
SOUND SHORE FUND

THREE CANAL PLAZA, PORTLAND, ME 04101 1-800-551-1980

June 30, 2021

Dear Investor:

The Sound Shore Fund Investor Class (SSHFX) and Institutional Class (SSHVX) advanced 5.61% and 5.66%, respectively, in the second quarter of 2021, finishing ahead of the Russell 1000 Value Index (Russell Value) which was up 5.21% and behind the Standard & Poor's 500 Index (S&P 500) which was up 8.55%. Year-to-date returns for SSHFX of 17.57% and for SSHVX of 17.64% were slightly ahead the Russell Value's 17.05% and the S&P 500's 15.25%.

We are required by FINRA to say that: Past performance is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. For the most recent month-end performance, please visit the Fund's website at www.soundshorefund.com.

Strong corporate profits and resurgent consumer spending helped drive our strong performance in the second quarter. Investor confidence remained strong due to reopening economies and despite interest rate and inflation concerns. However, performance narrowed vs. the S&P 500 during June, favoring growth stocks, after the US Federal Reserve indicated it could be tightening as soon as 2022.

The current environment is yielding ample investment opportunities for Sound Shore's bottom up, contrarian strategy. Sound Shore's process, time-tested over the last 43 years, starts with a screen to identify the least expensive stocks based upon earnings and cash flow. We then conduct thorough fundamental research to determine the company-specific drivers that will grow value ahead of low consensus expectations. Realizing or exceeding our outlook for earnings and cash flow is crucial, and we assemble financial models to track a company's progress. When we get it right, a company's future earnings and cash flow are higher than Wall Street (the "Street") had estimated.

A couple of our holdings in the financials sector were top performers for the quarter and provide good examples. The most recent Federal Reserve stress test results, we believe, provides confirmation that our holdings' business models are more resilient, over-capitalized and underappreciated by the market. The Comprehensive Capital Analysis and Review, often referred to as "CCAR," is an analysis conducted under hypothetical scenarios designed to determine whether a bank has enough capital to withstand a negative economic shock. Card issuer Capital One's latest stress test capital buffer declined by more than 3 percentage points. This equates to approximately \$10 billion in incremental capital capacity to distribute to shareholders. Based on our estimate of excess capital and excess reserves the company could return more than 30% of their total market cap over the next 12 months. While we are not anticipating that to happen in such a short period of time, we do expect increased dividends and share repurchases, which should accelerate shareholder value. The results substantiate our suspicion that the market has underestimated the resilience of Capital One's credit card underwriting. We believe that Capital One's seasoned management team is keeping the company on its front foot through strong credit management and advanced technology platforms. Currently valued at 9.5 times 2022 consensus earnings it remains a holding.

Already a top tier investment bank, fellow financial holding Morgan Stanley's very capable management team continues to drive even faster growth in its highly profitable wealth and asset management franchises. By continuing to build out these businesses

both organically and via acquisition (E*Trade, Eaton Vance), Morgan Stanley's business model is stronger than it has ever been. Again, the stress test results highlight this. In fact, the company just announced on June 28, 2021 that it is doubling its dividend from \$1.40 to \$2.80 per share! That gives investors a very attractive 3.1% dividend yield for a company that is winning share, continues to grow and is well prepared for the digital future. We believe that the Street has underestimated Morgan Stanley's earnings power and that the company's performance in wealth management will help drive a re-rating of the stock higher.

On the detractor side, electronic payments processor Fiserv pulled back after a strong performance in the first quarter. Concern over increased competition in the fintech space contributed to the weakness. Another hangover in recent years has been private equity firm KKR's large ownership stake in Fiserv from a prior leveraged buyout. As KKR has been winding down its position, the stock has lagged. That divestiture is largely complete and KKR now holds less than 10% of the outstanding shares. Despite the recent multiple compression, our view is that the company will continue delivering double digit earnings growth and we added to our position on the recent weakness. Fiserv is attractively valued and trading at 16.7 times 2022 earnings, with a 5% free cash flow yield, approximately a 30% discount to the S&P 500. Meanwhile Fiserv's Clover point of sale solution is underappreciated, based on the very high valuations of some digital payments peers. The move from cash to credit and digital will certainly continue from here. We believe that led by a seasoned management team, Fiserv is well positioned to capitalize on that trend.

Sound Shore continues to uncover companies with durable earnings power like those discussed above. We are encouraged that stock performance based upon company-specific fundamentals seems to be more characteristic of recent markets. Investors will be keeping a close eye on the emergence of variant strains and the progress of COVID-19 vaccinations around the world. Many regions have lagged the US, which has hampered reopening of global economies. As mentioned earlier, Fed activity, interest rates and inflation are all being closely watched as the possibility of more persistent inflationary pressure beyond 2021 is debated. Our focus remains on the earnings power of our holdings and we note that at June 30, 2021, Sound Shore's portfolio had a forward price-earnings multiple of 13.8 times consensus, a meaningful discount to the S&P 500 at 21.1 times and the Russell Value at 16.5 times, despite strong balance sheets and better free cash flow.

Many thanks as always for your investment alongside ours.

Sincerely,

SOUND SHORE FUND

Harry Burn, III
John P. DeGulis
T. Gibbs Kane, Jr.

