well for future performance. We hold 51 positions, representing 31 industry groups. We continue to invest in companies of all market capitalizations and our largest areas of concentration are technology, retail and transportation.

During the quarter we purchased shares of Arkansas Best Corporation, Alexander & Baldwin and Orbital Sciences. We sold our shares in Fidelity National Financial, Hologic and JP Morgan Chase.

Carnival Corporation is the world's leading cruise line with over 90 ships operating worldwide under brands such as Carnival, Holland America, Princess, Cunard and several others. Earnings declined in 2009 as macro conditions impacted discretionary spending. Consumers cut back on vacation spending while cruise operators received previously ordered ships that increased supply in the face of falling demand. Earnings have since begun to rebound and the outlook for Carnival and the industry is bright. Cruise vacations are well suited for the current economic environment as they offer an excellent value proposition to customers at 20-30% the cost of land-based vacations. During the financial crisis cruise operators cut back on new ship orders, resulting in the lowest supply growth outlook that the industry has seen in several years. Cruising is also relatively under-penetrated compared to other vacations, leaving more room for growth. We believe that Carnival can reach normalized earnings of over \$4 per share in the next 3 to 5 years, up from \$2.47 in 2010. At \$47 the stock trades at a reasonable multiple of less than 12 times this earnings level. With fewer new ships coming on line over the next few years Carnival should also see significantly improved free cash flow. The company has indicated that it is likely to use this cash to increase its dividend payout which could offer further upside to investor returns.

### In The News

- The Meridian Growth Fund ranked number three out of four hundred midcap core funds in 2010, according to Lipper, as reported in the Wall Street Journal.
- Richard Aster and William Tao were given special recognition as *Runner-Up Domestic-Stock Manager of the Year* by Morningstar for 2010. There are over 6,000 domestic stock funds. Mr. Aster was identified as a manager who not only had an exceptional calendar year, but who also has done well for investors over the long haul.
- Meridian Growth Fund was the recipient of the *Standard & Poor's Domestic Equity Mid Cap Fund Gold Award* based on above peer-average returns, along with below peer-average risk and expenses and a record of consistent management over three years through August 31, 2010.
- Mr. Aster was profiled in *Money Magazine's 2011 Investor's Guide* for his 26 year tenure with the Meridian Growth Fund, outperforming 94% of its peers over the past 15 years as of December 31, 2010.

### Miscellaneous

The Meridian Funds are no-load and there are no transaction fees or commissions charged when purchased directly through our transfer agent, BNY Mellon Investment Servicing (US) Inc. This can be a very cost-effective method to purchase shares of the Meridian Funds for shareholders

who do not need the services of a broker-dealer and for long-term investors that make multiple purchases.

You can sign up for E-mail Alerts on our website at *www.meridianfund.com*. When you sign up for E-mail Alerts you will receive notification of news items, shareholder reports, SEC filings, and other information regarding the Meridian Funds.

The information provided in this report should not be considered investment advice or a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in a particular Fund's portfolio at the time you receive this report or that securities sold have not been repurchased. Securities discussed are presented as illustrations of companies that fit a particular Fund's investment strategy and do not represent a Fund's entire portfolio and in the aggregate may represent only a small percentage of a Fund's portfolio holdings. It should not be assumed that any of the securities transactions or holdings discussed were or will prove to be profitable, or that investment decisions Fund management makes in the future will be profitable or will equal the investment performance of the securities discussed herein. Management's views presented herein and any discussion of a particular Fund's portfolio holdings or performance are as of December 31, 2010 and are subject to change without notice.

# Meridian Equity Income Fund

## Summary of Portfolio Holdings

December 31, 2010 (Unaudited)

### Portfolio Holdings by Category (% of total net assets)

Industrial Machinery . . . . .	1.9%	\$ 570,486
Diversified Manufacturing Operations . . . . .	1.8	540,912
Household Appliances . . . . .	1.7	531,852
Trucking . . . . .	1.7	531,664
Electrical Components & Equipment . . . . .	1.7	529,144
Distribution & Wholesale . . . . .	1.7	522,898
Banking-Thrifts & Mortgage Finance . . . . .	1.7	517,244
Banking-Regional Banks . . . . .	1.7	513,408
Soft Drinks . . . . .	1.7	511,033
Energy . . . . .	1.7	511,000
Media-Broadcasting & Cable TV . . . . .	1.7	508,431
Asset Management & Custody Banks . . . . .	1.7	507,698
Computer Hardware . . . . .	1.6	503,185
Insurance Brokers . . . . .	1.6	503,001
Tobacco . . . . .	1.6	502,674
Department Stores . . . . .	1.6	500,805
Semiconductors . . . . .	1.6	499,466
Chemicals-Specialty . . . . .	1.6	499,460
Chemicals-Diversified . . . . .	1.6	498,800
Aerospace & Defense . . . . .	1.6	496,361
Household-Home Furnishings . . . . .	1.6	492,185
Software & Services . . . . .	1.6	491,392
Office Services & Supplies . . . . .	1.6	490,854
Independent Power Producers & Energy . . . . .	1.6	490,080
Diversified Financial Services . . . . .	1.6	484,653
Packaging . . . . .	1.6	483,960
Insurance-Multi-Line . . . . .	1.6	483,084
Oil & Gas-Storage & Transportation . . . . .	1.6	482,307
Electronic Equipment Manufacturing . . . . .	1.6	481,664
Air Freight & Logistics . . . . .	1.6	480,117
Steel . . . . .	1.6	477,638
Banking-Commercial . . . . .	1.6	476,821
Home Improvement Retail . . . . .	1.6	476,816
REITs-Storage . . . . .	1.6	476,674
Health Care Products . . . . .	1.5	475,828
Apparel Accessories & Luxury Goods . . . . .	1.5	473,990
Environmental Facilities & Services . . . . .	1.5	471,567
Personal Products . . . . .	1.5	470,772
Insurance-Property & Casualty . . . . .	1.5	470,745
Food Distributors . . . . .	1.5	470,400
Commercial Printing . . . . .	1.5	470,205

# Meridian Equity Income Fund

## Summary of Portfolio Holdings (continued)

December 31, 2010 (Unaudited)

IT Services & Data Processing . . . . .	1.5%	\$ 469,832
Telecommunication Services-Integrated . . . . .	1.5	466,554
Health Care Equipment & Supplies . . . . .	1.5	466,144
Industrial Conglomerates . . . . .	1.5	466,020
Electric Utilities . . . . .	1.5	465,864
Metal & Glass Containers . . . . .	1.5	464,250
Health Care Technology . . . . .	1.5	463,625
Utilities-Gas . . . . .	1.5	462,465
Media . . . . .	1.5	460,031
Apparel Retail . . . . .	1.5	459,382
Diversified Capital Markets . . . . .	1.5	458,694
Railroads . . . . .	1.5	458,586
Paper & Packaging . . . . .	1.5	457,912
Consumer Products . . . . .	1.5	457,040
Publishing . . . . .	1.5	455,125
Restaurants . . . . .	1.5	452,884
Retail . . . . .	1.5	452,654
Pharmaceuticals . . . . .	1.5	447,485
Food & Meats-Packaged . . . . .	1.4	441,140
Cash & Other Assets, Less Liabilities . . . . .	5.2	1,590,813
	<u>100.0%</u>	<u>\$30,687,774</u>

# Meridian Growth Fund

## Summary of Portfolio Holdings

December 31, 2010 (Unaudited)

### Portfolio Holdings by Category (% of total net assets)

Tech-Software . . . . .	14.9%	\$ 314,330,048
Retail . . . . .	9.9	208,396,733
Technology . . . . .	7.5	158,319,147
Energy . . . . .	5.7	120,704,501
Brokerage & Money Management . . . . .	5.0	104,132,905
Insurance Brokers . . . . .	4.8	100,192,781
Industrial Conglomerates . . . . .	4.3	91,139,472
Industrial Services . . . . .	3.8	80,787,529
Health Care Products . . . . .	3.7	76,837,790
Building Products . . . . .	3.5	72,955,619
Leisure & Amusement . . . . .	2.8	59,140,100
Banking-Commercial . . . . .	2.7	56,132,690
U.S. Government Obligations . . . . .	2.6	54,988,890
Cellular Communications . . . . .	2.5	53,054,936
Chemicals-Specialty . . . . .	2.4	50,505,351
Trucking . . . . .	2.4	50,196,300
Distribution & Wholesale . . . . .	2.3	49,361,983
Air Freight & Logistics . . . . .	2.0	43,084,860
Consumer Services . . . . .	2.0	42,422,407
Restaurants . . . . .	1.9	39,729,501
Metals . . . . .	1.6	34,367,418
Furniture & Fixtures . . . . .	1.6	33,471,900
Electronic Equipment Manufacturing . . . . .	1.5	31,863,150
Real Estate Management & Services . . . . .	1.5	31,595,880
Health Care Technology . . . . .	1.5	30,519,098
Health Care Information Services . . . . .	1.4	29,855,416
Automotive Wholesale Services . . . . .	1.0	22,032,765
Banking . . . . .	0.5	9,671,385
Cash & Other Assets, Less Liabilities . . . . .	2.7	56,155,905
	<u>100.0%</u>	<u>\$2,105,946,460</u>

# Meridian Value Fund

## Summary of Portfolio Holdings

December 31, 2010 (Unaudited)

