

Semi-Annual Report

FPA Crescent Fund



Distributor:

UMB DISTRIBUTION SERVICES, LLC

235 West Galena Street
Milwaukee, Wisconsin 53212

June 30, 2020

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, we intend to no longer mail paper copies of the Fund's shareholder reports, unless you specifically request paper copies of the reports from the Fund or from your financial intermediary, such as a broker-dealer or bank. Instead, the reports will be made available on the FPA Funds website (fpa.com/funds), and you will be notified by mail each time a report is posted and provided with a website link to access the report. If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. If you prefer to receive shareholder reports and other communications electronically, you may update your mailing preferences with your financial intermediary, or enroll in e-delivery at fpa.com (for accounts held directly with the Fund).

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FPA CRESCENT FUND

LETTER TO SHAREHOLDERS

Dear Shareholders:

Overview

We closed our first quarter letter with the observation that economies were worse than stock indices might suggest. What we thought true then is only more true today, yet in the second quarter, the market made one of its larger quarterly moves.

The global MSCI ACWI Index advanced 19.22% in the second quarter, while the domestic S&P 500 Index increased 20.54%, erasing the majority of the year-to-date decline to March's trough. The FPA Crescent Fund ("Fund" or "Crescent") increased 15.00% over the same period.

Long equities held by the Fund returned 22.29% and -13.11% in the second quarter and six months, respectively, performing better than the MSCI ACWI and S&P 500 indices for the quarter.¹ Including a small amount of other risk assets and cash it held, the Fund generated 75.5% of the market's return in the second quarter (where "market" is the average of the 2020 second quarter returns for the MSCI ACWI and S&P 500 indices) but slightly underperformed its own risk exposure of 76.7%, on average, during the quarter.²

We would have thought that a global pandemic, social disturbances, extreme political polarity, and all that has accompanied those trends would have created more fear — or at least caution — in global markets. Yet stock markets and debt markets are up around the world, and in many cases, way up. Koyantsqatsi, a word used by the Hopi Native American tribe to describe a life out of balance, is as apt a description for this disconnect as any.

At the beginning of the year, the global economy was expected to grow 2.5% this year, but thanks to COVID-19, that outlook has darkened significantly and the consensus view now looks for a -5.2% contraction.³ Although you wouldn't know it from the popular indexes, this darkened outlook has pushed the average stock down 10.92%.⁴ Economic data suggest we won't return to normal in the near future (see Exhibit A).

¹ **For illustrative purposes only.** The performance of the long equity segment of the Fund is presented gross of investment management fees, transactions costs, and Fund operating expenses, which if included, would reduce the returns presented. Long equity holdings exclude paired trades, short-sales, limited partnerships, derivatives/futures, corporate bonds, mortgage backed securities, and cash and cash equivalents. The long equity segment average weight in the Fund was 70.2% and 69.2% for Q2 2020 and YTD through 6/30/20, respectively. Please refer to the first page for overall net performance of the Fund since inception. The long equity performance information shown is for illustrative purposes only and may not reflect the impact of material economic or market factors. No representation is being made that any account, product or strategy will or is likely to achieve profits, losses, or results similar to those shown. Long equity performance does not represent the return an investor can or should expect to receive. Fund shareholders may only invest or redeem their shares at net asset value.

² Risk assets are any assets that are not risk free and generally refers to any financial security or instrument, such as equities, commodities, high-yield bonds, and other financial products that are likely to fluctuate in price. Risk exposure refers to the Fund's exposure to risk assets as a percent of total assets. The Fund's net risk exposure as of June 30, 2020 was 79.4%.

³ Source: The World Bank, Global Economic Prospects, June 2020.

⁴ As of June 30, 2020. This reflects the average year-to-date performance of the S&P 500 Index constituents.

Past performance is no guarantee, nor is it indicative, of future results. Comparison to any index is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. Please see end of Commentary for important disclosures and definitions.

FPA CRESCENT FUND LETTER TO SHAREHOLDERS

(Continued)

Exhibit A: Select Economic Data/Indicators

	12/31/2019 unless indicated	6/30/2020 unless indicated
GDP Growth (Estimated 2020)		
U.S.	1.8%	-6.1%
Global	2.5%	-5.2%
U.S. Unemployment (%)	3.6%	11.1% ⁵
Oil (WTI \$/barrel)	\$ 61	\$ 39
Hotel Occupancy⁶		
Asia Pacific	66.6%	35.8%
Europe	66.9%	31.9%
Americas	80.7%	30.6%
Middle East and Africa	64.4%	13.3%
Residential Mortgages in Forbearance	0.25% ⁷	8.5% ⁸
U.S. Budget Deficit (Estimated 2020)⁹	\$ 1.0tn	\$ 3.7tn
U.S. National Debt (Estimated 2020)¹⁰	\$24.2tn	\$26.9tn

In March, we were particularly concerned with the high COVID-19 transmission and fatality rates and what a “closed” global economy might look like. Rightly or wrongly, that influenced our judgment. Securities were on sale and we went shopping, but we could have bought even more. There is no lesson here; as presented with the same facts, we would do the same thing again. This coronavirus has delivered less death than initially anticipated, but we are far from done with it, hitting new highs in daily infections almost every day.

We never believed COVID-19 posed existential risk to the global economy, confident that we will eventually reach the other side as we always do. But we still do not know how bad things might get along the way. The world remains, as always, uncertain, though uncertainty has narrowed for now. The left tail of the probability distribution has flattened from what we expected.

Although stocks are still expensive, the portfolio was cheaper to assemble, and we believe the companies in it have more growth and better balance sheets than the stock market overall. In an uncertain world, this gives us some margin of safety, particularly since governments seem willing to do anything to resolve the crisis, including keeping interest rates low or even negative, printing money, giving money away, and making loans that can be forgiven.

⁵ Source: The Bureau of Labor Statistics, as of June 1, 2020.

⁶ Source: Statista.com. Data as of September 2019 (pre-COVID) and May 2020. <https://www.statista.com/statistics/206825/hotel-occupancy-rate-by-region/>.

⁷ Source: MBA.org. Data as of March 2, 2020. <https://www.mba.org/2020-press-releases/april/mba-survey-shows-spike-in-loans-in-forbearance-service-call-volume>.

⁸ Source: MBA.org. Data as of June 29, 2020. <https://www.mba.org/2020-press-releases/june/share-of-mortgage-loans-in-forbearance-decreases-slightly-to-847>.

⁹ Source: Congressional Budget Office April 2020. <https://www.cbo.gov/publication/56020>; <https://www.cbo.gov/publication/56335>. Most recent 2020 estimate as of April 2020.

¹⁰ Federal Reserve Bank of St. Louis, U.S. Office of Management and Budget. 2019 year-end total debt including estimated deficit.

FPA CRESCENT FUND LETTER TO SHAREHOLDERS

(Continued)

In our last letter, we commented on the six headwinds faced over the last market cycle and our belief that they could become tailwinds in the near future. They are worth repeating here, though the details can be found in our first quarter commentary.

1. Value vs growth
2. Low volatility vs high volatility (or business quality perception differential)
3. United States vs. international
4. High-yield window of opportunity
5. Cash
6. Interest rates

Whether the stock market buying spree is driven by need (given the lack of an alternative) or greed, the result is the same. Investors are showing a willingness to look across a deep chasm and accept a sanguine view of the future for many businesses, particularly those in the tech space. However, prices for high quality businesses have not fallen to levels we might have hoped. And thanks to unprecedented U.S. government involvement in the country's corporate debt markets, high-yield bonds also have not presented the opportunity that one might have expected. This story, however, is far from written.

Portfolio discussion

Contributors to and detractors from the Fund's trailing 12-month returns are listed below.

Exhibit B: Trailing Twelve Month Contributors and Detractors¹¹

Contributors	Perf. Cont.	Avg. % of Port.	Detractors	Perf. Cont.	Avg. % of Port.
TTM					
Alphabet	1.31%	4.7%	American International Group	-1.33%	3.4%
Microsoft	0.89%	1.9%	Howmet Aerospace	-1.24%	2.9%
Broadcom	0.73%	2.6%	Wells Fargo & Company	-0.82%	1.6%
Charter Communications	0.70%	2.2%	Ally Financial	-0.74%	0.8%
Naspers, Prosus/Tencent	0.59%	2.4%	O-I Glass	-0.71%	0.6%
	4.22%	13.8%		-4.85%	9.3%

As is clear from the above, the Fund's investments in the tech sector have continued to outperform its more traditional value investments. While we own a number of high-quality growing businesses that trade at reasonable valuations, it seems no price is too high for some "quality" stock, and no price is too low for lower quality ones. Similarly, growth can't be expensive enough, nor value cheap enough.

¹¹ Reflects the top five contributors and detractors to the Fund's performance based on contribution to return for the trailing twelve months ("TTM"). Contribution is presented gross of investment management fees, transactions costs, and Fund operating expenses, which if included, would reduce the returns presented. The information provided does not reflect all positions purchased, sold or recommended by FPA during the quarter. A copy of the methodology used and a list of every holding's contribution to the overall Fund's performance during the TTM is available by contacting FPA Client Service at crm@fpa.com. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities listed.

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We have come across a number of references made to work done by Empirical Research that identified 75 large-cap stocks with great growth characteristics. Looking back to the 1950s, that firm has not seen a period as expensive as the current — at 66 times forward price-to-earnings (“P/E”) estimates, and the highest relative P/E multiple for these 75 names when compared to the rest of the large cap market. This is not to suggest that these companies are bad (although, approximately 30 percent of them do lose money).¹²

A lot must go right in the future for such companies to justify their current valuation. Conversely, a lot would have to go incredibly wrong for many of the value stocks that have been left behind in this bull run to prove to be unreasonable investments in the future.

Investors have found comfort in those businesses that have a less volatile earnings stream, for instance, consumer products companies selling staple goods, and have recent and seemingly great future prospects, such as a Netflix or Tesla. We believe there is better opportunity in the uncomfortable, where the short-term is more challenged but with respectable long-term prospects, like industrial, travel and leisure and hospitality, and foreign-based companies. Given the Fund’s avoidance of more richly priced companies, we believe this dichotomy should position the Fund well for the future.

It is not the first time that our style of investing has been so out of favor. As shown in Exhibit C below and based on consensus earnings projections at that time, Crescent’s equity portfolio has remained attractive relative to the market over the past year.¹³ Crescent’s equity portfolio had better earnings-per-share (“EPS”) and book value than the indices, while achieving higher historic and forecasted EPS growth. Over time we would expect the relationship between valuation and growth to support improved performance, but, of course, we can make no guarantees and the disconnect may continue to try our patience. Relative to the indices, Crescent’s equity holdings continue to trade at a significant discount on forward P/E and Price/Book. One might suggest that the growth rate of the companies held by the Fund is lower, but as you can see in Exhibit C, both the trailing and forecasted consensus 3-year EPS growth is higher than the market. There are a number of puts and takes that make these Wall Street consensus numbers far from precise, but directionally, suggests that Crescent’s equity portfolio is (and has been) less expensive than the market and the earnings growth potential of its underlying companies is at least as good if not better than the market as one looks through the economic cycle.

¹² Source: Empirical Research Partners (“ERP”), National Bureau of Economic Research. ERP categorized a group of 75 U.S. large-capitalization (“cap”) stocks that have faster and stronger growth credentials than the rest of the U.S. large-cap universe (830 companies) as ‘Big Growers’. Their analysis covered the period January 1, 1952 through June 8, 2020. Trailing P/E analysis showed the Big Growers, as an equally weighted group, currently trade at a relative (to the universe) trailing P/E ratio higher than anything seen since 1952. Forward P/E is the average of the Forward P/E’s for the 75 firms as of July 22, 2020. Forward P/E’s are estimates and subject to change.

¹³ References to Crescent’s “equity portfolio” refers to the Fund’s long equity holdings. Please refer to Footnote 1 for definition of long equity holdings. The long equity segment average weight in the Fund was 70.2% and 69.2% for Q2 2020 and YTD through 6/30/20, respectively. Long equity portfolio statistics noted herein do not represent the results that the Fund or an investor can or should expect to receive.

Past performance is no guarantee, nor is it indicative, of future results.

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Exhibit C: FPA Crescent Long Equity Holding Valuation and Earnings Growth vs Stock Market¹⁴

	Price/Earnings 1 Year Forward		Price/Book	
	6/30/2019	6/30/2020	6/30/2019	6/30/2020
	FPA Crescent — Equity Portfolio	12.7	19.3	1.5
S&P 500	18.1	24.9	3.3	3.5
MSCI ACWI	16.2	21.9	2.3	2.3
	3-Year Historic EPS Growth		3-Year Forecasted EPS Growth	
	6/30/2019	6/30/2020	6/30/2019	6/30/2020
FPA Crescent — Equity Portfolio	22.3%	13.6%	14.0%	18.9%
S&P 500	11.8%	6.5%	9.8%	10.6%
MSCI ACWI	11.2%	3.5%	9.7%	11.1%

We remain intent on preserving capital and purchasing power over time, though we acknowledge that the Fund’s current risk exposure represents a greater concern for the former. We can understand why price volatility and increased equity exposure may feel incompatible with this goal, but we think that it makes sense to increase the Fund’s exposure to an equity portfolio with the characteristics of Crescent as depicted above. We continue to like the optionality of cash, but given the increase of the global money supply and an expressed commitment by central bankers to hold rates near zero, we are reluctant to hold too much dry powder.

If we consider the equity portfolio as depicted in Exhibit C, it trades at a 5.2% earnings yield (earnings/price) on depressed COVID numbers. Assuming the consensus earnings growth of 18.9% over the next three years, then the prospective earnings yield will have increased to 8.8%.¹⁵ If we then assume a more pedestrian 4% growth for the rest of the decade, our equity portfolio would trade at 11.5% yield in Year 10, and we will have earned a 2.2% dividend along the way, or approximately 20% of your capital, assuming no increase in dividends. If instead one were to buy a 10-year bond at 0.66% yield, in 10 years you’d have collected 6.6% of your capital pre-tax and have the option to reinvest in whatever the opportunity set might be at the time. Framed over the

¹⁴ Source: CapIQ, Factset, Bloomberg, FPA calculations. 3-Year Forecasted EPS Growth is based on FPA calculations using consensus data from CapIQ, Factset and Bloomberg. Comparison to the S&P 500 and MSCI ACWI Indices is being used as a representation of the “market” and is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. Long equity statistics noted herein do not represent the results that the Fund or an investor can or should expect to receive. Forward looking statistics are estimates and subject to change.

¹⁵ Source: CapIQ, Factset, Bloomberg, FPA calculations. As of June 30, 2020. The earnings yield refers to the earnings per share for the most recent 12-month period divided by the current market price per share.

Past performance is no guarantee, nor is it indicative, of future results.

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long-term, the Crescent equity portfolio's earnings and dividend yields appear superior to the bond and cash markets. So we have chosen to accept a bit more volatility in exchange for the opportunity for a better longer-term return on capital. We believe when global economies recover, investors will appreciate the merits of many of these unloved companies with deeply discounted valuations compared to the market. People will again stay in hotels, and Marriott will be there to accommodate them. The cruise industry will not disappear, as vacationers will once again set sail (though the industry could suffer more than the hotel business). During the downturn we therefore established a position in Marriott stock but opted to retain our perch atop the capital structure in the cruise industry, purchasing senior secured loans of Carnival Cruises and Royal Caribbean at close to 12 percent yields.

