

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.**

Investment Team

Thomas H. Atteberry, CFA

Portfolio Manager
Joined FPA in 1997

Abhijeet Patwardhan

Portfolio Manager
Joined FPA in 2010

Fund Facts

Ticker Symbol	FPNIX
Share Class	No load, no 12b-1 fees
NAV	\$10.02
Fund Status	Closed to new investors (soft closed)
Initial Minimum Investment	\$1,500
Fund Assets	\$11.9 Billion
Fund Inception ¹	July 11, 1984
Net Expense Ratio [^]	0.47%
Total Expense Ratio [^]	0.57%
Dividend Frequency	Monthly

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

Risk Profile

10/1/2011-9/30/2021	Fund	Bloomberg US Agg Bond
Standard Deviation (volatility)	1.1%	3.0%
Sharpe Ratio	1.2	0.8
Maximum Drawdown	-2.4%	-3.7%

Source: Morningstar Direct

Standard Deviation measures a fund's total range of total returns and identifies the spread of a fund's short-term fluctuations. *Sharpe Ratio* is a risk adjusted measure calculated by using standard deviation and excess return to reward per unit of risk. *Maximum Drawdown* is the peak-to-trough decline of an investment during a specific record period.

Performance

Historical (%)²

Fund/Index	30 Years	20 Years	15 Years	10 Years	5 Years	3 Years	1 Year	YTD	QTD
FPA New Income	4.80	3.03	2.59	1.93	2.53	2.72	1.56	1.02	0.35
Bloomberg US Agg Bond	5.46	4.33	4.17	3.01	2.94	5.36	-0.90	-1.55	0.05
CPI + 100	3.37	3.20	3.05	2.95	3.62	3.85	6.43	5.59	1.42
Bloomberg US Agg 1-3 Yr	NA	2.59	2.40	1.46	1.84	2.78	0.29	0.07	0.09

Annual (%)

Fund/Index	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
FPA New Income	2.51	3.81	2.30	2.67	2.53	0.15	1.32	0.67	2.18	2.23	3.18	2.89	4.31	6.02
Bloomberg US Agg Bond	7.51	8.72	0.01	3.54	2.65	0.55	5.97	-2.02	4.21	7.84	6.54	5.93	5.24	6.97
CPI + 100	2.32	3.29	2.94	3.13	3.07	1.65	1.66	2.53	2.78	4.09	2.46	3.84	0.98	5.15
Bloomberg US Agg 1-3 Yr	3.08	4.04	1.60	0.86	1.31	0.66	0.82	0.64	1.33	1.73	2.62	5.00	4.62	6.73

Fund/Index	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
FPA New Income	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	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	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	4.34	1.82	1.44	2.42	6.29	8.77	8.15	3.32	6.83	6.68	5.19	11.00	0.62

² Periods over one year are annualized. Fund performance is net of all fees and expenses and includes the reinvestment of distributions. Fund returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares, which would lower these figures.

[^] The Total Annual Fund Operating Expenses before reimbursement is 0.57% (as of the most recent prospectus). Effective March 31, 2021, First Pacific Advisors, LP ("FPA" or the "Adviser") has contractually agreed to reimburse expenses in excess of 0.47% 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 March 31, 2022. This agreement may only be terminated earlier by the Fund's Board of Directors (the "Board") or upon termination of the Advisory Agreement. *Note, for the period December 18, 2020 through March 31, 2021, the net expense ratio was 0.49% 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).*

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.

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.

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 provides a measure of the performance of the US investment grade bonds market, which includes investment grade US Government bonds, investment grade corporate bonds, mortgage pass-through securities and asset-backed securities that are publicly offered for sale in the United States. The securities in the Index must have 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.

Portfolio Information

	Fund	Index ³
Effective Duration	1.3 years	6.7 years
Effective Maturity	2.1 years	8.6 years
Average Weighted Price (\$) ⁴	100.1	105.5
Yield-to-Worst ⁵	1.00%	1.56%
Subsidized 30-Day SEC Yield ⁶	0.81%	NA
Unsubsidized 30-Day SEC Yield ⁶	0.64%	NA
Turnover ⁷	94%	NA
Number of Issues	360	12,216

Effective Maturity

	Fund	Index ³
< 1 year	14.3%	0.0%
1-3 years	75.3%	19.6%
3-5 years	8.8%	21.9%
5-7 years	1.6%	22.2%
7-10 years	0.0%	16.8%
10-20 years	0.0%	6.2%
> 20 years	0.0%	13.3%

Quality⁸

	Fund	Index ³
AAA	78.7%	71.3%
AA	6.4%	3.3%
A	6.8%	11.3%
BBB	0.3%	14.1%
BB and Below	2.5%	0.0%
Not Rated	5.3%	0.0%

Morningstar Analyst Rating (as of 7/14/2021)



Morningstar Pillars

Process	● Above Avg
People	● Above Avg
Parent	● Above Avg

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 www.fpa.com.

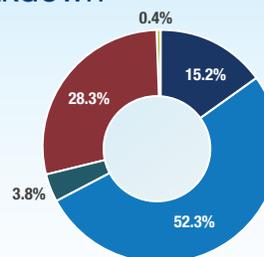
The Morningstar Analyst Rating™ is not a credit or risk rating. It is a subjective evaluation performed by the manager research analysts of Morningstar. Morningstar evaluates funds based on five key pillars, which are process, performance, people, parent, and price. Analysts use this five pillar evaluation to determine how they believe funds are likely to perform relative to a benchmark, or in the case of exchange-traded funds and index mutual funds, a relevant peer group, over the long term on a risk-adjusted basis. They consider quantitative and qualitative factors in their research, and the weight of each pillar may vary. The Analyst Rating scale is Gold, Silver, Bronze, Neutral, and Negative. A Morningstar Analyst Rating of Gold, Silver, or Bronze reflects an analyst's conviction in a fund's prospects for outperformance. Analyst Ratings are continuously monitored and reevaluated at least every 14 months. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to <http://corporate1.morningstar.com/AnalystRating/>.

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Sector Breakdown



Portfolio Structure	Percentage	Effective Duration (Yrs.)
Mortgage Backed Total	15.2%	0.5
Mortgage Backed (CMO)	5.9%	0.7
Mortgage Pass-Through	0.1%	1.3
Commercial Mortgaged-Backed	8.7%	0.3
Stripped Mortgage-Backed	0.5%	1.6
Asset Backed	52.3%	0.8
Auto	16.2%	1.6
CLO	22.7%	0.1
Equipment	7.0%	1.2
Other	6.4%	0.9
Corporate	3.8%	0.9
U.S. Treasuries	28.3%	2.7
Cash & Equivalents	0.4%	0.0

³ Bloomberg US Aggregate Bond Index.

⁴ Excluding Interest Only/Principal Only.

⁵ Yield-to-Worst is presented gross of fees and reflects the lowest possible yield on a callable bond without the issuer defaulting. It does not represent the yield an investor should expect to receive.

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.