



FPA Crescent Fund (FPACX)

Fourth Quarter 2018 Webcast Presentation

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Q4 2018 agenda

- Philosophy
- Performance
- Portfolio Characteristics
- Portfolio Insights
- Market Commentary
- Question & Answer

First Pacific Advisors, LLP

FPA Crescent investment objective and philosophy

Investment objective

- The FPA Crescent Fund seeks to generate **equity-like returns** over the **long-term**, take **less risk** than the market and avoid permanent impairment of capital.

Philosophy

- Flexible approach
 - We utilize a **go-anywhere approach** with a **broad mandate** allowing us to invest **across asset classes and the capital structure** and in a variety of market caps, geographies and sectors without regard to benchmark weights.
 - We can make illiquid investments and may sell short securities.
- Absolute return focus
 - We invest when we believe there is a **compelling economic risk/reward proposition** on an absolute basis.
 - We are **willing to hold meaningful amounts of cash** for prolonged periods if opportunities do not present themselves.
- Deep research
 - We strive to understand our companies better than most. Through independent, bottom-up, fundamental research we try to **minimize risk** by reading the footnotes and fine print. One of the first questions we always ask is, “What can go wrong?”
 - We incorporate an understanding (though it may be uncertain at times) of the **macroeconomic environment**.
- Patience
 - While we complete our research
 - While we wait for an appropriate price
 - While we hold an investment

Opportunity set

Typical asset classes used to accomplish goal	FPA Crescent	Allocation – 50% to 70% Equity	World Allocation	World Stock	Long-Short Equity
U.S. Equities (All Cap)	✓	✓	✓	✓	✓
Developed Equities (All Cap)	✓		✓	✓	
Emerging Market Equities (All Cap)	✓		✓	✓	
Pair Trades/Stub Trades	✓				✓
High Yield Bonds (Global)	✓				
Distressed Debt (Global)	✓				
Investment Grade Bonds	✓	✓	✓		
Other Fixed Income (Preferred, convertible, etc.)	✓				
Shorting	✓				✓
Illiquids – typically up to 5%* (Examples include subprime whole loans, farmland, private term loans)	✓				

Source: FPA, Morningstar. . Please see Important Disclosures and definitions of the Morningstar Fund Categories at the end of the presentation.

* While the SEC limit is 15%, the fund typically does not exceed 5% illiquids

Performance

Trailing Performance (%)										Market Cycle Performance	
As of Date: 12/31/2018	Inception*	20 Years	15 Years	10 Years	5 Years	3 Years	1 Year	YTD	QTD	3/25/00-10/9/07	10/10/07-12/31/2018
FPA Crescent Fund	9.62	8.08	6.94	8.90	3.31	4.05	-7.43	-7.43	-10.52	14.70	5.56
S&P 500	9.04	5.62	7.77	13.12	8.49	9.26	-4.38	-4.38	-13.52	2.00	6.54
MSCI ACWI**	-	-	-	-	4.26	6.60	-9.41	-9.41	-12.75	-	2.84
60% S&P500/40% BBgBarc US Agg	7.74	5.48	6.44	9.42	6.24	6.50	-2.35	-2.35	-7.56	3.97	5.75
CPI	NA	2.17	2.08	1.80	1.48	2.02	1.92	1.92	0.29	2.75	1.73
Net Risk Exposure	73.1									57.8	61.2

Annual Performance (%)											
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
FPA Crescent Fund	10.39	10.25	-2.06	6.64	21.95	10.33	3.02	12.04	28.37	-20.55	6.84
S&P 500	21.83	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46	-37.00	5.49
MSCI ACWI	23.97	7.86	-2.36	4.16	22.80	16.13	-7.35	-	-	-	-
60% S&P500/40% BBgBarc US Agg	14.21	8.31	1.28	10.62	17.56	11.31	4.69	12.13	18.40	-22.06	6.22
CPI	2.03	2.10	0.67	0.69	1.55	1.78	3.06	1.44	2.81	-0.02	4.11

Calculated using Morningstar Direct. Periods greater than one year are annualized. FPA Crescent Fund ("Fund") performance is net of all fees and expenses and includes the reinvestment of distributions. Fund returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares, which would lower these figures. **Past performance is no guarantee, nor is it indicative, of future results. Current performance may be higher or lower than the performance shown. This data represents past performance and investors should understand that investment returns and principal values fluctuate, so that when you redeem your investment it may be worth more or less than its original cost. Current month-end performance data, which may be lower or higher than the performance data quoted, may be obtained at www.fpa.com or by calling toll-free, 1-800-982-4372. A redemption fee of 2% will be imposed on redemptions within 90 days. Expense ratio as of most recent prospectus is 1.10%.**

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

Comparison to the S&P 500, the MSCI ACWI Index, the 60%S&P500/40% BBgBarc US Agg Index and the CPI is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. An investor cannot invest directly in an index.

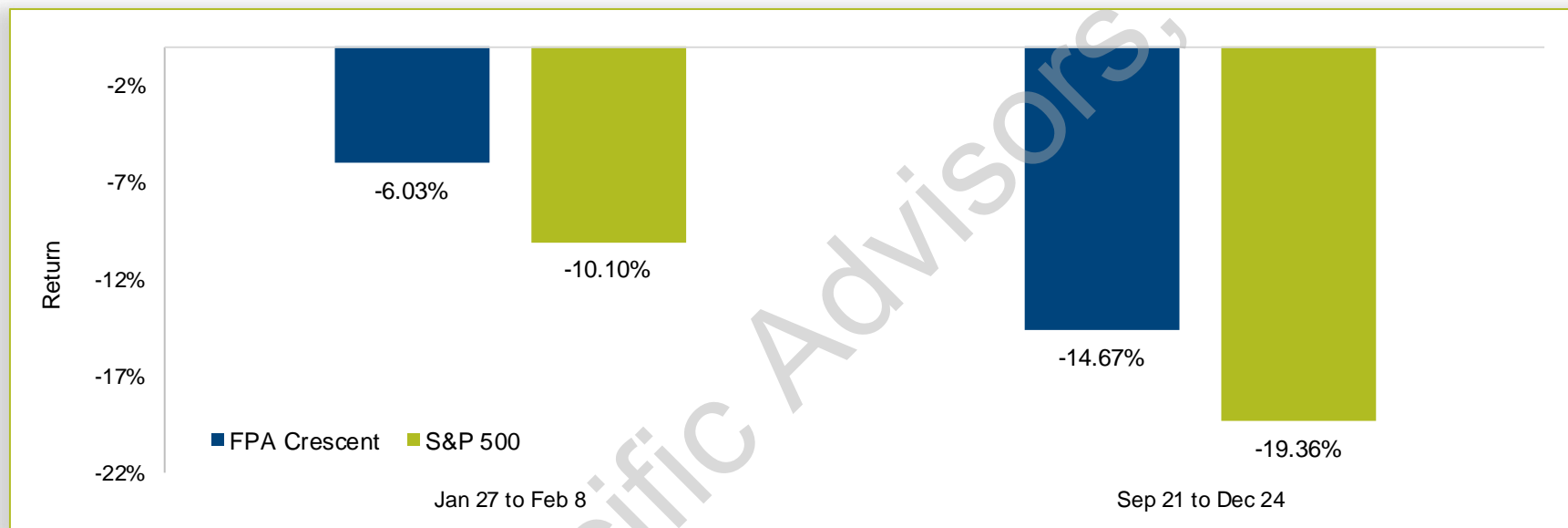
** The MSCI ACWI was not considered a relevant illustrative index prior to 2011 because the Fund was not classified as a global mandate until this point in time.

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.

Net Risk Exposure: Percentage of portfolio exposed to Risk Assets. **Please refer to the end of the presentation for Important Disclosures, including definitions of key terms.**

Downside protection consistent with stated goals

FPA Crescent Performance During 2018 S&P 500 Drawdowns Greater than 10%



	Jan 27 to Feb 8	Sep 21 to Dec 24
FPA Crescent Downside Capture	59.70%	75.77%
FPA Crescent Net Risk (average)	63.3%	70.2%

As of December 31, 2018

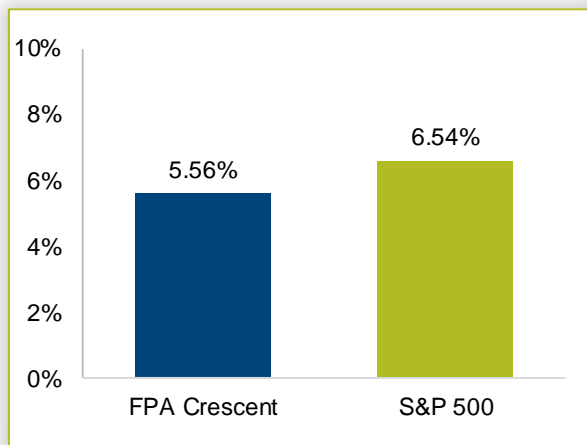
Source: Morningstar, FPA. Fund performance is shown net of all fees and expenses and includes the reinvestment of distributions. Comparison to any index is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. Please refer to page 5 for overall net performance of the Fund since inception. **Past performance is no guarantee, nor is it indicative, of future results. Please see the end of this presentation for important disclosures.**

Downside Capture ratio shows whether a given fund has outperformed - has lost less than - a broad market index during periods of market weakness, and if so, by how much, and is calculated by taking the fund's monthly return during the periods of negative index performance and dividing it by the index return.

Fund objective met thus far in current market cycle

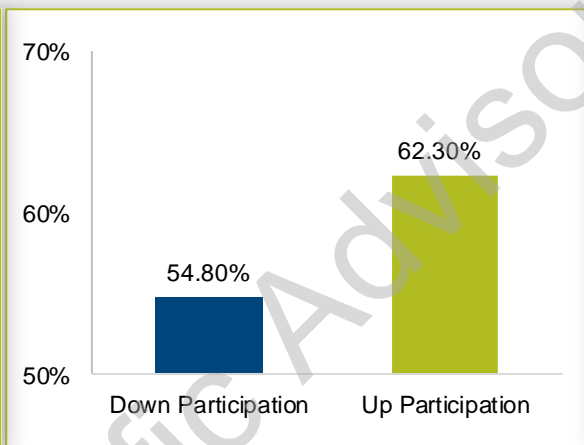
Investment objective: The FPA Crescent Fund seeks to generate equity-like returns over the long-term, take less risk than the market and avoid permanent impairment of capital.