For the most part, our more significant 2020 purchases were in companies hurt in this economic downturn, in many cases quite severely. Expectations have changed, but prices sank much more than those expectations changed. Looking toward an eventual economic recovery, we believe these recent investments — LG Corp, Swire Pacific, Booking Holdings, Marriott International, NXP Semiconductors, Compagnie Financiere Richemont and Wabtec (formerly Westinghouse Brake Technologies), complemented by additions to many of the Fund's existing holdings — will fare quite well and once again return to investor's favor.

Whenever possible, we have traded lower quality businesses for higher quality ones for which growth, even if cyclical, should hopefully ensure a prosperous future. Owning higher quality businesses gives us the comfort to invest more over this next decade than previously.

30,000' View

We believe that irrational behavior has once again entered pockets of the market. We also believe that the Fund owns good businesses at good prices, though their stock prices appear dwarfed at the moment by the unnaturally levitating shares of businesses with unproven operating models.

Faith-based investing has a checkered history, whether it be blind faith in a charismatic CEO or in central bankers around the world. Having set zero-bound interest rates in most parts, central banks have successfully forced the move into riskier assets — but that has failed to translate into real economic growth. Those who started with an investment portfolio are generally wealthier, while those who did not are generally worse off. Central bankers have spiked the Kool-Aid punch bowl, widening by fiat the gap between the Haves and Have Nots.

Negative interest rates take money away from savers and lenders and give it to borrowers and investors, including speculators. In one shocking example, LVMH Moët Hennessy — Louis Vuitton SE (“LVMH”) acquired Tiffany for \$16 billion, selling \$10 billion of bonds to finance its purchase. Even the longest maturity of the bonds it sold, a tranche with an 11-year maturity, promised a yield of just 0.43%. As if that wasn't stunning enough, the European Central Bank has snapped up about 20 percent of European bond issues that meet certain qualifications, which this new LVMH debt appears to meet. Two of the five LVMH tranches denominated in Euros were even sold with negative yields — in other words, the holders of these bonds are literally paying Bernard Arnault, LVMH's largest shareholder and the richest man in a country with historically left liberal leanings, to buy into a foreign-based luxury brand at a time when Covid-19 has vastly diminished consumer appetites. It's no wonder we have found so few high yield bonds to put into our portfolio.

When money costs almost nothing, or even less than nothing, it perverts price discovery. If there is no cost of capital, then one theoretically can pay an infinite price for assets, which creates a difficult backdrop for investors such as ourselves who insist on a margin of safety.

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The U.S. Federal Reserve and European Central Bank are doing their best to inhibit what should have been (and might hopefully still be) a historic opportunity to buy high-yield debt. But investors thirsty for yield, coupled with central bank purchase of high-yielding corporate bonds, has propped prices up at higher levels than they otherwise would be.

The pandemic has brought the global economy to its knees. How long it will take the economy to reopen and what the world might look like when the economy does revive remains in question. We believe there will be no high interest rates in the years to come. Governments have an imperative to keep rates low, if for no other reason than minimizing budget damage. As a result, a portfolio light on risk assets might be disadvantageous.

Crisis foments change, and a new economic order can translate into a new social order. Currently, there is movement in the United States to establish greater equality, racially and financially. The coming U.S. elections are a cipher at this point. It's impossible to know which presidential candidate will win or what the ramifications might be if one were to remain in office or the other were to take over. We think the more significant variable could be the Senate races. If the Senate were to flip to the Democrats, we can expect higher personal and corporate taxes together with more generous and costly social programs — and an attendant increase in Federal deficits and the U.S. national debt. This would likely put an even more significant crimp in our economy, and we don't think the markets yet appreciate that. That, along with more attractive valuations outside the United States, further supports our continuing investment overseas.

Summary

We believe what one pays for a business shall guide returns. We will continue to prudently manage your portfolio.

None of us have seen anything like this, with so many businesses closed, people afraid to leave their homes, necessary socialization hijacked, and the loss of life. As Frodo said in J.R.R. Tolkien's *The Fellowship of the Ring*, "I wish it need not have happened in my time."

"So do I," replied Gandalf, "and so do all who live to see such times. But that is not for them to decide. All we have to decide is what to do with the time that is given us."

We wish everyone as well as can be during these extraordinary times.

Respectfully submitted,



Steven Romick
Co-Portfolio Manager
July 30, 2020

Important Disclosures

This Commentary is for informational and discussion purposes only and does not constitute, and should not be construed as, an offer or solicitation for the purchase or sale with respect to any securities, products or services discussed, and neither does it provide investment advice. Any such offer or solicitation shall only be

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made pursuant to the Fund's Prospectus, which supersedes the information contained herein in its entirety. This presentation does not constitute an investment management agreement or offering circular.

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 have 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, the Adviser, 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.fpa.com.

Investments, including 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 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. Foreign investments, especially those of companies in emerging markets, can be riskier, less liquid, harder to value, and more volatile than investments in the United States. Adverse political and economic developments or changes in the value of foreign currency can make it more difficult for the Fund to value the securities. Differences in tax and accounting standards, difficulties in obtaining information about foreign companies, restrictions on receiving investment proceeds from a foreign country, confiscatory foreign tax laws, and potential difficulties in enforcing contractual obligations, can all add to the risk and volatility of foreign investments.

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.

The return of principal in a bond investment is not guaranteed. Bonds have issuer, interest rate, inflation and credit risks. 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. 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. High yield securities can be volatile and subject to much higher instances of default. 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.

Please refer to the Fund's Prospectus for a complete overview of the primary risks associated with the Fund.

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In making any investment decision, you must rely on your own examination of the Fund, including the risks involved in an investment. Investments mentioned herein may not be suitable for all recipients and in each case, potential investors are advised not to make any investment decision unless they have taken independent advice from an appropriately authorized advisor. An investment in any security mentioned herein does not guarantee a positive return as securities are subject to market risks, including the potential loss of principal. You should not construe the contents of this document as legal, tax, investment or other advice or recommendations.

Index Definitions

Comparison to any index is for illustrative purposes only and should not be relied upon as a fully accurate measure of comparison. The Fund may be less diversified than the indices noted herein, and may hold non-index securities or securities that are not comparable to those contained in an index. Indices will hold positions that are not within the Fund's investment strategy. Indices are unmanaged and do not reflect any commissions, transaction costs, or fees and expenses which would be incurred by an investor purchasing the underlying securities and which would reduce the performance in an actual account. You cannot invest directly in an index. The Fund does not include outperformance of any index in its investment objectives.

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 represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 26 emerging markets. As of December 2019, it covers more than 3,000 constituents across 11 sectors and approximately 85% of the free float-adjusted market capitalization in each market.

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% Bloomberg Barclays U.S. Aggregate Bond Index is a hypothetical combination of unmanaged indices and comprises 60% S&P 500 Index and 40% Bloomberg Barclays U.S. Aggregate Bond Index.

Other Definitions

Dividend Yield, expressed as a percentage, is a financial ratio (dividend/price) that shows how much a company pays out in dividends each year relative to its stock price.

Earnings Per Share (EPS) is calculated as a company's profit divided by the outstanding shares of its common stock. The resulting number serves as an indicator of a company's profitability.

Earnings Per Share Growth is defined as the percentage change in normalized earnings per share over the previous 12-month period to the latest year end.

Earnings Yield refers to the earnings per share for the most recent 12-month period divided by the current market price per share. The earnings yield (which is the inverse of the P/E ratio) shows the percentage of how much a company earned per share.

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Forward Price to Earnings (forward P/E) is a version of the ratio of price-to-earnings (P/E) that uses forecasted earnings for the P/E calculation.

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

Market Cycles, also known as stock market cycles, is a wide term referring to trends or patterns that emerge during different markets or business environments.

Net Risk Exposure is a measure of the extent to which a fund's trading book is exposed to market fluctuations. In regards to the Fund, it is the percent of the portfolio exposed to Risk Assets.

Price to Book is used to compare a firm's market capitalization to its book value. It's calculated by dividing the company's stock price per share by its book value per share (BVPS). An asset's book value is equal to its carrying value on the balance sheet, and companies calculate it netting the asset against its accumulated depreciation.

Price to Earnings is the ratio for valuing a company that measures its current share price relative to its EPS. The price-to-earnings ratio is also sometimes known as the price multiple or the earnings multiple.

Return on Capital measures the return an investment generates for capital contributors, i.e. bondholders/stockholders. It indicates how effective a company is at turning capital into profits.

Risk Assets is any asset that carries a degree of risk. Risk asset generally refers to assets that have a significant degree of price volatility, such as equities, commodities, high-yield bonds, real estate and currencies, but does not include cash and cash equivalents.

Standard Deviation is a measure of the dispersion of a set of data from its mean.

Volatility is a statistical measure of the dispersion of returns for a given security or market index. In most cases, the higher the volatility, the riskier the security. Volatility is often measured as either the standard deviation or variance between returns from that same security or market index.

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

FPA CRESCENT FUND LETTER TO SHAREHOLDERS

(Continued)

The discussions of Fund investments represent the views of the Fund's managers at the time of this report and are subject to change without notice. These views may not be relied upon as investment advice or as an indication of trading intent on behalf of any First Pacific Advisors portfolio. Security examples featured are samples for presentation purposes and are intended to illustrate our investment philosophy and its application. It should not be assumed that most recommendations made in the future will be profitable or will equal the performance of the securities. This information and data has been prepared from sources believed reliable. The accuracy and completeness of the information cannot be guaranteed and is not a complete summary or statement of all available data.

FORWARD LOOKING STATEMENT DISCLOSURE

As mutual fund managers, one of our responsibilities is to communicate with shareholders in an open and direct manner. Insofar as some of our opinions and comments in our letters to shareholders are based on our current expectations, they are considered "forward-looking statements" which may or may not prove to be accurate over the long term. While we believe we have a reasonable basis for our comments and we have confidence in our opinions, actual results may differ materially from those we anticipate. You can identify forward-looking statements by words such as "believe," "expect," "may," "anticipate," and other similar expressions when discussing prospects for particular portfolio holdings and/or the markets, generally. We cannot, however, assure future results and disclaim any obligation to update or alter any forward-looking statements, whether as a result of new information, future events, or otherwise. Further, information provided in this report should not be construed as a recommendation to purchase or sell any particular security.

FPA CRESCENT FUND

PORTFOLIO SUMMARY

June 30, 2020 (Unaudited)

Common Stocks	70.8%
Internet Media	13.0%
Semiconductor Devices	6.6%
Cable & Satellite	5.8%
Cement & Aggregates	3.5%
Banks	3.3%
Industrial Distribution & Rental	3.1%
P&C Insurance	3.1%
Diversified Banks	3.0%
Electrical Components	2.5%
Investment Companies	2.4%
Institutional Brokerage	2.4%
Infrastructure Software	1.9%
Internet Based Services	1.7%
Midstream — Oil & Gas	1.6%
Base Metals	1.5%
Computer Hardware & Storage	1.5%
Insurance Brokers	1.3%
Commercial & Residential Building	
Equipment & Systems	1.3%
Application Software	1.3%
Specialty Chemicals	1.3%
Railroad Rolling Stock	1.3%
Medical Equipment	1.1%
Wealth Management	1.0%
Apparel, Footwear & Accessory Design	0.8%
Hotels, Restaurants & Leisure	0.8%
Telecom Carriers	0.8%
E-Commerce Discretionary	0.7%
Aircraft & Parts	0.7%
Real Estate Owners & Developers	0.5%
Food & Drug Stores	0.5%
Integrated Utilities	0.3%
Marine Shipping	0.2%
Closed End Fund	1.0%
Limited Partnerships	1.5%
Preferred Stocks	1.1%
Bonds & Debentures	22.0%
U.S. Treasuries	15.4%
Municipals	2.8%
Corporate Bank Debt	2.0%
Corporate Bonds & Notes	1.7%
Asset-Backed Securities	0.1%
Short-term Investments	3.9%
Securities Sold Short	(2.9)%
Other Assets And Liabilities, Net	<u>2.6%</u>
Net Assets	<u><u>100.0%</u></u>

FPA CRESCENT FUND PORTFOLIO OF INVESTMENTS

June 30, 2020
(Unaudited)

COMMON STOCKS	Shares	Fair Value
INTERNET MEDIA — 13.0%		
Alphabet, Inc. (Class A)(a)	201,028	\$ 285,067,755
Alphabet, Inc. (Class C)(a)	176,922	250,098,709
Baidu, Inc. (ADR) (China)(a)	1,507,799	180,770,022
Facebook, Inc. (Class A)(a)(b)	1,133,000	257,270,310
Naspers, Ltd. (N Shares) (South Africa)	1,150,335	211,408,901
Prosus NV (Netherlands)(a)	1,160,627	107,889,976
		\$ 1,292,505,673
SEMICONDUCTOR DEVICES — 6.6%		
Analog Devices, Inc.	2,322,564	\$ 284,839,249
Broadcom, Inc.	978,635	308,866,992
NXP Semiconductors NV (Netherlands)	568,891	64,876,330
		\$ 658,582,571
CABLE & SATELLITE — 5.8%		
Charter Communications, Inc. (Class A)(a)(b)	486,346	\$ 248,055,914
Comcast Corp. (Class A)(b)	8,462,115	329,853,243
		\$ 577,909,157
CEMENT & AGGREGATES — 3.5%		
HeidelbergCement AG (Germany)	1,863,006	\$ 99,729,911
LafargeHolcim Ltd. (Switzerland)(a)	5,751,110	253,371,028
		\$ 353,100,939
BANKS — 3.3%		
CIT Group, Inc.(b)(c)	5,226,101	\$ 108,337,074
Signature Bank	731,980	78,263,302
Wells Fargo & Co.	5,531,767	141,613,235
		\$ 328,213,611
INDUSTRIAL DISTRIBUTION & RENTAL — 3.1%		
Bureau Veritas SA (France)(a)	1,069,830	\$ 22,690,493
GEA Group AG (Germany)	1,017,395	32,290,335
Howmet Aerospace, Inc.	9,476,102	150,196,217
LG Corp. (South Korea)	1,772,486	105,784,108
		\$ 310,961,153
P&C INSURANCE — 3.1%		
American International Group, Inc.(b)	9,755,406	\$ 304,173,559
DIVERSIFIED BANKS — 3.0%		
Bank of America Corp.	4,008,111	\$ 95,192,636
Citigroup, Inc.	4,033,295	206,101,375
		\$ 301,294,011

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS (Continued)

June 30, 2020
(Unaudited)

