Semi-Annual Report

FPA International Value Fund

FPA

investors first

Distributor:

UMB DISTRIBUTION SERVICES, LLC

235 West Galena Street
Milwaukee, Wisconsin 53212

June 30, 2019

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 INTERNATIONAL VALUE FUND
LETTER TO SHAREHOLDERS

"With regard to performance, commitment, effort, dedication, there is no middle ground. Or you do something very well or not at all."

Ayrton Senna, Formula One Racing Driver. Died May 1, 1994 at Imola, Italy, competing.

Dear Fellow Shareholders,

In the second quarter of 2019, the FPA International Value Fund (the "Fund") returned 4.08% (in U.S. currency), net of fees and expenses (the Fund's most recent net expense ratio was 1.29%). This compared to 2.98% over the same period for the MSCI All Country World Index (ex-U.S.) (Net) (the "Index").

Since the beginning of the year, the Fund has returned 12.92%, net of fees and expenses (the Fund's most recent net expense ratio was 1.29%), versus 13.60% for the Index over the same period.

Most importantly, since its inception on Dec. 1, 2011, the Fund has returned an average of 7.72% per year (in U.S. currency), net of fees and expenses (the Fund's net expense ratio averaged just under 1.29% since inception).[1] This compares to an annualized return of 6.08% for the Index.[2]

Also, we note that cash and equivalent holdings on average accounted for 27% and 25% of the Fund's total assets in the second quarter and since the beginning of the year, respectively. Since the Fund's inception, cash exposure has averaged 31% of total assets, while fluctuating from less than 12% to more than 40%, depending on the availability of suitable investment opportunities.

Quarterly performance[3]

Portfolio equity holdings also outperformed the Index in the quarter with a return of more than 6%, and since the beginning of the year with a return of about 18% (in U.S. currency). Most importantly given our long-term focus, their annualized return since inception remains around 13% (in U.S. currency), compared to approximately 6% for the Index.[4]

The Fund generally benefited from strong performance across the board in the second quarter, with only seven of the 28 disclosed holdings experiencing some level of negative return, and as many making a negative contribution to performance (three of them lower than 5 basis points of negative contribution each). One of these holdings, **Melrose** (a UK-based publicly-traded investment firm with a concentrated buy-and-improve strategy), was added to the portfolio last quarter. In recent months, we have continued to build the position as the stock has

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1 Based on the percentage of the Fund's share price change from Dec. 1, 2011 to June 30, 2019 in U.S. currency.

2 Based on the percentage of the Index's share price change from Nov. 30, 2011 to June 30, 2019 in U.S. currency.

3 Throughout this commentary, references to individual securities are for informational purposes only and should not be construed as recommendations by the Fund, the portfolio manager, FPA, 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 information provided does not reflect all positions purchased, sold or recommended by FPA during the 1H'19. The portfolio holdings as of the most recent quarter-end may be obtained at www.fpa.com. Portfolio composition will change due to ongoing management of the Fund.

4 The performance of the Fund's equity holdings is presented gross of investment management fees, transactions costs, and Fund operating expenses, which if included, would reduce the returns presented. The performance for the Fund's equity holdings excludes the impact of cash and cash equivalents. The performance of the Fund's equity holdings is being shown 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.

Please see the end of this Commentary for a full list of the Fund's holdings and portfolio weights. Past performance is no guarantee, nor is it indicative, of future results.

experienced sustained unfavorable sentiment, likely as a function of exposure to the cyclical Automotive and Aerospace markets.

We discussed in our previous commentary the negative impact on performance toward the end of the first quarter of our Brazilian holdings, and the likely reasons behind their price decline. It appeared the market was taking a pessimistic view of local political developments at the time. During the second quarter, as investors seemingly regained confidence in the recently elected government and its ability to pass reforms, the Ibovespa Brasil Sao Paulo Stock Exchange Index recovered. The Fund's holdings benefitted disproportionately from the recovery. They accounted for four of the Fund's top ten performing names this quarter (five including healthcare service provider **Notre Dame Intermedica**, ("Intermedica"), which we sold in the period). Together they accounted for close to 30% of the Fund's total positive contribution.

As is often the case, more than a third of total negative contribution during the second quarter was related to companies we recently added to the portfolio whose stocks continue to experience negative sentiment.[5] Other notable detractors and contributors were more idiosyncratic in nature. Despite further de-risking of its balance sheet and generally positive results, **Allied Irish Banks** ("AIB") (one of the leading commercial banks in Ireland) suffered woes alongside the European sector, as the prospect of further interest rate cuts weighed on bank shares. **Dignity** continued to suffer from the uncertainty associated with the pending competitive investigation of funeral services in the UK. **EssilorLuxottica** (formed by the merger of France-based Essilor, a global leading manufacturer of ophthalmic lenses, and Italy-based Luxottica, a global leading manufacturer and distributor of eyeglass frames) recovered along with reduced noise over the post-deal leadership tensions we discussed last quarter. **Sulzer** (a Switzerland-based provider of pump equipment with significant exposure to the oil and gas industry) benefited from further evidence of a strong cyclical recovery in its core markets.

However, these short-term price developments say little of the underlying fundamentals and intrinsic values of our individual holdings. Focus should remain on their long-term business prospects rather than macroeconomic fluctuations, political news flow, or headline noise. As always, we encourage shareholders to evaluate the stock performance of our investments over long periods of time.

