



Update for Participants in the Source Capital, Inc. Dividend Reinvestment Plan

Los Angeles (April 22, 2016) – Source Capital, Inc. (the “Fund”) is pleased to announce that the Agent for its Dividend Reinvestment Plan (the “Plan”), American Stock Transfer & Trust Company, completed its purchases of the Fund’s common stock for shareholders participating in the Plan with respect to the distributions announced on February 8, 2016. As you may recall, on March 15, 2016, the Fund paid the \$33.65 long-term capital gain distribution combined with the \$0.41 regular quarterly distribution announced on February 8, 2016. Due to the large combined size of these distributions and the commensurate number of shares that were required to be purchased for Plan participants, it took the Agent several weeks to complete the share purchases. The Agent will be posting the reinvested shares to your account by Monday April 25, 2016 and statements will be mailed shortly thereafter. Thank you for your patience.

About Source Capital, Inc.

The Fund (www.sourcecapitalinc.com) is a diversified, closed-end management investment company seeking maximum total return for shareholders from both capital appreciation and investment income to the extent consistent with protection of invested capital. Its shares are listed on the New York Stock Exchange under the symbol “SOR.” The Fund is managed by First Pacific Advisors, LLC.

For investor questions, please contact:
1-800-982-4372

You should consider the Fund’s investment objectives, risks, and charges and expenses carefully before you invest. You can obtain additional information by visiting the website at www.sourcecapitalinc.com, by email at crm@fpafunds.com, toll free by calling 1-800-279-1241 (option 1), or by contacting the Fund in writing.

Investments in 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. It is important to remember that there are risks inherent in any investment and there is no assurance that any investment or asset class will provide positive performance over time. Value style investing presents the risk that the holdings or securities may never reach our estimate of intrinsic value because the market fails to recognize what the portfolio management team considers the true business value or because the portfolio management team has misjudged those values. In addition, value style investing may fall out of favor and underperform growth or other style investing during given periods. Non-U.S. investing presents additional risks, such as the potential for adverse political, currency, economic, social or regulatory developments in a country, including lack of liquidity, excessive taxation, and differing legal and accounting standards. Non-U.S. securities, including American Depositary Receipts (ADRs) and other depository receipts, are also subject to interest rate and currency exchange rate risks.