Co-Portfolio Managers

Important Information

Performance data quoted represents past performance and is no guarantee of future results. The Fund's Investor Class 1, 5, and 10-year average annual total returns for the period ended June 30, 2021 were 52.23%, 12.20%, and 11.43%, respectively. The Fund's Institutional Class 1, 5, and 10-year average annual total returns for the same period were 52.49%, 12.38%, and 11.62%, respectively. Fund returns assume the reinvestment of all dividend and capital gain distributions. As stated in the current prospectus, the total annual operating expense ratio (gross) is 0.93% for the Investor Class and 0.84% for the Institutional Class. The net expense ratio for the Institutional Class is 0.75% pursuant to an expense limitation agreement between the Adviser and the Fund. This agreement is in effect until at least May 1, 2022. The performance for the Institutional Class prior to its inception on 12/9/13 is based on the performance of the Investor Class, adjusted to reflect the lower expense ratio of the Institutional Class (net of expense reimbursements).

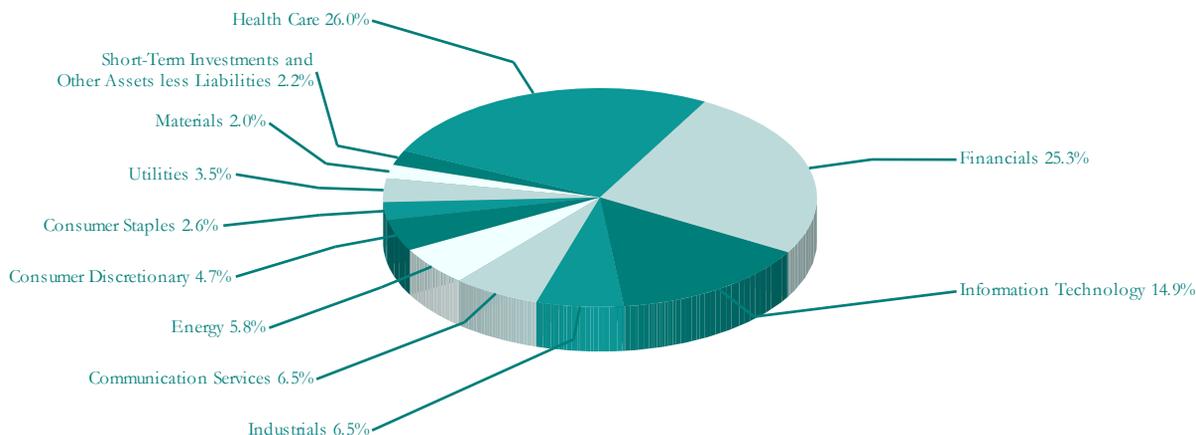
The Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. The Standard & Poor's 500 Index is an unmanaged index representing the average performance of 500 widely held, publicly traded, large capitalization stocks. It is not possible to invest directly in an Index. Data presented reflects that of the underlying holdings of the Fund, not of the Fund itself. FCF (Free Cash Flow) represents the cash that a company is able to generate after laying out the money required to maintain or expand its asset base. Forward P/E (estimated price-to-earnings) is a measure of the P/E using forecasted earnings for the P/E calculation.

An investment in the Fund is subject to risk, including the possible loss of principal amount invested. Mid Cap Risk: Securities of medium sized companies may be more volatile and more difficult to liquidate during market downturns than securities of large, more widely traded companies. Foreign Securities Risk: The Fund may invest in foreign securities primarily in the form of American Depositary Receipts. Investing in the securities of foreign issuers also involves certain special risks, which are not typically associated with investing in U.S. dollar-denominated securities or quoted securities of U.S. issuers including increased risks of adverse issuer, political, regulatory, market or economic developments, changes in currency rates and in exchange control regulations. The Fund is also subject to other risks, including, but not limited to, risks associated with value investing.

The views in this letter were those of the Fund managers as of 6/30/21 and may not necessarily reflect their views on the date this letter is first published or anytime thereafter.

SOUND SHORE FUND, INC.
SCHEDULE OF INVESTMENTS (Unaudited)
JUNE 30, 2021

Sector Weightings^(a) (as of June 30, 2021)
as a percentage of Net Assets (Unaudited)



Common Stock (97.8%)^(a)

Communication Services (6.5%)

	Share Amount	Value
Alphabet, Inc., Class A ^(b)	10,815	\$ 26,407,959
Comcast Corp., Class A	554,900	31,640,398
Verizon Communications, Inc.	447,700	25,084,631
		<u>83,132,988</u>

Consumer Discretionary (4.7%)

Lennar Corp., Class A	245,450	24,385,457
Magna International, Inc.	389,350	36,069,384
		<u>60,454,841</u>

Consumer Staples (2.6%)

Conagra Brands, Inc.	928,200	33,767,916
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See Notes to Financial Statements.

SOUND SHORE FUND, INC.
SCHEDULE OF INVESTMENTS (Unaudited)(Continued)
JUNE 30, 2021

	<u>Share Amount</u>	<u>Value</u>
Energy (5.8%)		
Baker Hughes Co.	1,040,400	\$ 23,793,948
Cabot Oil & Gas Corp.	1,476,550	25,780,563
EOG Resources, Inc.	288,650	<u>24,084,956</u>
		<u>73,659,467</u>
Financials (25.3%)		
Alleghany Corp. ^(b)	64,860	43,266,160
Bank of America Corp.	802,400	33,082,952
Berkshire Hathaway, Inc., Class B ^(b)	112,805	31,350,766
Capital One Financial Corp.	235,200	36,383,088
Chubb, Ltd.	164,250	26,105,895
Morgan Stanley	415,600	38,106,364
RenaissanceRe Holdings, Ltd.	216,800	32,264,176
SVB Financial Group ^(b)	44,445	24,730,531
The Blackstone Group, Inc., Class A	240,900	23,401,026
Wells Fargo & Co.	740,700	<u>33,546,303</u>
		<u>322,237,261</u>
Health Care (26.0%)		
Anthem, Inc.	74,240	28,344,832
Cigna Corp.	166,995	39,589,505
DENTSPLY SIRONA, Inc.	549,050	34,732,903
Elanco Animal Health, Inc. ^(b)	782,050	27,129,314
Henry Schein, Inc. ^(b)	438,200	32,510,058
Merck & Co., Inc.	440,600	34,265,462
Organon & Co. ^(b)	848,410	25,672,887
Perrigo Co. PLC	1,085,400	49,765,590
Pfizer, Inc.	902,650	35,347,774
UnitedHealth Group, Inc.	60,100	<u>24,066,444</u>
		<u>331,424,769</u>
Industrials (6.5%)		
Eaton Corp. PLC	153,000	22,671,540
Sensata Technologies Holding PLC ^(b)	578,850	33,555,935
Westinghouse Air Brake Technologies Corp.	328,800	<u>27,060,240</u>
		<u>83,287,715</u>

See Notes to Financial Statements.

