FPA New Income Fund

September 30, 2026

Our Firm

Founded in 1954 | $35 billion in AUM | 100% Employee Owned

FPA FUNDS

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 (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 Management

Abhi Patwardhan
Partner, Portfolio Manager
26 Yrs in Industry / 16 Yrs at FPA

$11.4B
Fund Assets

42 Years
Fund Track Record

100% | 68%
Return / Risk Capture
Since Inception (vs BBG U.S. Agg)

Fund Facts

Morningstar Category	Short-Term Bond	
Share Class	No load, no 12b-1 fees	
NAV (Inst.)	$9.69	
Initial Minimum Investment	$1,500	
Fund Inception[1]	July 11, 1984	
Distribution Frequency	Monthly	
Ticker Symbol	FPNIX (Inst.)	FPNRX (Inv.)
Total Expense Ratio[2]	0.59%	0.77%
Net Expense Ratio[2]	0.45%	0.55%

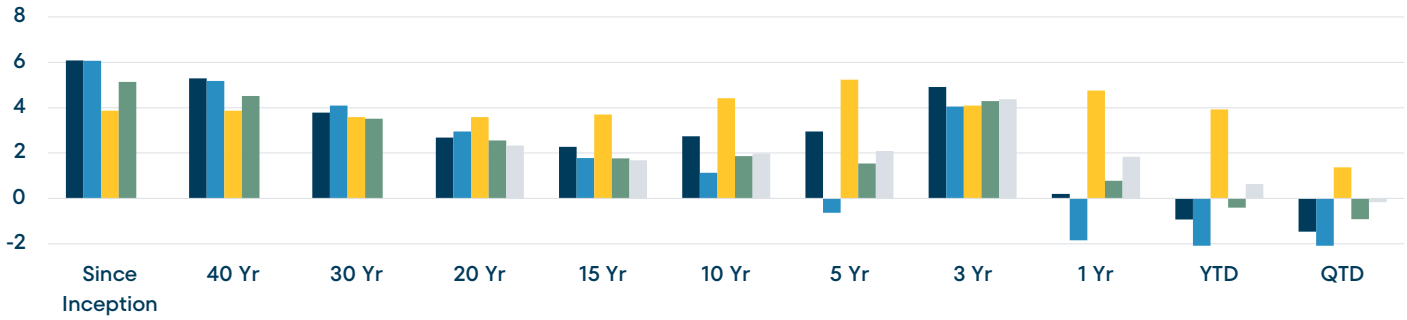
Characteristics

	Fund	Bloomberg U.S. Aggregate
Yield-to-Worst (YTW)	5.11%	5.56%
Effective Duration	3.3 years	5.8 years
Spread Duration	1.8 years	5.6 years
Subsidized 30-Day SEC Yield	3.78%	N/A
Unsubsidized 30-Day SEC Yield	3.64%	N/A

10-Year Risk Profile[3]

	Fund	Bloomberg U.S. Aggregate
Standard Deviation (volatility)	2.14%	5.15%
Sharpe Ratio	0.10	-0.25
Maximum Drawdown	-4.24%	-17.18%

Average Annual Total Returns (%)[4]



Fund / Index	Since Inception	40 Yr	30 Yr	20 Yr	15 Yr	10 Yr	5 Yr	3 Yr	1 Yr	YTD	QTD
FPA New Income (FPNIX)	**6.08**	**5.29**	**3.78**	**2.68**	**2.27**	**2.74**	**2.95**	**4.91**	**0.20**	**-0.93**	**-1.46**
Bloomberg U.S. Aggregate	6.07	5.18	4.09	2.95	1.78	1.14	-0.64	4.06	-1.84	-2.91	-3.51
CPI + 100	3.86	3.86	3.58	3.59	3.70	4.42	5.23	4.09	4.76	3.92	1.37
Bloomberg U.S. Govt/Credit 1-5 Yr	5.13	4.52	3.51	2.56	1.77	1.86	1.53	4.29	0.77	-0.40	-0.92
Bloomberg U.S. Aggregate 1-3 Yr	-	-	-	2.32	1.67	1.97	2.10	4.38	1.83	0.64	-0.17

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.

Please see the end of this Fact Sheet for Additional Disclosures and Footnotes, Fund Risks, Index Definitions, a Glossary of Terms and other Important Information.

