The Phaeacian Accent International Value Fund and the Phaeacian Global Value Fund (the "Phaeacian Funds") were formerly known as the FPA International Value Fund and the FPA Paramount Fund, Inc. (the "Former Funds"), respectively, until their reorganization in October 2020. This commentary was written by the portfolio managers of the Phaeacian Funds while they were the portfolio managers of the Former Funds and employees of the Former Funds' investment adviser. The Former Funds are no longer available for sale and these commentaries are provided for informational purposes only. The provision of these commentaries does not constitute or imply an endorsement of the Phaeacian Funds by the Former Funds' investment adviser, and the views and opinions expressed in these commentaries are those of the portfolio managers and do not state or reflect those of the Former Funds' investment adviser. Past performance is no guarantee, nor is it indicative, of future results. This is not an offer for sale or recommendation of any security, product or services discussed and neither does it provide investment advice.

FPA International Value Fund
Second Quarter 2018 Commentary

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 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.fpa.com, by calling toll-free, 1-800-982-4372, or by contacting the Fund in writing.

Average Annual Total Returns (%)

As of Date: 6/30/2018	Since 12/1/11	5 Years	3 Years	1 Year	YTD	QTR
FPA International Value Fund	8.35	5.20	5.74	6.04	-2.85	-3.10
MSCI ACWI ex US	6.83	5.99	5.07	7.28	-3.77	-2.61
Average cash balance	32%	32%	29%	29%	26%	25%

Periods greater than one year are annualized. Performance is calculated on a total return basis which includes reinvestment of all distributions. Comparison to any Index is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives.

* Inception of FPA International Value Fund is December 1, 2011.

The Advisor has contractually agreed to reimburse the Fund for Total Annual Fund Operating Expenses in excess of 1.29% through April 30, 2019. This agreement may only be terminated earlier by the Fund's Board of Trustees (the “Board”) or upon termination of the Advisory Agreement.

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. The Fund’s expense ratio as of its most recent prospectus is 1.29%. Current month-end performance data may be obtained at www.fpa.com or by calling toll-free, 1-800-982-4372.

Please see important disclosures at the end of the commentary.

Dear Fellow Shareholders,

For the quarter ended June 30, 2018, the FPA International Value Fund (the "Fund") declined -3.10% (in U.S. currency), compared to a decline of -2.61% over the same period for the MSCI All Country World Index (ex-U.S.) (Net) (the "Index").[1] Since the beginning of the year, however, it has declined -2.85%, outperforming the Index, which has declined -3.77% over the same period.[2] Most importantly, since its inception on Dec. 1, 2011, our Fund has outperformed the Index by returning an average of 8.35% per year, net of fees and expenses,[3] compared to an average of 6.83% for the Index over the same period.[4]

To help put these results in the context of our absolute strategy, cash and equivalent holdings accounted for 25% of the Fund's net assets at the end of the quarter, in line with the average level for the period. Since the beginning of the year, they have averaged 26% of net assets. Most importantly, since the Fund's inception, cash exposure has averaged 32% of net assets, while fluctuating from less than 12% to more than 40%, depending on the availability of suitable investment opportunities.

Recent performance

Given this exposure to cash, it may not come as a surprise that our Fund has outperformed the declining Index by close to 25% through the first half of the year. However, this performance was generated in a period when our exposure to Latin America has continued to increase and has averaged around 15% of the Fund's assets.[5] Much of that exposure reflects investments in Brazilian companies.

For reference, the Ibovespa Brasil Sao Paulo Stock Exchange Index ("IBOV") has declined 19% since the beginning of the year (in U.S. currency), driven by a severe, prolonged economic downturn, continued political instability, and fears of further currency devaluation similar to the sharp declines recently experienced in other emerging markets, such as Argentina and Turkey.

While our Latin American investments performed better than the IBOV over the period, they had a significant negative impact on the Fund's performance. Three out of five of the Fund's biggest detractors were Brazilian equities in the second quarter and since the beginning of the year. Excluding these holdings, our equity portfolio returned close to 6% for the quarter ended June 30, 2018, and since the beginning of the year, compared to declines for the Index over these two periods.

