

Highlights

Primary investment objective is to seek to provide long-term total return, which includes income and capital appreciation, while considering capital preservation.

Short-term: seeks positive absolute returns in a 12-month period.

Long-term: seeks positive real returns (outperform inflation plus 100 basis points) over five-year period and competitive returns versus bond market universe.

- **Bottom-up, benchmark indifferent.**
- **Invest a minimum of 75% of net assets in securities rated A- and above (high quality segment).**
- **Opportunistic allocation (up to 25% of net assets) to credit sensitive securities rated BBB+ and below (credit sensitive segment).**
- **Cash allocation is a residual of investment opportunities.**

Portfolio Manager

Abhijeet Patwardhan
Portfolio Manager
Joined FPA in 2010

Fund Facts

| | |
|----------------------------------|------------------------|
| Ticker Symbol | FPNIX |
| Share Class | No load, no 12b-1 fees |
| NAV | \$9.76 |
| Initial Minimum Investment | \$1,500 |
| Fund Assets | \$8.2 Billion |
| Fund Inception ¹ | July 11, 1984 |
| Total Expense Ratio ^A | 0.58% |
| Net Expense Ratio ^A | 0.45% |
| Dividend Frequency | Monthly |

¹ Reflects the date when the Fund was first available for purchase under FPA management.

Characteristics and Risk Profile

| | Fund | Bloomberg US Agg Bond |
|-----------------------------------------------|-----------|-----------------------|
| Yield-to-Worst (YTW) ³ | 5.57% | 4.53% |
| Effective Duration [*] | 2.7 years | 6.2 years |
| Spread Duration [*] | 2.8 years | 6.2 years |
| Standard Deviation (volatility) ^{**} | 1.7% | 4.8% |
| Sharpe Ratio ^{**} | 0.4 | 0.1 |
| Maximum Drawdown ^{**} | -4.2% | -17.2% |

^{*} As of 12/31/23; Calculations for the Fund exclude equity holdings.

^{**} As of 1/1/14-12/31/23; Source: Morningstar Direct.

Please refer to the end of this Fact Sheet for a Glossary of Terms.

Performance

Historical (%)²

| Fund/Index | 30 Years | 20 Years | 15 Years | 10 Years | 5 Years | 3 Years | 1 Year | YTD | QTD |
|-------------------------|----------|----------|----------|----------|---------|---------|--------|------|------|
| FPA New Income | 4.07 | 2.53 | 2.09 | 2.02 | 2.25 | 1.65 | 7.51 | 7.51 | 3.79 |
| Bloomberg US Agg Bond | 4.41 | 3.17 | 2.68 | 1.81 | 1.10 | -3.31 | 5.53 | 5.53 | 6.82 |
| CPI + 100 | 3.55 | 3.61 | 3.59 | 3.81 | 5.13 | 6.69 | 4.33 | 4.33 | 0.70 |
| Bloomberg US Agg 1-3 Yr | 3.37 | 2.13 | 1.59 | 1.26 | 1.46 | 0.08 | 4.65 | 4.65 | 2.71 |

Annual (%)

| Fund/Index | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|-------------------------|------|--------|-------|------|------|------|-------|-------|-------|-------|-------|------|------|-------|-------|
| FPA New Income | 7.51 | -3.10 | 0.82 | 2.51 | 3.81 | 2.30 | 2.67 | 2.53 | 0.15 | 1.32 | 0.67 | 2.18 | 2.23 | 3.18 | 2.89 |
| Bloomberg US Agg Bond | 5.53 | -13.01 | -1.54 | 7.51 | 8.72 | 0.01 | 3.54 | 2.65 | 0.55 | 5.97 | -2.02 | 4.21 | 7.84 | 6.54 | 5.93 |
| CPI + 100 | 4.33 | 7.51 | 8.27 | 2.34 | 3.34 | 3.03 | 3.15 | 3.07 | 1.65 | 1.66 | 2.53 | 2.78 | 4.09 | 2.46 | 3.84 |
| Bloomberg US Agg 1-3 Yr | 4.65 | -3.72 | -0.49 | 3.08 | 4.04 | 1.60 | 0.86 | 1.31 | 0.66 | 0.82 | 0.64 | 1.33 | 1.73 | 2.62 | 5.00 |
| Fund/Index | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 | 1994 |
| FPA New Income | 4.31 | 6.02 | 4.79 | 1.57 | 2.60 | 8.32 | 4.52 | 12.33 | 9.32 | 3.39 | 3.86 | 8.31 | 7.12 | 14.36 | 1.46 |
| Bloomberg US Agg Bond | 5.24 | 6.97 | 4.33 | 2.43 | 4.34 | 4.10 | 10.26 | 8.44 | 11.63 | -0.82 | 8.69 | 9.65 | 3.63 | 18.47 | -2.92 |
| CPI + 100 | 0.98 | 5.15 | 3.55 | 4.37 | 4.38 | 3.06 | 3.51 | 2.62 | 4.47 | 3.71 | 2.63 | 2.72 | 4.41 | 3.56 | 3.63 |
| Bloomberg US Agg 1-3 Yr | 4.62 | 6.73 | 4.34 | 1.82 | 1.44 | 2.42 | 6.29 | 8.77 | 8.15 | 3.32 | 6.83 | 6.68 | 5.19 | 11.00 | 0.62 |

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. Current month-end performance data, which may be lower or higher than the performance data quoted, may be obtained by calling toll-free, 1-800-982-4372.

