FPA Launches FPA Flexible Fixed Income Fund

Los Angeles (January 2, 2019) – First Pacific Advisors, LP ("FPA") announced today that it launched FPA Flexible Fixed Income Fund (FPFIX) ("the Fund").

This marks FPA's first new bond fund since becoming adviser to FPA New Income, Inc. (FPNIX) in 1984. FPA New Income, Inc. is the only fund in Morningstar's Short-Term Bond category to post positive returns in every calendar year since 1984.[1]

FPA partners Thomas Atteberry and Abhijeet (Abhi) Patwardhan manage both funds with the same investment philosophy, process and team.

"We believe the Fund is attractive to fixed income investors who want an offering that has greater flexibility to take advantage of high-yield credit cycles while remaining focused on seeking attractive risk-adjusted returns and capital preservation. Our intent is to capitalize on our team's experience investing across the credit quality, sector and maturity spectrum," said portfolio managers Atteberry and Patwardhan.

The key characteristics of two funds are as follows:

	FPA Flexible Fixed Income Fund (FPFIX)	**FPA New Income, Inc. (FPNIX)**
Short-term goal	Seeks positive absolute returns in a 36-month period.	Seeks positive absolute returns in a 12-month period.
Long-term goal	Seeks positive real returns (outperform inflation plus 200 basis points) over five-year period and competitive returns versus bond market universe.	Seeks positive real returns (outperform inflation plus 100 basis points) over five-year period and competitive returns versus bond market universe
Credit quality	Maximum 75% of portfolio market value can be rated BBB+ and below.	Maximum 25% of portfolio market value can be rated BBB+ and below.
Morningstar peer group	Nontraditional Bond*	Short-Term Bond

*Anticipated

More information, including the Fund's prospectus and policy statement, can be found at www.fpa.com.

The Fund's management fee is 0.50%, placing it in the cheapest quartile of the Morningstar Nontraditional Bond category.

FPA Flexible Fixed Income Fund seeks to provide long-term total return, which includes income and capital appreciation, while considering capital preservation.

About FPA

FPA, a Los Angeles-based institutional money management firm, employs a disciplined approach to value investing, prudently seeking superior long-term returns while maintaining a focus on capital preservation. As of December 31, 2018, FPA manages approximately $30 billion across multiple strategies.

For questions, please contact:

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[1] **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. Current month-end performance data, which may be lower or higher than the performance data quoted, may be obtained by visiting the website at www.fpa.com or by calling toll-free, 1-800-982-4372.**

Past performance is no guarantee, nor is it indicative, of future results. You should consider the Fund's and/or FPNIX's investment objectives, risks, and charges and expenses carefully before you invest. The Prospectus details each fund's objective and policies, charges, and other matters of interest to a prospective investor. Please read the Prospectus carefully before investing. The Prospectus may be obtained by visiting the fund literature tab on the website at www.fpa.com, by email at crm@fpa.com, toll-free by calling 1-800-982-4372 or by contacting each respective fund in writing.

Investments in mutual funds carry risks and investors may lose principal value. Capital markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. The Fund and/or FPNIX may purchase foreign securities, which are subject to interest rate, currency exchange rate, economic and political risks. The securities of smaller, less well-known companies can be more volatile than those of larger companies.

The return of principal in a bond fund is not guaranteed. Bond funds have the same issuer, interest rate, inflation and credit risks that are associated with underlying bonds owned by the fund. Lower rated bonds, convertible securities and other types of debt obligations involve greater risks than higher rated bonds.

Interest rate risk is 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 principle 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 its value.

Mortgage securities and collateralized mortgage obligations (CMOs) are subject to prepayment risk and the risk of default on the underlying mortgages or other assets; such derivatives may increase volatility. Convertible securities are generally not investment grade and are subject to greater credit risk than higher-rated investments. High yield securities can be volatile and subject to much higher instances of default.

Significant taxable distributions impact fund expenses which in turn negatively impacts fund performance.

The Morningstar Nontraditional Bond Funds category contains funds that pursue strategies divergent in one or more ways from conventional practice in the broader bond fund universe. Many funds in this group describe themselves as "absolute return" portfolios, which seek to avoid losses and produce returns uncorrelated with the overall bond market; they employ a variety of methods to achieve those aims. Another large subset are self-described "unconstrained" portfolios that have more flexibility to invest tactically across a wide swath of individual sectors, including high yield and foreign debt, and typically with very large allocations. Funds in the latter group typically have broad freedom to manage interest rate sensitivity, but attempt to tactically manage those exposures in order to minimize volatility. The category is also home to a subset of portfolios that attempt to minimize volatility by maintaining short or ultra-short duration portfolios, but explicitly court significant credit and foreign bond market risk in order to generate high returns. Funds within this category often will use credit default swaps and other fixed income derivatives to a significant level within their portfolios.

The Morningstar Short-term Bond Funds category contains portfolios that invest primarily in corporate and other investment-grade U.S. fixed-income issues and typically have durations of 1.0 to 3.5 years. These portfolios are attractive to fairly conservative investors, because they are less sensitive to interest rates than portfolios with longer durations. Morningstar calculates monthly breakpoints using the effective duration of the Morningstar Core Bond Index in determining duration assignment. Short-term is defined as 25% to 75% of the three-year average effective duration of the MCBI.

FPFIX and FPNIX are distributed by UMB Distribution Services, LLC.