COMMON STOCKS — Continued	Shares	Fair Value
ELECTRICAL COMPONENTS — 2.5%		
TE Connectivity, Ltd. (Switzerland)	2,995,470	\$ <u>244,280,578</u>
INVESTMENT COMPANIES — 2.4%		
Groupe Bruxelles Lambert SA (Belgium)	2,830,088	\$ <u>237,048,340</u>
INSTITUTIONAL BROKERAGE — 2.4%		
Jefferies Financial Group, Inc.(b)(c)	15,093,320	\$ <u>234,701,126</u>
INFRASTRUCTURE SOFTWARE — 1.9%		
Microsoft Corp.	944,218	\$ <u>192,157,805</u>
INTERNET BASED SERVICES — 1.7%		
Booking Holdings, Inc.(a)	106,096	\$ <u>168,940,905</u>
MIDSTREAM — OIL & GAS — 1.6%		
Kinder Morgan, Inc.(b)	10,664,948	\$ <u>161,787,261</u>
BASE METALS — 1.5%		
Glencore plc (Switzerland)(a)	71,849,910	\$ <u>153,055,015</u>
COMPUTER HARDWARE & STORAGE — 1.5%		
Dell Technologies (C Shares)(a)	2,722,000	\$ <u>149,546,680</u>
INSURANCE BROKERS — 1.3%		
Aon plc (Class A) (Britain)	696,227	\$ <u>134,093,320</u>
COMMERCIAL & RESIDENTIAL BUILDING EQUIPMENT & SYSTEMS — 1.3%		
Otis Worldwide Corp.	870,269	\$ 49,483,495
Samsung C&T Corp. (South Korea)	859,404	<u>83,600,261</u>
		<u>\$ 133,083,756</u>
APPLICATION SOFTWARE — 1.3%		
Epic Games, Inc.(a)(d)(e)(f)	33,130	\$ 19,049,750
Nexon Co. Ltd. (Japan)	4,952,100	<u>111,701,695</u>
		<u>\$ 130,751,445</u>
SPECIALTY CHEMICALS — 1.3%		
Univar Solutions, Inc.(a)	7,632,838	\$ <u>128,689,649</u>

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS (Continued)

June 30, 2020
(Unaudited)

COMMON STOCKS — Continued	<u>Shares</u>	<u>Fair Value</u>
RAILROAD ROLLING STOCK — 1.3%		
Westinghouse Air Brake Technologies Corp.	2,162,605	\$ <u>124,501,170</u>
MEDICAL EQUIPMENT — 1.1%		
Olympus Corp. (Japan)	5,794,100	\$ <u>111,550,851</u>
WEALTH MANAGEMENT — 1.0%		
LPL Financial Holdings, Inc.	1,252,149	\$ <u>98,168,482</u>
APPAREL, FOOTWEAR & ACCESSORY DESIGN — 0.8%		
Cie Financiere Richemont SA (Switzerland)	1,260,768	\$ <u>81,319,933</u>
HOTELS, RESTAURANTS & LEISURE — 0.8%		
Marriott International, Inc. (Class A)	921,818	\$ <u>79,027,457</u>
TELECOM CARRIERS — 0.8%		
SoftBank Group Corp. (Japan)	1,522,000	\$ <u>76,750,891</u>
E-COMMERCE DISCRETIONARY — 0.7%		
Alibaba Group Holding Ltd. (ADR) (China)(a)	328,555	\$ <u>70,869,313</u>
AIRCRAFT & PARTS — 0.7%		
Meggitt plc (Britain)	19,162,851	\$ <u>69,797,971</u>
REAL ESTATE OWNERS & DEVELOPERS — 0.5%		
Swire Pacific Ltd. (Class A) (Hong Kong)	10,152,602	\$ <u>53,958,772</u>
FOOD & DRUG STORES — 0.5%		
Jardine Strategic Holdings, Ltd. (Hong Kong)	2,452,760	\$ <u>52,908,724</u>
INTEGRATED UTILITIES — 0.3%		
PG&E Corp.(a)	3,585,220	\$ <u>31,800,901</u>
MARINE SHIPPING — 0.2%		
Sound Holding FP (Luxembourg)(a)(c)(d)(e)(f)(g)	1,146,250	\$ <u>20,466,414</u>
TOTAL COMMON STOCKS — 70.8% (Cost \$6,024,074,122)		\$ <u>7,065,997,433</u>

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS (Continued)

June 30, 2020
(Unaudited)

	Shares or Principal Amount	Fair Value
CLOSED END FUND — 1.0%		
Altaba Escrow(d)(e)(f)(Cost \$0)	4,756,180	\$ 97,501,690
LIMITED PARTNERSHIPS		
FPS LLC (Marine Shipping)(c)(d)(e)(f)(g)	1,057,447	\$ 57,628,801
FPS Shelby Holding I LLC(c)(d)(e)(f)(g)	102,899	8,746,444
GACP II LP (Credit)(d)(e)(f)	958,312	45,984,593
U.S. Farming Realty Trust, L.P. (Real Estate)(c)(d)(e)(f)	350,000	27,657,099
U.S. Farming Realty Trust II, L.P. (Real Estate)(d)(e)(f)	120,000	8,270,156
TOTAL LIMITED PARTNERSHIPS — 1.5% (Cost \$188,553,240)		\$ 148,287,093
PREFERRED STOCKS		
AUTOMOBILES — 0.9%		
Porsche Automobil Holding SE (Germany)	1,539,070	\$ 89,140,923
INDUSTRIALS — 0.2%		
General Electric Co., 5.00% 12/29/2049(h)	28,026,000	\$ 22,002,291
TOTAL PREFERRED STOCKS — 1.1% (Cost \$110,217,470)		\$ 111,143,214
BONDS & DEBENTURES		
ASSET-BACKED SECURITY — 0.1%		
MARINE SHIPPING — 0.1%		
Kamsarmax Shipping — 11.000% 7/31/2020(d)(e)(f)(Cost \$6,847,314) ...	\$ 6,847,314	\$ 6,847,314
CORPORATE BONDS & NOTES		
COMMUNICATIONS — 0.1%		
Uber Technologies, Inc. — 8.000% 11/1/2026(i)	\$ 7,066,000	\$ 7,171,990
CONSUMER, CYCLICAL — 0.9%		
Carnival Corp. — 11.500% 4/1/2023(i)	\$ 30,383,000	\$ 32,813,640
Royal Caribbean Cruises Ltd. — 11.500% 6/1/2025(i)	61,108,000	63,552,320
		\$ 96,365,960
ENERGY — 0.2%		
California Resources Corp. — 6.000% 11/15/2024	\$ 2,171,000	\$ 21,710
California Resources Corp. 2nd Lien — 8.000% 12/15/2022(i)	30,851,000	1,234,040
Gulfport Energy Corp. — 6.000% 10/15/2024	18,209,000	9,468,680

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS (Continued)

June 30, 2020
(Unaudited)

BONDS & DEBENTURES — Continued	Principal Amount	Fair Value
Gulfport Energy Corp. — 6.375% 5/15/2025	\$ 8,822,000	\$ 4,368,258
Gulfport Energy Corp. — 6.375% 1/15/2026	9,128,000	4,392,850
Gulfport Energy Corp. — 6.625% 5/1/2023	9,417,000	5,556,030
		<u>\$ 25,041,568</u>
INDUSTRIAL — 0.5%		
Bombardier, Inc. — 7.450% 5/1/2034(i)	\$ 5,800,000	\$ 3,538,000
Bombardier, Inc. — 7.500% 3/15/2025(i)	66,677,000	43,513,410
		<u>\$ 47,051,410</u>
TOTAL CORPORATE BONDS & NOTES — 1.7%		
(Cost \$194,500,970)		<u>\$ 175,630,928</u>
CORPORATE BANK DEBT		
Dell International LLC Term Loan B, 1M USD		
LIBOR + 2.000% — 2.750% 9/19/2025(e)(h)	\$ 17,242,393	\$ 16,811,334
Gray Television, Inc. Term Loan, 1M USD		
LIBOR + 2.250% — 2.421% 2/7/2024(e)(h)	21,837,000	21,018,112
Gray Television, Inc. Term Loan C, 1M USD		
LIBOR + 2.500% — 2.671% 1/2/2026(e)(h)	14,242,000	13,779,135
Hall of Fame TL, 11.000% — 12.000% 10/31/2020(d)(e)(f)	9,568,600	8,133,310
McDermott International Inc. 1M USD		
LIBOR + 9.000% — 9.794% 10/21/2020(e)(h)	20,989,296	20,779,403
McDermott International, Inc., 1M USD		
LIBOR + 0.000% — 6.335% 5/10/2023(e)(h)	10,089,206	250,562
McDermott Technolgy Americas, Inc., 3M USD		
LIBOR + 9.000% — 10.000% 10/21/2020(e)(h)	7,744,573	7,667,127
McDermott Technology Americas, Inc., 1M USD		
LIBOR + 0.5000% PIK — 6.350% 5/4/2023(e)(h)	64,586,000	15,187,012
McDermott Technology Americas, Inc., 1M USD		
LIBOR + 6.000% PIK — 6.350% 5/9/2025(e)(h)	144,246,534	48,322,589
McDermott Technology Americas, Inc. — 3M USD		
LIBOR + 0.000% + 10.627% 10/23/2020(e)(h)	45,270,878	(452,709)
MEC Filo TL 1, 9.500% — 11.500% 2/12/2021(d)(e)(f)	24,383,430	20,725,915
Steenbok LUX Financial 2 SARL, PIK — 10.750%		
12/31/2021(e)(h)	1,000,000	617,925
Western Digital Corp. Term Loan B 4, 1M USD		
LIBOR + 1.750% — 1.924% 4/29/2023(e)(h)	33,325,000	<u>32,491,875</u>
TOTAL CORPORATE BANK DEBT — 2.0% (Cost \$264,719,643) ...		<u>\$ 205,331,590</u>

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS (Continued)

June 30, 2020
(Unaudited)

MUNICIPALS	Principal Amount	Fair Value
Commonwealth of Puerto Rico GO, Series 2014 A, (SER A), — 8.000% 7/1/2035	\$111,230,000	\$ 66,738,000
Puerto Rico Commonwealth Aqueduct & Sewer Authority Rev., Series 2012 A, (SR LIEN-SER A), — 5.125% 7/1/2037	14,598,000	14,889,960
Puerto Rico Commonwealth Aqueduct & Sewer Authority Rev., Series 2012 A, (SR LIEN-SER A), — 5.250% 7/1/2029	5,198,000	5,405,920
Puerto Rico Commonwealth Aqueduct & Sewer Authority Rev., Series 2012 A, (SR LIEN-SER A), — 6.000% 7/1/2047	14,655,000	15,204,562
Puerto Rico Public Buildings Authority Rev., Series 2012 U, (REF-GOVT FACS-SER U), — 5.250% 7/1/2042	54,920,000	38,032,100
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (CABS-RESTRUCTURED-SER A-1), — 0.000% 7/1/2024(j)	2,175,000	1,959,718
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (CABS-RESTRUCTURED-SER A-1), — 0.000% 7/1/2027(j)	4,153,000	3,418,127
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (CABS-RESTRUCTURED-SER A-1), — 0.00% 7/1/2029(j)	4,047,000	3,089,358
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (CABS-RESTRUCTURED-SER A-1), — 0.0000% 7/1/2031(j)	5,216,000	3,672,325
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (CABS-RESTRUCTURED-SER A-1), — 0.000% 7/1/2033(j)	5,871,000	3,795,191
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (CABS-RESTRUCTURED-SER A-1), — 0.000% 7/1/2046(j)	55,871,000	15,758,416
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (CABS-RESTRUCTURED-SER A-1), — 0.000% 7/1/2051(j)	45,515,000	9,239,090
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (RESTRUCTURED-SER A-2), — 4.3290% 7/1/2040	22,112,000	22,214,379
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (RESTRUCTURED-SER A-1), — 4.500% 7/1/2034	4,298,000	4,476,668
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (RESTRUCTURED-SER A-2), — 4.536% 7/1/2053	662,000	670,824
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (RESTRUCTURED-SER A-1), — 4.550% 7/1/2040	2,177,000	2,219,451
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (RESTRUCTURED-SER A-1), — 4.750% 7/1/2053	15,968,000	16,409,675
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (RESTRUCTURED-SER A-2), — 4.784% 7/1/2058	8,865,000	9,140,258
Puerto Rico Sales Tax Financing Corp. Sales Tax Rev., (RESTRUCTURED-SER A-1), — 5.000% 7/1/2058	40,380,000	42,219,309
TOTAL MUNICIPALS — 2.8% (Cost \$181,604,303)		<u>\$ 278,553,331</u>

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS (Continued)

June 30, 2020
(Unaudited)

U.S. TREASURIES	Principal Amount	Fair Value
U.S. Treasury Bills — 0.091% 7/2/2020(j)	\$ 110,000,000	\$ 109,999,285
U.S. Treasury Bills — 0.238% 7/9/2020(j)	35,000,000	34,998,982
U.S. Treasury Bills — 0.112% 7/14/2020(j)	50,000,000	49,997,360
U.S. Treasury Bills — 0.078% 7/16/2020(j)	50,000,000	49,996,915
U.S. Treasury Bills — 0.079% 7/21/2020(j)	70,000,000	69,994,309
U.S. Treasury Bills — 0.096% 7/23/2020(j)	70,000,000	69,994,057
U.S. Treasury Bills — 0.106% 7/28/2020(j)	70,000,000	69,993,049
U.S. Treasury Bills — 0.110% 8/4/2020(j)	70,000,000	69,990,263
U.S. Treasury Bills — 0.111% 8/6/2020(j)	50,000,000	49,993,010
U.S. Treasury Bills — 0.122% 8/11/2020(j)	90,000,000	89,986,104
U.S. Treasury Bills — 0.143% 8/13/2020(j)	95,000,000	94,984,268
U.S. Treasury Bills — 0.120% 8/18/2020(j)	54,000,000	53,990,275
U.S. Treasury Bills — 0.155% 8/20/2020(j)	54,000,000	53,989,659
U.S. Treasury Bills — 0.131% 8/25/2020(j)	54,000,000	53,988,433
U.S. Treasury Bills — 0.110% 8/27/2020(j)	125,000,000	124,972,712
U.S. Treasury Bills — 0.148% 9/1/2020(j)	50,000,000	49,980,170
U.S. Treasury Bills — 0.158% 9/3/2020(j)	50,000,000	49,986,280
U.S. Treasury Bills — 0.132% 9/8/2020(j)	65,000,000	64,981,735
U.S. Treasury Bills — 0.139% 9/10/2020(j)	65,000,000	64,982,229
U.S. Treasury Bills — 0.127% 9/24/2020(j)(k)	50,000,000	49,983,190
U.S. Treasury Bills — 0.128% 10/15/2020(j)	110,000,000	109,948,388
U.S. Treasury Notes — 2.625% 7/31/2020(j)	100,000,000	100,209,650
 TOTAL U.S. TREASURIES — 15.4% (Cost \$1,536,857,603)		<u>\$ 1,536,940,323</u>
 TOTAL BONDS & DEBENTURES — 22.0% (Cost \$2,184,529,833) ...		<u>\$ 2,203,303,486</u>
 TOTAL INVESTMENT SECURITIES — 96.4% (Cost \$8,507,374,665)		<u>\$ 9,626,232,916</u>
 SHORT-TERM INVESTMENTS		
Apple, Inc. — 0.101% 7/20/2020	\$ 40,000,000	\$ 39,997,889
Exxon Mobil Corp. — 0.132% 7/31/2020	75,000,000	74,991,875
General Electric Co.		
— 0.274% 7/7/2020	40,000,000	39,998,200
— 0.274% 7/15/2020	40,000,000	39,995,800
— 0.284% 7/17/2020	30,000,000	29,996,267
— 0.284% 7/24/2020	10,000,000	9,998,211
Johnson & Johnson — 0.101% 8/7/2020	40,000,000	39,995,889