In the past, we have often been able to comment on groups of contributors to explain positive performance. We talked about European-based high-quality large-cap companies we were able to buy at heavily discounted prices as a result of the Euro crisis in the first quarter of 2012. We talked about cyclical industrial and consumer discretionary names we bought starting in the later part of 2014, when their share prices were under pressure due to the slowing Chinese economy and its impact on growth and commodity demand in emerging markets. We talked about British-centric holdings we purchased following the Brexit vote and during the subsequent correction in the UK market in the early part of the third quarter of 2016. And in the later part of this market cycle, we talked about smaller, off-the-beaten-path companies, some with meaningful opportunities for further business developments, such as **Purplebricks** and **Keywords**.

However, the positive performance of our non-Latin American holdings this period stems from a wide range of diverse businesses. For the quarter ended June 30, 2018, contributors included companies engaged in specialty chemical distribution; personal care and domestic appliances; healthcare technologies and

[1] Comparison is based on the period from March 29 to June 29, 2018 for the Index.
[2] Comparison is based on the period from Dec. 29, 2017 to June 29, 2018 for the Index.
[3] The Fund's expense ratio is 1.29% per the most recent Prospectus.
[4] Comparison is based on the period from Nov. 30, 2011 to March 29, 2018 for the Index.
[5] Including Edenred. While based in France, Edenred currently generates about 60% of its profits in Latin America.

services in imaging, monitoring, and treatment; digital market places for cars and properties; IT services; and software solutions. Year-to-date, it also included recruitment services; gas masks and other respiration protection equipment; as well as milk liners, clusters, and other types of dairy farm equipment. This performance was, in essence, the result of our stock selection, and a reflection of our go-anywhere approach, whereby we look across all sectors, sizes, and geographies, but only select well-run, financially robust, high-quality companies whose stocks we can purchase at significant discounts to their intrinsic values.

Most importantly, what the performance of our non-Latin American holdings shows is that beside our recent purchases in Latin America, we have continued to build wealth with past purchases, and to monetize some of the gains, while re-deploying capital towards new investment ideas.

Space oddity

As mentioned in previous commentaries, it is not uncommon for our new purchases to be stocks that are experiencing negative price pressure, as is the case this time with our Latin American holdings. We already discussed in some of our recent commentaries increasing price attractiveness across some of the Latin American markets, many of which we last visited about a year ago, and more specifically Brazil. This is one corner of the international markets that has experienced significant challenges in recent years.

In fact, with prices around the world pushed to such high levels, in part by strong economic momentum, Brazil is an oddity in the equity space. The country has been struggling to recover from a particularly severe economic downturn, in terms of both its magnitude and its duration. GDP growth is moribund, and unemployment remains at record high levels. Most of Brazil's political class, along with part of its business class, is mired in corruption scandals at a time when the country is preparing to choose its next president. Many Brazilian companies are experiencing abnormally weak levels of business activity, and often short-term disruption as executives find themselves named in one investigation or another. In typical capital markets fashion, these issues have indiscriminately turned most Brazilian stocks into toxic assets, regardless of individual underlying fundamentals.

This is in sharp contrast to the perfect "Eldorado" investors saw in the country only a few years back, when it stood as the first letter of the "BRICs" acronym, and was the poster child for the "de-coupling" story with expectations of perpetual double-digit economic growth. Too often capital markets deal in simplistic absolute terms like these, and are often wrong as a result. This is partly why we can repeatedly find opportunities to buy good companies at discounted prices. As we explained back then, we had little interest in paying the type of multiples Brazilian companies commanded at the time. Of course, we were scorned for having too little exposure to the region, as I suspect we may be criticized for having too much now.