SOUND SHORE FUND, INC.
SCHEDULE OF INVESTMENTS (Unaudited)(Concluded)
JUNE 30, 2021

	<u>Share Amount</u>	<u>Value</u>
Information Technology (14.9%)		
Fiserv, Inc. ^(b)	340,300	\$ 36,374,667
Flex, Ltd. ^(b)	3,079,400	55,028,878
NXP Semiconductors NV	197,700	40,670,844
Oracle Corp.	409,250	31,856,020
Vontier Corp.	797,250	25,974,405
		<u>189,904,814</u>
Materials (2.0%)		
International Paper Co.	408,100	25,020,611
Utilities (3.5%)		
Vistra Corp.	2,384,000	44,223,200
Total Common Stock (97.8%) (cost \$913,128,402)		<u>1,247,113,582</u>
Short-Term Investments (2.2%)		
Money Market Fund (2.2%)		
Morgan Stanley Institutional Liquidity Funds Government Portfolio, Institutional Class, 0.03% ^(c)	28,164,159	28,164,159
Total Short-Term Investments (2.2%) (cost \$28,164,159)		<u>28,164,159</u>
Investments, at value (100.0%) (cost \$941,292,561)		\$ 1,275,277,741
Other Liabilities Less Assets (0.0%)		<u>(268,429)</u>
Net Assets (100.0%)		<u>\$ 1,275,009,312</u>

- (a) More narrow industries are utilized for compliance purposes, whereas broad sectors are utilized for reporting purposes.
- (b) Non-income producing security.
- (c) Percentage disclosed reflects the money market fund's institutional class shares 30-day yield as of June 30, 2021.
- PLC Public Limited Company

See Notes to Financial Statements.

SOUND SHORE FUND, INC.
STATEMENT OF ASSETS AND LIABILITIES (Unaudited)
JUNE 30, 2021

ASSETS

Investments, at value (Cost \$941,292,561)	\$ 1,275,277,741
Receivables:	
Capital shares sold	768,501
Dividends	598,470
Foreign tax reclaims	91,136
Prepaid expenses	39,806
Total Assets	<u>1,276,775,654</u>

LIABILITIES

Payables:	
Capital shares redeemed	845,214
Accrued liabilities:	
Advisory fees	756,039
Administrator fees	15,094
Transfer agent fees and expenses	61,560
Custodian fees	14,513
Compliance and Treasurer Services fees and expenses	13,061
Professional fees	31,610
Other accrued liabilities	29,251
Total Liabilities	<u>1,766,342</u>

Net Assets \$ 1,275,009,312

COMPONENTS OF NET ASSETS

Common stock, at Par Value	\$ 25,642
Paid-in Capital	768,128,587
Distributable earnings	506,855,083

Net Assets \$ 1,275,009,312

NET ASSET VALUE

Net Assets - Investor Class Shares	\$ 695,763,186
Shares Outstanding - Investor Class (100,000,000 shares authorized, par value \$0.001)	14,039,302
Net Asset Value (offering & redemption price per share) - Investor Class Shares	<u>\$ 49.56</u>
Net Assets - Institutional Class Shares	\$ 579,246,126
Shares Outstanding - Institutional Class (100,000,000 shares authorized, par value \$0.001)	11,602,442
Net Asset Value (offering & redemption price per share) - Institutional Class Shares	<u>\$ 49.92</u>

See Notes to Financial Statements.

SOUND SHORE FUND, INC.
STATEMENT OF OPERATIONS (Unaudited)
FOR THE SIX MONTHS ENDED JUNE 30, 2021

INVESTMENT INCOME

Income:

Dividend income (net of foreign withholding taxes of \$74,098)	\$ 9,443,320
Total Income	<u>9,443,320</u>

Expenses:

Advisory fees (Note 3)	4,611,443
Administrator fees	86,670
Transfer agent fees and expenses - Investor Class Shares	342,041
Transfer agent fees and expenses - Institutional Class Shares	19,883
Custodian fees	43,437
Compliance and Treasurer Services fees and expenses (Note 3)	75,560
Directors' fees and expenses (Note 3)	96,149
Professional fees	51,610
Registration fees - Investor Class Shares	13,041
Registration fees - Institutional Class Shares	14,252
Printing and postage fees - Investor Class Shares	31,527
Printing and postage fees - Institutional Class Shares	22,037
Miscellaneous	45,778
Total Expenses	<u>5,453,428</u>
Expense Reimbursements - Institutional Class Shares (Note 3)	<u>(235,317)</u>
Net Expenses	<u>5,218,111</u>
Net Investment Income	<u>4,225,209</u>

REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS

Net realized gain on investments	180,464,385
Net change in unrealized appreciation (depreciation) on investments	<u>12,064,950</u>
Net realized and unrealized gain on investments	<u>192,529,335</u>
Net increase in net assets from operations	<u>\$ 196,754,544</u>

See Notes to Financial Statements.