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS (Continued)

June 30, 2020
(Unaudited)

SHORT-TERM INVESTMENTS — Continued	Shares or Principal Amount	Fair Value
Nestle Cap Corp.		
— 0.071% 7/22/2020(i)	\$ 40,000,000	\$ 39,998,367
— 0.081% 7/6/2020(i)	25,000,000	24,999,722
Roche Holding, Inc.		
— 0.091% 7/1/2020(i)	25,000,000	25,000,000
— 0.101% 7/17/2020(i)	20,000,000	19,999,111
State Street Bank Repurchase Agreement — 0.00% 7/1/2020 (Dated 06/30/2020, repurchase price of \$6,556,000, collateralized by \$6,164,400 principal amount		
U.S. Treasury Notes — 2.63% 2023, fair value \$6,687,172)(k)	6,556,000	<u>6,556,000</u>
TOTAL SHORT-TERM INVESTMENTS — 3.9% (Cost \$391,527,331) ..		<u>\$ 391,527,331</u>
TOTAL INVESTMENTS — 100.3% (Cost \$8,898,901,996)		<u>\$10,017,760,247</u>
SECURITIES SOLD SHORT — (2.9)%		
COMMON STOCKS SOLD SHORT — (2.0)%		
Financial Select Sector SPDR Fund	(5,206,957)	(120,488,985)
Softbank Corp. (Japan)	(1,443,159)	(18,394,843)
Volkswagen AG (Preference Shares) (Germany)	(408,519)	(62,094,872)
WW Grainger, Inc.	(13,425)	<u>(4,217,598)</u>
TOTAL COMMON STOCKS SOLD SHORT (Proceeds \$(185,133,002))		<u>\$ (205,196,298)</u>
CORPORATE BONDS & NOTES SOLD SHORT — (0.9)%		
Dell International LLC / EMC Corp. — 7.125% 6/15/2024(i)	\$ (17,417,000)	\$ (18,021,152)
Gray Television, Inc. — 5.125% 10/15/2024(i)	(21,837,000)	(21,624,089)
Gray Television, Inc. — 5.875% 7/15/2026(i)	(14,242,000)	(14,170,790)
Western Digital Corp. — 4.750% 2/15/2026	(33,325,000)	<u>(34,408,063)</u>
TOTAL CORPORATE BONDS & NOTES SOLD SHORT (Proceeds \$(87,979,733))		<u>\$ (88,224,094)</u>
TOTAL SECURITIES SOLD SHORT (Proceeds \$(273,112,735))		<u>\$ (293,420,392)</u>
Other Assets and Liabilities, net — 2.6%		<u>260,735,081</u>
NET ASSETS — 100.0%		<u>\$ 9,985,074,936</u>

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS (Continued)

June 30, 2020

(Unaudited)

- (a) Non-income producing security.
- (b) As of June 30, 2020, investments with a value of \$1,298,193,000 were fully or partially segregated with the broker(s)/custodian as collateral for short option contracts.
- (c) Affiliated Security.
- (d) Investments categorized as a significant unobservable input (Level 3) (See Note 6 of the Notes to Financial Statements).
- (e) Restricted securities. These restricted securities constituted 5.07% of total net assets at June 30, 2020, most of which are considered liquid by the Adviser. These securities are not registered and may not be sold to the public. There are legal and/or contractual restrictions on resale. The Fund does not have the right to demand that such securities be registered. The values of these securities are determined by valuations provided by pricing services, brokers, dealers, market makers, or in good faith under policies adopted by authority of the Fund's Board of Trustees.
- (f) These securities have been valued in good faith under policies adopted by authority of the Board of Trustees in accordance with the Fund's fair value procedures. These securities constituted 3.21% of total net assets at June 30, 2020.
- (g) Controlled company.
- (h) Variable/Floating Rate Security — The rate shown is based on the latest available information as of June 30, 2020. For Corporate Bank Debt, the rate shown may represent a weighted average interest rate. Certain variable rate securities are not based on a published rate and spread but are determined by the issuer or agent and are based on current market conditions. These securities do not indicate a reference rate and spread in their description.
- (i) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (j) Zero coupon bond. Coupon amount represents effective yield to maturity.
- (k) Security pledged as collateral (See Note 9 of the Notes to Financial Statements).

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS (Continued)

June 30, 2020
(Unaudited)

Purchased Options

Description	Pay/ Receive Floating Rate	Floating Rate Index	Exercise Rate	Expiration Date	Counterparty	Notional Amount	Premium	Fair Value
Call — CMS Cap Swap(d)(e)	Receive	Maximum of 0, 30-Year — 3-Year — USD-ISDA Swap Rate — 0.04	0.04%	2/15/2023	Barclays Bank PLC	\$4,776,000,000	\$ 1,265,640	\$ 1,241,760
Call — CMS Cap Swap(d)(e)	Receive	Maximum of 0, 30-Year — 3-Year — USD-ISDA Swap Rate — 0.04	0.04%	2/22/2023	Barclays Bank PLC	4,776,000,000	1,265,640	1,241,760
Call — CMS Cap Swap(d)(e)	Receive	Maximum of 0, 30-Year — 3-Year — USD-ISDA Swap Rate — 0.04	0.04%	3/01/2023	Barclays Bank PLC	4,776,000,000	1,265,640	1,289,520
Call — CMS Cap Swap(d)(e)	Receive	Maximum of 0, 30-Year — 3-Year — USD-ISDA Swap Rate — 0.04	0.04%	3/08/2023	Barclays Bank PLC	4,776,000,000	1,265,640	1,289,520
Call — CMS Cap Swap(d)(e)	Receive	Maximum of 0, 30-Year — 3-Year — USD-ISDA Swap Rate — 0.04	0.04%	2/15/2023	Goldman Sachs International	9,204,500,000	2,531,237	2,669,305
Call — CMS Cap Swap(d)(e)	Receive	Maximum of 0, 30-Year — 3-Year — USD-ISDA Swap Rate — 0.04	0.04%	2/22/2023	Goldman Sachs International	9,204,500,000	2,531,238	2,761,350
Call — CMS Cap Swap(d)(e)	Receive	Maximum of 0, 30-Year — 3-Year — USD-ISDA Swap Rate — 0.04	0.04%	3/01/2023	Goldman Sachs International	9,204,500,000	2,531,237	2,761,350

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS (Continued)

June 30, 2020
(Unaudited)

Description	Pay/ Receive Floating Rate	Floating Rate Index	Exercise Rate	Expiration Date	Counterparty	Notional Amount	Premium	Fair Value
Call — CMS Cap Swap(d)(e)	Receive	Maximum of 0, 30-Year — 3-Year — USD-ISDA Swap Rate — 0.04	0.04%	3/08/2023	Goldman Sachs International	\$9,204,500,000	\$ 2,531,238	\$ 2,761,350
Call — CMS Cap Swap(d)(e)	Receive	Maximum of 0, 30-Year — 3-Year — USD-ISDA Swap Rate — 0.04	0.04%	2/15/2023	Morgan Stanley	5,062,500,000	1,265,625	810,000
Call — CMS Cap Swap(d)(e)	Receive	Maximum of 0, 30-Year — 3-Year — USD-ISDA Swap Rate — 0.04	0.04%	2/22/2023	Morgan Stanley	5,062,500,000	1,265,625	810,000
Call — CMS Cap Swap(d)(e)	Receive	Maximum of 0, 30-Year — 3-Year — USD-ISDA Swap Rate — 0.04	0.04%	3/01/2023	Morgan Stanley	5,062,500,000	1,265,625	860,625
Call — CMS Cap Swap(d)(e)	Receive	Maximum of 0, 30-Year — 3-Year — USD-ISDA Swap Rate — 0.04	0.04%	3/08/2023	Morgan Stanley	5,062,500,000	1,265,625	860,625
Call — CMS Cap Swap(d)(e)	Receive	3-Month USD-LIBOR	2.89%	1/11/2029	Morgan Stanley	72,866,628	<u>3,563,250</u>	<u>415,194</u>
							<u>\$23,813,260</u>	<u>\$19,772,359</u>

Written Options

Description	Pay/ Receive Floating Rate	Floating Rate Index	Exercise Rate	Expiration Date	Counterparty	Notional Amount	Premium	Fair Value
Put — CMS Floor Swap (d)(e)	Pay	3-Month USD-LIBOR	2.55%	1/11/2029	Morgan Stanley	\$(72,866,628)	\$(3,563,250)	\$(13,358,347)

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS (Continued)

June 30, 2020
(Unaudited)

Equity Options

Description	Exercise Price	Expiration Date	Counterparty	Number of Contracts	Notional Amount	Premium	Fair Value
Put — VMware, Inc. (d)(e)	\$105	01/21/2022	JP Morgan	12,527	\$1,252,700	\$ 16,731,876	\$ 12,965,445
Call — VMware, Inc. (d)(e)	200	01/21/2022	JP Morgan	(9,173)	(917,300)	(12,141,641)	(11,512,115)
						<u>\$ 4,590,235</u>	<u>\$ 1,453,330</u>

Swap Agreements outstanding as of June 30, 2020 were as follows:

Credit Default Swaps on Credit Indices — Buy Protection (1)

Description	Payment Frequency	Fixed Deal Pay Rate	Expiration Date	Counterparty	Notional Amount (2)	Value (3)	Upfront Payments Paid (Received)	Unrealized Appreciation (Depreciation)
Dell Inc. 7.1% Bonds due 4/15/2028(d)(e)	Q	1.00%	6/20/2024	Barclays Bank PLC	\$ 7,682,605	\$ 171,187	\$ 231,562	\$ (60,375)
Dell Inc. 7.1% Bonds due 4/15/2028(d)(e)	Q	1.00%	6/20/2024	Goldman Sachs International	29,846,904	642,113	898,556	(256,443)
Dell Inc. 7.1% Bonds due 4/15/2028(d)(e)	Q	1.00%	12/20/2024	Goldman Sachs International	4,801,628	157,718	136,609	21,109
Dell Inc. 7.1% Bonds due 4/15/2028(d)(e)	Q	1.00%	6/20/2024	Morgan Stanley	17,362,671	312,781	485,979	(173,198)
						<u>\$1,283,799</u>	<u>\$1,752,706</u>	<u>\$(468,907)</u>

- (1) If the Fund is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation or underlying investments comprising the referenced index or (ii) receive a net settlement amount in the form of cash or investments equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying investments comprising the referenced index.
- (2) The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.
- (3) The quoted market prices and resulting values for credit default swap agreements on credit indices serve as an indicator of the current status of the payment/performance risk and represent the expected amount paid or received for the credit derivative had the notional amount of the swap agreement been closed/sold as of year-end. Increasing values (buy protection) or decreasing values (sell protection), when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood of risk of default or other credit event occurring as defined under the terms of the agreement.

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS — RESTRICTED SECURITIES

June 30, 2020
(Unaudited)

<u>Issuer</u>	<u>Acquisition Date(s)</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Fair Value as a % of Net Assets</u>
Altaba Escrow	09/26/2014, 09/29/2014, 09/30/2014, 10/03/2014, 10/06/2014, 10/07/2014, 08/28/2015, 11/01/2016, 11/02/2016, 11/03/2016	\$ —	\$ 97,501,690	0.97%
CDS USD R V 03MEVENT	09/12/2019, 10/10/2019	231,562	171,187	0.00%
ODS USD R V 03MEVENT	09/09/2019, 09/10/2019, 09/17/2019, 10/01/2019, 10/10/2019, 10/11/2019, 10/15/2019	898,556	642,113	0.01%
CDS USD R V 03MEVENT	11/01/2019	136,609	157,718	0.00%
CDS USD R V 03MEVENT	09/05/2019, 10/15/2019, 10/17/2019	485,979	312,781	0.00%
CMS CAP SWAPTION 4.000 FEB23 4.000 CALL Barclays Bank PLC 4.000% 2/15/2023	02/26/2020	1,265,640	1,241,760	0.01%
CMS CAP SWAPTION 4.000 FEB23 4.000 CALL Barclays Bank PLC 4.000% 2/22/2023	02/26/2020	1,265,640	1,241,760	0.01%
CMS CAP SWAPTION 4.000 MAR23 4.000 CALL Barclays Bank PLC 4.000% 3/1/2023	02/26/2020	1,265,640	1,289,520	0.01%
CMS CAP SWAPTION 4.000 MAR23 4.000 CALL Barclays Bank PLC 4.000% 3/8/2023	02/26/2020	1,265,640	1,289,520	0.01%
CMS CAP SWAPTION 4.000 FEB23 4.000 CALL Goldman Sachs International 4.000% 2/15/2023	02/26/2020	2,531,238	2,669,305	0.03%
CMS CAP SWAPTION 4.000 FEB23 4.000 CALL Goldman Sachs International 4.000% 2/22/2023	02/26/2020	2,531,238	2,761,350	0.03%
CMS CAP SWAPTION 4.000 MAR23 4.000 CALL Goldman Sachs International 4.000% 3/1/2023	02/26/2020	2,531,237	2,761,350	0.03%

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS — RESTRICTED SECURITIES (Continued)

June 30, 2020
(Unaudited)

Issuer	Acquisition Date(s)	Cost	Fair Value	Fair Value as a % of Net Assets
CMS CAP SWAPTION 4.000 MAR23 4.000 CALL Goldman Sachs International 4.000% 3/8/2023	02/26/2020	\$ 2,531,237	\$ 2,761,350	0.03%
CMS CAP SWAPTION 4.000 FEB23 4.000 CALL Morgan Stanley 4.000% 2/15/2023	02/26/2020	1,265,625	810,000	0.01%
CMS CAP SWAPTION 4.000 FEB23 4.000 CALL Morgan Stanley 4.000% 2/22/2023	02/26/2020	1,265,625	810,000	0.01%
CMS CAP SWAPTION 4.000 MAR23 4.000 CALL Morgan Stanley 4.000% 3/1/2023	02/26/2020	1,265,625	860,625	0.01%
CMS CAP SWAPTION 2.550 MAR23 2.550 CALL Morgan Stanley 2.550% 3/8/2023	02/26/2020	1,265,625	860,625	0.01%
CMS CAP SWAPTION 2.890 JAN29 2.890 CALL Morgan Stanley 2.890% 1/11/029	01/09/2019	3,563,250	415,194	0.00%
CMS FLOOR SWAPTION 2.550 JAN29 2.550 PUT Morgan Stanley 2.550% 1/11/2029	01/09/2019	(3,563,250)	(13,358,347)	(0.13)%
Dell International LLC Term Loan B, 1M USD LIBOR + 2.000% — 2.750% 9/19/2025	09/23/2019, 09/27/2019, 10/03/2019, 10/04/2019, 02/19/2020	17,322,047	16,811,334	0.17%
Epic Games, Inc..	06/25/2020	19,049,750	19,049,750	0.19%
FPS LLC	10/17/2018, 12/10/2018, 12/17/2018, 01/28/2019, 02/28/2019, 03/22/2019, 03/26/2019, 04/08/2019, 04/24/2019, 05/03/2019, 05/15/2019, 06/28/2019, 07/27/2019, 10/18/2019, 02/03/2020, 03/02/2020, 03/09/2020, 04/09/2020, 05/29/2020	95,713,502	57,628,801	0.57%