Key performers[6]

The largest detractor to performance this quarter was **Ryanair** with a contribution to return of -0.50%. It was also our worst-performing holding, with a share price that fell 12.06% (in U.S. currency).[7]

Based in Ireland, Ryanair is one of Europe's leading passenger airlines. We have commented several times on this name in previous commentaries, as the company has experienced many difficulties in recent months

5 All were names that we started to purchase in the first quarter of 2019.

6 Throughout this commentary, detractors and contributors are 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 quarter 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, nor is it indicative, of future results.**

7 Based on the percentage of Ryanair's share price change from March 31 to June 30, 2019 in U.S. currency. This share price change may not equate with the performance of the holding in the Fund. As of June 30, 2018, Ryanair represented 4.86% of the Fund's assets.

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which have weighted negatively on both its operating results and its share price. Challenges have ranged from pilot roster-related flight cancellations, to strike-ridden labor negotiations, to exogenous air traffic control issues and increased fuel prices. To these, one may want to add the uncertainties associated with a "hard Brexit" scenario, in particular with regard to airlines' ability to fly between Europe and the UK.[8]

We didn't see any of these problems as company-specific or structural in nature. Therefore, we didn't view them as a threat to Ryanair's long-term dominance in its market or its related free cash flow growth aspirations. We also expected its experienced management team to be able to steer the company through these challenging times; and we were happy to take advantage of any associated short-term weakness in the share price to build our ownership of the stock.

However, a more material risk to Ryanair's business model (which is also one its strengths), as laid out in our original thesis, is the company's reliance on one aircraft, the Boeing 737, and its successor, the Max. Unfortunately, the Max was recently involved in two deadly crashes. Following these dramatic accidents, the aircraft came under intense scrutiny over several alleged design flaws (primarily that of a stabilization software system), and was grounded by authorities effectively until further notice.

The Max is crucial to Boeing's very existence, and that of many businesses across its supply chain, along with associated constituents and local communities. It is difficult to imagine the group failing, and the U.S. being pushed out of the passenger aircraft manufacturing market. Therefore, we expect a solution will be found to put the Max back in the air (likely a combination of technical fixes, re-branding, and re-training of pilots). Nonetheless, it is hard to see in the meantime how an airline managed to a ca. 95% load factor can deliver much passenger growth (along with the expected efficiency gains) without an operable Max. And given the complexity of the situation, it is virtually impossible to determine how long this crisis will last, or what the implications will be for Ryanair.

In the end, no business is ever immune from risk. Over the years, we have seen things like this happen to the best of companies. Every time, we were reminded of the importance of the other tenets, beside business quality, of our investment selection discipline. One is management capability; another is a strong balance sheet (Ryanair is effectively debt free); and the last is valuation. At the end of the second quarter, Ryanair's total enterprise value was less than €12 billion.[9] Yet the book value of its planes (all of which it owns) at the end of last year was €9 billion, and it had negative working capital well in excess of €3 billion. Meanwhile, with its existing asset base, yields at a 10-year low (it would be more if not for the financial crisis), and fuel costs notably above their 10-year average, Ryanair generates an EBITDA of close to €1.9 billion.[10] We think this makes for an extremely attractive value proposition (all the more so in the current market environment), even if we put aside the many qualitative appeals of the business, and a likely resolution to the current crisis. Therefore, we are buyers of Ryanair's stock at current market pricing levels, and have continued to add to our position.

The Fund's biggest contributor to performance this quarter was **Ströer**, with a contribution to return of 0.77%. It was also the Fund's best-performing holding, with a share price that rose 28.33% (in U.S. currency).[11]

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[8] A scenario in which the UK would leave the European Union ("Brexit") without an arrangement between the two entities that would create a new framework for their political and commercial relations.

[9] Based on company filings and market data, Form 6-K of Fiscal Year End 2018 Results, filed May 10th and 20th, 2019.

[10] EBITDA refers to earnings before interest, tax, depreciation and amortization. Based on company filings, Form 6-K of Fiscal Year End 2018 Results, filed May 10th and 20th, 2019.

[11] Based on the percentage of Ströer's share price change from March 31 to June 30, 2019 in U.S. currency. This share price change may not equate with the performance of the holding in the Fund. As of June 30, 2019, Ströer represented 2.65% of the Fund's net assets.

Please see the end of this Commentary for a full list of the Fund's holdings and portfolio weights. Past performance is no guarantee, nor is it indicative, of future results.

Based in Germany, Ströer is a leading German provider of out-of-home ("OOH") advertising solutions with around 300,000 sites across the country. The group also operates a large portfolio of German-language websites, and through several acquisitions, is a provider of direct marketing services.

We purchased the stock in the fourth quarter of last year. In the preceding months, Ströer's share price had experienced significant negative pressure (it fell close to 35% in U.S. currency in 2018). We believed this was a function of questionable recent acquisitions, a lack of strategic focus, exposure to some difficult international markets like Turkey, along with rising fears that Google might consider entering the market.

Our research work, including conversations with many market participants, led us to believe that such risk was limited, and that industry consolidation, if anything, was a more plausible scenario. Management had drawn appropriate conclusions from past investments (some of which in fairness proved quite successful) and re-focused its strategy on the German OOH market, which Ströer dominates. We also expected excess free cash flows and the proceeds from disposals of non-core assets (some of which we estimated to be highly valuable) to be returned to shareholders in the most value-creative manner. Lastly, we believed the group was well-positioned to take advantage of compelling business opportunities, in particular through the continued roll out of digital and video advertising screens.

With growing realization by the market that the company had been put on a more effective course to realize value, increased recognition of the effectiveness of OOH as an advertising medium (even in the digital age), the attractiveness of both the German market and Ströer's differentiated assets, and continued delivery of solid operating results, the share price recovered and has now reached new highs. Nevertheless, given our view of the business and our assessment of its intrinsic value, we remain interested in being shareholders of Ströer, so long as we can continue to hold the stock with an appropriate margin of safety.