SOUND SHORE FUND, INC.
STATEMENTS OF CHANGES IN NET ASSETS

	For the Six Months Ended June 30, 2021 (Unaudited)	For the Year Ended December 31, 2020
Operations:		
Net investment income	\$ 4,225,209	\$ 10,085,798
Net realized gain on investments	180,464,385	87,465,213
Net change in unrealized appreciation (depreciation) on investments	<u>12,064,950</u>	<u>(60,819,351)</u>
Increase in net assets from operations	<u>196,754,544</u>	<u>36,731,660</u>
Distributions to shareholders:		
Investor Class Shares	(2,240,056)	(49,691,231)
Institutional Class Shares	<u>(2,089,436)</u>	<u>(38,692,117)</u>
Total dividends/distributions to shareholders	<u>(4,329,492)</u>	<u>(88,383,348)</u>
Net capital share transactions (Note 6):		
Investor Class Shares	(51,644,294)	(180,071,640)
Institutional Class Shares	<u>(24,385,065)</u>	<u>(147,545,453)</u>
Total capital share transactions	<u>(76,029,359)</u>	<u>(327,617,093)</u>
Total increase (decrease)	<u>116,395,693</u>	<u>(379,268,781)</u>
NET ASSETS		
Beginning of the period	<u>1,158,613,619</u>	<u>1,537,882,400</u>
End of the period	<u>\$ 1,275,009,312</u>	<u>\$ 1,158,613,619</u>

See Notes to Financial Statements.

SOUND SHORE FUND, INC.
NOTES TO FINANCIAL STATEMENTS (Unaudited)
JUNE 30, 2021

1. Organization

Sound Shore Fund, Inc. (the “Fund”) was incorporated under the laws of the State of Maryland on February 19, 1985 and is registered as a diversified, open-end management investment company under the Investment Company Act of 1940 (the “Act”). The investment objective of the Fund is growth of capital. The Fund qualifies as an investment company as defined in Financial Accounting Standards Codification 946 — Financial Services — Investment Companies.

The total number of shares of common stock which the Fund is authorized to issue is 200,000,000, par value \$0.001 per share of which 100,000,000 shares are designated to the Investor Class and 100,000,000 shares are designated to the Institutional Class. The Board of Directors (the “Board”) may, without shareholder approval, classify or reclassify any unissued shares into other classes or series of shares.

Each share of the Fund has equal dividend, distribution, liquidation and voting rights (except as to matters relating exclusively to one class of shares), and fractional shares have those rights proportionately.

2. Significant Accounting Policies

These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities, if any, at the date of the financial statements, and the reported amounts of increase and decrease in net assets from operations during the fiscal period. Actual results could differ from those estimates.

The following represents the significant accounting policies of the Fund:

a. Security Valuation

Exchange-traded securities including those traded on the National Association of Securities Dealers’ Automated Quotation system (“NASDAQ”), are valued at the last quoted sale price or official closing price as provided by independent pricing services as of the close of trading on the system or exchange on which they are primarily traded, on each Fund business day. In the absence of a sale, such securities are valued at the mean of the last bid and asked prices. Non-exchange-traded securities for which over-the-counter market quotations are readily available are generally valued at the mean between the current bid and asked prices provided by independent pricing services. Investments in other open-end regulated investment companies are valued at their publicly traded net asset value (“NAV”).

The Fund values securities at fair value pursuant to procedures adopted by the Board if market quotations are not readily available (including a short and temporary lapse in the provision of a price by the regular pricing source) or, if in the judgment of the Adviser, as defined in Note 3, the prices or values available do not represent the fair value of the instrument. Factors which may cause the Adviser to make such a judgment include, but are not limited to, the following: (i) only a bid price or an asked price is available, (ii) the spread between the bid price and the asked price is substantial, (iii) the frequency of sales, (iv) the thinness of the market, (v) the size of reported trades, and (vi) actions of the securities markets, such as

SOUND SHORE FUND, INC.
NOTES TO FINANCIAL STATEMENTS (Unaudited)(Continued)
JUNE 30, 2021

the suspension or limitation of trading. Fair valuation is based on subjective factors and, as a result, the fair value price of a security may differ from the security's market price and may not be the price at which the security may be sold. Fair valuation could result in a NAV different from one determined by using market quotations.

Valuation inputs used to determine the value of the Fund's investments are summarized in the three broad levels listed below:

Level 1 - quoted prices in active markets for identical assets

Level 2 - other significant observable inputs (including quoted prices of similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 - significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Pursuant to the valuation procedures noted previously, equity securities (including exchange-traded securities and other open-end regulated investment companies) are generally categorized as Level 1 securities in the fair value hierarchy. Investments for which there are no quotations, or for which quotations do not appear reliable, are valued at fair value as determined in good faith by the Pricing Committee under the direction of the Board. These valuations are typically categorized as Level 2 or Level 3 in the fair value hierarchy.