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS — RESTRICTED SECURITIES (Continued)

June 30, 2020
(Unaudited)

<u>Issuer</u>	<u>Acquisition Date(s)</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Fair Value as a % of Net Assets</u>
FPS Shelby Holding I LLC GACP II LP	02/04/2020, 03/26/2020 01/12/2018, 02/27/2018, 04/13/2018, 05/17/2018, 06/21/2018, 06/28/2018, 11/27/2018, 02/01/2019, 07/22/2019, 09/30/2019, 01/17/2020	\$ 10,289,934	\$ 8,746,444	0.09%
Gray Television, Inc. Term Loan, 1M USD LIBOR + 2.250% — 2.421% 2/7/2024	06/13/2019, 06/14/2019, 06/18/2019, 06/21/2019, 07/19/2019	45,751,331	45,984,593	0.46%
Gray Television, Inc. Term Loan C, 1M USD LIBOR + 2.500% — 2.671% 1/2/2026	06/18/2019, 06/20/2019, 08/23/2019, 02/24/2020	21,837,928	21,018,112	0.21%
Hall of Fame TL, Fixed 11.000% — 12.000% 10/31/2020	03/20/2018	14,269,481	13,779,135	0.14%
Kamsarmax Shipping — 11.00% 6/30/2020	09/08/2015, 6/07/2017, 09/08/2017	9,568,600	8,133,310	0.08%
McDermott International, Inc., 1M USD LIBOR + 0.000% — 6.335% 5/10/2023	11/12/2019	6,847,315	6,847,315	0.07%
McDermott International Inc. 1M USD LIBOR + 9.000% — 9.794% 10/21/2020	04/16/2020, 04/22/2020, 10/31/2019	973,079	250,562	0.00%
McDermott Technology Americas, Inc. — 3M USD LIBOR + 0.000% + 10.627% 10/23/2020	04/16/2020, 04/22/2020, 10/31/2019	20,989,296	20,779,403	0.21%
	02/28/2020	(1,265,474)	(452,709)	0.00%

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS — RESTRICTED SECURITIES (Continued)

June 30, 2020
(Unaudited)

Issuer	Acquisition Date(s)	Cost	Fair Value	Fair Value as a % of Net Assets
McDermott Technology Americas, Inc., 1M USD LIBOR + 6.000% PIK — 6.350% 5/9/2025	09/19/2019, 09/23/2019, 09/25/2019, 09/26/2019, 10/24/2019, 10/29/2019, 10/31/2019, 11/01/2019, 11/04/2019, 11/05/2019, 11/13/2019, 11/14/2019, 11/15/2019, 11/22/2019, 11/26/2019	\$ 87,471,295	\$ 48,322,589	0.48%
McDermott Technology Americas, Inc., 3M USD LIBOR + 9.000% — 10.000% 10/21/2020	10/31/2020, 02/03/2020, 04/22/2020, 06/30/2020	7,563,535	7,667,127	0.08%
McDermott Technology Americas, Inc., 1M USD LIBOR + 0.5000% PIK — 6.350% 5/4/2023	09/27/2019, 09/30/3019, 10/04/2019, 11/12/2019	27,825,587	15,187,012	0.15%
MEC Filo TL 1, 9.500% — 11.500% 2/12/2021	06/29/2018, 10/31/2019, 11/07/2019	24,333,430	20,725,915	0.21%
Sound Holding FP Steenbok LUX Financial 2 SARL, PIK — 10.750% 12/31/2021	10/07/2013	68,546,025	20,466,414	0.20%
U.S. Farming Realty Trust, L.P.	03/04/2020	824,138	617,925	0.01%
	11/26/2010, 01/31/2011, 03/09/2011, 04/15/2011, 05/10/2011, 06/27/2011, 08/15/2011, 10/17/2011, 10/28/2011, 11/28/2011, 01/03/2012, 01/26/2012, 04/05/2012, 07/13/2012, 12/07/2012, 08/01/2013	26,888,976	27,657,099	0.28%

FPA CRESCENT FUND
PORTFOLIO OF INVESTMENTS — RESTRICTED SECURITIES (Continued)

June 30, 2020
(Unaudited)

<u>Issuer</u>	<u>Acquisition Date(s)</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Fair Value as a % of Net Assets</u>
U.S. Farming Realty Trust II, L.P.	12/24/2012, 04/29/2013, 06/17/2013, 10/28/2013, 01/14/2014, 04/22/2014, 06/25/2014, 09/09/2014, 10/08/2014, 12/18/2014, 06/18/2015, 06/18/2015, 07/29/2015, 07/29/2015	\$ 9,909,497	\$ 8,270,156	0.08%
Western Digital Corp. Term Loan B 4, 1M USD LIBOR + 1.750% — 1.924% 4/29/2023	06/18/2019, 06/20/2019, 06/28/2019, 07/09/2019, 07/10/2019, 07/11/2019, 07/15/2019, 01/27/2020, 02/27/2020	32,985,190	32,491,875	0.33%
VMWare Inc. JAN22 200 CALL	09/05/2019, 09/06/2019, 09/09/2019	(12,141,641)	(11,512,115)	(0.12)%
VMWare Inc. JAN22 105 PUT	09/05/2019, 09/06/2019, 09/09/2019	<u>16,731,876</u>	<u>12,965,445</u>	<u>0.13%</u>
TOTAL RESTRICTED SECURITIES		<u>\$574,287,313</u>	<u>\$506,634,993</u>	<u>5.07%</u>

See accompanying Notes to Financial Statements.

FPA CRESCENT FUND

STATEMENT OF ASSETS AND LIABILITIES

June 30, 2020
(Unaudited)

ASSETS

Investment securities — at fair value (identified cost \$7,886,571,326)	\$ 9,168,695,958
Investments in affiliates — at fair value (identified cost \$624,629,184)	457,536,958
Short-term investments — at amortized cost (maturities 60 days or less)	391,527,331
Swaps, at fair value (cost \$1,752,706)	1,283,799
Purchased options, at value (premiums received \$40,545,136)	32,737,804
Due from broker	283,515,203
Cash	69,167,613
Foreign currencies at value (identified cost \$23)	23
Receivable for:	
Dividends and interest	20,492,324
Investment securities sold	4,552,927
Capital Stock sold	2,824,593
Prepaid expenses and other assets	8,789,327
Total assets	<u>10,441,123,860</u>

LIABILITIES

Securities sold short, at fair value (proceeds \$273,112,735)	293,420,392
Written options, at value (premiums received \$15,704,891)	24,870,462
Payable for:	
Investment securities purchased	87,575,905
Capital Stock repurchased	26,592,561
Due to broker — OTC derivatives collateral	12,135,140
Advisory fees	8,221,874
Accrued expenses and other liabilities	3,232,590
Total liabilities	<u>456,048,924</u>

NET ASSETS \$ 9,985,074,936

SUMMARY OF SHAREHOLDERS' EQUITY

Capital Stock — no par value; unlimited authorized shares;	
332,887,731 outstanding shares	\$ 8,586,594,938
Distributable earnings	<u>1,398,479,998</u>

NET ASSETS \$ 9,985,074,936

NET ASSET VALUE

Offering and redemption price per share	<u>\$30.00</u>
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See accompanying Notes to Financial Statements.

FPA CRESCENT FUND

STATEMENT OF OPERATIONS

For the Six Months Ended June 30, 2020

(Unaudited)

INVESTMENT INCOME

Dividends (net of foreign taxes withheld of \$2,008,437)	\$ 77,907,021
Interest	35,343,271
Income from affiliates	<u>9,225,581</u>
Total investment income	<u>122,475,873</u>

EXPENSES

Advisory fees	57,868,209
Short sale dividend expense	3,784,545
Transfer agent fees and expenses	2,567,099
Legal fees	384,033
Administrative services fees	359,180
Other professional fees	325,206
Custodian fees	241,976
Reports to shareholders	233,481
Trustee fees and expenses	187,627
Filing fees	47,564
Audit and tax services fees	31,343
Other	<u>83,998</u>
Total expenses	<u>66,114,261</u>
Reimbursement from Adviser	<u>(761,466)</u>
Net expenses	<u>65,352,795</u>
Net investment income	<u>57,123,078</u>

NET REALIZED AND UNREALIZED APPRECIATION (DEPRECIATION)

Net realized gain (loss) on:	
Investments	570,420,569
Investments in affiliates	(190,162,400)
Written options	15,563,831
Swap contracts	(763,974)
Investments in foreign currency transactions	(632,102)
Net change in unrealized appreciation (depreciation) of:	
Investments	(1,677,641,098)
Investments in affiliates	(215,003,484)
Investment securities sold short	48,620,767
Written options	(8,220,981)
Purchased options	(1,934,815)
Swap contracts	809,817
Translation of foreign currency denominated amounts	<u>52,174</u>
Net realized and unrealized loss	<u>(1,458,891,696)</u>

NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS \$ (1,401,768,618)

See accompanying Notes to Financial Statements.

FPA CRESCENT FUND
STATEMENTS OF CHANGES IN NET ASSETS

Six Months Ended June 30, 2020
(Unaudited)

	<u>Six Months Ended June 30, 2020 (Unaudited)</u>	<u>Year Ended December 31, 2019</u>
INCREASE (DECREASE) IN NET ASSETS		
Operations:		
Net investment income	\$ 57,123,078	\$ 271,832,039
Net realized gain	394,425,924	413,989,963
Net change in unrealized appreciation (depreciation)	<u>(1,853,317,620)</u>	<u>1,912,005,408</u>
Net increase (decrease) in net assets resulting from operations	<u>(1,401,768,618)</u>	<u>2,597,827,410</u>
Distributions to shareholders	<u>(301,906,156)</u>	<u>(654,441,642)</u>
Capital Stock transactions:		
Proceeds from Capital Stock sold	724,757,607	1,538,225,165
Proceeds from shares issued to shareholders upon reinvestment of dividends and distributions	264,818,619	565,800,499
Cost of Capital Stock repurchased*	<u>(3,309,914,780)</u>	<u>(3,745,562,801)</u>
Net decrease from Capital Stock transactions	<u>(2,320,338,554)</u>	<u>(1,641,537,137)</u>
Total change in net assets	<u>(4,024,013,328)</u>	301,848,631
NET ASSETS		
Beginning of period	14,009,088,264	13,707,239,633
End of period	<u>\$ 9,985,074,936</u>	<u>\$14,009,088,264</u>
CHANGE IN CAPITAL STOCK OUTSTANDING		
Shares of Capital Stock sold	23,713,916	47,013,051
Shares issued to shareholders upon reinvestment of dividends and distributions	8,892,655	16,952,654
Shares of Capital Stock repurchased	<u>(113,871,119)</u>	<u>(113,959,735)</u>
Change in Capital Stock outstanding	<u>(81,264,548)</u>	<u>(49,994,030)</u>

* Net of redemption fees of \$19,980 and \$481,210 for the period ended June 30, 2020 and year ended December 31, 2019, respectively, see Note 6.

See accompanying Notes to Financial Statements.

FPA CRESCENT FUND

FINANCIAL HIGHLIGHTS

	Six Months Ended June 30, 2020 (Unaudited)	Year Ended December 31,				
		2019	2018	2017	2016	2015
Per share operating performance:						
Net asset value at beginning of period	<u>\$33.83</u>	<u>\$29.53</u>	<u>\$34.69</u>	<u>\$32.61</u>	<u>\$31.06</u>	<u>\$33.74</u>
Income from investment operations:						
Net investment income* . .	0.15	0.62	0.24	0.23	0.24	0.18
Net realized and unrealized gain (loss) on investment securities	<u>(3.05)</u>	<u>5.25</u>	<u>(2.78)</u>	<u>3.14</u>	<u>2.93</u>	<u>(0.89)</u>
Total from investment operations	<u>(2.90)</u>	<u>5.87</u>	<u>(2.54)</u>	<u>3.37</u>	<u>3.17</u>	<u>(0.71)</u>
Less distributions:						
Dividends from net investment income	(0.11)	(0.80)	(0.21)	(0.34)	(0.29)	(0.31)
Distributions from net realized capital gains	<u>(0.82)</u>	<u>(0.77)</u>	<u>(2.41)</u>	<u>(0.95)</u>	<u>(1.34)</u>	<u>(1.66)</u>
Total distributions	<u>(0.93)</u>	<u>(1.57)</u>	<u>(2.62)</u>	<u>(1.29)</u>	<u>(1.63)</u>	<u>(1.97)</u>
Redemption fees	<u>—**</u>	<u>—**</u>	<u>—**</u>	<u>—**</u>	<u>0.01</u>	<u>—**</u>
Net asset value at end of period	<u>\$30.00</u>	<u>\$33.83</u>	<u>\$29.53</u>	<u>\$34.69</u>	<u>\$32.61</u>	<u>\$31.06</u>
Total investment return . . .	(8.59)%	20.02%	(7.43)%	10.39%	10.25%	(2.06)%
Ratios/supplemental data:						
Net assets, end of period (in \$000's)	\$9,985,074	\$14,009,883	\$13,707,240	\$17,484,747	\$16,555,035	\$18,119,838
Ratio of expenses to average net assets:						
Before reimbursement						
from Adviser	1.14%††	1.23%‡	1.18%‡	1.10%‡	1.09%‡	1.11%‡
After reimbursement						
from Adviser	1.13%††	1.23%‡	1.18%‡	1.10%‡	1.09%‡	1.11%‡
Net investment income:						
Before reimbursement						
from Adviser	0.98%†	1.90%	0.70%	0.66%	0.77%	0.53%
After reimbursement from Adviser	0.99%†	1.90%	0.70%	0.66%	0.77%	0.53%
Portfolio turnover rate	43%†	23%	64%	18%	35%	48%

* Per share amount is based on average shares outstanding.

** Rounds to less than \$0.01 per share.

† Annualized.

‡ For the periods ended June 30, 2020, December 31, 2019, December 31, 2018, December 31, 2017, December 31, 2016 and December 31, 2015 the expense ratio includes short sale dividend expense equal to 0.07%, 0.16%, 0.11%, 0.03%, 0.02%, 0.02% of average net assets, respectively.

See accompanying Notes to Financial Statements.

FPA CRESCENT FUND

NOTES TO FINANCIAL STATEMENTS

June 30, 2020
(Unaudited)

NOTE 1 — Significant Accounting Policies

FPA Crescent Fund (the “Fund”), a series of the FPA Funds Trust, is registered under the Investment Company Act of 1940 as an open-end, diversified, management investment company. The Fund’s investment objective is to seek to generate equity-like returns over the long-term, take less risk than the market and avoid permanent impairment of capital. The Fund qualifies as an investment company pursuant to Financial Accounting Standard Board (FASB) Accounting Standards Codification (ASC) No. 946, Financial Services — Investment Companies. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements.

A. Security Valuation

The Fund’s investments are reported at fair value as defined by accounting principles generally accepted in the United States of America, (“U.S. GAAP”). The Fund generally determines its net asset value as of approximately 4:00 p.m. New York time each day the New York Stock Exchange is open. Further discussion of valuation methods, inputs and classifications can be found under Disclosure of Fair Value Measurements.