Portfolio activity[12]

As always, through the quarter we continued to add to holdings we believe offer compelling discounts to intrinsic value, and to trim positions that are becoming less attractively priced. We also consistently rebalanced individual positions based on relative discounts to intrinsic value. While this helps ensure that our most compelling investments are more heavily weighted and can drive performance, it is important to realize that it can also inflate portfolio turnover at times, particularly if short-term volatility increases.

Specifically, we increased the Fund's ownership of some portfolio companies whose stocks experienced material weakness in the quarter including **AIB, Dignity, and Ryanair** which we discussed previously. As mentioned earlier, we continued to build our position in Melrose which also experienced negative pressure in the period due to its underlying cyclical exposure.

As a result of the positive performance throughout the quarter, we trimmed several of our portfolio holdings. In particular, we sold a significant portion of our investment in **SAP** (a world leading provider of enterprise software solutions based in Germany, and a long standing holding), and we reduced the Fund's exposure to Brazilian companies, including **Magazine Luiza** (a well-established retailer with a leading online platform) and **Totvs** (the country's leading provider of enterprise software solutions about which we wrote in past commentaries on several occasions). We also sold the Fund's position in Intermedica.

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[12] 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. Portfolio composition will change due to ongoing management of the Fund.

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Similar to what happened with **BK Brasil** (Burger King's master franchisee in Brazil) which we sold last quarter, we had purchased **Intermedica's** stock in 2018, when we took advantage of the combination of a material decline in the Brazilian equity markets and a severely depressed currency to invest a large portion of our assets (ca. 20%) in a handful of high-quality companies in the region. This type of elevated turnover is reminiscent of what the Fund experienced as a function of particularly strong performance in 2017, and may be surprising at first glance given our long-term focus. However, it is dictated by our discipline of selling when the price of a stock converges with its estimated intrinsic value. Because we do not have a mandate to be fully invested, we are free to realize capital gains without having to balance the decision to sell against the institutional imperative of finding a replacement.

Even though it was no longer in the portfolio as at June 30, Intermedica was the Fund's second-best performing holding in the second quarter, with a share price that rose 25.06% and a contribution to the Fund's return of 0.25% (in U.S. currency). From Sept. 30, 2018 to its peak on June 13, 2019, the company's share price increased 69%[13] (in U.S. currency) and as a result traded in excess of its estimated fair value, which led to our decision to exit the position.

During the period, we also sold out of the Fund's investments in **Britvic** (Pepsi's exclusive bottler and distributor in the UK), **Edenred** (a leading prepaid corporate vouchers company based in France), and **IMCD** (a global distributor of specialty chemicals and food ingredients based in the Netherlands), whose stock prices we believe had all reached their estimated intrinsic values.

While we are no longer invested in these companies, we continue to view them as well-run, high-quality, and financially strong. We would be interested in becoming shareholders again (as it has been the case for Britvic in the past) if we could buy their stocks at significant discounts to their estimated intrinsic values.

Portfolio profile[14]

Net of these transactions, the Fund remained focused on our best ideas, with 28 disclosed positions at the end of the period. The top 10 positions accounted for 31% of the Fund's total assets, and 44% of the invested portion. The top five accounted for more than 17% of total assets and 24% of the invested portion. The weighted average discount to intrinsic value of the Fund's portfolio holdings decreased to 27%.

The Fund's median market capitalization size was in excess of $10 billion, and the weighted average market capitalization was $45 billion at the end of the quarter. Close to 60% of the Fund's invested assets were in companies with a market capitalization of more than $10 billion. However, we do not consider a company's market capitalization size to be a relevant criterion from an investment perspective. The Fund is invested across a wide range of market capitalization sizes, from about $125 million to more than $400 billion.

We are similarly indifferent to which sector a company operates in, or where it happens to be domiciled. Nonetheless, looking at the Fund's geographic profile at the end of the quarter, just under 40% of total assets were invested in companies domiciled in Europe (ex-UK). For the most part, this exposure was geared toward Northern European markets like France, Ireland, Switzerland, Holland, and Germany.

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13 The share price change noted does not equate with the performance of the noted holdings in the portfolio. In the second quarter, Intermedica contributed 0.25% to performance, although the Fund no longer owned Intermedica of June 30, 2019. The second quarter share price change of 25.06% was based on the share price change from April 1, 2019 through June 30, 2019.

14 Portfolio composition will change due to ongoing management of the Fund. The statistics provided in the Portfolio Profile section are approximate numbers.

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

The Fund's exposure to the UK was effectively unchanged at 16% of total assets. We continue to see compelling opportunities in that market, presumably as a function of the uncertainties surrounding Brexit. With further reduction of the Fund's investments in Brazilian companies, emerging markets exposure came down to 17% of total assets. Brazil accounted for ca. 9%. Australia still only accounted for only 1% of total assets. We still had no exposure to Japan at the end of this quarter.

From a sector standpoint[15], we often migrate toward businesses that are cash generative and not very capital intensive. Those include service-type businesses and consumer goods companies. At the end of the quarter, Consumer Discretionary and Consumer Staples together were the Fund's largest exposure with 24% of total assets. The Fund still had notable exposure to Industrials, which accounted for 21% of total assets, and to Information Technology and Communications, which accounted for 19%. Healthcare accounted for 3% of total assets.

The Fund had just under 3% of total assets invested in Financials. This reflects the Fund's investment in AIB. Outside of this holding, the Fund has had no exposure to banks since its inception. We noted in previous commentaries the challenges often associated with these investments, which typically are a poor fit for our philosophy and process. Overall, the Fund had limited exposure to the credit cycle and financially levered companies.