The following table summarizes the Fund's investments categorized in the fair value hierarchy as of June 30, 2021:

Security Type	Level 1	Level 2	Level 3	Total Investments in Securities
Common Stock	\$ 1,247,113,582	\$ -	\$ -	\$ 1,247,113,582
Short-Term Investments	28,164,159	-	-	28,164,159
Total Investments	<u>\$ 1,275,277,741</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,275,277,741</u>

At June 30, 2021, all equity securities and open-end regulated investment companies were included in Level 1 in the table above. Please refer to the Schedule of Investments to view equity securities categorized by sector/industry type.

b. Security Transactions

Security transactions are recorded on a trade date basis. Realized gain and loss on investments sold are recorded on the basis of identified cost. Dividend income is recorded on the ex-dividend date. Interest income is recorded on an accrual basis. Foreign dividend income is recorded on the ex-dividend date or as soon as practicable after the Fund determines the existence of a dividend declaration after exercising reasonable due diligence. Income and capital gains on some foreign securities may be subject to foreign withholding tax, which is accrued as applicable. Investment income, realized and

SOUND SHORE FUND, INC.
NOTES TO FINANCIAL STATEMENTS (Unaudited)(Continued)
JUNE 30, 2021

unrealized gains and losses and certain Fund-level expenses are allocated to each class based on relative average daily net assets. Certain expenses are incurred at the class level and charged directly to that particular class. Class level expenses are denoted as such on the Fund's Statement of Operations.

c. Dividends and Distributions to Shareholders

Dividends are declared separately for each class. No class has preferential dividend rights; differences in per-share dividend rates are generally due to class-specific fee waivers and expenses. Dividends and distributions payable to shareholders are recorded by the Fund on the ex-dividend date. Dividends from net investment income, if any, are declared and paid semiannually. Capital gains, if any, are distributed to shareholders at least annually. The Fund determines its net investment income and capital gains distributions in accordance with income tax regulations, which may differ from GAAP. These differences are due primarily to differing treatments of income and gains on various securities held by the Fund, timing differences and differing characterizations of distributions made by the Fund. To the extent distributions exceed net investment income and net realized capital gains for tax purposes, they are reported as a return of capital.

d. Federal Taxes

The Fund intends to qualify each year as a regulated investment company and to distribute substantially all of its taxable income. In addition, by distributing in each calendar year substantially all of its net investment income, capital gain and certain other amounts, if any, the Fund will not be subject to federal taxation. Therefore, no federal income or excise tax provision is required. For all open tax years and all major taxing jurisdictions, management of the Fund has concluded that there are no significant uncertain tax positions that would require the Fund to record a tax liability or would otherwise require recognition in the financial statements. Open tax years are those that are open for examination by taxing authorities (i.e., generally, the last three tax year-ends 2018 – 2020, and the interim tax period since then).

3. Fees and Expenses

Investment Adviser

The Fund's investment adviser is Sound Shore Management, Inc. (the "Adviser"). Pursuant to an investment advisory agreement, the Adviser receives an advisory fee, accrued daily and paid monthly at an annual rate of 0.75% of the Fund's average daily net assets. Pursuant to an expense limitation agreement between the Adviser and the Fund, the Adviser has agreed to reimburse all of the ordinary expenses of the Institutional Class, excluding advisory fees, interest, taxes, brokerage commissions, acquired fund fees and expenses, extraordinary expenses and all litigation costs until at least May 1, 2022. This reimbursement is shown on the Statement of Operations as a reduction of expenses, and such amounts are not subject to future recoupment by the Adviser.

Other Services

Atlantic Fund Administration, LLC, a wholly owned subsidiary of Apex US Holdings LLC (d/b/a Apex Fund Services) ("Apex") provides certain administration and portfolio accounting services to the Fund. US Bank, N.A. ("US Bank") serves as custodian to the Fund.

Apex provides transfer agency services to the Fund.

SOUND SHORE FUND, INC.
NOTES TO FINANCIAL STATEMENTS (Unaudited)(Continued)
JUNE 30, 2021

The Fund also has agreements with various financial intermediaries and “mutual fund supermarkets” under which customers of these intermediaries may purchase and hold Fund shares. These intermediaries effectively provide subtransfer agent services that the Fund’s transfer agent would have otherwise had to provide. In recognition of this, the transfer agent, the Fund and the Fund’s Adviser have entered into an agreement whereby the transfer agent agrees to pay financial intermediaries a portion of the amount denoted on the Statement of Operations as “Transfer agent fees and expenses — Investor Class Shares” that it receives from the Fund for its services as transfer agent for the Investor Class and the Adviser agrees to pay the excess, if any, charged by a financial intermediary for that class.

Foreside Fund Services, LLC is the Fund’s distributor (the “Distributor”). The Distributor is not affiliated with the Adviser, Apex, US Bank, or its affiliated companies. The Distributor receives no compensation from the Fund for its distribution services.

Pursuant to a Compliance Services Agreement with the Fund, Foreside Fund Officer Services, LLC (“FFOS”), an affiliate of the Distributor, provides a Chief Compliance Officer and Anti-Money Laundering Officer to the Fund as well as some additional compliance support functions. Under a Treasurer Services Agreement with the Fund, Foreside Management Services, LLC (“FMS”), an affiliate of the Distributor, provides a Treasurer to the Fund. Neither the Distributor, FFOS, FMS, nor their employees that serve as officers of the Fund, have any role in determining the investment policies of or securities to be purchased or sold by the Fund.

The Fund pays each director who is not an “interested person” of the Fund, as defined in Section 2(a)(19) of the Act (“Independent Director”), quarterly fees of \$5,000, plus \$10,000 per quarterly in-person meeting, \$4,000 per quarterly meeting attended telephonically, and \$2,000 per special meeting attended in person or telephonically. In addition, the Chairman of the Audit Committee receives a quarterly fee of \$2,500.

Certain Officers and Directors of the Fund are officers, directors, or employees of the aforementioned companies.

4. Purchases and Sales of Securities

The cost of securities purchased and proceeds from sales of securities (excluding short-term investments) for the period ending June 30, 2021, aggregated \$332,553,520 and \$401,097,212, respectively.