B. Securities Transactions and Related Investment Income

Securities transactions are accounted for on the date the securities are purchased or sold. Dividend income and distributions to shareholders are recorded on the ex-dividend date. Interest income and expenses are recorded on an accrual basis. The books and records of the Fund are maintained in U.S. dollars as follows: (1) the foreign currency fair value of investment securities, and other assets and liabilities stated in foreign currencies, are translated using the daily spot rate; and (2) purchases, sales, income and expenses are translated at the rate of exchange prevailing on the respective dates of such transactions. The resultant exchange gains and losses are included in net realized or net unrealized gain (loss) in the statement of operations. A detailed listing of outstanding currency transactions is included in the Portfolio of Investments, in Investment Securities in the Statement of Assets and Liabilities and in Disclosure of Fair Value Measurements.

C. Use of Estimates

The preparation of the financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported. Actual results could differ from those estimates.

D. Recent Accounting Pronouncements

In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2018-13, *Fair Value Measurement (Topic 820) — Disclosure Framework — Changes to the Disclosure Requirements for Fair Value Measurement*. The amendments eliminate certain disclosure requirements for fair value measurements for all entities, requires public entities to disclose certain new information and modifies some disclosure requirements. The new guidance is effective for all entities for fiscal years beginning after December 15, 2019 and for interim periods within those fiscal years. An entity is permitted to early adopt either the entire standard or only the provisions that eliminate or modify requirements. The Adviser is currently evaluating the impact of this new guidance on the Fund’s financial statements.

FPA CRESCENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
(Unaudited)

NOTE 2 — Risk Considerations

Investing in the Fund may involve certain risks including, but not limited to, those described below.

Market Risk: Because the values of the Fund's investments will fluctuate with market conditions, so will the value of your investment in the Fund. You could lose money on your investment in the Fund or the Fund could underperform other investments.

Common Stocks and Other Securities (Long): The prices of common stocks and other securities held by the Fund may decline in response to certain events taking place around the world, including; those directly involving companies whose securities are owned by the Fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations.

Common Stocks and Other Securities (Short): The prices of common stocks and other securities sold short rise between the date of the short sale and the date on which the Fund replaces the borrowed security. In addition, the Fund repays the person that lent it the security for any interest or dividends that may have accrued.

Interest Rate and Credit Risk: The values of, and the income generated by, most debt securities held by the Fund may be affected by changing interest rates and by changes in the effective maturities and credit rating of these securities. For example, the value of debt securities in the Fund's portfolio generally will decline when interest rates rise and increase when interest rates fall. In addition, falling interest rates may cause an issuer to redeem, call or refinance a security before its stated maturity, which may result in the Fund having to reinvest the proceeds in lower yielding securities. The values of any of the Fund's investments may also decline in response to events affecting the issuer or its credit rating. The lower rated debt securities in which the Fund may invest are considered speculative and are generally subject to greater volatility and risk of loss than investment grade securities, particularly in deteriorating economic conditions.

Repurchase Agreements: Repurchase agreements permit the Fund to maintain liquidity and earn income over periods of time as short as overnight. Repurchase agreements held by the Fund are fully collateralized by U.S. Government securities, or securities issued by U.S. Government agencies, or securities that are within the three highest credit categories assigned by established rating agencies (Aaa, Aa, or A by Moody's or AAA, AA or A by Standard & Poor's) or, if not rated by Moody's or Standard & Poor's, are of equivalent investment quality as determined by the Adviser. Such collateral is in the possession of the Fund's custodian. The collateral is evaluated daily to ensure its fair value equals or exceeds the current fair value of the repurchase agreements including accrued interest. In the event of default on the obligation to repurchase, the Fund has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation.

The Fund may enter into repurchase agreements, under the terms of a Master Repurchase Agreement ("MRA"). The MRA permits the Fund, under certain circumstances including an event of default (such as bankruptcy or insolvency), to offset payables and/or receivables under the MRA with collateral held and/or posted to the counterparty and create one single net payment due to or from the Fund. However, bankruptcy or insolvency laws of a particular jurisdiction may impose restrictions on or prohibitions against such a right of offset in the event of a MRA counterparty's bankruptcy or insolvency. Pursuant to the terms of the MRA, the Fund receives securities as collateral with a fair value in excess of the repurchase price to be received by the Fund upon the maturity of the repurchase transaction. Upon a bankruptcy or insolvency of the MRA counterparty, the Fund recognizes a liability with respect to such excess collateral to reflect the Fund's obligation under bankruptcy law to return the excess to the counterparty. Repurchase agreements outstanding at the end of the period are listed in the Fund's Portfolio of Investments.

FPA CRESCENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
(Unaudited)

Many countries have experienced outbreaks of infectious illnesses in recent decades, including swine flu, avian influenza, SARS and, more recently, COVID-19. The global outbreak of COVID-19 in early 2020 has resulted in various disruptions, including travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 have and may continue to adversely affect the global economy, financial markets and the economies of certain nations and individual issuers, any of which may negatively impact the Fund and its holdings. Similar consequences could arise as a result of the spread of other infectious diseases.

NOTE 3 — Purchases and Sales of Investment Securities

Cost of purchases of investment securities (excluding short-term investments) aggregated \$2,042,854,591 for the period ended June 30, 2020. The proceeds and cost of securities sold resulting in net realized gains of \$380,258,169 aggregated \$3,789,932,471 and \$3,409,674,302, respectively, for the period ended June 30, 2020. Realized gains or losses are based on the specific identification method.

NOTE 4 — Federal Income Tax

No provision for federal income tax is required because the Fund has elected to be taxed as a “regulated investment company” under the Internal Revenue Code (the “Code”) and intends to maintain this qualification and to distribute each year to its shareholders, in accordance with the minimum distribution requirements of the Code, its taxable net investment income and taxable net realized gains on investments.

The cost of investment securities held at June 30, 2020 was \$8,529,583,384 for federal income tax purposes. Gross unrealized appreciation and depreciation for all investment at June 30, 2020, for federal income tax purposes was \$2,010,010,287 and \$913,360,755, respectively resulting in net unrealized appreciation of \$1,096,649,532. As of and during the period ended June 30, 2020, the Fund did not have any liability for unrecognized tax benefits. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the year, the Fund did not incur any interest or penalties. The statute of limitations remains open for the last 3 years, once a return is filed. No examinations are in progress at this time.

NOTE 5 — Advisory Fees and Other Affiliated Transactions

Pursuant to an Investment Advisory Agreement (the “Agreement”), advisory fees were paid by the Fund to First Pacific Advisors, LP (the “Adviser”). Under the terms of this Agreement, the Fund pays the Adviser a monthly fee calculated at the annual rate of 1.00% of the Fund’s average daily net assets.

The Adviser has contractually agreed to limit the expenses for the Fund in excess of 1.05% of the average net assets of the Fund, excluding short sale dividend expenses and interest on cash deposits relating to short sales, brokerage fees and commissions, interest, taxes, fees and expenses of other funds in which the Fund invests, and extraordinary expenses, including litigation expenses not incurred in the Fund's ordinary course of business, through April 30, 2021. The reductions and reimbursements are in amounts that maintain total operating expenses at or below certain limits. The limit is expressed as a percentage of average daily net assets attributable to the Fund on an annualized basis during the reporting period. The expenses borne by the Adviser are subject to reimbursement by the Fund through the fiscal year end, provided no reimbursement will be made it would result in the Fund exceeding the total operating expense limits. Any amounts outstanding at the end of the period are shown as an expense reimbursement from Adviser or expense reimbursement to Adviser on the Statement of Assets and Liabilities.

FPA CRESCENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
(Unaudited)

For the period ended June 30, 2020, the Fund paid aggregate fees and expenses of \$187,627 to all Trustees who are not affiliated persons of the Adviser. Certain officers of the Fund are also officers of the Adviser.

NOTE 6 — Securities Sold Short

The Fund considers cash deposits held in connection with securities sold short to be restricted cash. The restriction will lapse when the related short positions are terminated. The Fund maintains cash deposits and segregates marketable securities in amounts equal to the current fair value of the securities sold short or the fair value of the securities at the time they were sold short, whichever is greater. The Fund considers cash deposits held in connection with securities sold short to be restricted cash. The restriction will lapse when the related short positions are terminated. Possible losses from short sales may be unlimited, whereas losses from purchases cannot exceed the total amount invested. The dividends on securities sold short are reflected as short sale dividend expense.

NOTE 7 — Redemption Fees

A redemption fee of 2% applies to redemptions within 90 days of purchase. For the period ended June 30, 2020, the Fund collected \$19,980 in redemption fees. The impact of these fees is less than \$0.01 per share.

NOTE 8 — Disclosure of Fair Value Measurements

The Fund uses the following methods and inputs to establish the fair value of its assets and liabilities. Use of particular methods and inputs may vary over time based on availability and relevance as market and economic conditions evolve.

Equity securities are generally valued each day at the official closing price of, or the last reported sale price on, the exchange or market on which such securities principally are traded, as of the close of business on that day. If there have been no sales that day, equity securities are generally valued at the last available bid price. Securities that are unlisted and fixed-income and convertible securities listed on a national securities exchange for which the over-the-counter (“OTC”) market more accurately reflects the securities’ value in the judgment of the Fund’s officers, are valued at the most recent bid price. Events occurring after the close of trading on non-U.S. exchanges may result in adjustments to the valuation of foreign securities to reflect their fair value as of the close of regular trading on the NYSE. The Fund may utilize an independent fair valuation service in adjusting the valuations of foreign securities. However, most fixed income securities are generally valued at prices obtained from pricing vendors and brokers. Vendors value such securities based on one or more of the following inputs: transactions, bids, offers quotations from dealers and trading systems, spreads and other relationships observed in the markets among comparable securities, benchmarks, underlying equity of the issuer, and proprietary pricing models such as cash flows, financial or collateral performance and other reference data (includes prepayments, defaults, collateral, credit enhancements, and interest rate volatility). Currency forwards are valued at the closing currency exchange rate which is not materially different from the forward rate. Short-term corporate notes with maturities of 60 days or less at the time of purchase are valued at amortized cost.

Securities for which representative market quotations are not readily available or are considered unreliable by the Adviser are valued as determined in good faith under procedures adopted by the authority of the Fund’s Board of Trustees. Various inputs may be reviewed in order to make a good faith determination of a security’s value. These inputs include, but are not limited to, the type and cost of the security; contractual or legal restrictions on resale of the security; relevant financial or business developments of the issuer; actively traded similar or related securities; conversion or exchange rights on the security; related corporate actions; significant events

FPA CRESCENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
(Unaudited)

occurring after the close of trading in the security; and changes in overall market conditions. Investments in limited partnerships are valued, as a practical expedient, utilizing the net asset valuations provided by the underlying limited partnerships in a manner consistent with U.S. GAAP for investment companies. The Fund applies the practical expedient to its investments in limited partnerships on an investment-by-investment basis, and consistently with the Fund's entire position in a particular investment, unless it is probable that the Fund will sell a portion of an investment at an amount different from the net asset valuation. Investments in limited partnerships are included in Level 3 of the fair value hierarchy based on the limited rights of withdrawal by the Fund as specified in the respective agreements. Fair valuations and valuations of investments that are not actively trading involve judgment and may differ materially from valuations of investments that would have been used had greater market activity occurred.

The Fund classifies its assets based on three valuation methodologies. Level 1 values are based on quoted market prices in active markets for identical assets. Level 2 values are based on significant observable market inputs, such as quoted prices for similar assets and quoted prices in inactive markets or other market observable inputs as noted above including spreads, cash flows, financial performance, prepayments, defaults, collateral, credit enhancements, and interest rate volatility. Level 3 values are based on significant unobservable inputs that reflect the Fund's determination of assumptions that market participants might reasonably use in valuing the assets. The valuation levels are not necessarily an indication of the risk associated with investing in those securities. The following table presents the valuation levels of the Fund's investments as of June 30, 2020: (see Portfolio of Investments for industry categories):

Investments	Level 1	Level 2	Level 3	Total
Common Stocks				
Internet Media	\$1,081,096,772	\$ 211,408,901	—	\$ 1,292,505,673
Semiconductor Devices	658,582,571	—	—	658,582,571
Cable & Satellite	577,909,157	—	—	577,909,157
Cement & Aggregates	—	353,100,939	—	353,100,939
Banks	328,213,611	—	—	328,213,611
Industrial Distribution & Rental	150,196,217	160,764,936	—	310,961,153
P&C Insurance	304,173,559	—	—	304,173,559
Diversified Banks	301,294,011	—	—	301,294,011
Electrical Components	244,280,578	—	—	244,280,578
Investment Companies	—	237,048,340	—	237,048,340
Institutional Brokerage	234,701,126	—	—	234,701,126
Infrastructure Software	192,157,805	—	—	192,157,805
Internet Based Services	168,940,905	—	—	168,940,905
Midstream — Oil & Gas	161,787,261	—	—	161,787,261
Base Metals	—	153,055,015	—	153,055,015
Computer Hardware & Storage	149,546,680	—	—	149,546,680
Insurance Brokers	134,093,320	—	—	134,093,320
Commercial & Residential Building Equipment & Systems	49,483,495	83,600,261	—	133,083,756

FPA CRESCENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
(Unaudited)

Investments	Level 1	Level 2	Level 3	Total
Application Software	—	\$ 111,701,695	\$ 19,049,750	\$ 130,751,445
Specialty Chemicals	\$ 128,689,649	—	—	128,689,649
Railroad Rolling Stock	124,501,170	—	—	124,501,170
Medical Equipment	—	111,550,851	—	111,550,851
Wealth Management	98,168,482	—	—	98,168,482
Apparel, Footwear & Accessory Design	—	81,319,933	—	81,319,933
Hotels, Restaurants & Leisure	79,027,457	—	—	79,027,457
Telecom Carriers	—	76,750,891	—	76,750,891
E-Commerce Discretionary	70,869,313	—	—	70,869,313
Aircraft & Parts	—	69,797,971	—	69,797,971
Real Estate Owners & Developers	—	53,958,772	—	53,958,772
Food & Drug Stores	—	52,908,724	—	52,908,724
Integrated Utilities	31,800,901	—	—	31,800,901
Marine Shipping	—	—	20,466,414	20,466,414
Closed End Fund				
Medical Equipment	—	—	97,501,690	97,501,690
Limited Partnerships	—	—	148,287,093	148,287,093
Preferred Stocks				
Automobiles	—	89,140,923	—	89,140,923
Industrials	—	22,002,291	—	22,002,291
Asset-Backed Security				
Marine Shipping	—	—	6,847,314	6,847,314
Corporate Bonds & Notes	—	175,630,928	—	175,630,928
Corporate Bank Debt	—	176,472,365	28,859,225	205,331,590
Municipals	—	278,553,331	—	278,553,331
U.S. Treasuries	—	1,536,940,323	—	1,536,940,323
Short-Term Investments	—	391,527,331	—	391,527,331
	<u>\$5,269,514,040</u>	<u>\$4,427,234,721</u>	<u>\$321,011,486</u>	<u>\$10,017,760,247</u>
Purchased Options (interest rate risk)	—	—	\$ 19,772,359	\$ 19,772,359
Written Options (interest rate risk)	—	—	(13,358,347)	(13,358,347)
Equity Options (equity risk)	—	—	1,453,330	1,453,330
Credit Default Swaps (credit risk)	—	—	1,283,799	1,283,799
	<u>—</u>	<u>—</u>	<u>\$ 9,151,141</u>	<u>\$ 9,151,141</u>
Common Stock Sold Short	\$ (124,706,583)	\$ (80,489,715)	—	\$ (205,196,298)
Common Bonds & Notes Sold Short	—	\$ (88,224,094)	—	\$ (88,224,094)
	<u>\$ (127,706,583)</u>	<u>\$ (168,713,809)</u>	<u>—</u>	<u>\$ (293,420,392)</u>