While we try to provide some perspectives on the Fund's sector profile in these commentaries, we would highlight that the portfolio is simply the residual of our bottom-up approach. We also find that the Global Industry Classification Standard (GICS) classifications are of limited relevance. PageGroup, for instance, is a provider of recruitment services, yet it is classified as Industrial. In our view, GICS's sector definitions are too broad to give a meaningful picture of the Fund's underlying exposure.

More fundamentally, we believe the Fund remains exposed to a fairly diverse group of sectors, as well as geographies, and is exposed to markets that we think have limited correlation. We also believe many of the Fund's holdings have unique secular dynamics that make them more predictable and better suited to work through potential short-term economic challenges.

While it is impossible to anticipate how individual stocks will perform going forward, we would argue that the Fund's exposure to varying sectors and geographies, along with the quality of its holdings, positions it well to withstand market dislocation. To this, of course, we need to add the Fund's cash holding, which offers us the flexibility to buy when others are selling. It may also be a driver of performance through the cycle.

Investment prospects

In terms of investment prospects, we laid out in our 2018 year-end commentary the significant geopolitical, macro-economic, and market-specific challenges we currently see. We reiterated many of our concerns in the first quarter, with an emphasis on Chinese risks and signs of weakness in business activity.

In recent months, we have continued to observe mounting problems in China, along with evidence that segments of the world economy seem to be experiencing some pull back. As mentioned before, these comments are based on our bottom-up research work, including conversations with management teams across many geographies and industries. However, from a top-down perspective, it is fair to say that the geo-political environment remains generally challenging, both at home (in the U.S.) and internationally.

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[15] Sector classification scheme reflects GICS (Global Industry Classification Standard).

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Presumably in response to similar economic concerns, key central banks have moved aggressively to further lower the cost of capital. As recently noted in Grant's Interest Rate Observer ("Grant") dated June 28, 2019, an extraordinary 13 trillion dollars of debt worldwide is now priced to yield less than nothing, a…"4,000-year low". Despite the possibility of slower growth, it is hard to see how these actions can be justified at such an advanced stage in the cycle (assuming they are in fact an appropriate and effective response to slowing growth). Aberrations driven by excessive leverage (not to mention low cost and often covenant-free) are already surfacing everywhere, and rather evident to even the less financially-inclined minds. We believe these policies are a disturbing symptom of the dysfunctional markets we are currently facing, or as Grant eloquently put it: "a financial offense against nature".

These new easing measures have further delayed withdrawal experiences, with stock prices bouncing back from their lower year-end 2018 levels, and rallying to new records as a result. This resumes the trend of global equity markets seeming to move ever higher on the back of the same self-fulfilling short-term directional bets, without any consideration for liquidity, valuation, or the specifics of underlying companies.

As we continue to test the assumptions baked into the intrinsic value assessments of all the companies that meet our qualitative criteria, we find more and more evidence that prices have grown disconnected from fundamentals. Valuations are quite unreasonably high in our view, and it is more and more evident to us that any new investment at this stage carries a significant risk of permanent capital destruction.

Many market observers and participants are now highlighting evidence of irrational investor behavior, some of which we mentioned in previous commentaries, such as the high number of IPOs lacking both positive margins and cash generation, with little if any prospects for improvement on these measures given their underlying business fundamentals (the most recent and perhaps striking example being Beyond Meat).

Furthermore, we mentioned several times in previous commentaries that we believe a range of mechanisms are currently at play across capital markets that could both restrict liquidity and amplify a potential correction. We reiterate these concerns as well, and would suggest a healthy dose of skepticism toward the idea that passive strategies are a panacea for positive returns going forward.

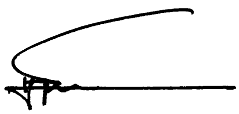
More than ever, this is a time to remain disciplined in executing our framework in order to avoid losses. As we have always done, we will seek to invest only in high-quality companies, with compelling prospects to build significant shareholder value in the long run, as well as balance sheets able to withstand short-term disruption, and management teams capable of steering the company through challenging times. We will only put capital at risk if and when we can buy their stocks at what we believe to be a significant discount to intrinsic value.

We expect that cash could continue to increase as a residual outcome of our process. This could cause the Fund to underperform in the short-term, notwithstanding potential opportunities to invest in cyclical names as they get under pressure. However, we have no desire to chase short-term incremental paper gains and to expose ourselves and our fellow shareholders as a result to permanent impairments.

Perhaps it is only fitting that this quarter saw the 25th anniversary of the death of formula one racing driver Ayrton Senna. At the pinnacle of his career and while competing, Ayrton wrote a book called "Principles of Race Driving" which is as highly priced on Ebay as Klarman's "Margin of Safety". This manual of sort contains a few lessons on managing complexity, risk, and adversity that apply to investing such as the importance of comfort, the need to use the full breadth of the track, or the value of surveying the circuit and testing every part of the car to its tolerance limits before the race. Yet, the most valuable ones are two simple ideas. One is that the surest way to lose the race is to break the car. The other is that in negotiating a corner, the driver should always focus on the exit and taking an angle that will help him re-accelerate before anyone else can. While remembering that none of this ultimately saved Ayrton from being the victim of dramatic mechanic failure, we will try and approach upcoming market hairpins with that same philosophy.

We thank you, as always, for your confidence, and we look forward to continuing to serve your interests as shareholders of the FPA International Value Fund.

Respectfully submitted,



Pierre O. Py
Portfolio Manager
June 30, 2019

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. References to individual securities are for informational purposes only and should not be construed as recommendations to purchase or sell individual securities.