### Portfolio Holdings by Category (% of total net assets)

Technology . . . . .	9.5%	\$ 88,525,464
Retail . . . . .	7.4	68,688,945
Industrial Services . . . . .	6.4	60,162,151
Industrial Products . . . . .	6.1	56,701,670
Leisure & Amusement . . . . .	5.0	46,520,830
Energy . . . . .	4.8	44,598,066
Diversified Financial Services . . . . .	4.8	44,545,030
Tech-Software . . . . .	4.0	37,310,345
Banking . . . . .	3.2	30,313,296
U.S. Government Obligations . . . . .	3.2	29,993,940
Insurance Brokers . . . . .	3.1	28,618,232
Semiconductors . . . . .	3.0	28,096,490
Trucking . . . . .	2.8	26,373,108
Air Freight & Logistics . . . . .	2.7	24,772,200
Metals . . . . .	2.6	24,007,160
Environmental Facilities & Services . . . . .	2.5	23,648,418
Automotive Wholesale Services . . . . .	2.5	23,210,752
Railroads . . . . .	2.5	22,868,488
Home Improvement Retail . . . . .	2.4	22,821,875
Household Appliances . . . . .	2.2	20,769,153
Industrial . . . . .	2.1	19,448,560
Pharmaceuticals . . . . .	2.1	19,384,214
Office Services & Supplies . . . . .	2.0	19,150,726
Utilities . . . . .	2.0	19,076,939
Agriculture . . . . .	1.6	14,756,716
REITs-Diversified . . . . .	1.5	14,003,754
Brokerage & Money Management . . . . .	1.3	12,022,569
Asset Management & Custody Banks . . . . .	1.2	11,032,032
Health Care Products . . . . .	1.0	9,796,965
Transportation . . . . .	1.0	9,270,948
Aerospace & Defense . . . . .	1.0	9,044,640
Insurance . . . . .	0.8	7,487,424
Cash & Other Assets, Less Liabilities . . . . .	1.7	16,123,705
	<u>100.0%</u>	<u>\$933,144,805</u>

# Meridian Fund, Inc.

## Disclosure of Fund Expenses (Unaudited)

For the Six Month Period July 1, 2010 to December 31, 2010

We believe it is important for you to understand the impact of fees and expenses on your investment. All mutual funds have operating expenses. As a shareholder of the Fund, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a Fund's gross income, directly reduce the investment return of the portfolio. A Fund's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your Fund and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period and assume reinvestment of all dividends and distributions.

	Beginning Account Value 7/1/10	Ending Account Value 12/31/10	Expense Ratio <sup>(1)</sup>	Expenses Paid During Period <sup>(2)</sup>
<b>Actual Fund Return</b>				
( See explanation below)				
Meridian Equity Income Fund . . . . .	\$1,000.00	\$1,185.40	1.25% <sup>(4)</sup>	\$6.89
Meridian Growth Fund . . . . .	\$1,000.00	\$1,316.00	0.83%	\$4.85
Meridian Value Fund . . . . .	\$1,000.00	\$1,271.00	1.10%	\$6.30
<b>Hypothetical 5% Return<sup>(3)</sup></b>				
( See explanation below)				
Meridian Equity Income Fund . . . . .	\$1,000.00	\$1,018.90	1.25% <sup>(4)</sup>	\$6.36
Meridian Growth Fund . . . . .	\$1,000.00	\$1,021.02	0.83%	\$4.23
Meridian Value Fund . . . . .	\$1,000.00	\$1,019.66	1.10%	\$5.60

(1) Annualized, based on the Fund's most recent fiscal half-year expenses.

(2) Expenses are equal to the Fund's annualized expense ratio multiplied by the average account value over the period, multiplied by 184, the number of days in the most recent fiscal half-year, then divided by 365.

(3) Before expenses.

(4) See note 2 to Financial Statements.

# Meridian Fund, Inc.

## Disclosure of Fund Expenses (Unaudited) (continued)

For the Six Month Period July 1, 2010 to December 31, 2010

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The table above illustrates your Fund's costs in two ways:

**Actual Fund Return:** This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the Fund's actual return, the third column shows the period's annualized expense ratio, and the last column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the Fund at the beginning of the period. You may use the information here, together with your account value, to estimate the expenses that you paid over the period.

To do so, 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."

**Hypothetical 5% Return:** This section is intended to help you compare your Fund's costs with those of other mutual funds. It assumes that the Fund had a return of 5% before expenses during the period shown, but that the expense ratio is unchanged. In this case, because the return used is **not** the Fund's actual return, the results do not apply to your investment. You can assess your Fund's costs by comparing this 5% Return hypothetical example with the 5% Return hypothetical examples that appear in shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your *ongoing* costs only and do not reflect any transactional costs such as short-term redemption and exchange fees or sales and service charges you may pay third party broker/dealers. Had these transactional costs been included, your costs would have been higher. Therefore, the hypothetical section of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds.

# Meridian Equity Income Fund

## Schedule of Investments

December 31, 2010 (Unaudited)

	Shares	Value		Shares	Value
COMMON STOCKS - 94.8%					
AEROSPACE & DEFENSE - 1.6%					
Lockheed Martin Corp. . . . .	7,100	\$ 496,361	COMMERCIAL PRINTING - 1.5%		
			R. R. Donnelley & Sons Co. . . . .	26,915	\$ 470,205
AIR FREIGHT & LOGISTICS - 1.6%					
United Parcel Service, Inc. Class B . . . . .	6,615	480,117	COMPUTER HARDWARE - 1.6%		
			Diebold, Inc. . . . .	15,700	503,185
APPAREL ACCESSORIES & LUXURY GOODS - 1.5%					
VF Corp. . . . .	5,500	473,990	CONSUMER PRODUCTS - 1.5%		
			Kimberly-Clark Corp. . . . .	7,250	457,040
APPAREL RETAIL - 1.5%					
American Eagle Outfitters, Inc. . . . .	31,400	459,382	DEPARTMENT STORES - 1.6%		
			JC Penney Co., Inc. . . . .	15,500	500,805
ASSET MANAGEMENT & CUSTODY BANKS - 1.7%					
Federated Investors, Inc. Class B . . . . .	19,400	507,698	DISTRIBUTION & WHOLESALE - 1.7%		
			Genuine Parts Co. . . . .	10,185	522,898
BANKING-COMMERCIAL - 1.6%					
Bank of Hawaii Corp. . . . .	10,100	476,821	DIVERSIFIED CAPITAL MARKETS - 1.5%		
			NYSE Euronext . . . . .	15,300	458,694
BANKING-REGIONAL BANKS - 1.7%					
Cullen/Frost Bankers, Inc. . . . .	8,400	513,408	DIVERSIFIED FINANCIAL SERVICES - 1.6%		
			Broadridge Financial Solutions, Inc. . . . .	22,100	484,653
BANKING-THRIFTS & MORTGAGE FINANCE - 1.7%					
Hudson City Bancorp, Inc. . . . .	40,600	517,244	DIVERSIFIED MANUFACTURING OPERATIONS - 1.8%		
			Harsco Corp. . . . .	19,100	540,912
CHEMICALS-DIVERSIFIED - 1.6%					
EI du Pont de Nemours & Co. . . . .	10,000	498,800	ELECTRICAL COMPONENTS & EQUIPMENT - 1.7%		
			Hubbell, Inc. Class B . . . . .	8,800	529,144
CHEMICALS-SPECIALTY - 1.6%					
RPM International, Inc. . . . .	22,600	499,460	ELECTRIC UTILITIES - 1.5%		
			PPL Corp. . . . .	17,700	465,864
			ELECTRONIC EQUIPMENT MANUFACTURING - 1.6%		
			Molex, Inc. . . . .	21,200	481,664
			ENERGY - 1.7%		
			Chevron Corp. . . . .	5,600	511,000

*The accompanying notes are an integral part of the financial statements.*

# Meridian Equity Income Fund

## Schedule of Investments (continued)

December 31, 2010 (Unaudited)

	Shares	Value		Shares	Value
COMMON STOCKS (continued)					
ENVIRONMENTAL FACILITIES & SERVICES - 1.5%			INDUSTRIAL MACHINERY - 1.9%		
Waste Management, Inc. . . . .	12,790	\$ 471,567	Eaton Corp. . . . .	5,620	\$ 570,486
FOOD DISTRIBUTORS - 1.5%			INSURANCE BROKERS - 1.6%		
SYSCO Corp. . . . .	16,000	470,400	Willis Group Holdings Plc (United Kingdom) . . . . .	14,525	503,001
FOOD & MEATS-PACKAGED - 1.4%			INSURANCE-MULTI-LINE - 1.6%		
Kraft Foods, Inc. Class A . . . . .	14,000	441,140	Chubb Corp. . . . .	8,100	483,084
HEALTH CARE EQUIPMENT & SUPPLIES - 1.5%			INSURANCE-PROPERTY & CASUALTY - 1.5%		
Hillenbrand, Inc. . . . .	22,400	466,144	Mercury General Corp. . . . .	10,945	470,745
HEALTH CARE PRODUCTS - 1.5%			IT SERVICES & DATA PROCESSING - 1.5%		
Baxter International, Inc. . . . .	9,400	475,828	Paychex, Inc. . . . .	15,200	469,832
HEALTH CARE TECHNOLOGY - 1.5%			MEDIA - 1.5%		
Medtronic, Inc. . . . .	12,500	463,625	Time Warner, Inc. . . . .	14,300	460,031
HOME IMPROVEMENT RETAIL - 1.6%			MEDIA-BROADCASTING & CABLE TV - 1.7%		
Home Depot, Inc. . . . .	13,600	476,816	Time Warner Cable, Inc. . . . .	7,700	508,431
HOUSEHOLD APPLIANCES - 1.7%			METAL & GLASS CONTAINERS - 1.5%		
Snap-On, Inc. . . . .	9,400	531,852	Greif, Inc. Class A . . . . .	7,500	464,250
HOUSEHOLD-HOME FURNISHINGS - 1.6%			OFFICE SERVICES & SUPPLIES - 1.6%		
Leggett & Platt, Inc. . . . .	21,625	492,185	Pitney Bowes, Inc. . . . .	20,300	490,854
INDEPENDENT POWER PRODUCERS & ENERGY - 1.6%			OIL & GAS-STORAGE & TRANSPORTATION - 1.6%		
Constellation Energy Group, Inc. . . . .	16,000	490,080	Spectra Energy Corp. . . . .	19,300	482,307
INDUSTRIAL CONGLOMERATES - 1.5%			PACKAGING - 1.6%		
3M Co. . . . .	5,400	466,020	MeadWestvaco Corp. . . . .	18,500	483,960
			PAPER & PACKAGING - 1.5%		
			Sonoco Products Co. . . . .	13,600	457,912