Throughout all this, we have avoided both extremes, and followed a more nuanced and analytical bottom-up approach. We have focused on business fundamentals and valuation estimates based on long-term free cash flow generating power (meaning through both good and bad times). We have repeatedly travelled to the region, taking the time to identify the businesses we would want to own; the managers who could run operations effectively, give reliable disclosure, and act as good stewards of capital; as well as the few families and owners we could trust. We established relationships to help us gain knowledge about specific industries, and to ultimately gain comfort with individual investments. At a fundamental level, what we found to be true is that Brazil harbors many well-run, high-quality companies that we wanted to own at the right price. The current economic and political crisis has provided us with the opportunity to buy their stocks at significant discounts to intrinsic values, while also taking advantage of the highly depreciated currency.

To be clear, our increased exposure to the region is not a function of top-down macro or political views. Nor is it a function of some asset allocation strategy. It is only a function of our belief that good companies are now being offered at highly discounted prices, as a product of the challenging short-term economic and political environment.

Key performers

The largest detractor to performance this quarter was an undisclosed position we have been building. The second largest detractor to performance was **Ambev SA**. It was also our worst-performing holding with a share price down 35.6% (in U.S. currency).[6] Ambev is the leading beer company, as well as Pepsi's exclusive bottler, in Brazil. As such, it is exposed to many of the country-specific issues we highlighted in our earlier comments, and its stock has suffered accordingly in the past few months.

The top contributor to performance was **IMCD Group NV**. Based in the Netherlands, IMCD is a leading global distributor of specialty chemicals and food ingredients that came to the equity markets just over two years ago. As its business fundamentals get stronger over time, and the company builds value per share at a high rate of growth, investors may be slowly recognizing the high quality of IMCD's model and management, which has caused its market value to play catch-up at an accelerating pace in recent months. Our best-performing holding was **Sumo Group PLC**, a position we had recently been building. Its share price was up 76.9% (in U.S. currency) in the second quarter.[7]

Portfolio activity

As always, we continued to add to holdings we believe offer compelling discounts to intrinsic value, and to trim positions that are becoming less attractively priced. We also consistently rebalance individual positions based on relative discounts to intrinsic value. While this helps ensure that our most compelling investments are always more heavily weighted and can drive performance, it can also artificially inflate turnover.

We made several new purchases in the second quarter, including **Dignity PLC**, **Industria de Diseno Textil ("Inditex")**, and Sumo Group PLC. Based in the UK, Dignity is the country's second-largest provider of funeral and cremation services. Based in Spain, Inditex is a leading global retailer of fashion apparel, primarily under the Zara brand. Based in the UK, Sumo is a global provider of outsourced development services to the video game industry.

Lastly, we exited several positions in the quarter, including **Amadeus IT Group**, **Essilor International SA**, **Fenner PLC**, **Meggitt PLC**, **WPP AUNZ LTD**, and **WPP PLC**. The share prices of Amadeus and Meggitt had converged toward our estimates of intrinsic value, and no longer offered the margin of safety that is required for us to remain invested.

The stocks of both Essilor and Luxottica have appreciated in value as the merger of the two companies received approvals from the various countries where they operate and most importantly, from the European Commission. We viewed these two holdings as parts of the same investment. As the discount has unwound, we have trimmed the combined position by prioritizing the selling of Essilor, which we believed was less attractively priced than Luxottica. However, at the end of the period, we remained shareholders of Luxottica.

As mentioned in our first quarter commentary, Fenner had been a long-standing investment of the Fund. It had been one of our largest holdings for a prolonged period of time, and the single largest position for well over a year, at one point accounting for roughly 8% of assets. The company was one of the few holdings left in the portfolio from all the cyclicals we purchased during the commodity downturn in 2014. Fenner had agreed to be acquired by Michelin earlier this year, and the deal closed during the second quarter.

