

Overview

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 (outperforms 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 Management

Abhijeet Patwardhan
Joined FPA in 2010

Fund Facts

Ticker Symbol	FPNIX (Institutional); FPNRX (Investor)
Share Class	No load, no 12b-1 fees
NAV ¹	\$9.77
Initial Minimum Investment	\$1,500
Fund Assets	\$8.7 Billion
Fund Inception ²	July 11, 1984
Total Expense Ratio ³ (Institutional/Investor)	0.59%/0.79%
Net Expense Ratio ³ (Institutional/Investor)	0.45%/0.55%
Distribution Frequency	Monthly

Characteristics

	Fund	Bloomberg U.S. Agg Bond
Yield-to-Worst (YTW) ⁴	4.86%	4.91%
Effective Duration ⁵	3.4 years	6.1 years
Spread Duration ⁵	2.8 years	5.9 years

10-Year Risk Profile⁶

	Fund	Bloomberg U.S. Agg Bond
Standard Deviation (volatility)	1.9%	5.0%
Sharpe Ratio	0.3	-0.1
Maximum Drawdown	-4.2%	-17.2%

Performance

Historical (%)⁷

Fund/Index	40 Yr	30 Yr	20 Yr	15 Yr	10 Yr	5 Yr	3 Yr	1 Yr	YTD	QTD
FPA New Income (FPNIX)	5.84	4.18	2.62	2.20	2.34	2.40	2.90	4.59	4.59	-1.08
Bloomberg U.S. Agg Bond	5.88	4.56	3.01	2.37	1.35	-0.33	-2.41	1.25	1.25	-3.06
CPI + 100	3.82	3.56	3.59	3.59	4.04	5.24	5.24	3.93	3.93	1.20
Bloomberg U.S. Agg 1-3 Yr	N/A	N/A	2.28	1.55	1.61	1.53	1.70	4.39	4.39	-0.02

Annual (%)⁷

Fund/Index	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
FPA New Income (FPNIX)	4.59	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 U.S. Agg Bond	1.25	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	3.93	4.33	7.51	8.27	2.32	3.29	2.94	3.13	3.07	1.65	1.66	2.53	2.78	4.09	2.46	3.84
Bloomberg U.S. Agg 1-3 Yr	4.39	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 (FPNIX)	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 U.S. 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 U.S. Agg 1-3 Yr	4.62	6.73	4.34	1.82	1.44	2.42	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

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.

¹ 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. ² Reflects the date when the Fund was first available for purchase under FPA management. ³ The total annual Fund Operating Expenses before reimbursement is 0.59% (Institutional Class) and 0.79% (Investor Class) (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, and in excess of 0.454% of the average net assets of the Fund from July 28, 2024 through April 30, 2025. This agreement may only be terminated earlier by the Fund's Board of Directors (the "Board") or upon termination of the Advisory Agreement. In addition, the Adviser has voluntarily agreed to waive the advisory fee it receives from the Fund by 0.05% from April 30, 2024 through July 27, 2024, and by 0.046% from July 28, 2024 through April 30, 2025 of the Fund's average daily net assets. FPA will not seek recoupment of the advisory fees voluntarily waived. ⁴ As of 12/31/2024; 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. ⁵ As of 12/31/24; Calculations for the Fund exclude equity holdings. ⁶ As of 1/1/15 - 12/31/24; Source: Morningstar Direct. ⁷ 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.

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

Portfolio Information

	Fund	Index ⁸
Effective Maturity ⁹	4.0 years	8.4 years
Average Weighted Price (\$) ¹⁰	95.3	90.4
Subsidized 30-Day SEC Yield ¹¹	4.27%	NA
Unsubsidized 30-Day SEC Yield ¹¹	4.16%	NA
Turnover ¹²	63%	NA
Number of Issues	324	13,703

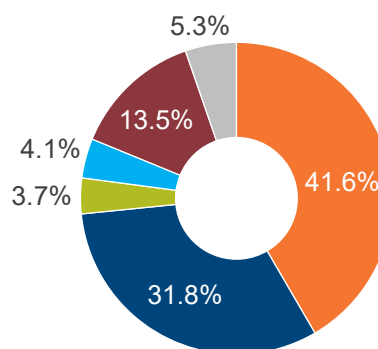
Effective Maturity (%)

	Fund ⁹	Index ⁸
< 1 year	8.2	0.0
1 - 3 years	17.2	22.7
3 - 5 years	53.7	18.7
5 - 7 years	19.4	13.9
7 - 10 years	1.2	24.7
10 - 20 years	0.2	9.6
> 20 years	0.0	10.4

Quality (%)¹³

	Fund	Index ⁸
AAA	70.3	3.3
AA	20.8	73.2
A	4.6	11.2
BBB	2.1	12.3
BB and Below	0.6	0.0
Not Rated	1.7	0.0

Sector Breakdown



Portfolio Structure	Percentage (%)	YTW (%) ⁴	Effective Duration (years) ⁹
Asset Backed Securities	31.8	5.16	2.7
Collateralized Loan Obligations	3.7	5.70	0.3
Corporate	4.1	4.53	2.4
Mortgage Backed Total	41.6	5.04	4.4
Agency CMBS	15.1	4.70	3.7
Non-Agency CMBS	2.8	5.47	2.8
Agency RMBS	19.7	5.09	5.0
Non-Agency RMBS	3.7	5.06	5.3
Stripped Mortgage-Backed	0.3	14.87	4.6
U.S. Treasuries	13.5	4.38	4.3
Cash & Equivalents	5.3	2.51	0.0

⁸ Bloomberg U.S. Aggregate Bond Index.

⁹ Calculations for the fund exclude equity holdings.

¹⁰ Excluding Interest Only/Principal Only.

¹¹ 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.

¹² As of most recent Annual/Semi-Annual report.

¹³ 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.

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.

Portfolio composition will change due to ongoing management of the Fund. References to individual securities or sectors are for informational purposes only and should not be construed as recommendations by the Fund, FPA, the portfolio managers, or the distributor. The portfolio holdings as of the most recent quarter-end may be obtained at fpa.com.

Important Disclosures

Index Definitions

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

The **CPI + 100 Basis Points** is created by adding 1% to the annual percentage change in the Consumer Price Index ("CPI"). The **Consumer Price Index (CPI)** is an unmanaged index representing the rate of the inflation of the U.S. consumer prices as determined by the U.S. Department of Labor Statistics. This index reflects non-seasonally adjusted returns. There can be no guarantee that the CPI or other indices will reflect the exact level of inflation at any given time.

The **Bloomberg U.S. Aggregate 1-3 Year Bond Index** provides a measure of the performance of the U.S. investment grade bonds market, which includes investment grade U.S. Government bonds, investment grade corporate bonds, mortgage pass-through securities and asset-backed securities that are publicly offered for sale in the United States. The securities in the Index must have a remaining maturity of 1 to 3 years. In addition, the securities must be denominated in U.S. 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.

Max Drawdown is the largest peak-to-trough decline quoted as a percentage during a specific recorded period of an investment.

Sharpe Ratio is a risk-adjusted performance metric used to determine the additional return for each unit of risk. It is calculated by subtracting the risk-free rate from the average return over a period of time and dividing the result by the standard deviation of the returns during that period.

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 is a measure of dispersion of portfolio's return relative to its mean and is calculated as the square root of the variance.

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