*The accompanying notes are an integral part of the financial statements.*

# Meridian Equity Income Fund

## Schedule of Investments (continued)

December 31, 2010 (Unaudited)

	Shares	Value		Shares	Value
COMMON STOCKS (continued)					
PERSONAL PRODUCTS - 1.5%			STEEL - 1.6%		
Avon Products, Inc. . . .	16,200	\$ 470,772	Nucor Corp. . . . .	10,900	\$ 477,638
PHARMACEUTICALS - 1.5%			TELECOMMUNICATION SERVICES-		
Johnson & Johnson . . .	7,235	447,485	INTEGRATED - 1.5%		
PUBLISHING - 1.5%			AT&T, Inc. . . . .	15,880	466,554
McGraw-Hill Cos., Inc.			TOBACCO - 1.6%		
(The) . . . . .	12,500	455,125	Reynolds American,		
RAILROADS - 1.5%			Inc. . . . .	15,410	502,674
Norfolk Southern			TRUCKING - 1.7%		
Corp. . . . .	7,300	458,586	Ryder System, Inc. . . . .	10,100	531,664
REITS-STORAGE - 1.6%			UTILITIES-GAS - 1.5%		
Public Storage REIT . . .	4,700	476,674	AGL Resources, Inc. . .	12,900	462,465
RESTAURANTS - 1.5%			TOTAL INVESTMENTS - 94.8%		
McDonald's Corp. . . . .	5,900	452,884	(Cost \$26,338,388). . . .		29,096,961
RETAIL - 1.5%			CASH AND OTHER ASSETS, LESS		
Mattel, Inc. . . . .	17,800	452,654	LIABILITIES - 5.2% . . . . .		<u>1,590,813</u>
SEMICONDUCTORS - 1.6%			NET ASSETS - 100.0% . . . . .		<u><u>\$30,687,774</u></u>
Microchip Technology,			REIT - Real Estate Investment Trust		
Inc. . . . .	14,600	499,466			
SOFT DRINKS - 1.7%					
Coca-Cola Co. (The) . . .	7,770	511,033			
SOFTWARE & SERVICES - 1.6%					
Microsoft Corp. . . . .	17,600	491,392			

*The accompanying notes are an integral part of the financial statements.*

# Meridian Growth Fund

## Schedule of Investments

December 31, 2010 (Unaudited)

	<u>Shares</u>	<u>Value</u>		<u>Shares</u>	<u>Value</u>
COMMON STOCKS - 94.7%					
AIR FREIGHT & LOGISTICS - 2.0%					
Expeditors International of Washington, Inc. . . . .	789,100	\$ 43,084,860			
AUTOMOTIVE WHOLESALE SERVICES - 1.0%					
Copart, Inc.* . . . . .	589,900	22,032,765			
BANKING - 0.5%					
CVB Financial Corp. . . . .	1,115,500	9,671,385			
BANKING-COMMERCIAL - 2.7%					
Bank of Hawaii Corp. . . . .	1,189,000	56,132,690			
BROKERAGE & MONEY MANAGEMENT - 5.0%					
Affiliated Managers Group, Inc.* . . . . .	523,900	51,981,358			
T. Rowe Price Group, Inc. . . . .	808,050	<u>52,151,547</u>			
		104,132,905			
BUILDING PRODUCTS - 3.5%					
Lumber Liquidators Holdings, Inc.* . . . . .	881,700	21,963,147			
Valspar Corp. . . . .	1,478,900	<u>50,992,472</u>			
		72,955,619			
CELLULAR COMMUNICATIONS - 2.5%					
American Tower Corp. Class A* . . . . .	1,027,400	53,054,936			
CHEMICALS-SPECIALTY - 2.4%					
RPM International, Inc. . . . .	2,285,310	50,505,351			
CONSUMER SERVICES - 2.0%					
Rollins, Inc. . . . .	2,147,970	42,422,407			
DISTRIBUTION & WHOLESALE - 2.3%					
United Stationers, Inc.* . . . . .	322,300	\$ 20,565,963			
Watsco, Inc. . . . .	456,500	<u>28,796,020</u>			
					49,361,983
ELECTRONIC EQUIPMENT MANUFACTURING - 1.5%					
AMETEK, Inc. . . . .	811,800	31,863,150			
ENERGY - 5.7%					
Continental Resources, Inc.* . . . . .	555,600	32,697,060			
Core Laboratories NV (Netherlands). . . . .	333,600	29,707,080			
FMC Technologies, Inc.* . . . . .	368,080	32,725,993			
Noble Energy, Inc. . . . .	297,100	<u>25,574,368</u>			
					120,704,501
FURNITURE & FIXTURES - 1.6%					
Herman Miller, Inc. . . . .	1,323,000	33,471,900			
HEALTH CARE INFORMATION SERVICES - 1.4%					
Cerner Corp.* . . . . .	315,130	29,855,416			
HEALTH CARE PRODUCTS - 3.7%					
DENTSPLY					
International, Inc. . . . .	1,057,100	36,121,107			
Edwards Lifesciences Corp.* . . . . .	503,670	<u>40,716,683</u>			
					76,837,790
HEALTH CARE TECHNOLOGY - 1.5%					
IDEXX Laboratories, Inc.* . . . . .	440,900	30,519,098			

*The accompanying notes are an integral part of the financial statements.*

# Meridian Growth Fund

## Schedule of Investments (continued)

December 31, 2010 (Unaudited)

	<u>Shares</u>	<u>Value</u>		<u>Shares</u>	<u>Value</u>
COMMON STOCKS (continued)					
INDUSTRIAL CONGLOMERATES - 4.3%					
Cooper Industries Plc . . .	817,600	\$ 47,657,904			
Dionex Corp.* . . . . .	197,000	23,247,970			
Pall Corp. . . . .	408,100	<u>20,233,598</u>			
		91,139,472			
INDUSTRIAL SERVICES - 3.8%					
Ritchie Bros. Auctioneers, Inc. (Canada). . . . .	1,243,600	28,664,980			
Waste Connections, Inc. . . . .	1,893,300	<u>52,122,549</u>			
		80,787,529			
INSURANCE BROKERS - 4.8%					
Brown & Brown, Inc. . .	2,021,250	48,388,725			
Willis Group Holdings Plc (United Kingdom) . . . . .	1,495,930	<u>51,804,056</u>			
		100,192,781			
LEISURE & AMUSEMENT - 2.8%					
Royal Caribbean Cruises, Ltd.* . . . . .	1,258,300	59,140,100			
METALS - 1.6%					
Cameco Corp. (Canada). . . . .	851,100	34,367,418			
REAL ESTATE MANAGEMENT & SERVICES - 1.5%					
Jones Lang LaSalle, Inc. . . . .	376,500	31,595,880			
RESTAURANTS - 1.9%					
Cracker Barrel Old Country Store, Inc. . .	725,388	39,729,501			
RETAIL - 9.9%					
Bed Bath & Beyond, Inc.* . . . . .	661,000	\$ 32,488,150			
CarMax, Inc.* . . . . .	669,150	21,332,502			
Coach, Inc. . . . .	738,200	40,829,842			
Family Dollar Stores, Inc. . . . .	774,000	38,475,540			
Mattel, Inc. . . . .	1,786,300	45,425,609			
PetSmart, Inc. . . . .	749,500	<u>29,845,090</u>			
		208,396,733			
TECHNOLOGY - 7.5%					
Autodesk, Inc.* . . . . .	1,123,500	42,917,700			
NetApp, Inc.* . . . . .	570,400	31,349,184			
Trimble Navigation, Ltd.* . . . . .	1,060,800	42,357,744			
Zebra Technologies Corp. Class A* . . . . .	1,097,513	<u>41,694,519</u>			
		158,319,147			
TECH-SOFTWARE - 14.9%					
Advent Software, Inc.* . .	692,638	40,117,593			
Blackbaud, Inc. . . . .	1,497,500	38,785,250			
BMC Software, Inc.* . . .	945,200	44,556,728			
Citrix Systems, Inc.* . . .	700,100	47,893,841			
MICROS Systems, Inc.* . . . . .	927,900	40,697,694			
Nuance Communications, Inc.* . . . . .	1,370,500	24,915,690			
Solera Holdings, Inc. . . .	863,200	44,299,424			
Teradata Corp.* . . . . .	803,300	<u>33,063,828</u>			
		314,330,048			
TRUCKING - 2.4%					
J.B. Hunt Transport Services, Inc. . . . .	1,230,000	50,196,300			
TOTAL COMMON STOCKS - 94.7%					
		(Cost \$1,399,089,258) . . . . .			<u>1,994,801,665</u>

The accompanying notes are an integral part of the financial statements.