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 INTERNATIONAL VALUE FUND
PORTFOLIO SUMMARY

June 30, 2019 (Unaudited)

Common Stocks		**70.4%**
Application Software	8.6%	
Beverages	4.9%	
Airlines	4.9%	
Professional Services	4.1%	
Information Technology Services	3.1%	
Funeral Services	3.0%	
Specialty Apparel Stores	3.0%	
Investment Companies	3.0%	
Health Care Supplies	2.9%	
Banks	2.8%	
Other Specialty Retail — Discretionary	2.7%	
Advertising & Marketing	2.6%	
Flow Control Equipment	2.6%	
Commercial & Residential Building Equipment & Systems	2.6%	
Non Wood Building Materials	2.6%	
Food Services	2.4%	
Specialty Pharmaceuticals	2.3%	
General Merchandise Stores	1.7%	
Defense Primes	1.6%	
Packaged Food	1.6%	
Educational Services	1.2%	
Household Products	1.0%	
Health Care Supply Chain	0.4%	
Other Common Stocks	4.8%	
Short-term Investments		**29.2%**
Other Assets And Liabilities, Net		**0.4%**
Net Assets		**100.0%**

FPA INTERNATIONAL VALUE FUND
PORTFOLIO OF INVESTMENTS
June 30, 2019
(Unaudited)

COMMON STOCKS	Shares	Fair Value
APPLICATION SOFTWARE — 8.6%		
SAP SE (Germany)	13,924	$ 1,908,867
Sumo Group plc (Britain)(a)	3,423,540	7,163,059
Tencent Holdings Ltd. (China)	160,367	7,254,905
TOTVS SA (Brazil)(a)	476,990	5,461,855
		$ 21,788,686
BEVERAGES — 4.9%		
Ambev SA (Brazil)(a)	1,449,594	$ 6,753,535
Fomento Economico Mexicano SAB de CV (Mexico)	570,621	5,520,772
		$ 12,274,307
AIRLINES — 4.9%		
Ryanair Holdings plc (Ireland)(a)	1,066,101	$ 12,262,047
PROFESSIONAL SERVICES — 4.1%		
Pagegroup plc (Britain)	1,057,768	$ 6,885,062
Randstad NV (Netherlands)	62,228	3,415,246
		$ 10,300,308
INFORMATION TECHNOLOGY SERVICES — 3.1%		
Capgemini SE (France)	62,556	$ 7,777,780
FUNERAL SERVICES — 3.0%		
Dignity plc (Britain)	933,344	$ 7,674,815
SPECIALTY APPAREL STORES — 3.0%		
Industria de Diseno Textil SA (Spain)	254,731	$ 7,664,162
INVESTMENT COMPANIES — 3.0%		
Melrose Industries plc (Britain)	3,332,528	$ 7,660,676
HEALTH CARE SUPPLIES — 2.9%		
EssilorLuxottica SA (France)	55,510	$ 7,234,168
BANKS — 2.8%		
AIB Group plc (Ireland)	1,719,904	$ 7,032,708
OTHER SPECIALTY RETAIL — DISCRETIONARY — 2.7%		
GrandVision NV (Netherlands)	291,265	$ 6,766,359
ADVERTISING & MARKETING — 2.6%		
Stroeer SE & Co. KGaA (Germany)	89,045	$ 6,689,599

FPA INTERNATIONAL VALUE FUND
PORTFOLIO OF INVESTMENTS (Continued)
June 30, 2019
(Unaudited)

COMMON STOCKS — Continued	Shares	Fair Value
FLOW CONTROL EQUIPMENT — 2.6%		
Sulzer AG (Switzerland)	59,857	$ 6,552,181
COMMERCIAL & RESIDENTIAL BUILDING EQUIPMENT & SYSTEMS — 2.6%		
Volution Group plc (Britain)	2,848,974	$ 6,512,495
NON WOOD BUILDING MATERIALS — 2.6%		
Cie de Saint-Gobain (France)	165,230	$ 6,452,191
FOOD SERVICES — 2.4%		
Sodexo SA (France)	52,227	$ 6,105,017
SPECIALTY PHARMACEUTICALS — 2.3%		
Hypera SA (Brazil)(a)	747,505	$ 5,838,012
GENERAL MERCHANDISE STORES — 1.7%		
Magazine Luiza SA (Brazil)	76,203	$ 4,189,632
DEFENSE PRIMES — 1.6%		
Avon Rubber plc (Britain)	236,534	$ 4,097,268
PACKAGED FOOD — 1.6%		
Nestle SA (Switzerland)	38,350	$ 3,970,077
EDUCATIONAL SERVICES — 1.2%		
G8 Education Ltd. (Australia)	1,395,242	$ 2,974,762
HOUSEHOLD PRODUCTS — 1.0%		
L'Oreal SA (France)	8,851	$ 2,516,587
HEALTH CARE SUPPLY CHAIN — 0.4%		
Profarma Distribuidora de Produtos Farmaceuticos SA (Brazil)(a)	913,714	$ 916,105
OTHER COMMON STOCKS — 4.8%(a)(b)		$ 12,230,858
TOTAL COMMON STOCKS — 70.4% (Cost $176,695,633)		$177,480,800
TOTAL INVESTMENT SECURITIES — 70.4% (Cost $176,695,633)		$177,480,800

FPA INTERNATIONAL VALUE FUND
PORTFOLIO OF INVESTMENTS (Continued)

June 30, 2019
(Unaudited)

SHORT-TERM INVESTMENTS — 29.2%	Principal Amount	Fair Value
State Street Bank Repurchase Agreement — 0.50% 7/1/2019 (Dated 06/28/2019, repurchase price of $73,756,073, collateralized by $73,435,000 principal amount U.S. Treasury Notes — 2.375% 2022, fair value $75,230,926)(c)	$73,753,000	$ 73,753,000
TOTAL SHORT-TERM INVESTMENTS (Cost $73,753,000)		$ 73,753,000
TOTAL INVESTMENTS — 99.6% (Cost $250,448,633)		$251,233,800
Other assets and liabilities, net — 0.4%		939,046
NET ASSETS — 100.0%		$252,172,846

(a) Non-income producing security.