SOUND SHORE FUND, INC.
NOTES TO FINANCIAL STATEMENTS (Unaudited)(Continued)
JUNE 30, 2021

5. Federal Income Tax

Cost for federal income tax purposes is substantially the same as for financial statement purposes and net unrealized appreciation consists of:

Gross Unrealized Appreciation	\$ 352,343,598
Gross Unrealized Depreciation	(18,358,418)
Net Unrealized Appreciation	<u>\$ 333,985,180</u>

Distributions during the fiscal years ended December 31, 2020 and December 31, 2019 were characterized for tax purposes as follows:

	<u>2020</u>	<u>2019</u>
Ordinary Income	\$ 9,759,607	\$ 15,872,683
Long-Term Capital Gain	78,631,157	96,957,399
Total Taxable Distributions	<u>\$ 88,390,764</u>	<u>\$ 112,830,082</u>

Components of net assets on a federal income tax basis at December 31, 2020, were as follows:

Par Value + Paid-in Capital	\$ 844,183,588
Undistributed Ordinary Income	185,286
Net Unrealized Appreciation	314,244,745
Net Assets	<u>\$ 1,158,613,619</u>

At December 31, 2020, the Fund, for federal income tax purposes, had no capital loss carryforwards.

6. Capital Stock

Transactions in capital stock for the period ended June 30, 2021 and the year ended December 31, 2020, were as follows:

	<i>For the Period Ended June 30, 2021</i>			
	Investor Class		Institutional Class	
	Shares	Amount	Shares	Amount
Sale of shares	219,275	\$ 10,224,286	505,163	\$ 24,014,152
Reinvestment of dividends	42,832	2,109,927	41,503	2,059,364
Redemption of shares	(1,382,281)	(63,978,507)	(1,094,743)	(50,458,581)
Net decrease from capital transactions	<u>(1,120,174)</u>	<u>\$ (51,644,294)</u>	<u>(548,077)</u>	<u>\$ (24,385,065)</u>

SOUND SHORE FUND, INC.
NOTES TO FINANCIAL STATEMENTS (Unaudited)(Concluded)
JUNE 30, 2021

For the Year Ended December 31, 2020

	Investor Class		Institutional Class	
	Shares	Amount	Shares	Amount
Sale of shares	806,992	\$ 29,483,742	1,974,391	\$ 71,800,543
Reinvestment of dividends	1,145,887	47,315,602	919,562	38,179,171
Redemption of shares	(6,918,995)	(256,870,984)	(6,789,422)	(257,525,167)
Net decrease from capital transactions	(4,966,116)	\$ (180,071,640)	(3,895,469)	\$ (147,545,453)

7. Risks

As of June 30, 2021, the Fund invested a significant portion of its assets in securities in the Financials and Health Care sectors. Investing a significant portion of the Fund's assets in one sector of the market exposes the Fund to greater market risk and potential monetary losses than if those assets were spread among various sectors. The global outbreak of the COVID-19 virus has caused negative effects on many companies, sectors, countries, regions, and financial markets in general, and uncertainty exists as to its long-term implications. The effects of the pandemic may adversely impact the Fund's assets and performance. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

8. Subsequent Events

Subsequent events occurring after the date of this report have been evaluated for potential impact to this report through the date the report was issued. Effective July 31, 2021, following the acquisition of MUFG Union Bank, N.A. by US Bank, US Bank serves as the Fund's custodian.

SOUND SHORE FUND, INC.
FINANCIAL HIGHLIGHTS

These financial highlights reflect selected data for a share outstanding throughout each period.

	<i>Six Months Ended June 30, 2021 (unaudited)</i>	<i>For the Year Ended December 31,</i>				
		2020	2019	2018	2017	2016
Investor Class Shares						
Net Asset Value, Beginning of Period	\$ 42.29	\$ 42.41	\$ 37.03	\$ 45.89	\$ 44.17	\$ 41.30
Investment Operations						
Net investment income (a)	0.14	0.30	0.40	0.50	0.51	0.45
Net realized and unrealized gain (loss) on investments	7.29	2.90	8.20	(6.27)	6.63	5.57
Total from Investment Operations	7.43	3.20	8.60	(5.77)	7.14	6.02
Distributions from						
Net investment income	(0.16)	(0.32)	(0.39)	(0.51)	(0.52)	(0.46)
Net realized gains	—	(3.00)	(2.83)	(2.58)	(4.90)	(2.69)
Total Distributions	(0.16)	(3.32)	(3.22)	(3.09)	(5.42)	(3.15)
Net Asset Value, End of Period	\$ 49.56	\$ 42.29	\$ 42.41	\$ 37.03	\$ 45.89	\$ 44.17
Total Return	17.57%(b)	7.78%	23.26%	(12.62)%	16.22%	14.63%
Ratios/Supplemental Data						
Net Assets at End of Period (in thousands)	\$695,763	\$641,165	\$853,588	\$945,244	\$1,365,922	\$1,464,566
Ratios to Average Net Assets:						
Expenses	0.93%(c)	0.93%	0.91%	0.90%	0.90%	0.91%
Net Investment Income	0.61%(c)	0.80%	0.95%	1.10%	1.06%	1.05%
Portfolio Turnover Rate (d)	28%(b)	77%	46%	56%	44%	46%

(a) Calculated based on average shares outstanding during each period.

(b) Not annualized.

(c) Annualized.

(d) Portfolio turnover is calculated on the basis of the Fund, as a whole, without distinguishing between the classes of shares issued.

SOUND SHORE FUND, INC.
FINANCIAL HIGHLIGHTS (Concluded)

These financial highlights reflect selected data for a share outstanding throughout each period.