Annual Performance (%)[4]

Fund / Index	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
FPA New Income (FPNIX)	**7.36**	**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**
Bloomberg U.S. Aggregate	7.30	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
CPI + 100	3.68	3.90	4.35	7.47	8.24	2.34	3.35	3.03	3.15	3.07	1.65	1.66	2.53	2.78	4.09	2.46
Bloomberg U.S. Govt/Credit 1-5 Yr	6.11	3.76	4.89	-5.50	-0.97	4.71	5.01	1.38	1.27	1.56	0.97	1.42	0.28	2.24	3.14	4.08
Bloomberg U.S. Aggregate 1-3 Yr	5.39	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

Fund / Index	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
FPA New Income (FPNIX)	**2.89**	**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. Aggregate	5.93	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	3.84	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. Govt/Credit 1-5 Yr	4.62	5.13	7.27	4.22	1.44	1.85	3.35	8.12	9.03	8.93	2.09	7.63	7.13	4.67	12.88	-0.72
Bloomberg U.S. Aggregate 1-3 Yr	5.00	4.62	6.73	4.34	1.82	1.44	2.42	-	-	-	-	-	-	-	-	-

Portfolio Information

	Fund	Bloomberg U.S. Aggregate
Effective Maturity	3.8 years	8.2 years
Average Weighted Price	$94.1	$89.0
Turnover[5]	30%	N/A
Number of Issues[6]	337	14,227

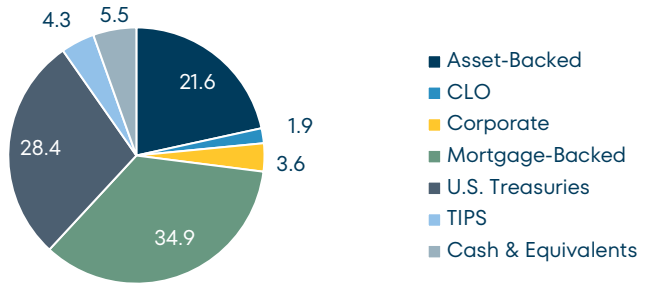
Effective Maturity (%)

	Fund	Bloomberg U.S. Aggregate
< 1 year	13.1	0.0
1 - 3 years	20.4	23.7
3 - 5 years	42.9	18.1
5 - 7 years	21.7	12.6
7 - 10 years	1.6	27.7
10 - 20 years	0.1	8.1
> 20 years	0.0	9.8

Quality (%)[7]

	Fund	Bloomberg U.S. Aggregate
AAA	80.0	3.3
AA	15.6	73.8
A	1.1	11.4
BBB	1.4	11.5
BB and Below	0.0	0.0
Not Rated	1.8	0.0

Sector Breakdown (%)



Portfolio Structure

	Fund (%)	YTW (%)	Eff. Duration (years)
Asset Backed Securities	21.6	5.33	2.0
Collateralized Loan Obligations	1.9	4.22	0.3
Corporate	3.6	3.46	1.9
Mortgage Backed Total	34.9	5.55	3.9
Agency CMBS	10.8	5.18	2.4
Non-Agency CMBS	2.3	5.81	2.8
Agency RMBS	16.5	5.63	4.8
Non-Agency RMBS	5.1	5.86	4.6
Stripped Mortgage-Backed	0.2	8.18	4.3
U.S. Treasuries	28.4	5.08	4.4
TIPS	4.3	5.10	3.1
Cash & Equivalents	5.5	2.86	0.0

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Page 1 Footnotes:

[1] Reflects the date when the Fund was first available for purchase under FPA management. [2] **As of the most recent prospectus, the Fund's total expense ratio is 0.59% for the Institutional Class and 0.77% for the Investor Class. The net expense ratio is 0.45% for the Institutional Class and 0.55% for the Investor Class.** First Pacific Advisors, LP ("FPA" or the "Adviser") has contractually agreed to reimburse the Fund for Total Annual Fund Operating Expenses (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) in excess of 0.454% of the average daily net assets of the Institutional Class shares of the Fund through January 31, 2027, and in excess of 0.554% of the average daily net assets of the Investor Class shares of the Fund through January 31, 2027. This agreement may only be terminated earlier by the Fund's Board of Trustees (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 0.046% through January 31, 2027 of the Fund's average daily net assets. FPA will not seek recoupment of the advisory fees voluntarily waived. [3] Covers the period 10/1/16 - 9/30/26; Source: Morningstar Direct. [4] Index data source: Morningstar. Fund performance is net of all fees and expenses and includes the reinvestment of distributions. Periods over one year are annualized. Fund returns shown assume reinvestment of distributions and 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.