# Meridian Growth Fund Schedule of Investments (continued)

December 31, 2010 (Unaudited)

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	<u>Value</u>
U.S. GOVERNMENT OBLIGATIONS - 2.6%	
U.S. Treasury Bill @ .132%** due 03/10/11 (Face Value \$55,000,000) . . . . .	\$ 54,988,890
 TOTAL U.S. GOVERNMENT OBLIGATIONS (Cost \$54,986,494) . . . . .	   <u>54,988,890</u>
 TOTAL INVESTMENTS - 97.3% (Cost \$1,454,075,752) . . . . .	   2,049,790,555
 CASH AND OTHER ASSETS, LESS LIABILITIES - 2.7% . . . . .	   <u>56,155,905</u>
 NET ASSETS - 100.0% . . . . .	   <u><u>\$2,105,946,460</u></u>

\* Non-income producing securities

\*\* Annualized yield at date of purchase

*The accompanying notes are an integral part of the financial statements.*

# Meridian Value Fund

## Schedule of Investments

December 31, 2010 (Unaudited)

	Shares	Value		Shares	Value
COMMON STOCKS - 95.1%					
AEROSPACE & DEFENSE - 1.0%					
Orbital Sciences Corp.* . . . . .	528,000	\$ 9,044,640	ENVIRONMENTAL FACILITIES & SERVICES - 2.5%		
			Waste Management, Inc. . . . .	641,400	\$ 23,648,418
AGRICULTURE - 1.6%					
Monsanto Co. . . . .	211,900	14,756,716	HEALTH CARE PRODUCTS - 1.0%		
			Gen-Probe, Inc.* . . . . .	167,900	9,796,965
AIR FREIGHT & LOGISTICS - 2.7%					
UTi Worldwide, Inc. . . . .	1,168,500	24,772,200	HOME IMPROVEMENT RETAIL - 2.4%		
			Sherwin-Williams Co. (The) . . . . .	272,500	22,821,875
ASSET MANAGEMENT & CUSTODY BANKS - 1.2%					
Franklin Resources, Inc. . . . .	99,200	11,032,032	HOUSEHOLD APPLIANCES - 2.2%		
			Stanley Black & Decker, Inc. . . . .	310,590	20,769,153
AUTOMOTIVE WHOLESALE SERVICES - 2.5%					
LKQ Corp.* . . . . .	1,021,600	23,210,752	INDUSTRIAL - 2.1%		
			Curtiss-Wright Corp. . . . .	585,800	19,448,560
BANKING - 3.2%					
CVB Financial Corp. . . . .	557,900	4,836,993	INDUSTRIAL PRODUCTS - 6.1%		
Northern Trust Corp. . . . .	254,800	14,118,468	Cummins, Inc. . . . .	84,400	9,284,844
Wells Fargo & Co. . . . .	366,500	11,357,835	Lincoln Electric Holdings, Inc. . . . .	303,800	19,829,026
		<u>30,313,296</u>	Sealed Air Corp. . . . .	1,084,000	<u>27,587,800</u>
BROKERAGE & MONEY MANAGEMENT - 1.3%					
TD Ameritrade Holding Corp. . . . .	633,100	12,022,569	INDUSTRIAL SERVICES - 6.4%		
			Nalco Holdings Co. . . . .	856,000	27,340,640
DIVERSIFIED FINANCIAL SERVICES - 4.8%					
Broadridge Financial Solutions, Inc. . . . .	1,147,000	25,153,710	Ritchie Bros. Auctioneers, Inc. (Canada) . . . . .	425,700	9,812,385
Equifax, Inc. . . . .	544,700	19,391,320	W.W. Grainger, Inc. . . . .	166,600	<u>23,009,126</u>
		44,545,030	60,162,151		
ENERGY - 4.8%					
Apache Corp. . . . .	112,300	13,389,529	INSURANCE - 0.8%		
Forest Oil Corp.* . . . . .	569,300	21,616,321	Travelers Cos., Inc. (The) . . . . .	134,400	7,487,424
Ultra Petroleum Corp.* . . . . .	200,800	9,592,216	INSURANCE BROKERS - 3.1%		
		44,598,066	Willis Group Holdings Plc (United Kingdom) . . . . .	826,400	28,618,232

*The accompanying notes are an integral part of the financial statements.*

# Meridian Value Fund

## Schedule of Investments (continued)

December 31, 2010 (Unaudited)

	<u>Shares</u>	<u>Value</u>		<u>Shares</u>	<u>Value</u>
COMMON STOCKS (continued)					
LEISURE & AMUSEMENT - 5.0%					
Carnival Corp. . . . .	607,600	\$ 28,016,436			
Polaris Industries, Inc. . .	237,175	<u>18,504,394</u>			
		46,520,830			
METALS - 2.6%					
Cameco Corp. (Canada) . . . . .	356,600	14,399,508			
Newmont Mining Corp. . . . .	156,400	<u>9,607,652</u>			
		24,007,160			
OFFICE SERVICES & SUPPLIES - 2.0%					
Steelcase, Inc. Class A . . .	1,811,800	19,150,726			
PHARMACEUTICALS - 2.1%					
BioMarin Pharmaceutical, Inc.* . . . . .	719,800	19,384,214			
RAILROADS - 2.5%					
Union Pacific Corp. . . . .	246,800	22,868,488			
REITS-DIVERSIFIED - 1.5%					
Host Hotels & Resorts, Inc. REIT . . . . .	783,646	14,003,754			
RETAIL - 7.4%					
Costco Wholesale Corp. . . . .	322,800	23,309,388			
Kohl's Corp.* . . . . .	410,600	22,312,004			
Mattel, Inc. . . . .	907,100	<u>23,067,553</u>			
		68,688,945			
SEMICONDUCTORS - 3.0%					
NVIDIA Corp.* . . . . .	882,200	13,585,880			
Power Integrations, Inc. . . . .	361,500	<u>14,510,610</u>			
		28,096,490			
TECHNOLOGY - 9.5%					
Acxiom Corp.* . . . . .	1,142,000	\$ 19,585,300			
Autodesk, Inc.* . . . . .	594,400	22,706,080			
Cisco Systems, Inc.* . . . .	463,200	9,370,536			
eBay, Inc.* . . . . .	342,700	9,537,341			
Zebra Technologies Corp. Class A* . . . . .	719,300	<u>27,326,207</u>			
		88,525,464			
TECH-SOFTWARE - 4.0%					
Citrix Systems, Inc.* . . . .	389,850	26,669,639			
Compuware Corp.* . . . . .	911,800	<u>10,640,706</u>			
		37,310,345			
TRANSPORTATION - 1.0%					
Alexander & Baldwin, Inc. . . . .	231,600	9,270,948			
TRUCKING - 2.8%					
Arkansas Best Corp. . . . .	345,500	9,473,610			
Heartland Express, Inc. . . . .	1,054,900	<u>16,899,498</u>			
		26,373,108			
UTILITIES - 2.0%					
Hawaiian Electric Industries, Inc. . . . .	837,075	19,076,939			
TOTAL COMMON STOCKS - 95.1%					
(Cost \$648,792,654) . . . . .		<u>887,027,160</u>			

The accompanying notes are an integral part of the financial statements.

# Meridian Value Fund

## Schedule of Investments (continued)

December 31, 2010 (Unaudited)

	<u>Value</u>
U.S. GOVERNMENT OBLIGATIONS - 3.2%	
U.S. Treasury Bill @ .132%**	
due 03/10/11	
(Face Value \$30,000,000) . . . . .	\$ 29,993,940
 TOTAL U.S. GOVERNMENT OBLIGATIONS	
(Cost \$29,992,633) . . . . .	<u>29,993,940</u>
 TOTAL INVESTMENTS - 98.3%	
(Cost \$678,785,287) . . . . .	917,021,100
 CASH AND OTHER ASSETS, LESS LIABILITIES - 1.7% . . . . .	<u>16,123,705</u>
 NET ASSETS - 100.0% . . . . .	<u><u>\$933,144,805</u></u>

REIT - Real Estate Investment Trust

\* Non-income producing securities

\*\* Annualized yield at date of purchase

*The accompanying notes are an integral part of the financial statements.*

# Meridian Fund, Inc.

## Statements of Assets and Liabilities

December 31, 2010 (Unaudited)