	<i>Six Months Ended June 30, 2021 (unaudited)</i>	<i>For the Year Ended December 31,</i>				
		2020	2019	2018	2017	2016
Institutional Class Shares						
Net Asset Value, Beginning of Period	\$ 42.59	\$ 42.65	\$ 37.19	\$ 46.06	\$ 44.29	\$ 41.38
Investment Operations						
Net investment income (a)	0.19	0.37	0.47	0.58	0.60	0.52
Net realized and unrealized gain (loss) on investments	7.32	2.93	8.25	(6.32)	6.64	5.58
Total from Investment Operations	7.51	3.30	8.72	(5.74)	7.24	6.10
Distributions from						
Net investment income	(0.18)	(0.36)	(0.43)	(0.55)	(0.57)	(0.50)
Net realized gains	—	(3.00)	(2.83)	(2.58)	(4.90)	(2.69)
Total Distributions	(0.18)	(3.36)	(3.26)	(3.13)	(5.47)	(3.19)
Net Asset Value, End of Period	\$ 49.92	\$ 42.59	\$ 42.65	\$ 37.19	\$ 46.06	\$ 44.29
Total Return	17.64%(b)	7.98%	23.50%	(12.50)%	16.40%	14.80%
Ratios/Supplemental Data						
Net Assets at End of Period (in thousands)	\$579,246	\$517,449	\$684,295	\$721,916	\$765,297	\$499,591
Ratios to Average Net Assets:						
Expenses (gross) (c)	0.84%(d)	0.84%	0.82%	0.81%	0.81%	0.82%
Expenses (net)	0.75%(d)	0.75%	0.75%	0.75%	0.75%	0.75%
Net Investment Income	0.79%(d)	0.98%	1.12%	1.27%	1.25%	1.21%
Portfolio Turnover Rate (e)	28%(b)	77%	46%	56%	44%	46%

(a) Calculated based on average shares outstanding during each period.

(b) Not annualized.

(c) Reflects the expense ratio excluding any waivers and/or reimbursements.

(d) Annualized.

(e) Portfolio turnover is calculated on the basis of the Fund, as a whole, without distinguishing between the classes of shares issued.

SOUND SHORE FUND, INC.
ADDITIONAL INFORMATION (Unaudited)
JUNE 30, 2021

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 following example is based on \$1,000 invested at the beginning of the period and held for the entire period from January 1, 2021 through June 30, 2021.

Actual Expenses - The Actual Return lines of the table below provide information about actual account values and actual expenses for each share class. You may use the information in these lines, 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 Actual Return 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 Hypothetical Return lines of the table below provide information about hypothetical account values and hypothetical expenses based on each class' 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 cost 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.

Expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the Hypothetical Return lines of the table are useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds.

	<i>Beginning Account Value January 1, 2021</i>	<i>Ending Account Value June 30, 2021</i>	<i>Expenses Paid During Period*</i>
Investor Class Actual Return	\$ 1,000.00	\$ 1,175.66	\$ 5.02
Investor Class Hypothetical Return	\$ 1,000.00	\$ 1,020.18	\$ 4.66
Institutional Class Actual Return	\$ 1,000.00	\$ 1,176.41	\$ 4.05
Institutional Class Hypothetical Return	\$ 1,000.00	\$ 1,021.08	\$ 3.76

* Expenses are equal to the Investor Class' and Institutional Class' annualized expense ratios of 0.93% and 0.75% respectively, multiplied by the average account value over the period, multiplied by 181/365 to reflect the most recent one-half year period.

SOUND SHORE FUND, INC.
ADDITIONAL INFORMATION (Unaudited)(Continued)
JUNE 30, 2021

Investment Advisory Agreement Approval

On January 28, 2021, the Independent Directors and the full Board held a meeting and approved the continuance of the Advisory Agreement. In reaching this determination, the Board considered information about the Adviser, the performance of the Fund and certain additional factors described below that it deemed relevant. The following summary details the materials and factors that the Board considered, among others, and the conclusions they reached, in approving the continuance of the Advisory Agreement.

(1) The nature, extent and quality of services provided by the Adviser.

The Board considered the scope and quality of services provided by the Adviser, particularly the qualifications, capabilities and experience of the investment, operational, compliance, legal and other personnel who are responsible for providing services to the Fund. The Board also considered the fact that the Adviser pays the costs of all investment and management facilities necessary for the efficient conduct of its services as well as all distribution costs incurred on behalf of the Fund and all servicing costs to financial intermediaries beyond the 10 basis points borne by the Fund and reimbursed by the Fund's transfer agent.

In addition, the Board considered that the Adviser manages the overall investment program of the Fund and that the Adviser keeps the Board informed of important developments affecting the Fund, both in connection with the Board's annual review of the Advisory Agreement and at each Board meeting. The Board evaluated these factors based on its direct experience with the Adviser, and in consultation with Counsel to the Fund and Counsel to the Independent Directors. The Board also considered the Adviser's effectiveness in ensuring that the Fund remains in compliance with its investment policies and restrictions and the requirements of the 1940 Act and related securities regulations. The Board further noted the Adviser's efforts to oversee the Fund's other service providers, including those providing administrative, accounting and custodial services.

Based on these factors, as well as other factors discussed at the Meeting, the Board concluded that the nature, extent and quality of services provided by the Adviser have been and continue to be satisfactory.

(2) The performance of the Fund and the Adviser.

