



You should consider the Fund's investment objectives, risks, and charges and expenses carefully before you invest. The Prospectus details the Fund's objective and policies and other matters of interest to the prospective investor. Please read this Prospectus carefully before investing. The Prospectus may be obtained by visiting the website at [www.fpafunds.com](http://www.fpafunds.com), by calling toll-free, 1-800-982-4372, or by contacting the Fund in writing.

## Average Annual Total Returns (%) – Net of Fees

As of Date: 3/31/18	Inception*	20 Years	15 Years	10 Years	5 Years	3 Years	1 Year	YTD	QTD	Market Cycle Performance	
										3/25/00-10/9/07	10/10/07-3/31/18
<b>FPA Crescent</b>	10.23	8.23	9.26	7.27	7.44	5.63	5.74	-0.98	-0.98	14.70	6.66
<b>S&amp;P 500</b>	9.49	6.46	10.10	9.49	13.31	10.78	13.99	-0.76	-0.76	2.00	7.41
<b>MSCI ACWI**</b>	-	-	-	-	9.20	8.12	14.85	-0.96	-0.96	-	3.93
<b>60% S&amp;P500/40% BBgBarc US Agg</b>	8.05	6.11	7.85	7.42	8.72	6.99	8.81	-0.97	-0.97	3.97	6.32
<b>CPI</b>	NA	2.18	2.05	1.57	1.43	1.89	2.34	0.60	0.60	2.75	1.72

Periods greater than one year are annualized. Performance is calculated on a total return basis which includes reinvestment of all distributions. Comparison to any Index is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives.

\* The Fund commenced operations on June 2, 1993. The performance shown for periods prior to March 1, 1996 reflects the historical performance of a predecessor fund; FPA assumed control of the predecessor fund on March 1, 1996. FPA Crescent Fund's objectives, policies, guidelines, and restrictions are, in all material respects, equivalent to those of the predecessor fund.

Market Cycle Performance reflects the two most recent market cycles (peak to peak) defined as a period that contains a decline of at least 20% from the previous market peak over at least a two-month period and a rebound to establish a new peak above the prior market peak. The current cycle is ongoing and thus presented through the most recent quarter-end. Once the cycle closes, the results presented may differ materially.

Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. This data represents past performance and investors should understand that investment returns and principal values fluctuate, so that when you redeem your investment it may be worth more or less than its original cost. The Fund's expense ratio as of its most recent prospectus is 1.10%. A redemption fee of 2% will be imposed on redemptions within 90 days. Current month-end performance data may be obtained at [www.fpafunds.com](http://www.fpafunds.com) or by calling toll-free, 1-800-982-4372.

*Please see important disclosures at the end of the commentary.*

The FPA Crescent Fund (FPACX) celebrated its 25-year anniversary this month. With its unfettered mandate, the management team has maintained the same philosophy and flexible approach that existed at the Fund's inception. We have been fortunate over the past 25 years to have achieved our Fund's objective of equity-like returns over the long-term, while taking less risk than the market and avoiding permanent impairment of capital.

While we acknowledge the significance of a quarter century behind us, we also appreciate that recent years have not been friendly to the practitioner of value investing. If the U.S. does not find itself in a bear market by the fourth quarter, this bull market that began in March of 2009 will officially be the longest on record.<sup>1</sup> In addition, value stocks have underperformed growth stocks in 94% of the rolling five-year periods since March 2004 – and not by a little, but by more than an average of two percent annualized in each period.<sup>2</sup>

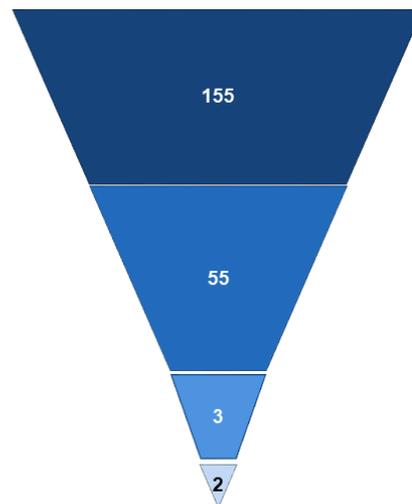
FPA Crescent has delivered on its objective even in the current market cycle despite such headwinds.<sup>3</sup> Nevertheless, we look forward to (but do not forecast) when global markets will inevitably provide more opportunities as a result of bad news and/or fear.

We appreciate and thank our long-standing shareholders who by holding steadfast through the market's vacillations have been able to achieve returns (their dollar-weighted return<sup>4</sup>) in line with that of Crescent's time-weighted returns, which is unusual in our industry.

The challenges of a consistent team delivering successfully over time is reflected in the following:

### Differentiated Performance Across Multiple Market Cycles<sup>5</sup>

- **155** peers run by same manager since 2000
- **55 funds** had >90% of return and <60% of drawdown during 2000-2007 market cycle
- **3 funds** have been able to accomplish the same performance in this market cycle (October 10, 2007 to March 31, 2018)
- **FPA Crescent is one of only 2 funds able to accomplish this kind of differentiated performance in both market cycles**



Although nice to periodically reflect on past success, it will do us no good to rest on it. We look forward to continuing to deliver on our objective in the years ahead, and celebrating more milestones. In the interim, the team has readied itself for what lies ahead.