	Equity Income Fund	Growth Fund	Value Fund
<b>ASSETS</b>			
Investments (Cost \$26,338,388, \$1,454,075,752 and \$678,785,287, respectively) . . . . .	\$29,096,961	\$2,049,790,555	\$ 917,021,100
Cash . . . . .	1,542,759	55,131,282	16,649,196
Receivable for:			
Capital shares purchased . . . . .	10,211	3,847,738	117,235
Securities sold . . . . .	45,835	6,242,855	5,578,942
Dividends . . . . .	61,714	1,331,838	861,107
Interest . . . . .	72	2,968	894
Prepaid expenses . . . . .	29,152	23,734	12,063
<b>TOTAL ASSETS . . . . .</b>	<b><u>30,786,704</u></b>	<b><u>2,116,370,970</u></b>	<b><u>940,240,537</u></b>
<b>LIABILITIES</b>			
Payable for:			
Capital shares sold . . . . .	—	1,190,484	773,113
Securities purchased . . . . .	74,491	7,772,520	5,411,708
Accrued expenses:			
Investment advisory fees . . . . .	23,574	1,305,514	790,168
Other payables and accrued expenses . . . . .	865	155,992	120,743
<b>TOTAL LIABILITIES . . . . .</b>	<b><u>98,930</u></b>	<b><u>10,424,510</u></b>	<b><u>7,095,732</u></b>
<b>NET ASSETS . . . . .</b>	<b><u>\$30,687,774</u></b>	<b><u>\$2,105,946,460</u></b>	<b><u>\$ 933,144,805</u></b>
Capital shares issued and outstanding, par value \$0.01 (500,000,000, 500,000,000 and 500,000,000 shares authorized, respectively) . . . . .	<u>3,106,869</u>	<u>47,231,672</u>	<u>32,285,729</u>
Net asset value per share (offering and redemption price) . . . . .	<u>\$ 9.88</u>	<u>\$ 44.59</u>	<u>\$ 28.90</u>
Net Assets consist of:			
Paid in capital . . . . .	\$34,395,381	\$1,483,031,037	\$1,000,854,450
Accumulated net realized gain (loss) . . . . .	(6,633,304)	28,098,952	(308,111,841)
Net unrealized appreciation on investments . . . . .	2,758,573	595,714,803	238,235,813
Undistributed (distributions in excess of) net investment income . . . . .	167,124	(898,332)	2,166,383
	<u>\$30,687,774</u>	<u>\$2,105,946,460</u>	<u>\$ 933,144,805</u>

*The accompanying notes are an integral part of the financial statements.*

# Meridian Fund, Inc.

## Statements of Operations

For the Six Months Ended December 31, 2010 (Unaudited)

	Equity Income Fund	Growth Fund	Value Fund
<b>INVESTMENT INCOME</b>			
Dividends . . . . .	\$ 495,918	\$ 9,161,943	\$ 6,949,516
Interest . . . . .	360	42,614	23,943
	<u>496,278</u>	<u>9,204,557</u>	<u>6,973,459</u>
<b>EXPENSES</b>			
Investment advisory fees . . . . .	130,222	6,488,196	4,366,952
Custodian fees . . . . .	2,024	74,152	47,472
Directors' fees and expenses . . . . .	368	11,776	6,348
Pricing fees . . . . .	12,696	80,960	52,256
Professional fees . . . . .	16,131	95,542	60,012
Registration and filing fees . . . . .	10,586	14,840	24,070
Reports to shareholders . . . . .	1,656	76,176	25,760
Transfer agent fees . . . . .	6,256	243,248	215,464
Miscellaneous expenses . . . . .	1,016	13,320	8,505
	<u>180,955</u>	<u>7,098,210</u>	<u>4,806,839</u>
Total expenses . . . . .	180,955	7,098,210	4,806,839
Expenses waived by Adviser (Note 2) . . . . .	(7,059)	—	—
	<u>173,896</u>	<u>7,098,210</u>	<u>4,806,839</u>
Net expenses . . . . .	173,896	7,098,210	4,806,839
Net investment income . . . . .	<u>322,382</u>	<u>2,106,347</u>	<u>2,166,620</u>
<b>NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS</b>			
Net realized gain on investments . . . . .	385,726	62,438,186	34,983,424
Net change in unrealized appreciation/depreciation on investments . . . . .	3,938,069	402,483,817	170,394,720
	<u>4,323,795</u>	<u>464,922,003</u>	<u>205,378,144</u>
Net realized and unrealized gain on investments . . . . .	4,323,795	464,922,003	205,378,144
<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>			
	<u>\$4,646,177</u>	<u>\$467,028,350</u>	<u>\$207,544,764</u>

*The accompanying notes are an integral part of the financial statements.*

# Meridian Fund, Inc.

## Statements of Changes in Net Assets

	Equity Income Fund		Growth Fund	
	Six Months Ended December 31, 2010 (Unaudited)	Year Ended June 30, 2010	Six Months Ended December 31, 2010 (Unaudited)	Year Ended June 30, 2010
<b>OPERATIONS</b>				
Net investment income . . . . .	\$ 322,382	\$ 572,347	\$ 2,106,347	\$ 3,355,721
Net realized gain on investments . . . . .	385,726	134,812	62,438,186	60,595,810
Net change in unrealized appreciation/depreciation on investments . . . . .	<u>3,938,069</u>	<u>4,752,277</u>	<u>402,483,817</u>	<u>200,490,358</u>
Net increase in net assets from operations . . . . .	<u>4,646,177</u>	<u>5,459,436</u>	<u>467,028,350</u>	<u>264,441,889</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>				
Distributions from ordinary income . . . . .	(617,600)	(560,148)	(3,004,679)	(5,002,954)
Distributions from net realized capital gains . . . . .	—	—	(345,185)	—
Distributions of Paid-in-Capital . . . . .	<u>—</u>	<u>—</u>	<u>—</u>	<u>(812,370)</u>
Net distributions . . . . .	<u>(617,600)</u>	<u>(560,148)</u>	<u>(3,349,864)</u>	<u>(5,815,324)</u>
<b>CAPITAL SHARE TRANSACTIONS</b>				
Proceeds from sales of shares . . . . .	1,373,602	916,172	317,675,637	231,057,644
Reinvestment of distributions . . . . .	611,890	555,528	3,175,596	5,531,275
Redemption fees . . . . .	219	4	28,702	33,340
Less: redemptions of shares . . . . .	<u>(263,340)</u>	<u>(2,153,472)</u>	<u>(116,877,567)</u>	<u>(254,639,438)</u>
Increase (decrease) resulting from capital share transactions . . . . .	<u>1,722,371</u>	<u>(681,768)</u>	<u>204,002,368</u>	<u>(18,017,179)</u>
Total increase in net assets . . . . .	<u>5,750,948</u>	<u>4,217,520</u>	<u>667,680,854</u>	<u>240,609,386</u>
<b>NET ASSETS</b>				
Beginning of period . . . . .	<u>24,936,826</u>	<u>20,719,306</u>	<u>1,438,265,606</u>	<u>1,197,656,220</u>
End of period . . . . .	<u>\$30,687,774</u>	<u>\$24,936,826</u>	<u>\$2,105,946,460</u>	<u>\$1,438,265,606</u>
Undistributed (distributions in excess of) net investment income at end of period . . . . .	<u>\$ 167,124</u>	<u>\$ 462,342</u>	<u>\$ (898,332)</u>	<u>\$ —</u>

*The accompanying notes are an integral part of the financial statements.*

# Meridian Fund, Inc.

## Statements of Changes in Net Assets

	Value Fund	
	Six Months Ended December 31, 2010 (Unaudited)	Year Ended June 30, 2010
OPERATIONS		
Net investment income . . . . .	\$ 2,166,620	\$ 2,508,664
Net realized gain on investments . . . . .	34,983,424	48,310,157
Net change in unrealized appreciation/depreciation on investments . . . . .	<u>170,394,720</u>	<u>59,475,624</u>
Net increase in net assets from operations . . . . .	<u>207,544,764</u>	<u>110,294,445</u>
DISTRIBUTIONS TO SHAREHOLDERS		
Distributions from ordinary income . . . . .	<u>(2,508,893)</u>	<u>(9,603,460)</u>
Net distributions . . . . .	<u>(2,508,893)</u>	<u>(9,603,460)</u>
CAPITAL SHARE TRANSACTIONS		
Proceeds from sales of shares . . . . .	19,173,922	65,052,660
Reinvestment of distributions . . . . .	2,443,400	9,368,134
Redemption fees . . . . .	1,920	13,847
Less: redemptions of shares . . . . .	<u>(96,445,809)</u>	<u>(203,762,134)</u>
Decrease resulting from capital share transactions . . . . .	<u>(74,826,567)</u>	<u>(129,327,493)</u>
Total increase (decrease) in net assets . . . . .	<u>130,209,304</u>	<u>(28,636,508)</u>
NET ASSETS		
Beginning of period . . . . .	<u>802,935,501</u>	<u>831,572,009</u>
End of period . . . . .	<u>\$933,144,805</u>	<u>\$ 802,935,501</u>
Undistributed net investment income at end of period . . . . .	<u>\$ 2,166,383</u>	<u>\$ 2,508,656</u>