Equity-like returns



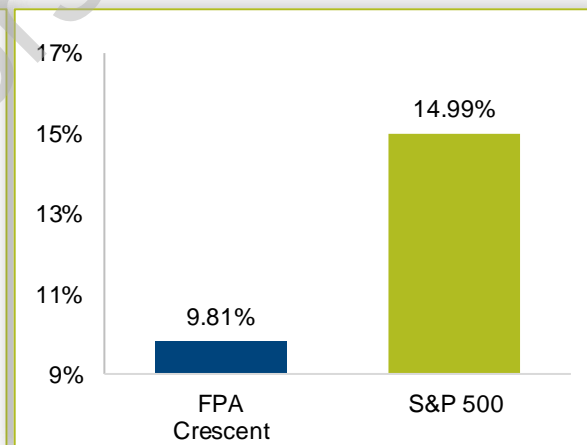
Annualized total return
10/10/07 – 12/31/18

Upside / Downside Participation



Relative to the S&P 500
10/01/07 – 12/31/18

Lower volatility



Annualized standard deviation
10/01/07 – 12/31/18

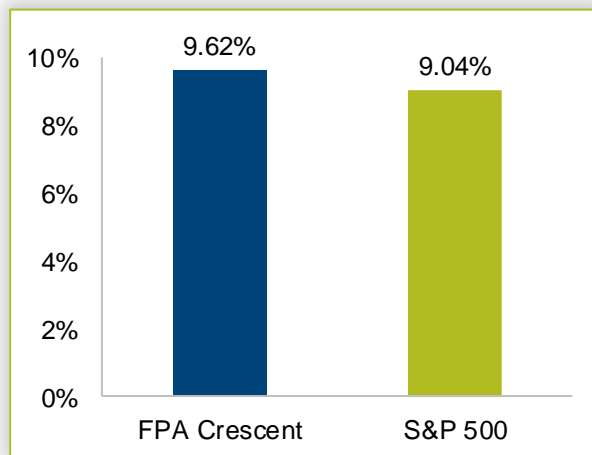
	Performance during S&P 500 max drawdown	% of Return	% of Net Risk	% of Volatility
FPA Crescent	-27.87%	-	-	-
S&P 500 Index	-55.25%	85%	61%	65%

Source: Morningstar Direct. Data shown as of December 31, 2018. The period 10/10/07 – 12/31/18 reflects the current market cycle. See page 5 for definition of market cycle and for important performance disclosures. Standard deviation and Up/Down participation calculated using full month of data starting October 1, 2007. **Upside / Downside Participation** is a capture ratio that shows whether a given fund has outperformed – gained more or lost less than – a broad market index during periods of market strength or weakness, and if so, by how much. **Net Risk Exposure** is the percentage of portfolio exposed to Risk Assets. **Risk Assets:** any asset that carries a degree of risk and generally refers to assets that have a significant degree of price volatility, such as equities, commodities, high-yield bonds, real estate and currencies. Comparison to the S&P 500 is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. An investor cannot invest directly in an index. **Past performance is no guarantee, nor is it indicative, of future results. Please refer to the back of this presentation for important disclosures and definitions of key terms.**

Fund objective met since inception

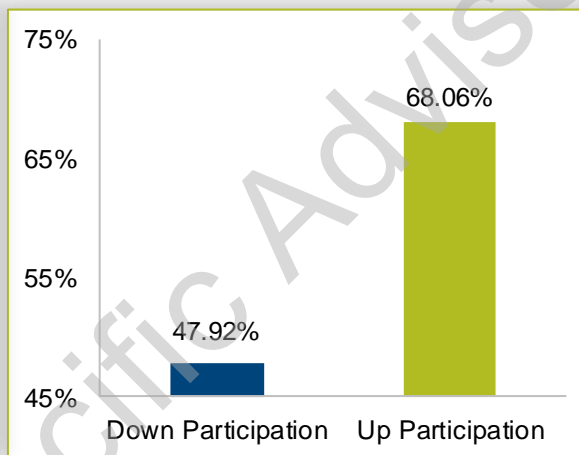
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Equity-like returns



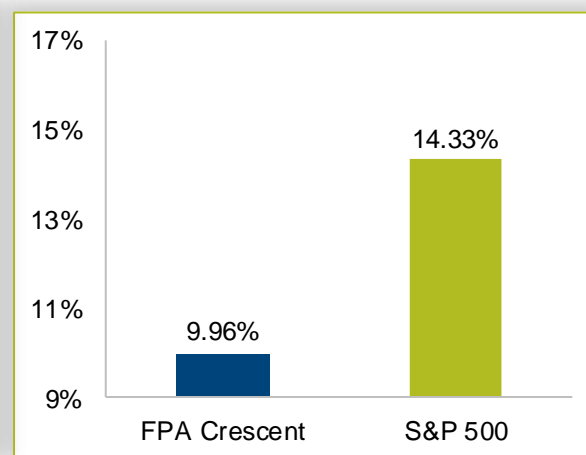
Annualized total return since inception

Upside / Downside Participation



Relative to the S&P 500 index since inception

Lower volatility



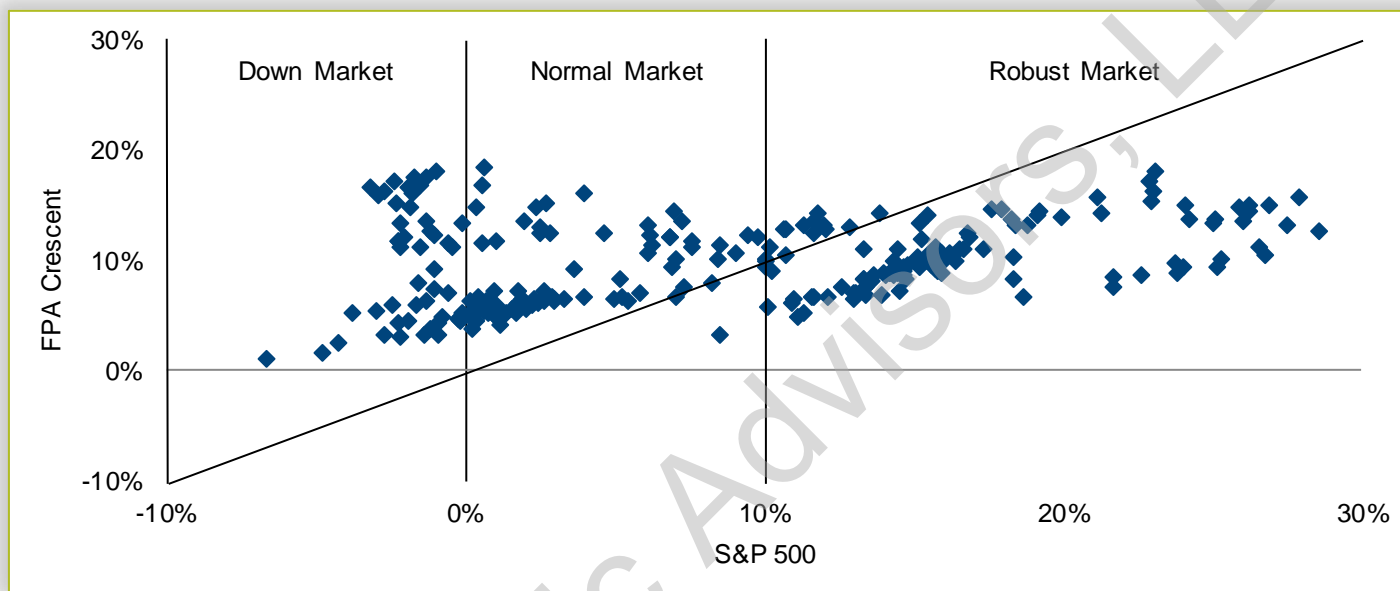
Annualized standard deviation since inception

Source: Morningstar Direct. Data shown is as of December 31, 2018. The inception date of the FPA Crescent Fund is June 2, 1993. Standard deviation and Up/Down participation calculation begins in the first full month of Fund performance (i.e. July 1993). Comparison to the S&P 500 is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. An investor cannot invest directly in an index.

Upside / Downside Participation is a capture ratio that shows whether a given fund has outperformed – gained more or lost less than – a broad market index during periods of market strength or weakness, and if so, by how much.

Past performance is no guarantee, nor is it indicative, of future results. Please refer to page 5 and the back of this presentation for important disclosures and definitions of key terms.

5-year rolling returns by market type since inception



	Down market 5yr average return below 0%	Normal market 5yr average return 0-10%	Robust market 5yr average return above 10%
FPA Crescent	9.54%	8.64%	10.80%
S&P 500 average	-1.81%	3.36%	16.85%
Periods in which FPA Crescent outperformed	100%	96.25%	11.02%
	49 of 49	77 of 80	13 of 118

Source: Morningstar Direct. The chart illustrates the monthly five-year rolling average returns for the FPA Crescent Fund from July 1, 1993 (the first full month of performance since inception) through December 31, 2018 compared to the S&P 500 Index. The horizontal axis represents the five-year rolling average returns for the Index, and the vertical axis represents the Fund's five-year rolling average returns. The diagonal line illustrates the relative performance of the Fund vs. the Index. Points above the diagonal line indicate the Fund outperformed in that period, while points below the line indicate the Fund underperformed in that period. The table categorizes returns for three distinct market environments: a "down market" is defined as any period where the five-year rolling average return for the Index was less than 0%; a "normal market" is defined as any period where the five-year rolling average return for the Index was between 0-10%; and a "robust market" is defined as any period where the five-year rolling average return for the Index was greater than 10%. There were 247 five-year rolling average monthly periods between July 1, 1993 and December 31, 2018. Comparison to the S&P 500 index is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. **Past performance is no guarantee, nor is it indicative, of future results. Please refer to the end of the presentation for important disclosures.**

Active stock selection has driven differentiated returns

FPA Crescent Fund - Long Equity Carve-Out Gross Performance vs. Indices

	2007 - 2018 CAGR	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
FPACX long equity	8.81%	-12.33%	21.07%	15.57%	-0.64%	13.64%	38.12%	17.77%	4.58%	22.48%	38.66%	-38.27%	11.47%
S&P 500	7.11%	-4.38%	21.83%	11.96%	1.38%	13.69%	32.39%	16.00%	2.11%	15.06%	26.46%	-37.00%	5.49%
<i>Excess Return vs. S&P 500</i>	1.70%	-7.95%	-0.76%	3.61%	-2.02%	-0.05%	5.73%	1.77%	2.47%	7.42%	12.20%	-1.27%	5.98%
MSCI ACWI*	3.96%	-9.42%	23.97%	7.86%	-2.36%	4.16%	22.80%	16.13%	-7.35%	—	—	—	—
<i>Excess Return vs. MSCI ACWI</i>	4.85%	-2.91%	-2.90%	7.71%	1.72%	9.48%	15.32%	1.64%	11.93%	—	—	—	—

Source: FPA and Morningstar Direct. The table above shows the performance of the long equity segment of the Fund only and is presented gross of investment management fees, transactions costs, and Fund operating expenses, which if included, would reduce the returns presented. Please refer to page 5 for overall net performance of the Fund since inception. The long equity performance information shown herein 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. Alpha compares how the Fund's long equity investments performed relative to each respective benchmark listed.