Respectfully submitted,

Steven Romick

<sup>1</sup> Since the 1920s

<sup>2</sup> Russell 1000 Value vs. Russell 1000 Growth

<sup>3</sup> Current market cycle: 10/10/2007 – 3/31/18

<sup>4</sup> <https://corporate.morningstar.com/us/documents/PR/Investorreturnsfactsheet.pdf>

<sup>5</sup> Peers = funds in Morningstar large growth, large value, large blend, 50-70%, or world allocation categories. Past performance is no guarantee of future results.

## Important Disclosures

The views expressed herein and any forward-looking statements are as of the date of the publication and are those of the portfolio management team. Future events or results may vary significantly from those expressed and are subject to change at any time in response to changing circumstances and industry developments. This information and data has been prepared from sources believed reliable, but the accuracy and completeness of the information cannot be guaranteed and is not a complete summary or statement of all available data.

Portfolio composition will change due to ongoing management of the Fund. References to individual securities are for informational purposes only and should not be construed as recommendations by the Fund, the portfolio managers, or the Distributor. It should not be assumed that future investments will be profitable or will equal the performance of the security examples discussed. The portfolio holdings as of the most recent quarter-end may be obtained at [www.fpfunds.com](http://www.fpfunds.com).

Investments in mutual funds carry risks and investors may lose principal value. Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. The Fund may purchase foreign securities, including American Depositary Receipts (ADRs) and other depository receipts, which are subject to interest rate, currency exchange rate, economic and political risks; these risks may be heightened when investing in emerging markets. Small and mid-cap stocks involve greater risks and may fluctuate in price more than larger company stocks. Short-selling involves increased risks and transaction costs. You risk paying more for a security than you received from its sale.

Interest rate risk is the risk that when interest rates go up, the value of fixed income securities, such as bonds, typically go down and investors may lose principal value. Credit risk is the risk of loss of principal due to the issuer's failure to repay a loan. Generally, the lower the quality rating of a security, the greater the risk that the issuer will fail to pay interest fully and return principal in a timely manner. If an issuer defaults the security may lose some or all of its value. The return of principal in a bond investment is not guaranteed. Bonds have issuer, interest rate, inflation and credit risks. Lower rated bonds, callable bonds and other types of debt obligations involve greater risks. Mortgage-backed securities and asset-backed securities are subject to prepayment risk and the risk of default on the underlying mortgages or other assets. Derivatives may increase volatility.

Value securities, including those selected by the Fund's portfolio managers, are subject to the risk that their intrinsic value may never be realized by the market because the market fails to recognize what the portfolio managers consider to be their true business value or because the portfolio managers have misjudged those values. In addition, value style investing may fall out of favor and underperform growth or other styles of investing during given periods.

The Morningstar Nominee for the Manager of the Year award is presented each year to recognize a manager's past achievements. Morningstar fund analysts narrow the universe for the award, and the winner is then selected by Morningstar's entire team of mutual fund analysts. The award is presented to fund managers who have distinguished themselves over the past calendar year and have achieved strong risk-adjusted historical performance through the careful execution of a solid investment strategy and responsible fund stewardship. Past performance is no guarantee of future results.

### Index Definitions

The S&P 500 Index includes a representative sample of 500 hundred companies in leading industries of the U.S. economy. The Index focuses on the large-cap segment of the market, with over 80% coverage of U.S. equities, but is also considered a proxy for the total market.

MSCI ACWI Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 44 country indices comprising 23 developed and 21 emerging market country indices.

Barclays Aggregate Index provides a measure of the performance of the U.S. investment grade bonds market, which includes investment grade U.S. Government bonds, investment grade corporate bonds, mortgage pass-through securities and asset-backed securities that are publicly offered for sale in the United States. The securities in the Index must have at least 1 year remaining in maturity. In addition, the securities must be denominated in U.S. dollars and must be fixed rate, nonconvertible, and taxable.

The Consumer Price Index (CPI) is an unmanaged index representing the rate of the inflation of U.S. consumer prices as determined by the U.S. Department of Labor Statistics. The CPI is presented to illustrate the Fund's purchasing power against changes in the prices of goods as opposed to a benchmark, which is used to compare the Fund's performance. There can be no guarantee that the CPI will reflect the exact level of inflation at any given time.

60% S&P500/ 40% Barclays Aggregate Index is a hypothetical combination of unmanaged indices and comprises 60% S&P 500 Index and 40% Barclays Aggregate Index, the Fund's neutral mix of 60% stocks and 40% bonds.

Indices are unmanaged, do not reflect any commissions or fees which would be incurred by an investor purchasing the underlying securities. Investors cannot invest directly in an index.

#### Other Definitions

**Alpha** – the excess returns of a fund relative to the return of a benchmark index.

**ETF** is Exchange Traded Fund. It is a fund that tracks an index, but can be traded like a stock.

**Long Equity Performance** represents the performance of stocks that the Fund owned over the given time periods and excludes short-sales, limited partnerships, derivatives/futures, corporate bonds, mortgage backed securities, and cash and cash equivalents.

**Price-to-Book (P/B)** - A ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share.

**Intrinsic Value** refers to the value of a company, stock, currency or product determined through fundamental analysis without reference to its market value.

**Trailing twelve month earnings** – the sum of a company's earnings per share for the previous four quarters.

The FPA Funds are distributed by UMB Distribution Services, LLC, 235 W. Galena Street, Milwaukee, WI, 53212.