The Board's analysis of the Fund's performance included the discussion and review of the performance data of the Fund against relevant securities benchmarks as well as against a group of comparable funds, based, in part, on information provided by an independent, third-party mutual fund data provider. The Board reviewed comparative performance over long-, intermediate- and short-term periods. In reviewing performance, the Board placed greater emphasis on longer-term performance than on shorter-term performance, noting that over short periods of time underperformance may be transitory. The Board further took into account that performance returns over longer periods can be impacted dramatically by the end point date from which performance is measured. In this regard the Board observed that the Fund outperformed the Russell 1000 Value Index, for the one- and 20-year periods ended December 31, 2020, and underperformed the Russell 1000 Value Index for the three-, five-, and 10-year periods ended December 31, 2020. The Board also observed that the Fund underperformed the S&P 500 Index

SOUND SHORE FUND, INC.
ADDITIONAL INFORMATION (Unaudited)(Continued)
JUNE 30, 2021

for the one-, three-, five-, 10-, and 20-year periods ended December 31, 2020, noting that the Fund's performance more closely approximated that of the Russell 1000 Value Index during each of those periods.

The Board also considered the performance of the Fund against a comparative universe of similar funds as well as against similarly managed accounts, if applicable, managed by the Adviser. The Board noted that the Fund had outperformed the Morningstar Large Cap Value peer group for each of the one-, 10-, and 20-year periods ended December 31, 2020, and underperformed the Morningstar Large Cap Value peer group for the three- year period ended December 31, 2020, and performed in line with the Morningstar Large Cap Value peer group for the five year period ended December 31, 2020. When reviewing performance against similarly managed accounts, the Board considered, among other things, differences in the nature of such accounts from a regulatory and tax perspective and differences in the investment mandate from that of the Fund.

The Board considered the Adviser's view as to the principle drivers of Fund performance. Based on these factors, as well as other factors discussed at the Meeting, the Board concluded that the performance of the Fund and the Adviser has been and continues to be satisfactory.

(3) The cost of the advisory services and the profits to the Adviser from the relationship with the Fund.

The Board's consideration of the Fund's advisory fee and expenses included, among other factors, a discussion and review of data concerning the current advisory fee and expense ratio of the Fund compared to a peer group of funds with assets between \$500 million and \$2 billion identified by Broadridge Financial Solutions, Inc. ("Broadridge") believed to have characteristics similar to those of the Fund. The Board observed that, although the Fund's advisory fee rate was higher than the median of the Broadridge peers, the Fund's actual expense ratio was lower than the median of the Broadridge peers. The Board also observed that the Fund's advisory fee rate and total expense ratio were each less than the median of those Broadridge peers categorized as "small fund families," comprised of fewer than 10 funds, which the Adviser believed to be a more meaningful comparison than the Broadridge group as a whole. The Board also considered that the Institutional Class shares have a lower expense ratio than the Investor Class shares because the Adviser has capped expenses at 75 basis points to compete in the institutional market.

Additionally, the Board considered advisory fee data from the Adviser's similarly managed accounts and considered the relevance of differences in the services provided to separate accounts as they relate to differences in the advisory fees charged in connection with management of the Fund.

The Board also considered the profitability of the Fund to the Adviser. In this regard, the Board noted that the Fund, with an advisory fee of 75 basis points and assets of approximately \$1.2 billion, did not appear to generate "excessive" fees to the Adviser. Based on this analysis, the Board concluded that the advisory fee for the Fund was fair and reasonable in light of the quality of services provided by the Adviser.

SOUND SHORE FUND, INC.
ADDITIONAL INFORMATION (Unaudited)(Concluded)
JUNE 30, 2021

(4) The extent to which economies of scale will be realized as the Fund grows and whether fee levels reflect those economies of scale.

In considering economies of scale, the Board noted that at its current relatively small size, there did not appear to be economies of scale applicable to the Fund at this time.

(5) Ancillary benefits and other factors.

In addition to the above factors, the Board also discussed other benefits received by the Adviser from the management of the Fund, such as soft-dollar credits. The Board concluded that the advisory fee was reasonable in light of these fall-out benefits.

Conclusion

The Board, including all of the Independent Directors, concluded that the fees payable under the Advisory Agreement were fair and reasonable with respect to the services that the Adviser provides, in light of the factors described above that the Board deemed relevant. The Board based its decision on an evaluation of all these factors as a whole and did not consider any one factor as all-important or controlling. The Independent Directors were also assisted by the advice of Counsel to the Independent Directors in making this determination.

Proxy Voting Information

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to securities held in the Fund's portfolio is available, without charge and upon request, by calling (800) 551-1980 or by visiting the Fund's website at <http://www.soundshorefund.com>. This information is also available on the Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov> under the name of the Sound Shore Fund.

The Fund's proxy voting record for the most recent 12-month period ended June 30 is available, without charge and upon request, by calling (800) 551-1980 or by visiting the Fund's website at <http://www.soundshorefund.com>. This information is available on the SEC's website at <http://www.sec.gov> under the name of the Sound Shore Fund.

Availability of Quarterly Portfolio Schedule

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-PORT. This information is available on the SEC's website at <http://www.sec.gov> under the name of the Sound Shore Fund.

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SOUND SHORE FUND

Investment Adviser

Sound Shore Management, Inc.
Greenwich, Connecticut

Administrator

Apex Fund Services
Portland, Maine

Distributor

Foreside Fund Services, LLC
Portland, Maine
www.foreside.com

Transfer and Distribution Paying Agent

Apex Fund Services
Portland, Maine

Custodian

US Bank, N.A.
Milwaukee, Wisconsin

Fund Counsel

Sullivan and Worcester LLP
New York, New York

**Independent Registered
Public Accounting Firm**

BBD, LLP
Philadelphia, Pennsylvania

207-SAR-0621

This report is submitted for the general information of the shareholders of the Fund. It is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus, which includes information regarding the Fund's objectives and policies, experience of its management, and other information.

SOUND SHORE FUND, INC.

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Portland, ME 04101

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(800) 551-1980

**Semi-Annual Report to
Shareholders
(Unaudited)
JUNE 30, 2021**

**SOUND
SHORE
FUND**

