



FPA Crescent Fund

Third Quarter 2018 Update

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

Annualized Total Returns

Trailing Performance (%)

As of Date: 9/30/18	Since 6/2/93*	20 Years	15 Years	10 Years	5 Years	3 Years	1 Year	YTD	QTR	Market Cycle Performance	
										3/25/00-10/9/07	10/10/07-9/30/18
FPA Crescent Fund	10.21	9.13	8.25	8.20	6.96	8.98	6.46	3.46	4.15	14.70	6.77
S&P 500	9.76	7.42	9.65	11.97	13.95	17.31	17.91	10.56	7.71	2.00	8.12
MSCI ACWI	-	-	-	-	8.67	13.40	9.77	3.83	4.28	-	4.19
60% S&P500/40%											
BBgBarc US Agg	8.16	6.53	7.51	8.91	9.22	10.77	9.99	5.64	4.59	3.97	6.65
CPI	NA	2.19	2.08	1.42	1.52	2.00	2.28	1.63	0.45	2.75	1.74

Periods greater than one year are annualized. Fund performance is shown net of all fees and expenses. Performance is calculated on a total return basis which includes reinvestment of all distributions. Performance does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares, which would lower these returns. Comparison to any Index is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives.

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

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

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

Activity:¹

- Added new long equity positions in Mohawk (MHK) and Royal Bank of Scotland (RBS).
- Increased our long equity exposure in Broadcom (AVGO), Heidelbergcement (HEI), JD.com (JD), and Lafarge (LHN).
- Decreased our long equity exposure in Ally Financial (ALLY), American Express (AXP), Microsoft (MSFT), Thermo Fisher Scientific (TMO), and Oracle (ORCL). Decreased our short exposure in Alibaba (BABA) and Tencent (TCEHY).
- Closed our long equity positions in Cisco Systems (CSCO), Lukoil (LKOD), Unilever (UNA), and MMC Norilsk Nickel (MNOD). Closed our fixed income position in Consol Energy.

¹ The information provided does not reflect all positions purchased, sold or recommended by FPA during the quarter. It should not be assumed that an investment in the securities listed was or will be profitable. Increases and decreases represent securities whose positions changed by at least 25% over the period. **Past performance is no guarantee, nor is it indicative, of future results.**

Contributors and Detractors:²

Contributors	Performance Contribution	Percent of Portfolio	Detractors	Performance Contribution	Percent of Portfolio
Q3 2018					
Arconic	0.59%	2.5%	JD.com	-0.32%	1.0%
Nexeo	0.51%	1.6%	Facebook	-0.25%	1.4%
Oracle	0.49%	2.0%	Baidu	-0.13%	2.3%
United Technologies	0.30%	2.5%	WPP	-0.10%	1.4%
Puerto Rico Municipal Bonds	0.30%	1.6%	Heidelbergcement	-0.08%	1.2%
	2.19%	10.2%		-0.88%	7.2%
TTM					
Microsoft	1.08%	1.6%	American International Group	-0.35%	3.0%
Cisco	0.78%	0.0%	Owens Illinois	-0.35%	1.0%
Nexeo	0.75%	1.6%	JD.com	-0.32%	1.0%
Puerto Rico Municipal Bonds	0.70%	1.6%	WPP	-0.27%	1.4%
Alphabet	0.66%	3.4%	General Electric	-0.27%	0.0%
	3.97%	8.2%		-1.56%	6.3%

Positioning:

Risk Asset	Q3 2018	Q2 2018	Q3 2017
Common stock, long	71.2%	73.6%	64.8%
Common stock, short	-9.0%	-12.2%	-7.6%
Credit	3.8%	4.2%	4.3%
Other	1.3%	1.1%	0.8%
Exposure, Net	67.3%	66.8%	62.5%
Cash	32.7%	33.2%	37.5%
No. of Long Equity Positions	50	50	46

Outlook:

- The Fund's top three sectors are financials, communication services, and industrials, which comprise 43% of the portfolio.
- With volatility returning to the market, we continue to search for what we believe to be high quality, value opportunities for inclusion in the portfolio, while remaining mindful of our long-term focus of limiting the permanent impairment of capital.
- We still view high yield bonds as unattractive given historically low yields and spreads to treasuries.

² Reflects the top contributors and top detractors to the Fund's performance based on preliminary contribution to return for the quarter and trailing twelve months. Contribution is presented gross of investment management fees, transactions costs, and Fund operating expenses, which if included, would reduce the returns presented. TTM stands for trailing twelve months. 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 quarter is available by contacting 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. **Past performance is no guarantee, nor is it indicative, of future results.**

Important Disclosures

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

Portfolio composition will change due to ongoing management of the Fund. References to individual securities are for informational purposes only and should not be construed as recommendations by the Fund, the portfolio managers, 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 in mutual funds carry risks and investors may lose principal value. Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. The Fund may purchase foreign securities, including American Depository 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.

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

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

As of 9/30/2018, the securities mentioned and corresponding position sizes were as follows: Alibaba -0.8%; Ally Financial 0.9%; American Express 3.0%; Broadcom 2.3%; Cisco Systems 0.0%; Consol Energy 0.0%; Heidelbergcement 1.2%; JD.com 0.9%; Lafarge 1.4%; Lukoil 0.0%; Microsoft 1.6%; MMC Norilsk Nickel 0.0%; Mohawk 1.3%; Oracle 2.0%; Royal Bank of Scotland 0.7%; Tencent - 3.0%; Unilever 0.0%.

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 will 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 or fees which would be incurred by an investor purchasing the underlying securities. You cannot invest directly in an index.

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

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

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

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

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

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