(b) As permitted by U.S. Securities and Exchange Commission regulations, "Other" Common Stocks include holdings in their first year of acquisition that have not previously been publicly disclosed.

(c) Security pledged as collateral (See Note 8 of the Notes to Financial Statements).

Foreign Currency Exchange Contracts

Counterparty	Currency Purchased	Currency Sold	Settlement Date	Valuation at June 30, 2019	Unrealized Appreciation	Unrealized Depreciation
Barclays Bank PLC	USD11,047,284	BRL45,770,000	8/23/2019	$11,862,790	—	$ (815,507)
Barclays Bank PLC	USD 1,913,350	EUR 1,690,000	8/8/2019	1,927,501	—	(14,150)
Barclays Bank PLC	USD31,924,708	EUR28,287,000	9/19/2019	32,364,235	—	(439,527)
Total				$46,154,526	—	$(1,269,184)

FPA INTERNATIONAL VALUE FUND
STATEMENT OF ASSETS AND LIABILITIES

June 30, 2019
(Unaudited)

ASSETS	
Investment securities — at fair value (identified cost $176,695,633)	$177,480,800
Short-term investments — repurchase agreements	73,753,000
Due from broker — OTC derivatives collateral	1,040,000
Cash	677
Foreign currencies at value (identified cost $168,968)	168,942
Receivable for:	
Investment securities sold	932,132
Dividends and interest	659,313
Capital Stock sold	134,533
Prepaid expenses and other assets	1,129
Total assets	254,170,526
LIABILITIES	
Payable for:	
Investment securities purchased	325,096
Advisory fees	186,257
Capital Stock repurchased	712
Accrued expenses and other liabilities	216,269
Unrealized depreciation on forward foreign currency contracts	1,269,184
Unrealized depreciation on foreign currency contracts	162
Total liabilities	1,997,680
NET ASSETS	$252,172,846
SUMMARY OF SHAREHOLDERS' EQUITY	
Capital Stock — no par value; unlimited authorized shares; 16,489,971 outstanding shares	$256,245,634
Distributable earnings	(4,072,788)
NET ASSETS	$252,172,846
NET ASSET VALUE	
Offering and redemption price per share	$15.29

FPA INTERNATIONAL VALUE FUND
STATEMENT OF OPERATIONS

For the Six Months Ended June 30, 2019
(Unaudited)

INVESTMENT INCOME	
Dividends (net of foreign taxes withheld of $625,812)	$ 2,219,105
Interest	147,474
Total investment income	2,366,579
EXPENSES	
Advisory fees	1,188,907
Transfer agent fees and expenses	90,350
Trustee fees and expenses	71,982
Custodian fees	65,378
Legal fees	60,819
Reports to shareholders	42,515
Filing fees	32,135
Audit and tax services fees	26,014
Administrative services fees	6,010
Other professional fees	5,442
Other	41,152
Total expenses	1,630,704
Reimbursement from Adviser	(97,014)
Net expenses	1,533,690
Net investment income	832,889
NET REALIZED AND UNREALIZED GAIN (LOSS)	
Net realized gain (loss) on:	
Investments	6,334,356
Investments in affiliates	(5,166,746)
Investments in forward foreign currency contracts	2,070,577
Investments in foreign currency transactions	(32,447)
Net change in unrealized appreciation (depreciation) of:	
Investments	20,549,872
Investments in affiliates	5,428,560
Investments in forward foreign currency contracts	(1,469,518)
Translation of foreign currency denominated amounts	11,680
Net realized and unrealized gain	27,726,334
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	$28,559,223

FPA INTERNATIONAL VALUE FUND
STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2019 (Unaudited)	Year Ended December 31, 2018
INCREASE (DECREASE) IN NET ASSETS		
Operations:		
Net investment income	$ 832,889	$ 952,822
Net realized gain	3,205,740	19,460,361
Net change in unrealized appreciation (depreciation)	24,520,594	(47,365,711)
Net increase (decrease) in net assets resulting from operations	28,559,223	(26,952,528)
Distributions to shareholders	—	(3,871,469)
Capital Stock transactions:		
Proceeds from Capital Stock sold	23,067,557	40,118,057
Proceeds from shares issued to shareholders upon reinvestment of dividends and distributions	—	3,612,388
Cost of Capital Stock repurchased	(18,801,075)	(48,445,802)
Net increase (decrease) from Capital Stock transactions	4,266,482	(4,715,357)
Total change in net assets	32,825,705	(35,539,354)
NET ASSETS		
Beginning of period	219,347,141	254,886,495
End of period	$252,172,846	$219,347,141
CHANGE IN CAPITAL STOCK OUTSTANDING		
Shares of Capital Stock sold	1,561,849	2,670,234
Shares issued to shareholders upon reinvestment of dividends and distributions	—	267,386
Shares of Capital Stock repurchased	(1,275,905)	(3,229,344)
Change in Capital Stock outstanding	285,944	(291,724)