Lastly, we sold out of our two investments in WPP, one at the parent level in the UK, and one at the subsidiary level in Australia. Our decision to sell both holdings follows the abrupt departure of the architect and CEO of the company, Martin Sorrell. There were three main reasons behind the sale. One, we believed Mr. Sorrell was an important driving force for the group, especially at a critical time for WPP, which faces

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[6] Based on the percentage of Ambev's share price change from March 31 to June 30, 2018 in U.S. currency. This share price change may not equate with the performance of the holding in the Fund. As of June 30, 2018, Ambev represented 1.2% of the Fund's assets.
[7] Based on the percentage of Sumo's share price change from March 31 to June 30, 2018 in U.S. currency. This share price change may not equate with the performance of the holding in the Fund. As of June 30, 2018, Sumo represented 1.5% of the Fund's assets.

significant industry changes. Two, the way his departure was handled, including succession management, and how it was communicated to the market failed to meet our governance standards. Three, our experience with the industry has been reminiscent of our experience with UK real estate agents. As we continued to monitor and research the advertising business, we found that the structural changes impacting it are potentially more severe than we initially thought, further highlighting the need for strong leadership.

As we explained in our previous commentary, we think strong leadership with companies facing material change is particularly important. By strong leadership, we mean executives with intrinsic knowledge of the business, acute strategic vision, the ability to unite an organization behind that vision, superior execution capabilities, sound balance sheet management, and the discipline to allocate and deploy capital in a value-accretive manner. Mr. Sorrell is a true "ad man" who built WPP from the ground-up and had the required charisma to command the many strong personalities of this business. We considered him uniquely suited to steer the business through hard times.

The value curse

One of the most difficult challenges we have to address as fundamental value investors is how we deal with change. In the past few years, we have seen virtually every business model we thought we knew being altered, at least to some degree, by new technology advances, shifts in consumer preferences, or evolving business practices (often in reaction to political interventions). Change drives uncertainty, and establishing clarity requires the type of research and analytical work that many investors no longer have the incentive, inclination, or capabilities to perform. This is likely to lead them to sell in the face of any change, and will cause a company's stock price to decline. As a result, a stock might trade at a low multiple of past earnings (or short-term forward earnings), or a high free cash flow yield, but this, in and of itself, tells us very little.

What we need to determine is whether this decline in price constitutes a value opportunity, or a value trap. There are several challenges in doing so. First, we have to assess if a change is cyclical or temporary, rather than structural. This is particularly difficult for value investors. We are wired to be contrarian thinkers, to ignore short-term noise, and anchor on how things were historically. That is our curse, as it will cause us to spurn one of the youngest and yet most-powerful companies ever built, while rejoicing at the opportunity presumably created by challenges at one of the oldest listed industrial groups, or some multi-decade leading brick and mortar retailer. Industry category classification, and the institutional, if not economic imperative, to stay true to a "style box," only adds to these biases. Investing in evolving yet powerful businesses that can create value over time, even at compelling discounts, might cause us to be dismissed as value heretics if their stocks happen to trade at a high multiple of past earnings.

This cycle has been particularly testing for value investors in that regard, with perceived margins of safety often evaporating in the face of changing fundamentals, while true value shifts towards other businesses often viewed as too expensive. As the pressure to keep up with the market mounts, the risk for many of these investors is now to be pushed into chasing the latest trends to make up for past miscalculations.

In addition to the nature of the changes facing a business, we need to assess how fast and impactful they might be, and to what degree a company could respond and adapt. Whereas our fundamental value biases hurt us in the case of the former, they help in the case of the latter. Because we are constantly talking to companies about what they do, how they do it and why, rather than discussing short-term earnings, we believe we can make reasonable conjectures as to what will happen to a business. Importantly, these will not be based merely on historical data, but most critically on what we can reasonably expect people and organizations to do. We believe this is where a significant part of our ability to differentiate as investors ultimately resides.

Organic nature

The added difficulty in assessing future business developments is that they are organic by nature. Little in the life of a given company is static, unidirectional, or linear. As a former portfolio manager of mine used to always say: For every anticipated action, we must also expect a reaction. What this requires us to do as investors is to continuously question the fundamentals of a business and its management in order to assess whether it remains suitable for our strategy, and whether its stock still trades at a discount to intrinsic value.