*The accompanying notes are an integral part of the financial statements.*

# Meridian Equity Income Fund

## Financial Highlights

Selected data for each share of capital stock outstanding throughout each period

	For the Six Months Ended December 31, 2010 (Unaudited)	For the fiscal year ended June 30,					For the fiscal period from January 31, 2005 through June 30, 2005+
		2010	2009	2008	2007	2006	
Net Asset Value — Beginning of Period . . . . .	\$ 8.51	\$ 6.88	\$ 10.37	\$ 13.14	\$ 11.05	\$ 10.10	\$ 10.00
<u>Income (Loss) from Investment Operations</u>							
Net Investment Income . . . . .	0.11 <sup>1</sup>	0.19 <sup>1</sup>	0.22 <sup>1</sup>	0.24 <sup>1</sup>	0.18	0.15	0.06
Net Gains (Losses) on Investments (both realized and unrealized) <sup>2</sup> . .	1.47	1.63	(2.96)	(2.25)	2.19	0.93	0.04
Total From Investment Operations . . . . .	1.58	1.82	(2.74)	(2.01)	2.37	1.08	0.10
<u>Less Distributions</u>							
Distributions from Net Investment Income . . . . .	(0.21)	(0.19)	(0.22)	(0.22)	(0.17)	(0.12)	0.00
Distributions from Net Realized Capital Gains . . . . .	0.00	0.00	(0.53)	(0.54)	(0.11)	(0.01)	0.00
Total Distributions . . . . .	(0.21)	(0.19)	(0.75)	(0.76)	(0.28)	(0.13)	0.00
Net Asset Value — End of Period . . . . .	\$ 9.88	\$ 8.51	\$ 6.88	\$ 10.37	\$ 13.14	\$ 11.05	\$ 10.10
Total Return . . . . .	18.54% <sup>3</sup>	26.44%	(26.75%)	(15.84%)	21.61%	10.75%	1.00% <sup>3</sup>
<u>Ratios/Supplemental Data</u>							
Net Assets, End of Period (000's) . . . . .	\$ 30,688	\$ 24,937	\$ 20,719	\$ 33,519	\$ 43,188	\$ 25,451	\$ 8,412
Ratio of Expenses to Average Net Assets							
Before expense reimbursement/recoupment . . . .	1.30% <sup>4</sup>	1.30%	1.43%	1.25% <sup>5</sup>	1.29%	1.67%	3.96% <sup>4</sup>
After expense reimbursement/recoupment <sup>6</sup> . . . .	1.25% <sup>4</sup>	1.25%	1.25%	1.25%	1.25%	1.25%	1.25% <sup>4</sup>
Ratio of Net Investment Income to Average Net Assets							
After expense reimbursement/recoupment . . . .	2.32% <sup>4</sup>	2.27%	2.73%	2.02%	1.64%	1.80%	2.11% <sup>4</sup>
Portfolio Turnover Rate . . . . .	13% <sup>3</sup>	63%	49%	62%	37%	60%	25%

+ The Fund commenced investment operations on January 31, 2005.

<sup>1</sup> Per share net investment income has been calculated using the average daily shares method.

<sup>2</sup> Includes redemption fee, which are less than 0.01 per share.

<sup>3</sup> Not Annualized.

<sup>4</sup> Annualized.

<sup>5</sup> The Advisor recouped \$4,849 during the fiscal year ended June 30, 2008, representing previously reimbursed expenses. Had such payment not been made, the expense ratio would have been 1.24%.

<sup>6</sup> See note 2 to Financial Statements.

*The accompanying notes are an integral part of the financial statements.*

# Meridian Growth Fund

## Financial Highlights

Selected data for each share of capital stock outstanding throughout each period

	For the Six Months Ended December 31, 2010 (Unaudited)	For the fiscal year ended June 30,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	
Net Asset Value —											
Beginning of Period . . . . .	\$ 33.94	\$ 27.89	\$ 33.60	\$ 42.74	\$ 38.54	\$ 35.77	\$ 35.38	\$ 27.24	\$ 28.10	\$ 31.30	\$ 29.45
<u>Income (Loss) from</u>											
<u>Investment Operations</u>											
Net Investment Income											
(Loss) . . . . .	0.05 <sup>1</sup>	0.08 <sup>1</sup>	0.15 <sup>1</sup>	0.05 <sup>1</sup>	0.04	(0.01)	(0.07)	(0.04)	(0.08)	(0.12)	2.26
Net Gains (Losses) on											
Investments (both realized											
and unrealized) <sup>2</sup> . . . . .	10.68	6.11	(4.68)	(5.56)	7.29	3.58	1.02	9.10	(0.11)	(0.24)	3.89
Total From Investment											
Operations . . . . .	10.73	6.19	(4.53)	(5.51)	7.33	3.57	0.95	9.06	(0.19)	(0.36)	6.15
<u>Less Distributions</u>											
Distributions from Net											
Investment Income . . . . .	(0.07)	(0.12)	(0.09)	(0.05)	(0.01)	0.00	0.00	0.00	(0.06)	0.00	(2.44)
Distributions from Net											
Realized Capital Gains . . . . .	(0.01)	0.00	(1.09)	(3.58)	(3.12)	(0.80)	(0.56)	(0.92)	(0.61)	(2.84)	(1.86)
Distributions from Paid in											
Capital Distribution . . . . .	(0.00)	(0.02)	(0.00) <sup>3</sup>	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total Distributions . . . . .	(0.08)	(0.14)	(1.18)	(3.63)	(3.13)	(0.80)	(0.56)	(0.92)	(0.67)	(2.84)	(4.30)
Net Asset Value — End of											
Period . . . . .	\$ 44.59	\$ 33.94	\$ 27.89	\$ 33.60	\$ 42.74	\$ 38.54	\$ 35.77	\$ 35.38	\$ 27.24	\$ 28.10	\$ 31.30
Total Return . . . . .	31.60% <sup>4</sup>	22.18%	(13.01)%	(13.80)%	19.69%	10.08%	2.65%	33.65%	(0.20)%	0.42%	23.34%
<u>Ratios/Supplemental Data</u>											
Net Assets, End of Period											
(000's) . . . . .	\$2,105,946	\$1,438,266	\$1,197,656	\$1,516,015	\$2,066,750	\$1,689,374	\$1,693,564	\$1,273,302	\$448,393	\$310,659	\$182,117
Ratio of Expenses to											
Average Net Assets . . . . .	0.83% <sup>5</sup>	0.84%	0.86%	0.84%	0.84%	0.85%	0.86%	0.88%	0.95%	1.02%	1.04%
Ratio of Net Investment											
Income (Loss) to Average											
Net Assets . . . . .	0.25% <sup>5</sup>	0.24%	0.52%	0.13%	0.11%	(0.03)%	(0.21)%	(0.21)%	(0.47)%	(0.62)%	(0.26)%
Portfolio Turnover Rate . . . . .	11% <sup>4</sup>	37%	35%	39%	40%	29%	32%	19%	27%	26%	43%

<sup>1</sup> Per share net investment income (loss) has been calculated using the average daily shares method.

<sup>2</sup> Includes redemption fees, which are less than 0.01 per share.

<sup>3</sup> Distribution includes a return of capital that rounds to less than \$.01 per share.

<sup>4</sup> Not Annualized.

<sup>5</sup> Annualized.

*The accompanying notes are an integral part of the financial statements.*

# Meridian Value Fund

## Financial Highlights

Selected data for each share of capital stock outstanding throughout each period

	For the Six Months Ended December 31, 2010 (Unaudited)	For the Fiscal Year Ended June 30,										
		2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	
Net Asset Value —												
Beginning of Period . . .	\$ 22.80	\$ 20.53	\$ 29.43	\$ 38.79	\$ 36.14	\$ 38.11	\$ 40.35	\$ 31.65	\$ 30.34	\$ 30.98	\$ 25.88	
<u>Income (Loss) from Investment Operations</u>												
Net Investment Income (Loss) . . . . .	0.06 <sup>1</sup>	0.07 <sup>1</sup>	0.22 <sup>1</sup>	0.15 <sup>1</sup>	0.41	0.18	0.19	0.00	(0.03)	(0.05)	1.12	
Net Gains (Losses) on Investments (both realized and unrealized) <sup>2</sup> . . . . .	6.12	2.45	(7.80)	(3.12)	7.74	2.45	2.96	8.70	1.34	(0.51)	5.75	
Total From Investment Operations . . . . .	6.18	2.52	(7.58)	(2.97)	8.15	2.63	3.15	8.70	1.31	(0.56)	6.87	
<u>Less Distributions</u>												
Distributions from Net Investment Income . . . .	(0.08)	(0.25)	0.00	(0.35)	(0.41)	(0.32)	(0.28)	0.00	0.00	(0.04)	(1.09)	
Distributions from Net Realized Capital Gains . . . . .	0.00	0.00	(1.32)	(6.04)	(5.09)	(4.28)	(5.11)	0.00	0.00	(0.04)	(0.68)	
Total Distributions . . . .	(0.08)	(0.25)	(1.32)	(6.39)	(5.50)	(4.60)	(5.39)	0.00	0.00	(0.08)	(1.77)	
Net Asset Value — End of Period . . . . .	\$ 28.90	\$ 22.80	\$ 20.53	\$ 29.43	\$ 38.79	\$ 36.14	\$ 38.11	\$ 40.35	\$ 31.65	\$ 30.34	\$ 30.98	
Total Return . . . . .	27.10% <sup>3</sup>	12.20%	(25.72%)	(8.82%)	23.90%	7.35%	8.00%	27.49%	4.32%	(1.78%)	27.95%	
<u>Ratios/Supplemental Data</u>												
Net Assets, End of Period (000's) . . . . .	\$933,145	\$802,936	\$831,572	\$1,319,186	\$1,819,440	\$1,686,874	\$2,271,478	\$2,226,590	\$1,456,552	\$1,297,207	\$768,559	
Ratio of Expenses to Average Net Assets . . . .	1.10% <sup>4</sup>	1.09%	1.12%	1.09%	1.08%	1.09%	1.08%	1.09%	1.11%	1.12%	1.10%	
Ratio of Net Investment Income (Loss) to Average Net Assets . . . . .	0.50% <sup>4</sup>	0.27%	0.97%	0.44%	0.59%	0.49%	0.48%	0.01%	(0.12%)	(0.22%)	0.60%	
Portfolio Turnover Rate . .	14% <sup>3</sup>	45%	87%	61%	75%	58%	59%	81%	60%	54%	76%	

<sup>1</sup> Per share net investment income (loss) has been calculated using the average daily shares method.