Comparison to the S&P 500 and the MSCI ACWI indices for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. The MSCI ACWI was not considered a relevant illustrative index prior to 2011 because the Fund was not classified as a global mandate until this point in time. Active security selection refers to the fact that the Fund can make investments outside of the index or in different weights than the index and thus Fund performance may differ, sometimes materially, for any given period as compared to a given index. An investor cannot invest directly in an index. **Past performance is no guarantee, nor is it indicative, of future results. Please refer to the end of the presentation for important disclosures and definitions of key terms.**

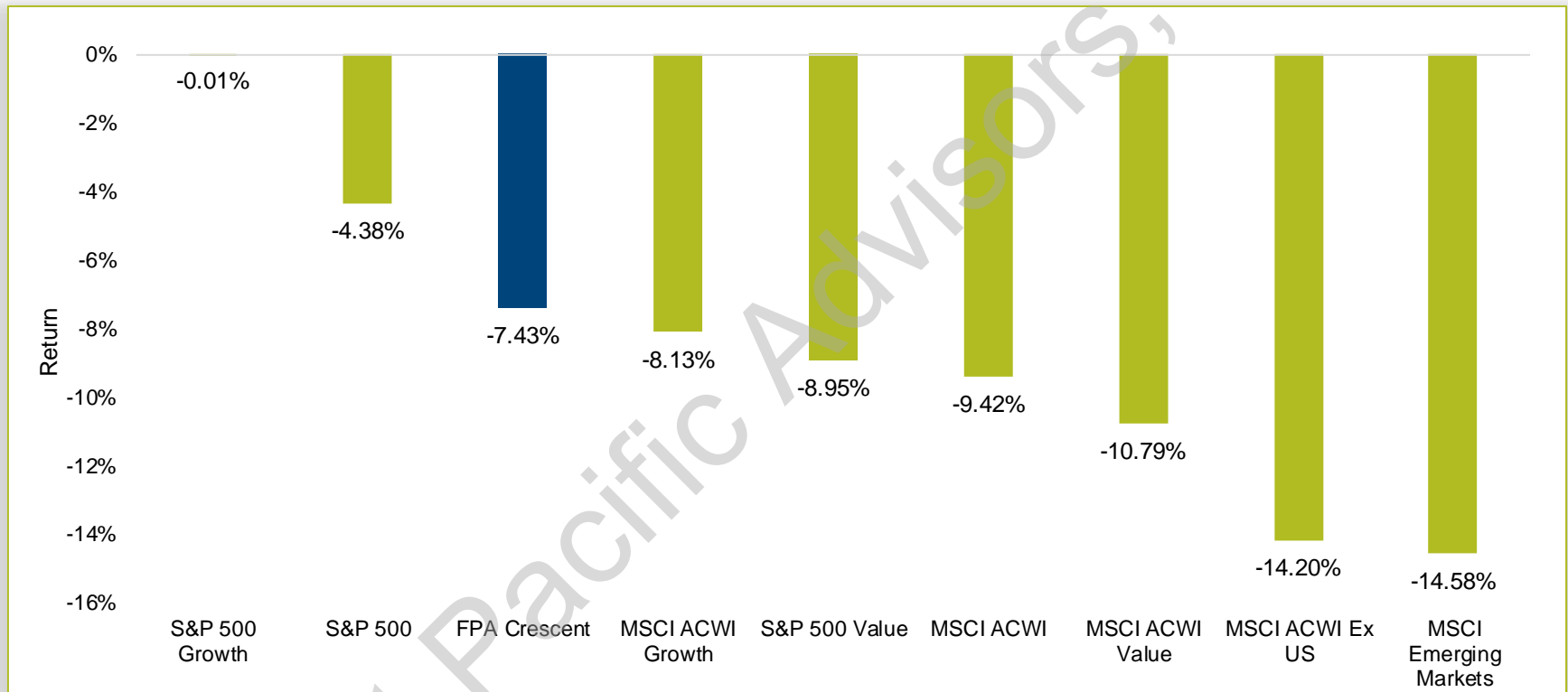
Winners and losers

Contributors	Performance Contribution	Percent of Portfolio	Detractors	Performance Contribution	Percent of Portfolio
Q4 2018					
Esterline Technologies	0.42%	0.0%	American International Group	-0.76%	3.3%
Broadcom	0.15%	2.6%	Baidu	-0.74%	2.1%
CMS Interest Rate Caps	0.14%	0.3%	Arconic	-0.64%	2.4%
iShares Russell 2000 ETF (short)	0.11%	0.0%	Citigroup	-0.63%	2.0%
Naspers/Tencent pair trade	0.06%	1.8%	United Technologies	-0.59%	2.2%
	0.88%	4.7%		-3.36%	12.0%
2018					
Esterline Technologies	0.66%	0.0%	American International Group	-1.02%	3.3%
Puerto Rico Municipal Bonds	0.58%	2.4%	Arconic	-0.97%	2.4%
Microsoft	0.43%	1.7%	Jefferies	-0.79%	2.1%
Cisco Systems	0.41%	0.0%	Baidu	-0.74%	2.1%
Broadcom	0.37%	2.6%	Citigroup	-0.67%	2.0%
	2.45%	6.7%		-4.19%	11.9%

Reflects the top contributors and top detractors to the Fund's performance based on 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. The list of top and bottom 5 holdings should not be considered a recommendation to purchase or sell a particular security, represents only a small percentage of the entire portfolio and the securities noted may not remain in the portfolio at the time you receive this report. The information provided does not reflect all positions purchased, sold or recommended by FPA during the quarter or year-to-date. Based on weighted contribution to the Fund's trailing three month and twelve month performance as of December 31, 2018. A copy of the methodology used and a list of every holding's contribution to the overall Fund's performance during the quarter and year-to-date 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. **Past performance is no guarantee of future results.** Portfolio composition will change due to ongoing management of the Fund. **Please refer to the end of the presentation for important disclosures.**

Growth and domestic stocks dominated in 2018

2018 Performance

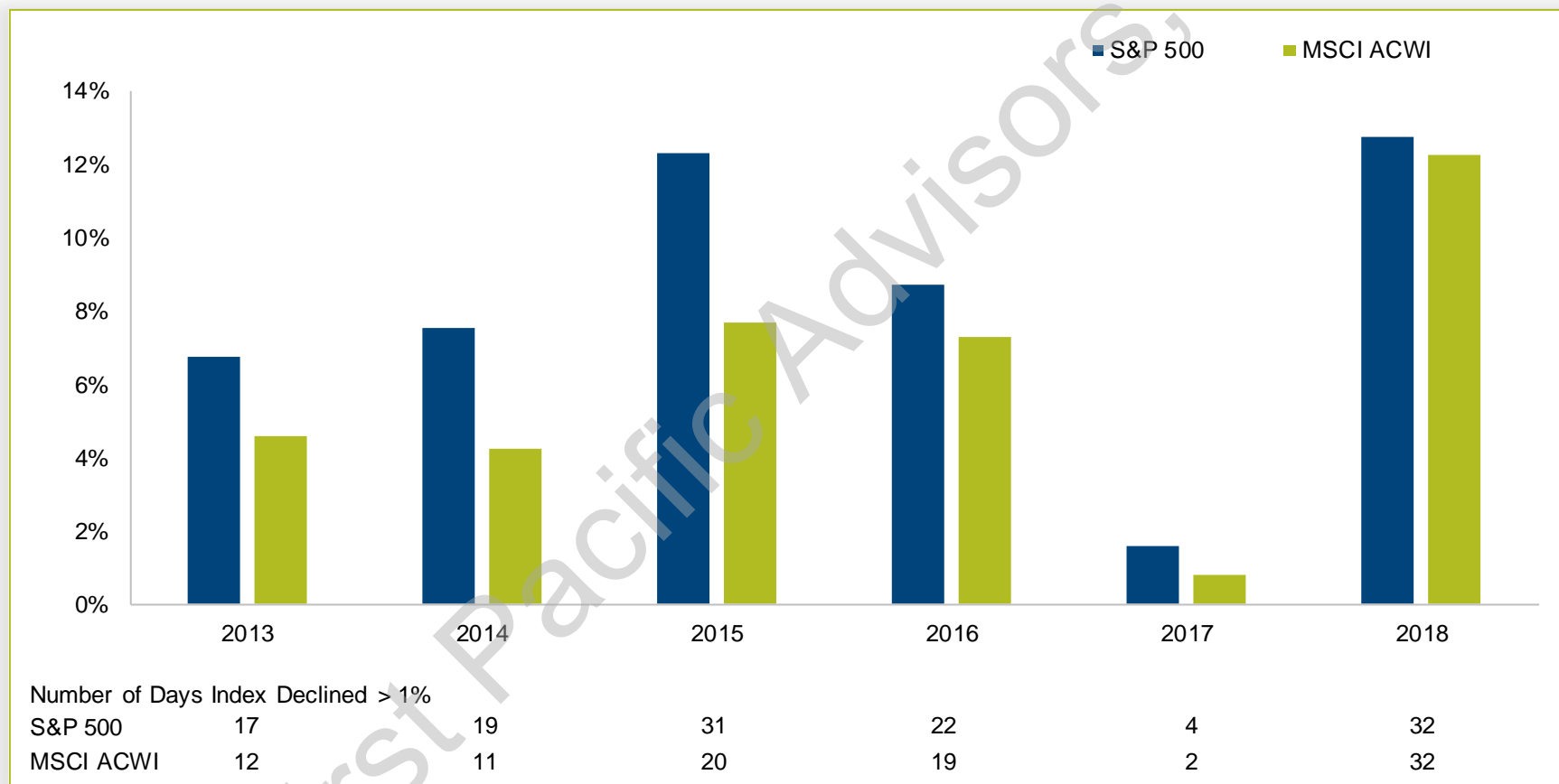


As of December 31, 2018

Source: Morningstar. 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 refer to page 5 for overall net performance of the Fund since inception. **Past performance is no guarantee, nor is it indicative, of future results. Please see the end of this presentation for important disclosures.**

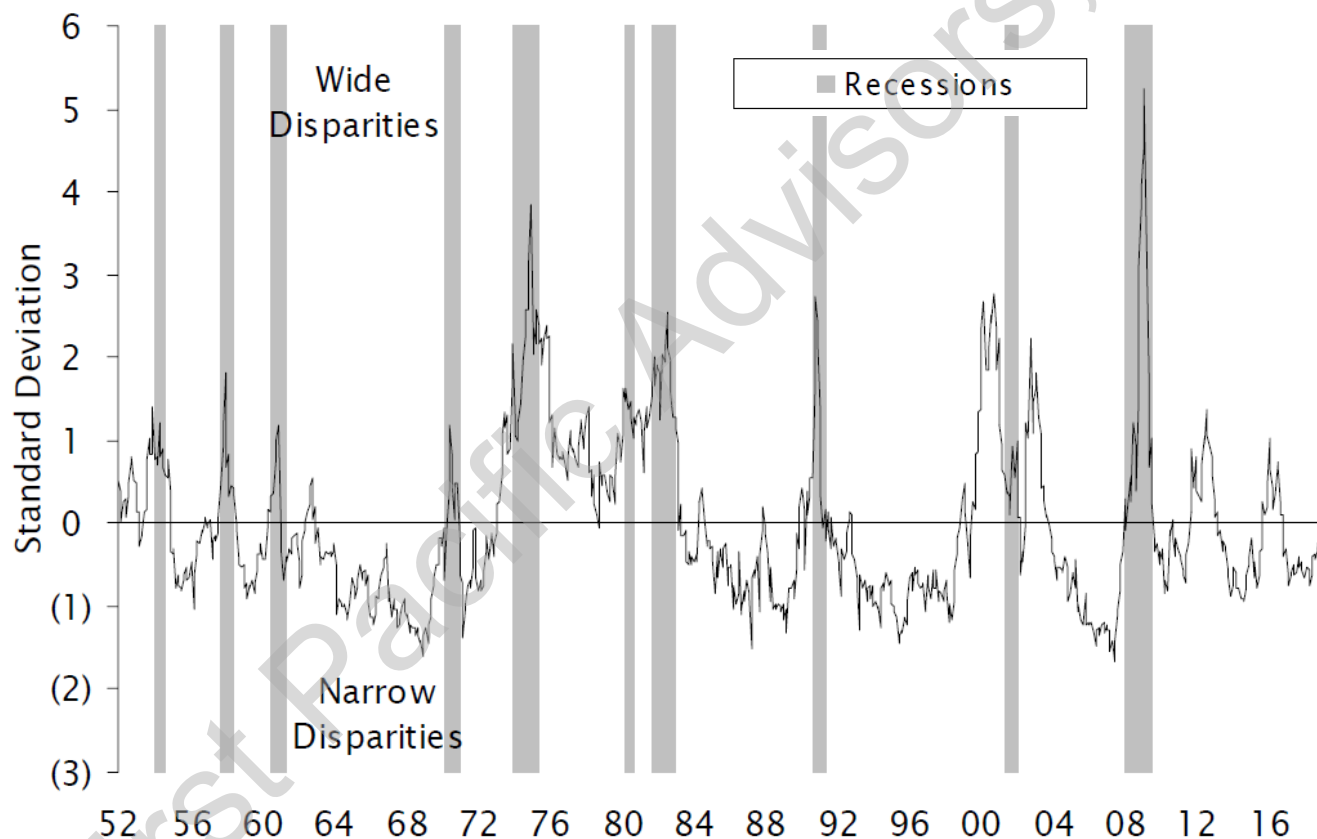
Volatility is back

Percent of Days Per Year S&P 500 and MSCI ACWI Declined $\geq -1\%$



Skew = opportunity

Valuation Spreads – The Cheapest Quintile Compared to the Market Average
(1952 – January 10, 2019)



Source: Empirical Research Analysis, National Bureau of Economic Research. As of January 10, 2019. Cheapest quintile refers to the most undervalued 20% of stocks in an analysis of large-capitalization US stocks. Standard Deviation is a measure of dispersion of a data set from its mean.

