



FPA Crescent Fund

June 30, 2010

Portfolio Characteristics as of June 30, 2010

	FPA Crescent	Russell 2500	S&P 500	Barclays Capital Gov't/Credit
<u>Stocks</u>				
Price/Earnings TTM	12.5x	24.6x	16.2x	
Price/Earnings 2010 est.	11.4x	19.4x	14.3x	
Price/Book	1.3x	1.7x	1.9x	
Dividend Yield	2.1%	1.5%	2.2%	
Average Weighted Market Cap (billion)	\$42.2	\$2.0	\$75.2	
Median Market Cap (billion)	\$11.3	\$0.6	\$8.9	
<u>Bonds</u>				
Duration (years)	1.4			5.4
Maturity (years)	1.7			7.6
Yield-to-Worst	4.0%			2.6%
Yield-to-Worst (corporate only)	8.0%			

Portfolio Analysis as of June 30, 2010

10 Largest Holdings		Portfolio Composition	
Enesco plc	4.4	<u>Asset Class</u>	
CIT Group Bonds*	3.4	Common Stocks, Long	45.3%
Covidien	3.2	Other, Long	1.0%
AON	3.0	Common Stocks, Short	-4.9%
Occidental Petroleum	2.8	Corporate Fixed Income	19.5%
Stanwich Mortgage Loan Trust*	2.5	Mortgages	2.6%
Wal-Mart Stores	2.1		
American General Finance Bonds*	2.1	Net Liquidity (Cash Ex-Short Rebate)	26.7%
Vodafone Group plc	1.9		
PetSmart	1.9	<u>Geographic</u>	
Total	27.3%	U.S.	48.5%
* Various issues		Europe	17.6%
Excludes U.S. Gov't Securities		Other	1.8%

Performance Statistics as of June 30, 2010

	FPA Crescent	60% R2500/ 40% BCGC	Russell 2500	S&P 500
<u>Statistics</u>				
Gain in Up Months - Cumulative	343.4%	340.9%	523.2%	429.5%
Upside Participation		100.7%	65.6%	80.0%
Loss in Down Months - Cumulative	-160.0%	-193.9%	-345.0%	-293.1%
Downside Participation		82.5%	46.4%	54.6%
Up Month - Average	2.6%	2.5%	4.1%	3.3%
Down Month - Average	-2.3%	-2.7%	-4.5%	-3.9%
Delta between Up/Down months	4.9%	5.2%	8.6%	7.2%
Worst Month	-13.9%	-13.9%	-21.5%	-16.8%
Best Month	12.6%	9.3%	15.4%	9.8%
Standard Deviation	10.71	11.22	18.57	15.37
Sharpe Ratio (using 5% risk-free rate)	0.53	0.29	0.20	0.13
<u>Performance</u>				
Quarter	-5.9%	-4.5%	-10.0%	-11.4%
Calendar YTD	-1.9%	1.5%	-1.7%	-6.7%
1 Year - Trailing	12.3%	18.7%	24.0%	14.4%
3 Years - Trailing	-0.3%	-1.3%	-8.0%	-9.8%
5 Years - Trailing	5.0%	3.3%	1.0%	-0.8%
10 Years - Trailing	11.0%	5.6%	4.2%	-1.6%
15 Years - Trailing	10.3%	8.0%	8.3%	6.2%
From Inception ^a	10.6%	8.3%	8.8%	7.0%



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HISTORICAL PERFORMANCE

Calendar Year-End	FPA Crescent	60% R2500/ 40% BCGC	Russell 2500	S&P 500
2009	28.4%	22.5%	34.4%	26.5%
2008	-20.6%	-21.4%	-36.8%	-37.0%
2007	6.8%	3.9%	1.4%	5.5%
2006	12.4%	11.2%	16.2%	15.8%
2005	10.8%	6.0%	8.1%	4.9%
2004	10.2%	12.7%	18.3%	10.9%
2003	26.2%	28.1%	45.5%	28.7%
2002	3.7%	-6.6%	-17.8%	-22.1%
2001	36.1%	4.8%	1.2%	-11.9%
2000	3.6%	7.9%	4.3%	-9.1%
1999	-6.3%	13.3%	24.2%	21.0%
1998	2.8%	4.9%	0.4%	28.6%
1997	22.0%	18.5%	24.4%	33.4%
1996	22.9%	12.6%	19.0%	23.0%
1995	26.0%	26.7%	31.7%	37.6%
1994	4.3%	-2.0%	-1.1%	1.3%
1993(a)	9.6%	8.2%	10.1%	5.3%

Objective, Strategy and Rankings

Objective

The Fund's investment objective is to provide a total return consistent with reasonable investment risk through a combination of income and capital appreciation. We employ a strategy of selectively investing across a company's capital structure (i.e., a combination of equity and debt securities) that we believe have the potential to increase in market value, in order to achieve rates of return with less risk than the broad U.S. equity indices.

Strategy

To invest across a company's capital structure to meet our objective. This includes investing in Common and Preferred Stocks, Convertible Bonds, High-Yield Bonds, and Bank Debt. There is an occasional use of Government Bonds.

Downside Protection

FPA Crescent's ratio of positive to negative monthly performance is, on average from inception, ^a 11% better than the equity indexes. FPA Crescent has, on average from inception, captured 73% of the upside monthly performance but just 50% of the downside when compared to the equity indexes.

Volatility

FPA Crescent has exhibited much less volatility as measured by its Standard Deviation from inception. ^a On average, the Fund's Standard Deviation is 37% lower than the equity indexes. FPA Crescent has a much lower delta in its average monthly performance, i.e., the difference between the average positive and negative month when compared to the equity indexes.

FPA Crescent has had only two years of negative performance since inception, ^a the worst a loss of 21%. FPA Crescent's maximum drawdown is 37% better than its benchmarks.

	Crescent	60% R2500/40% BCGC	R2500	S&P 500
Number loss years since inception ^a	2	3	3	4
Maximum Drawdown ^b	-29%	-33%	-53%	-51%

Performance

FPA Crescent has beaten the stock indexes for the inception-to-date time period. ^a

Conclusion

FPA Crescent has met its objective since inception, having achieved higher absolute rates of return than the indexes and a dramatically higher Sharpe Ratio. ^a

NOTES

^a Inception date is June 2, 1993. Returns from inception are annualized. The annualized performance of the Russell 2500 and Barclays Capital Government/Credit Indexes begins 6/1/93.

^b Maximum Drawdown is the largest percentage peak to trough decline in value that has occurred since inception.

Past performance is not necessarily indicative of future results. All returns assume the reinvestment of dividends and distributions.

There are no assurances that the Fund will meet its stated objectives. The Fund's holdings and allocations are subject to change because it is actively managed and should not be considered recommendations to buy individual securities. Distributed by FPA Fund Distributors, Inc., a subsidiary of First Pacific Advisors, LLC.

Balanced Benchmark is a hypothetical combination of unmanaged indices comprised of 60% Russell 2500 Index and 40% Barclays Capital Government/Credit Index, reflecting the Fund's neutral mix of 60% stocks and 40% bonds.

Russell 2500 Index is an unmanaged index comprised of 2,500 stocks of U.S. companies with small market capitalizations.

Barclays Capital Government/Credit Index is an unmanaged index of investment grade bonds, including U.S. Government Treasury bonds, corporate bonds, and yankee bonds.

S&P 500 Index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. The index focuses on the large-cap segment of the market, with over 80% coverage of U.S. equities, but is also considered a proxy for the total market.