<sup>2</sup> Includes redemption fees, which are less than 0.01 per share.

<sup>3</sup> Not Annualized.

<sup>4</sup> Annualized.

*The accompanying notes are an integral part of the financial statements.*

# Meridian Fund, Inc.

## Notes to Financial Statements

For the Six Months Ended December 31, 2010 (Unaudited)

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1. **Organization and Significant Accounting Policies:** Meridian Fund, Inc. (the “Meridian Funds”) is comprised of the Meridian Equity Income Fund (the “Equity Income Fund”), the Meridian Growth Fund (the “Growth Fund”) and the Meridian Value Fund (the “Value Fund”). The Equity Income Fund, the Growth Fund and the Value Fund (each a “Fund” and collectively, the “Funds”) are registered under the Investment Company Act of 1940, as no-load, diversified, open-end management investment companies. The Equity Income Fund began operations and was registered on January 31, 2005. The Growth Fund began operations and was registered on August 1, 1984. The Value Fund began operations on February 10, 1994 and was registered on February 7, 1994.

The primary investment objective of the Equity Income Fund is to seek long-term growth of capital along with income as a component of total return.

The primary investment objective of the Growth Fund is to seek long-term growth of capital.

The primary investment objective of the Value Fund is to seek long-term growth of capital.

The following is a summary of significant accounting policies for all of the Funds:

- a. **Investment Valuations:** Marketable securities are valued at the closing price or last sales price on the principal exchange or market on which they are traded; or, if there were no sales that day, at the last reported bid price. Securities and other assets for which reliable market quotations are not readily available or for which a significant event has occurred since the time of the most recent market quotation, will be valued at their fair value as determined by Aster Investment Management Company, Inc. (the “Adviser”) under the guidelines established by, and under the general supervision and responsibility of, the Funds’ Board of Directors (the “Board”). Short-term debt securities with original or remaining maturities in excess of 60 days are valued at the mean of their quoted bid and asked prices. Short-term debt securities with 60 days or less to maturity are valued at amortized cost which approximates fair market value.
- b. **Federal Income Taxes:** It is the Funds’ policy to comply with the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and to distribute all of their taxable income to their shareholders; therefore, no federal income tax provision is required.
- c. **Security Transactions:** Security transactions are accounted for on the date the securities are purchased or sold (trade date). Realized gains and losses on security transactions are determined on the basis of specific identification for both financial statement and federal income tax purposes. Dividend income is recorded on the ex-dividend date. Interest income is accrued daily.
- d. **Cash and Cash Equivalents:** All highly liquid investments with an original maturity of three months or less are considered to be cash equivalents. Available funds are automatically swept into a Cash Reserve account, which preserves capital with a consistently competitive rate of return. Interest accrues daily and is credited by the third business day of the following month.

# Meridian Fund, Inc.

## Notes to Financial Statements (continued)

For the Six Months Ended December 31, 2010 (Unaudited)

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- e. **Expenses:** Expenses arising in connection with a Fund are charged directly to that Fund. Expenses common to the Funds are generally allocated to each Fund in proportion to their relative net assets.
- f. **Use of Estimates:** The preparation of financial statements in accordance with accounting principals generally accepted in the U.S. (“GAAP”) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and revenue and expenses at the date of the financial statements. Actual amounts could differ from those estimates.
- g. **Distributions to Shareholders:** The Funds record distributions to shareholders on the ex-dividend date. The amount of distributions from net investment income and net realized capital gains are determined in accordance with federal income tax regulations which may differ from GAAP. These “book/tax” differences are either considered temporary or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the capital accounts based on their federal tax-basis treatment; temporary differences do not require reclassification.

Distributions which exceed net investment income and net realized capital gains are reported as distributions in excess of net investment income or distributions in excess of net realized capital gains for financial reporting purposes but not for tax purposes. To the extent they exceed net investment income and net realized capital gains for tax purposes, they are reported as distributions of paid-in-capital.

- h. **Guarantees and Indemnification:** Under the Funds’ organizational documents, its Officers and Directors are indemnified against certain liability arising out of the performance of their duties to the Funds. Additionally, in the normal course of business, the Funds enter into contracts with service providers that contain general indemnification clauses. The Funds’ maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Funds that have not yet occurred. However, based on experience, the Funds expect the risk of loss to be remote.
- i. **Fair Value Measurements:** As described in Note 1.a. above, the Funds utilize various methods to determine and measure the fair value of investment securities on a recurring basis. The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1 — quoted prices in active markets for identical securities;

Level 2 — other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and

Level 3 — significant unobservable inputs (including the Fund’s determinations as to the fair value of investments).

# Meridian Fund, Inc.

## Notes to Financial Statements (continued)

For the Six Months Ended December 31, 2010 (Unaudited)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used to value the Funds' securities as of December 31, 2010 is as follows:

Valuation Inputs	Equity Income Fund	Growth Fund	Value Fund
Level 1 — Quoted Prices* . . . . .	\$29,096,961	\$1,994,801,665	\$887,027,160
Level 2 — Other Significant Observable Inputs** . . . . .	—	54,988,890	29,993,940
Level 3 — Significant Unobservable Inputs . . . . .	—	—	—
Total Market Value of Investments . . . . .	\$29,096,961	\$2,049,790,555	\$917,021,100

\* Level 1 investments are comprised of common stock with industry classifications as defined on the Schedule of Investments.

\*\* Level 2 investments are limited to U.S. Treasury Securities.

During the six months ended December 31, 2010 there were no reportable transfers between levels requiring disclosure in conformity with Financial Accounting Standards Board Accounting Standards Update No. 2010-06 "Improving Disclosures about Fair Value Measurements."

2. **Related Parties:** The Funds have entered into management agreements with the Adviser. Certain Officers and/or Directors of the Funds are also Officers and/or Directors of the Adviser. Beneficial ownership in the Funds by Richard F. Aster, Jr., President, as of December 31, 2010 were as follows:

Equity Income Fund . . . . .	73.90%
Growth Fund . . . . .	1.15%
Value Fund . . . . .	2.29%

The Adviser receives from the Equity Income Fund, as compensation for its services, an annual fee of 1% of the first \$10,000,000 of the Equity Income Fund's net assets, 0.90% of the next \$20,000,000 of the Equity Income Fund's net assets, 0.80% of the next \$20,000,000 of the Equity Income Fund's net assets and 0.70% of the Equity Income Fund's net assets in excess of \$50,000,000. The fee is paid monthly in arrears and calculated based on that month's daily average net assets.

The Adviser receives from the Growth Fund, as compensation for its services, an annual fee of 1% of the first \$50,000,000 of the Growth Fund's net assets and 0.75% of the Growth Fund's net assets in excess of \$50,000,000. The fee is paid monthly in arrears and calculated based on that month's daily average net assets.

The Adviser receives from the Value Fund, as compensation for its services, an annual fee of 1% of the Value Fund's net assets. The fee is paid monthly in arrears and calculated based on that month's daily average net assets.

# Meridian Fund, Inc.

## Notes to Financial Statements (continued)

For the Six Months Ended December 31, 2010 (Unaudited)

The Adviser voluntarily agreed to waive its fee and reimburse expenses, to the extent that total annual operating expenses for the Equity Income Fund exceeds 1.25%. The Investment Adviser has voluntarily agreed to limit the operating expenses of the Growth and Value Funds to 2.50%. With respect to these limits, the Adviser reimbursed the Equity Income Fund \$7,059 but did not reimburse the Growth and Value Funds, during the six months ended December 31, 2010.

The Equity Income Fund will carry forward, for a period not to exceed three years from the date on which a waiver or reimbursement of expenses in excess of the expense limitation, is made by the Adviser, and repay the Adviser such amounts; provided the Fund is able to effect such reimbursement and maintain the expense limitation.

At December 31, 2010, the balance of recoupable expenses along with the year of expiration for the Equity Income Fund is:

<u>Amount</u>	<u>Expiration</u>
\$44,638 .....	2012
12,855 .....	2013
7,059 .....	2014

Subject to the approval of the Board, the Fund will repay the Adviser the amount of its reimbursement for the Equity Income Fund for up to three years following the reimbursement to the extent the Equity Income Fund's expenses drop below 1.25%, after giving effect to repayment by the Fund. Either the Fund or the Adviser can modify or terminate this arrangement at any time.