FPA INTERNATIONAL VALUE FUND
FINANCIAL HIGHLIGHTS

Selected Data for Each Share of Capital Stock Outstanding Throughout Each Period

	Six Months Ended June 30, 2019 (Unaudited)	Year Ended December 31, 2018	2017	2016	2015	2014
Per share operating performance:						
Net asset value at beginning of period	$13.54	$15.45	$12.21	$11.52	$12.87	$14.45
Income from investment operations:						
Net investment income (loss)*	0.05	0.06	(0.01)	0.22	0.07	0.14
Net realized and unrealized gain (loss) on investment securities	1.70	(1.73)	3.32	0.82	(0.86)	(1.45)
Total from investment operations	1.75	(1.67)	3.31	1.04	(0.79)	(1.31)
Less distributions:						
Dividends from net investment income	—	(0.14)	(0.07)	(0.35)	(0.56)	(0.16)
Distributions from net realized capital gains	—	(0.10)	—	—	—	(0.11)
Total distributions	—	(0.24)	(0.07)	(0.35)	(0.56)	(0.27)
Redemption fees	—	—	—**	—**	—**	—**
Net asset value at end of period	$15.29	$13.54	$15.45	$12.21	$11.52	$12.87
Total investment return***	12.92%	(10.81)%	27.12%	9.05%	(6.34)%	(9.19)%
Ratios/supplemental data:						
Net assets, end of period (in $000's)	$252,173	$219,347	$254,886	$262,274	$287,116	$468,001
Ratio of expenses of average net assets:						
Before reimbursement from Adviser	1.37%†	1.35%	1.31%	1.28%	1.25%	1.22%
After reimbursement from Adviser	1.29%†	1.29%	1.29%	1.28%	1.25%	1.22%
Ratio of net investment income to average net assets:						
Before reimbursement from Adviser	0.62%†	0.33%	(0.11)%	1.86%	0.50%	1.28%
After reimbursement from Adviser	0.70%†	0.39%	(0.09)%	1.86%	0.50%	1.28%
Portfolio turnover rate	76%†	120%	146%	93%	39%	84%

* Per share amount is based on average shares outstanding.

** Rounds to less than $0.01 per share.

*** Return is based on net asset value per share, adjusted for reinvestment of distributions, and does not reflect deduction of the sales charge.

† Annualized.

FPA INTERNATIONAL VALUE FUND
NOTES TO FINANCIAL STATEMENTS

June 30, 2019
(Unaudited)

NOTE 1 — Significant Accounting Policies

FPA International Value Fund (the "Fund"), a series of the FPA Funds Trust, is registered under the Investment Company Act of 1940, as a non-diversified, open-end management investment company. The Fund's primary investment objective is to seek above average capital appreciation over the long term while attempting to minimize the risk of capital loss. 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.

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: 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. Since the Fund invests in foreign securities, it will be subject to risks not typically associated with domestic securities. 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. The financial problems in global economies over the past several years, including the European sovereign debt crisis, may continue to cause high volatility in global financial markets.

Risks Associated with Non-Diversification: The Fund is non-diversified, which generally means that it may invest a greater percentage of its total assets in the securities of fewer issuers than a "diversified" fund. This increases the risk that a change in the value of any one investment held by the Fund could affect the overall value of the Fund more than it would affect that of a diversified fund holding a greater number of investments. Accordingly, the Fund's value will likely be more volatile than the value of a more diversified fund.

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.

NOTE 3 — Purchases and Sales of Investment Securities

Cost of purchases of investment securities (excluding short-term investments) aggregated $67,745,006 for the period ended June 30, 2019. The proceeds and cost of securities sold resulting in net realized gains of $3,205,740 aggregated $88,100,503 and $84,894,763, respectively, for the period ended June 30, 2019. 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, 2019, was $183,893,404 for federal income tax purposes. Gross unrealized appreciation and depreciation for all investments (excluding short-term investments) at June 30, 2019, for federal income tax purposes was $5,521,986 and $11,934,590, respectively resulting in net unrealized depreciation of $6,412,604. As of and during the period ended June 30, 2019, 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 reimburse expenses in excess of 1.29% of the average net assets of the Fund (excluding brokerage fees and commissions, interest, taxes, shareholder service fees, fees and expenses of other funds in which the Fund invests, and extraordinary expenses) through April 30, 2020.

For the period ended June 30, 2019, the Fund paid aggregate fees and expenses of $71,982 to all Trustees who are not affiliated persons of the Adviser. Certain officers of the Fund are also officers of the Adviser.

NOTE 6 — 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. 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 occurring after the close of trading in the security; and changes in overall market conditions. 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, 2019:

Investments	Level 1	Level 2	Level 3	Total
Common Stocks				
Application Software	$ 5,461,855	$ 16,326,831	—	$ 21,788,686
Beverages	12,274,307	—	—	12,274,307
Airlines	12,262,047	—	—	12,262,047
Professional Services	—	10,300,308	—	10,300,308
Information Technology Services	—	7,777,780	—	7,777,780
Funeral Services	7,674,815	—	—	7,674,815
Specialty Apparel Stores	—	7,664,162	—	7,664,162
Investment Companies	—	7,660,676	—	7,660,676
Health Care Supplies	—	7,234,168	—	7,234,168
Banks	7,032,708	—	—	7,032,708
Other Specialty Retail — Discretionary	—	6,766,359	—	6,766,359
Advertising & Marketing	—	6,689,599	—	6,689,599
Flow Control Equipment	—	6,552,181	—	6,552,181
Commercial & Residential Building Equipment & Systems	6,512,495	—	—	6,512,495
Non Wood Building Materials	—	6,452,191	—	6,452,191
Food Services	6,105,017	—	—	6,105,017
Specialty Pharmaceuticals	5,838,012	—	—	5,838,012
General Merchandise Stores	4,189,632	—	—	4,189,632
Defense Primes	4,097,268	—	—	4,097,268
Packaged Food	—	3,970,077	—	3,970,077
Educational Services	—	2,974,762	—	2,974,762
Household Products	—	2,516,587	—	2,516,587
Health Care Supply Chain	916,105	—	—	916,105
Other Common Stocks	—	12,230,858	—	12,230,858

Investments	Level 1	Level 2	Level 3	Total
Short-Term Investment	—	$ 73,753,000	—	$ 73,753,000
	$72,364,261	$178,869,539	—	$251,233,800
Forward Foreign Currency Contracts (currency risk)				
Receivable	—	$ (1,269,184)	—	$ (1,269,184)

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 $56,233,727 from Level 2 to Level 1 during the period ended June 30, 2019. The transfers between Level 2 and Level 1 of the fair value hierarchy during the period ended June 30, 2019, were due to changes in valuation of international equity securities from the exchange closing price to the fair value price.