Not authorized for distribution unless preceded or accompanied by a current prospectus. 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, charges, risks, and other matters of interest to a prospective investor. Please read the Prospectus carefully before investing.

² Fund performance is net of all fees and expenses and includes the reinvestment of distributions. Periods over one year are annualized. 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.

³ As of 12/31/2023; Yield-to-Worst (YTW) is presented gross of fees and reflects the lowest potential yield that can be received on a debt investment without the issuer defaulting. YTW considers the impact of expected prepayments, calls and/or sinking funds, among other things. Average YTW is based on the weighted average YTW of the investments held in the Fund's portfolio. YTW may not represent the yield an investor should expect to receive.

^A The Total Annual Fund Operating Expenses before reimbursement is 0.58% (as of the most recent prospectus). First Pacific Advisors, LP (The "Adviser" or "FPA"), the Fund's investment adviser, has contractually agreed to reimburse the Fund for Total Annual Fund Operating Expenses in excess of 0.45% of the average net assets of the Fund (excluding interest, taxes, brokerage fees and commissions payable by the Fund in connection with the purchase or sale of portfolio securities, and extraordinary expenses, including litigation expenses not incurred in the Fund's ordinary course of business) through July 27, 2024. This agreement may only be terminated earlier by the Fund's Board of Directors (the "Board") or upon termination of the Advisory Agreement.

The Net Asset Value (NAV) is the market value of one share of the Fund. The NAV is calculated by subtracting the Fund's liabilities from the value of the Fund's total assets and dividing by the number of the Fund's outstanding shares.

Please see the end of this Factsheet for Index definitions and a Glossary of Terms.

Portfolio Information

| | Fund | Index ⁴ |
|--------------------------------------------|-----------|--------------------|
| Effective Maturity* | 3.5 years | 8.5 years |
| Average Weighted Price (\$) ⁵ | 96.6 | 91.7 |
| Subsidized 30-Day SEC Yield ⁶ | 4.77% | NA |
| Unsubsidized 30-Day SEC Yield ⁶ | 4.63% | NA |
| Turnover ⁷ | 50% | NA |
| Number of Issues | 311 | 13,380 |

Effective Maturity

| | Fund* | Index ⁴ |
|-------------|-------|--------------------|
| < 1 year | 8.7% | 0.0% |
| 1-3 years | 35.5% | 22.5% |
| 3-5 years | 36.7% | 19.3% |
| 5-7 years | 15.8% | 14.0% |
| 7-10 years | 3.0% | 25.7% |
| 10-20 years | 0.1% | 7.5% |
| > 20 years | 0.2% | 11.0% |

Quality⁸

| | Fund | Index ⁴ |
|--------------|-------|--------------------|
| AAA | 59.9% | 3.6% |
| AA | 23.2% | 72.2% |
| A | 7.0% | 11.7% |
| BBB | 3.7% | 12.5% |
| BB and Below | 1.0% | 0.0% |
| Not Rated | 5.2% | 0.0% |

Morningstar Medalist Rating™

Morningstar Category: Short-Term Bond



Morningstar Pillars

Morningstar Pillars

| | |
|---------|----------------------------------------------------|
| Process | ● Above Average |
| People | ● Above Average |
| Parent | ● Above Average |

Analyst-Driven 100%; Data Coverage 100%

Morningstar Medalist Rating™ as of 7/11/2023; Process and People Pillars, as of 7/11/2023. Parent Pillar as of 3/6/2023. There were 584 funds in the category as of 12/31/2023. Please see Morningstar Medalist Rating™ disclosures on page 3.

Fund Risks

Investments, including investments in mutual funds, carry risks and investors may lose principal value. Capital markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. The Fund may purchase foreign securities, which are subject to interest rate, currency exchange rate, economic and political risks. The securities of smaller, less well-known companies can be more volatile than those of larger companies.

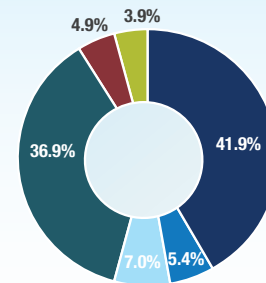
The return of principal in a bond fund is not guaranteed. Bond funds have the same issuer, interest rate, inflation and credit risks that are associated with underlying bonds owned by the fund. Lower rated bonds, convertible securities and other types of debt obligations involve greater risks than higher 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 principle 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 its value.

Mortgage securities, collateralized mortgage obligations (CMO), collateralized debt obligations (CDO), which include collateralized loan (CLO) and collateralized bond obligations (CBO), and similarly structured securities are subject to interest rate, prepayment, and default risks on the underlying mortgages, loans, bonds or other assets; such derivatives may increase volatility. Convertible securities are generally not investment grade and are subject to greater credit risk than higher-rated investments. High yield securities can be volatile and are subject to much higher instances of default.