FPA CRESCENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
(Unaudited)

The following table summarizes the Fund's Level 3 investment securities and related transactions during the period ended June 30, 2020:

Investments	Beginning Value at December 31, 2019	Net Realized and Unrealized Gains (Losses)*	Purchases	(Sales)	Gross Transfers In/(Out)	Ending Value at June 30, 2020	Net Change in Unrealized Appreciation (Depreciation) related to Investments held at June 30, 2020
Common Stocks	\$137,539,081	\$(19,570,977)	\$19,049,750	—	—	\$137,017,854	\$(19,570,978)
Limited Partnerships	182,177,764	(58,764,040)	29,205,281	\$ (4,331,912)	—	148,287,093	(58,764,041)
Residential Mortgage-Backed Securities Non-Agency Collateralized Mortgage Obligation	19,185	(18,244)	—	(941)	—	—	—
Asset-Backed Securities Marine Shipping	6,847,315	(1)	—	—	—	6,847,314	—
Corporate Bank Debt	33,952,030	(5,092,805)	—	—	—	28,859,225	(5,112,053)
Purchased Options (interest rate risk)	109,616,351	1,718,860	20,250,010	(111,812,862)	—	19,772,359	(1,732,050)
Currency Options (currency risk)	19,335,104	6,578,010	—	(25,913,114)	—	—	—
Written Options (interest rate risk)	(6,423,266)	(6,935,081)	—	—	—	(13,358,347)	(6,935,081)
Equity Options (equity risk)	(4,321,815)	4,046,246	1,728,899	—	—	1,453,330	2,096,390
Credit Default Swaps (interest rate risk)	692,055	591,744	—	—	—	1,283,799	809,817
	<u>\$479,433,804</u>	<u>\$(77,446,288)</u>	<u>\$70,233,940</u>	<u>\$(142,058,829)</u>	<u>—</u>	<u>\$330,162,627</u>	<u>\$(89,207,996)</u>

Level 3 Valuation Process: Investments classified within Level 3 of the fair value hierarchy are valued by the Adviser in good faith under procedures adopted by authority of the Fund's Board of Trustees. The Adviser employs various methods to determine fair valuations including regular review of key inputs and assumptions, and review of related market activity, if any. However, there are generally no observable trade activities in these securities. The Adviser reports to the Board of Trustees at their regularly scheduled quarterly meetings, or more often if warranted. The report includes a summary of the results of the process, the key inputs and assumptions noted, and any changes to the inputs and assumptions used. When appropriate, the Adviser will recommend changes to the procedures and process employed. The value determined for an investment using the fair value procedures may differ significantly from the value realized upon the sale of such investment. Transfers of investments between different levels of the fair value hierarchy are recorded at fair value as of the end of the reporting period. There were transfers of \$1,327,618,489 out of Level 1 and into Level 2 during the period ended June 30, 2020.

FPA CRESCENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
(Unaudited)

The following table summarizes the quantitative inputs and assumptions used for items categorized as items categorized as Level 3 of the fair value hierarchy as of June 30, 2020:

Financial Assets	Fair Value at June 30, 2020	Valuation Technique(s)	Unobservable Inputs	Price/Range
Asset-Backed Securities —				
Marine Shipping	\$ 6,847,314	Most Recent Capitalization (Funding) (a)	Cost	\$100.00
Corporate Bank Debt	\$ 28,859,225	Most Recent Capitalization (Funding) (a)	Cost	\$85.00
Equity Options (equity risk)	\$ 1,453,330	Third-Party Broker Quote (b)	Quotes/Prices	\$10.35-\$12.55
Purchased Options (interest rate risk)	\$ 19,772,359	Third-Party Broker Quote (b)	Quotes/Prices	\$0.00-\$0.01
Written Options (interest rate risk)	\$ (13,358,347)	Third-Party Broker Quote (b)	Quotes/Prices	\$0.18
Credit Default Swaps (credit risk)	\$ 1,283,799	Third-Party Broker Quote (b)	Quotes/Prices	\$1.83-\$3.32
Common Stocks- Long	\$ 20,466,414	NAV adjusted to Fair Value (c)	N/A	\$17.86
	97,501,690	Restricted Security (d)	Quotes/Prices	\$20.50
	19,049,750	Restricted Security (e)	Quotes/Prices	\$575.00
Limited Partnerships	\$112,359,838	NAV as Practical Expedient (f)	N/A	\$47.98-\$85.00
	35,927,255	Discounted NAV (g)	Discount	\$68.92-\$79.02

- (a) The significant unobservable inputs used in the fair value measurement of the Fund's Private Investment shares are based on its most recent funding. If the financial condition of the underlying assets were to deteriorate, or if the market comparables were to fall, the value of this investment could be lower.
- (b) The Third Party Broker Quote technique involves obtaining an independent third-party broker quote for the security.
- (c) The NAV provided by the administrator of the LLC is reported at depreciated cost. To adjust to fair value, the Fund obtains independent appraisals of the underlying fixed assets and adjusts the NAV based on the difference between the two values.
- (d) The fair value of the investment is based on the most recently available last executed trade
- (e) The fair value of the investment is based on the initial purchase price. If the financial condition of the underlying assets were to deteriorate, or if the market comparables were to fall, the value of the investment could be lower.
- (f) No adjustments were made to the NAV provided by the administrator of the Limited Partnerships. Adjustments to the NAV would be considered if the practical expedient NAV was not as of Fund's measurement date; it was probable that the Limited Partnerships would be sold at a value materially different than the reported expedient NAV; or it was determined in accordance with the Fund's valuation procedures that the Limited Partnerships are not being reported at fair value.
- (g) The NAV provided by the general partner has been discounted for the possible impact from various long-term exit strategies under consideration by the general partner.

Options Contracts: An option contract is a commitment that gives the purchaser of the contract the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a specified future date. On the other hand, the writer of an option contract is obligated, upon the exercise of the option, to buy or sell an underlying asset at a specific price on or before a specified future date. A swaption is an option contract granting the owner the right to enter into an underlying swap. Inflation-capped options are options on U.S. inflation rates at a stated strike price. The seller of an inflation-capped option receives an upfront premium and in return the buyer receives the right to receive a payment at the expiration of the option if the cumulative annualized inflation rate over the life of the option is above (for caps) or below (for floors) the stated strike price. The purpose of inflation-capped options is to protect the buyer from inflation erosion above a certain rate on a given notional exposure. A floor can be used to give downside protection to investments in inflation-linked products below a certain rate on a given notional exposure. Writing put options or purchasing call options tends to increase a

FPA CRESCENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
(Unaudited)

Fund's exposure to the underlying instrument. Writing call options or purchasing put options tends to decrease a Fund's exposure to the underlying instrument. When a Fund writes or purchases a call, put, or inflation-capped option, an amount equal to the premium received or paid by the Fund is recorded as a liability or an investment, respectively, and subsequently adjusted to the current market value, based on the quoted daily settlement price of the option written or purchased. Certain options may be written or purchased with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. Premiums received or paid from writing or purchasing options, which expire unexercised, are treated by a Fund on the expiration date as realized gains or losses. The difference between the premium and the amount paid or received on a closing purchase or sale transaction, including brokerage commissions, is also treated as a realized gain or loss. If an option is exercised, the premium paid or realized is added to the cost of the purchase or proceeds from the sale in determining whether the Fund has realized a gain or loss on investment transactions. A Fund, as a writer of an option, may have no control over whether the underlying instrument may be sold (call) or purchased (put) and as a result bears the market risk of an unfavorable change in the price of the underlying written option. In addition, an illiquid market may make it difficult for a Fund to close out an option contract. The maximum risk of loss associated with writing put options is limited to the exercised fair value of the option contract. The maximum risk of loss associated with writing call options is potentially unlimited. Listed option contracts present minimal counterparty credit risk since they are exchange traded and the exchange's clearinghouse, as counterparty to all exchange-traded options, guarantees the options against default. A Fund's maximum risk of loss from counterparty credit risk related to OTC option contracts is limited to the premiums paid.

Forward foreign currency contracts: Forward foreign currency contracts are agreements to exchange one currency for another at a future date and at a specified price. The Funds' transactions in forward foreign currency contracts are limited to transaction and portfolio hedging. The contractual amounts of forward foreign currency contracts do not necessarily represent the amounts potentially subject to risk. The measurement of the risks associated with these instruments is meaningful only when all related and offsetting transactions are considered and could exceed the net unrealized value shown in the tables below. Risks arise from the possible inability of counterparties to meet the terms of their contracts and from movements in currency values. Forward foreign currency contracts are valued daily at the foreign exchange rates as of the close of the New York Stock Exchange. Unrealized appreciation or depreciation on the contracts as measured by the difference between the forward foreign exchange rates at the dates of entry into the contracts and the foreign exchange rates at the end of the period is included in the Statement of Assets and Liabilities under the caption "Forward Foreign Currency Contracts." Realized gains and losses and the net change in unrealized appreciation (depreciation) on forward foreign currency contracts for the year are included in the Statement of Operations under the caption "Forward Foreign Currency Contracts."

Credit Default Swaps: The Fund enters into credit default swap contracts for investment purposes and to manage its credit risk. Credit default swap agreements involve one party making a stream of payments (referred to as the buyer of protection) to another party (the seller of protection) in exchange for the right to receive a specified return in the event of a default or other credit event for the referenced entity, obligation or index. The Fund may purchase or sell protection. A seller of protection generally receives an upfront payment or periodic payments throughout the term of the swap provided there is no credit event. Such periodic payments received are accrued daily and accounted for as realized gains. If a credit event occurs, as defined under the terms of the swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or

FPA CRESCENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
(Unaudited)

(ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. The buyer of protection generally pays an upfront premium or periodic payments throughout the term of the swap provided there is no credit event. Such periodic payments paid are accrued daily and accounted for as realized losses.

Entering into credit default swaps involves, to varying degrees, elements of credit, market and documentation risk in excess of the related amounts recognized in the Consolidated Statement of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligations to perform or disagree as to the meaning of the contractual terms in the agreements, and that there will be unfavorable changes in net interest rates.

<u>Derivative Type</u>	<u>Asset Derivatives</u>		<u>Liability Derivatives</u>	
	Statement of Assets and Liabilities <u>Location</u>	<u>Fair Value</u>	Statement of Assets and Liabilities <u>Location</u>	<u>Fair Value</u>
Equity contracts	Purchased options, at value	\$12,965,445	Written options, at value	\$(11,512,115)
Credit contracts	Swaps, at fair value	1,283,799		
Interest rate contracts	Purchased options, at value	<u>19,772,359</u>	Written options, at value	<u>(13,358,347)</u>
Total		<u>\$34,021,603</u>		<u>\$(24,870,462)</u>

<u>Derivative Type</u>	<u>Location of Gain or (Loss) on Derivatives Within Statement of Operations</u>	<u>Realized Gain or (Loss) on Derivatives</u>	<u>Change in Unrealized Appreciation or (Depreciation)</u>
Foreign currency contracts	Investments in Forward Foreign Currency Contracts	\$ (632,102)	—
Equity contracts	Net realized gain on purchased options/Net change in unrealized appreciation (depreciation) on purchased options	—	\$(1,934,815)
Credit contracts	Swap contracts	(763,974)	809,817
Interest rate contracts	Net realized gain on written options/Net change in unrealized appreciation (depreciation) on written options	<u>15,563,831</u>	<u>(8,220,981)</u>
Total		<u>\$14,167,755</u>	<u>\$(9,345,979)</u>

FPA CRESCENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
(Unaudited)

The following table represents the average monthly volume of the Fund's derivative transactions during the period ended June 30, 2020:

Purchased Options

Average notional amount	
Calls	\$5,212,521,492
Puts	83,305,384

Written Options

Average notional amount	
Calls	(10,610)
Puts	(119,982,967)

Swaps

Average notional amount	\$ 59,693,808
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NOTE 9 — Collateral Requirements

For derivatives traded under an ISDA Master Agreement, the collateral requirements are typically calculated by netting the mark to market amount for each transaction under such agreement and comparing that amount to the value of any collateral currently pledged by a Fund and the counterparty. Cash collateral that has been pledged to cover obligations of a Fund and cash collateral received from the counterparty, if any, is reported separately on the Statement of Assets and Liabilities as cash pledged as collateral and cash received as collateral, respectively. Non-cash collateral pledged by a Fund, if any, is noted in the Portfolio of Investments. Generally, the amount of collateral due from or to a party is delivered to/pledged by the Fund on the next business day. Typically, the Fund and counterparties are not permitted to sell, repledge or use the collateral they receive. To the extent amounts due to the Fund from its counterparties are not fully collateralized, contractually or otherwise, the Fund bears the risk of loss from counterparty non-performance. The Fund attempts to mitigate counterparty risk by entering into agreements only with counterparties that it believes have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties.

For financial reporting purposes, the Fund does not offset derivative assets and derivative liabilities that are subject to netting arrangements in the Statement of Assets and Liabilities.

FASB Accounting Standards Update No. 2011-11, *Disclosures about Offsetting Assets and Liabilities*, requires disclosures to make financial statements that are prepared under U.S. GAAP more comparable to those prepared under International Financial Reporting Standards. Under this guidance the Fund discloses both gross and net information about instruments and transactions eligible for offset such as instruments and transactions subject to an agreement similar to a master netting arrangement. The following table presents the Fund's OTC derivative assets, liabilities and master repurchase agreements by counterparty net of amounts available for the offset under

FPA CRESCENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
(Unaudited)

an ISDA Master agreement or similar agreements and net of the related collateral received or pledged by the Fund as of June 30, 2020:

<u>Counterparty</u>	<u>Product</u>	<u>Gross Assets (Liabilities) in the Statement of Assets and Liabilities</u>	<u>Cash Collateral (Received) Pledged</u>	<u>Financial Instruments (Received) Pledged</u>	<u>Assets (Liabilities) Available for Offset</u>	<u>Net Amount of Asset and (Liabilities)*</u>
State Street Bank and Trust Company:	Repurchase Agreement	\$ 6,556,000	\$(6,556,000)	—	—	—
Barclays Bank PLC:	Purchased Options	\$ 5,062,560	—	—	—	\$ 5,062,560
	Swap Agreements	\$ 171,187	—	—	—	\$ 171,187
Goldman Sachs International:	Purchased Options	\$ 10,953,355	—	—	—	\$10,953,355
	Swap Agreements	\$ 799,831	—	—	—	\$ 799,831
JP Morgan:	Purchased Options	\$ 12,965,445	—	—	\$12,965,445	—
	Written Options	\$(11,512,115)	—	—	\$11,512,115	—
Morgan Stanley:	Purchased Options	\$ 3,756,444	—	—	\$(3,756,444)	—
	Written Options	\$(13,358,347)	—	—	\$ 3,756,444	\$(9,601,903)
	Swap Agreements	\$ 312,781	—	—	—	\$ 312,781

* Represents the net amount receivable (payable) from the counterparty in the event of default.

