FIRST EAGLE
INVESTMENT MANAGEMENT

First Eagle High Yield Fund

As of December 31, 2018

Investment Objective

First Eagle High Yield Fund seeks to provide investors with a high level of current income.

Investment Philosophy

With a bottom-up investment approach and a focus on fundamental research, the First Eagle High Yield Team believes that modifying risk exposure throughout the high yield credit cycle is critical to maximizing risk-adjusted returns. In each phase of the cycle, the Team increases or decreases weightings in higher- or lower-quality credit tiers in order to seek a margin of safety.

Fund At a Glance

Inception	11/19/2007*
Approach	Bottom-up fundamental analysis
Number of holdings	90-120, on average
Typical position size	0.50%–2.50%
Industry/country constraints	None
Liquidity considerations	Emphasize issues of at least $200 million
Industry/country constraints	None
Types of instruments used	Historically, primarily cash bonds°°

Investment Process

Credit Cycle and Strategy Assessment → Fundamental Research → Portfolio Construction

First Eagle High Yield Team employs a three-step investment process

1 Credit cycle and strategy assessment

The Team believes that effective management through the high yield cycle is critical to delivering consistent performance. Understanding underlying market dynamics provides insight into how market participants are pricing risk. In this phase of the investment process, the Team will:

- Assess the primary market
- Focus on spreads
- Evaluate the global economic outlook

2 Fundamental research

An emphasis on bottom-up fundamental research drives the identification of investment opportunities in all market environments. Research focuses on answering one core question: Does the enterprise possess the ability and willingness to successfully pay coupons and repay or refinance principal? The Team performs industry, company, and security analysis to determine what they believe to be the margin of safety in any investment. When evaluating a potential investment, the Team will:

- Deconstruct the financials
- Understand the business
- Assess the valuation

3 Portfolio construction

The Team defines risk as the permanent impairment of capital, and believes that utilization of risk controls is essential to managing downside risk. As such, the Team manages risk at both the credit-specific and the portfolio-specific levels.

- ***Credit-level risk management*** – The Team believes risk management begins at the security level, and invests in opportunities which they feel have an attractive margin of safety at the time of purchase. They seek to avoid issuances with dynamics unfavorable to high yield debt holders.
- ***Portfolio-level risk management*** – By rotating risk exposure, the Team actively manages the portfolio throughout the high yield credit cycle. The portfolio gradually shifts towards higher- or lower-quality credit tiers depending upon the phase of the credit cycle and whether the Team believes they are being adequately compensated for the risk they are accepting.

In addition, by understanding correlations and monitoring industry exposures, the Team seeks to diversify against clusters of risk. With the flexibility to remain benchmark agnostic, the Fund is unconstrained in its ability to select securities within its investment guidelines.

The portfolio is actively managed and is subject to change. The above are not investment guidelines or restrictions and the Fund's actual holdings information may vary from the above. Past performance is no guarantee of future results.

First Eagle High Yield Team

The Team consists of six members, and the four senior members have worked together for over a decade.

- **Portfolio Managers:**
  Edward Meigs, CFA, and Sean Slein, CFA
- **Senior Credit Analysts:**
  Stefanie Bachhuber, CFA, and Kevin Kuzio, CFA
- **Associate Credit Analysts:**
  Andrew Bahl, CFA, and Lina Kabaria, CFA

Average Annual Returns as of 12/31/2018 (%)

		YTD	1 Year	5 Years	10 Years*	Expense Ratio Gross**	Expense Ratio Net
First Eagle High Yield Fund – Class I (without sales charge)	FEHIX	-0.42	-0.42	2.56	10.42	0.91	0.81
Bloomberg Barclays U.S. Corporate High Yield Bond Index		-2.08	-2.08	3.83	11.12		

The performance data quoted herein represents past performance and does not guarantee future results. Market volatility can dramatically impact the fund's short-term performance. Current performance may be lower or higher than figures shown. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Past performance data through the most recent month end is available at www.feim.com or by calling 800.334.2143.

Had fees not been waived and/or expenses reimbursed in the past, returns would have been lower.

* Class I Shares require $1mm minimum investment, and are offered without sales charge. Performance information is for Class I Shares without the effect of sales charges and assumes all distributions have been reinvested and if a sales charge was included values would be lower. **Class A and C shares have maximum sales charge of 4.50% and 1.00% respectively, and 12b-1 fees, which reduce performance.** The Fund commenced operations in its present form on December 30, 2011, and is successor to another mutual fund pursuant to a reorganization December 30, 2011. Information prior to December 30, 2011 is for the predecessor fund. Immediately after the reorganization, changes in net asset value of the Class I shares were partially impacted by differences in how the Fund and the predecessor fund price portfolio securities.

** These are the actual fund operating expenses prior to the application of fee waivers and/or expense reimbursements. As of July 1, 2018, the Adviser has contractually agreed to waive its management fee at an annual rate in the amount of 0.10% of the average daily value of the Funds net assets for the period through February 29, 2020. This waiver has the effect of reducing the management fee shown in the table for the term of the waiver from 0.70% to 0.60%.

°° By prospectus, the Fund also has the ability to invest in derivative instruments such as options, futures, credit default swaps, and swaps and options on indices.

Funds that invest in bonds are subject to interest-rate risk and can lose principal value when interest rates rise. Bonds are also subject to credit risk, in which the bond issuer may fail to pay interest and principal in a timely manner, or that negative perception of the issuer's ability to make such payments may cause the price of that bond to decline.

The Fund invests in high yield securities (commonly known as "junk bonds") which are generally considered speculative because they may be subject to greater levels of interest rate, credit (including issuer default) and liquidity risk than investment grade securities and may be subject to greater volatility. The Fund invests in high yield securities that are non-investment grade. High yield, lower rated securities involve greater price volatility and present greater risks than high rated fixed income securities. High yield securities are rated lower than investment-grade securities because there is a greater possibility that the issuer may be unable to make interest and principal payments on those securities. All investments involve the risk of loss.

Bank loans are often less liquid than other types of debt instruments. There is no assurance that the liquidation of any collateral from a secured bank loan would satisfy the borrower's obligation, or that such collateral could be liquidated.

There are risks associated with investing in securities of foreign countries, such as erratic market conditions, economic and political instability and fluctuations in currency exchange rates. These risks may be more pronounced with respect to investments in emerging markets.

Funds whose investments are concentrated in a specific industry or sector may be subject to a higher degree of risk than funds whose investments are diversified and may not be suitable for all investors.

The Bloomberg Barclays U.S Corporate High Yield Bond Index is composed of fixed-rate, publicly issued, non-investment grade debt, is unmanaged, with dividends reinvested, and is not available for purchase. The index includes both corporate and non-corporate sectors. The corporate sectors are Industrial, Utility, and Finance, which include both U.S. and non-U.S. corporations. The index is presented here for comparison purposes only. One cannot invest directly in an index.

Investors should consider investment objectives, risks, charges and expenses carefully before investing. The prospectus and summary prospectus contain this and other information about the Funds and may be obtained by asking your financial adviser, visiting our website at www.feim.com or calling us at 800.334.2143. Please read our prospectus carefully before investing. Investments are not FDIC insured or bank guaranteed, and may lose value.