In doing so, we also hope to counteract another of our biases as long-term investors. Our inclination is to believe that in time, things will inevitably come to be exactly as we said they would. We might be proven right in the end, but we may not be around to see it, and companies may come and go before it happens.

Even after we have decided to own a company, we will continue to monitor the trends impacting its business. Because businesses are organic, so is our research. For instance, long-standing shareholders will remember that after researching further the rise of new competition in the UK property market, specifically the threat of hybrid online agents, we ended up selling our investment in **Countrywide** and buying digital competitor **Purplebricks**. Similarly, in the case of WPP, we have continued to talk to every company we meet about how they manage their advertising needs today. We have done more work on the expanding roles of technology providers, vendors, and consultants. And we have had opportunities to speak with more industry insiders. This follow-up research contributed to our recent decision to sell the stock.

We consider this to be one of the key benefits of our process. Unlike sector or market specialists, we are constantly meeting with companies and their competitors across entire value chains around the world. We believe the feedback of all these direct industry participants allows us to build a mosaic of how business fundamentals are evolving, anticipate what impacts a given change may have on specific companies, and ultimately, identify the ones best-positioned to structurally benefit, as well as the ones that will struggle to adapt.

Fortune telling

In the end, one might argue our business is akin to fortune telling. We would suggest every investment in its own way is an act of prediction. Buying a stock because it trades at a relatively lower multiple than in the past is a *de facto* prediction that the underlying business will remain unchanged. Buying it at any multiple is in fact a prediction that it will be around for some asserted period of time. That in and of itself isn't the issue. The issue is for one to put faith in that sole multiple, as if it provided some kind of protection against erroneous predictions. Our approach is to always consider price together with quality, to think in terms of sustainable fundamentals supporting the economics of a business, and to define "value" as discount.

At a basic level, value investing consists of acquiring an asset for less than it is worth. The crux of it, of course, is how to assess intrinsic value. Our view is that value is the sum of all future free cash flows a company can be expected to generate through cycles and under normal operating conditions, discounted back to present time. Such an assessment can only be based on a solid understanding of the long-term fundamentals of the underlying business together with that of future management actions. This is critical as we seek to establish a reasonable degree of certainty in the performance we expect this company to deliver.

What a stock happens to trade at on short-term metrics, and what effectively causes the discount to exist is far less relevant, if at all. It could be a function of a lack of market understanding of the quality of the business, its management, structural growth opportunities, or of its potential for operating or capital efficiency gains. Ultimately, the upside invariably comes from our ability to assess future business developments, and the risk stems from our ability to weigh-in the possibilities of being wrong, if only partially.

What is most important in our analysis is not the presumed source of value realization of a given investment, but how well we understand a given company and the future of its business. That is central to our bottom-up approach, and it's something the industry generally ignores entirely. In our view, this is one of the key differentiating factors separating our investment discipline from the many forms of speculative, momentum, or institutional strategies out there.

Portfolio profile

Net of the aforementioned transactions, the portfolio remained generally focused on our best ideas at the end of the period, as we held 30 disclosed positions. The top 10 positions accounted for 30% of assets and 40% of the invested portion. The top five accounted for about 16% of assets and roughly 22% of the invested portion. We would note that the portfolio has moved to be less focused and less "top-heavy" in recent months. This is a function of how rare it is to find deeply discounted stocks, and how rapidly discounts can unwind in the current market environment. In that context, there typically are no meaningful outliers in the portfolio, so positions are generally smaller, and the level of concentration at the top is lower.

At the end of the quarter, our selected group of holdings presented a weighted average discount to intrinsic value of around 28%. This was down from the previous period as a function of the strong performance of our non-Latin American holdings, which we highlighted earlier in this commentary.

The Fund's median capitalization size was just over $6 billion at the end of the quarter, and the weighted average was more than $30 billion. However, we do not consider a company's size to be a relevant criterion from an investment perspective. We are invested across a wide range of market capitalization sizes, from less than $200 million to well over $200 billion. Similarly, we are indifferent regarding which sector a company operates in, or where it happens to be domiciled.