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." During the period ended June 30, 2019 the fund had average volume of forward foreign currency contracts (based on the open positions at each month end) for purchases and sales of $0 and $50,990,218, respectively.

During the period ended June 30, 2019, the Fund had entered into the following derivatives:

	Asset Derivatives		Liability Derivatives	
Derivative Type	Statement of Assets and Liabilities Location	Fair Value	Statement of Assets and Liabilities Location	Fair Value
Foreign currency contracts			Unrealized depreciation on forward foreign currency contracts	$(1,269,184)
Total				$(1,269,184)

Derivative Type	Location of Gain or (Loss) on Derivatives Within Statement of Operations	Realized Gain or (Loss) on Derivatives	Change in Unrealized Appreciation or (Depreciation)
Foreign currency contracts	Investments in Forward Foreign Currency Contracts	$2,070,577	$(1,469,518)
Total		$2,070,577	$(1,469,518)

NOTE 7 — Line of Credit

The Fund, along with FPA Paramount Fund, Inc. (another mutual fund managed by the Adviser) has collectively entered into an agreement that enables them to participate in a $50 million unsecured line of credit with State Street Bank and Trust. Borrowings will be made solely to temporarily finance the repurchase of Capital Stock. Interest is charged to each Fund based on its borrowings at a rate per annum equal to the Overnight LIBOR Rate plus 1.25%. In addition, the Fund and FPA Paramount Fund, Inc. pay a combined commitment fee of 0.25% per annum on any unused portion of the line of credit.

For the period ended June 30, 2019, the Fund had no borrowings under the agreement.

NOTE 8 — 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. In addition, the Fund discloses collateral received and posted in connection with master netting agreements or similar arrangements. The following table presents the Fund's OTC derivative assets, liabilities and master repurchase agreements by counterparty net of amounts available for offset under an ISDA Master agreement or similar agreements and net of the related collateral received or pledged by the Fund as of June 30, 2019:

		Gross Amounts Not Offset in the Statement of Assets and Liabilities		
Counterparty	Gross Assets (Liabilities) in the Statement of Assets and Liabilities	Security Collateral Received (Pledged)	Assets (Liabilities) Available for Offset	Net Amount of Assets and (Liabilities)*
State Street Bank and Trust Company:				
Repurchase Agreement	$73,753,000	$(73,753,000)**	—	—
Barclays Capital:				
Forward foreign currency contracts Payable	$ (1,269,184)	—	$1,269,184	—

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

** Collateral with a value of $75,230,926 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.

FPA INTERNATIONAL VALUE FUND
SHAREHOLDER EXPENSE EXAMPLE

June 30, 2019 (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 30, 2018	$1,000.00	$1,000.00
Ending Account Value June 30, 2019	$1,129.20	$1,018.40
Expenses Paid During Period*	$ 6.81	$ 6.46

* Expenses are equal to the Fund's annualized expense ratio of 1.29%, multiplied by the average account value over the period and prorated for the six-months ended June 30, 2019 (181/365 days).

FPA INTERNATIONAL VALUE 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.

Name, Address[1] and Year of Birth	Position(s) Held with the Trust	Year First Elected as Trustee of the Trust	Principal Occupation(s) During the Past Five Years	Number of FPA Funds Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
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 (since July 2019), Professor and Faculty Director (since July 2018), Interim Dean (July 2018-June 2019), 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, and Wedbush, Inc.

FPA INTERNATIONAL VALUE FUND
TRUSTEE AND OFFICER INFORMATION (Continued)
(Unaudited)

Name, Address[1] and Year of Birth	Position(s) Held with the Trust	Year First Elected as Trustee of the Trust	Principal Occupation(s) During the Past Five Years	Number of FPA Funds Overseen by Trustee	Other Directorships Held by Trustee During the Past Five Years
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 INTERNATIONAL VALUE FUND
TRUSTEE AND OFFICER INFORMATION (Continued)
(Unaudited)

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

Name, Address[1] and Year of Birth	Position with Fund	Year First Elected as Officer of the Fund	Principal Occupation(s) During the Past Five Years
Pierre O. Py, 1976	Vice President and Portfolio Manager	2011	Managing Director of FPA (since 2013). Co-Portfolio Manager of FPA Paramount Fund, Inc. (since 2013). Vice President of FPA (from September 2011 to December 2012). Co-President from 2013 to February 2015 and Vice President from November 2011 to August 2013 of FPA Paramount Fund, Inc.; and President from November 2013 to February 2015 and Vice President from November 2011 to November 2013 of the Fund.
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 INTERNATIONAL VALUE FUND

(Unaudited)

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Ernst & Young LLP
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Los Angeles, California 90017

This report has been prepared for the information of shareholders of FPA INTERNATIONAL VALUE FUND, and is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus. The financial information included in this report has been taken from the records of the Fund without examination by 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, 2019 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-Q with the SEC, is available on the SEC's website at www.sec.gov. To obtain Form N-Q from the Fund, shareholders can call (800) 982-4372.

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.