Asset class composition

Risk Asset	2018 Year End	2017 Year End	Average Since 3/1/1996*
Common stock, long	69.9%	67.2%	54.9%
Common stock, short	-3.2%	-8.7%	-5.0%
Credit	4.4%	3.8%	11.4%
Other	2.0%	0.7%	0.3%
Exposure, Net	73.1%	63.3%	63.4%
No. of Long Equity Positions	48	44	39

We were able to increase our net risk exposure by approximately 1000 bps during 2018 (and ~500 bps in Q4) because of increased volatility in our portfolio holdings and global equity markets

* Fund Inception Date: June 2, 1993. FPA assumed control of the Fund on March 1, 1996. Data presented is for the period March 1, 1996 – December 31, 2018. Data prior to March 1, 1996 is not available. If included, the allocations presented may differ materially, depending upon the time period. Risk Assets include all investments excluding cash and cash equivalents. 'No. of equity positions' excludes paired trades, private placements and multiple share classes.

Portfolio composition will change due to ongoing management of the Fund. Totals may not add up due to rounding. **Past performance is no guarantee, nor is it indicative, of future results.** Please refer to the end of the presentation for important disclosures.

Equity – geographic exposure

	Domicile	Revenue
North America	70.1%	48.8%
South America	-	3.7%
Uncategorized Americas	-	0.0%
Western / Northern Europe	20.1%	15.5%
Central / Eastern Europe	0.1%	2.8%
Asia / Pacific	6.5%	20.4%
Middle East / Africa	3.0%	5.4%
Uncategorized Non-US	-	3.3%

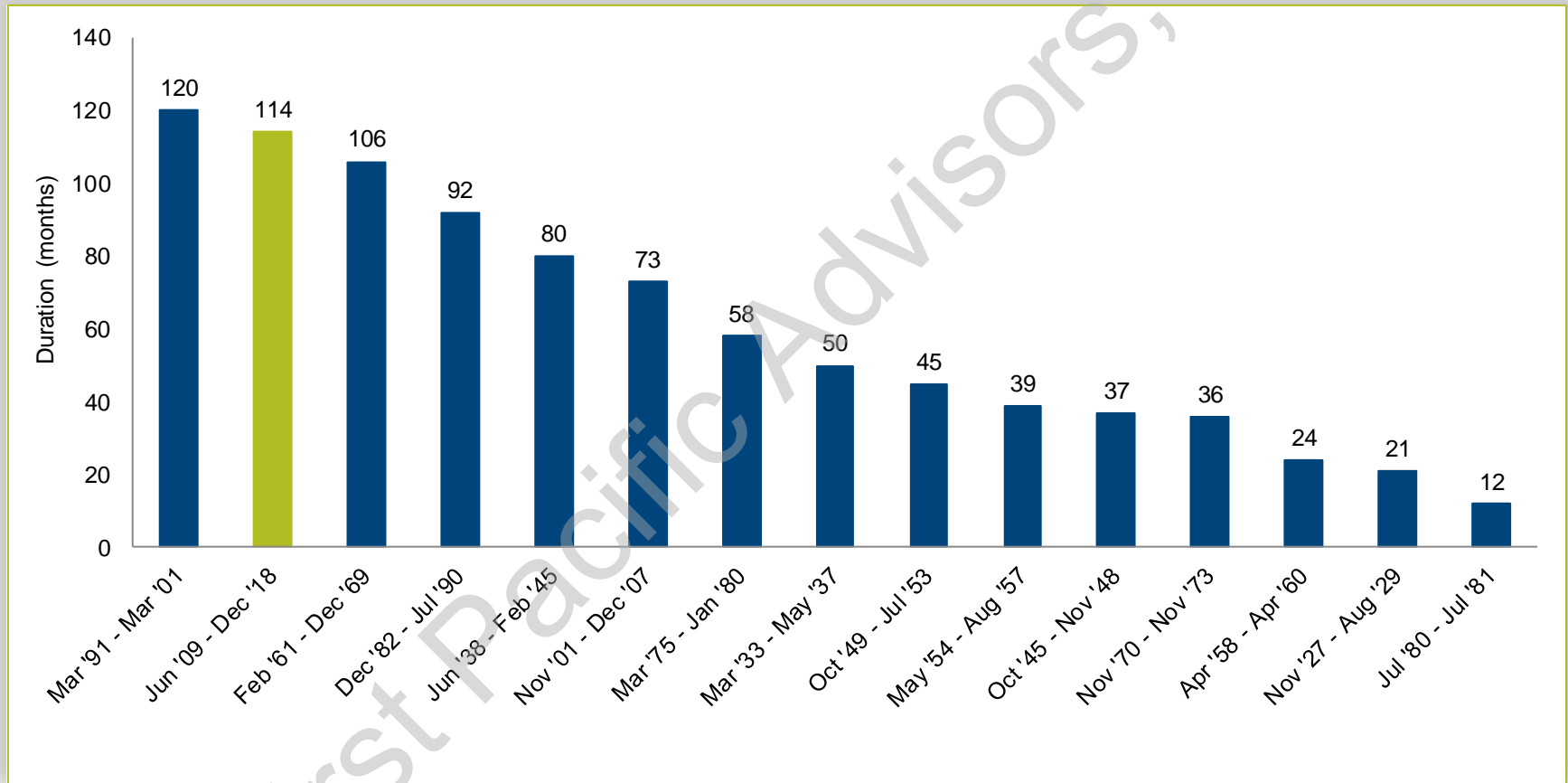
Foreign exposure increased from 20% to 30% between Q4 2017 and Q4 2018

Source: Bloomberg, based on country of domicile and revenue by geography. Revenue refers to the geographic location of companies' revenue sources, rather than where they are domiciled, and may provide insight into the portfolios' geographic diversification. Domicile and revenue composition are shown for the Fund's net equity positions as of December 31, 2018. Portfolio composition will change due to ongoing management of the Fund. Totals may not add up due to rounding.

Please refer to the end of the presentation for important disclosures.

US economic expansion currently 2nd longest on record

Months of Economic Expansion

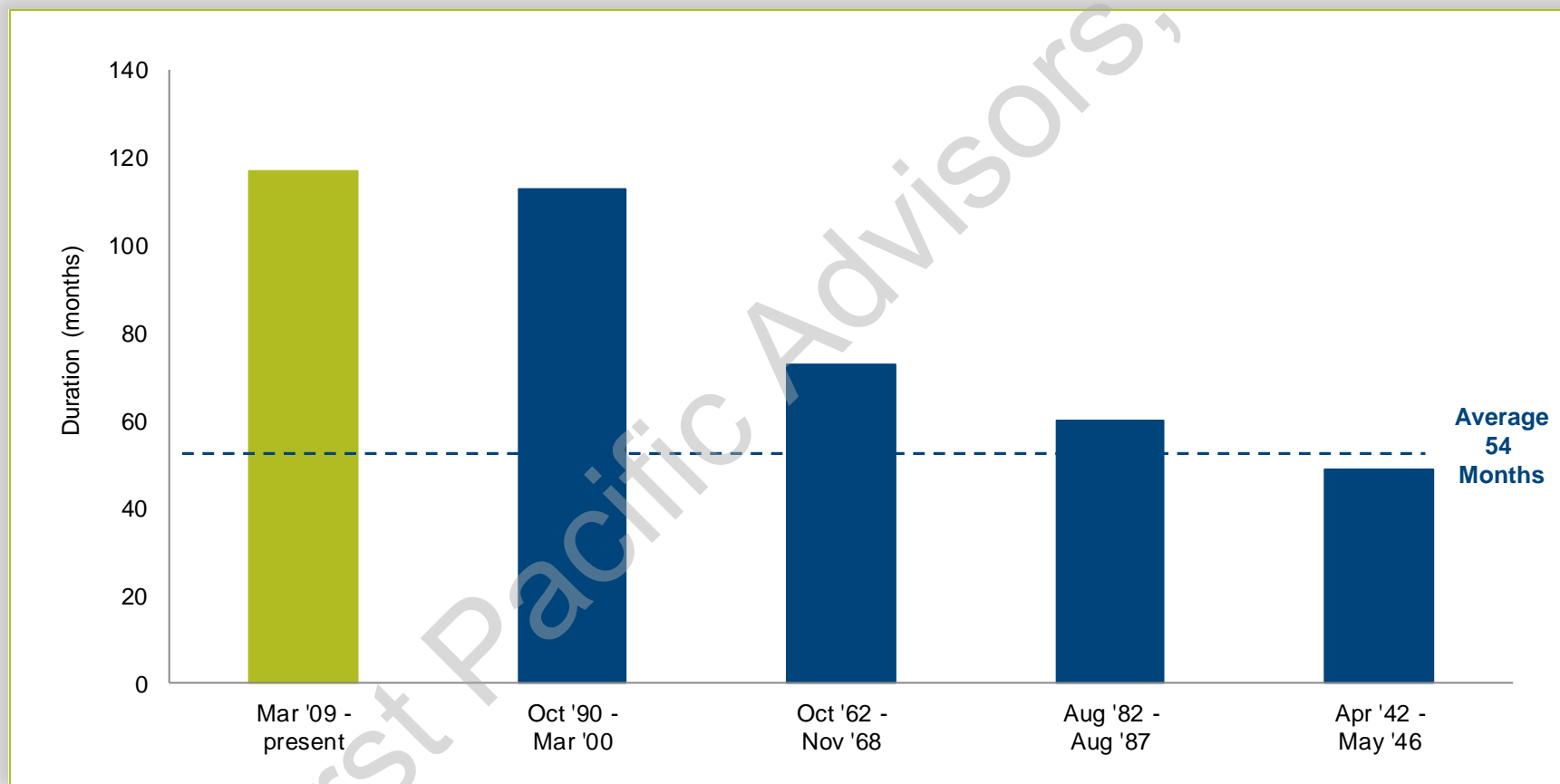


As of December 31, 2018.

Source: National Bureau of Economic Research.