Looking at the Fund's geographic profile, more than half of the assets remained invested in companies domiciled in Europe. Of those, 15% were in the UK, and most of the remaining exposure was toward Northern Europe, primarily France, Holland, Ireland, Germany, and Switzerland. With increased exposure to Latin America, emerging markets accounted for 16% of assets, with another 4% in Australia and New-Zealand. We had no exposure to Japan at the end of the period.

From a sector standpoint, the Fund remained geared toward Industrials, which accounted for just under 25% of assets. As we highlighted in past commentaries, we often migrate toward businesses that are cash generative and not very capital intensive. Those include service-type businesses and consumer goods companies, with Discretionary and Staples together now accounting for the Fund's largest exposure, at 27% of assets. Lastly, we continue to have significant investments in enterprise resource planning software providers, such as **Totvs** and **SAP**. They still account for a sizeable portion of our exposure to Information Technology, which is effectively unchanged from the previous period at 13% of assets.

That said, we find Global Industry Classification Standard (GICS) classifications to be of limited relevance. **Page Group**, for instance, is a provider of recruitment services, yet is classified as Industrial. GICS's sector definitions are too broad to give a meaningful picture of our underlying holdings. In reality, the Fund has exposure to a broad range of businesses. It also currently has little exposure to highly cyclical businesses (such as car manufacturers), and limited exposure to the credit cycle and financially levered companies (such as banks). As mentioned earlier, the Fund is also exposed to a variety of sectors and geographies, and in markets that we think have limited correlation. Lastly, we believe many of our holdings have unique secular dynamics that make them more predictable, and better suited to work through potential short-term economic challenges.

While it is impossible to anticipate how individual stocks will respond to the next downturn, we believe the Fund's exposure to varying sectors and geographies, along with the quality of its holdings, positions us well in the event of a market dislocation. To this, of course, we need to add our cash holding, which offers us the flexibility to buy when others are selling and also could be a driver of performance through the cycle.

Prospects

While the Index has declined since the beginning of the year, this follows strong performance in 2017. We believe the correction also seems quite modest in view of the many mounting geopolitical challenges around the world. Generally speaking, we think valuations remain elevated. We also likely stand now at a high point in the economic cycle, and an even higher point in the credit cycle. Lastly, we remain concerned about some of the current market dynamics, which we worry could amplify, if not trigger, a market downturn.

We also continue to be concerned about the many distractions, biases, and perverse incentives that have developed in recent years in the asset management industry, and now appear to be driving many investment decisions, in particular when it comes to other people's money. With almost all my personal investable capital in the Fund (having not sold a share since inception), my personal incentive certainly is to create wealth by compounding superior returns.

And with the environment as challenging as it is, our focus remains on seeking to minimize the risk of permanent capital impairments. Of course, we continue to monitor closely the companies on our coverage list to be ready to take advantage of any short-term disruption in their share prices. We also continue to look in every corner of the equity markets for compelling investment ideas. Even at this point in the cycle, we think opportunities can still be found where large scale and lack of proprietary knowledge or forward understanding of businesses make it difficult for most asset management organizations to compete. However, despite our natural agility, the past few months have been quite frustrating for the team, as windows of buying opportunities on new ideas seem to close ever so quickly, and several exciting opportunities failed to materialize. While we try to move as promptly as we can, we always remain committed to our discipline.

We thank you, as always, for your confidence, and we look forward to continuing to serve your interests as shareholders of the FPA International Value Fund.

Respectfully submitted,

Pierre O. Py
Portfolio Manager

June 30, 2018

Important Disclosures

The views expressed herein and any forward-looking statements are as of the date of this publication and are those of the portfolio management team. Future events or results may vary significantly from those expressed and are subject to change at any time in response to changing circumstances and industry developments. This information and data has been prepared from sources believed reliable, but the accuracy and completeness of the information cannot be guaranteed and is not a complete summary or statement of all available data.