** Collateral with a value of \$6,687,172 has been received in connection with a master repurchase agreement. Excess of collateral received from the individual master repurchase agreement is not shown for financial reporting purposes.

NOTE 10 — Commitments

For the period ended June 30, 2020, the Fund was liable for the following unfunded commitments:

<u>Security</u>	<u>Unfunded Commitment</u>
McDermott Technology Americas, Inc. — 3M USD LIBOR + 0.000% + 10.627% 10/23/2020	\$ 45,270,878
McDermott International, Inc., 1M USD LIBOR + 0.000% — 6.335% 5/10/2023	6,509,206
McDermott Technology Americas, Inc., 1M USD LIBOR + 0.5000% PIK — 6.350% 5/4/2023	12,584,968

FPA CRESCENT FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
(Unaudited)

NOTE 11 — Affiliated Investments

A company is considered an affiliate of a fund under the Investment Company Act of 1940 if the Fund's holdings in that company represent 5% or more of the outstanding voting shares of that company. Further details on such holdings and related transactions during the period ended June 30, 2020, appear below:

Investments	Shares Held as of December 31, 2019	Beginning Value as of December 31, 2019	Purchases at Cost	Proceeds from Sales	Net Realized Gain/(Loss) on sales of Affiliated Investments	Change in Unrealized Appreciation/Depreciation	Transfers In (Out)	Ending Value as of June 30, 2020	Shares as of June 30, 2020	Dividend Income from Affiliated Investments
Common										
Stocks — 3.64%										
Banks — 1.08%										
CIT Group, Inc.	7,290,114	\$ 332,647,902	\$ —	\$ 37,799,474	\$ (30,545,546)	\$ (155,965,808)	\$ —	\$ 108,337,074	5,226,101	\$ 4,511,387
Containers & Packaging — 1.08%										
O-I Glass, Inc. ^(a)	9,007,760	107,462,577	—	57,563,749	(148,782,471)	98,883,643	—	—		—
Investment Companies — 2.35%										
Jefferies Financial Group, Inc.	16,334,640	349,071,257	—	16,186,310	(10,834,382)	(87,349,439)	—	234,701,126	15,093,320	4,714,194
Marine Shipping — 0.20%										
Sound Holding FP (Luxembourg) ^{(a)(b)(c)(d)}	1,146,250	41,511,807	—	—	—	(21,045,393)	—	20,466,414	1,146,250	—
Limited Partnerships — 0.94%										
FPS LLC ^{(a)(b)(c)(d)}	937,450	89,291,870	11,999,692	—	—	(43,662,761)	—	57,628,801	1,057,447	—
FPS Shelby Holding I LLC ^{(a)(b)(c)(d)}	—	—	10,289,934	—	—	(1,543,490)	—	8,746,444	102,899	—
U.S. Farming Realty Trust, L.P. ^{(a)(b)(c)(d)}	—	32,266,611	—	289,276	—	(4,320,236)	—	27,657,099	350,000	—
Total Affiliate Investments — 4.58%		<u>\$952,252,024</u>	<u>\$22,289,626</u>	<u>\$111,838,809</u>	<u>\$(190,162,400)</u>	<u>\$(215,003,484)</u>	<u>\$ —</u>	<u>\$457,536,958</u>		<u>\$9,225,581</u>

^(a) Non-income producing security.

^(b) Restricted securities. These securities are considered liquid by the Adviser. Most of these securities are not registered and may not be sold to the public. There are legal and/or contractual restrictions on resale. The Fund does not have the right to demand that such securities be registered. The values of these securities are determined by valuations provided by pricing services, brokers, dealers, market makers, or in good faith under policies adopted by authority of the Fund's Board of Trustees.

^(c) These securities have been valued in good faith under policies adopted by authority of the Board of Trustee in accordance with the Fund's fair value procedures.

^(d) Investments categorized as a significant unobservable input (Level 3) (See Note 7 of the Notes to Financial Statements).

FPA CRESCENT FUND

SHAREHOLDER EXPENSE EXAMPLE

June 30, 2020 (Unaudited)

Fund Expenses

Mutual fund shareholders generally incur two types of costs: (1) transaction costs, and (2) ongoing costs, including advisory and administrative fees; shareholder service fees; and other Fund expenses. The 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 Example is based on an investment of \$1,000 invested at the beginning of the year and held for the entire year.

Actual Expenses

The information in the table under the heading “Actual Performance” provides information about actual account values and actual expenses. You may use the information in this column, 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 first column in the row entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading “Hypothetical Performance (5% return before expenses)” provides information about hypothetical account values and hypothetical expenses based on the Fund’s 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 costs 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.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading “Hypothetical Performance (5% return before expenses)” is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher. Even though the Fund does not charge transaction fees, if you purchase shares through a broker, the broker may charge you a fee. You should evaluate other mutual funds’ transaction fees and any applicable broker fees to assess the total cost of ownership for comparison purposes.

	Actual Performance	Hypothetical Performance (5% return before expenses)
Beginning Account Value		
December 31, 2019	\$1,000.00	\$1,000.00
Ending Account Value		
June 30, 2020	\$ 914.10	\$1,019.24
Expenses Paid During Period*	\$ 5.38	\$ 5.76

* Expenses are equal to the Fund’s annualized expense ratio of 1.13%, multiplied by the average account value over the period and prorated for the six-months ended June 30, 2020 (182/366 days).

FPA CRESCENT FUND

TRUSTEE AND OFFICER INFORMATION

(Unaudited)

Sandra Brown, Mark L. Lipson, Alfred E. Osborne, Jr., A. Robert Pisano, and Patrick B. Purcell are all Trustees of the Fund who are not “interested persons” of the Fund, as that term is defined in the 1940 Act (collectively, the “Independent Trustees”). Trustees serve until their resignation, removal or retirement. The Statement of Additional Information includes additional information about the Trustees and is available, without charge, upon request by calling (800) 982-4372.

<u>Name, Address⁽¹⁾ and Year of Birth</u>	<u>Position(s) Held with the Fund</u>	<u>Year First Elected as Trustee of the Fund</u>	<u>Principal Occupation(s) During the Past Five Years</u>	<u>Number of FPA Funds Overseen by Trustee</u>	<u>Other Directorships Held by Trustee During the Past Five Years</u>
Independent Trustees					
Sandra Brown, 1955	Trustee	2016	Consultant (since 2009). Formerly, CEO and President of Transamerica Financial Advisers, Inc. (1999-2009); President, Transamerica Securities Sales Corp. (1998-2009); Vice President, Bank of America Mutual Fund Administration (1990-1998). Director/Trustee of FPA Capital, Inc., FPA Funds Trust, FPA New Income, Inc., FPA Paramount Fund, Inc., FPA U.S. Value Fund, Inc. and Source Capital, Inc. (since October 2016).	8	None
Mark L. Lipson, 1949	Trustee & Chairman	2015	Registered Investment Adviser, ML2 Advisors, LLC (since 2014). Formerly Managing Director, Bessemer Trust (2007-2014) and US Trust (2003-2006); Chairman and CEO of the Northstar Mutual Funds (1993-2001); and President and CEO of the National Mutual Funds (1988-1993). Director/Trustee of FPA Capital, Inc., FPA Funds Trust, FPA New Income, Inc., FPA Paramount Fund, Inc., FPA U.S. Value Fund, Inc. and Source Capital, Inc. (since October 2015).	8	None
Alfred E. Osborne, Jr., 1944	Trustee	2002	Senior Associate Dean (July 2003-Present), Interim Dean (July 2018-June 2019), Professor and Faculty Director (since July 2003), Price Center for Entrepreneurship and Innovation at the John E. Anderson School of Management at UCLA. Dr. Osborne has been at UCLA since 1972. Director/Trustee of FPA Capital Fund, Inc. and FPA New Income, Inc. (since 1999), of FPA Funds Trust (since 2002), of FPA Paramount Fund, Inc., FPA U.S. Value Fund, Inc. and Source Capital, Inc. (since 2013).	8	Kaiser Aluminum, Wedbush Capital

FPA CRESCENT FUND
TRUSTEE AND OFFICER INFORMATION (Continued)
(Unaudited)

<u>Name, Address⁽¹⁾ and Year of Birth</u>	<u>Position(s) Held with the Fund</u>	<u>Year First Elected as Trustee of the Fund</u>	<u>Principal Occupation(s) During the Past Five Years</u>	<u>Number of FPA Funds Overseen by Trustee</u>	<u>Other Directorships Held by Trustee During the Past Five Years</u>
A. Robert Pisano, 1943	Trustee	2013	Consultant (since 2012). Formerly, President and Chief Operating Officer of The Motion Picture Association of America, Inc. (October 2005-2011). Formerly, National Executive Director and Chief Executive Officer of The Screen Actors Guild (2001-2005). Director/Trustee of FPA Paramount Fund, Inc. and FPA U.S. Value Fund, Inc. (since 2012), and of FPA Capital, Inc., FPA Funds Trust, FPA New Income, Inc. and Source Capital, Inc. (since 2013).	8	Resources Global Professionals
Patrick B. Purcell, 1943	Trustee	2006	Retired (since 2000). Formerly, Consultant to Paramount Pictures 1998-2000; Executive Vice President, Chief Financial and Administrative Officer of Paramount Pictures (1983-1998). Director/Trustee of FPA Capital, Inc., FPA Funds Trust and FPA New Income, Inc. (since 2006), of Source Capital, Inc. (since 2010), of FPA U.S. Value Fund, Inc. and FPA Paramount Fund, Inc. (since 2012).	8	None
“Interested” Trustees⁽²⁾					
Steven Romick, 1963	Trustee	2002	Director and President of FPA GP, Inc., the General Partner of the Adviser (since October 2018). Vice President (since February 2015) and Portfolio Manager of FPA Crescent Fund (since June 1993) and of Source Capital, Inc. (since 2015). Formerly, Managing Partner of FPA (2010-2018). Formerly, President of the Trust (2002-2015).	3	None
J. Richard Atwood, 1960	Trustee	2016	Director and President of FPA GP, Inc., the General Partner of the Adviser (since October 2018). Director/Trustee of each FPA Fund (since 2016). President of each FPA Fund (since 2015). Formerly, Managing Partner of FPA (2006-2018). Formerly, until 2015, Treasurer of each FPA Fund for more than the past five years.	8	None

⁽¹⁾ The address of each Trustee is 11601 Wilshire Boulevard, Suite 1200, Los Angeles, California 90025.

⁽²⁾ “Interested person” within the meaning of the 1940 Act by virtue of their affiliation with the Fund’s Adviser.

FPA CRESCENT FUND
TRUSTEE AND OFFICER INFORMATION (Continued)
(Unaudited)

Officers of the Fund. Officers of the Fund are elected annually by the Board.

<u>Name, Address⁽¹⁾ and Year of Birth</u>	<u>Position with Fund</u>	<u>Year First Elected as Officer of the Fund</u>	<u>Principal Occupation(s) During the Past Five Years</u>
Steven Romick, 1963	Vice President and Portfolio Manager	2002	Director and President of FPA GP, Inc., the General Partner of the Adviser (since October 2018). Vice President (since February 2015) and Portfolio Manager of FPA Crescent Fund (since June 1993) and of Source Capital, Inc. (since 2015). Formerly, Managing Partner of FPA (2010-2018). Formerly, President of the Trust (2002-2015).
Mark Landecker, 1975	Vice President and Portfolio Manager	2013	Partner of FPA (since December 2013). Formerly, Managing Director (January 2013-December 2013). Vice President and Portfolio Manager of Source Capital, Inc. (since December 2015).
Brian Selmo, 1977	Vice President and Portfolio Manager	2013	Partner of FPA (since December 2013). Formerly, Managing Director (January 2013-December 2013). Vice President and Portfolio Manager of Source Capital, Inc. (since December 2015).
J. Richard Atwood, 1960	President	1997	Director and President of FPA GP, Inc., the General Partner of FPA (since October 2018). Director/Trustee of each FPA Fund (since May 2016). President of each FPA Fund (since February 2015). Formerly, Managing Partner of FPA (2006-2018). Formerly, until February 2015, Treasurer of each FPA Fund for more than the past five years.
Karen E. Richards, 1969	Chief Compliance Officer	2019	Chief Compliance Officer of FPA (since August 2018). Formerly, Deputy Chief Compliance Officer of First Republic Investment Management, LLC (from February 2016 to March 2018), and Vice President, Senior Compliance Officer of Pacific Investment Management Company (from June 2010 to January 2016).
E. Lake Setzler III, 1967	Treasurer	2006	Senior Vice President (since January 2013) and Controller of FPA; and Treasurer of each FPA Fund (since February 2015). Formerly, until February 2015, Assistant Treasurer of each FPA Fund (February 2006 to February 2015).
Rebecca D. Gilding, 1979	Secretary	2019	Vice President and Counsel, State Street Bank and Trust Company (since April 2016). Formerly, Assistant Vice President and Associate Counsel, Brown Brothers Harriman & Co. (September 2013 to April 2016).

⁽¹⁾ The address for each Officer (except Ms. Gilding) is 11601 Wilshire Boulevard, Suite 1200, Los Angeles, California 90025. Ms. Gilding's address is State Street Bank and Trust Company, One Lincoln Street, Boston, Massachusetts 02111.

FPA CRESCENT FUND

(Unaudited)

INVESTMENT ADVISER

First Pacific Advisors, LP
11601 Wilshire Boulevard, Suite 1200
Los Angeles, CA 90025

TRANSFER & SHAREHOLDER SERVICE AGENT

UMB Fund Services, Inc.
P.O. Box 2175
Milwaukee, WI 53201-2175
or
235 West Galena Street
Milwaukee, WI 53212-3948
(800) 638-3060

CUSTODIAN AND ADMINISTRATOR

State Street Bank and Trust Company
One Lincoln Street
Boston, Massachusetts 02111

TICKER SYMBOL: FPACX
CUSIP: 30254T759

DISTRIBUTOR

UMB Distribution Services, LLC
235 West Galena Street
Milwaukee, Wisconsin 53212-3948

LEGAL COUNSEL

Dechert LLP
One Bush Street, Suite 1600
San Francisco, California 94104

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP
725 South Figueroa Street
Los Angeles, California 90017

This report has been prepared for the information of shareholders of FPA CRESCENT FUND, and is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus. The financial information in this report has been taken from the records of the Fund without the examination of independent auditors.

A description of the policies and procedures that the Adviser uses to vote proxies related to the Fund's portfolio securities is set forth in the Fund's Statement of Additional Information which is available without charge, upon request, on the Fund's website at www.fpa.com or by calling (800) 982-4372 and on the Securities and Exchange Commission's website at www.sec.gov.

The Fund's complete proxy voting record for the 12 months ended June 30, 2020 is available without charge, upon request by calling (800) 982-4372 and on the SEC's website at www.sec.gov.

The Fund's schedule of portfolio holdings, filed the first and third quarter of the Fund's fiscal year on Form N-PORT with the SEC, is available on the SEC's website at www.sec.gov.

Additional information about the Fund is available online at www.fpa.com. This information includes, among other things, holdings, top sectors, and performance, and is updated on or about the 15th business day after the end of each quarter.