



To: Dividend Distribution
From: FPA Funds – Mutual Fund Operations
(310) 996-5425, (310) 996-5426
Date: October 1, 2014
Re: FPA New Income, Inc. (FPNIX, #78)

The Dividend rate for FPA New Income, Inc. has been declared as the following.

FPA New Income, Inc. (FPNIX) \$0.05 income per share Reinvest NAV: \$10.19

Record Date	09/30/2014
Ex-Date	10/01/2014 (Reinvestment date)
Pay Date	10/02/2014

No dividend income for FPA Capital Fund, Inc., FPA Crescent Fund, FPA International Value Fund, FPA Paramount Fund, Inc., and FPA Perennial Fund, Inc.

Note: The FPA New Income's distribution is less than in prior quarters for two primary reasons:

1. At the end of each fiscal year FPA reevaluates the amortization of the notional amount of all our interest only securities and makes adjustments. This resulted to a negative adjustment in income for the quarter.
2. Over the past three months, the amount of prepayment penalties received from our GNMA Project Loan Interest Only Securities declined.

Importantly, the profile the Fund **has not changed significantly** over the past quarter. Details as to our views on the fixed income market and the activity in the Fund during the quarter will be discussed in the quarterly commentary and webcast towards the end of October.

If you have any additional questions regarding the distribution, please contact Kristina Surkova in our Client Service department at 310-996-5411 or at ksurkova@fpafunds.com.

Please contact your tax advisor to review the impact of these capital gains on your situations and discuss possible tax strategies.

Investing in a mutual fund involves risks, including the possible loss of principal. The Prospectus details the Fund's objective and policies, and other matters of interest to the prospective investor. Please read this Prospectus carefully before investing. The Prospectus may be obtained by visiting the website at www.fpafunds.com, by email at crm@fpafunds.com, toll-free by calling 1-800-982-4372 or by contacting the Fund in writing.