Portfolio composition will change due to ongoing management of the Fund. References to individual securities are for informational purposes only and should not be construed as recommendations by the Fund, the portfolio manager, or the Distributor. It should not be assumed that future investments will be profitable or will equal the performance of the security examples discussed. The portfolio holdings as of the most recent quarter-end may be obtained at www.fpa.com.

Investments in mutual funds carry risks and investors may lose principal value. Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. The Fund may purchase foreign securities, including American Depository Receipts (ADRs) and other depository receipts, which are subject to interest rate, currency exchange rate, economic and political risks. Foreign investments, especially those of companies in emerging markets, can be riskier, less liquid, harder to value, and more volatile than investments in the United States. Adverse political and economic developments or changes in the value of foreign currency can make it more difficult for the Fund to value the securities. Differences in tax and accounting standards, difficulties in obtaining information about foreign companies, restrictions on receiving investment proceeds from a foreign country, confiscatory foreign tax laws, and potential difficulties in enforcing contractual obligations, can all add to the risk and volatility of foreign investments.

Small and mid-cap stocks involve greater risks and they can fluctuate in price more than larger company stocks. Groups of stocks, such as value and growth, go in and out of favor which may cause certain funds to underperform other equity funds. A non-diversified fund may hold fewer securities than a diversified fund because it is permitted to invest a greater percentage of its assets in a smaller number of securities. Holding fewer securities increases the risk that the value of the fund could go down because of the poor performance of a single investment.

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.

Definitions

Margin of safety - Buying with a "margin of safety" is when a security is purchased at a discount to the portfolio manager's estimate of its intrinsic value. Buying a security with a margin of safety is designed to protect against permanent capital loss in the case of an unexpected event or analytical mistake. A purchase made with a margin of safety does not guarantee the security will not decline in price.

EBITDA (Earnings before Interest Tax Depreciation and Amortization) is essentially net income with interest, taxes, depreciation, and amortization added back to it, and can be used to analyze and compare profitability between companies and industries because it eliminates the effects of financing and accounting decisions.

The MSCI ACWI ex-USA Index (Net) is a float-adjusted market capitalization index that is designed to measure the combined equity market performance of developed and emerging market countries excluding the United States.

Indices do not reflect any commissions or fees which would be incurred by an investor purchasing the underlying securities. You cannot invest directly in an Index.

The FPA Funds are distributed by UMB Distribution Services, LLC, 235 W Galena Avenue, Milwaukee, WI 53212.