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.

Sector Breakdown



| Portfolio Structure | Percentage | YTW ⁸ | Effective Duration (Years)* |
|----------------------------------------|--------------|------------------|-----------------------------|
| Asset Backed Securities | 41.9% | 5.6% | 2.6 |
| Collateralized Loan Obligations | 5.4% | 7.6% | 0.3 |
| Corporate | 7.0% | 6.3% | 2.7 |
| Mortgage Backed Total | 36.9% | 5.6% | 3.3 |
| Agency CMBS | 12.3% | 4.4% | 3.9 |
| Non-Agency CMBS | 7.7% | 7.4% | 0.9 |
| Agency RMBS | 12.2% | 4.5% | 4.5 |
| Non-Agency RMBS | 4.3% | 7.9% | 2.1 |
| Stripped Mortgage-Backed | 0.4% | 12.8% | 4.8 |
| U.S. Treasuries | 4.9% | 3.9% | 4.8 |
| Cash & Equivalents | 3.9% | 3.6% | 0.0 |

*Calculations for the Fund exclude equity holdings.

⁴ Bloomberg US Aggregate Bond Index.

⁵ Excluding Interest Only/Principal Only.

⁶ The SEC Yield calculation is an annualized measure of the Fund's dividend and interest payments for the last 30 days, less Fund expenses. Subsidized yield reflects fee waivers and/or expense reimbursements during the period. Without waivers and/or reimbursements, yields would be reduced. Unsubsidized yield does not adjust for any fee waivers and/or expense reimbursements in effect. The SEC Yield calculation is based on the price of the Fund at the beginning of the month.

⁷ As of most recent Annual/Semi-Annual report.

⁸ The Bloomberg Family of Indices ratings rules use the median if more than two ratings are available. Lower of the two is used if only two ratings are available.

Important Information

In relation to the Morningstar Medalist Rating™, the Analyst-Driven % data point displays the weighted percentage of a vehicle's pillar ratings assigned directly or indirectly by analysts. The Data Coverage % data point is a summary metric describing the level of data completeness used to generate the overall rating.

The **Morningstar Medalist Rating™** is the summary expression of Morningstar's forward-looking analysis of investment strategies as offered via specific vehicles using a rating scale of Gold, Silver, Bronze, Neutral, and Negative. The Medalist Ratings indicate which investments Morningstar believes are likely to outperform a relevant index or peer group average on a risk-adjusted basis over time. Investment products are evaluated on three key pillars (People, Parent, and Process) which, when coupled with a fee assessment, forms the basis for Morningstar's conviction in those products' investment merits and determines the Medalist Rating they're assigned. Pillar ratings take the form of Low, Below Average, Average, Above Average, and High. Pillars may be evaluated via an analyst's qualitative assessment (either directly to a vehicle the analyst covers or indirectly when the pillar ratings of a covered vehicle are mapped to a related uncovered vehicle) or using algorithmic techniques. Vehicles are sorted by their expected performance into rating groups defined by their Morningstar Category and their active or passive status. When analysts directly cover a vehicle, they assign the three pillar ratings based on their qualitative assessment, subject to the oversight of the Analyst Rating Committee, and monitor and reevaluate them at least every 14 months. When the vehicles are covered either indirectly by analysts or by algorithm, the ratings are assigned monthly. For more detailed information about these ratings, including their methodology, please go to global.morningstar.com/managerdisclosures/.

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Past performance is no guarantee of future results.

Index Definitions

The **Bloomberg U.S. Aggregate Bond Index** is an unmanaged index that is generally considered to be representative of U.S. bond market activity. The CPI + 100 Basis Points is created by adding 1% to the annual percentage change in the Consumer Price Index ("CPI"). The CPI is an unmanaged index representing the rate of inflation of U.S. consumer prices as determined by the U.S. Department of Labor Statistics. The CPI reflects non-seasonally adjusted returns. There can be no guarantee that the CPI will reflect the exact level of inflation at any given time. **Bloomberg Aggregate 1-3 Year Index** is a component of the Bloomberg U.S. Aggregate Bond Index consisting of securities with a remaining maturity of 1 to 3 years. In addition, the securities must be denominated in US dollars and must be fixed rate, nonconvertible, and taxable. An investor cannot invest directly in an index. Comparison to the indices are for illustrative purposes only. Index returns do not reflect transactions costs, investment management fees or other commissions, fees and expenses that would reduce performance for an investor. The Fund does not include outperformance of any index or benchmark in its investment objectives.

Glossary of Terms

Effective Duration is the duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change.

Maximum Drawdown is the peak-to-trough decline of an investment during a specific record period.

Sharpe Ratio is a risk adjusted measure calculated by taking the average return earned in excess of the risk free rate and dividing by the standard deviation of the fund's excess returns.

Spread Duration is the sensitivity of the price of a security to changes in its credit spread. The credit spread is the difference between the yield of a security and the yield of a benchmark rate, such as a cash interest rate or government bond yield.

Standard Deviation measures a fund's total range of total returns and identifies the spread of a fund's short-term fluctuations.

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