Page 2 Footnotes:

[5] As of most recent shareholder report. [6] Number of Fixed Income Holdings are shown at the issues level. [7] The Bloomberg Family of Indices and FPA 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

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 and summary prospectus detail these and other matters of interest to a prospective investor. The prospectus is available at https://fpa.com/resources/, by email at crm@fpa.com, or toll-free by calling 1-800-982-4372. Please read the prospectus carefully before investing.

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The FPA Funds are distributed by Distribution Services, LLC. Distribution Services, LLC and FPA are not affiliated.

Fund Risks

Investments carry risks and investors may lose principal value. Capital markets are volatile and can decline significantly in response to adverse issuer, industry, political, regulatory, market, economic, or other developments.

The return of principal in a fixed income investment is not guaranteed. Fixed income investments have issuer, interest rate, inflation, and credit risks. 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. Lower rated or high yield securities can be more volatile and are subject to higher instances of default. If an issuer defaults the security may lose some or all its value.

Mortgage-related and other asset-backed securities including collateralized securities (such as 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 securities may increase volatility.

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.

Please refer to the Fund's prospectus for a complete overview of these and other risks associated with the Fund.

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 manager(s), or the distributor. It should not be assumed that future investments will be profitable or will equal the performance of the security or sector examples discussed. The portfolio holdings as of the most recent quarter-end may be obtained at fpa.com.

Index and Category Definitions

Indexes are unmanaged and index returns do not reflect any fees and expenses of investing that would reduce performance for an investor. An investor cannot invest directly in an index. Comparison to any index is for illustrative purposes only. The Fund's investment objective does not include the outperformance of any index.

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.

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.

Bloomberg U.S. Government/Credit 1-5 Year Index tracks USD-denominated, investment-grade, fixed-rate bonds (including Treasuries, government-related, and corporate debt) with maturities between 1 and 5 years.

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.

Morningstar Short-Term Bond portfolios invest primarily in corporate and other investment-grade U.S. fixed-income issues and typically have durations of 1.0 to 3.5 years. These portfolios are attractive to fairly conservative investors, because they are less sensitive to interest rates than portfolios with longer durations. Morningstar calculates monthly breakpoints using the effective duration of the Morningstar Core Bond Index in determining duration assignment. Short-term is defined as 25% to 75% of the three-year average effective duration of the MCBI.

Glossary of Terms

Average Weighted Price is generated by weighting the price of each investment instrument by its relative size in the portfolio. It is presented exclusive of any Interest Only/Principal Only securities.

Effective Duration measures the sensitivity of the price to changes in interest rates, incorporating the impact of changes in interest rates on call options and expected cashflows. Calculations for the Fund exclude equity holdings.

Effective Maturity is the weighted average length of time that each dollar of unpaid principal is expected to remain outstanding, taking into account some but not all call options. Calculations for the Fund exclude equity holdings.

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

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.

Return Capture is calculated by dividing the Fund's annualized return (net of fees) since inception by the annualized return of the index.

Risk Capture is calculated by dividing the Fund's annualized standard deviation since inception by the annualized standard deviation of the index.

SEC Yield is an annualized measure of the Fund's dividend and interest payments for the last 30 days, less Fund expenses. The SEC Yield calculation is based on the net asset value of the Fund at the beginning of the month. If a fee waiver or reimbursement is in effect, a subsidized SEC Yield is also disclosed. Subsidized yield reflects fee waivers and/or expense reimbursements during the period (if any). Without waivers and/or reimbursements, yields would be reduced. Unsubsidized yield does not adjust for any fee waivers and/or expense reimbursements in effect.

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. Calculations for the Fund exclude equity holdings.

Glossary of Terms (continued)

Standard Deviation is a measure of dispersion of returns relative to its mean and is calculated as the square root of the variance. Higher deviation represents higher volatility.

Turnover is a measure of portfolio trading activity. Higher turnover may indicate higher transaction costs.

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.