FPA International Value Fund, Inc.
Portfolio Holdings

06/30/18

TICKER	SHARES/PRINCIPAL	SECURITY	COUPON RATE (%)	MATURITY DATE	MKT PRICE ($)	MKT VALUE ($)	% OF NET ASSET VALUE
		COMMON STOCKS					
AIBG ID	1,220,032	AIB GROUP PLC*			5.43	6,625,103	2.7%
ALICORC1 PE	1,331,016	ALICORP SAA*			3.36	4,478,601	1.9%
ABEV3 BZ	1,388,538	AMBEV SA*			4.64	6,441,569	2.7%
AVON LN	214,371	AVON RUBBER PLC*			18.87	4,045,702	1.7%
BVIC LN	539,068	BRITVIC PLC*			10.28	5,542,081	2.3%
CAP FP	53,766	CAPGEMINI*			134.53	7,233,170	3.0%
SGO FP	152,950	COMPAGNIE DE SAINT-GOBAIN*			44.69	6,835,597	2.8%
DTY LN	474,240	DIGNITY PLC*			13.28	6,296,337	2.6%
EDEN FP	174,365	EDENRED*			31.60	5,510,051	2.3%
FEMSAUBD MM	753,098	FOMENTO ECONOMICO MEXICA - UBD*			8.79	6,618,533	2.7%
FRUT IT	69,123	FRUTAROM*			98.00	6,773,893	2.8%
GEM AU	4,933,626	G8 EDUCATION LTD*			1.72	8,507,133	3.5%
GVNV NA	257,861	GRANDVISION NV*			22.48	5,796,754	2.4%
IMCD NA	86,512	IMCD GROUP NV*			67.15	5,809,151	2.4%
ITX SM	178,761	INDUSTRIA DE DISENO TEXTIL*			34.17	6,108,233	2.5%
JE/ LN	476,713	JUST EAT PLC*			10.28	4,901,018	2.0%
PHIA NA	100,360	KONINKLIJKE PHILIPS ELECTRONICS NV*			42.54	4,269,025	1.8%
KSB3 GY	11,327	KSB AG VORZUG*			413.99	4,689,209	1.9%
OR FP	17,204	L'OREAL			246.99	4,249,211	1.8%
LUX IM	87,960	LUXOTTICA GROUP SPA*			64.53	5,676,290	2.4%
NESN SW	74,100	NESTLE SA*			77.65	5,754,105	2.4%
		OTHER COMMON STOCK				8,522,749	3.5%
PAGE LN	764,376	PAGEGROUP PLC*			7.44	5,684,507	2.4%
RAND NA	111,898	RANSTAD HOLDINGS*			58.88	6,588,608	2.7%
RYA ID	423,769	RYANAIR HOLDINGS PLC*			18.46	7,821,538	3.2%
SAP GY	42,944	SAP SE*			115.55	4,962,343	2.1%
G24 GY	72,840	SCOUT24 AG*			53.06	3,865,242	1.6%
SUN SW	46,920	SULZER AG*			121.78	5,713,978	2.4%
SUMO LN	1,521,279	SUMO GROUP PLC*			2.37	3,603,837	1.5%
TOTS3 BZ	820,856	TOTVS SA*			7.02	5,760,765	2.4%
FAN LN	2,172,692	VOLUTION GROUP PLC*			2.59	5,634,463	2.3%
		TOTAL COMMON STOCKS				**$ 180,318,796**	**74.7%**
		REPURCHASE AGREEMENTS					
	$ 60,040,000	STATE STREET BANK/FICC REPO	0.350	7/2/2018	100.00	$ 60,040,000	24.9%
		TOTAL REPURCHASE AGREEMENTS				**$ 60,040,000**	**24.9%**
		CASH & EQUIVALENTS:				$ 928,102	0.4%
		TOTAL CASH & EQUIVALENTS				**$ 60,968,102**	**25.3%**
		TOTAL NET ASSETS				**$ 241,286,898**	**100.0%**
		NUMBER OF COMMON STOCK				**30**	

TICKER	SHARES/PRINCIPAL	SECURITY	COUPON RATE (%)	MATURITY DATE	MKT PRICE ($)	MKT VALUE ($)	% OF NET ASSET VALUE

* Indicates Foreign Security

Portfolio Holding Submission Disclosure

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, sales charges, 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.fpa.com, by email at crm@fpa.com, toll-free by calling 1-800-982-4372 or by contacting the Fund in writing.

Investments in mutual funds carry risks and investors may lose principal value. Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. The Fund may purchase foreign securities, including American Depository Receipts (ADRs) and other depository receipts, which are subject to interest rate, currency exchange rate, economic and political risks. Foreign investments, especially those of companies in emerging markets, can be riskier, less liquid, harder to value, and more volatile than investments in the United States. Adverse political and economic developments or changes in the value of foreign currency can make it more difficult for the Fund to value the securities. Differences in tax and accounting standards, difficulties in obtaining information about foreign companies, restrictions on receiving investment proceeds from a foreign country, confiscatory foreign tax laws, and potential difficulties in enforcing contractual obligations, can all add to the risk and volatility of foreign investments. Small and mid cap stocks involve greater risks and they can fluctuate in price more than larger company stocks.

The Fund is non-diversified and may hold fewer securities than a diversified fund because it is permitted to invest a greater percentage of its assets in a smaller number of securities. Holding fewer securities increases the risk that the value of the Fund could go down because of the poor performance of a single investment.

Portfolio composition will change due to ongoing management of the fund. References to individual securities are for informational purposes only and should not be construed as recommendations by the Funds, the Portfolio Managers or Distributor.

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