3. **Capital Shares Transactions:** Transactions in capital shares for the six months ended December 31, 2010 and the year ended June 30, 2010 were as follows:

	<u>Equity Income Fund</u>	
	<u>December 31, 2010</u>	<u>June 30, 2010</u>
Increase in Fund shares:		
Shares sold .....	142,663	102,162
Shares issued from reinvestment of distributions .....	<u>62,694</u>	<u>64,075</u>
	205,357	166,237
Shares redeemed .....	<u>(27,857)</u>	<u>(250,390)</u>
Net increase (decrease) .....	<u>177,500</u>	<u>(84,153)</u>

# Meridian Fund, Inc.

## Notes to Financial Statements (continued)

For the Six Months Ended December 31, 2010 (Unaudited)

	Growth Fund	
	December 31, 2010	June 30, 2010
Increase in Fund shares:		
Shares sold. . . . .	7,774,534	6,935,285
Shares issued from reinvestment of distributions . . . . .	<u>72,107</u>	<u>162,637</u>
	7,846,641	7,097,922
Shares redeemed . . . . .	<u>(2,995,779)</u>	<u>(7,666,732)</u>
Net increase (decrease) . . . . .	<u>4,850,862</u>	<u>(568,810)</u>

	Value Fund	
	December 31, 2010	June 30, 2010
Increase in Fund shares:		
Shares sold. . . . .	737,666	2,717,508
Shares issued from reinvestment of distributions . . . . .	<u>86,096</u>	<u>382,841</u>
	823,762	3,100,349
Shares redeemed . . . . .	<u>(3,750,171)</u>	<u>(8,391,590)</u>
Net decrease . . . . .	<u>(2,926,409)</u>	<u>(5,291,241)</u>

- 4. Compensation of Directors and Officers:** Directors and Officers of the Funds who are Directors and/or Officers of the Adviser receive no compensation from the Funds. Directors of the Funds who are not interested persons, as defined in the Investment Company Act of 1940, receive compensation in the amount of a minimum of \$6,000 per annum. Compensation will be paid at each director's election in either cash or Fund shares. The difference between an average of the share prices of the three series Funds taken at the beginning and the end of the Funds' fiscal year will be used to calculate an adjustment to the prior year's director's fee compensation in each successive year. Compensation will not adjust below \$6,000. An additional \$1,000 will be paid to each unaffiliated director for each Board of Directors meeting attended other than the annual meeting.
- 5. Investment Transactions:** The cost of investments purchased and the proceeds from sales of investments, excluding short-term securities and U.S. government obligations, for the six months ended December 31, 2010, were as follows:

	Purchases	Proceeds from Sales
Equity Income Fund . . . . .	\$ 4,454,166	\$ 3,307,799
Growth Fund . . . . .	349,302,766	177,492,588
Value Fund . . . . .	113,229,313	190,663,273

# Meridian Fund, Inc.

## Notes to Financial Statements (continued)

For the Six Months Ended December 31, 2010 (Unaudited)

6. **Distribution Information:** Income and long-term capital gains distributions are determined in accordance with federal income tax regulations, which may differ from GAAP. The tax character of distributions made during the fiscal year ended June 30, 2010 is as follows:

	2010 Taxable Distributions		
	Ordinary Income	Distributions of Paid-in-Capital	Total Distributions
Equity Income Fund . . . . .	\$ 560,148	\$ —	\$ 560,148
Growth Fund. . . . .	5,002,954	812,370	5,815,324
Value Fund . . . . .	9,603,460	—	9,603,460

7. **Federal Income Taxes Information:** Management has analyzed the Funds' tax positions taken on federal income tax returns for all open tax years (tax years ended June 30, 2007-2010), and has concluded that no provision for federal income tax is required in the Funds' financial statements. The Funds' federal and state income and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state departments of revenue.

The aggregate cost of investments, unrealized appreciation and depreciation which are book figures that approximate federal income tax basis, at December 31, 2010 were as follows:

	Aggregate Cost	Aggregate Gross Unrealized Appreciation	Aggregate Gross Unrealized Depreciation	Net Unrealized Appreciation
Equity Income Fund. . . . .	\$ 26,338,388	\$ 3,268,437	\$ (509,864)	\$ 2,758,573
Growth Fund. . . . .	1,454,075,752	602,434,215	(6,719,412)	595,714,803
Value Fund . . . . .	678,785,287	238,625,330	(389,517)	238,235,813

As of June 30, 2010 the Funds had capital loss carry forwards available to offset future realized capital gains through the indicated expiration dates:

	Amount	Expires
Equity Income Fund . . . . .	\$ 182,963	2017
Equity Income Fund . . . . .	6,814,770	2018
Growth Fund . . . . .	31,465,152	2018
Value Fund . . . . .	54,088,431	2017
Value Fund . . . . .	286,473,460	2018

8. **Subsequent Events:** Management has evaluated the impact of all subsequent events on the Funds through the date the financial statements were available to be issued, and has noted no additional events that require recognition or disclosure in the financial statements.

# Meridian Fund, Inc.

## Additional Information

For the Six Months Ended December 31, 2010 (Unaudited)

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1. **Proxy Voting Record and Proxy Voting Policies and Procedures:** A description of the policies and procedures that each Fund uses to determine how to vote proxies relating to portfolio securities along with information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12 month period ended June 30 is available (i) without charge, upon request, by calling (800) 446-6662; (ii) on our website at <http://www.meridianfund.com>; and (iii) on the Securities and Exchange Commission (“SEC”) website at <http://www.sec.gov>.
2. **Information on Form N-Q:** The Company files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q within sixty days after the end of the period. The Company’s Form N-Q is available on the SEC’s website at <http://www.sec.gov>, and may be reviewed and copied at the SEC’s Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-732-0330.

# Disclosure Regarding Approval of Investment Advisory Agreements (unaudited)

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The Directors of the Funds, including a majority of the Independent Directors, unanimously approved the continuance of the Investment Advisory Agreements between the Meridian Growth Fund, the Meridian Value Fund and the Meridian Equity Income Fund and the Adviser at a meeting held on October 6, 2010.

In preparation for the meetings, the Directors received and evaluated information supplied by the Adviser in response to a request letter addressed to Fund Management by counsel, at the Board of Director's request, which identified items that should be provided in order for the Directors to gain reasonable assurance that they have sufficiently considered all relevant and required information related to approval of the Advisory Agreements. The Directors examined and considered, among other items, performance and expense information of other retail and institutional investment companies with similar objectives, derived from data compiled by an independent third-party provider, as well as other information received from the Adviser periodically throughout the course of the year. The Independent Directors of the Funds also met in a private session at which no representatives of the Adviser were present prior to voting to approve the Advisory Agreements with respect to each of the Funds. In the process of making their determinations, the Directors considered factors they believed materially related to the selection of the Adviser, the approval of the fee structures and amounts paid under the Advisory Agreements. The Directors based their determinations on the evaluation of all factors taken as a whole and did not consider any one factor as predominant or controlling. Some of the factors considered are discussed in more detail below.

The Directors considered the nature, extent and quality of the investment research and portfolio management functions of the Adviser and the resources the Adviser dedicated and was expected to continue to dedicate to performing services for the Funds. The Directors also considered the respective investment strategies of the Funds and noted favorably the Adviser's demonstrated ability, over time, to achieve a competitive rate of return for long-term investors. The quality of other services, including the Adviser's assistance in the coordination of the activities of the Funds relating to other service providers, fund administration and compliance programs also was considered. In addition, the Directors considered the consistency of the Funds' service quality, in light of their on-going experience as Directors of the Funds. The Directors concluded that, in all material respects, they were satisfied with the nature, extent and quality of services provided, and expected to be provided, to the Funds under the Advisory Agreements.

At each of their regular meetings, the Directors reviewed the current and long-term performance of the Funds. The Directors noted that, while the Meridian Value Fund's one-year performance trailed the performance index comprising all retail and institutional funds within its investment category as determined by an independent third-party provider ("performance universe") over the longer three-, five- and ten-year periods the Meridian Value Fund outperformed its performance universe. The Directors also noted that the Meridian Equity Income Fund and the Meridian Growth Fund outperformed their respective performance universe over each of the one-, three-, five- and ten-year time periods. In addition to the information reviewed by the Directors during their meetings, the Directors

## Disclosure Regarding Approval of Investment Advisory Agreements (unaudited) (continued)

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received detailed monthly performance reports for the Funds throughout the year. These reports present the Funds' performance in comparison to both broad market and peer group indices. Based upon their review, the Directors concluded that the Adviser's management of the Funds' investment portfolios has resulted in consistently competitive performance overall and, in particular, outstanding returns for long-term investors.

The Directors considered the direct and indirect costs incurred by the Adviser in providing investment management services for the Funds. In light of the changes in assets under management for each Fund during relevant time periods, the Directors concluded that economies of scale currently being realized do not warrant the implementation of additional breakpoints for any of the Funds. While intending to monitor future growth in Fund assets, and to the extent that economies of scale are realized, the Directors believe that current advisory fee levels reflect an equitable sharing of benefits with shareholders. The Directors concluded that profits being realized by the Adviser from its relationship with the Funds are reasonable and appropriate, based on the business judgment of the Directors, with consideration duly given to, among other things, the nature and quality of services provided, the outstanding long-term performance of the Funds, investment industry practices and comparable funds' average fee expense, determined using independent third party data. The Directors recognized that it is difficult to make comparisons of profitability from investment advisory contracts. This is because comparative information is not generally publicly available and is affected by numerous factors, including the structure of the particular adviser, the type of clients it advises, its business mix, and numerous assumptions regarding allocations and the adviser's capital and management structure.

The Directors additionally considered certain benefits the Adviser realizes due to its relationship with the Funds. In particular, the Adviser has arrangements under which certain brokers may provide industry research to the Adviser's portfolio managers through the use of a portion of the brokerage commissions generated from the Adviser's trading activities on behalf of the Funds. Under this arrangement, the Directors believe that the Funds' shareholders benefit as well from these research products paid for through broker commissions and soft dollar arrangements.

# MERIDIAN FUND, INC.

This report is submitted for the information of shareholders of Meridian Fund, Inc. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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## *Officers and Directors*

RICHARD F. ASTER, JR.  
President and Director

JOHN EMRICH

MICHAEL S. ERICKSON

JAMES B. GLAVIN

HERBERT C. KAY

RONALD ROTTER

MICHAEL STOLPER  
Directors

GREGG B. KEELING  
Chief Financial Officer  
Treasurer and Secretary  
Chief Compliance Officer

## *Custodian*

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SEMI-ANNUAL REPORT



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December 31, 2010