Longest equity bull market in recent history

Longest US Bull Markets Since WW II



"Present" is as of December 31, 2018

Source: JP Morgan Asset Management. **Past performance is no guarantee, nor is it indicative, of future results. Please refer to end of presentation for important disclosures.**

Global equity markets near high valuations vs GDP

Stock Market as Percent of GDP



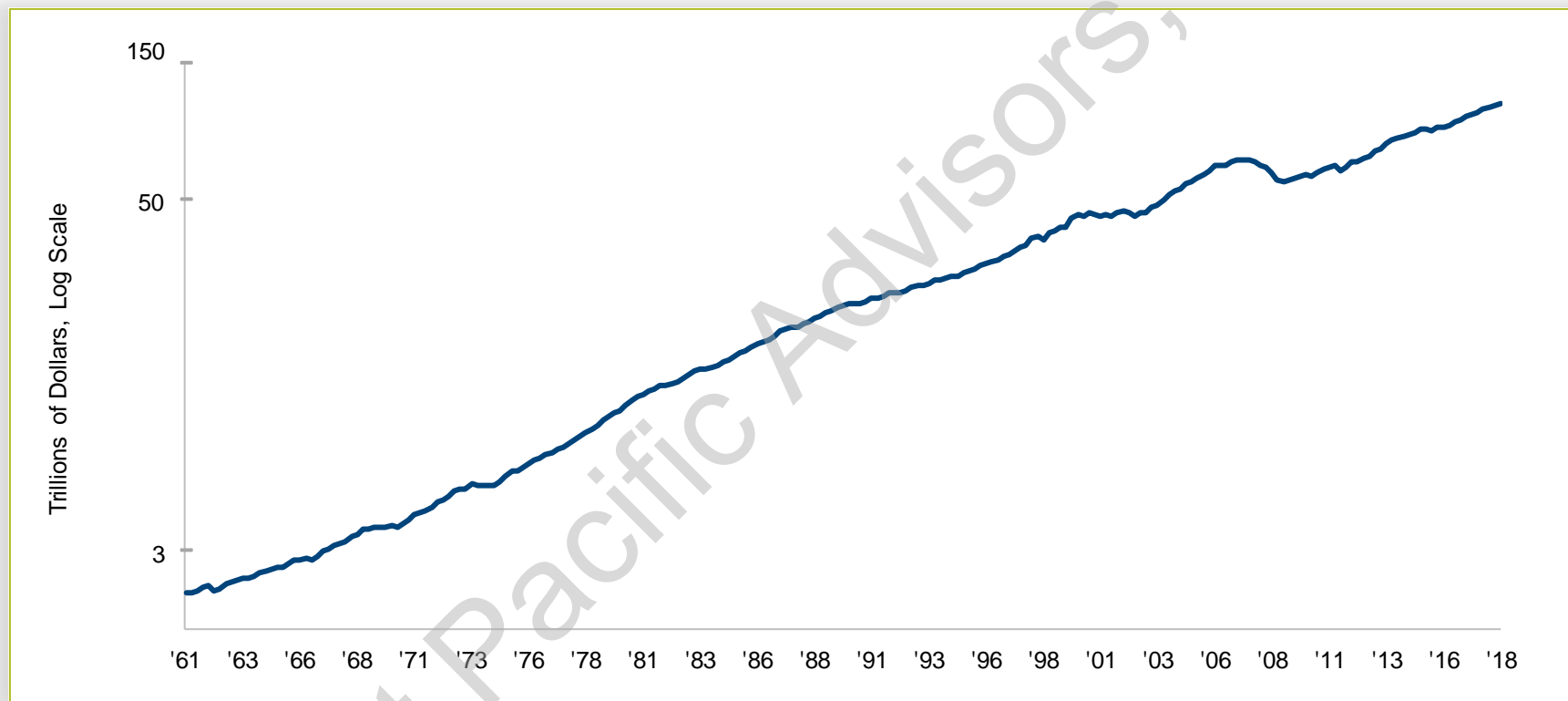
As of December 31, 2018

Source: The World Bank, IMF, MSCI

2018 US market cap data based on 2017 US market cap data provided by The World Bank adjusted by 2018 MSCI US Index performance. 2018 World ex-US market cap data based on 2017 World ex-US market cap data provided by The World Bank adjusted by 2018 MSCI ACWI ex-US Index performance. 2018 GDP assumes 2018 IMF real GDP growth projections plus year over year inflation change provided by IMF. Data shown represents total value of all listed shares in the stock market as a percentage of GDP in each respective region, as defined by The World Bank. The World Bank releases this data annually. Stock market is the market capitalization of stocks. Market capitalization (also known as market value) is the share price times the number of shares outstanding (including their several classes) for listed domestic companies. Data is shown as a percent of GDP for corresponding countries. Investment funds, unit trusts, and companies whose only business goal is to hold shares of other listed companies are excluded. Annual data, end of year values.

Household net worth in the United States is at a new high

Net Worth of US Households

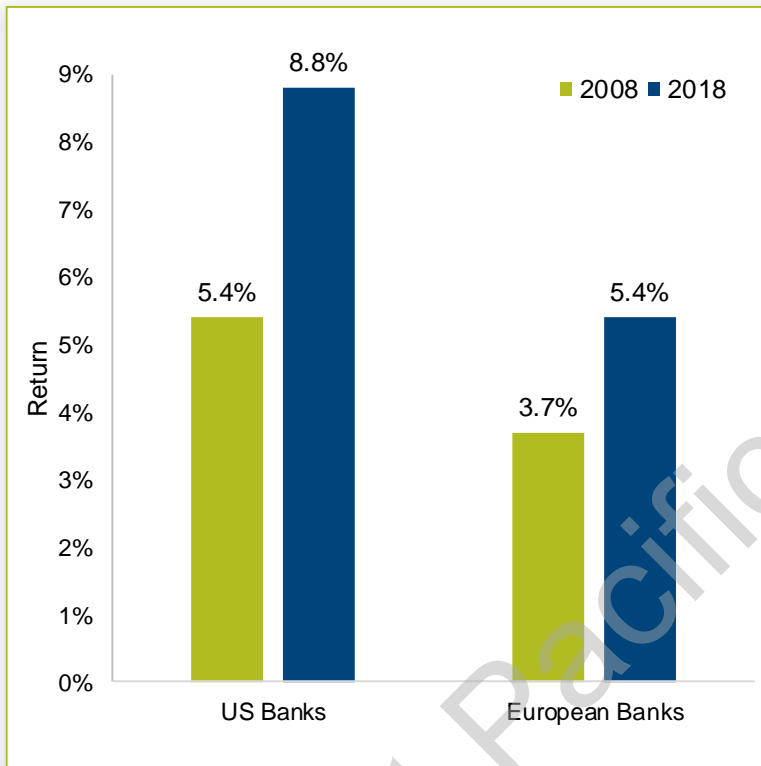


As of September 30, 2018

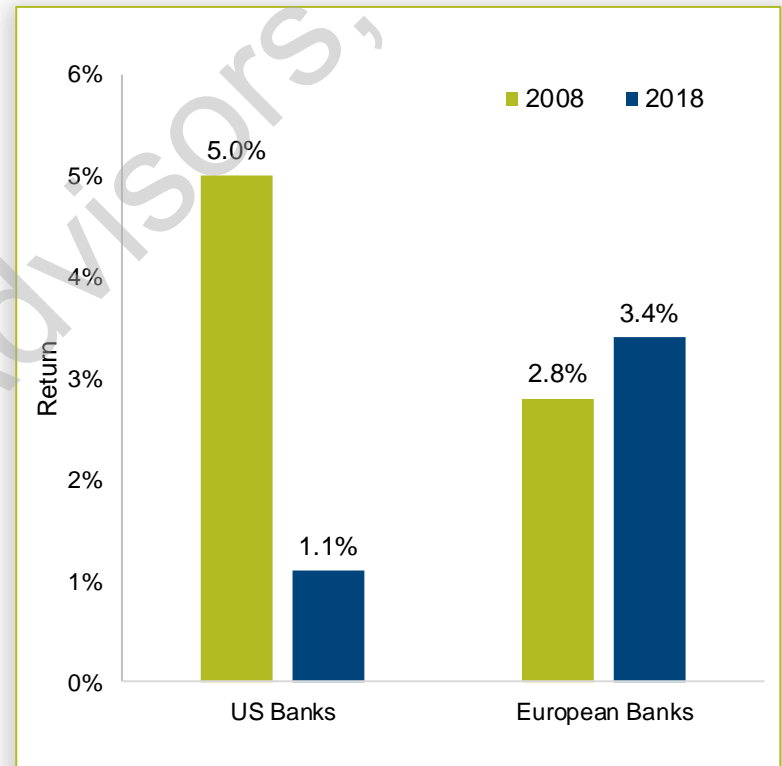
Source: Federal Reserve Bank of St. Louis

US banks better positioned since crisis, unlike Euro banks

Tangible Equity / Total Assets



Non-Performing Loans as % of Total Loans



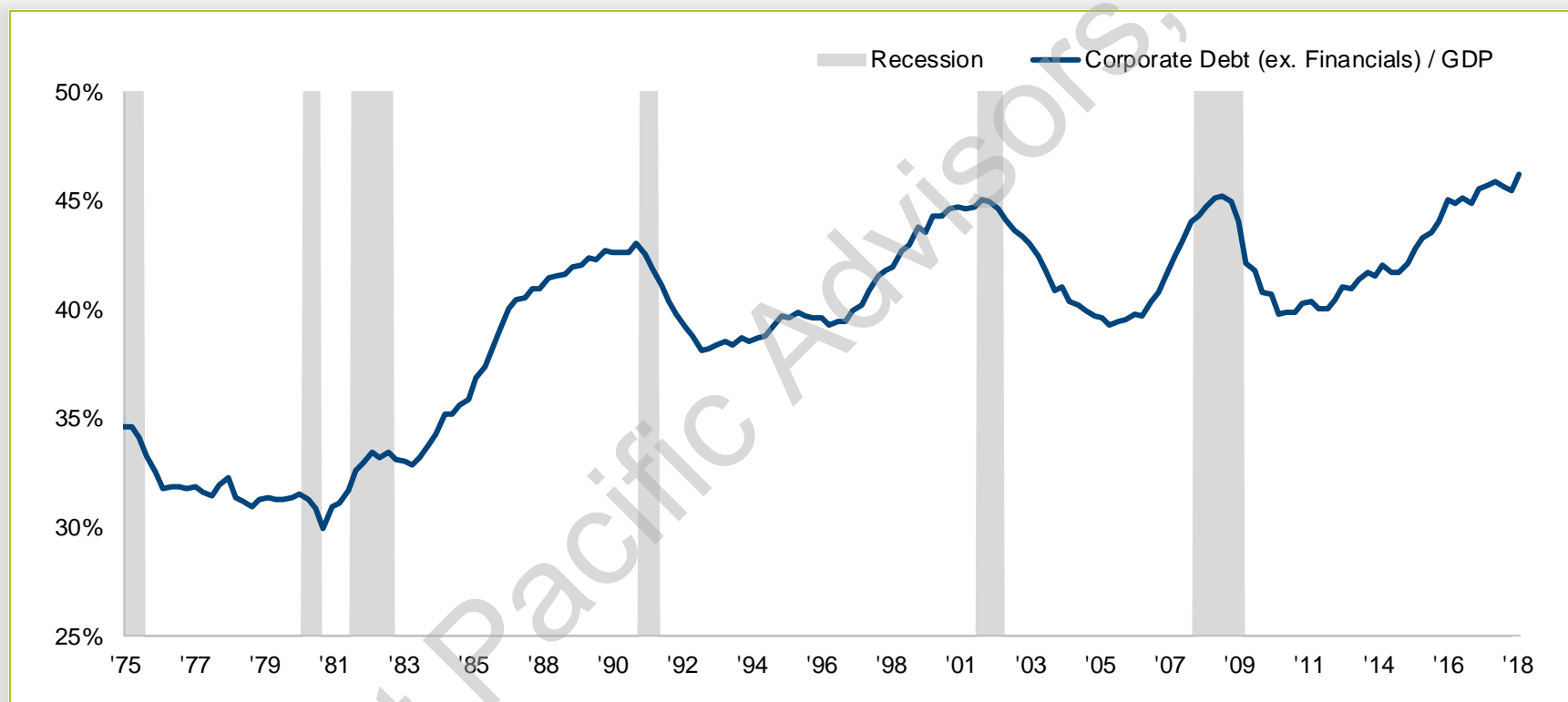
Source: Bloomberg, Federal Reserve, World Bank. Tangible Equity to Total Assets (For European banks, the ratio is calculated using the market cap-weighted average of Bloomberg European 500 Index banks industry).

Left chart data points are as of September 2008 and September 2018. The TE/TA ratio may be used to estimate a bank's sustainable losses before shareholder equity is wiped out.

Right chart data points are as of December 2008 and December 2018. Ratio of defaulted loans (>90 days past due) to total gross loans.

Corporate debt now at all-time high as a percent of GDP

US Corporate Debt Market as Percent of GDP

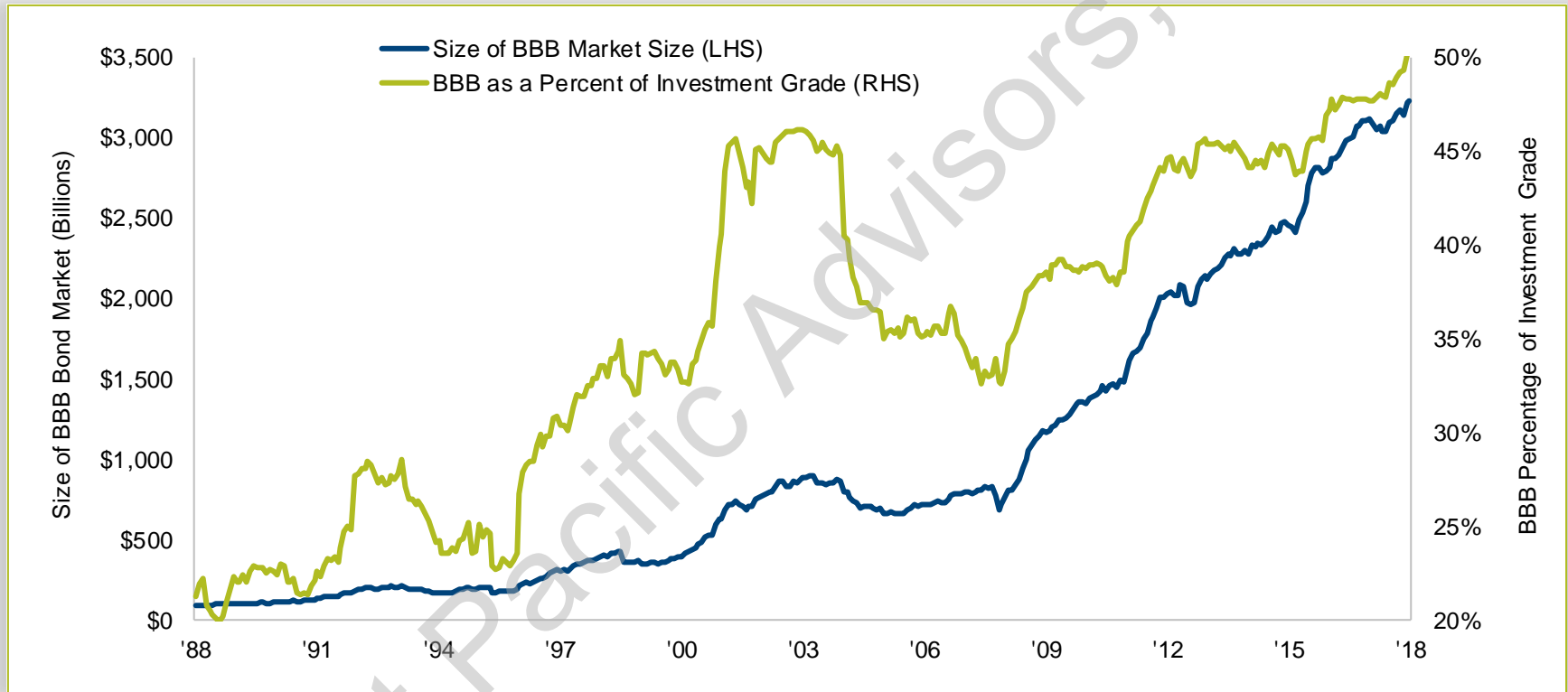


As of September 30, 2018

Source: Morgan Stanley

BBB rating = more than 50% of investment grade credit

BBB Market Size and Percentage of Investment Grade



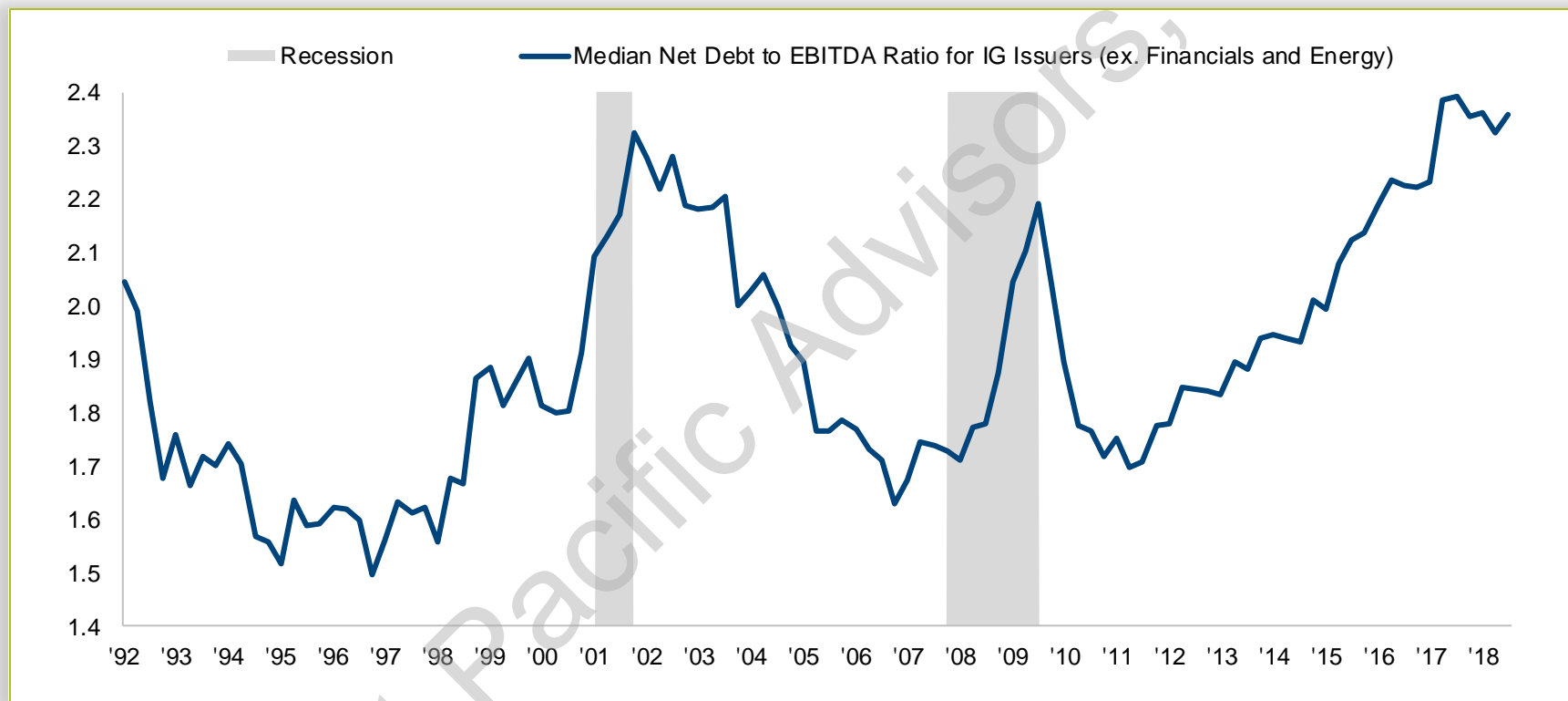
As of December 31, 2018.

Source: Bloomberg

BBB market size represented by total market value of the ICE BofAML BBB US Corporate Index. BBB as a percent of Investment Grade is ICE BofAML BBB US Corporate Index divided by ICE BofAML US Corporate Index.

Investment grade bond leverage near peak

Investment Grade Debt/EBITDA



As of November 30, 2018.

Source: Morgan Stanley.

Net debt to EBITDA ratio is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA, Earnings Before Interest Taxes Depreciation and Amortization. Ed. Note: EBITDA is not cash flow.

Investors accepting low junk bond yields

High? Yield

	US	EU
Gross yield	6.9%	4.2%
Default rate, historical	-3.6%	-4.6%
Recovery rate, historical	41.0%	38.4%
Net default	-2.1%	-2.8%
Net yield	4.8%	1.4%

Sources:

US gross yield as of January 31, 2019: BofA Merrill Lynch High Yield Master Index II (H0A0);

U.S. historical high yield default and recovery rates: J.P. Morgan, Moody's Investors Service, S&P LCD using year-end data from 1982-2017;

EU gross yield as of January 31, 2019: BofA Merrill Lynch Euro High Yield Index (HE00);

EU historical default rate: J.P. Morgan Europe Guide to the Markets (12/31/2017);

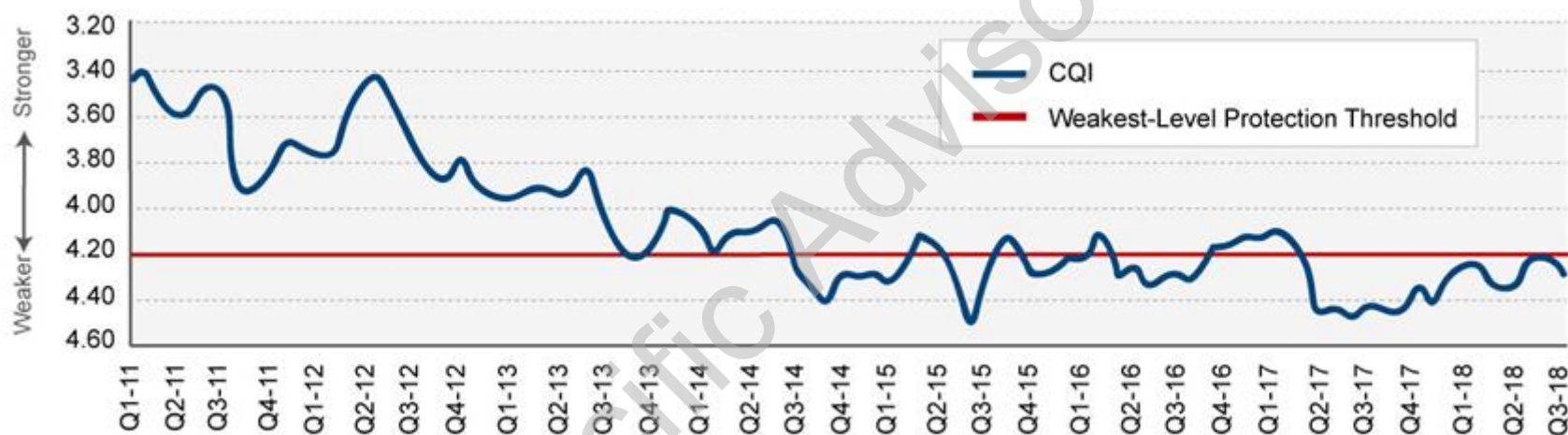
EU historical high yield recovery rate: Moody's Investors Service using 1985-Q3 2016 data.

Net Default Rate = (1 - recovery rate) x default rate. **Net Yield** = Gross Yield minus Net Default Rate.

This information is for illustrative purposes only, and serves to show the expected net yield of high yield bonds in both the US and Europe assuming historical default and recovery rates. **Past results are not indicative of future results.**

Covenant quality at long-term low

Moody's Covenant Quality Index



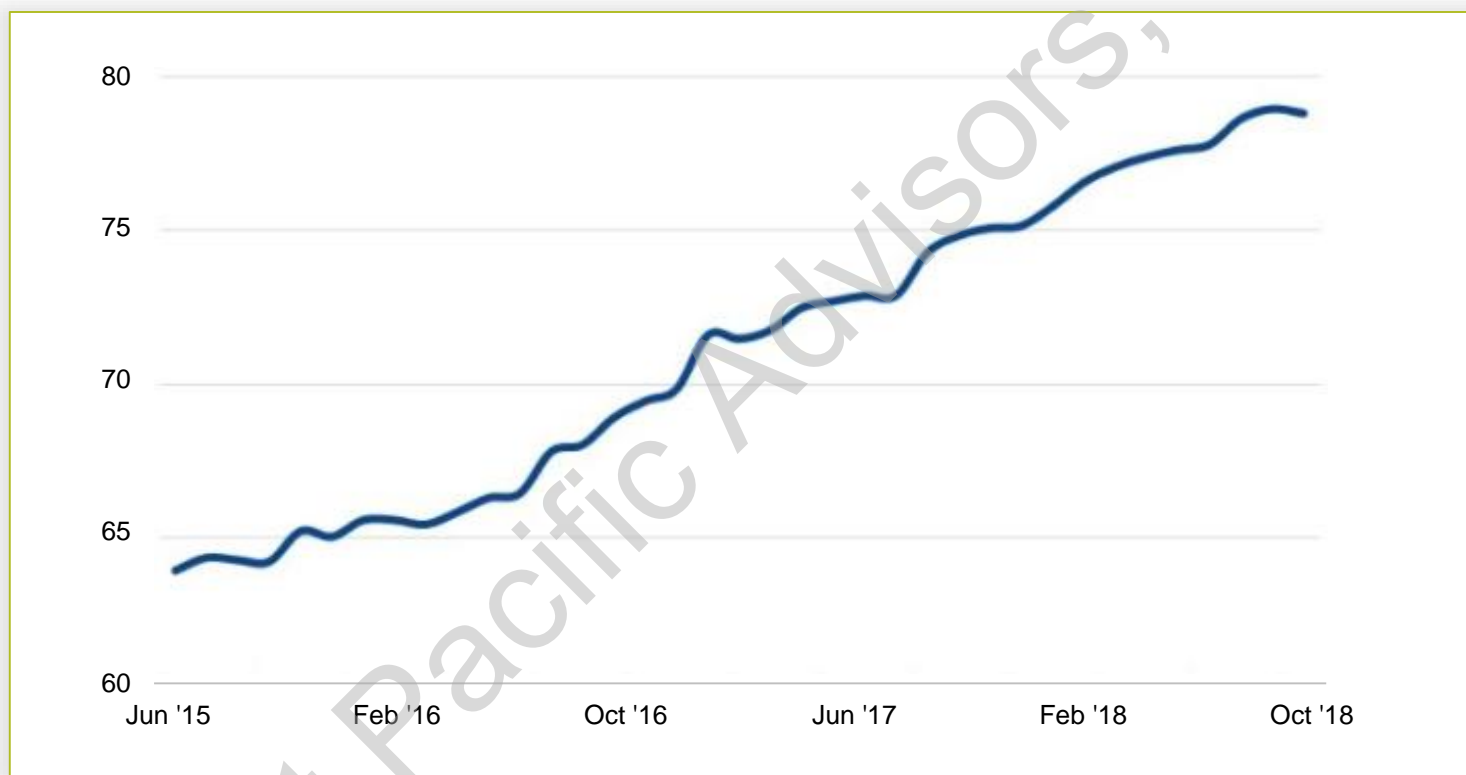
As of 30 September 2018

Source: Moody's High-Yield Covenant Database

Note: Moody's Covenant Quality Index (CQI) includes all high-yield bonds, including high-yield lite. High-yield lite bonds lack a debt incurrence and/or a restricted payments covenant and automatically receive the weakest possible covenant quality score of 5.0

Covenant-lite loans likely to negatively impact recoveries

Covenant-lite Share of Outstanding US Leverage Loans



As of October 30, 2018

Source: LCD, S&P Global Market Intelligence.



Appendix

First Pacific Advisors, LLC

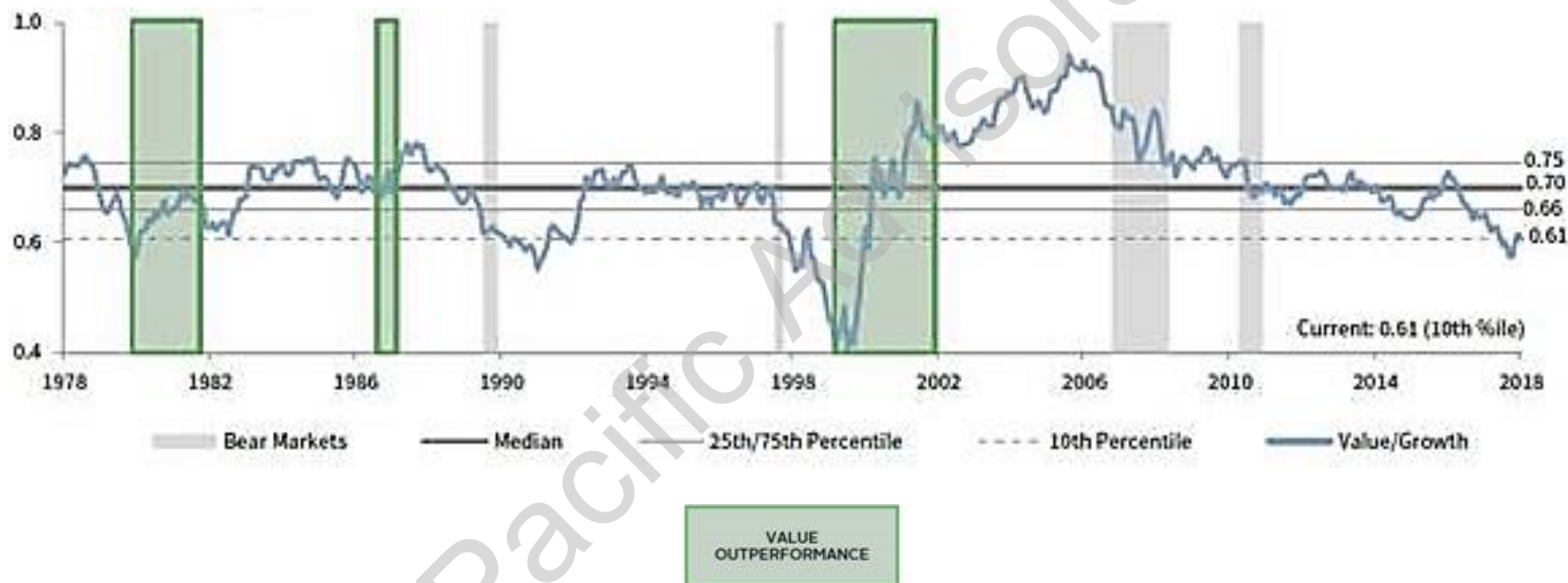
Holdings as of December 31, 2018

Communication Services	15.6%	Health Care	1.5%	Preferred Stocks	0.0%
Alphabet	3.8%	Mylan	1.5%	Ditech Holdings	0.0%
Naspers	2.1%				
Baidu ADR	2.1%	Industrials	8.5%	Credit	4.4%
Comcast	2.1%	Arconic	2.4%	Puerto Rico Municipal Bonds	2.4%
Charter Communications	1.7%	United Technologies	2.2%	Bombardier	0.9%
Facebook	1.6%	Meggitt	1.7%	Ship Loan Participation	0.3%
WPP	1.1%	Nexeo Solutions	1.3%	California Resources Corporation	0.2%
Nexon	0.6%	Jardine Strategic Holdings	0.6%	Glencore (Various issues)	0.2%
Naver	0.5%	Sound Holdings	0.3%	General Electric Co.	0.2%
				Hall of Fame	0.1%
Consumer Discretionary	6.0%	Information Technology	9.3%	MEC FILO TL 1	0.1%
Altaba	2.0%	Broadcom	2.6%	Ditech Holdings	0.0%
Mohawk Industries	1.4%	Analog Devices	2.2%	Southwestern Energy Co.	0.0%
JD.com	1.0%	TE Connectivity	1.9%		
Expedia	0.9%	Microsoft	1.7%	Limited Partnerships	0.9%
Porsche	0.7%	Oracle	0.9%	U.S. Farming Realty Trust I & II	0.4%
				Great American Capital Partners II	0.3%
Energy	1.5%	Materials	6.2%	FPS Holding Co.	0.2%
Kinder Morgan	1.4%	LafargeHolcim	1.7%		
Surgutneftegas – Preference	0.1%	HeidelbergCement	1.4%	Mortgages	0.0%
		Glencore	1.3%	Stanwich Mortgage Loan Trust (Various issues)	0.0%
Financials	20.7%	Owens-Illinois	1.1%		
AIG	3.3%	Axalta Coating Systems	0.5%	Derivatives/futures	1.1%
CIT Group	2.2%	Alcoa	0.2%		
Jefferies	2.1%			Cash and equivalents (net of liabilities)	26.9%
Citigroup	2.0%	Utilities	0.6%	Commercial paper, money market	19.4%
Bank of America	2.0%	PG&E	0.6%	U.S. government and agencies	7.5%
Groupe Bruxelles Lambert	1.8%				
Wells Fargo	1.6%	Common stocks – short	-3.2%		
Aon	1.5%				
LPL Financial Holdings	1.4%				
Ally Financial	1.2%				
Royal Bank of Scotland	1.0%				
Signature Bank	0.6%				
Ditech Holdings	0.0%				
				Total net assets	100.0%

The percentages shown in the table are the market value of each holding divided by the total net assets of the Fund as of December 31, 2018. Portfolio composition will change due to ongoing management of the Fund. Totals may not add up due to rounding. Sector classification scheme for equities reflects GICS (Global Industry Classification Standard). **Please refer to the end of the presentation for important disclosures.**

Growth is expensive relative to value

Relative Valuations: Russell 1000 Value vs Growth



As of December 31, 2018

Source: Cambridge Associates

Notes: The composite normalized price-earnings (P/E) ratio is calculated by dividing the inflation-adjusted index price by the simple average of three normalized earnings metrics: ten-year average real earnings (i.e., Shiller earnings), trend-line earnings, and return on equity-adjusted earnings. Relative performance are total returns gross of dividend withholding taxes. All data are monthly. Bear markets are based on a peak-to-trough change in the S&P 500 Price Index in US dollars of at least 19%.

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

Important disclosures

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The statements contained herein reflect the opinions and views of the portfolio managers as of the date written, is subject to change, and may be forward-looking and/or based on current expectations, projections, and/or information currently available. Such information may not be accurate over the long-term. These views may differ from other portfolio managers and analysts of the firm as a whole, and are not intended to be a forecast of future events, a guarantee of future results or investment advice.

Portfolio composition will change due to ongoing management of the Fund. References to individual securities or sectors should not be construed as a recommendation by the Fund, the portfolio managers, FPA or the distributor to purchase or sell such securities, and any information provided is not a sufficient basis upon which to make an investment decision. 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.

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There can be no assurance that the Fund or any other account managed by the investment manager will achieve the targeted rate of return or volatility or other specified parameters and there is no guarantee against loss resulting from investment. Investment in the markets carries risk of loss of capital. Investors should review the terms of the Fund's Prospectus and Statement of Additional Information with due care and appropriate professional advice.

Return and volatility targets or objectives are used for measurement or comparison purposes only and only as a guideline for prospective investors to evaluate the investment strategy and the accompanying risk/reward ratio. Targeted returns and volatility are subjective determinations by the investment manager based on a variety of factors, including, among others, investment strategy, prior performance or similar products, volatility measures, risk tolerance and market conditions. Performance may fluctuate, especially over short periods. Targeted returns and volatility should be evaluated over the time period indicated and not over shorter periods. Targeted returns and volatility should not be relied upon as an indication of future performance. No representation or assurance is made that the FPA Crescent Fund will or is likely to achieve the objectives or targeted returns or volatility.

Certain statements contained in this presentation may be forward-looking and/or based on current expectations, projections, and information currently available to FPA, and can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "target," "intend," "continue" or "believe," or the negatives thereof or other variations thereon or comparable terminology. While we believe we have a reasonable basis for our comments and we have confidence in our opinions, actual events or results may differ from materially those we anticipate, or the actual performance of any investments described herein may differ from those reflected or contemplated in such forward-looking statements, due to various risks and uncertainties. We cannot 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. Such statements may or may not be accurate over the long-term. Statistical data or references thereto were taken from sources which we deem to be reliable, but their accuracy cannot be guaranteed.

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Important disclosures (continued)

The reader is advised that FPA's investment strategy includes active management of its client portfolios with corresponding changes in allocations from one period of time to the next. Therefore, any data with respect to investment allocations as of a given date is of limited use and may not be reflective of FPA's more general views with respect to proper geographic, instrument and /or sector allocations. The data is presented for indicative purposes only and, as a result, may not be relied upon for any purposes whatsoever.

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 the Prospectus carefully before investing. The Prospectus may be obtained by visiting the website at www.fpfunds.com, by calling toll-free, 1-800-982-4372, or by contacting the Fund in writing.

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.fpfunds.com or by calling toll-free, 1-800-982-4372.

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Fund performance presented is calculated on a total return basis, which includes the reinvestment of all income, plus realized and unrealized gains/losses, if applicable. Unless otherwise indicated, performance results are presented on a net of fees basis and reflect the deduction of, among other things: management fees, brokerage commissions, operating and administrative expenses, and accrued performance fee/allocation, if applicable.

Investments, including mutual fund investments, 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; this may be enhanced when investing in emerging markets. Small and mid-cap stocks involve greater risks and they can 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. Lower rated bonds, callable bonds and other types of debt obligations involve greater risks than higher rated bonds. **Interest rate risk** is when interest rates go up, the value of fixed income securities, such as bonds, typically go down and investors may lose principal value. **Credit risk** is the risk of loss of 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. **Mortgage-backed securities and asset-backed securities** are subject to prepayment risk and the risk of default on the underlying mortgages or other assets.

Value style investing presents the risk that the holdings or securities may never reach their full market value because the market fails to recognize what the portfolio management team considers the true business value or because the portfolio management team has misjudged those values. In addition, value style investing may fall out of favor and underperform growth or other styles of investing during given periods.

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

Important disclosures (continued)

Index / Benchmark / Category Definitions

Index returns are provided for comparison purposes only. Indices are unmanaged and index returns do not reflect transactions costs (e.g., commissions), investment management fees or other fees and expenses that would reduce performance for an investor. Indices have limitations when used for comparative purposes because they may have volatility, credit, or other material characteristics that are different from the referenced fund. For example, the referenced fund may hold underlying securities that are not included in any index used for comparative purposes and FPA makes no representation that the referenced fund is comparable to any such index in composition or element of risk involved. Any comparisons herein of the investment performance of a referenced fund to an index are qualified as follows: (i) the volatility of such index may be materially different from that of the referenced fund; (ii) such index may employ different investment guidelines and criteria than the referenced fund and, therefore, holdings in such fund may differ significantly from holdings of the securities that comprise such index; and (iii) the performance of such index may not necessarily have been selected to represent an appropriate index to compare to the performance of the referenced fund, but rather, is disclosed to allow for comparison of the referenced fund's performance (or the performance of the assets held by such fund) to that of a well-known index. Indexes should not be relied upon as a fully accurate measure of comparison. No representation is made as to the risk profile of any index relative to the risk profile of the referenced fund. It is not possible to invest directly in an index.

The Standard & Poor's 500 Stock Index (S&P 500) is a capitalization-weighted index which covers industrial, utility, transportation and financial service companies, and represents approximately 75% of the New York Stock Exchange (NYSE) capitalization and 30% of NYSE issues. The S&P 500 is considered a measure of large capitalization stock performance.

The S&P 500 Value Index is a subset of the S&P 500 index. Companies within the index are ranked based on growth and value factors including three-year change in earnings price/share, three-year sales/share growth rate, momentum, book value/price ratio, earnings/price ratio, sales/price ratio. The companies at the bottom of this list, that have a higher Value Rank, comprising 33% of the total index market capitalization are designated as the Value basket.

The S&P 500 Growth Index is a subset of the S&P 500 index. Companies within the index are ranked based on growth and value factors including three-year change in earnings price/share, three-year sales/share growth rate, momentum, book value/price ratio, earnings/price ratio, sales/price ratio. The companies at the top of this list, that have a higher Growth Rank, comprising 33% of the total index market capitalization are designated as the Growth basket.

The 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.

MSCI ACWI Value Index The MSCI ACWI Value Index captures large and mid-cap securities exhibiting overall value style characteristics across 23 Developed Markets countries* and 24 Emerging Markets (EM) countries*. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

MSCI ACWI Growth Index The MSCI ACWI Growth Index captures large and mid-cap securities exhibiting overall growth style characteristics across 23 Developed Markets (DM) countries* and 24 Emerging Markets (EM) countries*. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend.

The MSCI Emerging Markets Index captures large and mid cap representation across 24 Emerging Markets (EM) countries*. With 1,124 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The Consumer Price Index (CPI) is an unmanaged index representing the rate of the inflation of the U.S. consumer prices as determined by the U.S. Department of Labor Statistics. There can be no guarantee that the CPI or other indexes will reflect the exact level of inflation at any given time.

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

Important disclosures (continued)

Bloomberg Barclays U.S. Aggregate Bond Index provides a measure of the performance of the US investment grade bonds market, which includes investment grade US 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 US dollars and must be fixed rate, nonconvertible, and taxable.

The BofA Merrill Lynch US High Yield Master II Index tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market.

The Barclays 1-3 Year U.S. Treasury Index measures the performance of U.S. Treasury securities that have a remaining maturity of at least one year and less than three years.

ICE BofAML US Corporate BBB Index, a subset of the ICE BofAML US Corporate Master Index tracking the performance of US dollar denominated investment grade rated corporate debt publicly issued in the US domestic market. This subset includes all securities with a given investment grade rating BBB.

ICE BofAML US Corporate Index, a subset of the ICE BofAML US Corporate Master Index tracking the performance of US dollar denominated investment grade rated corporate debt publicly issued in the US domestic market.

Other Definitions

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

Annualized Standard Deviation is the standard deviation multiplied by the square root of the number of periods in one year. Standard deviation of return measures the average deviations of a return series from its mean, and is often used as a measure of risk.

CAPE ratio is the cyclically adjusted price-to-earnings ratio, commonly known as CAPE,[1] Shiller P/E, or P/E 10 ratio, is a valuation measure usually applied to the US S&P 500 equity market. It is defined as price divided by the average of ten years of earnings (moving average), adjusted for inflation. As such, it is principally used to assess likely future returns from equities over timescales of 10 to 20 years, with higher than average CAPE values implying lower than average long-term annual average returns.

The Fund's **Debt/Total Capital** is calculated by dividing each security's long-term debt by its total capitalization (the sum of common equity plus preferred equity and long-term debt) and is a measure of the portfolio's financial leverage. Debt/Capital figures for FPACX exclude financials holdings.

Net Risk Exposure is the percentage of portfolio exposed to Risk Assets.

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

Maximum drawdown is the maximum loss from a peak to a trough of a portfolio, before a new peak is attained.

Price/Book ratio is the current closing price of the stock by the latest quarter's book value per share.

Price/Earnings ratio (P/E) is the price of a stock divided by its earnings per share. P/E and average P/E reflect the trailing 12 months. P/E, next 12 months utilizes forward earnings expectations.

Price-to-Sales (P/S) is a ratio valuing a stock relative to its own past performance. Price to sales is calculated by dividing a stock's current price by its revenue per share in most recent year.

Important disclosures (continued)

Price/Tangible Book is the price of a stock divided by its tangible book value per share. Tangible book value is the total net asset value of a company minus intangible assets and goodwill.

Return on Equity is the amount of profit computed by dividing net income before taxes less preferred dividends by the value of stockholders' equity.

Risk Assets: any asset that carries a degree of risk and generally refers to assets that have a significant degree of price volatility, such as equities, commodities, high-yield bonds, real estate and currencies.

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

Sharpe ratio is the average return earned in excess of the risk-free rate per unit of volatility or standard deviation.

Tangible Equity/Tangible Assets is calculated by taking the value of the company's total equity and subtracting intangible assets, goodwill and preferred stock equity and then dividing by the value of the company's tangible assets.

Morningstar Fund Categories

US Fund Allocation--50% to 70% Equity is a Morningstar category in which Funds seek to provide both income and capital appreciation by investing in multiple asset classes, including stocks, bonds, and cash. These portfolios are dominated by domestic holdings and have equity exposures between 50% and 70%.

US Fund World Allocation is a Morningstar category in which portfolios seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. While these portfolios do explore the whole world, most of them focus on the U.S., Canada, Japan, and the larger markets in Europe. It is rare for such portfolios to invest more than 10% of their assets in emerging markets. These portfolios typically have at least 10% of assets in bonds, less than 70% of assets in stocks, and at least 40% of assets in non-U.S. stocks or bonds.

US Fund Long-Short Equity is a Morningstar category in which portfolios hold sizeable stakes in both long and short positions in equities and related derivatives. Some funds that fall into this category will shift their exposure to long and short positions depending on their macro outlook or the opportunities they uncover through bottom-up research. Some funds may simply hedge long stock positions through exchange traded funds or derivatives. At least 75% of the assets are in equity securities or derivatives.

World-stock Morningstar category portfolios have few geographical limitations. It is common for these portfolios to invest the majority of their assets in the U.S., Europe, and Japan, with the remainder divided among the globe's smaller markets. These portfolios typically have 20%-60% of assets in U.S. stocks.

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